

In addition, to reduce the impact on operations at the branches and to meet more effectively the considerable demand for the suspension of loan instalments from Retail Business and Corporate customers, a dedicated Task Force was set up with a total of about 2,400 employees, who supported branches in evaluating and processing applications.

The first, totally digital short-term loan product called Circolante Impresa Smart has been available since September 2020. On the one hand, the signing process allows the SME customers to sign the loan agreement in self-service mode, without needing to go to the branch. On the other hand, the evaluation process is based on the new online calculation model for the rating of SMEs, which can automatically verify the loan repayment capacity, through an assessment of creditworthiness that analyses, among other aspects, the balances and transactions of the customer's current accounts over the previous 15 months.

Financial inclusion and supporting production

COMPANY POLICIES

Intesa Sanpaolo provides a range of products and services that promote financial inclusion and access to credit, in accordance with the Group's Code of Ethics. This code highlights, among the principles of customer relations, this policy's value as a key lever for social inclusion, enabling people to improve their lives and to fully exercise their citizenship rights. The Code of Ethics also outlines Intesa Sanpaolo's commitment to promoting economic and social development in the countries where it operates. In particular, this responsibility results in assisting companies to develop and improve their competitiveness, and to introduce innovations and internationalise their business. Among other initiatives, the 2018-2021 Business Plan launched the Fund for Impact, which is intended to disburse social impact loans of 1.25 billion euro (subsequently increased to 1.5 billion following the integration of the UBI Banca Group) to sections of society that find it difficult to access credit, despite their potential..

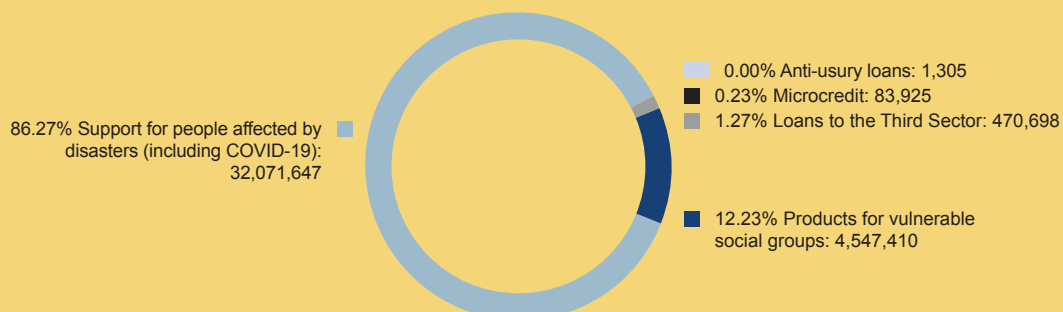
FINANCIAL INCLUSION OF VULNERABLE PEOPLE

Support of people in vulnerable conditions is offered through projects and initiatives aimed at the fair allocation of resources by identifying actors within the territory with whom agreements and synergies can be developed that will make access to credit easier for vulnerable individuals or those who would otherwise have no access to banking.

INITIATIVES WITH HIGH SOCIAL IMPACT

In 2020, the Intesa Sanpaolo Group issued new loans for high social impact activities amounting to about 37.2 billion euro, equal to 42.5% of the total granted, 32 billion of which to support the production system during the health emergency, helping to create business and employment opportunities and also to assist people in difficulty with various initiatives: microfinance; anti-usury loans; products and services for associations and entities in the Third Sector; products for the most vulnerable social groups to support their financial inclusion; and loans to support people affected by disasters.

LOANS WITH SOCIAL IMPACT [% AND THOUSANDS OF EURO]



MICROFINANCE AND THE FIGHT AGAINST USURY

There are various partnerships with different entities to provide credit to individuals or small companies in difficulty. Altogether, in 2020 the Group disbursed about 85 million euro in microfinance or anti-usury projects, in Italy and abroad.

The initiatives of a social nature, to provide income support for families, and those of a business nature, for the creation of micro and small enterprises, involve Intesa Sanpaolo working in partnership with the Fondazione Lombarda Antiusura and the Fondazione Welfare Ambrosiano, with a catchment area covering mainly Milan. In addition, there are some other ongoing agreements for the credit inclusion of disadvantaged persons or small businesses. These include agreements with NEETwork to offer free training placements provided by non-profit organisations, and also with Adiconsum, Exodus 94, Fondazione San Nicola Medici, Fondazione Antiusura Cavalla, Fondazione Moscati and Fondazione San Matteo, Fondazione Beato Giuseppe Tovini, Fondazione Toscana Antiusura, Fondazione Santa Maria del Soccorso, Fondazione Santi Smplicio e Antonio and the Fondazione Sant'Ignazio da Laconi for anti-usury initiatives.

In addition, the Bank makes available the "Finanziamento Microcredito Imprenditoriale" ("Business microcredit financing"), dedicated to micro-enterprises in the start-up phase of a new business or when investing in growth projects, enabling them to access credit even without collateral. This opportunity was made possible by a special section of the SME Guarantee Fund (Ministry of Economic Development Fund, operational since 2000). The medium/long-term loan, with a maximum duration of 7 years and a maximum amount of 25,000 euro, is designed for the purchase of goods (including raw materials) or key business services (including lease payments), to pay for salaries to new employees or working partners, or to pay for training courses to improve professional quality and technical and managerial skills. Some of the essential characteristics of Business Microcredit Financing are assistance and monitoring services that support the business, offered free of charge by the VOBIS association (Volontari Bancari per le Iniziative nel Sociale, an association of volunteer former bank employees that operates throughout Italy and is purely focused on social solidarity). 258 loans were disbursed for a total of 5.7 million euro in 2020.

MICROCREDIT IN EGYPT

As a driver for poverty reduction and socio-economic development in the country, microcredit is an activity at the heart of the Bank of Alexandria strategy which aims to position itself as the point of reference for financial inclusion, economic empowerment and income support for small businesses and customers with no access to banking. Its range of products and services, with solutions for retail customers and micro-enterprises from various sectors, has thus been enhanced over the years with the introduction of products for the agribusiness sector and artisans, women and young people. In 2020 the Bank disbursed more than 77 million euro for a total of more than 46,600 loans, also providing some customers with advisory services developed in cooperation with various NGOs.

FUND FOR IMPACT – NEW CREDIT ACCESS OPPORTUNITIES

The Fund for Impact was launched in 2019 with initial funds of about 250 million euro to support the disbursement of loans to customer groups with difficulties in accessing credit, despite their potential. In 2020 the operating regulations were issued and the endowment was expanded to 300 million euro following the integration of UBI into the Intesa Sanpaolo Group.

The Fund for Impact supports the "per Merito" initiative, the first unsecured credit line dedicated to all university students residing in Italy and studying in Italy or abroad, which in 2020 financed 6,446 students granting them 51.5 million euro (90.6 million euro since 2019). In 2020 some new partnerships with universities and other institutions were created (especially schools specialising in the Made in Italy business such as fashion and cuisine as well as selected schools for digital activities); loans were made available to the families of students attending certain high schools and the scope of assisted students was extended to PhD scholars.

In addition, three new initiatives were implemented:

- MAMMA@WORK, operational since July 2020, is a loan on favourable terms for working mothers so that they can manage their economic commitments after their period of maternity leave, paying nurseries, child care or other temporary needs, thanks to a loan of 300 or 500 euro per month (disbursed half-yearly), which may last until the end of the child's 6th year and be paid back over prolonged periods (up to 20 years) and thus with very modest instalments. In 2020 the product financed 79 mums for a total amount of 236,000 euro.
- XME StudioStation is a loan for the purchase of computers and connectivity for families with children who are following distance learning. The maximum amount is 1,500 euro with customisable duration (12-48 months), zero-rate interest and no guarantees are required. In 2020, 891 loans were concluded for a total of 1.2 million euro granted.

- **Obiettivo Pensione:** in December 2020, the possibility became operational of granting loans to people who, despite having reached the minimum age requirement for their pension, do not have enough pension contributions to actually retire, especially because they have been made redundant; Obiettivo Pensione covers the cost of their missing pension contributions of up to a maximum of 3 years and 6 months, with a line of credit that allows them to repay over a long period (10 years) using consolidated methods.

NATURAL CATASTROPHES AND DISASTERS

The Intesa Sanpaolo Group confirmed its concrete commitment to support the populations affected by catastrophic and natural disasters affecting the Italian territory by activating dedicated credit lines, providing new subsidised loans intended for the restoration of damaged properties (houses, shops, offices, artisan workshops, companies), suspensions on existing loans, actions in the area of protection and preferential, simplified and expedited procedures.

In 2020 there were about 300 suspensions of repayments on existing loans for a total residual debt of 500 million euro. In addition, subsidised loans were disbursed in 2020 for over 163 million euro (about 497 million euro since 2018).

SUPPORT FOR HOUSEHOLDS

Intesa Sanpaolo participates in the Guarantee Fund for Main Home Purchases, established by the 2014 Stability Law. Thanks to the Memorandum of Understanding between ABI and the Italian Ministry of the Economy and Finance, the beneficiaries – young couples, single-parent families with minor children, young people under the age of 35 with a temporary employment contract and tenants of public housing owned by the Istituto Autonomo Case Popolari (Social Housing Authority) – can get a guarantee on the principal amount of their loan (up to 50%). In 2020, 5,693 mortgages were issued with a value of over 610 million euro.

During 2020, Intesa Sanpaolo provided employees of companies in crisis, such as the former Embraco and Air Italy, with effective support allowing them to suspend the payment of instalments on mortgages and loans for a period of 12 months.

Support for households was also reflected in the renegotiation of mortgages, almost 45,000 in 2020.

The Group also signed up to the Agreement for women victims of violence which ABI and the main trade unions also signed. For women included in certified security programmes, who are in economic difficulty, the agreement provides for the suspension of repayment of the principal in mortgages and personal loans for a period of 18 months. When signing up to the Agreement, the Bank also provided for the suspension of the entire instalment to offer greater support.

Intesa Sanpaolo has for some years operated the “Anticipazione Sociale” project, designed for redundant workers who receive their INPS benefits 7-8 months after applying. “Anticipazione Sociale” offers the opportunity to open credit facilities with favourable terms, until their redundancy benefits arrive from INPS. More specifically, provision was made for an advance lump sum of 1,400 euro, reduced proportionally in the event of a shorter period of suspension (suspension for less than 9 weeks on zero hours, or in the event of a reduction not on zero hours) or in the case of part-time employment. Through agreements signed with the Piedmont Region, the Metropolitan City of Turin, Emilia Romagna, Tuscany and Veneto, the worker does not bear any charges as these are covered by the project partners.

SOLUTIONS FOR YOUNG CUSTOMERS

Intesa Sanpaolo pays great attention to young people and their needs; in this regard it has developed a dedicated offer that more specifically concerns:

- mortgages, especially “Mutuo Giovani”, an offer whose aim is to facilitate young people with their house purchase accepting applications of up to 100% of the property value with repayment periods of up to 40 years. The total disbursement – also considering the Guarantee Fund for Main Home Purchases – is about 3.8 billion euro to over 31,350 young people;
- loans, with the “per Merito” product dedicated to students with the aim of facilitating their access to studies (for details one should refer to the section “Fund for Impact - New credit access opportunities”). In addition, for university students who reside in the South, or who reside in other regions of Italy and want to attend a university or a specialist school in the South, the “per Merito” initiative has been joined by “StudioSI” - a Fund of the Ministry of Education, University and Research (MIUR) co-financed by the European Social Fund (ESF), which enables Intesa Sanpaolo to provide interest-free loans to university students, of up to 50,000 euro to be repaid in up to 20 years without collateral, to meet registration fees, purchase of books and all costs related to their studies;
- current accounts, with the XME Conto product, which offers current account fees and a debit card absolutely free of charge with the tax paid by the Bank, for those up to 35 years of age, and with XME Conto UP! for those under 18, completely free until the age of 18;

- savings with SMART SAVE, the first of the investment services planned in line with digital functions; it allows users to subscribe to funds from 5 euro upwards and to manage all transactions directly via the App. It is an accumulation service on dedicated mutual investment funds, which aims to facilitate access to occasional and/or periodic investment, even for small amounts and via mobile.
- savings with XME Salvadanaio, the digital piggy bank that can be used by children and adults alike, which allows them to set retained sums of money, either manually or automatically for rounding off payment transactions made with cards

WOMEN'S ENTERPRISE SOLUTIONS

The Business Gemma loan supports businesses run by women and also women freelancers, benefitting free of charge from the guarantee of the special section of the SME Fund for Women's Entrepreneurship and allows to request the suspension of the capital portion of the instalments for up to 12 months during the amortisation period. 93 loans were disbursed for a total of 3.2 million euro in 2020.

Among International Subsidiary Banks, Banca Intesa Beograd and Intesa Sanpaolo Bank Albania signed agreements with the European Bank for Reconstruction and Development (EBRD) as part of the Women in Business programme which, in support of micro, small and medium enterprises run by women in the Western Balkans, offers subsidised loans, technical consulting and the sharing of know-how for women who benefit from the initiative. In 2020, Banca Intesa Beograd agreed a new credit line of 8 million euro with the BERS and disbursed 163 loans to local SMEs for about 1.2 million euro; Intesa Sanpaolo Bank Albania made available approximately 511,000 euro for 9 loans to female entrepreneurs. Following the pandemic, the customers were also able to benefit from moratoria.

WOMEN VALUE COMPANY AWARD

In support of gender equality and the enhancement of the role of women in entrepreneurship, Intesa Sanpaolo promotes the "Women Value Company - Intesa Sanpaolo" award together with the Marisa Bellisario Foundation. In its fourth iteration in 2020, the award is given to small and medium-sized enterprises that implemented concrete and innovative policies and strategies to guarantee men and women equal opportunities and equal recognition in their careers. From about 900 candidates from all over Italy for the 2020 edition, 90 SMEs received awards in the final event that was held in live streaming in the month of September 2020. The event was an occasion for sharing views and opinions on corporate policies and best practices aimed at eliminating the gender gap, for an effective debate that aims to inspire and develop the corporate culture of Italian SMEs.

REMITTANCE MANAGEMENT

Intesa Sanpaolo offers specific products for foreign customers in Italy who need to send money to their home countries.

To facilitate customers in this difficult year, an agreement was reached with Western Union to cut costs to zero for remittances made through Money Transfer throughout the second half of 2020. In addition to the Money Transfer service, Intesa Sanpaolo allows customers and non-customers to send money to various countries of origin using the GetMoney To Family service and at Group Banks abroad with the Express to Family service. In 2020, around 97,000 remittances were made, amounting to over 48 million euro.

IMPACT PROJECT FOR THE FINANCIAL INCLUSION OF IMMIGRANTS

The financial inclusion project for immigrants was developed on the basis of the results of a study on the current process and the future impact of immigrant integration dynamics on the sustainable growth of the country.

During 2020, the project was developed along two main lines, one internal and one external to the Bank, directed towards several action fronts:

- Making the most of previous experience through an operational spin-off with the commencement of works on the "Credit to Migrants" project with the Impact Department; a sustained action of alignment, sharing of views and raising awareness with the other Business Units of the Bank that may become involved, broadening the focus from the issue of financial inclusion of migrants to the issue of financial inclusion in its broadest sense (i.e. for all those lacking inclusion).
- Launch and consolidation of dedicated discussions with the Robert F. Kennedy Human Rights

Foundation: in its capacity as a partner of the Bobby's Dream project, the Group contributed to the scientific magazine published by Euricse, dedicated to best practices in support of social and economic inclusion of migrants and asylum seekers, and in the framework of the training project initiated by the same Foundation and the Cattolica University, Intesa Sanpaolo defined the terms of its intervention in the project and its best practices for the undergraduates on the Management of Sustainability degree course.

- Dialogue with the national and international institutions directly involved in supporting the financial inclusion and integration process: in this context, and in order to make the most of and share the project results, Intesa Sanpaolo was invited to take part in the national working group on financial inclusion promoted by the Italian Ministry of Economy and Finance and the Bank of Italy within the scope of the country's participation in the Global Partnership for Financial Inclusion of the G20, of which Italy has recently assumed the Presidency, and in the upcoming discussion group on the subject of financial inclusion set up by ABI. This discussion group will also include Acli, Anci, Arci, Caritas Italiana, CeSPI, Directorate General - Immigration Department from the Ministry of Work and Social Affairs, UNHCR and International Organisation for Migration (IOM).

SUPPORTING THE THIRD SECTOR

For some time now Intesa Sanpaolo has made available an offer dedicated to Third Sector organisations, first through Banca Prossima and then (after its merger in 2019 into Intesa Sanpaolo) through the Impact Department, into which it was incorporated.

At the end of 2020, there were about 88 thousand customers in the Third Sector network, and direct and indirect deposits of about 7.3 billion euro, of which roughly 5.5 billion euro were in direct deposits, and about 2.3 billion euro in loans. The intangible assets of Third Sector entities play an important role in making their long-term financial exposure sustainable. To this end, specific rating models have been developed that better suit the characteristics of customers from the non-profit and religious sectors, particularly with respect to the qualitative section. As a guarantee of its activities, the articles of association of Banca Prossima envisage a Fund for the development of social enterprises, to which at least 50% of the remaining profits net of allocation to legal and statutory reserves and the reconstitution of the share premium reserve initially used to set up the Fund were allocated each year. The Fund continued to function even after the incorporation of Banca Prossima, through the creation of a plafond of around 0.1% of the shareholders' equity of Intesa Sanpaolo.

CROWDFUNDING PLATFORMS

For Funding is the social crowdfunding platform of the Intesa Sanpaolo Group aimed at organisations, non-profit associations and foundations which want to launch a fundraising campaign with the participation of a wider donor community. The fundraising initiatives are selected by the Intesa Sanpaolo team, which evaluates the beneficiary organisation and the type of projects in order to support the most deserving projects. Once the project has been published on the platform, donors may contribute to the fundraising process with a donation made through the website using a credit card, by online bank transfer, or with a bank transfer made at their own bank or at any Intesa Sanpaolo branch. Each transaction is free for both the donor and the beneficiary.

For Funding is a unique and distinctive model in the world of social crowdfunding and for loans to non-profit projects, that are direct and without intermediaries. Italian private individuals and legal entities can use the platform to make loans to non-profit organisations at a favourable rate. In 2020, For Funding raised about 9.8 million euro in donations, positioning itself as the leading Italian Donation Crowdfunding platform.

Donations through For Funding to support initiatives for the COVID-19 emergency amounted to 3.5 million euro. In particular, the platform hosted the fundraising called "Emergenza Coronavirus: vicini a chi ha più bisogno" (Coronavirus Emergency: close to those in need) supporting the Department of Civil Protection, which collected donations of over 2.2 million euro.

EDUCATION AND SPREAD OF FINANCIAL CULTURE

The health emergency due to the spread of COVID-19 meant we were forced to have a profound rethink about the edutainment and educational activities proposed by the Museo del Risparmio (MDR - Savings Museum). To keep public engagement and the participation of young people at a high level, we chose to act on two fronts: the development of new online formats and the implementation of technology solutions to convey financial education in an effective and innovative manner, both remotely and face-to-face.

Despite the closure to the public for about six months and the restrictions imposed, during 2020 the activities designed and delivered face-to-face and remotely by the Museo del Risparmio involved about 22,000 people.

For adult audiences the MDR Web TV was launched, a programme of live and on-demand digital events that reached a total of about 4100¹ people between April and December. The events organised by MDR in 2020 included:

- A book in 30 minutes: 8 online events with writers and experts who, through their books, helped to take a more in-depth look at topics such as behavioural finance, psychology of money, relationship between philosophy and economics, development of payment systems and the circular economy;
- MDR-HSS International virtual seminars: 2 seminars in English in collaboration with the Herbert Simon Society and addressed to experts and researchers in the financial sector, dedicated to financial education determinants and the consequences of the pandemic on the financial markets;
- Financial education webinars: 11 events to stimulate reflection on certain crucial issues for financial education (gender gap, sustainability, educational innovation, resilience in managing the effects of the pandemic).

To help people get through the difficulties they face in the complicated economic situation associated with the health emergency, the Museum created FIREWALL, four video pills to boost financial resilience i.e. the ability to withstand the impact of the crisis without falling into despair.

In partnership with Episteme, a research programme was also created called “Capacità di Sopportazione e di Reazione in tempi di pandemia” (Ability to Endure and React in times of a pandemic) aimed at analysing the behaviour of Italians in the face of the health emergency and the consequent economic and social emergency in progress.

The Museo del Risparmio, in collaboration with the International Federation of Finance Museums, looked after the drafting of “Financial education in pandemic times”, a booklet that collects the experiences of the world’s leading museums of economy and finance in the development of new educational and communication proposals following the COVID-19 emergency.

Also on the international front, on the occasion of the World Savings Day, the collaboration between the Museum and the Banks of the International Subsidiary Banks Division continued in 2020; eight of them proposed activities promoting financial education within “The Art of Saving” initiative, including distance learning workshops and other digital initiatives to raise awareness.

School	Distance learning activities
PRIMARY SCHOOL	<ul style="list-style-type: none"> • MDR PLAY LAB: the video tutorial series for parents and teachers to perform distance-learning educational workshops on savings and sustainability • New educational format called “Legonomia” to learn the basics of financial education through LEGO • Online participation at the TIME4CHILD festival
LOWER SECONDARY SCHOOL	<ul style="list-style-type: none"> • AES Quiz: edu-quiz series on the history of money, which involved about 300 middle school pupils competing through the Kahoot application • New educational format on the “INFO-Mania” information asymmetry developed in collaboration with the Turin Polytechnic
UPPER SECONDARY SCHOOL	<ul style="list-style-type: none"> • New video-courses dedicated to the contamination between finance, film and literature (“Un libro nella Borsa” and “Si gira motore..azioni!”) • Online meeting with R. De Bonis and M. Vangelisti of the Bank of Italy on the development of payment instruments • Online meeting on “La finanza spiegata bene – Speciale Scuole” (Finance explained well - a School Special) with the journalist Mauro del Corno • Digital live show “Non ci casco” (I won’t fall for it) on electronic payment frauds, held during the Salone dei Pagamenti • Digital live show “Scelte Insostenibili” (Unsustainable choices) • Digital Festival “Il mio posto nel mondo” (My place in the world) with Lavazza and the Next Level Association

(1) The figure includes those who followed the events live and the number of views of the recording subsequently uploaded on the YouTube channel of the Museo del Risparmio.

For the school world, new forms of distance learning were designed, differentiated by age, which allowed them to reach a total of approximately 10,800 pupils, students and teachers.

For upper secondary schools, a new module was launched with 30 hours of distance learning to be dispensed within the scope of “Courses on across-the-board skills and orientation” which were followed in 2020 by 303 students, while another 600 will take part in 2021.

In 2020 the 2nd edition of the SAVE Tour was completed (Sustainability, Action, Voyage, Experience), an itinerant course on financial education and sustainability developed with the European Investment Bank and Italscania which visited 15 cities in Liguria, Sardinia and Sicily between October 2019 and February 2020 and involved 85 schools and 4,550 pupils from primary schools and secondary schools. An additional 7 stages in Calabria and Campania were cancelled due to restrictions imposed by the health emergency.

The project will be transformed in 2021 into a virtual tour with new content accessible both in Italian and English.

Among the main technological innovations introduced:

- The 3D virtual tour to the Museum, allowing pupils to explore the various rooms, view a selection of content and download the apps to get familiar with the complex art of money management.
- The app called “Il tesoro di Mika” (Mika’s treasure) is an exciting virtual treasure challenge with quizzes and games. Anyone who can answer the questions correctly is awarded the title of Maestro del Risparmio (Master of Savings).
- The futuristic “Test and fun” terminal uses artificial intelligence to find out how each of us relates to money and savings.

The partnership with the Osservatorio Permanente Giovani-Editori (Young Publishers’ Forum) for the Young Factor project continued in 2020, with the aim of supporting young people’s critical reading and economic and financial literacy. The initiative managed to continue with the project in schools, in spite of the health emergency, thanks to distance learning involving an even greater number of schools (2,150) and pupils (617,180).

Developed within the scope of the Il Quotidiano in Classe (Daily Newspaper in Class) initiative, which through the reading and comparison of different newspapers aims to help young people to develop that essential critical spirit in order to become tomorrow’s free citizens, the project intends to facilitate the spread of an economic-financial culture among young people, providing them with useful knowledge support so as to make informed choices about their future and to foster the creation of responsible citizens. Teachers and classes participating in the project include focused studies in their syllabus on the main topics underlying the economy, finance and the rules that govern financial and banking activities. The educational work is inspired by current issues (the economic crisis, the performance of financial markets, etc.) and allows the various topics to be looked at in detail and related to the youngsters’ daily reality.

SUPPORTING PRODUCTION AND INNOVATION

Intesa Sanpaolo puts itself forward as a point of reference, and not just financially, to support the country’s economic system and the business and associative world, also during the period of the COVID-19 emergency. The Group assists its customers in a consolidated and long-term relationship model founded on quality, reliability and trust.

With regard to about a million Corporate and SME customers, the Group puts forward solutions that support the future of Made in Italy in the world and contribute to sharing their internationalisation, capitalisation, innovation and development processes, with particular attention to the topic of economic, social and environmental sustainability, as stated in the 2018-2021 Business Plan.

SUPPORT FOR BUSINESSES IN ITALY

In 2020, Intesa Sanpaolo allocated approximately 87 billion euro in new medium-long term loans to the real economy with approximately 77 billion euro in Italy, of which around 63 billion was disbursed to households and SMEs.

In 2020 the Group facilitated the return from non-performing to performing status of around 11,500 Italian companies, with a positive impact on employment through the protection of approximately 57,000 jobs.

In response to the COVID-19 emergency, Intesa Sanpaolo immediately adopted some extraordinary measures first and then promptly implemented the measures specified in the government Decrees, through initiatives of effective help to businesses to support them in these times of difficulty: the suspension of repayments of loans and the allocation of a credit line of 50 billion euro, with a focus on the sectors most affected by the crisis (tourism and trade). For more details, one should refer to the section “Support for households and businesses to deal with the COVID-19 emergency”.

By August Intesa Sanpaolo had already made available the tools allowing people to benefit from the Superbonus and the other building bonuses and in September they were set under way, also later extending the offer to

the UBI Banca network customers, thanks to the progressive business integration of the two banks. For more information, one should refer to the chapter Loans and services for the green and circular economy.

The growth of Italian SMEs is also supported by the Intesa Sanpaolo Extraordinary Finance structures and the partnership with Elite of Borsa Italiana, through innovative financial solutions that give companies high visibility to institutional investors and enhance their reputation and financial culture.

In partnership with Confindustria, in 2020 Intesa Sanpaolo took 57 companies representing all of Italy and its economic sectors to three Elite Lounges (an international programme to accompany the most ambitious companies in their development phases), in a digital version. One of these was entirely dedicated to start-ups from the B-Heroes programme and another saw the involvement of some companies in the Imprese Vincenti programme.

In 2020, the Intesa Sanpaolo Basket Bond Programme continued in partnership with Elite, an operation allowing SMEs to issue bonds which envisages a potential, subsequent securitisation through “Notes” geared to institutional investors. The Programme, structured in a number of tranches, envisaged in 2020 the subscription of bonds for a total amount of 100 million euro and involved 12 SMEs throughout Italy.

CORPORATE CREDIT AGREEMENTS

With the aim of continuing to support businesses and respond to the developments occurring within the European regulatory context, the operations under the Credit Agreement, signed by ABI and the main trade associations in 2019, continued in 2020 with the changes introduced by the Addenda of 6 March and 22 May which extended the procedures of access in response to the COVID-19 emergency.

In 2020, the entire national economy was deeply affected by the devastating effects of the pandemic. From February onwards, thanks to agreements with national associations, the Bank was able to provide businesses firstly with its own extraordinary measures to support liquidity and immediately after with further actions in support of operators in the economy, in accordance with the legal provisions that were issued throughout the year (Cura Italia Decree, and the Liquidity, Relaunch and Relief Law Decrees). The agreements were the subject of widespread dissemination through numerous webinars, both nationally and in individual areas, through the involvement of a large number of participants, including associated companies.

The themes common to many agreements involved basically three main areas: the first, supporting corporate liquidity and working capital, with short, medium and long term loans, also with government guarantees from the Central Fund and SACE, the extraordinary moratoria and the enhancement of Supply Chains and support for internationalisation; the second related to innovation and sustainability, with particular attention to ESG issues, the Circular Economy and innovative Start-ups; the third and final area was to encourage working from home and to ensure protection and insurance and health cover.

Moreover, thanks to the measures included in the Relaunch Law Decree some important steps were taken, made effective through the signing of new agreements or addenda to those already signed, as part of the incentives linked to the home system, in particular the Superbonus, and the possibility of transferring tax credits to banks, which facilitated the development of innovative solutions through the active collaboration with some representative trade associations.

The following is a list of agreements signed with the main trade associations in 2020, mentioning only those that are of national importance:

- Confcommercio Imprese per l'Italia
- Confartigianato Imprese
- CNA - Italian Confederation of Craft Trades
- Confapi - Italian Confederation of small and medium-sized private industries
- Federalberghi
- Federturismo, Confindustria Alberghi and Federterme
- ANCE National Association of Construction Companies
- Federlegno Arredo
- Anima Confindustria Meccanica Varia
- Confindustria Intellect
- Assopellettieri - Italian Association of Furriers
- CDO Compagnia delle Opere
- Finco - Federation of Industries for Products, Plants, Services and Specialist Works for Constructions and Maintenance

Furthermore, in support of the internationalisation of companies, in 2020 the agreement with the ICE Agency was renewed as well as the agreement with SACE SRV, which allows corporate customers to access the services for the recovery of international credits on competitive terms, in addition to the continuation of the agreement with SACE for the guarantee of medium/long-term International+ loans from Intesa Sanpaolo and

the Master Participation Agreement in existence with SACE, for the sharing of the risk arising from the issue of international guarantees and export documentary credits.

The support to SMEs in the field of Industry 4.0 (still partially continued in 2020) led to loans this year of 541 million euro.

In addition, in 2020, through several specific agreements with the European Investment Bank Group (EIB and EIF, European Investment Fund), Intesa Sanpaolo prepared additional lines of action that will allow the disbursement to final recipients of new loans for a total of over 2.8 billion euro, mainly for the Italian economy. The resources will be directed to finance SMEs for new investments, including in particular those in research projects and innovative investments, permanent working capital and liquidity requirements to overcome the COVID-19 emergency. Through the use of European Structural Funds, two projects were given support: one with the Region of Sardinia to deal with the COVID-19 emergency, with a particular focus on the tourism sector and another to finance the training of university students.

In addition, through a synthetic securitisation of an existing loan portfolio of about 2 billion euro created within the scope of the "GARC" programme (Gestione Attiva Rischio di Credito - Active Credit Risk Management), Intesa Sanpaolo, subsequent to the optimisation of the credit risk, will offer new loans for a total of 450 million euro available to SMEs affected by the emergency caused by the COVID-19 pandemic.

Again, in 2020 the agreement signed with the European Investment Fund in 2018 for the creation of a portfolio supported by the InnovFin guarantee for new loans of up to 300 million euro associated originally with research, innovation and development projects, was revised by expanding the purposes for investment to digitalisation and energy efficiency improvements in full compliance with the European Green New Deal. At the same time, a portion of the portfolio was also dedicated to Working Capital, a COVID-19 line, aimed to support businesses lacking liquidity due to the pandemic crisis. In 2020, some portfolios of new loans were constructed guaranteed by the Guarantee Fund for SMEs. Operations which began in 2018 with the admission of four portfolios for a total value of loans of 1.2 billion euro, continued with a new initiative that benefits from the guarantees of the consortium company promoted by Confcommercio alongside the SME Guarantee Fund. In addition, the Bank took steps to launch the activity in line with the SME Initiative, a dedicated SME initiative promoted by the European Union and the EIB Group (the European Investment Bank and the European Investment Fund) which aims to stimulate SME financing by providing partial risk coverage for SME loan portfolios of the original financial institutions. During 2020, the initiative was not actually used by businesses because of the COVID-19 emergency; in December, the required authorisation was obtained from the EIF for the extension of eligible purposes, including loans to support the working capital for businesses that have been damaged due to the pandemic. The Bank is committed to providing more than 300 million euro in loans to SMEs, using this instrument, which allows companies to be financed with a benefit of 50 bps discount on the benchmark pricing.

SUPPORT FOR HOUSEHOLDS AND BUSINESSES TO DEAL WITH THE COVID-19 EMERGENCY

Since the beginning of the pandemic, the whole Bank has been strongly committed in a series of initiatives to give support to all corporate customers affected by the crisis, on occasions independently launching measures that were able to become operative even before the enactment of policies and regulatory measures implemented by the government.

The support provided by Intesa Sanpaolo to households and businesses during the health emergency consisted mainly of the suspension of payments of mortgages and loans and the disbursement of subsidised loans. In 2020 Intesa Sanpaolo disbursed about 30 billion euro in loans with state and SACE guarantees and granted suspensions - including renewals - on mortgages and loans of 73 billion euro, of which about 54 billion euro for businesses and about 19 billion euro for households, in order to support the economy of the country.

INITIATIVES TO SUSPEND INSTALMENTS FOR HOUSEHOLDS

The Bank adhered to the moratoria provided for by law and more specifically to the moratorium for the so-called "red zone"¹, directed at retail customers with loans and mortgages on properties located in the municipalities indicated in the Decree. The Group then extended the measures provided for by the Order to holders of personal loans, resident in the so-called "red zone". Within the package of favourable measures prepared to implement the legal provisions, it is worth mentioning the moratorium on mortgage loans disbursed to individuals to purchase their first home. The Solidarity Fund for the suspension of first home mortgages (the so-called Gasparrini Fund) supported the suspension of payment of instalments (principal and interest) when temporary situations of difficulty arose within the family unit. Through subsequent legislative measures, the range of cases for accessing the moratoria were expanded in terms of access requirements. No fees were applied for the moratorium.

The Group launched its own initiative to support Retail customers with a mortgage and/or personal loan, which was then merged into the ABI/Consumer Associations' Agreement which Intesa Sanpaolo signed up to.

(1) The so-called "initial red zone" included the Lombardy Municipalities of Bertinico, Casalpuusterlengo, Castelgerundo, Castiglione D'Adda, Codogno, Fombio, Maleo, San Fiorano, Somaglia, Terranova dei Passerini, and also the Veneto Municipality of Vò Euganeo, clearly listed in Annex 1 to the Decree of the President of the Council of Ministers dated 01/03/2020.

It envisaged the option of suspending the entire instalment or just the principal for 6 months, with a possible extension up to 12 months. A comparable initiative was also implemented by the UBI Group.

The COVID-19 moratoria initiated by the UBI Group involved the suspension of the entire instalment for retail customers applying for it, without stipulating any specific requirements. From the second half of 2020, all new requests were referred to the so-called formulas by law or included in the trade or consumer association agreements. The UBI Group also participated, through its subsidiary Prestitalia, in the moratorium of the ASSOFIN - Consumer Associations agreement concerning the suspension of payments of instalments on loans with assignment of one-fifth of salary and consumer credit.

INITIATIVES TO SUSPEND INSTALMENTS FOR CORPORATE CUSTOMERS AND RETAIL BUSINESSES

Following the introduction of the “Cura Italia” and “August” Decrees, the lawmaker introduced the possibility for SMEs and professionals to suspend payment of loan instalments that were due, with specific conditions for businesses in the tourism sector, which were eligible for a longer period of suspension. The moratorium on the so-called “red zone” was made in favour of holders of mortgages on buildings located in the municipalities of the so-called “initial red zone”² and closely associated with the running of commercial and economic businesses, including agricultural businesses. The possibility of suspending the entire instalment or just the principal has been provided until the end of the state of emergency.

In addition, through the ABI “Imprese in Ripresa 2.0” (Recovering companies) Agreement, which Intesa Sanpaolo adhered to, companies operating throughout the Italian territory were able to ask for the suspension of repayments on existing loans, which could be extended depending on the duration of the emergency, with a particular focus on businesses operating in the tourism sector, which were specifically allowed to request the suspension of repayments on loans for a longer period. Intesa Sanpaolo (including the UBI Group) also joined the ABI - Local Authorities Agreement dated 6 April 2020, which provided for the possibility of suspending repayment of the principal element in instalments falling due in 2020, relating to loans granted to local authorities.

The COVID-19 moratoria initiated by the UBI Group involved the suspension, in favour of Corporate customers, of just the principal quota and for a maximum period of 12 months. No limitations regarding technical forms were specified, nor were any specific requirements requested.

IMMEDIATE SUPPORT TO COMPANIES UNDER THE “LIQUIDITY DECREE”

The “Liquidity Decree” introduced measures to promote access to credit for Businesses through the use of guarantees granted by the State and that the Intesa Sanpaolo Group quickly made available, as follows:

- Loans of up to 30,000 euro with a 100% guarantee from the SME Guarantee Fund;
- Other loans guaranteed by the Guarantee Fund: the “Liquidity Decree” granted the possibility of increasing the MCC - Medio Credito Centrale guarantee up to 90% for SMEs affected by the emergency;
- Loans guaranteed by SACE – “Garanzia Italia - SACE”, obtainable on new loans, if aimed at investments. The SACE guarantee could reach a maximum of 90%. SMEs, including the self-employed and freelance professionals with a VAT number are also eligible for SACE guarantees, provided that they have fully utilised their ability to access the SME Guarantee Fund;
- Suspension of the possibility to revoke short-term overdrafts, in implementation of the legislative initiatives provided by the “Cura Italia Decree” and subsequently by the “August Decree”.

RENAISSANCE PROGRAMMES: BERGAMO AND FLORENCE

The Renaissance Programmes are an innovative and timely response that Intesa Sanpaolo provided to deal with the economic and social emergency, caused by the spread of COVID-19. These programmes supporting the real economy, which enable virtuous mechanisms for public-private-non-profit partnerships, are designed for start-ups, micro-enterprises and SMEs wishing to carry out development and innovation projects with impacts on their local area. As part of these programmes, the so-called Impact Loans were created, which are innovative and sustainable, long-term financing tools that are qualified as a form of patient capital with very modest costs.

In May 2020, Intesa Sanpaolo and the Municipality of Bergamo launched the Bergamo Renaissance Programme, in order to support an area that was particularly affected by the spread of COVID-19. The initiative, with the participation of the Cesvi Foundation as Actuating Party, was arranged into various calls for proposals geared to supporting various types of Beneficiaries, which could submit projects aimed at consolidating, upgrading, renewing, innovating and/or reorganising their activities.

The Programme has a total value of 30 million euro, provided by the Bank in the form of grants (10 million euro)

(2) The so-called “initial red zone” included the Lombardy Municipalities of Bertonico, Casalpusterlengo, Castelgerundo, Castiglione D’Adda, Codogno, Fombio, Maleo, San Fiorano, Somaglia, Terranova dei Passerini, and also the Veneto Municipality of Vò Euganeo, clearly listed in Annex 1 to the Decree of the President of the Council of Ministers dated 01/03/2020.

and Impact Loans (20 million euro) to Beneficiaries which sent applications and were selected based on the terms laid down in the 6 calls for proposals. A portion of 5 million euro of Impact Loans will be used to finance a sustainable mobility project in Bergamo which is in the process of being defined.

As at 31 December 2020, the Technical Committee of the Renaissance Program had approved the disbursement of grants in favour of 3,668 micro-enterprises in Bergamo to sustain mandatory costs, and positively assessed 524 innovation and consolidation projects, for a total commitment of 9 million euro in terms of grants and 6 million euro in terms of Impact Loans. At the same date, 164 Impact Loans had been entered into for an amount of approximately 2.5 million euro.

The Florence Renaissance Programme was launched in September 2020 by Intesa Sanpaolo and Fondazione CR Firenze, with the aim of supporting micro and small enterprises, craft activities, profit and non-profit organisations in the Metropolitan Area of Florence, operating in various fields: arts and crafts, tourism and culture industry, fashion industry, food and wine business and lifestyle (including cosmetics and perfumes), World of start-ups/Technology/Industry 4.0, Agritech and Agribusiness. To support the programme, the Fondazione CR Firenze provided 10 million euro to be disbursed in the form of grants and the Bank provided up to 50 million euro to be granted as Impact Loans.

The Programme, which is arranged based on the representative sectors in the area through 5 calls for proposals, promoted and managed by the Actuating Parties, intends to support the implementation of projects for the revitalisation/reorganisation of activities that are credible and have a social impact that can be measured through defined social KPIs within each individual project. At the end of 2020, the first three calls for proposals had been launched: arts and crafts; tourism and culture industry; fashion industry, food and wine business and lifestyle.

INITIATIVES IN SUPPORT OF TERRITORIES AND COMMUNITIES IN COLLABORATION WITH THE DIOCESES

The initiatives in collaboration with the dioceses aim to support families, craftsmen, tradesmen and small businesses, allowing them to overcome the current period of crisis and return to their normal conduct of life or work. These projects are intended for specific areas and communities, with the aim of supporting the restart phase and reducing the additional inequalities and social conflicts worsened by the spread of COVID-19 which has made family and employment situations more fragile.

In Bergamo, a contribution of 5 million euro was granted to the Diocese of Bergamo through the project “Ricominciamo insieme – Sostegno alle generazioni nella famiglia” (Let’s start again together - Support for the generations in the family), doubling the allocation of the Fund with contributions already made available by the same Diocese with other entities and private individuals. More specifically, a “COVID-19 Emergency Fund for the Family” was set up to provide more than 100 thousand families with help in coping with the principal items affecting the family budgets of all generations: primarily rent or mortgage for the family home, electricity and gas bills, food bills, but also educational expenses for the children (fees, meals, textbooks) and support for their summer activities.

In addition, to facilitate the re-start of the Bergamo area, the Bank’s commitment also involved a programme of “Impact Loans” for small crafts and commercial concerns and small family businesses. The programme provides for the granting of subsidised loans of up to 20,000 euro. The first applications began to arrive on 10 June and at the end of December 2020, 40 applications had been approved with a total of over 700 thousand euro in approved loans.

SUPPORT FOR THE INTERNATIONALISATION OF BUSINESSES

Intesa Sanpaolo assists Italian businesses and their subsidiaries abroad by providing financial and advisory support for their various needs related to internationalisation with support from:

- a foreign Network consisting of subsidiary Banks, foreign branches and representative offices in around 40 countries worldwide with specialised Desks (Corporate Desks and Multinational Desks), and a coverage in over 80 countries through cooperation agreements with other correspondent Banks;
- a service model that leverages the specific expertise of internationalisation Specialists found in Italy who act as a reference point and are dedicated to financial support initiatives, and of Specialists in Global Transaction Banking (GTB) dedicated to the needs of Trade Finance and Cash Management;
- an offering of domestic and cross-border products, which, in the purely transactional area, aims to offer corporate customers the opportunities offered by the entry into force of Payment Services Directive 2 (PSD2).

In addition, to facilitate international development of businesses and promote knowledge of the international Network and its available services, Intesa Sanpaolo organises various types of events (face-to-face or online) on internationalisation in Italy and abroad, accompanies businesses on missions and to trade fairs abroad in cooperation with various external partners, institutional bodies and trade associations, and arranges various forms of internal and external communication tools.

IMPRESE VINCENTI PROGRAMME

In 2020, the Group arranged the second edition of Imprese Vincenti, the programme to promote Italian entrepreneurial excellence, i.e. SMEs that stand out nationally for growth and creation of value and jobs. The aim is to provide media visibility and services to accompany growth, in collaboration with important partners and with the support of the Intesa Sanpaolo Formazione companies, Intesa Sanpaolo Forvalue and Intesa Sanpaolo Innovation Center. Despite the crisis caused by the pandemic, the second edition recorded excellent results, with about 4,000 companies nominated and 144 companies selected and celebrated as “Imprese Vincenti” (Winning Companies) during the Digital Tour which, in 12 stages/events, covered the whole of Italy in virtual fashion. One new element in the 2020 edition was the involvement of Third Sector companies, confirming the importance of the links between the profit world and local territories.

INDUSTRIAL DIALOGUE AND THE PRODUCTION CHAINS DEVELOPMENT PROGRAM

The new “Dialogo Industriale” (Industrial Dialogue) approach was created with the aim of increasing the strength of dealings of managers with companies, identifying a common language for a better understanding of their needs, oriented to offering solutions better suited to the objectives and peculiarities of each company. It combines company requirements and credit quality, supporting the creation of sustainable business.

In 2020, some new features were developed that allow the dialogue with businesses to be further improved when discussing action strategies for a sustainable recovery, thanks to a broader information set, forecast data that is consistent with the post-COVID-19 scenarios and new analysis data on the impacts of the emergency.

The “Sviluppo Filiere” (Supply Chain Development) programme continued concurrently with Dialogo Industriale, to support businesses in every sector and of every size facilitating their access to credit, focusing on the relationship that links lead companies with the suppliers’ network and enabling a more detailed understanding of the financial requirements of individual supply chains. To revive the Italian economy in the delicate post-COVID re-start phase, the Programme was enhanced by addressing 2,500 potential Supply Chains and allocating a new credit line with a ceiling of 10 billion euro. In addition, agreements were signed on new forms of Supply Chains with the extension to direct and indirect suppliers and the involvement of the upstream supply chain and the supply chain that is downstream of retailers. At the end of 2020, there were around 763 participating lead companies with potentially 18,400 suppliers and a workforce of over 98,000 employees.

CORPORATE WELFARE SERVICES

The Welfare Hub service offers corporate welfare programmes through a digital multimedia and multi-channel platform - that can be browsed via PCs, tablets and smartphones and is accessible also via App - which allows the company to offer its employees a set of goods and services called Flexible Benefits, instead of company bonuses in their payslips, that enjoy tax benefits both for the company that offers them and for the employee who receives them. At the end of 2020, the Welfare Hub was enhanced as a sustainability tool by the “Sviluppo Filiere” programme and by the S-Loan project and has 3,037 companies that have signed up to the platform.

SUPPORT FOR NEW BUSINESSES

In 2018, Intesa Sanpaolo joined the “Resto al Sud” initiative to support young people with new entrepreneurial businesses in the Southern Regions. The project, promoted by the Italian Ministry of the Economy, has access to 1.25 billion euro from the Development and Cohesion Fund.

The range of beneficiaries was extended in 2019 to the under-46s and to freelancers, resident or willing to move to the target regions of the initiative; the benefits are also valid for the territories affected by the earthquakes of 2016-2017, thus including specific territories of Lazio, Marche and Umbria, not previously included.

The amount eligible for funding can be up to 60,000 euro per applicant (in the case of businesses with a sole proponent) or 50,000 euro (in the case of companies), with a maximum of 200,000 euro for projects with several proponents, and maximum coverage by the Bank of 50% and the remaining 50% by the public, non-repayable. The bank loan includes an interest rate subsidy recognised by Invitalia and is always assisted by an 80% guarantee under Law 662/96.

Intesa Sanpaolo was one of the first Banks to offer financing in response to the initiative, raising awareness about the project among thousands of young people at more than 70 regional meetings. Overall, 575 loans were disbursed for a total of 26 million euro in 2020.

“Finanziamento Microcredito Imprenditoriale” (Business microcredit financing) supports micro-enterprises in launching a new business or investing in growth projects, offering them access to credit even without collateral (one should refer to the section Microfinance and the fight against usury).

In support of new entrepreneurship, a commercial offer was confirmed dedicated to New Entrepreneurs who have had a VAT number for no more than 12 months. The offer includes a current account and associated cards with no fee for the first three years and a reduced fee for the following two years, as well as special conditions in the first three years for additional products which, at the request of the customer, can supplement the offer such as Internet Banking, POS and Digifattura.

SUPPORT FOR INNOVATION

Intesa Sanpaolo Innovation Center is the Group company dedicated to exploring and learning new business models, creating assets and skills to support the long-term competitiveness of the Group and its customers. Addressing the ecosystem of innovative start-ups, it creates a network of relationships with businesses, incubators, research centres, universities and local and international organisations across the country to facilitate the meeting of supply and demand for innovation. Intesa Sanpaolo Innovation Center also oversees the development of the culture of innovation with events and information initiatives both inside and outside the Group, that are also promoted via a network of specialist representatives in the Regional Governance Centres of Banca dei Territori. These initiatives contribute to strengthening the Group’s position as an innovation leader, developing relations with other institutional stakeholders in the national and international ecosystem, maximising all possible collaborations.

DEVELOPMENT AND GROWTH OF START-UPS

Intesa Sanpaolo Innovation Center aims to be a player in the innovation ecosystem to support start-ups by managing their acceleration pathways personally or with specialised, Italian and international partners.

Among the programmes delivered directly by Intesa Sanpaolo Innovation Center, the Startup Initiative is an initiative dedicated to the most promising innovative companies, which prepares them through a selection and coaching pathway to address the market and facilitates meetings with actors from the innovation ecosystem. The best start-ups are presented at specific events (for example, Investor Arena Meetings).

Two editions of Startup Initiative were held in 2020, in which approximately 200 start-ups put forward proposals, 18 of which, at the end of the selection path, were introduced to about 230 investors and other ecosystem players. With regard to partnerships established to assist with acceleration paths, it is worth mentioning the partnership agreement signed in 2019 between Techstars, one of the leading accelerators in the world, and Intesa Sanpaolo Innovation Center, the Compagnia di San Paolo and the Fondazione Cassa di Risparmio di Torino, to manage three annual programmes in Turin, lasting 13 weeks, as part of the Smart Mobility programme. The first class was held in 2020 and 293 start-ups applied (including 49 Italian ones) from 55 countries. Intesa Sanpaolo Innovation Center helped to support the business development of start-ups promoting collaboration with Corporate companies and locally with the Municipality of Turin and local enterprises that are part of Torino City Lab, also to allow the start-ups to test their technologies in settings made available by the City of Turin. Four start-ups launched trials and Proofs of Concept (POC) thanks to this collaboration, two received investment proposals and one start-up has opened an office in Italy. The nominations for the second class which will get underway in January 2021 are 397, coming from 54 countries (66 are Italian).

The partnership continued with B-Heroes, an acceleration, mentorship, investment and communication programme aimed at innovative start-ups, which reached its fourth edition in 2020 with the involvement of over 500 innovative Italian companies. Other notable programmes that have benefited from the support of the Innovation Center, include

“Accelerate in Israel”, a Call for proposals from the Embassy of Italy in Tel Aviv for financing mobility for start-ups in Israel (with more than 50 proposals) and “Digithon”, the largest Italian digital marathon dedicated to start-ups (with more than 400 proposals).

Intesa Sanpaolo Innovation Center has contributed to the selection and identification of Innovative start-ups and SMEs for the Mediterranean Aerospace Matching event promoted by ICE and Distretto Tecnologico Aerospaziale (DTA) to be held in Grottaglie in 2021 and has participated as a contributor to the Next Generation initiative of Talent Garden.

Also to provide start-ups with support, there is the “Officine Formative” (Training Workshops) platform, online acceleration courses aimed at providing the necessary entrepreneurial skills, free of charge, to create and launch a start-up on the market and raise capital from investors. There are 21 courses on the site, with over 100 lessons on various topics. At the end of 2020, over 1,890 hours of lessons had been provided on the website to over 4,200 registered users. International expansion programmes with assistance and consultancy services are also carried out to support the growth of start-ups abroad. Business development services were offered in the analysis of the potential target markets’ and competition’s characteristics, as well as identifying the most suitable business opportunities and technological solutions.

A convertible MLT funding instrument is already fully operational, dedicated to innovative start-ups and developed by Intesa Sanpaolo and Intesa Sanpaolo Innovation Center, which during 2020 provided 11 loan disbursements.

OPEN INNOVATION

Working with research institutes and universities, Intesa Sanpaolo Innovation Center has created laboratories for applied research projects that generate know-how through collaboration between the academic world, the Group and corporate customers. In particular, the following are operative:

- Artificial Intelligence Lab in partnership with the ISI Foundation of Turin to design, develop and test mathematical models and algorithms as part of applied cutting-edge research on issues of interest to the Group and/or customers. At the end of 2020, there were 7 research projects in progress in the fields of finance, risk management and insurance. As regards 15 well-developed research projects concerning the protection and development of intellectual property, two Italian patent applications have been filed.

Four scientific publications were also submitted, including the paper “Molecular tracing of SARS-CoV-2 in Italy in the first three months of the epidemic” published in the international medical journal *Viruses*, produced in collaboration with the Department of Biomedical and Clinical Sciences “Luigi Sacco” of the University of Milan. In particular, since the first days of the pandemic, the Innovation Centre has supported the research activities of the Infectious Diseases Laboratory at the Sacco Hospital for the reconstruction of the process of propagation of the infection in Italy and Europe, the identification and analysis of mutations in viral genes, to identify any impacts on virulence and the management and organisation of the analysis on an exceptional amount of data from the laboratories of the Hospital network.

Some of the main results made it possible to observe that almost all of the viruses in Italy belong to the B.1 lineage, which later became the most widespread in the world; it also made it possible to observe that the most likely period of entry into Italy was at least one month before the description of the first cases and to estimate the parameters relating to transmissibility.

Regarding the dissemination of knowledge, 15 seminars were organised on topics related to the application frontier in the industrial field of artificial intelligence.

- the Neuroscience Lab, launched in partnership with the IMT School for Advanced Studies in Lucca with the aim of designing, developing and testing neuroscience research frameworks applied to business issues. At the end of 2020, 7 research projects were ongoing with orders from within the Group on HR issues, protection and corporate well-being, Customer Relationship Management (CRM) and the museum sector.

With regard to the exploitation of intellectual property, a general Report has been produced on COVID-19, published internally and externally to the Bank, and also a scientific paper; in addition, there are currently 7 scientific papers/articles being drafted.

As regards the dissemination of a culture in the field of neuroscience, 11 events/seminars were organised (5 of which were published on the Group’s website and open to customers) and 5 videos to enhance the value of and talk about the activities at the Lab.

In the field of Robotics, there is currently a study in progress looking into the development of a partnership with the University of Turin and the Fondazione Paideia on the Project called “Social Assistive Robotics for Autistic Children” on the use of robotic therapy to assist children with autism. Also on the subject of Robotics a position paper has been published.

The Group provides many loans for businesses that invest in innovation and research, most notably Nova+, a loan issued on the basis of technical and industrial assessments of the innovation and research project conducted by a team of engineers specialising in the technology sector, which in 2020 funded 28 projects for about 30 million euro. A total of 365 Nova+ projects were funded in the period 2014-2020 for about 400 million euro. The Innovfin guarantee, issued by the European Investment Fund (EIF) with the financial support of the European Union, aims to facilitate access to credit for Small and Medium-sized Enterprises. In 2020, 28 loans were disbursed for approximately 63 million euro.

Furthermore, as a Bank granting specific public subsidies for research and innovation (in particular, the Sustainable Growth Fund, managed by the Ministry of Economic Development - MISE), in 2020 Intesa Sanpaolo approved 68 projects for about 312 million euro of investments in favour of 145 beneficiaries. In total, 301 projects were approved under the Sustainable Growth Fund from 2014 to 2020, for a total of about 1.47 billion euro of investments in favour of 502 beneficiaries (of which 278 SMEs).