

The Time Bank, Flexible Work and the various initiatives for the development of policies and tools to address problems relating to the area of disabilities and to promote the culture of fostering inclusion are just some examples that define and characterise the overall direction that the second-level collective bargaining agreement has been going in for some time. To this end, the activities of the Welfare, Safety and Sustainable Development Committee set up following the Labour/Management Relations Protocol were also crucial. This bilateral body, which adequately represents both the company and the Trade Unions, is supplemented each time by technical experts that are able to offer specific expertise on the issues in question. In 2020, also in accordance with and in support of the Business Plan, the Committee promoted a series of measures and actions that contributed significantly to the development of issues connected with inclusion and organisational well-being. In relation to the COVID-19 emergency, in support of the extraordinary care and assistance needs of family members, a trade union agreement was signed which provided for specific family and parenting support measures.

Retention, enhancement, diversity and inclusion of the Group's people

COMPANY POLICIES

The enhancement of human resources and the principle of excellence based on the recognition of merit are defined in the Group Code of Ethics, in the Group Remuneration and Incentive Policies and in the Diversity & Inclusion Principles approved in 2020. Specific tools for managers and professionals make it possible to implement structured performance assessment processes and map skills.

The Group's Remuneration and Incentive Policies aim to align the behaviour of the staff with the interests of all stakeholders, focusing their activities on the achievement of sustainable medium to long-term objectives within the framework of the prudent assumption of current and prospective risks, as well as contribute to making the Group an "Employer of choice" for its ability to attract, motivate and retain top resources. Designed to respect regulatory requirements and based on correct relations with customers, the Policies link wages to risks undertaken, aligning the remuneration systems with prudent financial and non-financial risk management policies. In addition, the Policies are inspired by the principles of merit, rewarding outstanding contributions and guaranteeing a close relationship between bonuses and results achieved/risks taken, equality in both internal and external terms and as regards gender, and sustainability, making it possible to limit expenses to values compatible with the Group's economic and financial liquidity. The profound and sudden change in the macroeconomic context originated by the COVID-19 pandemic, as well as the ECB's invitation to banks to adopt the utmost prudence in the allocation of the bonuses pertaining to 2020, with particular reference to Top Risk Takers and the remaining Risk Takers, led the Intesa Sanpaolo Group to review the resources allocated to the financing of the 2020 incentive systems. This measure had a different impact on the various employee corporate segments. In summary, the reference bonuses of all Risk Takers were significantly reduced, protecting, instead, the resources allocated, through the VRB, to reward the larger population, also in order to recognise the particular endeavour made by the Banca dei Territori Network in the COVID-19 emergency. In terms of diversity, the Code of Ethics and the Diversity & Inclusion Principles enhance the specific qualities of each employee, recognising their key contribution towards innovation and the growth of the Group. At the same time, it guarantees equal opportunities in terms of professional growth and development and access to training courses and refresher and role assignment initiatives. The Diversity & Inclusion structure, created at the end of 2018 within the scope of the Chief Operating Officer Governance Area, pursues the mission to promote all forms of diversity that coexist within the Group: gender, generational differences, disabilities, sexual orientation, cultural, ethnic and religious differences.

PEOPLE AND DIGITAL TRANSFORMATION

People and Digital Technology are key enablers for achieving the goals of the 2018-2021 Business Plan. In line with this principle, the 3-year Digital & Data HR Transformation plan, with the aim of digitalising services and processes dedicated to people and creating a single access point, was successfully completed in 2020. This was also made possible thanks to an innovative approach that included the co-leadership of the Chief Operating Officer and Chief IT, Digital and Innovation Officer Governance Areas, a semi-agile working method, 100% Cloud IT platforms and cross-functional teams which over time have involved various structures and hundreds of people. The plan enabled the creation of #People, the portal and mobile App for Personal Services; the digitisation of People Management processes, such as recruiting, performance management, compensation, banding and titling management, internal mobility, reskilling, travel management; the complete digitisation of HR services, with over 50 digitised processes; the new integrated Business Travel service; the provision of managerial dashboards, tools and analytics to support an increasingly data driven approach also in the management of human resources; the creation of a single access point - called "My People" - for HR managers and personnel, which makes all information and data on employees available thanks to a range of different tools. The large investment proved to be essential in order to deal with the COVID-19 emergency, allowing us to respond promptly to the need to review the working methods and representing a valid support even in the most critical phases.

Employee Central – ISBD People Data is the tool dedicated to the International Subsidiary Banks which consists of a database containing the most important personal and professional information on around 20,500 employees from 9 Subsidiaries within the area managed by the International Subsidiary Banks Division.

#PEOPLE: THE PORTAL FOR THE PEOPLE OF INTESA SANPAOLO

Launched in 2018, this is the space dedicated to all Intesa Sanpaolo Group people. From the portal all employees can access their personal profile, which contains their main personal details together with their CV and a space for introducing themselves and sharing their professional ambitions, and the LECOIP 2.0 and POP (Performance-based Option Plan) section, so they can keep track of the Plans. There are also sections dedicated to Personal Services, which includes over 300 products and initiatives offered to employees (since 2018 around 1,180 searches - 370 in 2020 - have been published with over 15,700 applications received, 4,600 of which in 2020, and around 600 resources changing departments as a result - around 330 in 2020) and Next, the Intesa Sanpaolo placement and reskilling programme (around 4,500 people were involved at the end of 2020). #People also includes the Performance Management and News area, as well as multimedia information to keep employees up to date on the most important events and news. Two apps connected to #People and HR systems were also developed: the #People app so the Portal can also be accessed from mobile phones and the Feedback app, connected with the Group Performance Management system, which facilitates the sharing of feedback between Managers and Employees. #People is a constantly evolving space. In 2020, #People further evolved with the activation of Viaggi di Lavoro, the Group's new Business Travel service, a simple, flexible and digital service also available on mobile, and CareLab, a space dedicated to people's well-being. In addition, in order to respond to the needs arising from the COVID-19 emergency, a new tool dedicated to planning the return to the office was activated in #People, which allows to schedule accesses, ensuring compliance with social distancing and "safe" space occupation limits, to fill in the questionnaire to allow medical triage in case of symptoms, to monitor the turnout at canteens, and to obtain work certification in Intesa Sanpaolo for business trips. Since November, following the merger of UBI Banca into the Intesa Sanpaolo Group, #People has also been extended to around 15,000 new employees, with a particular focus on their involvement and in support of a quick and full integration.

ASSESSMENT AND INCENTIVE SYSTEMS

UpPER is a performance assessment system adopted in 2019 to meet the new development challenges and place the focus on every single individual, emphasising everybody's specific role and contribution. UpPER is supported by an intuitive and easy to use digital system which forms part of a broader project to transform and digitalise HR processes. The performance assessment is based on 3 indicators, shared between managers and employees at the start of the year. In order to foster continuous dialogue, during the assessment cycle managers can provide employees with feedback on the indicators that have been assigned, also thanks to the use of a specific app, enabling them to receive notifications of training opportunities, in line with other skills mapping and training processes.

For the Group's Risk Takers and Middle Management the assessment system adopted is known as Managers' Performance Accountability and is based on transparent, objective and measurable qualitative and quantitative KPIs identified in accordance with the goals of the Business Plan and also useful for measuring managerial qualities.

As for the International Subsidiary Banks, the New Performance Appraisal Tool - NewPat - was launched in 2018. This tool provides performance evaluation of all the employees from the head office departments.

In 2020 around 570 Group people (50% women, 50% men) were involved in managerial potential assessment days with the aim of creating management development groups to be nurtured on an ongoing basis.

For 2020 as well, among the non-financial KPIs, the CEO and over 1,200 Group managers were assigned the "Diversity and Inclusion" KPI (weight equal to 10%), assessed on the basis of the presence and positioning of Intesa Sanpaolo in international indices of specialised companies and relevant, within the scope of the related internal parameters, among others, to the enhancement of female talent and the gender pay gap, as well as the dissemination and promotion of Smart Working initiatives. The KPI "Impact and ESG" (weight equal to 10%) was also assigned to the CEO in 2020. This KPI was evaluated according to specific drivers aimed at monitoring, among other things, the Group's inclusion in the sustainability indices of specialist companies, support for the Green and Circular Economy, the Group's commitment to impact financing to foster inclusion and support for youth employability (see the Report on the remuneration policy and compensation paid), as well as the promotion of art and culture. This KPI was structured, beginning with the CEO's first line, on the basis of the levers used and, in particular, it was assigned to 4 top managers and 35 managers involved in the sustainability projects to varying degrees.

In accordance with the Business Plan, to maximise internal equity, external competitiveness and a culture of meritocracy, Intesa Sanpaolo has consolidated the introduction of a system to map the organisational positions in the company called Global Banding. Taking account of factors like complexity, type of influence and impact on the Group's results and strategy, Global Banding objectively evaluates the relative value of different organisational roles and represents in a more organic and objective way - both externally and internally - the responsibilities of each Manager, also through the adoption of an international title valid for managerial positions in Italy and abroad.

With reference to the enhancement of professionals, Intesa Sanpaolo has launched a human resources development project on an experimental basis for the development of a professional mapping model that is integrated into the HR Systems, mainly aimed at Head Office Departments and division personnel. The Titring Professional project aims to enhance the level of professional contribution provided in the context of its operations and the progressive skill specialisation.

As for its Incentive Systems, the Group has both short-term and long-term Plans for the entire workforce.

More specifically, for the Group's Risk Takers and Middle Management there is an annual Incentive System connected with the Managers' Performance Accountability system and, with reference to the International Subsidiary Banks, with NewPat according to which a bonus is awarded upon the fulfilment of certain goals in accordance with the rules outlined in the Remuneration and Incentive Policies.

For the remaining personnel, in order to continue rewarding them for their contributions to achieving the goals of the 2018-2021 Business Plan, a second-level agreement was signed on 30 June 2020 for the pay-out of the 2020 Variable Result Bonus (VRB). The aim of the 2020 VRB is to reward the increase in profitability and productivity obtained by achieving the results of 2020, that are identified in the agreements in relation to the different company levels of reference (Group, Division, etc.). Due to its variable nature, the 2020 VRB is a one-time bonus and the cash sum of the reward recognised to every employee consists of four parts linked to specifically identified economic and financial parameters and to specific clusters of Group employees:

- The basic bonus, for every company level, role or seniority level, is designed to reward individuals for the collective contribution made, supporting those with lower salaries as part of an internal equality policy;
- The additional bonus that recognises the contribution made to the results of the relevant department and varies according to role or seniority and professional category;

- The excellence bonus, which rewards individual merit and the distinctive contribution made to achieving the team's results;
- The ISP Casa synergy bonus, intended to reward the reporting of the personal details of potential customer-sellers in favour of ISP Casa.

SERVICE QUALITY AND EMPLOYEE INCENTIVES

The Excellence Bonus for personnel of the Intesa Sanpaolo network rewards the work of the best teams and sustainable performances over the medium to long-term in terms of profitability, expandability, credit quality, sustainable growth, service quality and a multichannel approach. This bonus is awarded to 20% of the best branches in each Sales Region.

In consideration of the COVID-19 emergency, employees who were absent for long periods during the year were also given the chance to participate in the Bonus. In addition, confirming the importance that the issues of assistance and services for families and work-life balance have in the Group's policies, employees once again had the option of requesting that all or part of their 2020 VRB be recognised in the form of welfare services, taking advantage of the opportunities that the tax regulations in the area of workplace productivity remuneration offer employees year by year.

In line with the strategic objectives, the Protection Excellence System (PES), dedicated to the personnel of the Network involved in the offer of insurance products, was also confirmed for 2020.

Finally, with the agreement dated 9 July 2020, the Insurance Division personnel was paid a Variable Additional Bonus (VAB) and a Social Bonus.

In addition to these instruments, the Group has put in place long-term Incentive systems that have the same timescale as the 2018-2021 Business Plan and are tailored to different employee clusters in terms of their purposes and instruments.

More specifically, to bring the Top Management, Risk Takers and Key Managers in line with the challenging and ambitious expected goals of the Plan, an incentive system based on performance conditions that uses an option vehicle called Performance-based Option Plan (POP) was launched in 2018. The POP guarantees a link between variable remuneration and the Bank's performance over time, paying out only in the event that value is created for shareholders.

Following on from the 2014-2017 LECOIP (Leveraged Employee Co-Investment Plan), the LECOIP 2.0 plan was launched as from 2018 for the other Managers and employees, and was warmly received by the Group's people, with over 80% of those eligible subscribing to the plan for an Initially Allocated Capital value of around 184 million euro.

TRAINING

In 2020 the Development Policy and Learning Academy Head Office Department continued to implement innovative training models and methodologies, geared towards all Group employees and conducive to promoting a multichannel approach that makes learning as simple and flexible as possible. During the health emergency, the necessary information resources were provided which are useful for the extensive dissemination of the rules protecting the health of all the Group employees.

In this context, the use of digital channels was further accelerated through Apprendo (the Group training platform), MyLA (the App dedicated to Banca dei Territori which this year exceeded 12,000 users) and Management School (the App dedicated to Group managers). In 2020 training amounted to around 11.8 million hours (11 million of which was conducted remotely) with around 97% of staff actively involved. The pandemic had a great impact on the way of working but, also thanks to the digital technology, it was possible to quickly reorganise remote activities, activating communication campaigns to encourage flexible training. In particular, smart learning enabled the provision of approximately 3.5 million hours to almost 35,000 Network employees, an average of approximately 100 hours per capita.

In 2020, employees were very positive about the training with satisfaction levels of 87% for digital training and 97% for live training.

An important change was introduced by the release of the Training Dashboards, available for HR supervisors and managers: Business Intelligence tools that enable to consult training data and gain an overview of the Group

employees' training progress. Thanks to the LRS (Learning recommendation system), an application powered by the data collected by the HR processes and models within the Group, it is possible to offer an automated and personalised training proposal according to the respective role.

The Appendo platform, in particular, was enriched during the year with over 2,700 new training tools. On a thematic level, the provision on mandatory issues of regulatory relevance for employees was extended and updated, with specific indication in the new Group Code of Conduct. The new three-year anti-money laundering, anti-terrorism and embargo training plan was launched, which has already involved most of the Group employees through new digitally available and remote live classroom initiatives. Digital contents were also made available dedicated to gaining further insight into the IT risks arising from the predominant use of technological devices over the health emergency. In the ESG area, a project was launched to strengthen the skills within the IMI CIB Division, through the activation of a training programme of remote classrooms which involved a group representing all the Head Office Departments of the Division with the aim of disseminating a basic culture on ESG issues as well as consolidating specialist skills. In the context of Diversity and Inclusion, in line with the commitments set out in the 2018-2021 Business Plan, initiatives were provided on the issues of female empowerment, the dissemination of the aging culture and the Diversity and Inclusion principles, in addition to training dedicated to employees absent from work for a long time on maternity leave. Special attention was paid to training, through the remote provision, all the employees who were impacted by the risks and processes related to the new protocols imposed by the COVID-19 pandemic in the Health and Safety area.

Employees' knowledge and skills are part of the Group's intangible assets, which are increasingly valuable also in the light of remote working and the technological transformations and knowledge that significantly shorten the lifespan of knowledge, resulting in the need to update this information thanks to some Group models. In order to support this aim, three important initiatives were carried out in 2020 at the basis of the processes relating to training and professional development:

- the integration of the Skills Dictionary, which aim is to map all the know-how available in the Bank and which, in 2020, was enriched with specialist knowledge, particularly from the Information Technology world.
- the activation of specific needs of the Teti Competenze initiative, the knowledge gathering process which in 2020 saw the involvement of around 24,000 people from the Head Office Departments and the Banca dei Territori Network in updating their knowledge and key information also for personalised training, mobility and reskilling initiatives, and for professional development processes, in application of the Roles Agreement, signed with the trade unions on 21 July 2020.
- the updating of the Roles Catalogue, which provides a snapshot of all the professional roles present in the Bank, through the involvement of Knowledge Owners, in order to guide the growth and strengthening of the professionalism of individuals in line with the business objectives; during 2020, specific updating initiatives were activated within the Head Office Departments and in relation to the new Network Service Model.

2020 was a pivotal year for the Management School which supported over 7,800 managers and talents, during the months of exceptional and unexpected transformation of the managerial context, in identifying the needs of the leaders who found themselves having to manage their teams remotely. The support to managers translated above all in the relationship with the advisors, the people who guide them along their growth process, over the course of 436 Distance Tutoring sessions, aimed at approximately a thousand managers, and 60 Webinars that involved about 4,000 managers. The new release of the Management School App has incorporated various functions such as the personalisation of the training opportunities and the full digitisation of the coaching experience with 223 individual or group processes activated during the year, of which 54 delivered digitally, for a total of 460 managers involved. The Management School App was enriched in 2020 with 212 new training contents (111 in the Mestiere del Capo section and 101 in the Uno Sguardo al Futuro section) for an overall offer of over 700 contents, over 680 learning objects were translated and also made available in English. The over 6,100 app users have generated more than 800,000 content views on topics relating to the manager's job, such as team management, including remotely, or content such as diversity & inclusion, big data and circular economy. The App installation rate was higher than 90% with an adoption rate of over 80% and a Manager approval rating with respect to the published contents of over 98%. During the year, the School organised a number of digital initiatives following the emergency period. The first format to be created was Digital Talks, meetings with an expert on the subject lasting 30 minutes: the first 9 editions, in May, were dedicated to smart working, starting from June, 30 Digital Talks were held on managerial and open mind issues that have an impact on Managers' work and professional life, to whom over 2,800 employees were invited, including 350 UBI Banca managers, 300 Intesa Sanpaolo and UBI Banca talents and 60 Intesa Sanpaolo Bank Albania managers.

In addition, Digital Shadowing processes were launched that involved over 170 managers to support them and share useful feedback to improve performance in managing meetings and team relations..

Intesa Sanpaolo managers are called upon to operate in an increasingly international context and the Management School during the year provided 512 training initiatives on the English language which involved a total of 549

managers. In addition to this figure, another 104 other participants were engaged in initiatives on the English language dedicated to people included in the International Talent Program.

In the context of Impact initiatives, Z LAB is the 3-year project that Intesa Sanpaolo has created to develop transversal skills and help provide final-year secondary school students with career guidance. As host company, Intesa Sanpaolo provides the students with an environment based on interactive dynamics, experiential workshops, project work and the digital culture so they can discover and think about the world of work. Students are assisted by a specially-created team of around 25 internal employees with ad hoc training who oversee the workshop activities full time as tutors. From September 2020, Z LAB has continued online to allow partner schools to complete the courses started despite the pandemic. Over 2,650 students have been involved to date in the approximately 140 courses launched in 22 Italian cities, either in the classroom or online.

In order to aid the integration of UBI Banca employees into the Group, an ad hoc digital platform, ISP4U, was adopted, which makes it possible to use over 300 compulsory professional training contents and to promote onboarding initiatives in Intesa Sanpaolo's target structures.

TALENT DEVELOPMENT

The International Talent Program (ITP) has established itself as one of the most important talent development initiatives at a Group level. Launched in 2017 to develop a new generation of managers and professionals with an international outlook, the Programme is aimed at a target group of employees who are professionals or middle management. The key element of the Programme is its personalised development courses of 3-5 years. Each course consists of inter-functional, inter-divisional and international work experiences, each of which lasting indicatively at least a year. The aim is to develop new skills - technical/specialised, behavioural and managerial - and an overall vision of the Intesa Sanpaolo Group. All participants in the Programme are involved in specialist and managerial training initiatives in English in collaboration with leading Business Schools, in international workshops focused on innovation, and in project work initiatives closely related to the Group's business areas. For each talent there is a sponsorship programme for the entire duration of the course, with the direct involvement of Group Senior Managers. The first two editions of the ITP are currently taking place and involve 210 people from across the Intesa Sanpaolo Group. In addition, editions of the International Talent Program dedicated to specific governance areas were launched in 2019: in March 2019 an International Talent Program dedicated to the Chief Lending Officer Area was launched with the involvement of 14 Talents and in September 2020 an edition of the ITP reserved for the Chief IT Digital Innovation Officer Area began, with the involvement of 30 Talents. In the second half of 2020, the first fully digital selection process for the identification of talented professionals, regardless of age and seniority, recipients of talent management initiatives, was launched within the scope of the Corporate Control Functions. Concurrently, the integration of 60 UBI Banca Talents was started, which will continue their development process in Intesa Sanpaolo. Over 310 talents had participated in the Programme by the end of 2020, a major step forward as regards the goal of the Business Plan which aims to strengthen the Group's middle management with 500 talents by the end of 2021.

SUCCESSION PLANS FOR BUSINESS CONTINUITY

In order to ensure the security and continuity of the company's business even in the event of termination - for whatever reason - of those managers who hold significant corporate roles, the Intesa Sanpaolo Group has for several years defined and adopted rules for the management of the succession plans of Top Risk Takers (Strategic Succession Planning). These rules represent an opportunity for the Bank to enhance its human capital, with a view to strategic management of the managers' internal growth, with the aim of ensuring the constant presence within the company of the best, updated and competitive resources. Once again with a view to enhancing internal resources, succession planning is accompanied by a process aimed at identifying, managing and developing high-potential resources, which makes it possible to contribute to natural succession mechanisms, guaranteeing a constant and necessary generational turnover within the Group.

INCLUSION AND DIVERSITY MANAGEMENT

The company population is fairly evenly spread between male and female employees (men held steady at 46% and women at 54%). Representing 28.6% of all female employees in the Group, the number of female managers (executives and middle managers) as a proportion of all managers rose slightly compared with last year to 40%.

During 2020, the Diversity & Inclusion (D&I) Structure, created at the end of 2018 as part of the Chief Operating Officer Governance Area, continued its promotion of an inclusive work environment, capable of embracing and enhancing diversity in all its forms, in line with the strategy outlined in 2019, which is a continuous source of inspiration and method. Supported by a process involving the measurement and continuous assessment of the results obtained, the strategy sets the benchmark for an effective partnership with all of the structures involved in various ways in the co-creation and development of the initiatives.

The D&I Operating Committee was set up during the year in order to align, discuss and share Diversity & Inclusion initiatives with all the Structures. Through the D&I Operating Committee, the various initiatives are communicated and conveyed throughout the Group and the specific needs of the Structures are collected.

To make Intesa Sanpaolo's commitment towards inclusion even clearer and more concrete, the Group adopted a specific policy in 2020: the Diversity & Inclusion Principles. The policy supports the Code of Ethics and the Internal Code of Conduct, reinforcing the message on the values that are the hallmark of the Group and which must inspire all processes, initiatives and behaviours. The document confirms the actions already taken and outlines the process leading to the creation of an environment that is open to diversity and truly inclusive, as a condition for business sustainability, as well as an ethical priority for the Group. The policy sets out the Group's inclusion policy towards all forms of diversity and is based on respect for all people, meritocracy and equal opportunities. The Policy also identifies the tangible commitments undertaken by Intesa Sanpaolo in promoting an inclusive environment and defines the conduct that is expected of everyone. A specific section is dedicated to commitments on gender equity, aimed at guaranteeing fair opportunities in hiring processes, promotion to senior roles, appointments to Management positions and in the succession plan for top management roles.

In order to enhance women's talent and encourage the creation of fair and inclusive work contexts, the development initiatives aimed at professional women and female managers continued in 2020. The initiatives aimed at the enhancement and growth of high-potential professional women include job rotation programmes, shadowing and training courses for female empowerment: for example, the Digital Shadowing course for women was launched in 2020, which involved 38 women managers and 46 professional women from the Chief IT, Digital and Innovation Officer Governance Areas. The "Female Leadership Acceleration" programme, an assessment, training and development process aimed at high-potential women managers, with the aim of creating a community receiving customised management approaches in terms of growth, also continued. Once again this year, a dedicated KPI, with a direct impact equal to 10% of the incentive system, was included in the performance scorecards of over 1,200 managers in order to continue to raise the awareness of managers on the promotion of female talent. Among the activities put in place to raise the awareness of managers on the benefits of inclusion and the enhancement of all diversities, the managerial discussion process on Inclusive Leadership continued, involving the Chiefs and their top management and it will gradually be extended to other managerial levels. In the health emergency period, digital awareness-raising initiatives were launched (as part of the Digital Coach initiative) aimed at the entire company population (managers and professionals), with concrete suggestions and good practices for the adoption of inclusive behaviours in a context of widespread remote working.

The programme aimed at long-absent people also continued, in the context of an initiative under the Agreement dedicated to inclusion entered into with the Trade unions in 2018, with the aim of establishing a close relationship during their absence and promoting a fruitful return to work: launched in the pilot phase in 2019, 2020 saw the planning of the subsequent phases of the programme, with the aim of extending support for long-term maternity leave to the whole Group (Italy scope), as well as supporting other types of long-term absence (due to illness, parental leave or personal reasons). The parenting support initiatives were not aimed solely at female employees with children: an initiative on fatherhood was also launched, consisting of a first listening session and discussion with more than 50 fathers from different Divisions and Governance Areas. Starting from the needs expressed, from the experiences lived and from the ideas shared, specific initiatives will be designed to support fatherhood in Intesa Sanpaolo, with the aim of facilitating the balance between personal and professional life for parents and raising awareness among employees, as well as the managers, on the topic of parenting in the Group. In addition, a process was launched in 2020 on the theme of coexistence and enhancement of the different generations within the company.

The D&I Strategy aims to make an impact outside the Bank and, to this end, the collaboration with Valore D (business association that promotes diversity and female talent and leadership for the growth of companies and the country) and Parks – Liberi e Uguali has continued, as too has the partnership and active participation of more than 65 company Role Models in the Inspiring Girls initiative, a project dedicated to lower secondary school pupils which involves meetings with female managers from the Group with the aim of overcoming the gender stereotypes that can undermine the dreams and ambitions of schoolchildren and influence their future education choices.

In order to generate a positive impact on the national social fabric and involve all areas of the Italian territory, Intesa Sanpaolo also launched a project on the promotion of female talent with a specific focus on Southern Italy. The programme, developed in collaboration with Ortygia Business School, includes a mentoring process aimed at bringing young female students (mentees) from Southern Italy closer to the job market, benefiting - through individual coaching - from the experience of Intesa Sanpaolo female managers and professionals (mentors). Through partnerships with the Universities of Southern Italy, five scholarships will also be disbursed over the next three years to female students for studies at STEM (Science, Technology, Engineering and Mathematics) faculties, in order to actively contribute to attracting more female students to technical-scientific faculties, which offer greater employment prospects.

Intesa Sanpaolo's commitment to inclusion and promotion of diversity was also recognised by international indices: Intesa Sanpaolo is the only Italian Bank included in Refinitiv's Diversity & Inclusion Index, which names the top 100 companies worldwide, from a sample of over 9,000 companies. Intesa Sanpaolo was also included by Bloomberg's 2020 international Gender Equality Index among the 325 listed international companies most active in reducing the gender gap. In 2020, two Banks of the International Subsidiary Banks Division were recognised for their commitment towards Diversity & Inclusion. Privredna Banka Zagreb received the CSR Index award, conferred by the Croatian Chamber of Commerce and the Croatian Business Council for Sustainable Development, and an award from the UNICEF Advisory Committee on children's rights and corporate social responsibility, for its work-life balance policies and the various initiatives in favour of families, which also include discounts for children. CIB Bank, on the other hand, received the "Family Friendly Company" award from the Hungarian Foundation "Three Princes, Three Princesses Movement" for the various initiatives to support people in managing parental life during the period of remote working from home due to the pandemic.

Trade union agreements have also taken account of the issue of diversity since 2014 with the definition of the Framework protocol on inclusion and equal opportunities, reviewed in 2018, as part of the renewal of the second-level collective bargaining agreement, with the signing of an Agreement on inclusion.

As regards sexual orientation and gender identity, specific company policies were introduced back in 2014 to define the framework for the extension of company benefits to same-sex unions.

As well as promoting the specific interdepartmental work group that deals with problems connected with the world of disabilities and illness, the Inclusion Agreement also involves the launch of two trial projects with the support of the Welfare, Safety and Sustainable Development Committee to encourage people diagnosed with autism or autism spectrum disorder to perform data entry activities on behalf of Intesa Sanpaolo, and work-study initiatives for pupils with intellectual disabilities with the goal of potentially including them in the aforementioned work project. These projects will be partly funded by the Arrotonda Solidale ("Round-down Solidarity") initiative, also included in the Agreement and launched in 2019, which involves the contribution, on a voluntary basis among all employees, of the residual amount collected from rounding down net monthly salaries to the nearest euro. In turn, the Company will contribute the remaining cents to make the contribution per employee a total of one euro.

Moreover, the commitment on the dyslexia front also continues: Intesa Sanpaolo was Italy's first Dyslexia Friendly-certified bank in December 2018.

DISABILITY MANAGEMENT

The reference contact within the company to address all problems connected with the world of disabilities and illness is the inter-functional Working Group, created following the Inclusion Agreement of August 2018. Coordinated by the Welfare function, it includes the active participation of around 60 people representing multiple corporate structures. The aim is to combine the different professional skills with team working, in order to support and enhance everyone's contribution in the company. The group periodically meets with the trade unions as part of the Welfare, Safety and Sustainable Development Committee to define the initiatives to be undertaken and works in synergy with the Diversity & Inclusion Function. In 2019 most members of the working group, together with representatives of all the trade unions, attended the "Disability Manager e mondo del lavoro" (Disability Manager and the working world) higher education course organised by Cattolica University of Milan. Having passed the final exam, participants were officially recognised as 'Disability Managers' by the Region of Lombardy. The employees who joined the WG during the current year also participated in dedicated training sessions. The course laid the foundations for a common language, an important work tool. This year, a dedicated section was created on the company Intranet, which sums up the Group's commitment to Disability Management, and which has led to the birth of many projects, aimed both inside and outside the company. From the analysis of processes to continuously improve the management of individual requests from employees, to IT systems access monitoring. From training dedicated to all HR Managers, an important listening and reference point, to the packed schedule dedicated to the life stories of employees with disabilities and clips from managers and teachers with an international profile. As part of corporate volunteering activities, the experience of the volunteering network "Clouds of Solidarity" continued and, in collaboration with Dynamo Camp, an experimental project was launched whereby employees can apply to participate in a training programme according to the "Recreational Therapy" method. After an initial positive experience, the Guidelines to govern access to company premises by guide dogs, a pioneering initiative in the field, are being published. Equally intense is the commitment to the outside world, with the participation in the Chrodis+ project, a European joint action that aims to implement good practices to improve the employment inclusion of people with disabilities and chronic diseases, and in the round table "Abilitiamo la Disabilità" (Let's Enable Disability), in which Intesa Sanpaolo is present with other companies, institutions, associations and non-profit organisations, to discuss the experiences gained, with the aim of investigating, consolidating and spreading a profound culture on Disability Management issues. In short, tangible actions, examples that represent a real network of support and social inclusion, create widespread well-being and put people first.

In 2020, within the scope of the Welfare, Safety and Sustainable Development Committee, a project was launched to analyse and discuss the prevention of gender harassment and violence in the workplace with the goal of adopting a set of common measures, completing the internal reporting process of such events and identifying tools in support of victims of harassment. The Group also made available the service for professional psychological support to employees (men and women) who are victims of sexual harassment in the workplace or in the private/social sphere. The service, completely free of charge and accessible via a toll-free number available 24 hours a day, 7 days a week, also offers the option to initiate a first legal consultation.

Health, safety and well-being of the Group's people

COMPANY POLICIES

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

WELFARE AND QUALITY OF LIFE IN THE COMPANY

Intesa Sanpaolo has chosen a corporate welfare model that operates within an integrated system and includes: the supplementary pension, supplementary health care, the Cultural, Recreation and Sports Association for Intesa Sanpaolo Group Employees (ALI), the Intesa Sanpaolo Foundation NPO, as well as the coordination of the inter-functional group Disability management, the activities relating to attention to the individual and work/life balance and the set of Mobility management activities (see page 187). The company welfare system seeks to address the key issues in order to establish the best possible work-life balance for employees and their families. It does this by promoting sustainable solutions and projects consistent with their expectations. The activities are managed and monitored by the Labour Affairs and Policies Head Office Department.

Introduced in 2015, Flexible Working is the smart working model of the Intesa Sanpaolo Group. From the initial phase to its consolidation as an ordinary working method, Flexible Working has gradually involved an ever-increasing number of structures and employees, in 2020 proving to be a winning model in the organisation of work and an effective tool also in the COVID-19 emergency. In order to make it possible to extend Flexible Working also to structures not previously included or with strong operational or technological constraints, Intesa Sanpaolo has accelerated the supply processes of IT equipment and the identification of innovative solutions. With the trade union agreement dated 11 June 2020, the option to join the Flexible Working scheme was activated for all Group people with children under the age of 14, in all roles and/or duties, including in-Branch, providing for the right to use at least one day of remote working from home per week, if requested. At the end of 2020, employees joining the Flexible Working scheme stand at approximately 65,500 (the figure stood at approximately 17,250 at the end of 2019). Within the scope of the International Subsidiary Banks Division, in addition to the banks where it was already active in 2019 (Banca Intesa Beograd, Intesa Sanpaolo Bank Albania, CIB Bank and VÚB Banka), flexible working was activated at the beginning of 2020 in PBZ for Head office staff on a target population of 764 employees. As from March, concurrently with the COVID-19 emergency measures, flexible working was extended to 74% of the banks' Head office staff, while other protection measures were identified for network personnel. In the second half of the year, following internal surveys and in line with the provisions of local laws, the Banks launched new projects and flexible working methods which include an increase in the maximum number of work-from-home-days (CIB Bank, VÚB Banka), the revision of the layout of office spaces to a more sophisticated one (VÚB Banka), and the extension of flexible working to more people, including network personnel (Intesa Sanpaolo Bank Albania), which at the end of 2020 made it possible to extend the target population to a total of 7,000 employees.