



ESG and climate  
strategic objectives



# ESG and climate strategic objectives



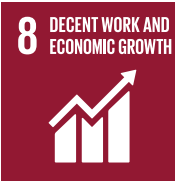

In light of the results obtained in the previous Business Plan and the main trends that will impact the financial services and insurance industry, Intesa Sanpaolo is committed to tackling the next few years as a leader with the aim of continuing to generate value for all stakeholders and at the same time building the Bank of the future: profitable, innovative and sustainable.

In the Intesa Sanpaolo 2022-2025 Business Plan, a growing and sustainable value creation with a strong value distribution for Shareholders remains a top priority, whilst maintaining a solid capital position, pursuing a structural strategy to reduce non-performing loans to position itself as a Zero-NPL Bank and delivering over 520 billion euro to Group’s stakeholders.

The Group aims to further strengthen its leading position in ESG with a world-class position in social impact and strong focus on climate.

For Intesa Sanpaolo, its People continue to be the most important asset behind the Group’s success, helping to make it possible to achieve the objectives set out in the Business Plan.

With regard to the commitments on ESG issues, the Group has outlined a series of objectives divided into the following areas:

Support to address social needs	Supporting people in need	Expansion of the food and shelter programme for people in need carrying on around 50 million interventions to distribute meals, beds, medicines and clothes
 <p>1 NO POVERTY</p>	Fostering youth education and employability	<p>Launch of employability programs for more than 3,000 young people and involvement of more than 4,000 schools and universities in inclusive education programs</p> <p>Promoting 3,000-4,000 social housing units for youth (e.g. students, young workers) in Italy</p>
 <p>4 QUALITY EDUCATION</p>	Assisting senior population	<p>Creating around 30 senior community hubs to provide, at the local level, social and leisure activities and dedicated health and social assistance services</p> <p>Promoting 3,000-4,000 social housing units for seniors (e.g. seniors with low income, living alone) in Italy</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	Total contribution of around 500 million euro, through investments and donations, to address social needs	
 <p>10 REDUCED INEQUALITIES</p>		

## Strong focus on financial inclusion through social lending



Lending to the Third Sector

Lending and dedicated services for non-profit organisations to promote territorial initiatives that benefit communities and the environment

Fund for Impact

Direct support to individuals unable to access credit through traditional financial channels, with dedicated programs such as “MAMMA@WORK”, a highly-subsidised loan to balance motherhood and work in their children’s early years of life, “Per Merito”, the first line of credit without collateral dedicated to university students, and XME StudioStation, loans to families to assist with distance learning

Loans for urban regeneration

Dedicated program for urban regeneration with investments in hospitals, smart mobility, broadband networks, education and service and sustainable infrastructure

Lending to vulnerable and underserved individuals

Direct support to vulnerable and underserved individuals

Support to families affected by natural disasters through subsidised loans

Partnerships to provide micro-credit to individuals or small companies in difficulty

25 billion euro cumulative social lending in 2022-2025

## Continuous commitment to culture



Two new museums for Gallerie d’Italia in Turin and Naples<sup>1</sup> and expansion of exhibition spaces in Milan and Vicenza with an overall increase from 14,200 square metres in 2021 to 30,000 in 2025

Multi-year program of original temporary exhibitions, educational labs with schools and social inclusion projects dedicated to vulnerable categories

Creation of a center of excellence in the new Gallerie d’Italia in Turin to promote the value of photography “Restituzioni” Program, dedicated to restoration and valorisation of the national heritage curated by the Bank in collaboration with the Cultural Ministry

Professional education programs in art and culture

Partnerships with museums, public/private institutions in Italy and abroad

Sponsorship of cultural activities and events

<sup>(1)</sup> Transformation of Palazzo Turinetti in Piazza San Carlo in Turin and of the former Banco di Napoli building in Naples into new museums.

## Promoting innovation



Development of multidisciplinary applied research projects (e.g. AI, neuroscience, robotics) via collaboration with top-notch research centers, promoting technology transfer and spin-offs and creating intangible assets and intellectual property

Support to high-potential startups through non-financial services (e.g. acceleration programs) and the connection/support of venture capital funds, also thanks to NEVA SGR

Support to the development of innovation ecosystems with an international perspective, coordinating the network of relationships with corporates, incubators, R&D centers, universities, national and international institutions

Acceleration of business transformation and support to corporates' long-term development (e.g. scouting new technologies) promoting de-risking and competitiveness through Open Innovation programs

Diffusion of innovation mindset/culture through events and new educational formats

Launch of around 800 innovation projects in 2022-2025

Around €100 million investments of NEVA SGR in start-ups

## Strong focus on climate and environmental initiatives



Accelerating towards net-zero emissions

Net-Zero emissions in 2050 for loan and investment portfolios and asset management and insurance. In line with the requests of the members of the Net zero alliances, a series of intermediate objectives have been set, for which reference is made to pages 145, 154 and 224.

Net-Zero aligned targets for 2030 in the following high-emitting sectors<sup>2</sup> (2030 target<sup>3</sup> against the 30.06.2021 baseline<sup>4</sup>):

- oil&gas<sup>5</sup>: reduction from 64 to 52-58 gCO<sub>2</sub>e/MJ;
- power generation: reduction from 214 to 110 kgCO<sub>2</sub>e/MWh;
- automotive: reduction from 162 to 95 gCO<sub>2</sub>e/km;
- coal mining (exclusion policy): exposure reduction from 0.2 billion euro to zero by 2025.

Carbon neutral own emissions target already in 2030 with 100% purchased renewable energy at Group level in 2030

Protecting and restoring natural capital

Commitment to planting 100 million trees, directly and through dedicated financing to clients

Adoption of a specific policy on biodiversity

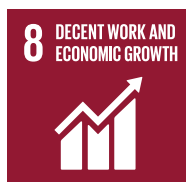
<sup>2</sup> Sectors consistent with Net-Zero Banking Alliance. Reference scenario: IEA Net-Zero 2050

<sup>3</sup> Targets may be updated over time following the evolution of the emission calculation methodology, the regular updates required by NZBA, SBTi and any issuance of new external guidelines.

<sup>4</sup> Portfolio composition as of 30.6.21, emissions data as at 2019.

<sup>5</sup> The Group already has a policy in place to phase out unconventional oil&gas by 2030.

## Supporting clients in ESG/climate transition



Sustainable lending for Retail clients

Further boost of sustainable lending for Retail clients with a focus on the green energy transition

Support to SMEs/Corporates on the sustainability journey

Strengthening of sustainable lending to SMEs/Corporates

Dedicated Circular economy Lab and strategic partner of the Ellen MacArthur Foundation

More than 12 ESG Labs, at least one in each Regional Governance Centre, with around 100 dedicated ESG specialists, in collaboration with specialised partners to support SMEs/Corporates in ESG transition

Skills4ESG platform for client training and engagement

Support the green transition: 88 billion euro of new lending for the green economy, circular economy and green transition (76 billion euro in relation to the National Recovery and Resilience Plan<sup>6</sup>, 12 billion euro to individuals<sup>7</sup>), of which 8 billion euro dedicated to circular economy

Client assessment based on Intesa Sanpaolo proprietary ESG scoring

Proprietary ESG scoring fully embedded in Intesa Sanpaolo's credit risk appetite model, as a key component for sustainable credit assessment together with considerations at a sector level (ESG/climate sectorial heatmap) and also included in the credit worthiness assessment of the entire Intesa Sanpaolo client base, in line with the expected regulatory evolution

Inclusion of ESG scoring within the credit strategies framework

Enhancement of ESG proposition in Asset management

Expansion of the ESG asset management offering

Increase in new ESG funds<sup>8</sup> as percentage of total new funds introduced from 58% in 2021 to 70% in 2025

Increase in Assets under Management (AuM) in sustainable investments<sup>9</sup> from 110 billion euro in 2021 to 156 billion euro in 2025 with a percentage of total AuM from 46% in 2021 to 60% in 2025

Further development of the Eurizon proprietary ESG scoring, with the extension to new asset classes

Development of dedicated ESG advisory services for Fideuram

Development of dedicated ESG insurance offering

Development of dedicated non-life ESG offer

Enrichment of ESG/climate offer within Group Life commercial proposition

<sup>6</sup> 2021-2026.





<sup>7</sup> 2022-2025.

<sup>8</sup> Eurizon perimeter – Funds pursuant to art. 8 and 9 SFDR 2088.

<sup>9</sup> Eurizon perimeter – Funds pursuant to art. 8 and 9 SFDR 2088.

People have always represented and continue to represent the most important asset of the Group, as well as the enabling factor for its future success.

The constant enhancement, growth and satisfaction of People represent fundamental targets to be taken: the Group shall continue to invest on talents, incentivizing diversity and inclusion, while creating a unique ecosystem of appropriate skills for the evolution of the Bank.

Group's People	Next Way of Working	"Next way of working" at large-scale (hybrid physical-remote) guaranteeing maximum flexibility to all employees while upgrading IT equipment and workplace layouts
 <p>3 GOOD HEALTH AND WELL-BEING</p>		<p>Around 33% of days worked remotely in 2025 (excluding the branch network)</p> <p>Large-scale employee wellbeing and safety initiatives</p> <p>New incentive plans to foster individual entrepreneurship</p>
 <p>4 QUALITY EDUCATION</p>	Innovative talent strategy	<p>"Future leaders" program targeting around 1,000 talents and key people at Group level</p> <p>International footprint reinforcement with distinctive capabilities in key markets and insourcing of core capabilities in the digital space</p>
 <p>5 GENDER EQUALITY</p>	Diversity & Inclusion	<p>Promotion of an inclusive and diverse environment thanks to a set of dedicated initiatives and a focus on gender equality</p> <p>New senior leadership appointments<sup>10</sup> balanced for gender<sup>11</sup></p>
 <p>10 REDUCED INEQUALITIES</p>	Learning ecosystem	<p>Increase in reskilled/upskilled People from around 5,000 in 2018-2021 to around 8,000 in 2022-2025</p> <p>Around 4,600 new hires over the course of the Plan, of which around 500 in 2021</p> <p>Increase in training hours from around 45 million in 2018-2021 to around 50 million in 2022-2025 with 100% of Intesa Sanpaolo People trained on ESG</p> <p>Creation of the leading education player in Italy to position itself as an aggregator of best Italian players in the industry, offer Group's People best-in-class training on critical capabilities for both the digital and ecological transition and invest in top-notch learning technologies to provide an increasingly more effective learning experience</p> <p>New "job communities" (clusters of professionals with homogeneous skillsets, learning paths and titles) aimed at defining a coherent development model throughout the Group with an increase in the number of participating People from around 4,000 in 2018-2021 to around 20,000 in 2022-2025</p>
	Tech-enabled process streamlining	<p>Cloud infrastructure enabling a new Group "HR platform"</p> <p>Organisational streamlining to improve efficiency and time-to-market</p> <p>Innovative organisational models in selected areas of the Group, enhancing agility and entrepreneurship</p>

<sup>(10)</sup> 1-2 organisational levels below the CEO.

<sup>(11)</sup> It is expected to achieve approximately 30% of female presence in senior leadership roles by 2025.