

UN
environment
programme



finance
initiative

Principles for
Responsible Banking

Intesa Sanpaolo Group's 2024 Responsible Banking Progress Statement





Summary template

For the 2024 report, Intesa Sanpaolo Group has adapted its reporting approach following the updates to the Principles for Responsible Banking (PRB) framework introduced by UNEP FI in November 2024. Specifically, UNEP FI has introduced [simplified reporting, reduced assurance burdens](#), and revised the [PRB Implementation Journey](#). Additionally, in light of the new regulatory and voluntary disclosure environment, and in line with the communication received from the UNEP FI Banking Board about the network updates highlighted above, Intesa Sanpaolo Group has sought to prevent the duplication of information across multiple sustainability reports by incorporating information from the 2024 Consolidated Sustainability Statement (CSR), the 2024 SDG's Report, the 2024 Climate Report, the 2024 Modern Slavery Statement, and the 2022-2025 Business Plan into this report. As a result, Intesa Sanpaolo Group has reported information and references contained in the aforementioned sustainability reports, adopting the new summary template introduced in the Responsible Banking Progress Statement, which replaces the previous PRB Reporting and Self-Assessment Template, effective November 2024.

Principle 1: Alignment

Content

Briefly describe your bank's sustainability strategy, and which international, regional or national frameworks and UN Sustainable Development Goals it aims to align with. Note any changes in the reporting year.

Intesa Sanpaolo adopts an integrated sustainability strategy within its Business Plan, aiming to promote responsible and inclusive development in alignment with key international standards and the United Nations Sustainable Development Goals. In line with Principle 1 of the Principles for Responsible Banking, the strategy is designed to align the bank's core business with society's goals and needs, focusing on concrete actions to foster social well-being, environmental sustainability, and sustainable innovation. This reinforces the bank's role as a key player in the global sustainability landscape.

The sustainability strategy defined in the 2022-2025 Business Plan is a core component of the Bank's long-term perspective, structured around key initiatives to promote ESG objectives. In particular, the ESG pillar of the Plan is divided into six strategic areas through which Intesa Sanpaolo intends to further strengthen its commitment to sustainable development, people, and the environment.

Specifically, the elements of the Plan related to sustainability are as follows:

1. **Unparalleled support to address social needs:** through donations and in-kind contributions, promoting educational inclusion, youth employability, development of infrastructure and services supported at the local level, social housing for youth in Italy, and elderly assistance;
2. **Financial inclusion:** credit access through development of products dedicated to the most vulnerable social groups;
3. **Continuous commitment to culture:** through promoting and developing cultural heritage to share Italy's artistic wealth with institutions and citizens;
4. **Promotion of Innovation:** through supporting businesses in growing and developing innovative ecosystems with long-term benefits at national level;
5. **Acceleration of the commitment towards Net-Zero:** pursuit of a climate strategy that promotes energy efficiency, renewable energy, and reduction of the financed emissions;

Intesa Sanpaolo is working towards achieving a net-zero emission target by 2050 also by joining the Net-Zero Banking Alliance (NZBA), the Net Zero Asset Managers Initiative (NZAMI)¹, the Net-Zero Asset Owner Alliance (NZAOA) and the Forum for Insurance Transition to Net Zero (FIT).

6. **Supporting clients in the ESG/climate transition:** through lending focus on green transition for retail and corporate, and developing sustainable products aimed at generating positive ESG impacts.

The strategy is also aligned with international and national frameworks, including the UN Sustainable Development Goals (SDGs), UN Guiding Principles on Business and Human Rights, International Labour Organization fundamental conventions, UN Global Compact, the Recommendations of the Task Force on Climate related Financial Disclosures (TCFD); regulatory reporting requirements such as: CSRD (Italian Decree 124/2024) and Pillar 3 Implementing Technical Standards on ESG risk disclosures; UK Modern Slavery Act and the Australian Modern Slavery Act.

Links & references

- 2022-2025 Business Plan: slides “The 2022-2025 Business Plan formula - Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate”
- 2024 Consolidated Sustainability Statement (CSRD): paragraph “ESRS 2 - General disclosures” / “Strategy, business model and value chain”
- 2024 SDG's Report: paragraph “Intesa Sanpaolo commitment to SDGs”
- 2024 Climate Report: paragraph “Strategy”
- 2024 Modern Slavery Statement: paragraph “Introduction”

Principle 2: Impact & Target Setting

Content

Briefly describe the bank’s most significant impact areas and the steps taken to identify, measure and manage them—including impact analysis results, targets set (including sectors, portfolio coverage, and KPIs), actions taken, and progress against the targets. Where targets have been set, share details of the bank’s transition/action plan, and progress made. Explain how the bank addressed interlink- ages between impact areas where possible.

Following the major regulatory changes regarding sustainability reporting, in 2024 Intesa Sanpaolo conducted its first materiality assessment in accordance with the requirements of Directive 2022/2464/EU on corporate sustainability reporting (CSRD) and in compliance with the European Sustainability Reporting Standards (ESRS) set forth in Delegated Regulation (EU) 2023/2772.

These standards incorporate a broader concept of materiality by requiring consideration of both:

- The Group's impacts (both positive and negative, actual or potential) on external and internal stakeholders, including on people and the environment, over the short, medium, and long term, as required also for the implementation of the Principles for Responsible Banking (**impact materiality**);
- External risks and opportunities related to sustainability topics that may have, or are expected to have, significant financial implications for the Group (financial materiality).

¹ On 13 January 2025, NZAMI launched a review of the initiative to ensure it remains fit for purpose in the new global context. During this review phase, the initiative is suspending activities to track signatory implementation and reporting.

The Double Materiality Assessment (DMA) was developed in the following main phases:

1. **Mapping the Group's stakeholders;**
2. **Context analysis;**
3. **Identification of impacts, risks, and opportunities (IROs);**
4. **Assessment of potentially relevant IROs;**
5. **Consolidation and validation** of the list of material sustainability topics for the Group.

For further details on the DMA, including assumptions and methodologies, please refer to the related sections of the Group's Consolidated Sustainability Statement.

As a result of the DMA, the Group identified the following material sustainability topics:

- **Climate Change;**
- **Pollution;**
- **Biodiversity and Ecosystems;**
- **Resource use and circular economy;**
- **Own Workforce;**
- **Workers in the Value Chain;**
- **Affected Communities;**
- **Consumers and End-users;**
- **Business Ethics.**

In particular, the impact areas "**Climate stability**", "**Circularity**" and "**Financial Health & Inclusion**" identified in the 2022 and 2023 Principles for Responsible Banking Report, correspond respectively to the following material sustainability topics: "**Climate Change**", "**Resource use and circular economy**", and "**Consumers and End-users**", under the category of Social Inclusion.

Target setting

The Group has established specific targets to address the sustainability topics identified through the DMA. These targets reflect the Group's commitment to managing its impacts, risks, and opportunities while contributing to the transition to a more sustainable economy. The following sustainability targets have been defined across various areas:

- **Climate Change:** With reference to financed emissions from lending activities, net zero-aligned targets for 2030 have been set since 2022 in a number of sectors. Specifically, the sectors for which emission reduction targets have been set were identified based on a materiality criterion, focusing on those with the highest emission intensity as per the NZBA. These sectors are Oil & Gas, Power Generation, Automotive, Iron & Steel, Aluminium, Cement, Agriculture – Primary Farming, Commercial and Residential Real Estate. The target period for Intesa Sanpaolo's established targets starts from 2021 for the Oil & Gas and Coal Mining sectors (the latter with a phase-out goal by 2025) and from 2022 for the remaining sectors. The targets and the related transition plan are further detailed in the "2024 Climate Report", the Group's annual report dedicated to climate-related topics and the transition towards a low-emission economy, in line with its climate commitments.

As concerns own operations, Intesa Sanpaolo has set medium-to-long-term targets for reducing its emissions within the Own Emissions Plan, therefore, the Group expects to reach carbon neutrality and 100% of energy purchased from renewable sources, both by 2030.

- **Resource use and circular economy:** Also in 2024, the Group confirmed its commitment to the circular economy by promoting the adoption of this model and supporting corporate clients in its implementation. This initiative is considered an integral part of its sustainability strategy, supported by a dedicated credit plafond aligned with the green and circular criteria of the

internal framework. The approach includes fostering innovation, optimizing resource use, and building partnerships to foster a more sustainable future (reference: Business Plan 2022-2025 and presentation of results).

- **Consumers and End-users:** The Group is committed to supporting vulnerable customers and fostering the creation of new entrepreneurial ventures, promoting economic and social growth in the countries where it operates. In pursuit of these goals, specific targets have been set for Financial Health & Inclusion. These targets aim to measure and enhance the Group's impact on social inclusion, ensuring that the needs of vulnerable populations are addressed and that sustainable entrepreneurial opportunities are created (reference: Business Plan 2022-2025 and presentation of results; ESRS S4 standard of the Consolidated Sustainability Statement).

These targets reflect the Group's ongoing commitment to addressing its material impacts, risks, and opportunities across key sustainability areas. To ensure effective implementation and progress, specific actions have been taken to meet these targets, and continuous monitoring is in place to track progress.

For detailed information on the targets related to other topics, please refer to the relevant sections of the Group's Consolidated Sustainability Statement where each sustainability topic is addressed comprehensively, and regarding the Climate Change, please refer also to the Climate Report.

Links & references

- 2022-2025 Business Plan, slides "The 2022-2025 Business Plan formula - Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate"
- 2024 Consolidated Sustainability Statement (CSRD): paragraph "ESRS 2 - General disclosures" / "Double materiality assessment"; paragraph "ESRS S4 - Consumers and end-users" / "Social inclusion and supporting production"; paragraph "ESRS E1 - Climate change" / "Greenhouse gas emissions metrics"
- 2024 Climate Report: paragraph "Strategy - the transition to a green and circular economy"; paragraph "Metrics & Targets - target setting: annual reporting of estimated emissions"

Principle 3: Clients & Customers

Content

Briefly describe how the bank works responsibly with clients and customers in relation to significant impacts, including products and services offered, internal policies and processes and engagement to implement targets/action plans/transition plans to encourage sustainable practices/economic activities. Note any changes in the reporting year.

The Group operates with a commitment to integrity, guided by principles of professionalism, diligence, honesty, fairness, and responsibility. Intesa Sanpaolo aims to build trust-based relationships with clients, meeting their expectations through high-quality products and services, prioritizing transparency, inclusivity, and accessibility. It enhances the clarity of contracts, ensures clear communication, and promotes financial inclusion, supporting vulnerable clients and fostering entrepreneurship to drive economic and social progress.

Climate Change

Intesa Sanpaolo actively works with its clients to promote responsible and sustainable economic practices. Its offerings include targeted financial products such as green loans, sustainability-linked loans, and sustainable bonds, which encourage low-impact investments and contribute to the transition to a low-carbon economy. Additionally, the Group has developed solutions for the circular economy and decarbonization projects.

Through personalized ESG advisory services, the bank helps clients define and implement sustainable transition plans, actively contributing to decarbonization goals. Sectoral emission reduction targets, defined as part of the transition plan and developed in collaboration with clients, cover all key sectors identified by the Group (for detailed information please refer to the relevant sections of the 2024 Climate Report). Intesa Sanpaolo integrates the European Taxonomy into credit evaluation processes and provides digital solutions for monitoring alignment with sustainability goals. Through these actions, the Group encourages clients to undertake sustainable transition paths and adopt responsible business practices, fostering the integration of ESG criteria into their long-term strategies.

Resource use and circular economy

To concretely support businesses in the circular transition process, the Group's commitment is reflected in its efforts to facilitate the transition to a circular economy. This initiative focuses on businesses adopting innovative circular solutions, such as extending product lifecycles, utilizing renewable resources, improving resource efficiency, and developing recyclable or reusable products. It also supports technologies like IoT, AI, and precision agriculture to promote sustainable practices.

Intesa Sanpaolo advances the circular economy through initiatives like the Circular Economy Lab (CE Lab), established in Milan in collaboration with Fondazione Cariplo. The CE Lab provides non-financial innovation support, helping businesses transition to circular models and fostering sustainable economic growth.

In 2024, UNEP FI recognized the CE Lab as a case study in its guidelines for responsible banking, highlighting the Group's efforts in client engagement, advocacy, and partnerships to promote circular business models.

Consumers and End-users

In terms of social impact through its business activities, the Group aims to provide dedicated credit flows to support financial inclusion, creating entrepreneurial and employment opportunities for individuals in particularly challenging situations by simplifying access to credit. It also promotes local initiatives that benefit communities and the environment, including collaborations with Third Sector organizations. Additionally, the Group has established objectives to support communities, addressing their social needs, combating inequalities, and fostering social, educational, and cultural inclusion.

Intesa Sanpaolo's support for financial inclusion through social lending focuses on categories of businesses and vulnerable groups who may lack access to traditional financial channels. These include university students, working mothers, families affected by natural disasters, individuals or small businesses facing difficulties, and those at risk of usury. To support these groups, Intesa Sanpaolo offers a wide range of financial products and services that are continuously evolving, informed by market research and customer feedback, and tailored to meet their needs and preferences. A specific category of clients receiving tailored offerings includes Third Sector organizations, for whom a dedicated program based on a crowdfunding platform is available. These credit services for disadvantaged clients are also provided by the Group's Foreign Banks through specific local initiatives.

For detailed information on how the bank works responsibly with clients and customers, please refer to the relevant sections of the Group's Consolidated Sustainability Statement.

Links & references

- 2024 Consolidated Sustainability Statement (CSRD): paragraph "E1 - Climate change" / "Strategy to combat climate change at portfolio level"; paragraph "ESRS E5 - Resource use and circular economy"; paragraph "ESRS S4 - Consumers and end-users"
- 2024 Climate Report: paragraph "Strategy - the transition to a green and circular economy"; paragraph "Metrics & Targets - target setting: annual reporting of estimated emissions"
- 2024 SDG's Report: paragraph "Driving climate action and responsible resources use"

Principle 4: Stakeholders

Content

Briefly describe how the bank consults, engages and collaborates/partners with relevant stakeholders for the purpose of implementing the principles. This could include understanding impacts, setting ambitious targets, advocating for enabling regulatory/policy environments, and creating partnerships that contribute to addressing significant impacts. Note any changes in the reporting year.

Intesa Sanpaolo regularly engages with its people, customers, shareholders, suppliers, environment and community through various listening methods, to identify and monitor their needs and prospects in relation to the issues deemed to be priority topics. During the engagement activities, in addition to requesting specific assessments from all Stakeholders on the impact areas identified, there was also specific emphasis on the changing regulatory environment and how this affects the Group's activities.

Stakeholder Engagement is a fundamental aspect of the materiality analysis process, where the active involvement of the Group's stakeholders is crucial. It serves as a tool for identifying and understanding the needs, perspectives, and priorities of those with a vested interest in the Group's activities, risks, and opportunities. In this context, Intesa Sanpaolo places significant emphasis on engaging its stakeholders to ensure that their views are considered when making strategic decisions.

Stakeholder Engagement, within the context of materiality analysis, refers to the involvement of the Group's stakeholders. The Stakeholder Map represents the relational landscape of the Group, with which Intesa Sanpaolo regularly interacts to identify and monitor their needs and perspectives regarding the areas of impact, risks, and opportunities they consider priorities.

For the purpose of mapping impacts, risks, and opportunities, the Group has implemented a process to engage its key stakeholders. Based on the evidence gathered from the context analysis, the Group's operations and business, and its Divisions, the Group has identified its stakeholders. Specifically, in executing the Materiality Assessment process, in line with the guidelines provided by EFRAG, the Group adopted the following approach to engage its stakeholders:

- Involvement of internal structures dedicated to stakeholder engagement within the mapping and evaluation of the relevance of impacts, risks, and opportunities, which maintain constant and ongoing dialogue with relevant stakeholders;
- Direct engagement of specific stakeholders through dedicated workshops, interviews, and surveys.

Moreover, Intesa Sanpaolo has several engagement initiatives with stakeholders having technical expertise that support the Group in its ongoing implementation of the Principles such as the long-standing partnership with the Ellen MacArthur Foundation, which is one of the main international promoters of the systemic transition towards the Circular Economy and of which Intesa Sanpaolo Group is a Strategic Partner.

Links & references

- 2024 Consolidated Sustainability Statement (CSR): paragraph "ESRS 2 standard - General disclosures" / "Double materiality assessment"

Principle 5: Governance & Culture

Content

Briefly describe the key governance structures in place (Board and Executive level) and related accountability mechanisms to implement the Principles. This could include how governance supports your bank's management of significant impacts and risks, including target implementation and monitoring of action/transition plans. In addition, briefly describe how a culture of responsible banking is driven internally (e.g. via employee learning & development). Note any changes or progress in the reporting period.

The governance framework of the Group ensures that sustainability and risk management are effectively integrated into the organization's operations. The following outlines the roles and responsibilities of key governance bodies involved in defining and overseeing the implementation of the Group's ESG strategy.

The **Board of Directors**, supported by the Risks and Sustainability Committee, defines and approves the strategies and policies on sustainability, and the risk objectives. Furthermore, approves the results of the impact and financial materiality analysis, the Consolidated Sustainability Statements as well as any other key ESG reporting – including the Responsible Banking Progress Statement, and the updates to the Code of Ethics and to the Diversity Equity and Inclusion Principles.

The **Risks and Sustainability Committee**, composed of members of the Board of Directors, supports the Board in: evaluating and analysing sustainability (ESG) issues; approving the list of ESG-sensitive sectors relevant to the lending activities; assessing and determining matters relating to the materiality analysis, also with the purpose of approving the Consolidated Sustainability Statement; and evaluating the Group's positioning with respect to national and international best practices in the field of sustainability, with a specific focus on Intesa Sanpaolo's participation in major sustainability indices.

The **Management Control Committee**, composed of members of the Board of Directors, supervises the compliance with the principles and values contained in the Code of Ethics. With reference to the Consolidated Sustainability Statement, it examines its content overseeing compliance with reporting regulation.

The **Managing Director** and **CEO** plays a key role in governing sustainability performance and holds the authority to submit proposals to the Board for the adoption of resolutions within its remit. Furthermore, the CEO ensures the implementation of the resolutions of the Board of Directors.

The **Steering Committee**, chaired by the Managing Director and CEO, includes the Bank's first management line. Its responsibilities include collaborating in the definition of strategic guidelines and policies related to ESG issues, such as corporate social and cultural responsibility and climate change. Furthermore, the Committee examines the Rules implementing the Group's Guidelines for the ESG risk. Additionally, the Committee also examines the Consolidated Sustainability Statement and other key sustainability reports before they are presented to the Board. Lastly, it contributes to identifying and updating ESG issues based on their impact, risks, and opportunities, ensuring compliance with the applicable regulations.

The **Group Coordination Committee on Non-Financial Risks and Controls** is tasked with examining, during the Operational and Reputational Risk session, the main ESG risk profiles that affect or could potentially affect exposure to operational and reputational risks. This session, chaired by the Chief Risk Officer, is attended by the Heads of the Group's corporate control functions and relevant Governance Areas.

The **ESG Control Rooms**, has been strengthened and redesigned in 2024, and among its activities: supports the Steering Committee in the processes of the Business Plan and Budget, in the examination and evaluation of proposals related to ESG guidelines and initiatives, assessing priorities, metrics, and targets; analyses policies; provides evaluations on proposals related to the Group's ESG

commitments; analyses and shares the Group's Own Emissions Plan proposal for presentation to the competent Bodies; provides evaluations on the main social initiatives; analyses the integration of ESG criteria in equity investments and credit strategies; review the main ESG reports; shares the findings of ESG regulatory monitoring activities.

The **Chief Sustainability Officer (CSO)** Governance Area was established in April 2024, assuming a central role in the strategic and operational direction of the Group's sustainability initiatives and reflecting Intesa Sanpaolo Business Plan's priorities. The activities previously distributed across various organisational units of the Group have been consolidated into this Area, and a new ESG Steering organisational unit has been established to provide strategic guidance and monitor ESG issues.

For detailed information on ESG Governance, please refer to the relevant sections of the Group's Consolidated Sustainability Statement.

Links & references

- 2024 Consolidated Sustainability Statement (CSRD): paragraph "ESRS 2 standard - General disclosures" / "Governance structure"
- 2024 Climate Report: paragraph "Governance"

Principle 6: Transparency & Accountability

Content

Provide reference to additional relevant reports, if not listed as references with P1–P5.
Briefly note whether/where assurance of sustainability information has been undertaken (optional).

The information outlined in the Summary template reflects Intesa Sanpaolo's commitment to the six principles. In particular, the sustainability information subject to limited assurance is drawn from the following reports:

1. **2024 Consolidated Sustainability Statement (CSRD);**
2. **2024 SDGs Report;**
3. **2024 Climate Report².**

Therefore, the assurance process for sustainability information has been specifically conducted within these reports.

Links & references

- 2024 Consolidated Sustainability Statement (CSRD): paragraph "Independent Auditors' Report on the Consolidated Sustainability Reporting"
- 2024 SDG's Report: paragraph "Auditors' report"
- 2024 Climate Report: paragraph "Auditors' report"

² The limited assurance relates to the disclosure "Target setting: annual reporting of estimated emissions" reported in the section "Metrics and Targets" of the Climate Report of the Intesa Sanpaolo Group.

