

Employee well-being

COMPANY POLICIES

In terms of relationships with its employees, the Intesa Sanpaolo Code of Ethics promotes policies that help foster a better work-life balance; the concrete implementation of this principle takes the form of specific rules in the area of reconciliation. Welfare is a priority area with actions designed to foster motivation and involvement, placing people at the centre with the aim of meeting their needs and those of their families. Accordingly, the meetings between the company and the Trade Unions have often centred on policies to strengthen and fine-tune the instruments that make up the company's welfare package and significantly contribute to improving the work-life balance of employees and, as such, also their well-being. Well-being that is also protected through the safeguarding of health and safety in the workplace via increasingly effective measures, as outlined in the Group's Health and Safety Policy and Code of Ethics. The internal regulations establish a System of Roles and Responsibilities - in the shape of company rules and operating guidelines affecting many different parties - with regard to particular professional skills, i.e. specific company departments.

WELFARE AND QUALITY OF LIFE IN THE COMPANY

Intesa Sanpaolo has chosen a corporate welfare model that operates within an integrated system and includes: the supplementary pension, supplementary health care, the cultural, recreation and sports Association for Intesa Sanpaolo Group employees (ALI) and the Intesa Sanpaolo Foundation NPO, as well as Mobility management activities (see page 133) and activities focused on the needs of people and work-life balance. The company welfare system seeks to address the key issues in order to establish the best possible work-life balance for employees and their families. It does this by promoting sustainable solutions and projects consistent with their expectations. The activities are managed and monitored by the Trade Union Affairs and Labour Policies Head Office Department.

Introduced at the end of 2015, the Flexible Work project continued in 2019, also in light of the new Business Plan objective of extending the initiative to around 24,000 people in 2021, involving an increasing number of structures and people across the Group (over 17,250 employees) and offering the possibility of working from home, from different company sites and from customer premises or to carry out flexible training at home. In the international subsidiary banks the target population consists of over 3,500 employees: around 550 at Banca Intesa Beograd, 200 at Intesa Sanpaolo Bank Albania (fully operational since 2019), 900 at CIB Bank and 1,900 at VÚB Banka. In 2019 VÚB Banka and Intesa Sanpaolo Bank in Slovenia also introduced forms of flexitime as additional work-life balance measures.

WORKFORCE TRANSFORMATION PROGRAMME

In accordance with the 2018-2021 Business Plan, in 2019 the Workforce Transformation programme was launched with the aim of modernising people's methods of working and collaborating, driving overall efficiency, increasing the attractiveness of the Group among new talents and contributing to the development of inclusive and flexibility policies within the Group. The programme therefore aims to increase people's level of satisfaction, improving the work-life balance while at the same time maximising productivity, also thanks to the optimisation of spaces and sites.

The first phase of the project analysed a number of international best practices, gathered together the opinions and requests of the Group's various structures through feedback activities, and defined the guiding principles that will gradually be developed.

Another innovative tool is the Time Bank, a reserve of time made available by the company and employees so they can provide greater support for people in difficulty, even for brief periods, and give them more time. It is also an initiative that appeals to our generosity and spirit of solidarity because, in addition to the hours made available by the company, with an initial reserve of 50,000 hours, every person has the possibility of donating

some of their leave or holidays to the bank, which the company will then match, up to a maximum of another 50,000 hours. This possibility was extended with the renewal of the second-level bargaining agreement in 2018 with the introduction of new cases connected with childhood illnesses. In 2019 employees donated 12,860 hours, which were topped up with the same number of hours by the company, for an overall total of 25,720 hours. As part of the same Time Bank initiative, a corporate volunteering project was promoted that let 300 people in 2019 carry out volunteer work, on working days for external associations and bodies chosen by the Group. A total of around 2,200 hours of leave were granted.

Maternity and paternity support is provided through an excellent company crèche service in Florence, Milan, Moncalieri, Naples and Turin which looks after 255 children, as well as a network of partner crèches across Italy. In 2018, the renewal of the second-level Group agreement made it possible to consolidate and strengthen the tools designed to provide parental support. Indeed, fathers can request specific additional paid leave for the birth of their children, 10% of the sum granted by law for parental leave, 30% of their individual gross annual remuneration if they take an additional 10 days of leave once their statutory parental leave has finished, and additional days of unpaid leave and leave of absence for the illness of a child or for childcare reasons. The series of regulations on parental rights has been expanded, on a trial basis, to include an additional form of paid leave to settle children in at crèches or pre-school, and extra days of unpaid leave to care for underage children for separated or divorced parents, the exclusive guardians of children, as well as in the cases of widowhood and single-parent families. The size of the cheque that the Company pays to employees with disabled family members also increased.

With regard to company pensions, the Intesa Sanpaolo Group Defined-Benefit Pension Fund was launched in full. The additional insurance coverage available to subscribers of the Intesa Sanpaolo Contribution Fund was further improved, increasing the insurable capital and maintaining the already excellent partnership conditions. It is still possible to subscribe dependent family members and continue to subscribe to the Fund having reached retirement age. The Intesa Sanpaolo Contribution Fund has adopted ESG (Environmental, Social, Governance) guidelines for investments.

THE GROUP HEALTH FUND

The Intesa Sanpaolo Group Health Fund is an NPO that operates on the basis of cooperative and social solidarity values for strictly welfare-related ends, offering its subscribers - current employees, retired staff and released staff - and their families supplementary and replacement services for those provided by the national health service. In 2019 the membership of the Fund expanded to include those from former Venetian banks, over 16,000 people including the families of current employees, who in the first 3 years will benefit from the coverage via the health policy. In terms of health benefits, around €160 million of services were provided in 2019. The tumour prevention campaign launched in May promoted effective information and awareness initiatives regarding the value of the screenings carried out by the Italian National Health Service for the prevention and early diagnosis of colorectal, cervical and breast cancer. The constant use of the intranet, internet and web-TV channels made it possible to promote appropriate and healthy lifestyles, raise awareness of the damage caused by alcohol and smoking, and examine the strategies to prevent these widespread forms of cancer.

In 2019 the International Subsidiary Banks Division once again renewed the International Healthcare Programme, which offers a total of 19,000 international employees with permanent contracts (excluding Praxex Bank and Eximbank employees, who will be included from 2020) second medical opinions (also extended to spouses and school-age children) and/or medical treatment in centres of excellence (only for the employee) in countries that are not their country of residence and/or workplace. The programme provides assistance in the event of serious illnesses (cancer, transplants, highly complex surgical procedures etc.), covers treatment and complementary service costs (visa assistance, hospitalisation, accommodation for an accompanying person, travel etc.), all transport and accommodation expenses in the foreign country, and reimburses all medical costs borne once back home. For a number of the companies abroad, the programme has involved - on a voluntary basis and at the employee's expense - an option to guarantee treatment for family members as well (spouse and school-age children).

PREVENTION BY PLAYING: NEW EXPERIENTIAL LEARNING COURSES

More knowledge, less fear: this was the main message of the events organised to raise the awareness of employees on the most common forms of cancer and their treatment. A cycle of 25 meetings in the main Italian towns during which people were involved in an experiential learning course focused on the figures connected with cancer and the virtuous behaviours we can all adopt to prevent them. Participants were firstly asked to answer, tying a knot in a piece of woollen thread, a series of questions on their lifestyles and in particular risk and protection factors that can be modified, such as smoking and drinking habits and levels of physical exercise. The second part of the course reflected more specifically on the numbers of people diagnosed with cancer in Italy each year, their ages and life expectancies. The experience concluded with the creation of a map of the screening exams we all take periodically. The messages were conveyed using an innovative tool, the participatory diagram, which formed the basis of an active, experiential and shared form of learning that encouraged participants to memorise and reflect on the information presented. This physical and playful approach enabled employees to interact directly and see these often little-known figures which may not be fully understood or internalised if only read or heard about. Cancer prevention is one of the great battles of our time and often clashes with our own psychological barriers. So far, around 3,500 employees have taken part in the events.

Since 2014 ALI (Intesa Sanpaolo Employees' Association) has been the only Group association in the Group Welfare System. With over 150,000 Members in 2019, it offers a wide range of services at both local and national level, from social, tourism, cultural and sporting activities to personal services dedicated to the work-life balance. For the children of Members, as well as a wide range of junior campuses in Italy and abroad, it offers - in cooperation with a specialist Company - programmes to help them choose secondary schools, universities and/or their field of work. In 2019, for the Christmas Gift initiative dedicated to children of 1 to 6 the Association supported the Intesa Sanpaolo project to educate children about saving by depositing a contribution in the account "XME conto UP!" current accounts opened on the children's behalf. A one-off voucher is given to the families of all babies born during the year which the member can spend at either Amica Farmacia or Chicco. The campaigns for "purchasing groups" of quality food products were intensified through the Intesa Sanpaolo Destination Gusto platform. This Association also promotes solidarity initiatives, recruiting volunteers for initiatives like Giornata di raccolta del farmaco (Medicine Collection Day), Challenge contro la fame (Defeating Hunger Challenge) and Noi Insieme- Natale 2019 (Us Together - Christmas 2019), an Intesa Sanpaolo solidarity project to offer lunch to almost 2,000 people in financial difficulty at different company sites, combining food with culture and solidarity with art. In 2019 ALI completed its member feedback project, launched in 2018 and dedicated to less active members to identify their needs and expectations and gather information on the measures to adopt to guarantee more inclusive strategies.

Through Fondazione Intesa Sanpaolo Onlus (Intesa Sanpaolo Foundation NPO) efforts to combat financial and social hardship have continued and this has translated into support for employees, former employees and retired employees in difficulty, and the promotion of art and culture through the issuing of university and PhD study grants to students in difficulty. Last but not least, financial support was provided for entities operating directly in the field of solidarity and social welfare. The sum set aside by the Board of Directors in 2019 came to around 2.8 million euro, and included a significant allocation for canteens and dormitories for the poor and needy.

PEOPLE CARE

People Care, the project launched in 2018 with the aim of improving the quality of life in the company and increasing employee wellbeing, continued in 2019 in accordance with the 2018-2021 Business Plan. The People Care model is founded on five pillars: the promotion of the current range of personal services and the ease with which they can be accessed, the permanent observatory of leading businesses on People Care systems at international level, active listening to the needs of employees, support for the development and evolution of the current range of services, activation of a listening and support service. With this in mind, various initiatives were launched together with an in-depth internal feedback phase consisting of interviews and workshops, and an analysis of the good practices of almost 40 domestic and international businesses. At the end of May 2019 Servizi alla Persona (Personal Services) was launched, the section of the #People portal that gathers together all of the opportunities for facilitating the personal and professional lives of employees and their families, with direct, easy and intuitive access to over 300 products and services. It is structured with a catalogue organised according to requirement and at the same time proposes dedicated packages based on event and simple and intuitive interactive courses. The "Listening and Support" service for people in difficult situations or circumstances, or those that simply want to improve their work-life balance and personal wellbeing, was launched in the fourth quarter of 2019. After the pilot phase, dedicated to the Regional Offices of Piedmont, Valle d'Aosta and Liguria, the service will gradually be extended to the entire Group. It is based on the EAP (Employee Assistance Program), an international methodology by which employees are provided with psychological, legal/tax and social welfare support. The service is free, anonymous and confidential, and available 24 hours a day by telephone. It is also possible to begin a course of psychotherapeutic treatment with professionals available across Italy. This service is provided by a European leader in the sector, with the collaboration and supervision of the Postgraduate School of Psychology of Cattolica University of Milan, which monitors the efficacy and excellence of the service. Finally, in terms of the evolution of the range of new services, People Care has a dual goal: on one hand to identify products and services that meet any needs that have not yet been satisfied among large parts of the company population, and on the other "Wellbeing", raising awareness of the impact that this factor has on the personal and professional lives of employees. Four areas have been identified in which to launch specific initiatives: nutrition, movement, body-mind balance and caregiving.

COMPANY CLIMATE

The Intesa Sanpaolo Internal Communications Service is responsible for developing a common culture based on corporate values and fostering the sense of belonging of employees. An integrated system which, as well as the structured consultation of employees, is made up of instruments like the Intranet, Web TV, Mosaico, Mosaico International and the interComm app which foster the continuous sharing of information, engagement, the sharing of objectives and active participation in changes. Lots of activities were carried out in 2019. The attention was focused on the climate analysis which reveals, every two years, the perceptions of Intesa Sanpaolo Group employees using quantitative instruments. The 2019 climate analysis took place in June with the methodological consultancy and operational support of a third-party company which guarantees the total anonymity of those that take part in the survey. The online questionnaire consisted of 18 questions (12 of which also appeared in the 2016 questionnaire to guarantee comparability) divided into 6 chapters: perceptions on your job today and tomorrow, the NPI® (Net People Impact Index) and job satisfaction, perceptions on the general image of the Group, customer satisfaction and management. In Italy 54.8% of workers in the Professional and Middle Manager areas answered the questionnaire, with a satisfaction level of 69%, while 48.7% of staff in the International Subsidiary Banks answered with a satisfaction level of 78%. Intesa Sanpaolo people share the company's vision and culture, are proud to work for the Bank, and have growing respect for and trust in the company management. But structured listening - as a tool for supporting the Top management and the company structures with regard to issues and specific requirements or project activities - is not just limited to the climate analysis. Once again, over 50 listening activities (feedback, surveys, focus groups, etc.) were held this year in Italy and abroad involving almost 50,000 people from the Group's Governance Areas, Divisions and companies.

HEALTH AND SAFETY

The Safety and Protection Department is responsible within the Group for overseeing health and safety activities. Intesa Sanpaolo has adopted and successfully implemented an Occupational Health and Safety Management System identifying, within its organisational structure, responsibilities, procedures, processes and resources for implementing its policy on the protection of employees. With the aim of enhancing the health and safety protection of its employees, since 2017 the Occupational Health and Safety Management System has undergone an annual audit by an independent third party which certifies its compliance with current legislation and industry standards (UNI ISO 45001:2018). The responsibilities and methods associated with the implementation, maintenance, monitoring and improvement of the Occupational Health and Safety Management System (OHSMS) are outlined in the Process Guide - Compliance Management - Management of Occupational Safety Regulations, updated in 2018. The Guide was produced with the goal of reducing the possibility of any harmful event occurring that impacts people, the environment and relevant external parties, monitoring risks in the operations of the company and external businesses involved in the company's activities, and gradually improving the Group's performance in occupational health and safety. The risks to the health and safety of employees are evaluated according to a multidisciplinary approach, considering the combined effect of the working environment, processes and equipment as well as the subjective conditions of workers. The health and safety risk management process comprises the following phases:

- identification of dangers and their classification;
- risk assessment;
- identification and preparation of prevention and protection measures and procedures;
- definition of an action plan as part of a programme to guarantee the improvement of safety levels over time, with the identification of the competent company structures;
- realisation of the planned measures as part of the programme;
- definition of worker information and training programmes;
- monitoring of the implementation of the programmes and checks on the application and effectiveness of the measures adopted;
- management of residual risks.

Intesa Sanpaolo (as Employer) – with the collaboration of the Head of the Prevention and Protection Service and the Qualified Physicians and following the consultation of the Workers' Representatives in charge of Safety - drafts and updates the Risk Assessment Document which contains, among other things:

- the report on the assessment of all health and safety risks during working activities, which also specifies the criteria adopted for the assessment;
- specification of the prevention and protection measures implemented and the individual protection equipment adopted following the assessment;
- the programme of measures regarded as suitable for guaranteeing an improvement in safety levels over time;
- an outline of the procedures for the implementation of the measures, as well as the company roles responsible for this.

The assessment and the associated document are updated on the basis of technical developments as well as significant changes to the production process and organisational structure of the company that may impact on the risk exposure of workers. This commitment was fulfilled in 2019 as well, with the updated document provided to all employees. In 2019, the risk management process at the Group's sites, implemented in close collaboration with the competent company functions, was carried out according to an action plan that made it possible to maintain the trend of the overall reduction in risk factors. The post-traumatic stress support programme continued in 2019. As in previous years, this support is provided to employees who have experienced robberies, acts of verbal or physical violence or natural disasters, or been involved in traumatic events connected with the working environment. Medical and psychological support, consistent with the seriousness of the trauma suffered, was offered to all employees involved in the incidents brought to the attention of the Prevention and Protection Service. In 2019 a total of 28 support actions were organised involving around 217 employees (in detail: 11 actions following robberies for 73 employees, 17 actions following traumatic events for 144 employees).

As part of the 2018-2021 Business Plan, the Occupational Health and Safety 4.0 Project was launched in 2018 to analyse the development of banking activities in relation to the digitalisation of processes and therefore to understand the effects on the health and wellbeing of the company population. The project is also based on contextual elements such as the gradual aging of the workforce, anticipating future scenarios and working methods in order to develop, with medical support, risk mitigation measures in the layout of new workstations and in the content of programmes and procedures designed to guide the new activities. The project involves 6 working groups; a first phase to identify specific new survey methodologies and trial them was completed

at the end of 2019. As part of these trials the possible specific methodologies for assessing the workplaces and spaces typical of the 4.0 environment, i.e. places different from the workspace normally assigned to each employee, were examined. These alternative spaces, inside and outside the bank, can be used thanks to technologies that facilitate collaboration independently of the place in which they are located. A new medical check-up protocol was identified to include methodologies aimed at examining symptoms that can also be connected with emerging risks. Finally, changes were made to the methods of evaluating work-related stress, taking account of new phenomena like technostress. The project and its results were illustrated in the Risk Assessment Document at the end of 2019.

CHALLENGE - INTERACTION BETWEEN HUMANS AND COMPUTERS AND IMPLEMENTATION OF NEW APPLICATIONS AND TECHNOLOGIES

The investigation (Challenge) carried out with Intesa Sanpaolo Innovation Center Lab Neuroscience and IMT School for Advanced Studies of Lucca examined interactions between humans and computers to study how technologies and applications impact on people's stress levels, and cognitive load, technostress and ageing in particular, verifying the effectiveness of strategic measures to improve the adaptability and quality of life of workers in relation to these three aforementioned variables. The study collated and examined: i) demographic and descriptive variables such as age, gender, qualification, profession, years of service in the company; ii) psychological variables like cognitive flexibility, mental openness, technostress, subjective perception of performance and the application, ability to manage cognitive load. The analysis showed how specific knowledge supported by test data, variables capable of impacting on the phenomena of technostress and ageing, enables the development and implementation of targeted strategies such as, for example, strengthening self-efficiency, creating awareness, increasing cognitive flexibility and the optimal management of IT instruments. The neurophysiological analysis of the sample of volunteers was not aimed at revealing pathological states but at analysing a momentary reaction of the subject to a specific task with the use of company applications. The neurophysiological data collected and analysed proved to be fully in line with that of the general population.

Together with INAIL, Intesa Sanpaolo participated in the international research project "Adaptation and change: the future of work at a time of technological innovation and the lengthening of the working life", involving the qualified physicians and employees of the Banca dei Territori Division and the Head Office departments. The project involved a medical check-up (voluntary or as part of the health surveillance protocol) during which specific questionnaires were issued in order to assess work ability in relation to change and ageing. The project involved 3,154 people (758 from the new concept branches, 319 from traditional branches and 2,077 from the Head Office departments). According to the results of the survey, the Work Ability Index of employees, i.e. their ability to perform their jobs in the present and future on the basis of their role and resources, was medium to high.

WORK-RELATED STRESS RISK ASSESSMENT

Important updates were made to the Branch service models in 2019 with the introduction of new working roles and the redefinition of the roles of the professional figures that work in branches. This led to a change in the system of relations due to the strengthening of remote offers and channels. To accompany this evolution, the specific work-related stress assessment was redone. This activity involved the managers of the relevant structures and consultation with the Worker Safety Representatives, and followed the methodological procedure indicated by INAIL for the careful analysis of contextual and work-related factors. The analysis of the indicators did not highlight any particular organisational conditions that can lead to the significant presence of work-related stress. More specifically, the preliminary assessments showed that the overall risk level is “low” for all uniform groups examined, indicating focus and improvement areas for each one. These findings are backed up by the analysis of employee medical check-ups which showed a good general level of health among staff and a below-average frequency of stress-related illnesses. An additional assessment activity was carried out on the Online Branches, for which an in-depth evaluation was performed involving a sample of employees in focus groups coordinated by psychologists from the University of Milan. The assessment highlighted areas requiring improvement and the results of the assessment updates are noted in the Risk Assessment Document which is available to all employees.

Following the consolidation of the seismic risk assessment methodology, in 2019 the hydrogeological risk assessment methodology was reviewed to determine the Index of the Hydrogeological Risk Level of properties (IGRi). More specifically, a pilot project was launched for buildings located in areas of greater risk according to the Italian Institute for Environmental Protection and Research (ISPRA, Istituto Superiore per la Protezione e la Ricerca Ambientale) classification and/or situations already documented, such as floods and landslides. Additionally, following recent events in the Venice area, a specific activity was launched to assess the IGRi and identify possible preventive measures with regard to the “high water” emergency. The health surveillance programme continued in 2019 on the basis of the indications of the new health plan introduced with the Risk Assessment Document approved in July 2018. Thanks to the new indications in the plan the 2018 Epidemiological Report included interesting assessments that were more detailed than the past, particularly following the introduction of the Work Ability Index (WAI), a tool based on the concept that the ability to manage assigned workloads is strictly correlated to the balance between an individual’s personal resources and the demands of their job. An analysis of the over 7,000 questionnaires showed that results are excellent in over 52% of cases and good in 43% of cases. Within the described parameters, there was an evident downwards trend according to age.

With regard to activities among the International Subsidiary Banks, 2019 saw the continuation of the measures outlined in the health and safety governance strengthening plan, drawn up together with the Safety and Protection Department and the International Subsidiary Banks Division in 2018. In particular, in 2019 the Banks adopted the Regulations for the health and safety management systems, issued in late 2018, and appointed their occupational health and safety representatives. Local representatives were involved in two training sessions organised by Safety and Protection, one held in person and the other remotely. In addition to these activities, in 2019 the first operational and training meetings were organised with the subsidiaries, involving Bank of Alexandria, Banca Intesa Beograd, Eximbank, Intesa Sanpaolo Bank Romania and VÚB Banka.

UNI ISO 45001:2018 CERTIFICATION FOR OHSMS

The procedure of certifying the Occupational Health and Safety Management System in accordance with the UNI ISO 45001:2018 standard (as opposed to the British Standard OHSAS 18001:2007 as was previously the case) was concluded in 2019, two years ahead of the deadline. The new standard, which adopts the same structure (High Level Structure - HLS) as other ISO management system standards, is designed to be integrated in existing management processes. As such, the audit carried out by a third party focused on the integration of processes according to the three international certification standards ISO 45001:2018 – Health and Safety, ISO 14001:2015 – Environment and ISO 50001:2011 – Energy. The audit activities were based on a significant sample of branches and sites and involved the main head office departments, branch employees, qualified physicians, Worker Safety Representatives, and maintenance and cleaning company staff. The certification obtained covers 100% of the Intesa Sanpaolo branches and buildings in Italy.

WORKER SAFETY REPRESENTATIVES

Following a 2016 union agreement the Group's Worker Safety Representatives (WSR) were elected. Their areas of responsibility are defined on a geographical basis. The group of representatives currently numbers 111 employees who represent almost 100% of the staff. Every year dedicated training activities are held to update the WSR. Thanks to this series of activities it was possible to make the procedures for consultation and participation in the overall health and safety management system fully operative, as established by the regulations.