

# Responsible asset management and customer protection

## COMPANY POLICIES

Asset management and the insurance coverage of customers are central to the activities of the Intesa Sanpaolo Group, and are ensured through organisational structures in business areas specialising in asset management, private banking and protection requirements with financial and insurance products and services. Based on the response to the customers' portfolio diversification requests on the basis of their needs (expenses, reserves, investments, pensions and protection) and specific goals in terms of the effective allocation of resources, the product and service range offered was gradually expanded from financial management and consultancy to the area of protection, which concerns all customers, from small to large assets, and from SMEs to large companies, with the due adjustment of the guarantees. The activity is therefore aimed at the development of financial and insurance products and advisory services to meet the welfare and protection needs of households and businesses, including in the long term. Guidelines and Rules for the marketing of financial and insurance products clearly explain the obligation of operators to act in a transparent, fair and diligent way in the provision of investment services, as required by applicable legislation as well.

In the Group's Code of Ethics, as regards the principles of conduct towards customers, asset management's focus is to increasingly highlight social, environmental and good corporate governance criteria in investment assessments in order to promote balanced and sustainable development. With this in mind, the portfolio offered includes funds that apply selection criteria in compliance with the Principles for Responsible Investment, also with the aim of introducing sustainability dynamics in businesses and in customer choices. Eurizon Capital has also signed up to the Italian Stewardship Principles, which define the procedures for exercising administrative and voting rights in listed companies, in order to stimulate discussion and cooperation about social and environmental sustainability issues with listed issuers that the company invests in. As of 2018 Eurizon has its own Engagement Policy in which it reaffirms its commitment to carry out in-depth research and to establish a fruitful dialogue with the management and/or control bodies of the relevant issuers.

Describing itself in the 2018-2021 Business Plan as the leading Wealth Management and Protection company in Italy and Europe, and in its role as bank and insurance company, the Intesa Sanpaolo Group seeks to be a partner that is able to manage all of the assets and risks of households and businesses through a structured array of family welfare solutions and targeted insurance policies, also including protection products as pension saving, business continuity and corporate welfare choices.

In 2019, as part of a more general process of integration of sustainability into business logic and strategies, the Intesa Sanpaolo Vita Insurance Group joined the PSI (Principles for Sustainable Insurance) promoted by the United Nations.

## SUSTAINABLE INVESTMENTS

The Intesa Sanpaolo Group has continued to strengthen its leadership in sustainable investments, with an overall market share of over 27%, 39 sustainable and responsible open-ended funds (of which 12 launched during 2019), assets of 8.4 billion euro and inflows of over 2 billion euro from the start of the year.

## EURIZON

Eurizon Capital is the first asset management company in Italy on sustainable and responsible funds with a market share of almost 27%. For years it has been committed to formulating and promoting new rules and conduct that focus on sustainable investment issues. Having adhered to the United Nations Principles for Responsible Investment in 2015, Eurizon Capital is particularly conscious of the policies implemented by the issuers that it invests in, in the belief that healthy corporate governance policies and practices, which incorporate environmental, social and correct governance issues, are able to create value for all stakeholders in the long term.

<sup>1</sup> Assogestioni, Quarterly Map of Assets under Management of the 4th Quarter of 2019 (table 7) at the end of the year, its market share was 26.6%, with a range comprising 37 dedicated products (33 ESG funds and 4 ethical funds), assets of 8.2 billion euro and inflows of 2 billion euro since the beginning of the year.

The creation of Eurizon Real Asset SGR, a joint venture between Eurizon and Intesa Sanpaolo's Insurance Division, was part of the implementation of the Intesa Sanpaolo Group's 2018-2021 Business Plan at the end of 2019, aimed at enhancing expertise in the market of alternative private market investments in support of the real economy for the direct benefit of companies.

To strengthen its control over the sustainability of its investments, Eurizon is assisted by its internal Sustainable and Responsible Investments (SRI) Committee (within the SGR and chaired by the CEO) and the Sustainability Committee (an autonomous and independent body that helps with the management of Ethical Funds and performs a supporting role). The SRI Committee, set up in 2017, supports the Chief Executive Officer in setting out ESG-related proposals to present to the Board of Directors by monitoring the exposure of assets in relation to the relative assessment indicators identified, and overseeing the escalation process relating to the securities of critical issuers. As well as the Chief Executive Officer, the Heads of the Investments Department, the Heads of the Control Functions, and the ESG and Strategic Activism, Corporate Governance and Sustainability Heads also sit on the Committee.

The Sustainability Committee was set up in compliance with the provisions of the Regulation on managing open-ended mutual investment funds belonging to the Ethics System, and is composed of external persons of recognised probity and morality. It is responsible for periodically monitoring the investment choices of the ethical funds and the management strategy adopted by these funds during the reference period. If it comes to light that fund managers have diverged from the guidelines of the Committee, the Committee can make a request Eurizon to provide a detailed justification for the investment decisions taken. It then establishes guidelines for the methods of donating the proceeds from the Ethical System funds to social projects. In December, the Board of Directors of Eurizon approved the donation of 150,000 euro, of which 134,000 euro already donated to 16 worthwhile associations/entities/social organisations.

Eurizon Capital SGR has adopted a method for the selection of financial instruments that takes into account environmental, social and governance factors as an integral part of the investment process, aimed at curbing risks, including those of a reputational nature, and creating value for its customers' portfolios. The ESG and SRI principles are applied to all actively managed funds, whether they are benchmark or flexible ones (in contrast ESG criteria are not applied to passive/indexed products or investment solutions such as, for example, funds of funds, retail portfolio management and specific institutional mandates).

In terms of actively managed funds, specialised ESG products were made which use a proprietary rating platform to select securities based on their sustainability rating. Active management products also include ethical funds with dedicated benchmarks.

The process of selecting and monitoring investments based on ESG and SRI principles carried out by the asset management company is structured on the basis of three phases:

- creation, by the Long-Term Sustainable Strategies office of the Investments Department, of a list of issuers with high exposure to ESG risks (critical issuers) and a list of issuers operating in sectors regarded as not socially responsible;
- sharing and verification of these lists with the Investments Department and the SRI Committee;
- monitoring of the observance (ex ante during the order preparation phase and ex post during the portfolio optimisation phase) of specific operating limits on investments in issuers operating in non-socially responsible sectors by the Compliance Department.

Operating limits are set in various ways with the following specifications:

- for products whose investment policy is characterised by the presence of a benchmark, the maximum direct investment allowed is equal to the weight of the issuer in the benchmark;
- for products whose investment policy does not provide for the presence of a benchmark, direct investment in securities of issuing bodies belonging to the list is ruled out.

With particular reference to the list of critical issuers, the SRI Committee of the asset management company coordinates and implements an engagement process, i.e. an active share ownership procedure formulated and enacted at various levels, from dialogue with the companies subject to scrutiny through to the activation of voting rights at shareholders' meetings. It is implemented differently for:

- securities already in the portfolio. An 18-month observation period begins upon the activation of the engagement process to assess whether the issuer should be removed from the critical issuer list, after which time - in the event of a negative outcome - the process of the divestment of assets under management begins, according to timeframes that fit with the interests of the customer and, in any case, within three months of the decision;
- securities invested in for the first time (new securities). Purchases are conditional on the drafting of an Investment Case subject to the prior analysis of the SRI Committee, the results of which are presented to the Board of Directors for approval.

In 2019, Eurizon carried out 675 engagement initiatives with 515 issuers, with about 15% (102 initiatives with 77 companies) primarily related to ESG issues.

Compared to 2018 (600 engagement initiatives, of which 22% on ESG issues), in 2019 there was a lower incidence of engagement with issuers specifically dedicated to ESG issues due to a lower number of renewals of the corporate bodies of Italian companies and a lower number of critical issuers in the portfolio.

At the end of the engagement activity (18 months of monitoring), the process of disinvesting all securities (50 issuers) which did not provide proof of convincing actions that may have a short-term effect on the sustainability profile began at the start of 2019. The only exceptions were four issuers for whom the engagement process was extended.

With regard to active share ownership activities, the asset management company adheres to the Italian Stewardship Principles for the responsible exercising of the administrative and voting rights of listed companies, with the commitment to promote high standards of corporate governance. These rights are exercised transparently in the interest of the portfolio subscribers and market integrity, while maintaining a strong focus on limiting potential conflicts of interest.

In 2019, Eurizon Capital SGR took part in 100 shareholders' meetings of select companies listed on Borsa Italiana (55%) and the international markets (45%), voting on around 920 resolutions on the agenda.

In terms of actively managed funds, specialised ESG products which use a proprietary rating platform were developed and offered to the public.

The total number of these funds was 33 products (compared to 21 funds in 2018), with issue windows for different deadlines of the two product families Eurizon Disciplina Sostenibile and Eurizon Flessibile Azionario. There were 12 new products in 2019 (compared to 11 in 2018). Specifically, the new Megatrend line mutual funds were launched: Eurizon Planet, Eurizon People and Eurizon Innovation.

During 2019 the Eurizon ESG products (EF Bond Corporate Smart ESG and EF Sustainable Global Equity) were introduced to International Subsidiary Banks (CIB Bank, VÚB Banka, Intesa Sanpaolo Bank in Slovenia) supported by training and an educational event in Slovenia.

### EURIZON FUND ABSOLUTE GREEN BONDS - GLOBAL IMPACT REPORT [1]

In September 2019, the asset management company drafted the third Global Impact Report regarding Eurizon Fund Absolute Green Bonds, which details the results of the quantitative impact analysis and the contribution to the UN's SDGs. The investments made during the analysis period (30 September 2018 - 30 September 2019) helped achieve key environmental and social impact results, such as:

- a generating capacity of 116 megawatts, thanks to the financing of plants that produce renewable energy; these plants produced around 138,600 megawatt/hours of energy;
- energy savings of around 12.45 million kilowatt/hours thanks to investments in sustainable infrastructure (real estate and transport);
- a reduction in annual emissions of harmful gases of over 94,000 tonnes of CO<sub>2</sub>;
- the saving and purification of over 26,600 million litres of water through investments in plants and production processes;
- the recycling of 3,288 tonnes of waste;
- 69 jobs created by the entire portfolio.

For every million euro invested, the following results are obtained: 303 megawatt/hours produced, 58,537 litres of water saved or purified, 206 tonnes of CO<sub>2</sub> saved.

The Fund also contributes to meeting various Sustainable Development Goals (SDGs) - every bond in the portfolio can contribute to one or more goals and the percentage highlights the amount of bonds that contribute to this objective, including: 9. Industry, innovation and infrastructure (80%), 7. Affordable and clean energy (73%), 11. Sustainable cities and communities (71%), 3. Good health and well-being (67%), 13. Climate action (66%), 8. Decent work and economic growth (48%), 12. Responsible production and consumption (34%), 6. Clean water and sanitation (28%), 2. Zero hunger (22%), 15. Life on Land (19%), 14. Life below Water (19%).

At the end of December 2019, the fund's assets amounted to 725 million euro.

The assets of the funds of the asset management company that meet sustainability criteria (ESG) amounted to about 6.6 billion euro (about 2% of the total and around 9.6% of the assets of Italian funds). The range of products and services is completed with the management of four ethical funds, characterised by the a priori exclusion from the investable universe of all companies involved in activities considered unethical, such as nuclear energy, arms and tobacco. All the products belonging to the “Ethics System” envisage the donation of proceeds. The amount of assets under management in the area of Ethical Funds amounted to over 1.6 billion euro in 2019 (2.3% of the total amount managed in Italian funds). All in all, the assets under management in funds meeting sustainable and ethical criteria (37 products at the end of 2019) amounted to over 8.2 billion euro (over 2.4% of the total and around 12% of Italian funds). In general, the performances of both ethical funds and funds managed with ESG criteria were positive due to the market’s own performance, with the results largely in line with the market or the reference benchmark. In addition, Eurizon manages 15 mandates relating to 13 customers characterised by sustainability criteria, making for about 3.5 billion euro. In particular, the services provided for these mandates concern the choice of ad hoc benchmarks, supporting engagement and corporate governance activities, and the creation of exclusion lists when selecting investments.

During 2019, Eurizon continued its commitment to spreading the culture of sustainability by participating in numerous conferences, like the Salone SRI, the Italian Corporate Governance Conference, the Conference on Green and Social Bonds organised by Icm/Assiom. Eurizon also held sustainability induction sessions organised by Assogestioni in favour of both current officers and candidates for corporate bodies. At the invitation of Assogestioni, an induction session was also held for the Board of Directors and the Board of Statutory Auditors of an issuer listed on the Milan Stock Exchange. It has continuously participated in working groups organised by institutions like Consob, European Banking Federation, Assogestioni and Foundations.

## FIDEURAM – INTESA SANPAOLO PRIVATE BANKING

The Private Banking Division specialises in offering advisory services to meet the financial, pension and insurance needs of Private customers and HNWIs (High Net Worth Individuals). As well as listening to and entering into a dialogue with customers for the continuous improvement of its service quality, it is also committed to spreading an appropriate financial culture in order to improve the customers’ knowledge and awareness with regard to investment choices, including in relation to issues of social and environmental interest.

The progressive integration of ESG criteria is taking place across the product range (under administration, own and third party funds, personalized management mandates, internal insurance funds private insurance) with the aim of offering a full spectrum of opportunities.

In particular, with regard to Fideuram Multibrand, the offer of traditional investment funds with ethical and social value has been enriched with the inclusion of third party funds that have consolidated and recognised experience in this field, improving the coverage of different types of investment (equity, bond, flexible) and allowing customers greater freedom in the composition of their portfolio in accordance with ESG principles.

Among its own funds Fideuram Intesa Sanpaolo Private Banking offers two different products, Fonditalia Ethical Investment and Fonditalia Millennials Equity, for total assets of approximately 225 million euro.

The first, initially proposed as a flexible bond, expanded its mandate to include the equity segment and the use of third-party funds. It has a decision-making process which combines ESG criteria with the goal of producing clear and measurable positive impacts for people and the environment at an individual investment level. The task of ensuring consistency between the actual composition of the portfolio and the ethical principles it is based on is entrusted to an Ethics Committee consisting of managers and experts from different academic and professional areas.

Fonditalia Millennials Equity in contrast invests in equity instruments, mainly issued by companies with a clearly defined business model, to fully capture the consumer habits of the Millennials (particularly conscious of ESG topics). It combines financial and sustainability analysis in accordance with the following criteria:

- companies that do not respect the principles of the UN Global Compact and whose revenues partially derive from activities deemed harmful to people and the environment (e.g. fossil fuels, arms, pornography) are excluded (negative screening);
- ESG assessment of securities in the portfolio, in order to assign a sustainability rating based on the quantitative analysis of data from external sources and a qualitative audit by expert analysts. The rating ranges from 0 to 5, with 3 being the minimum threshold for the initial inclusion of the security in the portfolio;
- creation of a system to measure the maximum weighting in the growing portfolio, according to the sustainability rating of the companies in which the investment is made;
- continuous controls of risk situations (disputes or relevant issues in the area of ESG) in order to enable the management team to carry out constant monitoring which, in particularly significant cases, can result in a red flag and a subsequent assessment of the merits of disposing of the investment in the company involved;
- establishment of a minimum sustainability rating goal for the portfolio (for the portion covered by the rating).

Currently, the portion of the managed portfolio invested in issuers that have received a sustainability rating of less than 3 (threshold of sufficiency for initial inclusion in the portfolio) is 8.5%. No red flag was assigned in the risk monitoring phase.

For both products, the correct and consistent inclusion of ESG factors in the investment process was certified during 2019.

During the year, as part of the Fideuram Alternative Investments (FAI) product range, the new FAI Fideuram Mercati Europei fund was launched, created in partnership with a French company specialising in private markets using ESG filters on all asset classes.

Also regarding the lines of portfolio management, Fideuram Investimenti has developed individual investment solutions that fulfil the ethics and sustainability criteria.

Furthermore, during 2019 the management of the equity component of the Fideuram Pension Fund sub-funds was started according to ESG exclusion criteria (negative screening), identifying sectors and companies (like coal mining, conventional and unconventional weapons production, gambling, adult entertainment, tobacco) excluded. Therefore, about 740 companies at a global level have been excluded, the only partial exceptions being companies producing conventional weapons with a weight in their turnover below 30%.

Since 2017 Intesa Sanpaolo Private Banking has been offering the GP Mix Sustainable, a portfolio management line characterised by an investment process aimed at building a balanced and diversified portfolio on international markets, combining fundamental analysis with specific sustainability assessments aimed at pursuing financial objectives, as well as social and environmental results. In the choice of financial instruments, the portfolio management prioritises, non-exclusively, governments, companies and supranational bodies aligned with the UN Sustainable Development Goals (SDGs).

More specifically, the assessment is based on a combination of negative criteria, ESG integration and best in class. The sustainability assessment is carried out in two steps: beforehand through an internal sustainable quality assessment process and afterwards through a sustainable rating developed by the dedicated advisor. Together with a quarterly financial report, a report is produced that highlights the contribution to the Sustainable Development Objectives monitored during the period.

As far as the dissemination of ESG issues is concerned, in addition to support materials for the presentation and sale of products, specific and informative measures have also been implemented involving Group companies, in particular Eurizon Capital SGR regarding Eurizon Ethical and ESG funds and in particular those dedicated to Intesa Sanpaolo Private Banking.

Focus Sostenibilità, the internal newsletter on Asset Management, was created in order to maintain and increase periodic attention on the subject.

## PHILANTHROPIC FUNDS AND THEORY OF CHANGE

Intesa Sanpaolo Private Banking has dedicated some of its resources to the creation of philanthropic funds, also called DAF - Donor Advised Fund. It has also included in its offerings support in structuring the Theory of Change (ToC) and social impact assessments for non-profit organisations or for some specific projects. The Theory of Change is a rigorous and participatory process with which an organisation and stakeholders articulate their long-term objectives (impact) and then identify the conditions necessary to achieve them.

## PENSION FUND WITH DEFINED CONTRIBUTION OF THE INTESA SANPAOLO GROUP

The defined contribution Pension Fund of the Intesa Sanpaolo Group observes the Principles for Responsible Investment (UN PRI). In addition to the Code of Ethics, in 2018 the Pension Fund adopted Guidelines on Socially Responsible Investment inspired by the most widespread international practices on sustainability, and in 2019 it added a section dedicated to the integration of ESG assets into investment strategies. The Pension Fund thus decided to launch a review of its portfolios to exclude investment in companies belonging to the two most controversial sectors, unconventional weapons and tobacco (the impact on the Fund's sub-funds of investments in companies involved in both sectors is less than 1%). For 2020 the plan is to establish a new Sub-fund called Futuro Sostenibile that will invest in sectors and companies with a specific focus on Climate Change. In the course of 2020, the Pension Fund is also preparing to revise its Strategic Asset Allocation with the aim of establishing future management mandates on the basis of the ESG criteria set out in the Guidelines, starting with contractual articulation with the selected managers.

Finally, in 2019 the Pension Fund joined the collective initiative Climate Action 100+ (CA100+), which the international

organisations UNPRI and IIGCC – Institutional Investor Group on Climate Change – are active participants of, involving more than 370 investors with resources under management for about 35 thousand billion dollars. The project subjects 161 companies – with a total capitalisation of over 8 thousand billion dollars, identified as responsible for industrial emissions of more than two thirds of greenhouse gases – to climate change engagement: the objective is to induce these companies to adopt a strong active climate change governance, to reduce greenhouse gas emissions in line with the Paris Agreement and to increase transparency in reporting.

## **SUSTAINABLE INSURANCE**

Following an analysis of its positioning and performance in the sustainability area, the Insurance Division has started a process to integrate ESG factors in decision-making and strategic choices with an ESG Strategic Plan that provides for a strengthening of investments also from a governance and monitoring point of view by defining the areas of intervention having the greatest impact. The integration of ESG issues in the insurance business has a number of benefits, not only in terms of reputation and added value generated, but also in terms of a better understanding of risks and opportunities, ensuring a holistic view of the context.

The Plan and the initiatives to be implemented in the short and medium-long term have also been defined in line with PSI (Principles for Sustainable Insurance), signed in December 2019 by Intesa Sanpaolo Vita as the insurance parent company. Developed by UNEP FI in 2012, the Principles represent a framework for the global insurance industry to address environmental, social and governance risks and opportunities. In particular, the insurance companies participating in this global initiative are committed to concrete actions involving the integration of ESG issues into operational and commercial management and the development of new types of products and services. The adherence to the PSI, promoted by the United Nations, has established a path of involvement of delegated managers in the reinterpretation of mandates according to ESG criteria and in the analysis of the managed portfolio.

### **THE RESPONSIBLE MANAGEMENT OF INVESTMENTS**

With regard to investment management, the Insurance Group relies on two different delegated managers: Eurizon Capital is the delegated manager of Intesa Sanpaolo Vita (parent company of the Insurance Division), a long-standing signatory of the Principles for Responsible Investments, while Fideuram Vita manages its investment products through Fideuram Asset Management.

### **CUSTOMER FOCUS AND INNOVATION**

In an ever-changing market, the ability to exploit innovation remains crucial to address some elements of significant change. In this sense the Insurance Group continues to invest in Innovation and Digital, bringing new solutions to the market with an approach that puts the focus on the needs of the Customer (internal and external). In 2018, an intensive Digital Transformation programme for the Non-Life business was launched, completely transforming Intesa Sanpaolo Assicura's interface with the development of a dedicated digital platform. The project primarily involves the new product XME Protezione and exploits new technologies to ensure greater commercial effectiveness and excellence in the services provided to customers. In line with the experience in Non-Life, in 2019 a digital transformation programme was launched in the Life business with the aim of maximising the digital customer experience by leveraging innovation to add new services and functionalities, developing new touchpoints and reviewing existing ones. The project has a three-year plan that involves all the channels and digital touchpoints of the Insurance Group's life insurance companies.

To meet the needs of a younger, digitally native customer base, a digital platform for the sale of on-demand policies was launched during 2019 thanks to the collaboration with the insurtech start-up Yolo.

With a continued focus on customer care and satisfaction with the services provided, in 2019 the One Voice project was developed to train the more than 200 operators of the 5 Intesa Sanpaolo Vita e Assicura call centre and customer care service providers.

As part of its programmes to disseminate insurance culture and skills, the Insurance Group is launching a Level II Master's degree in Insurance Innovation in collaboration with the University of Turin, Turin Polytechnic (POLITO) and Collegio Carlo Alberto. The Master's degree is for recent graduates and people with experience in the insurance sector interested in expanding their knowledge of digital and innovative issues in the insurance sector and will consist of fundamental and specialised modules. The first edition will be proposed starting in the fall of 2020.

### **INSURANCE INCLUSION AND VALUE FOR THE LOCAL COMMUNITY**

The Italian insurance market is distinguished by a low level of insurance culture in terms of the perception of the value of insurance protection. In fact, the incidence of insurance premiums on Italian GDP is about half that of the EU average, and only 20% of homeowners have insurance protection for their homes.

Yet 56% of Italians say that they do not feel protected in case of job loss and 40% do not feel that the possibility

of medical treatment is guaranteed, and the need to be able to access medical care is at the top of their priorities, especially for younger people.

The challenge is to work on customer awareness, adding a further piece to the product range: the protection of risks and contingencies for which Italians still rely too much on cash. Insuring families and businesses against damage is also important for the country's economic growth because it triggers a virtuous circle and makes it more solid.

In September 2019 the Insurance Division inaugurated Area X, the first physical space dedicated to the promotion of insurance culture in Italy. With technological innovations like virtual reality and holograms, visitors are immersed in interactive experiences that allow them to experience concrete everyday life situations where, after unforeseen events, they can learn the value of the right insurance protection.

## OFFERING OF INSURANCE PRODUCTS

During 2019, the Insurance Division revised its product and service model for all business lines to meet customer needs with respect to sustainability issues.

With regard to the Life business, Intesa Sanpaolo Vita has enriched the financial offering of the Open Pension Fund "Il Mio Domani" with 3 new ESG benchmark sub-funds. In addition, a new fully-ESG Life Cycle investment profile has been introduced, which provides for the allocation of the most consistent starting sub-fund based on the time horizon missing at the date of retirement.

There are also several products with high social value: Tu Dopo di Noi is an insurance product created for families of disabled people who wish to protect their loved one by accumulating a safe capital to be allocated in the future. Base Sicura Tutelati is instead dedicated exclusively to minors and/or incapacitated people who have capital to be used and who need the prior authorisation of a guardianship.

In November, Fideuram Vita launched the internal fund Orizzonte Responsabile, whose investment universe includes ESG financial instruments or themed funds that propose concrete solutions for sustainable development.

A selection of external ESG funds has also been introduced, with around 20 UCIs fully invested according to ESG criteria available in the Fideuram Vita Insieme family of products.

Finally, with regard to the Fideuram Pension Fund, the investment policy has been revised by introducing criteria for sustainable and responsible investment that are linked to ESG factors.

As far as the Non-life business is concerned, Intesa Sanpaolo Assicura has launched XME Protezione, a modular product to protect against risks related to family life, health and home, which can also be extended to cover the family unit, with the possibility of adding protection against the consequences of floods and earthquakes. In just over a year on the market this insurance solution has already been selected by 520,000 customers.

The car insurance product ViaggiaConMe was designed to promote a sustainable use of the car through different solutions based on the kilometres actually travelled, allowing a savings to the customer of up to 50%. At the end of 2019 a contest was launched among policyholders awarding an electric/hybrid car.

## THE CULTURE OF SUSTAINABILITY IN THE INSURANCE DIVISION

To promote a culture of sustainability, in September 2019 a specific Sustainability Section was created in the Myinsurance portal, where all employees have easy access to online courses dedicated to environmental issues and all updates on the Division's sustainability projects and actions. In 2019 all the people in the Insurance Division were invited to access "Our Commitment to the Environment", a collection of 12 learning modules available on the Apprendo platform. Training related to the ISO 14001 and ISO 45001 environmental certification of the building in Viale Stelvio in Milan. A "green questionnaire" was also developed with the aim of gauging the level of awareness of the issues of environmental sustainability and health and safety at work, also useful for gathering ideas to initiate any further awareness-raising actions related to environmental issues. Also in 2019, a first training session on ESG issues was carried out as part of the project developed on sustainability for the top management of the Insurance Group.

With the aim of further promoting the spread and awareness of a culture focused on innovation and customer needs, in addition to supporting the Business in defining evolutionary plans and new initiatives, a monitoring structure dedicated to innovation trends in the insurance sector was launched with discussions open to all colleagues in the Division, dedicated analyses of specific topics or meetings with market experts. As part of its programmes to disseminate insurance culture and skills, the Insurance Group is launching a Level II Master's degree in Insurance Innovation in collaboration with the University of Turin, Turin Polytechnic (POLITO) and Collegio Carlo Alberto. The Master's degree is for recent graduates and people with experience in the insurance sector interested in expanding their knowledge of digital and innovative issues in the insurance sector and will consist of fundamental and specialised modules. The first edition will be proposed starting in the fall of 2020.