

Relations with the community

COMPANY POLICIES

The Group plays an active role in the areas in which it operates. The Code of Ethics draws attention to the requirements and needs of the community: this commitment consists of various activities which tangibly contribute to achieving sustainable development goals at a global level, such as the promotion of solidarity initiatives with projects set up through partnerships, donations, the sponsorship of important cultural and social initiatives, and the protection and promotion of the historical, artistic and cultural heritage of both Italy and the Group so that it can be enjoyed by the public as well.

With the 2018-2021 Business Plan, the Group intends to become an increasingly important exemplary model for society, developing key projects such as:

- Intesa Sanpaolo programme for people in difficulty, which entails the extension of the "Cibo e Riparo per le persone in difficoltà" ("Food and Shelter for disadvantaged people") initiative to guarantee 10,000 meals a day (3.6 million a year), 6,000 beds a month (72,000 a year), 3,000 medicines and 3,000 clothing items a month (36,000 drugs and 36,000 items of clothing a year) to people in need;
- Intesa Sanpaolo for culture, with the creation of a specialist unit for the promotion and proactive management of artistic, cultural and historical heritage to champion art and culture in Italy and abroad.

Projects and activities are promoted by the Group in order to respond effectively to the most important needs of communities, taking into account the objectives of the major international and national, public and private institutions that contribute to the determination of social policies. Actions are increasingly undertaken in collaboration with local entities and institutions in order to have a positive social impact. In line with the Group's core values, actions are carried out in accordance with the transparency and accountability criteria, and by implementing processes and procedures that aim to avoid any possible personal or business conflict of interest.

CONTRIBUTION TO THE COMMUNITY

Contributions to the community by type [thousands of euro]	2019	2018	2017
Cash contribution to the community	86,124	61,685	49,637
Goods and services donated to the community	23	17	-
Contribution in terms of time	172	214	218
Operating costs	6,203	4,811	3,569
Total	92,521	66,727	53,424

In 2019, cash contributions were classified based on their reason and broken down as follows:

- 60.8% is made up of investments in the community: contributions characterised by long-term plans and/or strategic partnerships and/or of sizeable amounts. This percentage is growing compared to 2018, and represents the most important part of the Group's monetary donations, demonstrating the strategic nature of its activities, geared towards long-term partnerships that can guarantee real benefits and value for the territory.
- 35.2% is made up of commercial initiatives (sponsorships) that contributed to social causes while promoting Intesa Sanpaolo's brand and business.
- the remaining 4% is made up of non-recurring charitable gifts, of an occasional nature and for small amounts, including match giving initiatives (donations from the Bank during fundraising campaigns, combined with the donations from employees or customers).

The main action areas in which monetary contributions were made in 2019 were support for art and culture, amounting to 51.2 million euro (30.9 million euro in 2018), social solidarity for 14 million euro (9.1 million euro in 2018), economic development for 5.6 million euro (5.4 million euro in 2018) and education and research for 7 million euro, versus 9 million euro in 2018 (see page 173).

DONATIONS

Parent Company donations are managed through the Fund for charitable, social and cultural donations set out in the Articles of Association of Intesa Sanpaolo and entrusted to the direct responsibility of the Chairman of the Board of Directors, who submits biennial Guidelines for the approval of the Board which set out the objectives, strategic priorities and theme-based policies, including an annual Plan for allocating resources. The Regulations govern the management of the Fund and define the precise mechanisms for the selection of the proposed entities and projects, maintaining the principle of absolute separation of the initiatives regarding donations from the pursuit of commercial interests. With regard to the entities, the Regulations provide for the exclusion from the list of beneficiaries of those organisations involved in legal disputes in matters relating to organised crime and the failure to respect human rights, peaceful coexistence and environmental protection. Only requests for specific projects with a clear social impact are assessed, and the institutions' ability to achieve the stated objectives in the project are preliminarily analysed on the basis of their previous direct experiences or that of similar bodies in terms of size and activity (track record). A rotation system is also used to ensure the widest and most flexible use of the Fund with a maximum limit of three consecutive years of supporting the same project. In addition, initiatives that receive sponsorship cannot be beneficiaries of donations at the same time.

The extract from the Regulations and biennial Guidelines are available on the Group's website.

As regards the risks of this activity, the Group has deemed that the area of donations is one of the potential areas that could lead to corruption. The Fund Regulations and the Group's Anti-corruption Guidelines have laid down precise rules to be followed in order to prevent such risks, which have been incorporated in the Fund's Operating Guidelines and in the digital donation request procedure.

THE CHARITY FUND IN 2019

In 2019, the Fund for charitable, social and cultural donations of Intesa Sanpaolo has disbursed approximately 12.9 million euro in support of over 800 projects carried out by non-profit organisations. 90% of the funds were disbursed in Italy. As every year, a part of the funds was used at the local level for small projects with a direct local impact, an expression of the community of reference and identified by the Regional Directorates.

The target of allocating a high share of resources (>70%) to donations supporting initiatives benefiting more vulnerable sections of the population, operating according to an increasingly more stringent selection mechanism in relation to project and counterparty quality, has been exceeded by a considerable amount, reaching 95%.

In the 2019-2020 Guidelines for the Charity Fund approved by the Board of Directors, the priority Area for action is the Social area, which has been allocated most of the available funds (82% of donations made in 2019), whereas a smaller percentage is allocated for Research and Religious projects, and finally to Cultural initiatives for marginalised people in difficult situations.

Social projects are selected giving priority to issues that are considered particularly relevant and urgent, identified on the basis of an accurate analysis of national and European data. The three focuses for the two-year period 2019-2020 are educational poverty and dropping out of school, violence against women and children, and dementia, for which a total of about 4.5 million euro was disbursed. The issue of dropping out of school has been addressed throughout the country, both in upper and lower secondary school, with innovative multidisciplinary programmes aimed at students and training courses for teachers and educators. Particular attention was paid to children with Special Educational Needs and to students who migrated from other countries. The involvement of families is also important in order to strengthen parenting skills and encourage active participation in the education of children. In situations of marked socio-economic hardship, work orientation has also been provided. During 2019, the Fund organised a meeting open to Third Sector organisations to present best practices on the topic and to collect information on winning solutions and potential errors, to be shared with organisations. The projects to combat violence, most of which were tailor made for a limited number of beneficiaries, have taken the form of psychological and artistic programmes aimed at developing greater self-awareness and self-esteem and support for women's working, housing and social autonomy. Shelter was also guaranteed in case of danger and psychological and legal support. Recovery programmes have also been offered to perpetrators. With regard to dementia, free outpatient and home rehabilitation services and informal spaces for patients and their caregivers have been supported alongside these more traditional experimental projects for the creation of Dementia Friendly Communities and the development of new aids and technologies to facilitate care at home.

The Fund continued to support projects on social issues like: training for employment and job placement

as a means of social inclusion, health poverty and the fight against disease, physical and intellectual disabilities, and inclusive amateur sports. Some of the main projects supported in 2019 include actions on bullying and cyberbullying, NEET job placement initiatives, young people with psychological frailty, long-term unemployed adults, drug addicts out of rehabilitation and HIV/AIDS patients, projects to support terminally ill and cancer patients, with specific attention to children. Particular attention was paid to the suburbs and to socially and economically degraded areas.

In 2019 as well the Chairmanship decided to make part of the Fund's resources available to contribute towards the goals of the 2018-2021 Business Plan and, in particular, to support food poverty initiatives aimed at guaranteeing the coverage or an increase in the number of meals distributed by charitable institutions across Italy, as established by the "Intesa Sanpaolo for disadvantaged people" project. In total, in 2019 1.9 million euro was donated to Caritas Italiana, Comunità di Sant'Egidio ACAP, Gruppi di Volontariato Vincenziano AIC Italia, Opera San Francesco per i Poveri and Piccola Casa della Divina Provvidenza – Cottolengo, Provincia Sant'Antonio Frati Minori – Antoniano e Progetto Arca for the distribution of around 3,400 meals a day, equal to around 34% (over 1.2 million meals) of the total meals distributed during the year (approximately 3.3 million meals) with the support of the Group.

Collaboration continued with the International Subsidiary Banks Division to disseminate new methods of selecting, monitoring and reporting projects, following the example of the initiatives taken by the Parent Bank. To this end, Rules for Donations in the International Subsidiary Banks have been issued which define new principles and procedures in the assessment and disbursement of donations. The objective of the Rules is to align decision-making processes in these matters with Group processes and approaches, integrating a more strategic and informed view of potential risks.

At the operational level, two initiatives were launched in the Division: support for the people affected by the earthquake in Albania and the provision of psychosocial assistance and care services to children affected by cancer and diseases of the central nervous system along with their parents and caregivers in Ukraine. The Fund has also made available a substantial part of the resources allocated to international projects to reward worthy initiatives freely offered by non-profit entities and carried out within the scope of the Division. Five projects were supported in Egypt, Albania, Romania and the Republic of Moldova. Overall, disbursements in the countries where the Group is present with its subsidiaries exceeded 700,000 euro (more than half of the international donations).

The Fund has also continued the fight against poverty in the world with initiatives in countries with a low or medium Human Development Index. Of particular note is the UNHCR project in Lebanon to provide access to primary school for Syrian refugee children.

NOTEWORTHY SOCIAL INITIATIVES FOR THE GROUP

INTESA SANPAOLO AND INEQUALITY: THE FIGHT AGAINST POVERTY

Currently in Italy there are about 5 million people in absolute poverty and about 9 million in relative poverty. Inequality is growing and the Bank has promoted one of the most important initiatives in the country to support those in difficulty, included in the 2018-2021 Business Plan, the Intesa Sanpaolo programme for disadvantaged people, with the goal of supporting the most vulnerable people, providing them with 10,000 meals a day, 6,000 beds a month, and 3,000 medicines and items of clothing a month.

The Bank confirms its role as a point of reference for the country in terms of growth in solidarity and social cohesion, a founding element since the Group's charitable foundations were established 500 years ago, promoting concrete collaboration ecosystems based on the values of reciprocity, responsibility and subsidiarity, with a circular welfare approach in which the relationships between the various stakeholders make it possible to contribute to the implementation of actions for the collective interest with long-lasting impacts and thanks to its economic results and solidity, it returns a part of its resources to the communities it operates in and to civil society in general.

In the development of the Programme, the Bank designed and developed initiatives which, with efficiency and innovation, complement the donations in support of third party projects, in a structured dialogue concerning social emergencies with the leading voices of the community and co-planning round tables that allowed the definition of high-impact actions implemented on a local and national level, that can also be replicated, establishing partnerships, even long-lasting ones, with non-profit organisations, institutions and corporate customers.

With the support of non-profit organisations, the Programme has so far made it possible to distribute about 8.7 million meals, offer over 519,000 beds and ensure about 131,000 medicines and 103,000 items of clothing, results that exceed the original objectives of the Business Plan.

Meals

The four-year partnership (2018-2021) with Fondazione Banco Alimentare Onlus allows for a long-term consolidation of the process of recovery and redistribution of leftover food and contributed to the distribution of over 2,100,000 meals to charitable organisations in 2019.

Last year the partnership was further strengthened by the joint development of two projects: Siticibo, which has made it possible to offer indigent people more than 1,500,000 meals from the surplus cooked and fresh food from foodservice organisations, and RE-FISHED: from illegal trade to charity, an initiative for the distribution of fish seized from illegal fishing in Sicily that has contributed portions of fish for about 55,000 meals for people in difficulty.

New partnerships have also been established with: Diakonia Association to guarantee 39,000 meals a year to the vulnerable people assisted; La Compagnia degli amici di Gesù, Giuseppe e Maria Association to offer 5,000 meals a year; City Angels Milan to guarantee 15,000 meals to homeless people.

The NOI INSIEME - Natale 2019 (Us together - Christmas 2019) project was also launched. During the Christmas period, the Bank opened its doors to around 2,000 destitute people assisted by Caritas, welcoming them for lunch and offering them cultural entertainment in ten cities: Turin, Milan, Vicenza, Padua, Genoa, Bologna, Florence, Rome, Naples and Lecce. As proof that Intesa Sanpaolo's social commitment starts first and foremost with its own people, many employees took part in the initiative as volunteers to welcome guests and eat lunch with them.

With regard to support for basic needs, the actions dedicated to meals for sick people and their families are particularly important:

- The partnership with Dynamo Camp guarantees about 252,000 free meals per year to sick children, guests of the Association who participate in recreational therapy;
- The partnership with Associazione Italiana Contro le Leucemie - Linfomi e Mieloma - AIL Milano (Italian Association against Leukemia-Lymphoma and Myeloma – AIL Milan) covers almost 67,000 meals a year for those who are required to travel considerable distances for healthcare treatment, hosted in the Association's homes;
- The partnership with the Together To Go - TOG Foundation ensures the serving of about 16,000 meals per year as part of the rehabilitation therapy of young patients suffering from serious neurological diseases;
- The new project carried out with Vidas guarantees almost 15,000 meals a year to children and their families in the 6 mini-apartments of the Casa Sollievo Bimbi in Milan, a paediatric hospice inaugurated in April also thanks to the Bank's contribution;
- The partnership with Fondazione Santobono Pausilipon provides about 17,500 meals a year to the parents of children undergoing long-term care in the Family Room and Alma Mater at Pausilipon Hospital.

Hospitality

Hospitality projects relate to two areas: pathologies and people forced to travel significant distances for healthcare reasons; fragility and marginalisation.

The initiatives go beyond providing beds: beneficiaries of the actions are accommodated in welcoming environments similar to homes, thus reducing the effects of hospitalisation and poverty.

The project Una casa per la mia famiglia (A home for my family) offers free accommodations to the families of children undergoing treatment in the partner hospitals of the Intesa Sanpaolo Programme for children receiving long-term medical care with Fondazione Gerolamo Gaslini in Genoa (139,000 beds), Comitato Maria Letizia Verga in Monza (25,000 beds), Fondazione Santobono Pausilipon in Naples (13,500 beds).

The project launched with AIL plans to offer practical assistance to people forced to travel significant distances for healthcare reasons who, living far from Haematology Centres, require accommodation and services. The aim is to provide over 19,000 beds a year.

The partnership with Dynamo Camp guarantees about 84,000 free beds per year to sick children, guests of the Association who participate in recreational therapy, and the project carried out with Vidas provides almost 2,500 beds for children and their families in the mini-apartments of the Casa Sollievo Bimbi Children's Hospice in Milan. The Bank has promoted synergies between Dynamo Camp and VIDAS for the implementation of joint initiatives that complement the children's care and assistance.

Concurrently, the shelter project launched in Milan with City Angels combats the severe marginalisation of homeless people: not only does it offer them practical assistance by providing about 47,000 beds a year, it also enables social and job market reintegration processes to help people get back on their feet and regain their social and economic independence. New partnerships have also been established with: Diakonia Association to guarantee 78,500 beds a year to the vulnerable people assisted, and La Compagnia degli amici di Gesù, Giuseppe e Maria Association to offer 4,500 beds per year.

Clothing

The Golden Links project aims to support people in difficulty with regard to one of their most sensitive needs, clothing – especially underwear and shoes – which can be difficult even for NPOs specialising in the collection of clothes to obtain.

Started as an experiment in Piedmont and Veneto in 2018, last year it became a national initiative.

The Project creates a real national chain of solidarity which, on the Bank's initiative, involves Caritas Italiana, the diocesan Caritas network (Turin, Vicenza, Naples, Potenza, Oria) and S-Nodi, a body set up by Caritas to promote innovation in initiatives to combat poverty.

Next to them, four major clothing and footwear companies, customers of the Bank: Calzedonia, Scarpe & Scarpe, Camomilla Italia and Primadonna, which have donated about 67,000 items of clothing to the initiative. The garments were assembled in 18,000 gift sets by five non-profit organisations: Cooperativa Sociale M25, Il sole a mezzanotte, Cooperativa Zemer, Opera Barolo and Ambiente solidale.

At the packaging centres, the preparation of the sets for women, men and children was done by marginalised women and prisoners thanks to the mediation of local non-profit organisations.

Gift sets were given to marginalised families assisted by Caritas networks in Veneto, Piedmont, Campania, Puglia, Basilicata and Calabria.

It is an innovative action that networks the best experiences of profit and non-profit partner institutions.

Medicines

Healthcare poverty affects an increasing number of people who do not have sufficient income to afford adequate care. In Italy, poor people spend only 117 euro a year on medicines compared to 703 euro spent by wealthy people. Indeed, an average of 64,000 tonnes of medicines are wasted with a disposal cost of 96 million euro.

The Bank has established a four-year collaboration (2018-2021) with Fondazione Banco Farmaceutico to boost the collection of unused and unexpired medicines donated to pharmacies and their free distribution to charitable organisations that care for the needy.

The project envisages the start-up of new centres of Banco Farmaceutico in 12 cities, particularly in areas of severe socio-economic deprivation. The business plan and the collection and distribution model underlying the project allow for the autonomous sustainability of the centres set up.

In 2019, the collaboration allowed the distribution of more than 82,000 medicines and the launch of the initiative Recupero Farmaci validi (Recovery of Valid Medicines) in three new cities, Perugia, Padua and Matera, in addition to Ancona, Naples and Palermo where the project was already operational.

PROJECTS TO SUPPORT CHILDREN

In its active role in support of the communities it operates in, the Group also carries out initiatives supporting children by working with significant inclusion projects.

INTESA SANPAOLO'S EDUCATIONAL PROGRAMME FOR CHILDREN WHO ARE LONG-TERM PATIENTS

In 2019, the Bank continued to support children in long-term care in oncology wards and their families, offering free nurseries to children aged 0-3, helping them with cognitive and emotional development through specifically designed programmes and qualified educators and providing mothers with significant support as, in most cases, they directly care for their child during their period of hospitalisation.

The Programme, in partnership with local cooperatives that form part of the PAN Consortium, is active in cutting-edge hospitals in Padua, Bologna, Turin, Naples, Monza and Genoa.

Since the service was launched, 100% of the children of pre-school age in the hospitals have been included in the long-term patient programme with positive results: healthcare and educational staff have noted considerable psychological and behavioural improvements in the 320 children involved.

WEBECOME – INCLUSIVE EDUCATION OF CHILDREN AND TEENAGERS

In 2017, Intesa Sanpaolo launched an innovative inclusive education programme aimed at primary school children to promote their inclusion and development of positive behaviour, responding to the need to address critical issues emerging in the area of childhood anxiety. The first phase of the project has come to a close, and addressed issues such as digital civic education, bullying and cyberbullying, diversity, addictions, food and nutrition (with a considerable focus on obesity and malnutrition), innovation and the development of individual potential. The issues were structured into eight courses, each with specific letters from the 'Alphabet for Growth' characterising them: M for maps to provide a guide to childhood disorders, U for uniqueness, T for together, C for closeness, F for flavour, A for aptitude, W for well-being, and R for relations. The free online platform at [\[i\]](#), available at all times, has educational videos featuring experts, training videos, in-depth content and planning tools in order to organise engaging and positive educational experiences in class. Parents are offered sets of useful information to learn more about and help combat childhood anxiety, that can also help them to develop the potential of their children. Now that the design and setup phase has been completed, Webecome is being disseminated both within the Group, with the internal communication campaign "Porta a Scuola Webecome" (Take Webecome to School), and externally with the participation of the project team at conferences in various Italian cities including Bologna, Pordenone, Trieste, Turin and Milan, and at presentations in primary schools throughout the country.

More than 1,000 schools were involved through an active relationship with Headteachers and Education Councillors. Over 11,000 people have visited the platform and there are more than 5,000 active users.

QUBÌ PROGRAMME – QUANTO BASTA

To combat a terrible phenomenon such as child poverty, which affects about 20,000 minors and 10,000 families in Milan alone, the QuBi Programme was launched together with Fondazione Cariplo and partners Fondazione Vismara, Fondazione Fiera Milano and Fondazione Snam. The Bank supports the initiative with a donation of 3 million euro and promotes fundraising through its own tools like the For Funding crowdfunding platform.

The first important result was the creation of an integrated archive of administrative data on poverty in Milan, the creation of two Banco Alimentare hubs, the opening of four Caritas Solidarity Emporiums, and the creation of 23 Third Sector networks in 25 priority neighbourhoods of the city with the aim of building a system to support people and promote the activation of communities.

ASSOCIAZIONE PER MILANO

The Bank is a Founding Member of the Milan Association for those most in need, particularly disabled and socially vulnerable children. Last year the Association supported ten projects involved in medical and dental care, the creation of spaces suitable for recreational purposes, the development of assistance programmes for young people with motor disabilities, and workshops to help socialise young people with autism.

TRAINING AND WORK PROJECTS FOR THE NEXT GENERATIONS

PROGRAMME FOR TRANSVERSAL SKILLS AND ORIENTATION (PREVIOUSLY WORK-BASED LEARNING)

The Z Lab project represents a constructive example of cooperation between the school and the world of credit, involving more than 2,500 students from 100 schools in 20 Italian cities. A more complete description of the initiative is available in the chapter Employees (p. 116).

RELATIONS WITH UNIVERSITIES

During the year relations with universities were further developed, including through partnerships with Group structures with in order to support inclusion and guarantee the right to study and promote the central role of Education and Training for Young People.

Intesa Sanpaolo works in various ways with more than 60 Italian universities, all of which are the largest and most important in terms of positioning in national and international rankings, through partnership agreements that include employer branding, recruiting, training, support activities for teachers and 1st and 2nd level Master's courses, scholarships for students and PhD students, presentations and lectures by employees of the Group at universities, company visits and dissertations in the company, research and innovation projects. The Group also offers universities and colleges financial services like treasury management, employee agreements and student loans.

In 2019, 37 Framework Cooperation or Partnership Agreements were signed and partnerships were established with Competence Centres set up in the country.

Its most notable contacts and partnerships with foreign universities include its collaboration with the Universities of Oxford and Cambridge.

YOUTH AND WORK - YOUNG PEOPLE'S ACCESS TO THE WORKING WORLD

"Giovani e Lavoro" is the programme that over the next 3 years will offer free training courses to 5,000 unemployed youth to help them acquire the skills that companies are seeking and facilitate access to the working world, while at the same time offering qualified personnel to companies with the objective of getting at least 75-80% of them hired.

A partner of Intesa Sanpaolo is Generation Italy, the non-profit initiative launched by McKinsey & Company and active in various countries around the world.

The programme was launched in the geographical areas with the greatest potential for development, starting in 2019 in Naples and Rome and expanding in 2020 to Bari, Turin and Milan, offering short training programmes (3-12 weeks) on specific professional sectors identified as those most in need in the Italian labour market. In 2019 the programme involved more than 1,000 companies, of which more than 30 confirmed and hired participants. To date the results of the initiative count more than 9,300 students interested in the training programme, more than 700 students placed in the classroom after the selection process and a hiring rate of more than 80% for classes with placement activities completed.