



Human rights protection



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RELEVANT ISSUES

The Intesa Sanpaolo Group has always been committed to protecting human rights, in line with the values set out in the Code of Ethics.

Aware that its activities have direct and indirect impacts on human rights, Intesa Sanpaolo has defined its areas of responsibility for each of its Stakeholders. Indeed, it has considered its impact on its Group's people, customers, suppliers and the community. The environment is another issue closely related to the principles of human rights, and the promotion of high environmental standards must therefore be considered key to respecting and enjoying these rights.

As a cross-cutting issue that is relevant to various areas of the Group's operations, human rights are therefore touched upon throughout the Consolidated Non-Financial Statement, as summarised in the following table:

| Stakeholder | AREA OF IMPACT | see page |
|------------------------------|--|---------------|
| Group's people | Health and safety of workers and combating conditions of discomfort and stress | page 175 |
| Group's people | Combating the harassment of employees | page 165 |
| Group's people | Freedom of association | page 157 |
| Group's people | Non-discrimination, equal opportunities and fair remuneration | page 165 |
| Group's people | Family life through work-life balance policies | page 170 |
| Group's people | Safeguarding social security with supplementary pensions | page 170 |
| Customers | Policies and solutions for combating robberies | page 102 |
| Group's Customers/ People | Privacy of personal and sensitive data | page 90 |
| Customers | Financial inclusion of the most vulnerable social groups | page 117 |
| Suppliers | Inclusion of criteria for respecting human rights in the supply chain | page 210 |
| Community | Assessing the respect of human rights on the part of customer companies, specifically regarding their employees, and in financed projects, in particular concerning the rights of the communities involved | page 57 |
| Community | Culture and charitable activities promoting a respect for human rights | page 143 |
| Environment | All | pages 180;195 |

WHY THESE ISSUES ARE RELEVANT

According to the UN Guiding Principles on Business and Human Rights, approved in 2011, the State has a duty to protect human rights and businesses must respect them wherever they operate (regardless of the ability or willingness of States to fulfil their obligations). Victims of abuse must also be able to access appropriate and effective remedies.

Indeed, through their activities, businesses can have various types of impacts on human rights: positive ones, such as the supply of innovative services that improve people's quality of life; or negative ones, including the exploitation of workers, for example, or the forced displacement of people or entire communities. Businesses can also be indirectly involved in violations committed by other businesses or States.

In its role as an intermediary, a financial institution like Intesa Sanpaolo initiates a value chain that involves many different individuals, entities, businesses and States. For this reason, as well as observing the relevant legislation in force in all countries in which it operates, it is committed to identifying, mitigating and, where possible, preventing potential violations of human rights connected with its activities, as recommended by the UN's Guiding Principles on Business and Human Rights.

PERFORMANCE INDICATORS AND RESULTS ACHIEVED

Approved by the Board of Directors in December 2017, the Group adopted a specific human rights policy which incorporates the principles already outlined in the Code of Ethics translating them into tangible commitments.

| Indicators | Intesa Sanpaolo Group (excluding UBI Banca Group) | | Intesa Sanpaolo Group (including UBI Banca Group) |
|--|---|---------|---|
| | 2019 | 2020 | 2021 |
| Accidents in the workplace | 268 | 173 | 194 |
| Employees belonging to a union (% of total)* | 64.8% | 64.2% | 66.2% |
| Part-time employees (% of total) | 11.9% | 12.2% | 12.8% |
| Employees enabled for flexible work | ~17,250 | ~65,500 | ~78,000 |
| Reports of non-compliance with the Code of Ethics for alleged discrimination | 12 | 6 | 11 |
| Court cases for mobbing** | 2 | 3 | 3 |
| Reports of alleged breaches of the Privacy Code (Italy) | 77 | 101 | 140 |
| Robberies - Number of events per 100 branches | 0.46 | 0.12 | 0.07 |
| Suppliers registered on the Supplier Gate*** (n.) | 5,569 | 7,352 | 10,058 |
| Projects subject to Equator Principles screening****: | | | |
| Number | 11 | 10 | 19 |
| Amount granted (millions of euro) | 825 | 1,182 | 1,428 |
| Donations for vulnerable and disadvantaged groups managed centrally (% of total) | 95% | 92% | 99% |

* The industry National Collective Bargaining Agreement covers all employees in Italy. The percentage of employees working in Italy and covered by the Collective Bargaining Agreement for the Credit Sector who are also members of a trade union is 77.3%.

** There are three ongoing disputes of current employees which include, among the claims, also those for mobbing.

*** All suppliers registered on the portal are subject to checks in the areas of business ethics and respect for human rights, workers' rights and environmental rights.

**** In 2021 the amount granted subject to Equator Principles screening stood at 45.3% of total project finance allocations.

COMPANY POLICIES

Through the Group policy, Human Rights Principles, Intesa Sanpaolo pledges to:

- support the protection of human rights in accordance with the principles established in the Universal Declaration of Human Rights of 1948 and subsequent international conventions on civil and political rights and economic, social and cultural rights;
- recognise the principles established by the fundamental conventions of the ILO (International Labour Organization) and in particular the right of association and the right to collective bargaining, the abolition of forced and child labour, and non-discrimination in employment;
- contribute to combating corruption, supporting the guidelines of the OECD (Organisation for Economic Co-operation and Development) and the anti-corruption principles established by the UN in 2003, and also by taking a 'zero tolerance' approach to any eventual cases of corruption.

THE PROCESS OF MONITORING HUMAN RIGHTS

The implementation and gradual extension of the protection of human rights is monitored by ESG & Sustainability through:

- monitoring the implementation and governance of the Group's Code of Ethics, also with third-party assessments in line with the international UNI ISO 26000 standard, with a specific focus on the areas related to human rights;
- the sustainability report, which involves stakeholders and defines ESG and climate strategic objectives and the relative metrics and is subject to the certification of an independent auditor outside the Group;

Taking into account the results of the monitoring process, Intesa Sanpaolo pledges to:

- assess whether the policy needs updating;
- define guidelines for actions aiming to prevent and mitigate possible negative impacts on its stakeholders;
- issue, if necessary, further documents on specific rights and activities.

As a further guarantee for all stakeholders, anyone that wishes to report an incident of non-compliance can

write to the Code of Ethics email address (codice.etico@intesasanpaolo.com), anonymously and without fear of reprisals. With regard to reports of alleged human rights violations received in 2021, see page 50.

Human rights issues have, once again this year, been subject to third-party verification in accordance with the principles and contents of the ISO 26000 standard. For some of the topics analysed, the 2021 certification shows a further increase in the assessment compared to 2020 thanks to the existence of regulations, procedures and best practices that go beyond mere regulatory compliance, capable of protecting the human rights listed in the related policy, in relation to the main categories of Stakeholders.

In particular, the Group once again confirmed its commitment this year to actions and measures designed to protect its employees and customers during the COVID-19 pandemic, focusing first and foremost on its people as well as prioritising their health, safety and well-being. In addition, with a view to fostering inclusion and proximity to the most vulnerable situations, support was also provided, with different methods and actions, to communities, families and businesses to counter the effects generated by the difficult economic and social context that characterised 2021 (for more information, see page 22).

Human rights aspects were checked across all areas, with regard to the following issues:

| Issues | Aspects addressed | Average rating of issues 2020 (0-5) | Average rating of issues 2021 (0-5) |
|---|---|-------------------------------------|-------------------------------------|
| Employment protection | Respecting individual rights in terms of protecting employment and access to trade union representation | Italy 4.7 Abroad 4.0 | Italy 4.7 Abroad 4.0 |
| Health, safety and well-being of the Group's people | Respecting individual rights in terms of welfare and quality of life in the company; employee health and safety; working environment | Italy 5 Abroad 4.2 | Italy 5 Abroad 4.8 |
| Retention, enhancement, diversity and inclusion of the Group's people | Respecting individual rights in terms of enhancement of diversity | Italy 4.7 Abroad 4.2 | Italy 5 Abroad 4.7 |
| Quality of service and customer satisfaction | Respecting individual rights in terms of accessibility, customer protection, and customer health and safety | Italy 4.8 Abroad 4.7 | Italy 4.9 Abroad 4.8 |
| Innovation, digital transformation and cybersecurity | Contribution of innovation to improving people's quality of life. | - - | Italy 5.0 Abroad 4.2 |
| Financial inclusion and supporting production | Respect for human rights in terms of the financial inclusion of the most vulnerable social groups | Italy 5.0 Abroad 4.2 | Italy 5.0 Abroad 4.5 |
| Integrity in corporate conduct | Respecting individual rights in terms of the protection of privacy and compliance with labour laws | Italy 5.0 Abroad 4.1 | Italy 5.0 Abroad 4.3 |
| Sustainable investments and insurance | Respecting human rights in investments | Italy 4.8 Abroad 4.1 | Italy 5.0 Abroad 4.3 |
| Transition to a sustainable, green and circular economy | Respecting human rights in loans | Italy 5.0 Abroad 4.1 | Italy 5.0 Abroad 4.4 |
| Climate change | Protection of the rights of the "Future Generations" in terms protective measures against pollution and against the risk of climate change, responsible management of resources | Italy 5.0 Abroad 4.1 | Italy 5.0 Abroad 4.2 |
| Community support | Culture and charitable activities promoting a respect for human rights | Italy 5.0 Abroad 4.1 | Italy 5.0 Abroad 4.3 |

Note: the Abroad Rating is the average of the scores obtained by the Banks within the International Subsidiary Banks Division

The issues rating difference between Italy and abroad has to be interpreted considering the different regulatory and social environments, with particular reference to certain countries.

Lots of progress has been made in the international network, particularly with regard to employees.