DETAIL OF TARGETS IN NEW SECTORS

NOVEMBER 2024

ALUMINIUM

Key perimeter and baselining design choices and considerations

Value chain in scope	**Focus on aluminium producers (refining of alumina from bauxite and both primary and secondary smelting)**
Emissions coverage	Scope 1, 2
Asset classes	Medium and long term loans
Target type	Intensity Sector Decarbonization Approach (SDA)
Metric	tCO_2e/t aluminium
Portfolio weighting	Financed production weighted approach
Approach	Target physical intensity value below 1.5 benchmark curve

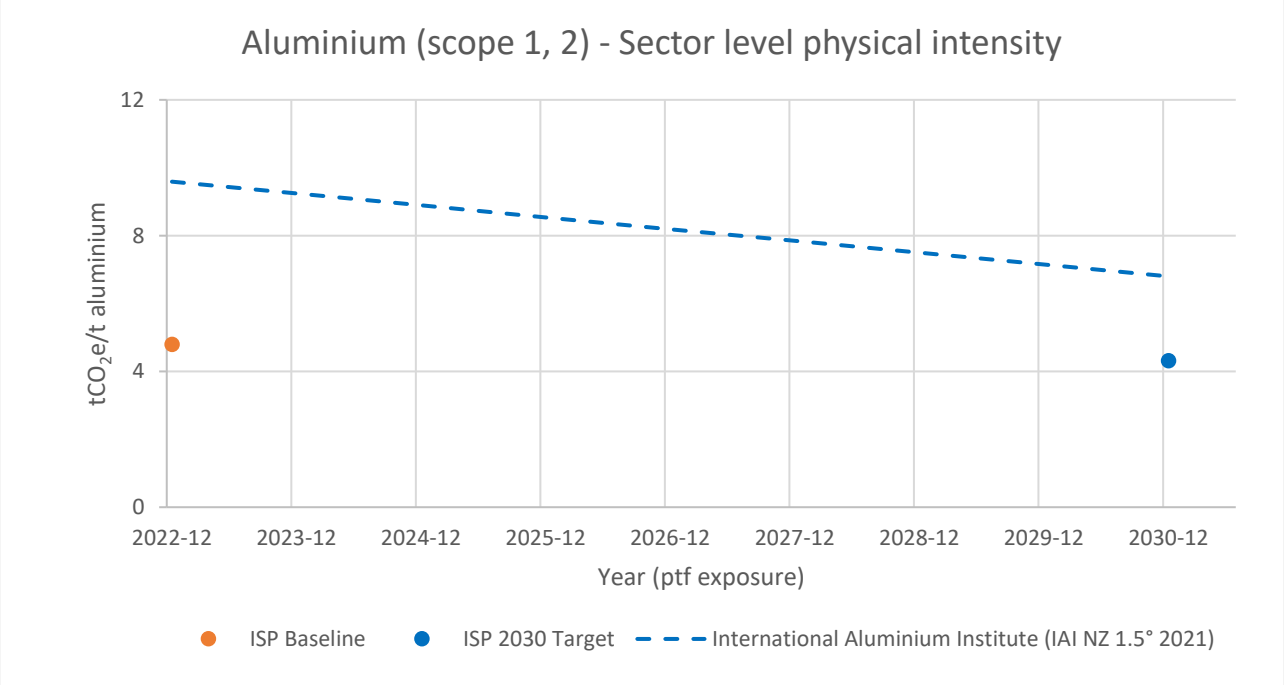
Target setting

Baseline

Date	**31/12/2022**
In scope portfolio, on balance lending (drawn exposure)	€0.5bn
Estimated Physical intensity	4.79 tCO_2e/t aluminium
Estimated Absolute financed emissions	0.45 Mt CO_2e

Target

Target date	**2030**
Benchmark Scenario	IAI NZ 1.5° (2021)
Estimated Physical intensity	4.31 tCO_2e/t aluminium
Decrease vs baseline	-10%
Target ambition	1.5°C aligned



CEMENT

Key perimeter and baselining design choices and considerations

Value chain in scope	Focus on cement producers, including production of clinker
Emissions coverage	Scope 1, 2
Asset classes	Medium and long term loans
Target type	Intensity Sector Decarbonization Approach (SDA)
Metric	tCO_2e/t cement produced
Portfolio weighting	Financed production weighted approach
Approach	Reduction

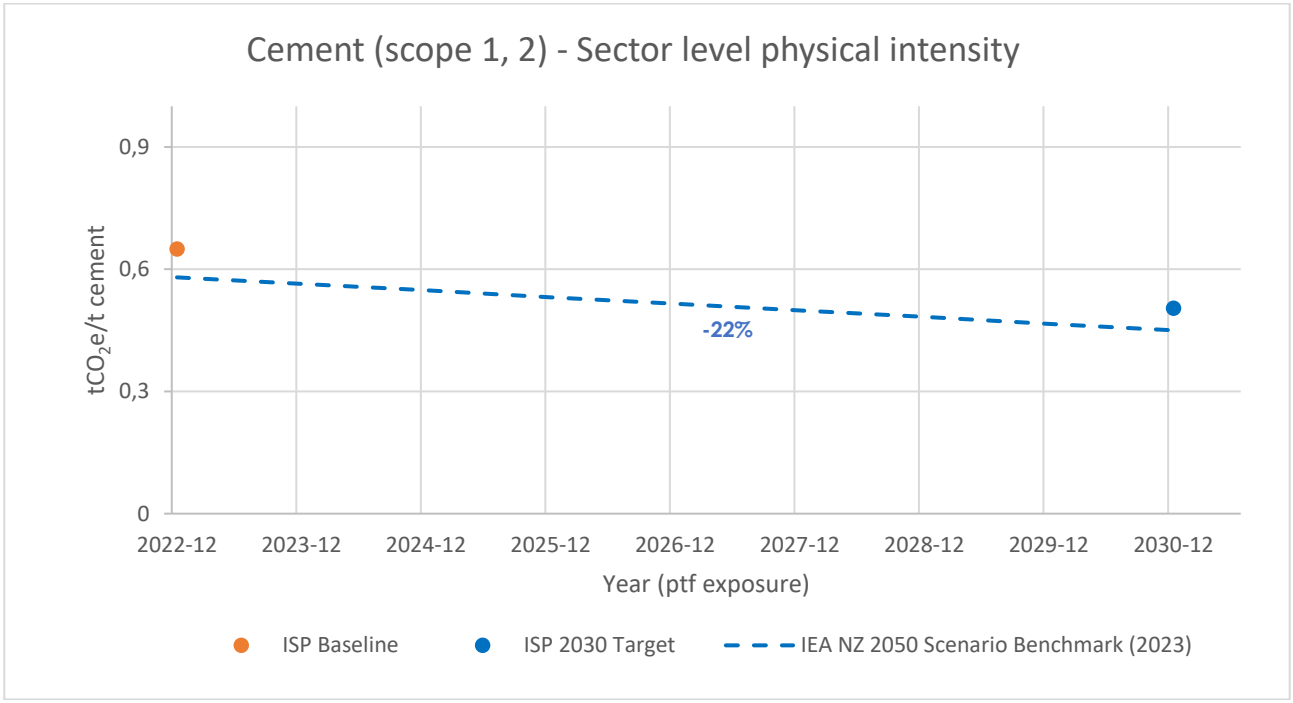
Target setting

Baseline

Date	31/12/2022
In scope portfolio, on balance lending (drawn exposure)	€0.27bn
Estimated Physical intensity	0.65 tCO_2e/t cement produced
Estimated Absolute financed emissions	0.77 Mt CO_2e

Target

Target date	2030
Benchmark Scenario	IEA Net Zero 2050 World scenario (2023)
Estimated Physical intensity	0.50 tCO_2e/t cement produced
Decrease vs baseline	-22%
Target ambition	1.5°C aligned



AGRICULTURE – PRIMARY FARMING

Key perimeter and baselining design choices and considerations

Value chain in scope	Focus on primary farming
Emissions coverage	Scope 1, 2
Asset classes	Medium and long term loans (corporates and SME corporates with more than €10m revenue)
Target type	Intensity Sector Decarbonization Approach (SDA)
Metric	tCO_2e/€m revenue
Portfolio weighting	Revenue-adjusted exposure weighted approach
Approach	Target revenue intensity value below 1.5 benchmark curve

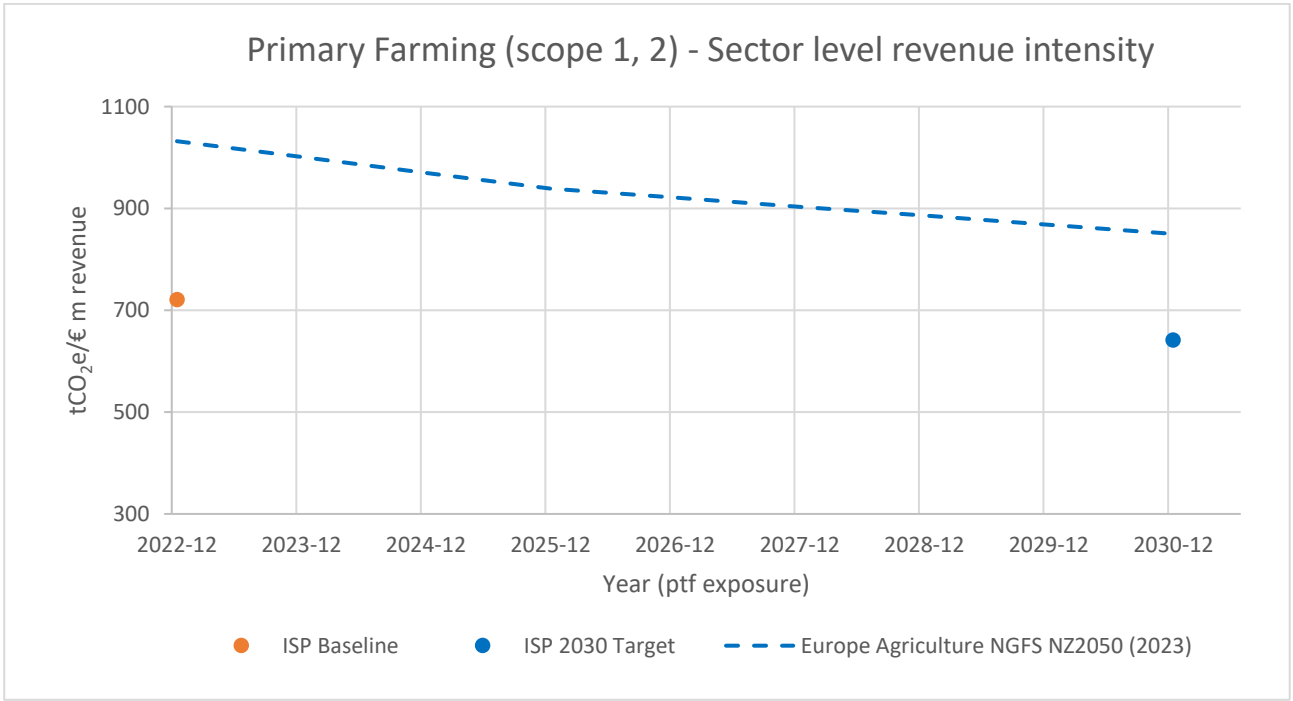
Target setting

Baseline

Date	31/12/2022
In scope portfolio, on balance lending (drawn exposure)	€0.91bn
Estimated Physical intensity	721 tCO_2e/€ m revenue
Estimated Absolute financed emissions	0.85 Mt CO_2e

Target

Target date	2030
Benchmark Scenario	Europe Agriculture NGFS NZ 2050 (2023)
Estimated Physical intensity	641 tCO_2e/€m revenue
Decrease vs baseline	-11%
Target ambition	1.5°C aligned



RESIDENTIAL REAL ESTATE (RRE)

Key perimeter and baselining design choices and considerations

Value chain in scope	In-use operational emissions of buildings in Italy
Emissions coverage	Scope 1, 2, 3[1]
Asset classes	Mortgages for retail clients
Target type	Intensity Sector Decarbonization Approach (SDA)
Metric	$kgCO_2e/m^2$
Portfolio weighting	Financed floor area weighted approach
Approach	Reduction in line with Bank assumptions (Not NZ)

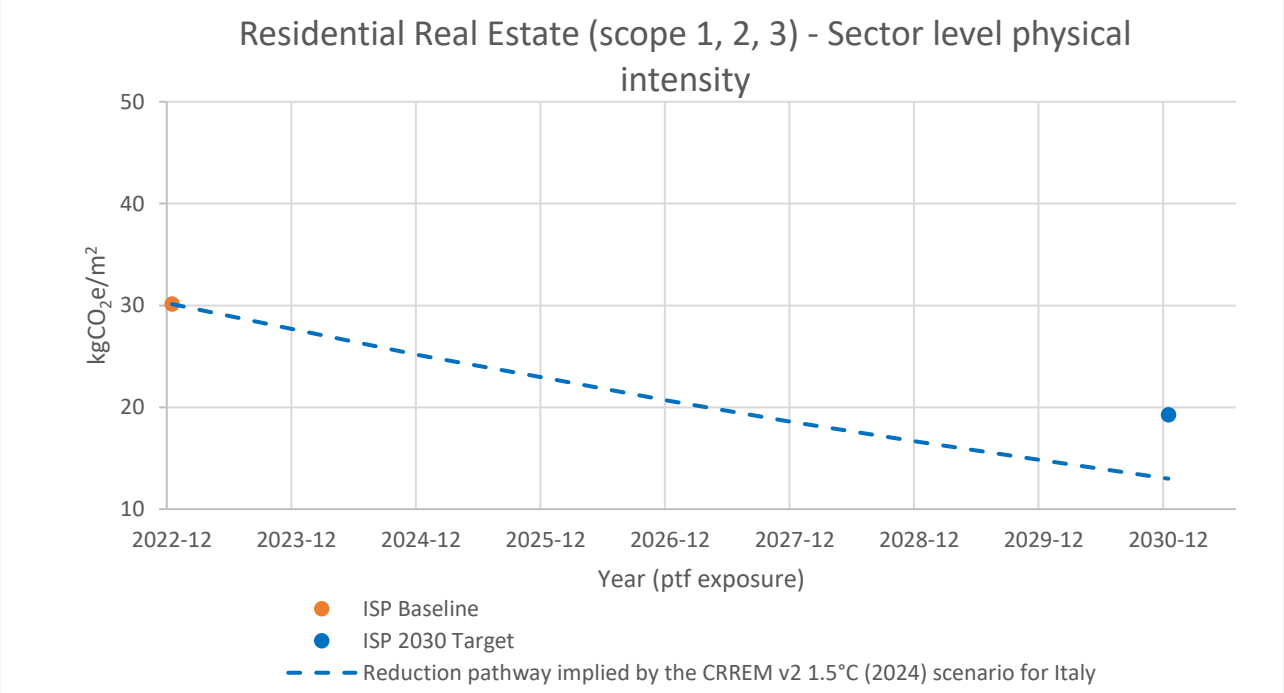
Target setting

Baseline

Date	31/12/2022
In scope portfolio, on balance lending (drawn exposure)	€105.5bn
Estimated Physical intensity	30.13 $kgCO_2e/m^2$
Estimated Absolute financed emissions	2.1 Mt CO_2e

Target

Target date	2030
Benchmark Scenario	CRREM v2 1.5°C (2024) reduction pathway for Italy[2]
Estimated Physical intensity	19.26 $kgCO_2e/m^2$
Decrease vs baseline	-36%



[1] Scope 3 emissions for RRE captured for building owner's (lessor) reporting emissions from the energy use of a tenant (lessee)

[2] It is to be noted that the emission intensity reduction implied by the CRREM 1.5°C scenario benchmark for Italy is extremely ambitious and its realization is highly dependent on the implementation of government regulations and policies on building standards and the decarbonization of the electricity grid

COMMERCIAL REAL ESTATE (CRE) REVISED

Key perimeter and baselining design choices and considerations

Value chain in scope	In-use operational emissions of buildings in Italy
Emissions coverage	Scope 1, 2,3[3]
Asset classes	Medium-long term loans, including SMEs[4]
Target type	Intensity Sector Decarbonization Approach (SDA)
Metric	$kgCO_2e/m^2$
Portfolio weighting	Financed floor area weighted approach
Approach	Reduction

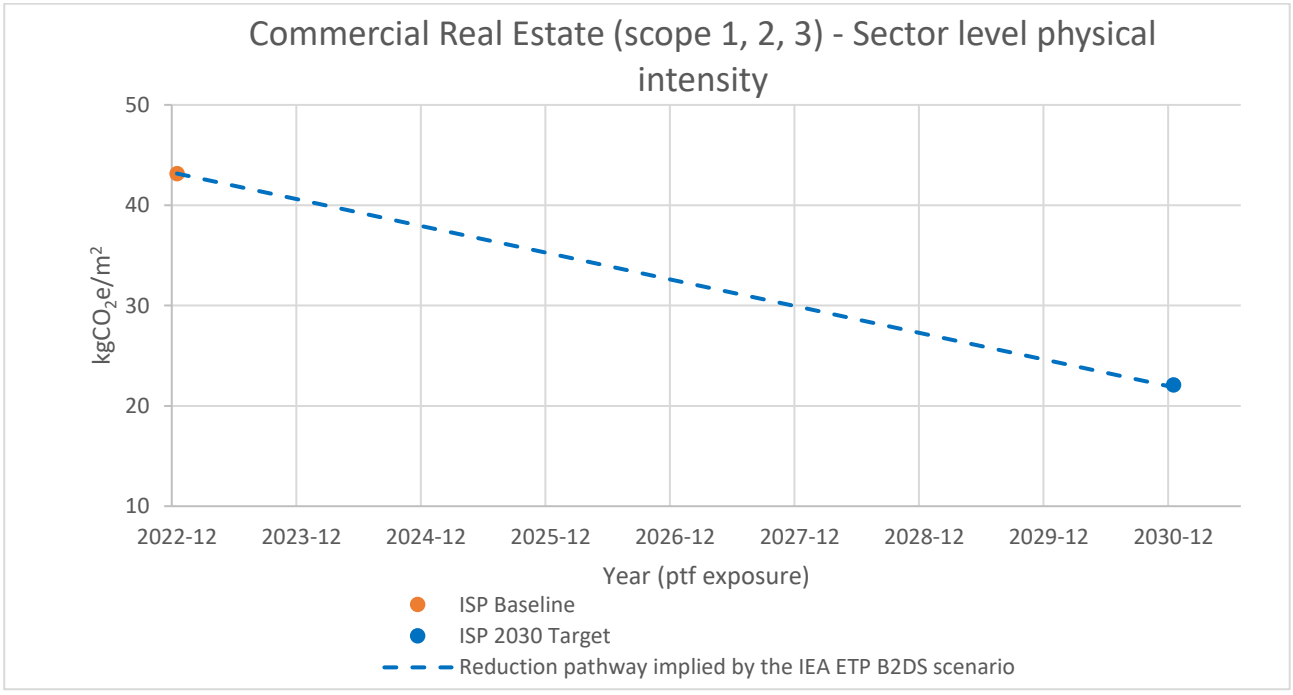
Target setting

Baseline

Date	31/12/2022
In scope portfolio, on balance lending (drawn exposure)	€10.8bn
Estimated Physical intensity	43.16 $kgCO_2e/m^2$
Estimated Absolute financed emissions	1.0 Mt CO_2e

Target and results

Target date	2030
Benchmark Scenario	IEA ETP B2DS reduction pathway for Italy adjusted on ISP's portfolio composition[5]
Estimated Physical intensity	22.11 $kgCO_2e/m^2$
Decrease vs baseline	-49%
Target ambition	WB2° aligned



[3] Scope 3 emissions for CRE captured for building owner's (lessor) reporting emissions from the energy use of a tenant (lessee)

[4] Includes SME corporates but not SME retail clients

[5] It is to be noted that emission intensity reduction implied by the scenario benchmark is considered ambitious and its realization is highly dependent on the implementation of government regulations and policies on building standards and the decarbonization of the electricity grid