

Guidelines 2019-2020

Charity fund and social and cultural works Chairman's Technical Secretariat

The national and international context

World Bank figures show that in recent decades the **global** number of people living in conditions of extreme poverty (with less than \$1.90 per day) has significantly decreased. In 1990 that figure stood at 36% but fell to 10% in 2015. All the same, this process has not affected countries in the same way (over half of extremely poor people live in sub-Saharan Africa, where the number of people living in deprived conditions has increased by 9 million in recent years) and worldwide levels of poverty remain at unacceptable levels. Based on current growth estimates, extreme poverty will not be eliminated by 2030, in contrast to the forecasts of the United Nations Objectives of Sustainable Development¹.

This is the direct result of the staggering rise in inequality resulting from the polarisation of income. For years, prosperity has been flowing in a disproportionate manner towards the top of the social pyramid. According to the World Inequality Report 2018, between 1980 and 2016, 50% of the world's poorest people was paid 12 cents for every dollar in the increase in global income, while 1% of the richest received 27 cents.²

The consequences of poverty make it even more unacceptable: no education, poor access to medical assistance and other essential services, low-quality and precarious employment and lower life expectancy. The explanations are many and largely attributable to the socio-economic context, in addition to the vast variations due to gender, ethnicity and geographic displacement.

According to the latest UNESCO data³, 64 million children in the world do not go to primary school, a figure that has given no sign of decreasing in the past 10 years. The majority come from Sub-Saharan Africa and countries at war. Between 2013 and 2017, the percentage of children that manage to finish their schooling

¹ <http://www.worldbank.org/en/topic/poverty/overview>.

² "Public good or private wealth?", Oxfam (2019).

³ "Global Education Monitoring Report 2019: Migration, displacement and education: building bridges, not walls", UNESCO (2019).

has fallen in relation to the increase in the level of teaching. 85% of primary school students, 73% first grade secondary students and only 49% of second-grade secondary students manage to complete their studies.

387 million children aged between 6 and 10 (56% of the world total) and 230 million teenagers (61% of the world total) do not have even a minimum level of literacy. Today, there are around 750 million illiterate adults.

Concerning health⁴, less than half of the inhabitants of the planet receive the health care they need. In 2010, approximately 100 million people were classified as extremely poor following medical expenses that they could not afford. 13 million people die every year from heart diseases, chronic respiratory illnesses, diabetes and cancer, above all in countries with a medium or low income. Despite infant (up to 5 years) mortality being halved, falling from 93% in 1990 to 41% in 2016, 15,000 children die every day around the world. More than 150 million children under 5 years old are under-nourished or stunted.

International trends reflected in Italy. As described in the latest ASviS Report⁵ - Italian alliance for sustainable development – that has monitored the achievement of the Objectives of Sustainable Development in Italy between 2010 and 2016, absolute and relative poverty (Objective 1) has worsened, with a high number of people in under-employed and seriously deprived families rising from 7.4% in 2010 to 12% in 2016. Objective 8 concerning Employment has also worsened: although it is true that in recent years employment has risen, the unemployment rate is still almost double pre-crisis levels and a part of the newly employed have fragmentary or precarious contracts. Unemployment figures have worsened as has the number of people aged between 15 and 29 who are Neither in Employment nor in Education or Training (Neet). Inequalities (Objective 10) have grown: there has been an increase not only in the divide between the rich and the poor, but above all in the number of families living in conditions of absolute poverty, due to the serious depression in Italy, especially the South. Although disposable income has improved since 2014, at the same time both the ratio between the income of the richer population and that of the poorer part and the percentage of people living in families with an available income 60% below the median have increased.

⁴ "World Health Statistics 2018: Monitoring health for the SDGs", WHO (2018).

⁵ "Italy and the Aims of Sustainable Growth", ASviS (2018).

According to BES 2018⁶, in the past year, infant mortality rose, as did deaths among the elderly due to dementia and nervous illnesses (the latter higher than 2010). Early school or training leaving also rose (14% young people between 18 and 24) while the percentage of people between 25 and 64 with at least a diploma declined; in 2017, it was notably lower than the European average (60.9% and 77.5%, respectively). Compared to 2010, there was also a significant fall in the figures on infant school attendance, participation in cultural activities and the rise in the number of young people who neither work nor study. The number of jobless remains high, almost double European levels: in 2017 one woman out of four (24.6%) and about one man in six (17.6%) available for work was unemployed, compared to one worker in ten (10.7%) in the rest of Europe, where the gender difference is less marked. Workers with low educational qualifications are the most disadvantaged in terms of pay. With regard to economic well-being, the number of people in absolute poverty is rising and net average pro capita wealth is falling. In Italy, the ratio between total revenue held by the 20% of the population with high income and that available to the 20% of the population with lower income fell to 5.9, compared to a European average of 5.1. The average of people living in conditions of serious deprivation fell to 10.1% from 12.1% in 2016, but still remaining about 3.2% above the European average. The gap between European average employment, that describes the difficulties of gaining, and remaining, in work remains basically the same, albeit with a slight increase.

With the 2019-2020 Guidelines, the Fund aims to contribute to replying to the above needs, without taking the place of the public sector, but putting itself forward as an integrator of the initiatives of non-profit organisations by supporting medium and small projects that are trying to resolve problems not sufficiently handled by traditional welfare tools.

The Fund's activities in the 2019-2020 period will not only contribute to the **realisation of the social objectives of the Bank's Business Plan** but is also aimed at **aiding the achievement of the Objectives of Sustainable Growth set out in the United Nations 2030 Agenda.**

⁶ "Il Benessere Equo e Sostenibile in Italia" (Equal and Sustainable Wealth in Italy), ISTAT (2018).

National actions

Traditionally, the Fund concentrates the greater part of its resources in Italy to support the communities where Intesa Sanpaolo is present through its network branches.

The aims of the Fund are to guarantee a fair and adequate division of resources in the country; consequently, we will pay close attention to ensuring a proper geographical distribution (see: Annual Plan).

1. Social

For the period 2019-2020, activities will concentrate on the following especially important and urgent subjects:

- i. Lack of educational opportunities and school dispersion**
- ii. Violence against women and minors**
- iii. Senile dementia**

i. Educational poverty and school dispersion

Educational poverty is the lack of access to fundamental learning skills to be able to grow and live in the modern world. It can be interpreted as the lack of development of "non-cognitive" skills such as motivation, self-esteem, hopes and dreams, communication, co-operation, empathy, inter-personal relations, and understanding oneself and the surrounding world, fundamental to an individual's cultural growth⁷ and without which the possibility of school leaving and school dispersion can arise.

According to ISTAT data⁸ published in 2018 for the reporting of the United Nations Objectives for Sustainable Growth and referring to the 2015 PISA (*Programme for International Student Assessment*) tests, the average number of 15-year olds with an insufficient reading level is 20.9%, while in mathematics and science the average is 23.3%.

In this context, it is possible to identify the marked differences between the five Italian geographical macro-areas (North-East, North-West, Centre, South, and Islands), that tend to prove the diversity of the efficiency of the school system in the various areas. The lowest percentage of students with poor levels were found in

⁷ "Ending child educational poverty: where are we?", Save The Children (2016).

⁸ "SDGs 2018 Report", ISTAT (2018).

the North-East (11% reading, 11.8% mathematics, and 10.4% sciences) and the North-West (15.1% reading, 17.6% mathematics, and 16% sciences). Central Italy, with percentages of 20.4% in reading, 20.1% in maths and 21.9% in sciences did not significantly deviate from the national average. The South and Islands are the regions with the highest level of students that do not meet the minimum requirements in reading/writing, mathematics and science (27.8% in reading, 29.9% in maths, and 32.8% in science in the South, and 32.8% reading/writing, 39.6% maths, and 41.4% sciences in the Islands).

The INVALSI 2018⁹ report (results studied by the National Institution to evaluate the education and training system and consequently the same across Italy for all levels of education) shows that during the school career, between the Grade 2 and Grade 10 (primary school class 2 and secondary school class 2), the results of exam in Italian and mathematics in the macro-areas tend to diverge progressively and the percentage of children who do not acquire basic knowledge increases as the educational level rises¹⁰. In primary schools, the differences are limited and generally statistically insignificant, while in first grade third-year secondary classes, the average results in the macro-areas tend to diverge, consolidating the trend in second-year secondary schools. It seems evident that action is required throughout the academic career, starting for primary schools, to resolve this problem.

Educational poverty is a “hereditary” problem that sees children from families with social-economic problems more likely not to acquire basic abilities. However, this does not exclude minors from not particularly disadvantaged backgrounds but where there are relationship difficulties and cultural deficiencies by the parents or the legal guardian.

All the same, some children manage to engage in processes of resilience (in 2015 some 26%¹¹ of students from the lower quarter of socio-economic classification) and escape from the educational disadvantage not only thanks to their potential but also their educational-formative environment. The quality teaching offered by schools, together with extra-curricular training, are particularly importance: pupils from economically handicapped families that attend schools with extra-curricular initiatives such as music

⁹ “INVALSI 2018 test report”, Invalsi (2018).

¹⁰ Comparative data in INVALSI 2018 test results by school level.

¹¹ “Swimming against the current”, Save The Children (2018).

laboratories, voluntary activities, sports and artistic or literary courses, are 127%¹² more likely to be resilient, that is to improve themselves.

Premature abandoning of education – dropping out – is a phenomenon of educational poverty and one of the most serious problems afflicting not only schools but also the whole of Italian society. The term “Drop-outs” refers to young people who leave the school and general education system without completing secondary school or the equivalent professional training. In general, the cause of this phenomenon is scholastic dispersion, that is the mix of processes giving rise to slowing-down, unpunctuality, irregular attendance or other prolonged interruptions to the school career.

Italy, with 14%¹³ (2017 figures) of school-leavers aged between 18 and 24, is the 4th country in the EU for the number of drop-outs and, despite the fall in the percentage from 2006, has not reached the “Europa 2020” objective of lowering the percentage to 10%. Statistically, premature leaving is more frequent among young people from under-privileged families. In this context, according to ISTAT¹⁴ data, there still exists a marked difference between the various regions, with a significantly higher percentage on Southern Italy (11.3% in the North, 10.7% in the Centre, and 18.5% in the South).

It is important to remember that abandonment of education does not have immediate repercussions only on personal formation but also on the future life conditions. Those with a low level of education are more likely to enter less stable or irregular employment and are more exposed to greater risk of social exclusion.

The Fund intends to support initiatives to deal with education poverty and early school leaving by minors through a number of actions, for example:

- strengthening and broadening the complementary/integrative educational offer (teaching aids for study, assistance in homework, tutoring), also adopting multi-service approaches (e.g. teaming educational and psychological/health services);
- setting up laboratories to promote motivation, or re-motivation to study, valorising abilities and propensities, reinforcing self-esteem and activating resilience;
- organising school camps, training activities, seminars and out-of-school cultural courses;

¹² “Swimming against the current”, Save The Children (2018).

¹³ “Early leavers from education”, Eurostat table (2017) [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=File:Early_leavers_from_education_and_training,_young_men,_2007_and_2017_\(%25_of_young_men_aged_18-24\)_ET18.png](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=File:Early_leavers_from_education_and_training,_young_men,_2007_and_2017_(%25_of_young_men_aged_18-24)_ET18.png).

¹⁴ “Population education levels and job incomes: main indicators”, ISTAT (2018).

- guaranteeing support to educational centres for minors at the greatest risk of dispersion, with particular attention to areas where the phenomenon is most common;
- creating "listening" spaces to help young people to identify and deal with any psychological and relational problems;
- organising meetings and refresher course for teachers to restore motivation and provide information on techniques necessary to deal with the problems of classes and individual students;
- actively involving families in school life and offering parental guidance, also by creating parent groups, with initiatives aimed at fostering school-family dialogue and family-child inter-action; meetings to illustrate what the school is offering; promoting educational activities.

ii. *Violence against women and minors*

The definition of "gender-motivated violence against women" today covers a broad spectrum, from "femicide", persecution ("stalking") to domestic cruelty and sexual violence.

In Italy, violence against women is widespread and, in many ways, hidden. A reading of the available information shows that violence against women has no temporal limits. What is different today is a renewed recognition of the equality of the sexes, even if, in comparison to the previous ISTAT report (2006), the percentage of women registering complaints has risen from 6.7% to 11.8%, there is still a lot to be done: it is estimated that some 6.8 million women have suffered some sort of physical or sexual violence¹⁵.

Although the number of murders has fallen nationally, the percentage of female victims is unchanged: in 2016 murders of women made up 73% of the total, while in September 2017 the figure was 71%¹⁶, that is 61 women out of a total of 86 homicides. 31 cases out of 61 recorded have been sociologically classified as "femicide, that is the killing of a woman by a man in an act of extreme provocation"¹⁷. Although there has been a significant fall in cases of persecution (*stalking*), in the first nine months of 2017 cases of female victims of this type of crime made up 72.60%¹⁸ of the total, substantially unchanged over recent years. With

¹⁵ "Violence against women inside and outside the family", ISTAT (2014).

¹⁶ Parliamentary commission on femicide and all forms of violence – hearing of Senator Marco Minniti (8 November 2017).

¹⁷ "... this is NOT LOVE", State Police (2017).

¹⁸ "... this is NOT LOVE", State Police (2017).

regard to domestic abuse, in 2017 80% of cases involved women, while, in cases of sexual attacks, 80% of the victims were women¹⁹.

Another phenomenon related to violence is sexual harassment. An estimated 8.8 million women (43.6%) between 14 and 65 have suffered some form of sexual harassment²⁰: stalking, flashing, obscene telephone calls, verbal and physical abuse and harassment via social networks. The perpetrators of sexual abuse are prevalently men: 97% for female victims and 85.4% for male victims. In the workplace, an estimated 1.4 million women have been subjected to physical harassment or sexual blackmail; in 1.1 million cases, this was either to be given a job, keep the job or be promoted.

With regard to violence against children, it is estimated that over 91 thousand minors are maltreated in Italy²¹; out of every thousand children in the charge of Social Services, around 200 are in treatment for abuse. The number of minors being treated for abuse, out of the total number being cared for by Social Services, is highest in the South and Centre – 273.7% and 259.9 respectively for every thousand children treated – compared to 155.7 cases in the North. More in general, in terms of the total resident child population, the prevalence of abuse occurs in the Centre and North compared to the South. In fact, in the Centre, 11.6 out of 1,000 inhabitants are in care for abuse, while the number falls to 9.8 per thousand in the North and 8.4 per thousand in the South.

A less-known facet of violence against women and minors is assisted inter-family abuse, that consists of any type of maltreatment carried out through acts of physical, verbal, psychological, sexual, economic and violence or persecution perpetrated by responsible figures or other emotionally significant people caring for a child or an adolescent²². The phenomenon of assisted violence is the most commonly recorded after material or emotional negligence approximately 1 in 5 of maltreated children is a witness to domestic violence.

Some, non-exhaustive, examples of the charity Fund's actions to prevent and fight against violence are:

- support to aid and reception centres (refugee structures and acceptance areas);
- support to anti-violence desks;

¹⁹ Parliamentary commission on femicide and all forms of violence – hearing of Senator Marco Minniti (8 November 2017).

²⁰ "Sexual harassment and blackmail in the workplace", ISTAT (2018).

²¹ "National survey of maltreatment of children and adolescents in Italy", Cismai (2015).

²² "Minimum requirements for actions in cases of assisted violence and abuse of mothers", Cismai (2017).

- psychology and/or legal courses for victims;
- courses facilitating residents' working (choice of employment, training, etc.) and/or living autonomy residential;
- laboratory activities useful to the development of self-esteem and business acumen on the part of the victims;
- projects to help child victims of assisted violence (scholastic and psychological support, etc.);
- projects for the social recovery and re-entry of perpetrators of violence;
- training programmes for operators and volunteer workers;
- awareness programmes in schools;
- courses on emotional education;
- educational programmes to overcome stereotypes;
- information programmes on violence.

iii. Senile dementia

Dementia is a chronic-degenerative disease consisting in a progressive degeneration of cognitive abilities, behavioural disturbance problems and functional problems that cause the sufferers to lose their autonomy and self-sufficiency, often with serious consequences for family members that have to provide continuous support.

Defined by the WHO as "world priority for public health" in 2012, dementia seems to be increasing in the world: in 2010, 35.6 million cases were recorded, estimated to double by 2030 and exceeding 100 million by 2050, reaching 7.7 million new cases each year and an average survival rate, after diagnosis, of a maximum 8 years. At present, there are an estimated 47 million in the world, with an overall management cost of 800 billion dollars²³.

As the main risk factor for dementia is known to be old-age, countries with as high life expectancy are naturally more exposed to this type of illness: in Italy, life expectancy is 65 years, higher than the European average (18.9 years more for Italian men, against the EU average of 17.9, and 22.2 for Italian women, compared to the 21.2 EU average), while in terms of quality of life (considering years remaining for good

²³ "World Alzheimer Report 2015", (2015).

health and personal autonomy), Italy is below the EU average, suggesting that the risk of dementia among the aged exists and has important social implications.

In 2015 (the last available figure), there were 13.4 million over 65s, making up some 22% of the population²⁴. To date, over one million cases of dementia have been recorded in Italy (4.7% of the entire aged population, of which 60% were afflicted by Alzheimer's Disease): an estimated three million people are involved in helping them (including directly and indirectly friends and relations).²⁵ The mortality rate linked to dementia and nervous illness in people over 75 has risen constantly between 2004 and 2015 in Italy, recording in the last analysed year 3.2 deaths out of 1,000 (compared to 2.7 in the previous year)²⁶. The economic consequences of this scenario, in the specific case of Alzheimer's, are an annual cost of over €70,000, including of costs met by the national health service, family members and indirect expenses (e.g., assistance from care-givers or the lack of patients' employment income). The cost for Italy therefore amounts to more than 11 billion euro per annum²⁷.

The urgent need to find ways to confront the phenomenon is therefore a priority. A non-exhaustive list of examples of sustainable projects include:

- supporting preventive actions: considering the limited efficiency of available pharmacological treatment, there is a growing interest in the discovery and use of alternative approaches that act on modifiable factors (principally relating to life styles) that have a satisfactory clinical benefit and fight against and prevent the illness;
- developing integrated, continuative programmes of assistance (case management): putting the patient on a cure studied by a clinical doctor or a specialist centre that, with the patient's cooperation, outlines therapy the involves the patient also in the various structures (like the reference hospital, the RSA (company union representative), outpatient services and home care, day centres) to render the therapy constant and facilitate the work of the care-givers (improving the quality of the life of both the patient and the families involved)²⁸;

²⁴ ISTAT, (2015).

²⁵ "Alzheimer's Disease", Salute.gov.it, (2017).

²⁶ "BES Report 2018", ISTAT (2018).

²⁷ "CENSIS-AIMA Report" (2016).

²⁸ "World Alzheimer Report 2016" (2016).

- supporting innovative projects: especial attention will be paid to the realisation of innovative inclusion projects (e.g. the “Dementia Friendly Communities”: urban areas studied to help the elderly suffering from dementia in carrying out everyday activities, or the “Cafè Alzheimer”, protected public places, open also to family members, where it is possible to chat, share a meal or just pass the time).

At the same time as allocating significant resources to the above activities, the Fund is always open to other initiatives, such as:

- **Occupational training and entering employment as a means for social inclusion**

To give some examples, the Fund's assistance is given to directional, formation, apprenticeship, and professional training for those still not in the work market, with particular attention to NEETs; motivation, redirecting and exploiting the abilities of those leaving, or shut out, from the labour market; inclusion of delicate subjects.

- **Health poverty**

The Fund's support to the health industry can be exemplified by the support of the collection and distribution of medicines, clinics for free or cheap health assistance, assistance for particularly disadvantaged patients in health centres or at home, recreational activities and psychological support in hospital wards, and support groups and meetings for the families of the patients.

- **Physical and intellectual disabilities**

The Fund's support activities in this area aims to facilitate full access to physical, social, economic and cultural environments for disabled people and offer support to their families through, for example: rehabilitation projects, to help autonomy and mobility, school support, entering the job market; expressional laboratories, recreational activities and holidays; creating support networks and tools to guide and facilitate access to services; promoting the training of professionals working with the disabled.

- **Inclusive amateur sport, only at the level of territorial donations** (requests of up to 5,000 euro): small projects using sport to promote tolerance and respect and the acceptance of fragile, excluded or disadvantaged people. Donations to general sporting activities for children and adults are not covered.

2. Culture

The Fund intends to reward **only cultural projects that qualify as social initiatives** and are therefore addressed to people with insufficient economic resources and fragile people and "outsiders".

Limited examples of this are: artistic courses for abandoned children and adolescents or those from troubled areas; theatrical and musical activities involving prisoners and the disabled; art laboratories to favour social inclusion through the participation of Italians, non-Italians, disabled and able persons; cultural activities for single elderly people; professional artistic training for vulnerable people, artistic activities to raise awareness of serious social problems (bullying, legality, diversity, etc.).

3. Religion

Beneficiaries of the Fund in this area are religious entities from any faith.

The activities receiving aid are mainly **charities based on solidarity and the centrality of people, and in which the social nature of the action is of paramount importance.**

More specifically, the Fund will support initiatives to fight poverty and social exclusion to help disadvantaged and excluded people, for example: coverage of rent, utilities and health expenses; distribution of food packages and other primary necessities; poor kitchens; temporary shelter for the homeless; communal clinics; welcome centres; social and employment courses; projects to help economically challenged or marginal citizens to attend schools.

4. Research

Although the share of GNP dedicated to research and development slightly increased in Italy between 2014 and 2016, **it is still markedly lower than the high average levels in the European Union and the principal OECD countries**²⁹. According to a CNR Report³⁰, Italy spends 1.3% of GNP on research and development, the same as Portugal and Estonia, **placing 12th of the 28 countries in the European Union**, below the Czech Republic and Slovenia. The ratio between R&D and GNP rose from 1.0% in 2000 to 1.3% in 2015. Government expenses on R&D remained stationary, just over 0.5% of GNP, while funding from the Ministry of Education, Universities and Research (MUIR) to public research bodies fell from 1,857 million in 2002 to 1,483 million in 2015.

²⁹ "Bi-annual report on the university and research system", National Agency for the Evaluation of the University and Research System (2019).

³⁰ "Report of research and innovation in Italy" National Research Council (2018).

The Fund's actions are aimed at drawing attention to those **research projects (in any area of science and technology) whose purpose is to improve life**, resolving serious problems and responding to emerging needs. The purpose of these generous donations in this area are aimed at realising **a limited number of selected projects put forward from the most qualified entities**.

The Research Area is supported **exclusively by central donations** (requests of over 5,000 euro). The requests may only be presented by entities that directly carry out the research; no funds may be collected on behalf of third parties. The projects are **evaluated by external experts in the different subjects**.

International activities

While mainly focussing on national activities, the Fund recognises the importance of maintaining international solidarity and making a contribution to the efforts of countries and communities to alleviate world poverty and promote growth and well-being for all people.

The international projects are paid for **exclusively by central donations** (requests over 5,000 euro). The proposals may involve both the social and religious sectors, with priority in both areas given to:

- development of the **communities and areas in which the Intesa Sanpaolo Group operates through its foreign subsidiary banks³¹**, also in partnerships set up by the International Subsidiary Banks Department. 50% of the resources allocated internationally are given over to this type of prioritised intervention;
- actions in countries that have a **low or medium Human Development Index³²**, paying especial attention to the following areas:
 - **economic development and professional training;**
 - **educational poverty;**
 - **food poverty;**
 - **health poverty;**
 - **empowerment of women and young people.**
- **actions in poor and emerging countries struck by natural disasters** (earthquakes, floods, drought, etc.).

³¹ https://www.group.intesasanpaolo.com/script/sir0/si09/chi_siamo/ita_wp_chi_siamo.jsp

³² <http://hdr.undp.org/en/content/human-development-index-hdi>

General characteristics of donations

The Fund's Guide Lines are its way of attributing and selecting the requests for contributions by potential beneficiaries over a two-year period (2019-2020).

All decisions are taken in accordance with the general objectives of the Fund, that is, **maintaining a high level of contributions to projects that have a significant social benefit for the more needy.**

In line with this philosophy, allocation of the Fund's annual resources **favours the Social**, that receives the greater part of available funds.

Irrespective of the area of action, **the selection of projects** is guided by the content of the proposed initiatives and their social and civil effects that are assessed ex ante by gathering information on the entity's capacity to achieve results ("track record"). The selection of the proposals **does not follow a chronological order** but priority is given to requests that have the **best planning, results and most significant social impact with a careful and attentive use of resources.**

In terms of time, **donations normally concern one-year projects.** In the event of multi-year approved and financed only for the first year, it is necessary to re-submit the request for the following years. Whatever the duration of the year, **the maximum limit to support is three consecutive years;** in this way, more opportunities for access to resources may be offered to a variety of initiatives. There is also an overall commitment to the **diversification of beneficiaries each year.**

Regarding the type of initiatives funded, **only projects are considered to the exclusion of supporting the day-to-day activities of the applicants.**

In addition, the following are excluded:

- projects exclusively aimed at the construction, rebuilding, restoration or restructuring of assets and properties;
- acquisition of equipment and durable assets: these cost items may be included in the project budget to the sum of no more than 20% of the request to the Fund;
- projects for commercial development, even if connected to social activities (e.g. establishment and start-up of co-operatives and social enterprises, franchising, development of brands/packaging/merchandising, etc.);

- projects requiring the organisation of initiatives and provision of onerous or non-price controlled;
- money-raising events and activities;
- shares in any type of business (start-ups, co-operatives);
- advertising and visibility: these cost items may be entered in the project budget for a sum of no more than 5% of the request to the Fund;
- organisation of traditional, promotional, touristic or commercial events;
- organisation of competitions and prizes;
- publication of musical works, books or editorial initiatives for social purposes, unless they have a particular national or local relevance, and distribution incurs no expense.

The Fund's resources are traditionally assigned to **development projects**. However, the possibility is considered of supporting actions in emergency situations, in the case of catastrophes or extraordinary events for which Intesa Sanpaolo or the banking system in general decides to take dedicated action.

The **donations** fall into two categories:

1. **Central** – over €5,000: these concern support of projects that may be considered significant because of the subject and the resources involved, that have a major social impact and preferably involve large areas (entire countries, several regions, a whole region). They are overseen and managed by the Technical Secretariat of the Presidency;
2. **Territorial** – maximum of €5,000: these are aimed at supporting small projects with a direct local impact that express the local community. They are managed and authorised in a decentralised approach by the Banca dei Territori Department through the Regional Offices.

The entities **requesting a contribution** to their projects from the Fund for an amount **equal to or above €100,00** must be subjected to an external **Monitoring and Assessment** of the activities and results carried out by one of the university institutions identified by the Fund (the list can be found on the website:

https://www.group.intesasanpaolo.com/script/sir0/si09/banca_e_societa/ita_fondo_beneficenza_monitoraggio_valutazione.jsp#/banca_e_societa/ita_fondo_beneficenza_monitoraggio_valutazione.jsp.

The choice of assessor, within the proposed basket, is free and the cost of the Monitoring and Assessment service will be agreed directly by the proposer of the project and the chosen assessor. **That cost shall be entered in the project budget at the time of presentation of the request and shall be covered by the Fund to a maximum of 50%.** The entities must **contact the assessor during the project planning phase** so as arrive at a prior agreement on results and appropriate indicators, by identifying the relating baselines before commencing the activity, and with checks during their application and on their termination.