



# Green and Social Bond Report 2024

# Green and Social Bond Report 2024

## 1 Introduction

This document is the annual report on the allocation and impact (social and environmental) of Intesa Sanpaolo's Green and Social Bonds issued between 2021 and 2024, prepared in line with section 5 (Reporting) of the Intesa Sanpaolo Green, Social & Sustainability Bond Framework published in June 2022 (hereafter: "Framework").

The "Allocation Report" refers to the eligible outstanding amount as of December 2024.









The "Impact Report" covers the impacts generated in the period from 1 January 2024 to the end of the year.

## 1.1 INTESA SANPAOLO GREEN CATEGORIES

Intesa Sanpaolo was the first Italian bank to debut with a green bond issuance in 2017. Green funding has become increasingly important in the overall Group strategy.

The total amount of Intesa Sanpaolo Green Bonds outstanding as of the 31<sup>st</sup> of December 2024 is equal to approximately **€ 8.7 bn**.

The proceeds of any Intesa Sanpaolo Bond issued under the Framework have been allocated exclusively to Eligible Loans as defined in the following list of Eligible Green Categories, aligned to the ICMA Green Bond Principles 2021<sup>1</sup>.

Green Eligible categories	Description <sup>2</sup>	Impacted Sustainable Development Goals
<b>1 - Renewable Energy</b>	Solar, Wind and Hydro-power where the facility: a) is a run-of-river plant and does not have an artificial reservoir or; b) has power density 5W/m <sup>2</sup> or; c) life-cycle GHG emissions are lower than 100g CO <sub>2</sub> e/kWh	 
<b>2 - Energy Efficiency</b>	Energy storage from RES, smart grids, cogeneration of heat/cool and power if life-cycle GHG emissions lower than 100 g CO <sub>2</sub> e per 1 kWh of energy output, energy efficient equipment and district heating/cooling	
<b>3 - Clean transportation</b>	Electric vehicles, Infrastructure enabling low carbon road and public zero-emission transport, Urban and suburban road electric passenger transport, zero-emission heavy-duty and freight vehicles	 
<b>4 - Green Buildings</b>	<p><b>New and Existing buildings</b></p> <ul style="list-style-type: none"> <li>- For buildings built before 31<sup>st</sup> December 2020: EPC A or buildings belonging to the Top 15% of the national building stock based on Primary Energy Demand (PED)</li> <li>Buildings belonging to the Top 15% and having obtained a certain level of recognized environmental standards and certifications;</li> <li>- For buildings built after 1st January 2021: buildings where the PED is, or will be, at least 10% lower than the threshold set for the nearly zero-energy building (NZEB) requirements in national measures</li> </ul> <p><b>Refurbished buildings</b> with a minimum 30% energy saving improvement (or at least two steps improvement in EPC label).</p>	  

<sup>1</sup> Intesa Sanpaolo may consider future opportunities to update its Framework to expand this list of Eligible Categories and include new Eligible Categories as relevant to Intesa Sanpaolo financing strategy.

<sup>2</sup> Consult [Green, Social and Sustainability Bond Framework](#) for further details.

### 5 - Environmentally sustainable management of living natural resources and land-use, biodiversity

Sustainable agriculture (e.g. organic farming), sustainable forestry (afforestation, re-forestation, forest management and conservation based on certifications and standards) and carbon farming



### 6 - Circular Economy

Various technologies, solutions, products and services aimed at increasing resource efficiency and enabling circular economy business models



## 1.1.1 EXCLUDED CATEGORIES

An accurate process of green loans selection, data collection and checks has been set up by Intesa Sanpaolo through its specialist lending desks.

- Any kind of investment connected to: Fossil Fuels, Nuclear energy, Armament, Alcohol, Gambling, Sex industry and Tobacco sector is excluded.
- Any kind of investment to companies or projects connected to: Intensive agro-industrial activities with intensive use of agrochemicals or which entail deforestation, Animal maltreatment, Hazardous chemicals, is excluded.
- Hydro projects up to 25 MW in installed capacity are eligible. If between 25 MW and 1000 MW, one of the following international sustainability best practices must be satisfied:
  - Hydropower Sustainability Protocol – Published assessment report, score of 3 or above (i.e., in line with “Good Practices”) on all relevant pillars or
  - International Finance Corporation (IFC) Standards – Publicly stated commitment to meet the requirements outlined by all eight IFC performance standards.

Hydro projects over 1000 MW in installed capacity have been excluded.

- Use of toxic materials and waste to energy practices from unsorted waste (not organic products) are excluded, since they are harmful to humans & environment and lead to loss of value & materials.
- Regarding solutions that extend the product-life or cycles of use of goods and/or materials: virgin plastic-based products are excluded.
- Regarding products that substitute critical materials with biological or bio-based materials: biological or bio-based materials with strong sustainability risks and / or result in deforestation/competition with food production are excluded.
- Regarding processes fueled by energy from conversion of biomass: biomass originating from non-sustainable sources and/or recyclable and hazardous waste is excluded.

## 1.2 INTESA SANPAOLO 2024 GREEN BOND ISSUES

The JPY 37.1bn multi-tranche transaction represents the first Green public JPY issuance by Intesa Sanpaolo, who is also the only Italian issuer to frequently tap the Japanese bond market.

Looking at the orderbook distribution, demand for all three tranches came predominantly from domestic Japanese investors.

### XS2783774743 (Triple tranche 1/3)

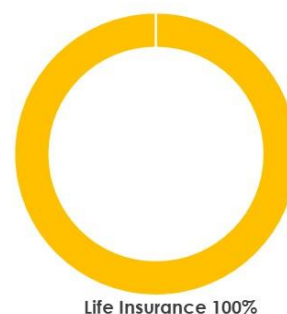
**Settlement date:** 14 March 2024

**Notional:** ¥ 200 mln Senior Preferred

**Tenor:** 7 years

**Maturity date:** 14 March 2031

ALLOCATION BY INVESTOR TYPE



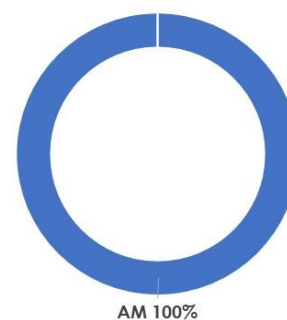
### XS2783773778 (Triple tranche 2/3)

**Settlement date:** 14 March 2024

**Notional:** ¥ 1,900 mln Senior Preferred

**Tenor:** 3 years

**Maturity date:** 12 March 2027



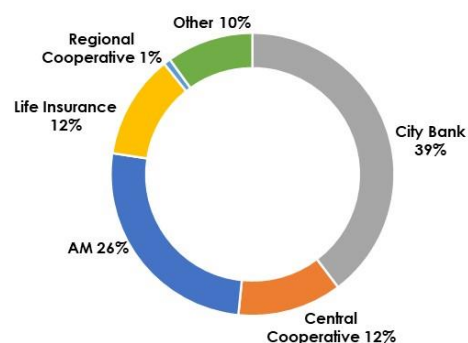
### XS2783772614 (Triple tranche 3/3)

**Settlement date:** 14 March 2024

**Notional:** ¥ 35,000 mln Senior Preferred

**Tenor:** 2 years

**Maturity date:** 13 March 2026



**XS2804485915**

**Settlement date: 16 April 2024**

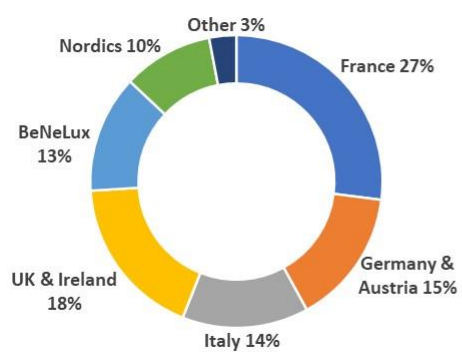
**Notional: € 1,000 mln Senior Preferred**

**Tenor: 6.5 years**

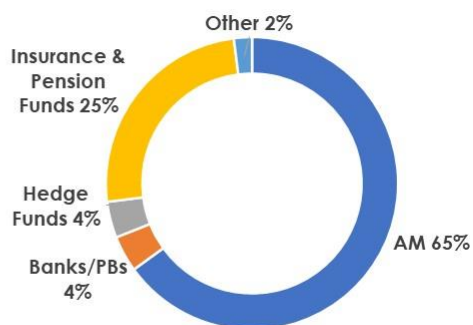
**Maturity date: 16 October 2030**

The final book collected orders close to €2.8bn from 161 investors, allocated as follows:

**ALLOCATION BY GEOGRAPHY**



**ALLOCATION BY INVESTOR TYPE**



## 1.3 INTESA SANPAOLO GREEN PORTFOLIO Allocation report

### PORTFOLIO OVERVIEW as of 31<sup>st</sup> December 2024 € 17,453 mln

Percentage of Net Proceeds of Green Funding allocated to Eligible Green Loan Portfolio	100%
Percentage of Eligible Green Loan Portfolio financed (usage)	50%
Amount of Assets fully aligned with the EU Taxonomy <sup>3</sup> 	€ 13,588 mln
Balance of net proceeds - (Available eligible green loans for new issues)	€ 8,783 mln


### New Loans (since 1<sup>st</sup> Jan 2024) € 4,008 mln

“Renewable Energy & Energy efficiency” Portfolios New loans (since 1 <sup>st</sup> Jan. 2024)	€ 343 mln
“Green Buildings” Portfolio New loans (since 1 <sup>st</sup> Jan. 2024)	€ 3,064 mln
“Circular Economy” Portfolio New loans (since 1 <sup>st</sup> Jan. 2024)	€ 601 mln

<sup>3</sup> Perimeter: Parent Company, Vseobecna Uverova Banka, Banca Intesa Beograd, Intesa Sanpaolo Bank Romania, Banka Intesa Sanpaolo D.D., Privredna banka Zagreb.

## ISP GREEN LOAN PORTFOLIO

## ISP GREEN FUNDING

Eligible categories	# of loans	Outstanding Amount (€)	Tenor (years)	% Outside Italy
<b>Renewable Energy</b>	<b>825</b>	<b>1,519,273,357</b>	<b>6.8</b>	<b>23%</b>
<i>Photovoltaic</i>	714	1,093,534,619	6.5	21%
<i>Eolic</i>	50	346,046,433	7.8	32%
<i>Hydroelectric</i>	61	79,692,305	7.3	0%
<b>Energy efficiency</b>	<b>36</b>	<b>105,374,739</b>	<b>4.6</b>	<b>0%</b>
<b>Green buildings</b> 	<b>116,178</b>	<b>13,587,699,312</b>	<b>23.2</b>	<b>13%</b>
<b>Built after 1<sup>st</sup> Jan. 2021</b>				
<i>NZEB - 10%<sup>6</sup></i>	15,046	2,024,875,712	24.8	2%
<b>Built before 31st Dec. 2020</b>				
<i>EPC Label A</i>	65,423	7,854,343,755	23.2	20%
<i>Other in Top 15%<sup>8</sup></i>	35,709	3,708,479,845	22.1	3%
<b>Circular Economy</b>	<b>77</b>	<b>2,240,899,740</b>	<b>3.8</b>	<b>12%</b>
<b>Total</b>		<b>17,453,247,148</b>	<b>19.2</b>	<b>15%</b>

ISIN	Allocated Amount (€)
XS2529233814	1,000 mln
XS2450068619 <sup>4</sup>	18 mln
XS2317069685	1,250 mln
XS2592650373	1,500 mln
XS2592658947	750 mln
XS2598063480 <sup>5</sup>	673 mln
XS2625195891	1,000 mln
XS2625196352	1,250 mln
<b>2024 Issuances</b>	
XS2783774743 <sup>7</sup>	1 mln
XS2783773778 <sup>7</sup>	12 mln
XS2783772614 <sup>7</sup>	216 mln
XS2804485915	1,000 mln
<b>8,670 mln</b>	

<sup>4</sup> Private Placement ¥2,4 bn printed in 2022.

<sup>5</sup> Public Issue GBP 600 mln printed in March 2023.

<sup>6</sup> Italy doesn't specify a numerical indicator of primary energy requirement for Nearly-Zero Energy Buildings (NZEB) in the transposition of the EU Energy Performance of Buildings Directive 2010/31/EU (EPBD). Therefore, Buildings considered with Primary Energy Demand at least 10 % lower than the threshold set for NZEB requirements in national measures are those that meet Primary Energy Demand thresholds by climate area defined by third-party provider analysis.

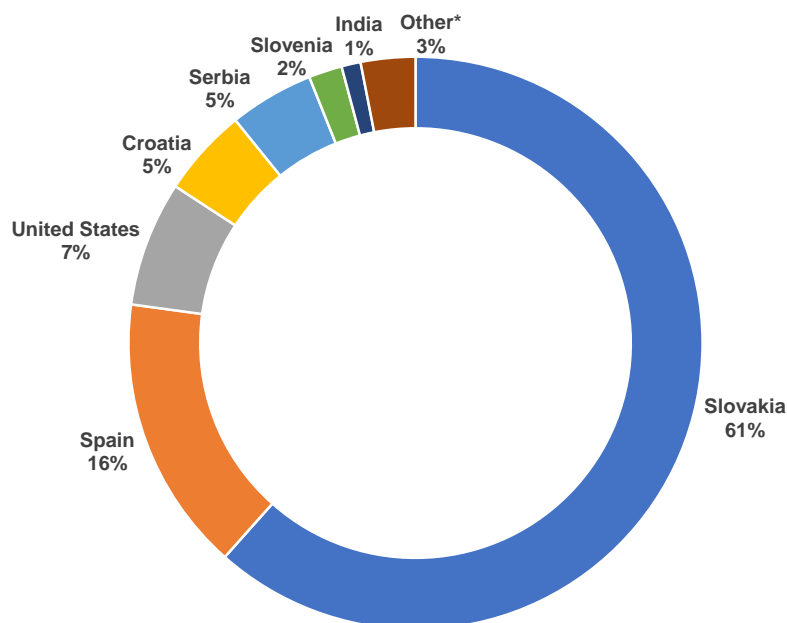
<sup>7</sup> JPY triple tranche printed in March 2024

<sup>8</sup> Buildings belonging to the Top 15% of the national residential building stock according to Primary Energy Demand thresholds by climate area defined by third-party provider analysis.



## GREEN PORTFOLIO ASSETS OUTSIDE ITALY

Around € 2,3 bn of green assets (Renewable Energy, Circular Economy and Green Buildings) consists of projects or buildings located outside Italy:



(\*) Romania, Poland, Portugal, Ireland, Austria, UK, United Arab Emirates.

### FOCUS ON CIRCULAR ECONOMY ELIGIBLE CATEGORIES

	Outstanding Amount (€)	% out of Italy
1. Solutions that extend the product-life or cycles of use of goods and/or materials	324,025,246	0%
2. Production processes fueled by and/or products made of renewable or recycled resources	422,938,663	0.3%
3. Products and/or services that significantly increase effectiveness and efficiency of the resource consumption, within the company or along its supply chain	1,070,608,557	23%
4. Design and/or manufacture products that can be fully recycled or composted within an efficient framework of collection, separation and recycling after use	150,563,156	5%
5. Innovative technologies to enable circular business models	272,764,119	0%

## 1.4 INTESA SANPAOLO GREEN PORTFOLIO | Impact report

### IMPACT REPORTING AT GREEN PORTFOLIO LEVEL

Eligible Loan Category	# of loans	Outstanding Amount* € mln	Share of total portfolio financing	Avoided financed GHG emissions (tCO <sub>2</sub> e) <sup>9</sup>
Renewable Energy	825	1,519	8.7%	2,068,700
Energy efficiency	36	105	0.6%	61,700
Green Buildings	116,178	13,588	77.9%	224,400
Circular Economy	77	2,241	12.8%	2,053,000
<b>Total</b>	<b>117,116</b>	<b>17,453</b>	<b>100%</b>	<b>4,407,800</b>
<b>Estimated Impact per €1 M invested (GHG)</b>				<b>253</b>

\* As of 31<sup>st</sup> December 2024

### METHODOLOGICAL APPROACH

Avoided GHG emissions are:

- calculated according to **The Global GHG Accounting and Reporting Standard** for the Financial Industry (hereafter PCAF Methodology) (PCAF, 2022);
- measured as gross figures: they do not take into account the emissions from the project implementation;
- estimated using a **life cycle assessment approach** in line with the main international standards (e.g. ISO 14040-44) and guidelines (e.g. GHG Protocol);
- computed considering the technical specification of each plan/project, if available, or estimated according to the emission factors provided by international LCA databases (e.g. Ecoinvent) or available literature;
- assessed adopting a **conservative approach**;
- proportionally allocated according to an **Attribution Factor**: the ratio between the outstanding amount of the deal as of 31/12/2023 and the initial value of the investment (debt + equity). The share between debt and equity is determined considering the loan to value (LTV).

Impact report analysis carried out by external consultants<sup>10</sup>.

<sup>9</sup> Avoided emissions only refer to outstanding eligible loans of the Portfolio

<sup>10</sup> Studio Fieschi & Soci

## Renewable Energy



Total Portfolio (€ mln)

1,519



Annual avoided GHG emissions (tCO<sub>2</sub>e)\*

2,068,700



Avoided financed GHG emissions intensity (tCO<sub>2</sub>e / € mln)

1,362




\* Absolute avoided GHG emissions are calculated by multiplying the estimated energy production by a country specific grid emission factor. Avoided financed GHG emissions are calculated by multiplying the absolute avoided emissions by an attribution factor.

Renewable energy	Financed Energy production [MWh]	Avoided financed emissions [tCO <sub>2</sub> e]	Projects [n°]
Photovoltaic	2,805,600	1,796,700	714
Wind power	516,900	233,900	50
Hydroelectric	92,100	38,100	61
<b>Total</b>	<b>3,414,600</b>	<b>2,068,700</b>	<b>825</b>

- A statistically significant sample (consisting of 146 plants located in Italy) has been used for the calculation of the energy production figures (MWh/€M). The average annual energy production is based on actual production data (as of 30 June 2023) referred to the plants included in the sample over a 12-month period.
- The attribution factor has been calculated considering an average loan to value estimated by the ISP Energy Desk.
- For photovoltaic plants located outside Italy, the operating hours have been derived from World Bank data<sup>11</sup>.
- The **Operating Margins emission factors have been considered** (IFI, version 3.2, 2022).

<sup>11</sup> <https://globalsolaratlas.info/global-pv-potential-study>

## Energy Efficiency




	<b>Total Portfolio (€ mln)</b>	<b>105</b>
	<b>Annual avoided GHG emissions (tCO<sub>2</sub>e)*</b>	<b>61,700</b>
	<b>Avoided financed GHG emissions intensity (tCO<sub>2</sub>e / € mln)</b>	<b>585</b>

\* Absolute avoided GHG emissions are calculated by multiplying the estimated energy saving by specific energy carrier emission factors. Avoided financed GHG emissions are calculated by multiplying the absolute avoided emissions by an attribution factor.

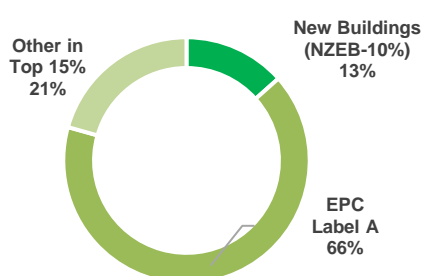
- A statistically significant sample has been used for the calculation of the energy saving figures (MWh / € mln). The average annual energy saving of electricity or heat/fuel consumption is based on actual production data (as of 30 June 2023) of a plant sample over a 12-month period.
- The attribution factor has been calculated considering an average loan to value estimated by the ISP Energy Desk.
- Avoided emissions linked to Energy Efficiency projects are calculated in terms of electricity or heat/fuel saved.
- The emission factor considered for the grid electricity is the country residual mix<sup>12</sup>.
- Specific GHG emissions factors have been modelled with the LCA Simapro and the LCI database Ecoinvent.

<sup>12</sup> National residual mix allows calculation of the origin of electricity supplied by electricity retailers but not covered by certificates of origin. Emission factor reflects the national electricity mix (fossil and non-fossil) excluding the electricity marketed through certificates of origin (e.g. GO). Residual mixes are disclosed for European countries by the Association of Issuing Bodies (AIB)

## Green Buildings

	<b>Total Portfolio (€ mln)</b>	<b>13,588</b>
	<b>Annual avoided GHG emissions (tCO<sub>2</sub>e)*</b>	<b>224,400</b>
	<b>Avoided financed GHG emissions intensity (tCO<sub>2</sub>e / € mln)</b>	<b>16</b>

### AVOIDED GHG EMISSIONS (tCO<sub>2</sub>e)\*



\* Absolute avoided GHG emissions are calculated by multiplying the estimated energy saving by an energy mix emission factor based on Italian residential energy consumption. Avoided financed GHG emissions are calculated by multiplying the absolute avoided emissions by an attribution factor.

Building type	[m <sup>2</sup> ]	Outstanding [€ mln]	Energy saving [MWh]	Avoided financed GHG emission [tCO <sub>2</sub> e]
<b>Built after 1st Jan. 2021</b>				
NZEB - 10%	1,744,617	2,025	183,600	30,100
<b>Built before 31st Dec. 2020</b>				
EPC Label A (in Top 15%)	9,014,290	7,854	1,138,200	148,000
Other in Top 15% <sup>13</sup>	3,913,469	3,709	290,700	46,300
<b>Total</b>	<b>14,672,375</b>	<b>13,588</b>	<b>1,612,500</b>	<b>224,400</b>

- Energy savings are calculated by comparing the building's energy consumption with its relative benchmark. The energy consumption of a building in Italy is determined by its non-renewable energy requirements and its climatic zone. For buildings outside Italy, energy consumption is measured according to the national requirements for non-renewable energy needs based on the building's energy class.
- "NZEB -10%": this category includes buildings built from 01 Jan 2021 onwards, having a non-renewable primary energy demand parameter (NREN) equal or lower than the threshold set by the CRIF report "[Percentage distribution of primary energy \(Ep\) values in the Italian national building stock](#)" to define "Nearly Zero Energy Building -10%" requirement for every climatic zone.
- EPC Label A: this category includes buildings built up to 31 Dec 2020 having an EPC label equal to A or higher<sup>14</sup>.
- Other in Top 15: this category includes buildings built up to 31 Dec 2020 having a NREN belonging, for each climatic zone, to the top 15% of the national residential building stock according to the CRIF report mentioned above.
- Specific GHG emission factors have been modelled with the LCA software Simapro and the LCI database Ecoinvent.

<sup>13</sup> Buildings belonging to the Top 15% of the national residential building stock according to Primary Energy Demand

<sup>14</sup> A1-A2-A3-A4

# Circular Economy



Total Portfolio (€ mln)

2,241



Annual avoided GHG emissions (tCO<sub>2e</sub>)\*

2,053,000

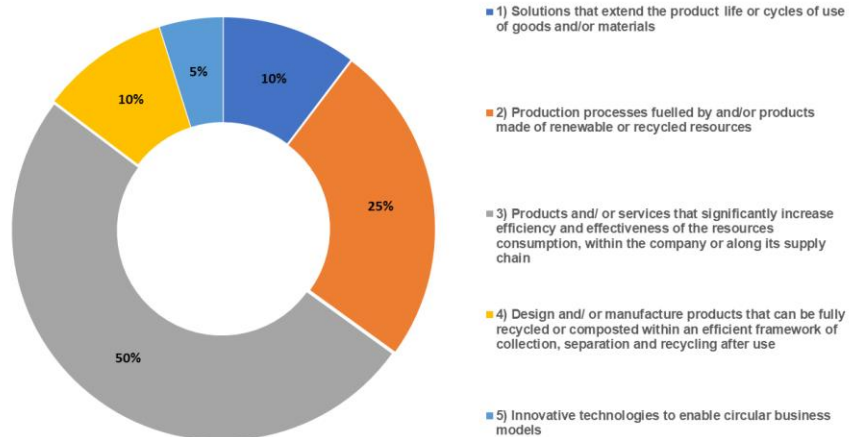


Avoided financed GHG emissions intensity (tCO<sub>2e</sub> / € mln)

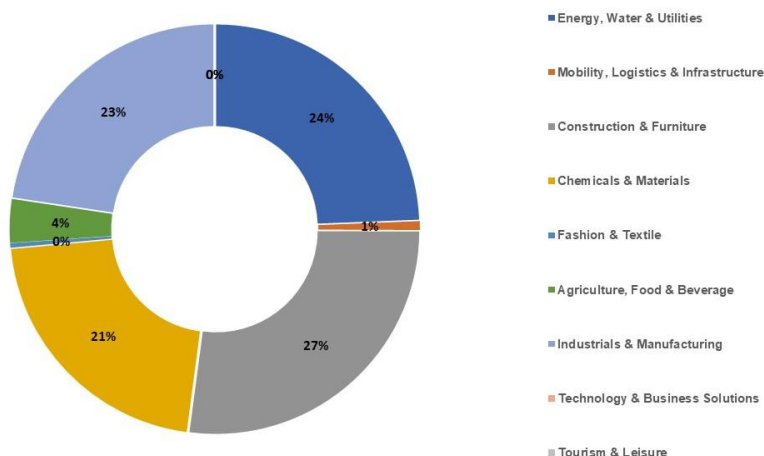
916

\* Calculated by multiplying the absolute avoided emissions by an attribution factor.

## ALLOCATION OF AVOIDED GHG EMISSIONS BY ELIGIBLE CRITERIA



## ALLOCATION OF AVOIDED GHG EMISSIONS BY SECTOR



The total amount of the eligible portfolio analyzed is equal to € 2,241 mln of outstanding and corresponds to 77 loans financed.

For each project, Intesa Sanpaolo selected the KPIs on the basis of which it evaluated annual emissions avoided. Priority was given to the objectives that can be easily quantified in terms of material resources, water and energy.

Given the heterogeneity of the circular economy projects in general, it is not possible to have a unique set of indicators that applies to everyone. We have therefore chosen to select the most significant output performance indicators for each project, and we report them below.

<i>-- Output indicators --</i>	<i>Materials, energy and other output flows</i>	<i>Avoided financed GHG emissions</i>
Amount of recovered materials thanks to product re-design, new business models and/or reverse logistics	52,994 tons	211,632 tCO <sub>2eq</sub>
Increase of renewables energies utilization	61,318 MWh	29,066 tCO <sub>2eq</sub>
Amount of biomethane produced	41,227,422 m <sup>3</sup>	77,704 tCO <sub>2eq</sub>
Increase of biobased/recycled materials utilization	556,510 tons	399,156 tCO <sub>2eq</sub>
Amount of waste and by-products re-inputted in production processes	739,160 tons	1,029,584 tCO <sub>2eq</sub>
Amount of non wasted food	1,200 tons	1,824 tCO <sub>2eq</sub>
Water saved or recovered	7,721,930 m <sup>3</sup>	2,032 tCO <sub>2eq</sub>
Amount of fully recyclable goods produced	101,449 tons	201,275 tCO <sub>2eq</sub>
Amount of fully compostable goods produced	467 tons	1,209 tCO <sub>2eq</sub>
Investments in technologies not accountable with KPIs in other CE criteria	267 €M	99,522 tCO <sub>2eq</sub>

The three most effective areas in terms of the ratio of GHG avoided and the amount financed, are related to:

- the amount of waste and by-products reintroduced into production processes (ca. 5,000 tCO<sub>2e</sub> / € mln): it is mainly characterized by loans that involve the recovery of waste materials from production processes and/or the sorting or collection of waste, which are then re-inputted into new production processes (e.g. the recovery of metals);
- the production of a fully recyclable product (ca. 5,500 tCO<sub>2e</sub> / € mln): it is mainly characterized by loans related to the replacement of non-recyclable materials with recyclable materials;
- the increase of bio based/recycled materials utilization (ca. 1,000 tCO<sub>2e</sub> / € mln): it is mainly characterized by loans related to improving the use of recycled or bio-based materials in production processes (e.g. increasing the use of recycled packaging).

<i>-- CE Eligible criteria --</i>	<i>Avoided GHG emissions</i>
1) Solutions that extend the product life or cycles of use of goods and/or materials	211,632 tCO <sub>2eq</sub>
2) Production processes fuelled by and/or products made of renewable or recycled resources	505,926 tCO <sub>2eq</sub>
3) Products and/ or services that significantly increase efficiency and effectiveness of the resources consumption, within the company or along its supply chain	1,033,440 tCO <sub>2eq</sub>
4) Design and/ or manufacture products that can be fully recycled or composted within an efficient framework of collection, separation and recycling after use	202,484 tCO <sub>2eq</sub>
5) Innovative technologies to enable circular business models	99,522 tCO <sub>2eq</sub>

## 1.5 Project example

### PHOTOVOLTAIC PLAN PROJECT: SPRING Srl



The project consists of the development and construction of a portfolio including eight ground mounted photovoltaic plants with a total nominal power of 41.81 Mwp, located in various regions: Calabria (four plants totaling 22.96 MWp), Sicily (three plants totaling 13.55 MWp) and Marche (one plant totaling 5.30 MWp).



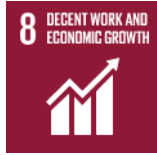

All the photovoltaic systems will be composed of bifacial modules with a monoaxial tracking x axis. The estimated annual production of the portfolio on P50 basis, is equal to 78,860 MWh, corresponding to 1,886 kWh/kwp.

All the plants will be completed and connected to the national electricity grid by June 2025 with a total investment cost of approximately 38.565 million Euro.



## 2.1 INTESA SANPAOLO SOCIAL CATEGORIES

The proceeds of the Intesa Sanpaolo Social Bond issued under the framework have been allocated exclusively to Eligible Loans as defined in the following list of Eligible Social Categories:

Social Eligible categories	Description <sup>15</sup>	Impacted Sustainable Development Goals
<b>1 - Access to Essential Services</b>	Investments and day-to-day operations in sectors of general interest such as: Healthcare; Education; Entertainment, recreational and sports activities; Welfare and solidarity; Art and culture, including restoration of artistic heritage	
<b>2 –Socioeconomic Advancement and Empowerment</b>	<p>Sustainability linked loans to SMEs aimed at supporting ESG initiatives, to reach sustainable development objectives and to improve their ESG profile ('S-loans') &amp; loans to SMEs directly aimed at supporting their digital transformation through investments in digital projects (D-loans)</p> <p>Access to affordable financial products to specific target groups: Students, Individuals with low income, Undereducated, Unemployed, Refugees, Youth, Elderlies</p> <p>Loans to fund micro-enterprises or microfinance initiatives</p>	
<b>3 – Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises</b>	<p>Loans to SMEs<sup>16</sup> located in the most socioeconomically disadvantaged areas in Italy<sup>17</sup></p> <p>Loans to companies facing natural disaster (such as earthquakes, floods, etc.), health or social emergencies and the related economic downturn</p>	
<b>4 – Affordable Housing</b>	<p>Loans for the construction, renovation or upgrade of facilities in order to provide access to decent housing to people with economic difficulties with a pricing below the relevant market standard</p>	

<sup>15</sup> Consult [Green, Social and Sustainability Bond Framework](#) for further details.

<sup>16</sup> Small and medium-sized enterprises (SMEs) are defined in the EU recommendation 2003/361: enterprises which employ fewer than 250 persons and which have either an annual turnover not exceeding €50 million, or an annual balance sheet total not exceeding €43 million.

<sup>17</sup> Socioeconomically disadvantaged areas are defined as areas (Italian regions) with GDP per capita lower than the national average and ranking in the worst 30% in terms of unemployment rate.

## 2.2 INTESA SANPAOLO SOCIAL BOND OUTSTANDING

In February 2024, Intesa Sanpaolo placed its third Social Bond (a Senior Preferred Private Placement fully subscribed by Cassa Depositi e Prestiti) following its inaugural Social Bond issuance in 2022 and the 2023 issue dedicated to the Sterling market.

### XS2545759099

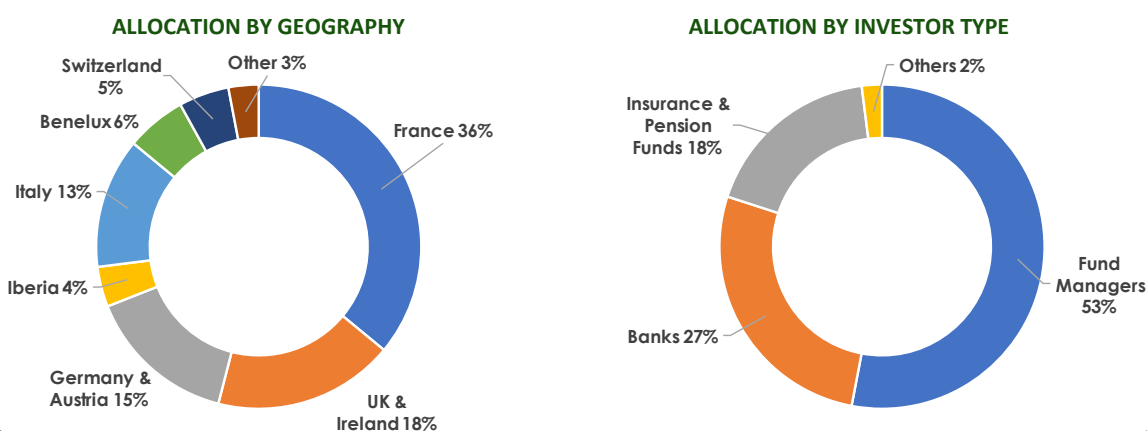
**Year:** 2022

**Notional:** € 750 mln Senior Preferred

**Tenor:** 7,25 years

**Maturity date:** 13 January 2030

The final book collected orders of over € 1.3 bn from about 100 investors, allocated as follows:



### XS2630420268

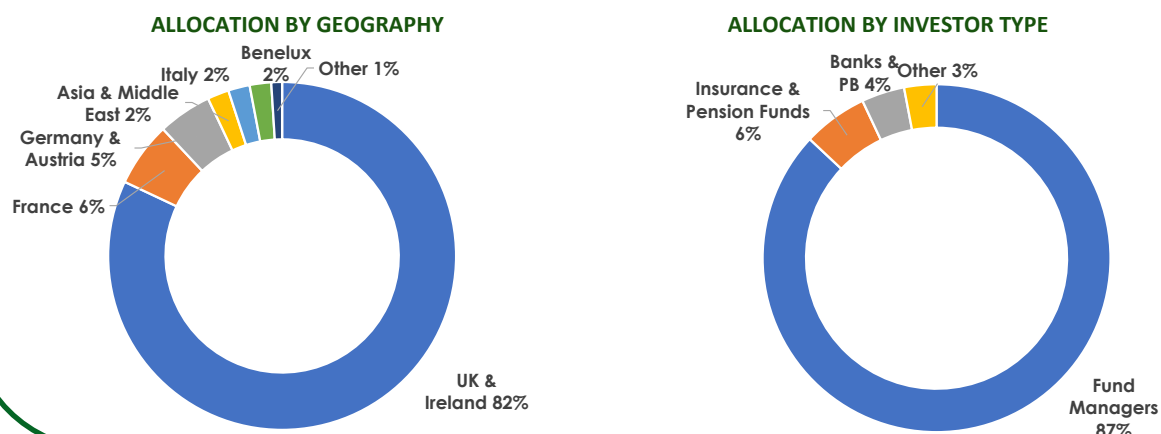
**Settlement date:** 31 May 2023

**Notional:** £ 750 mln Senior Preferred

**Tenor:** 10 years

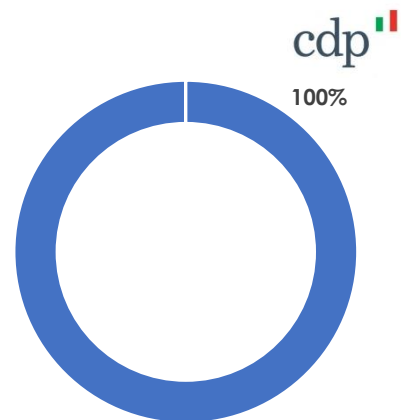
**Maturity date:** 31 May 2033

The final book collected orders of around £ 1.2 bn from about 100 investors, allocated as follows:



**XS2771430548**

**Settlement date: 21 February 2024**  
**Notional: € 800 mln Senior Preferred**  
**Tenor: 6.5 years**  
**Maturity date: 21 October 2030**



## 2.3 INTESA SANPAOLO SOCIAL PORTFOLIO | Allocation report

### PORTFOLIO OVERVIEW as of 31<sup>st</sup> December 2024 € 7,983 mln

Percentage of Net Proceeds of Social Funding allocated to Eligible Social Loan Portfolio	100%
Percentage of Eligible Social Loan Portfolio financed (usage)	30%
Balance of net proceeds - (Available eligible Social loans for new issues)	€ 5,570 mln

### New Loans (since 1<sup>st</sup> Jan 2024) € 1,350 mln

“Access to Essential Services” Portfolio New Loans (since 1 <sup>st</sup> Jan. 2024)	€ 160 mln
“Socioeconomic Advancement and Empowerment” Portfolio New Loans (since 1 <sup>st</sup> Jan. 2024)	€ 338 mln
“Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises” Portfolio New Loans (since 1 <sup>st</sup> Jan. 2024)	€ 852 mln

## ISP SOCIAL LOAN PORTFOLIO

Eligible categories	Outstanding Amount (€)	Average tenor (years)
<b>Access to Essential Services</b>	<b>1,036,266,883</b>	<b>8.5</b>
<i>Healthcare</i>	318,869,129	8.8
<i>Education</i>	180,624,290	9.2
<i>Entertainment and sport</i>	100,547,727	7.2
<i>Welfare and solidarity</i>	389,141,654	8.2
<i>Art and culture, including restoration of artistic heritage</i>	47,084,083	7.9
<b>Socioeconomic Advancement and Empowerment</b>	<b>821,788,653</b>	<b>4.4</b>
<i>S-Loans</i>	641,260,238	4.4
<i>D-Loans</i>	21,251,201	3.5
<i>Access to affordable financial products</i>	159,277,214	-
<b>Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises</b>	<b>6,124,876,044</b>	<b>4.6</b>
<i>SMEs in socioeconomic disadvantaged areas</i>	2,963,988,961	6.0
<i>Relief from natural disaster and health or social emergencies</i>	3,160,887,083	3.2
<b>Total</b>	<b>7,982,931,580</b>	<b>5.1</b>

## ISP SOCIAL FUNDING

ISIN	Allocated Amount (€)
XS2545759099	750 mln
XS2630420268 <sup>18</sup>	863 mln
<b>2024 Issuance</b>	
XS2771430548 <sup>19</sup>	800 mln
<b>2,413 mln</b>	

<sup>18</sup> Public Issue GBP 750 mln printed in May 2023.

<sup>19</sup> Private Placement fully subscribed by Cassa Depositi e Prestiti issued in February 2024.

## 2.4 INTESA SANPAOLO SOCIAL PORTFOLIO | Impact report<sup>20</sup>

### IMPACT REPORTING AT SOCIAL PORTFOLIO LEVEL

Eligible categories	Outstanding amount* (€ mln)	Share (%)	Number of loans	Main impacts**
<b>Access to Essential Services</b>	1,036	13%	10,536	<ul style="list-style-type: none"> <li>• 6.7 million beneficiaries served</li> <li>• 127 thousand jobs created and retained</li> </ul>
<b>Socioeconomic Advancement and Empowerment</b>	822	10%	22,574	<ul style="list-style-type: none"> <li>• 5,028 students that, in the absence of the loan, would have had to give up on their studies</li> <li>• 1,219 S-Loans and 53 D-Loans disbursed</li> </ul>
<b>Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises</b>	6,125	77%	122,125	<ul style="list-style-type: none"> <li>• 69 thousand jobs created in 16 thousand SMEs located in socioeconomically disadvantaged areas</li> <li>• 4.2 thousand SMEs avoided shutdown through COVID-19 loans, retaining 40 thousand jobs</li> </ul>
<b>Total</b>	<b>7,983</b>	<b>100%</b>	<b>155,235</b>	<ul style="list-style-type: none"> <li>• Over 6.7 million beneficiaries served</li> <li>• 235 thousand jobs created or retained</li> </ul>

\* As of 31<sup>st</sup> December 2024.

\*\* The list is not exhaustive. For a complete impact profile of the three social eligible categories, please refer to the sections below.

### 2.4.1 | Impact report - Access to Essential Services

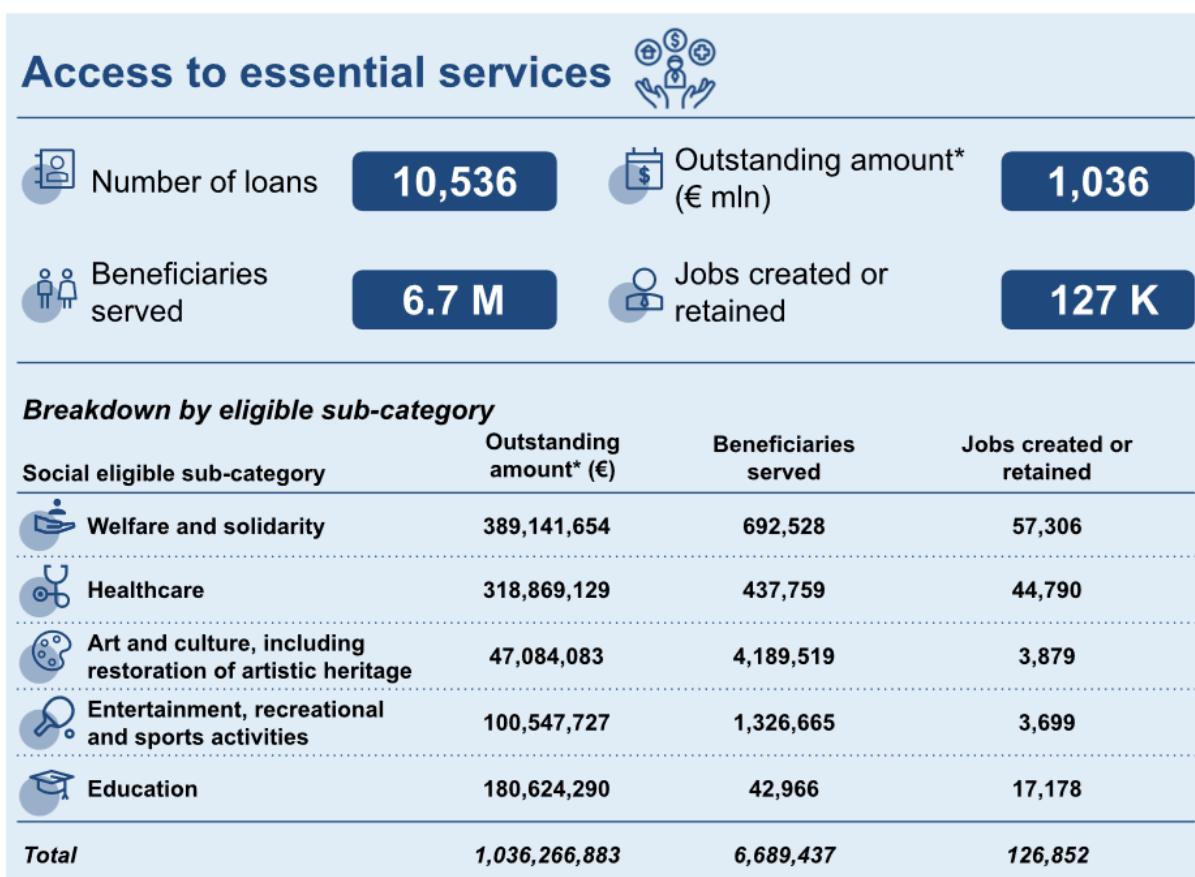
The “Access to essential services” category consists of loans granted to no profit organizations that invest in the following sectors of general interest:

- Welfare and solidarity (child welfare, child services and day care, youth services and youth welfare, family services, etc.),
- Healthcare (healthcare facilities, home care facilities for elderly, seriously ill or disabled people, etc.),
- Art and culture (cultural and artistic events, conservation of cultural heritage, etc.),
- Entertainment, recreational and sport activities (amateur sport, training, physical fitness and sport competition services and events, recreational facilities, and services, etc.),
- Education (school, university, and campus facilities, including student housing, and vocational training centres, etc.).

The impact generated by these types of loans falls within two main categories:

- i) the impact generated by the loans on the organizations, calculated in terms of **jobs created and retained**; and
- ii) the impact generated by the organizations on the communities benefitting from the financed initiatives, measured in terms of **beneficiaries**.

<sup>20</sup> Intesa Sanpaolo was supported by PricewaterhouseCoopers Business Services S.r.l. in the development of the impact assessment analyses presented in this section (with the exception of S-Loans and D-Loans categories).



\* As of 31<sup>st</sup> December 2024

## METHODOLOGICAL APPROACH

A survey<sup>21</sup> involving a large share of borrowers in 2022 was the basis for the impact assessment of the “Access to Essential Services” category. As the survey was not available for every organization in the portfolio, a projection was carried out through methods of statistical inference as explained below:

- Considering the organizations in the sample of respondents, for each subcategory (Healthcare, Welfare and solidarity, Art and culture, Entertainment, Education), marginal impact measures on specific indicators (e.g. people assisted per € mln lent) were calculated.
- Clustering the organizations in the sample of respondents by sector (NACE code), it was possible to detect, for each sector, the average allocation of the funds borrowed across the five eligible sub-categories.
- Assuming that organizations belonging to the same economic sector would allocate the funds received following the same pattern, allows to estimate the expected amount of residual debt that each organization will invest in each of them.
- The overall **impact generated by the whole portfolio** has been finally calculated multiplying the **expected share of residual debt** allocated in each eligible sub-category by the **marginal impact measures** of each of the 5 sub-categories.

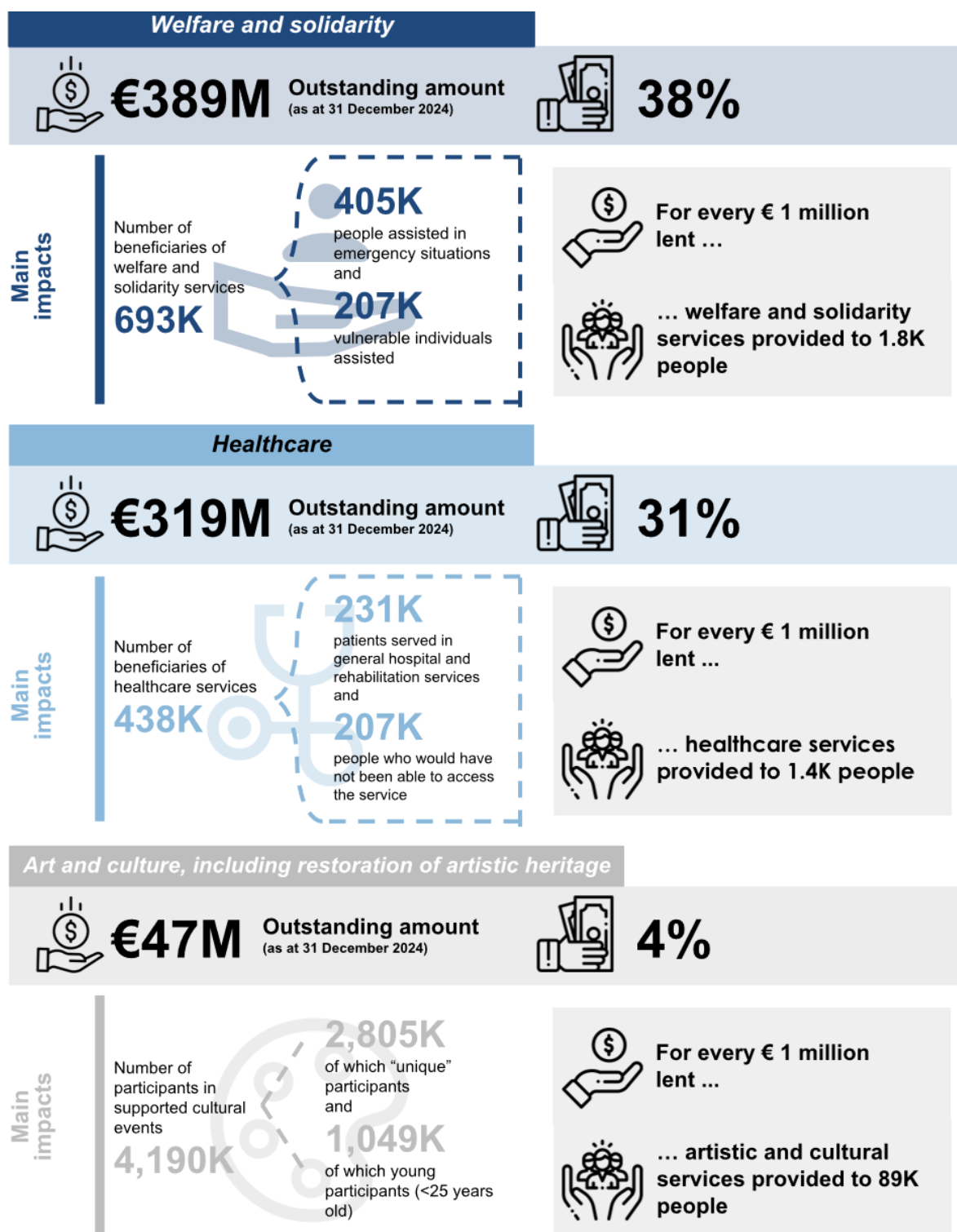
## The impact generated by the organizations on the community

The funded initiatives encompass different types of beneficiaries, from patients in healthcare services to

<sup>21</sup> The collection of questionnaires started in January 2022 and is still ongoing. The questionnaires collected in 2022 and 2023 cover 49% of the outstanding amount of the social portfolio. The number of respondents is increasing over time; it is therefore expected that the coverage of the outstanding amount will also increase for the next editions of this report. It is important to note that the respondents are surveyed in an ex-ante phase (i.e. when the credit is disbursed to them). Therefore, the estimates presented in this section are elaborations carried out on the effects produced by the organizations according to their own knowledge.

participants in sporting events<sup>22</sup>.

The images below present specific output indicators for each of the 5 sub-categories. Please note, estimates of the number of individuals reached every year by the funded initiatives were calculated considering all initiatives at full operational capacity.



<sup>22</sup> Please note that in sub-categories such as "Art and culture, including restoration of artistic heritage" and "Entertainment, recreational and sports activities" the wide range of beneficiaries that those kinds of initiatives can attract allows for the possibility that an individual may benefit from the funded initiatives repeatedly.



## Entertainment, recreational and sports activities



**€101M** Outstanding amount  
(as at 31 December 2024)



**10%**

Main  
impacts

Number of  
beneficiaries of  
entertainment,  
recreational and  
sports activities

**1,327K**

**575K**

beneficiaries of  
entertainment  
and recreational activities  
and

**752K**

participants of sporting  
events or sport activities



For every € 1 million  
lent ...



... entertainment,  
recreational and sports  
activities provided to 13K  
people

## Education



**€181M** Outstanding amount  
(as at 31 December 2024)



**17%**

Main  
impacts

Number of  
beneficiaries of  
educational  
services

**43K**

**15K**

students served (primary  
school, secondary school  
and university)  
and

**28K**

adults with gained  
access to education or  
vocational training



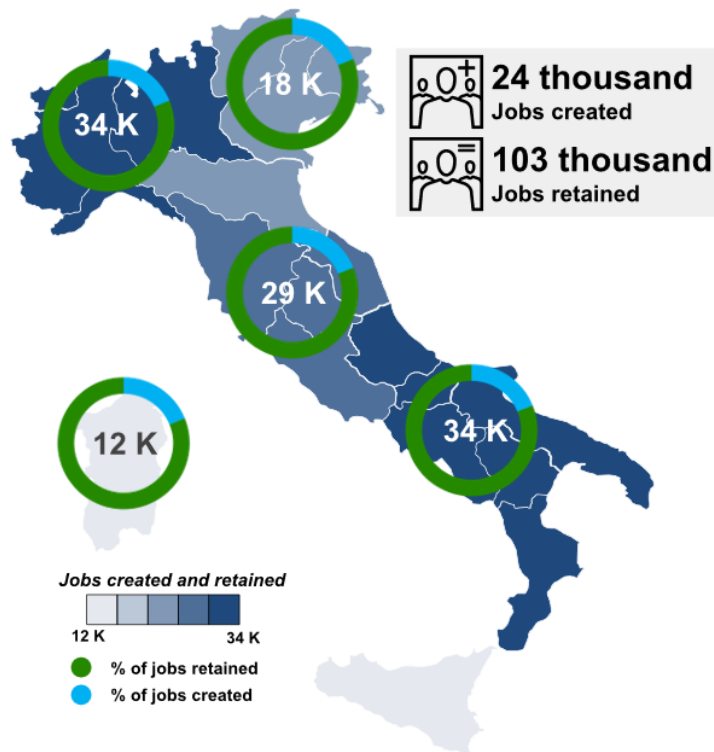
For every € 1 million  
lent ...



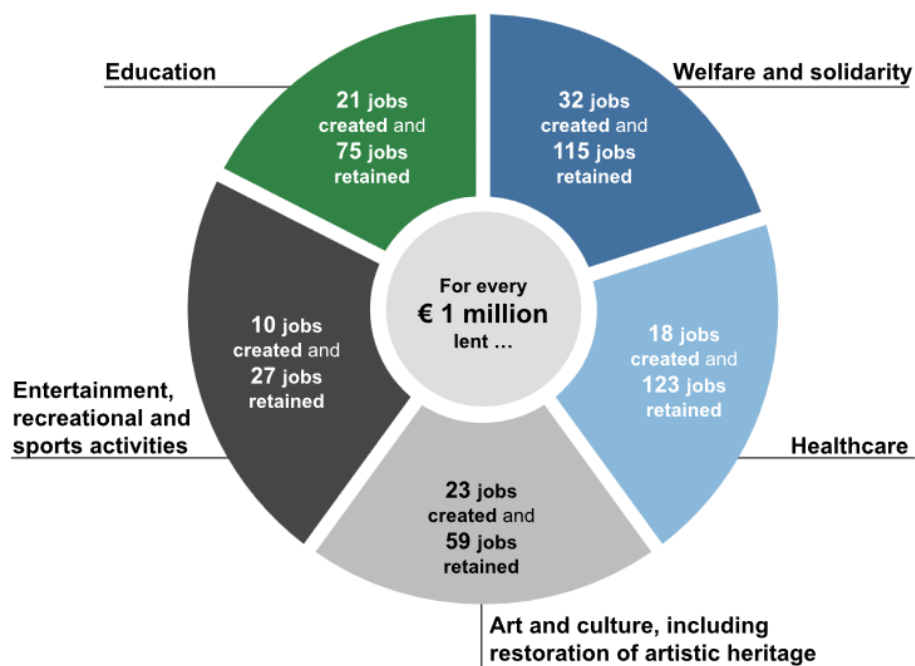
... educational services  
provided to 238 people

### The impact generated by the loans on the organizations

In addition to the positive impacts generated on the supported communities, the disbursement of loans also produces an impact on no profit organizations. Such impact is measured in terms of job retention and creation.



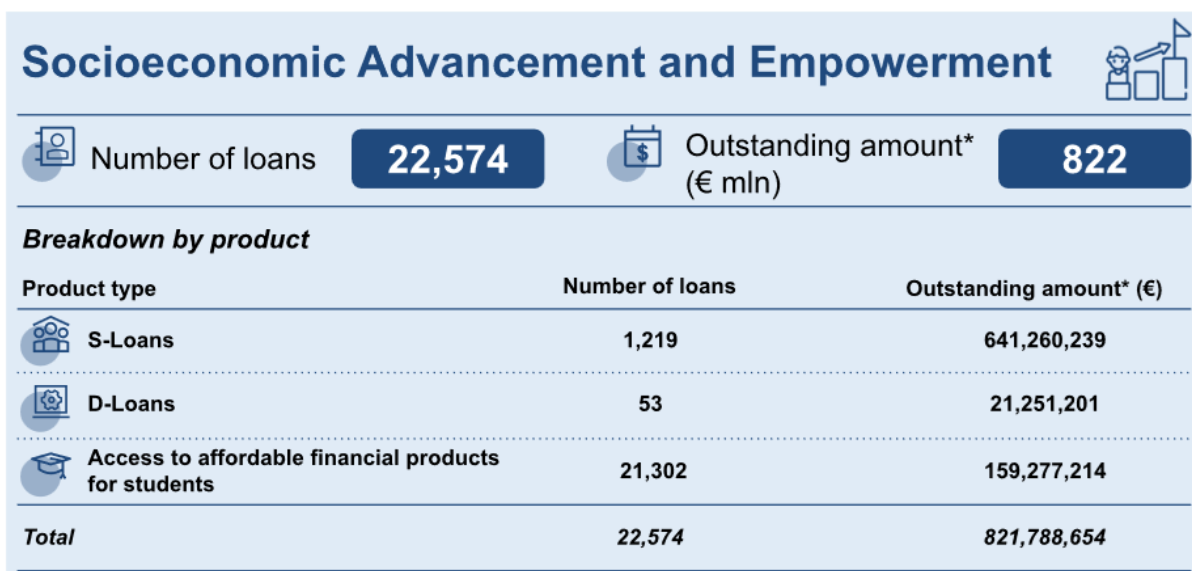
Job creation and retention can be analysed also from a sectoral standpoint: the following infographic illustrates a marginal impact measure (i.e. the amount of impact generated per € 1 million financed by Intesa Sanpaolo) per eligible sub-category.



## 2.4.2 | Impact report - Socioeconomic Advancement and Empowerment

The “Socioeconomic Advancement and Empowerment” category includes:

- S-Loans and D-Loans, whose goal is to assist SMEs in achieving respectively their ESG and digitization objectives.
- Access to affordable financial products for students provided through “per Merito” loans: funding directed at deserving tertiary education students.



\* As of 31<sup>st</sup> December 2024

### METHODOLOGICAL APPROACH

The impact assessment of the “Socioeconomic Advancement and Empowerment” category is based on different data sources which vary based on the type of product. For S-Loans and D-Loans, it relies on the bank’s internal database on borrowers. For Access to affordable financial products for students, it relies on the outcome of a survey<sup>23</sup> carried out on a large share of borrowers from 2019 to 2024.

#### S-Loans and D-Loans

Regarding the S-loans and D-loans sub-categories, the social impact is calculated on the basis of the bank’s internal records. As far as the S-Loans are concerned only businesses that selected at least one social KPI have been included in the portfolio. When a business selects one social KPI and one non-social KPI (e.g. environmental KPI), only the fraction of the outstanding amount linked to the social KPI falls within the perimeter of the portfolio (i.e. 50% of the outstanding amount).

#### Access to affordable financial products for students



This sub-category relies on a questionnaire developed by Intesa Sanpaolo that was submitted to a large share of recipients of the “per Merito” loan.

- The information gathered on the students - region of residence, the level of tertiary education pursued and an assessment on whether they would have changed their life plans had they not received the loan from the bank - allowed to estimate the **average impact** that the loan has on students with specific characteristics (45 clusters have been created).
- The overall impact has been computed extending the impact results to the whole portfolio of students on the basis of their characteristics (according to their belonging cluster).

<sup>23</sup> The collection of questionnaires started in December 2020 and is still ongoing. The collected questionnaires cover 65% of the outstanding amount. The number of respondents is increasing over time; it is therefore expected that the coverage of the outstanding amount will also increase for the next editions of this report.

## S-Loans

Sustainability-linked loans to SMEs aim at improving the borrower's ESG profile. Predefined KPI in Environmental, Social or Governance space can be selected. Among the S-Loans disbursed, the eligible portfolio is identified by selecting only loans linked to social KPI.

S-Loans		
 <b>1,219</b> loans	 <b>€641M</b>	<b>Outstanding amount</b> (as at 31 December 2024)
Social KPIs	Number of loans	Outstanding amount (€)
Businesses promoting the role of women in society	104	68,738,150
Businesses promoting sustainability by customers and/or suppliers	395	192,005,907
Businesses allocating a share of their turnover to support communities	672	359,354,557
Businesses committing to hire a share of female employees	48	21,161,625
<b>Total</b>	<b>1,219</b>	<b>641,260,239</b>

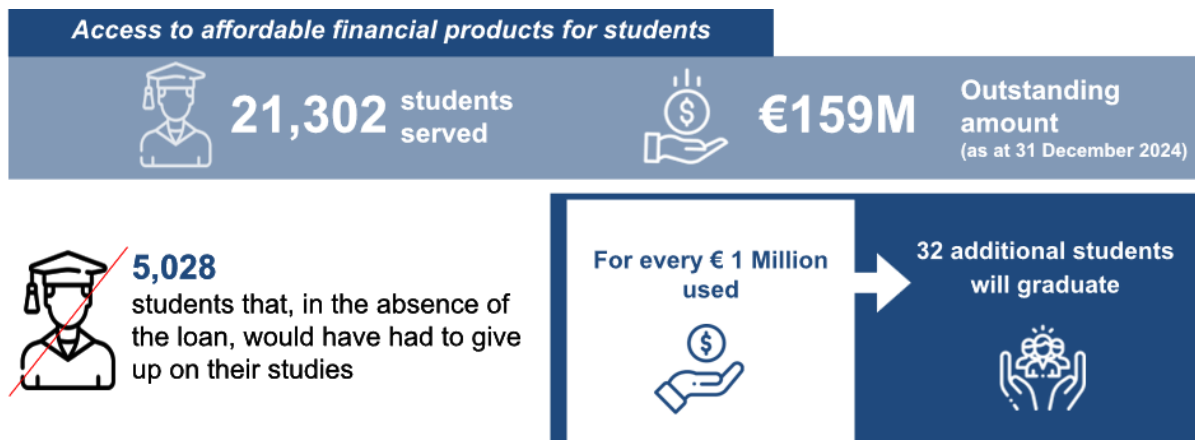
## D-Loans

The D-Loans portfolio consists of loans to SME's aimed at supporting them in the digital transformation. Among the areas where companies can choose to engage, the portfolio includes solutions and initiatives to: manage and mitigate cybersecurity risks, enable broadband usage to allow everyone to be connected, implement employee training programs on digital transition topics, access work tools that enable remote digital collaboration, enable digital sales channels, allow digital payments, introduce cloud technology, digital interaction systems/software and remote customer support (e.g. chat / chatbots).

D-Loans		
 <b>53</b> loans	 <b>€21M</b>	<b>Outstanding amount</b> (as at 31 December 2024)

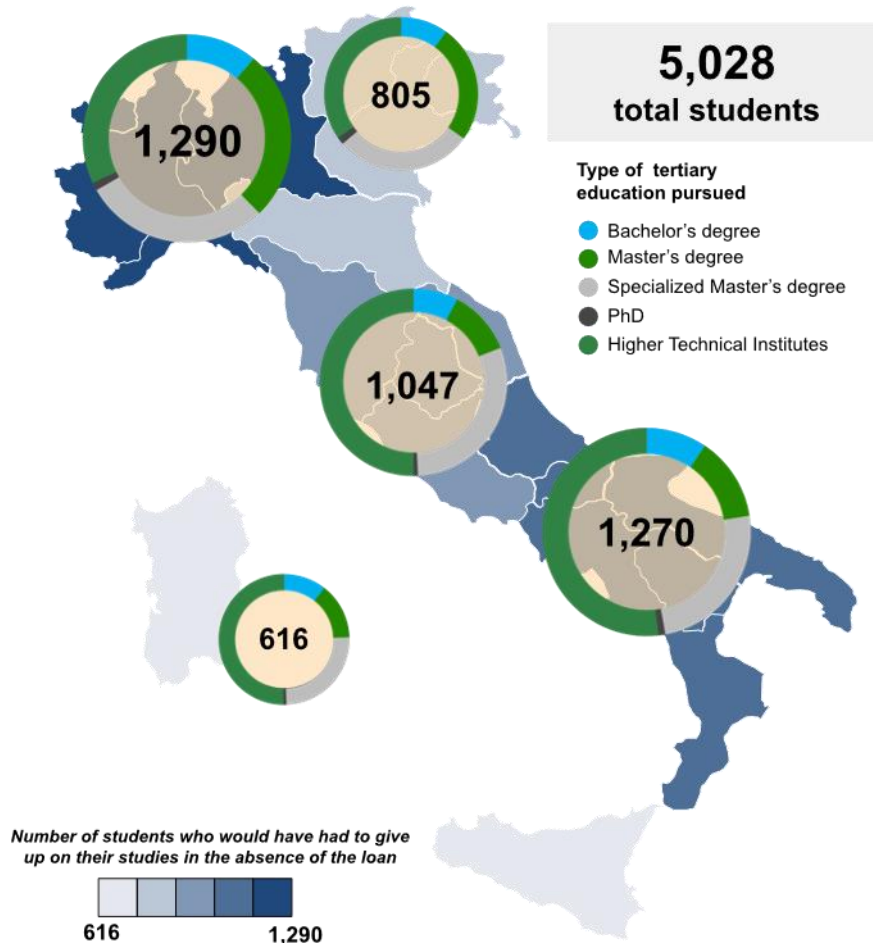
### Access to affordable financial products for students: “Per Merito” loans

“Per Merito” is the first credit line without collateral dedicated to deserving university students. The impact of these loans is assessed through two main indicators: students served and students that, in the absence of the loan, would have had to give up on their tertiary education.








The figure below shows, for each of the 5 Italian macro-regions, the number of students that were able to continue their studies thanks to the student loan, and the type of tertiary education pursued by these groups of students as a percentage of the total.

### Number of students who would have had to give up on their studies in the absence of the loan, by geography and type of tertiary education pursued



## 2.4.3 | Impact report - Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises

“Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises” category includes loans to SMEs<sup>24</sup> in socioeconomically disadvantaged areas<sup>25</sup> and loans partially guaranteed by the government to help SME's in socioeconomically disadvantaged areas to recover from the COVID-19 pandemic.<sup>26</sup>

Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises 		
 Number of loans	<b>122,125</b>	 Outstanding amount* (€ mln)
		<b>6,125</b>
<b>Breakdown by product type</b>		
Product type	Number of loans	Outstanding amount* (€)
 SME Loans	21,161	2,963,988,962
 Relief from natural disaster and health or social emergencies	100,964	3,160,887,083
<b>Total</b>	<b>122,125</b>	<b>6,124,876,045</b>

\* As of 31<sup>st</sup> December 2024

### METHODOLOGICAL APPROACH

The impact assessment of the category “Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises” relies on the use of financial statements and other information gathered on a large share of representative clients.

#### SME Loans

The latest financial information is available for a large majority of SME clients<sup>27</sup>; this allows to calculate the direct impact at the single loan level for nearly all loans in the portfolio.

The forecast is based on the following assumptions: (a) all the funds borrowed are invested by the firm (no leftovers)<sup>28</sup> and (b) funds are invested in long term activities/assets (no current expenses).

Three multipliers were created for each business: (i) production value generated, (ii) value added generated and (iii) jobs created - each of those expressed per euro of the SME's long-term assets. These were then multiplied by the residual debt amount of each corresponding entity to yield the three impact measures.

<sup>24</sup> SMEs are defined in EU recommendation 2003/361 as businesses having a staff headcount of less than 250 (for medium-sized), 50 (for small-sized) or 10 (for micro-sized) and either a turnover less than or equal to, respectively, € 50 mln, € 10 mln and € 2 mln or a balance sheet total less than or equal to, respectively, € 43 mln, € 10 mln and € 2 mln.

<sup>25</sup> Socioeconomically disadvantaged areas are defined, in line with the Bank's “Green, Social and Sustainability Bond Framework” of June 2022, as areas (Italian regions) with GDP per capita lower than the national average and ranking in the worst 30% in terms of unemployment rate. Using the latest available Istat data these are: Molise, Campania, Puglia, Calabria, Sicilia and Sardegna.

<sup>26</sup> COVID-19 loans to SMEs located in socioeconomically disadvantaged fall under the “Relief from natural disaster and health or social emergencies” sub-category.

<sup>27</sup> 98% of the outstanding amount.

<sup>28</sup> It is assumed that customers invest the funds in new tangible and intangible assets that increase the output capacity and the value added generated, as well as the need for additional workforce.

## Relief from natural disaster and health or social emergencies (COVID-19 Loans)

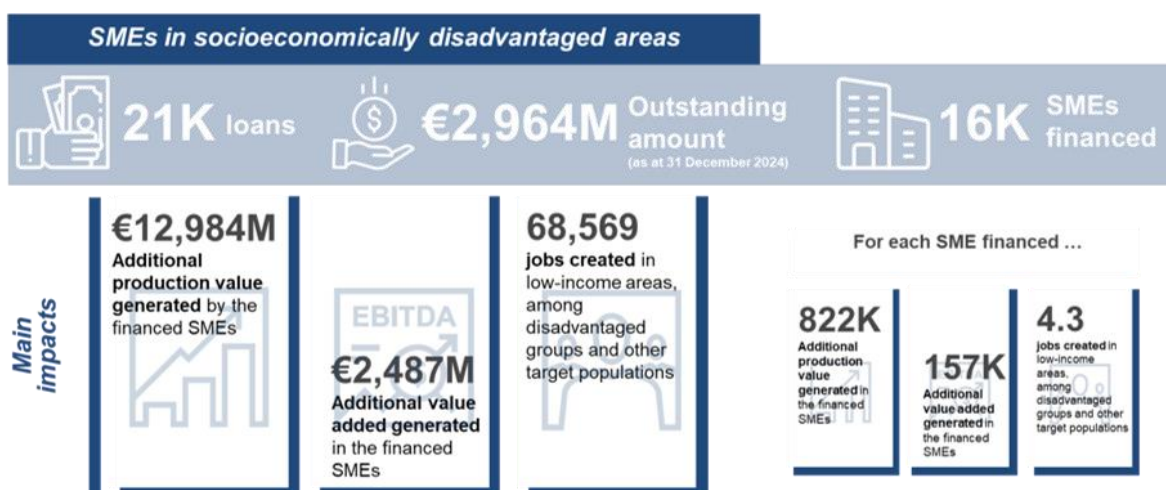
The latest financial information is available for a large share of SME clients<sup>29</sup>; this allows to cluster businesses according to their financial condition as defined by a recent CERVED study<sup>30</sup>, thereby linking each business to a default probability.

Furthermore, through the ratio between the number of defaults and the number of shutdowns in SMEs (retrievable from ISTAT official national statistics) by economic sector (NACE codes), it is possible to project the overall number of businesses that remained active thanks to the loan (i.e. shutdown avoidance).

Finally, the impact of the single loan is based on the assumption that a default or business closure would result in losing: (a) the entire production value, (b) the value added generated by the firm and (c) its employees

## SMEs in socioeconomically disadvantaged areas

Loans directed at Italian small and medium-sized enterprises in socio-economically disadvantaged areas are assessed through three main impact indicators: additional production value generated thanks to funding, additional value added generated, and jobs created.

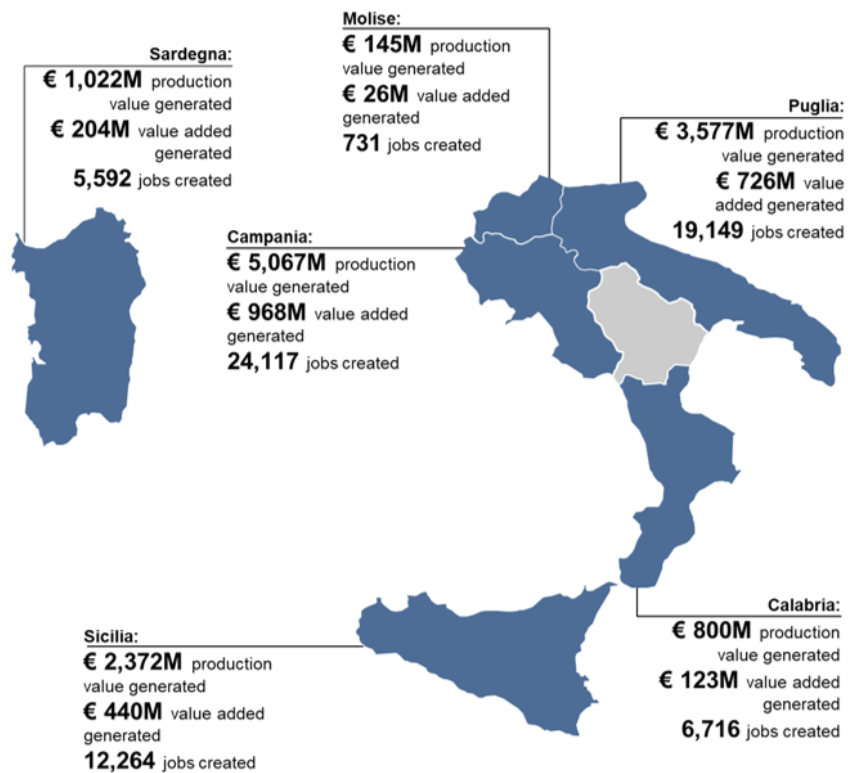


The impacts can also be analysed from a geographical, business size and sectoral point of view: the following infographics illustrate the three main impacts divided by socio-economically disadvantaged region, enterprise size (micro, small and medium) and economic activity.

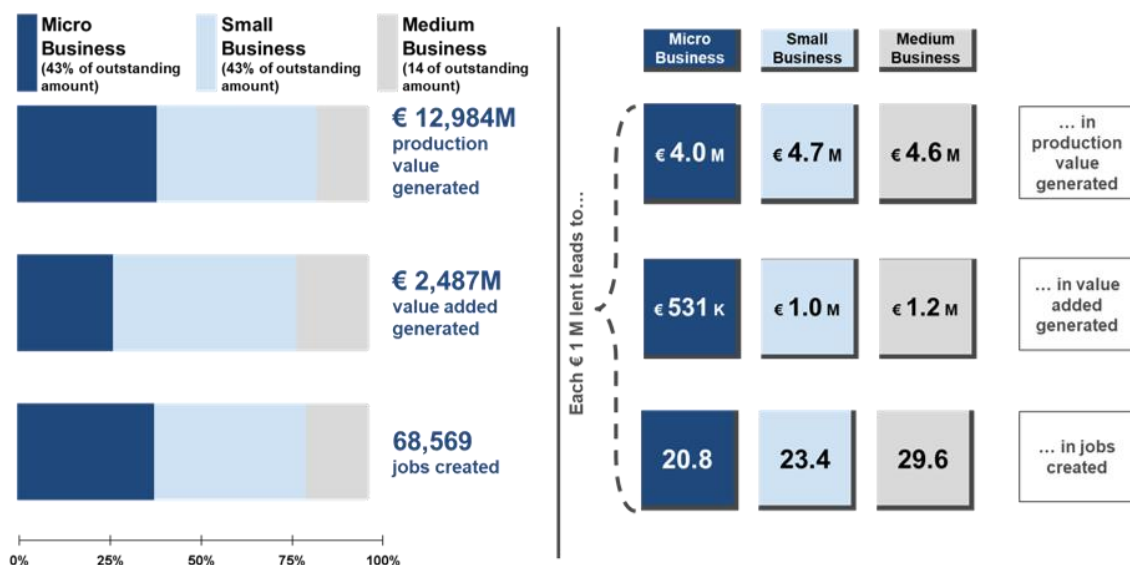
<sup>29</sup> 77% of the outstanding amount.

<sup>30</sup> A recent CERVED study estimates the share of Italian SMEs (in different financial conditions) which, during the pandemic, could have avoided default through a liquidity injection.

### Impacts by socio-economically disadvantaged Region



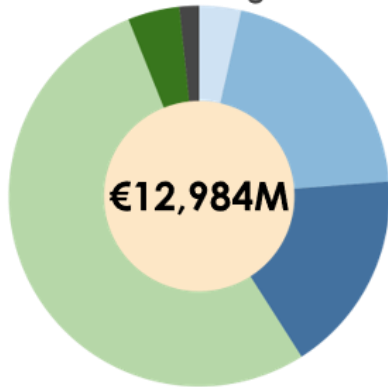
### Impacts by business size



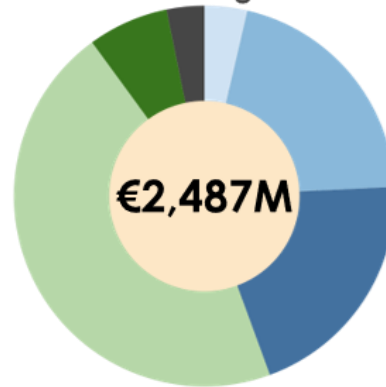


### Impacts by economic sector

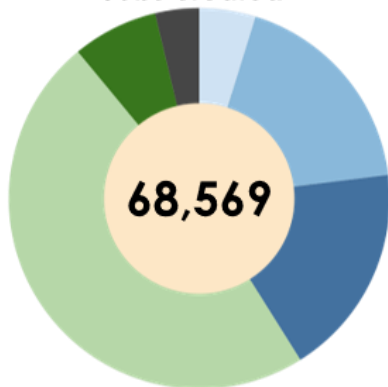
Production value generated



Value added generated



Jobs created

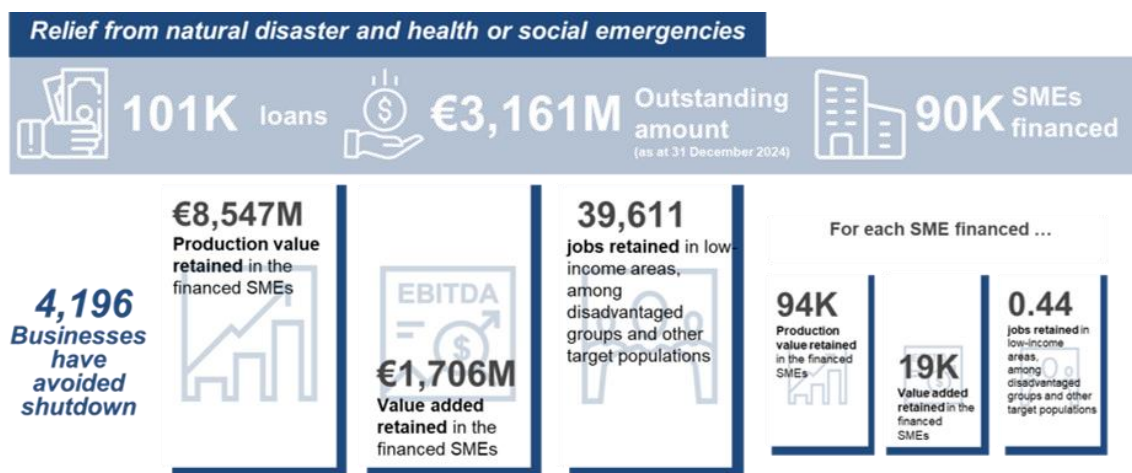


**Sector**

- Agriculture
- Industry (excluding construction)
- Construction
- Wholesale and retail trade, transport and storage and accommodation and restaurant services
- Communication and financial services, real estate activities, professional and scientific activities, travelling services
- Education, healthcare, social assistance, artistic and sports activities, and other services

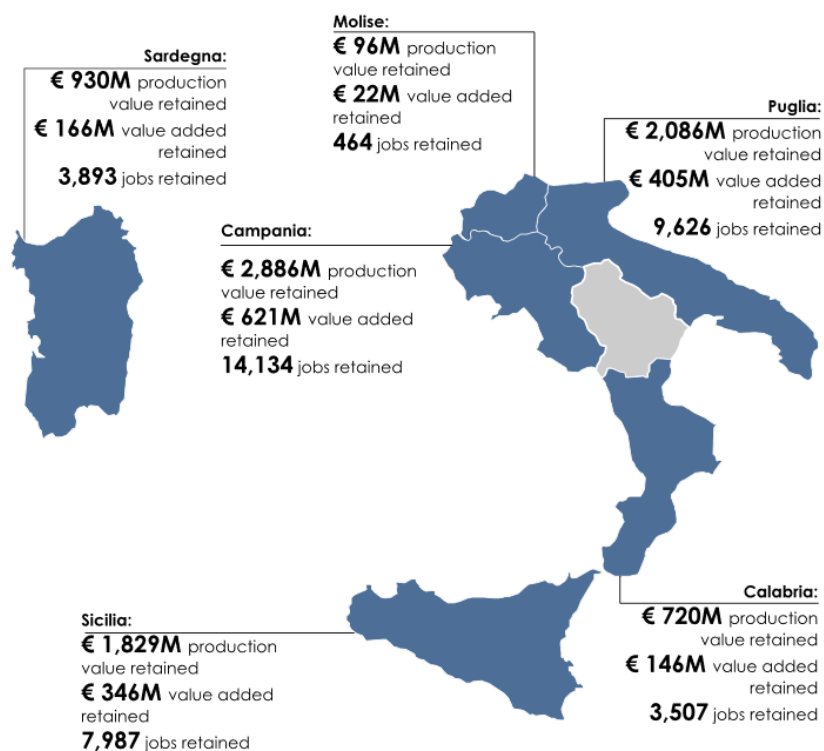
## Relief from natural disaster and health or social emergencies

The “Relief from natural disaster and health or social emergencies” sub-category is comprised of COVID-19 loans. These credit lines, partially guaranteed by the government, are disbursed by Intesa Sanpaolo to help SMEs recover from the economic crisis caused by the pandemic. The impact of these loans is assessed through a “shutdown avoidance model”<sup>31</sup> that estimates the amount of production value, value added and number of jobs retained thanks to the disbursement of loans and the consequent shutdown avoidance.



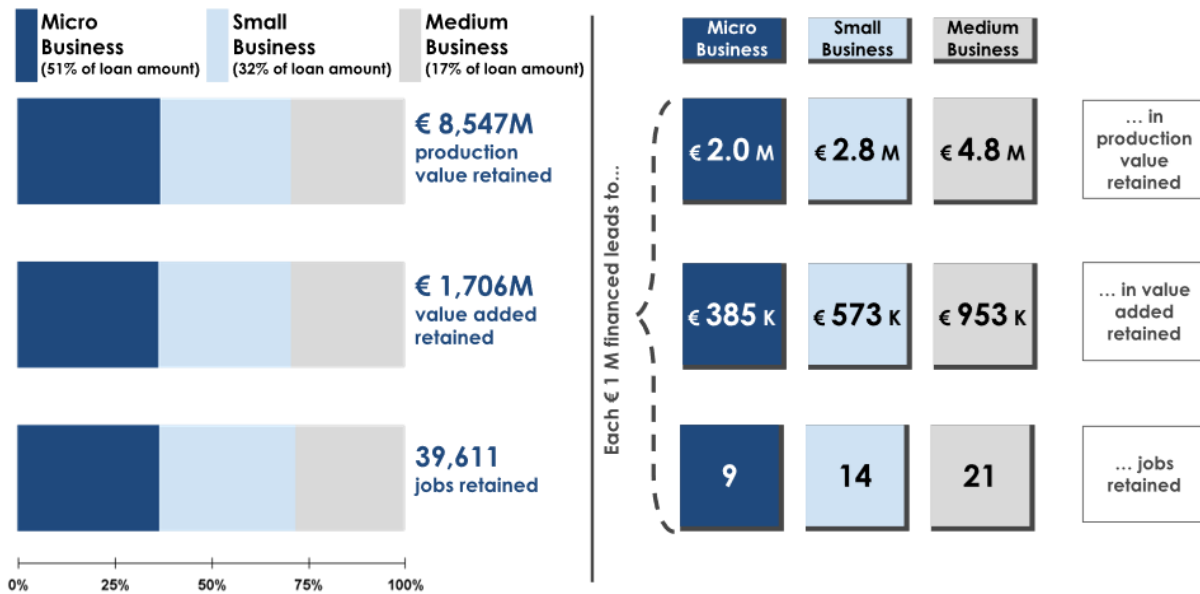
These three impacts can be analysed also from a geographical, business size and sectoral point of view: the following infographics illustrate the impact indicators divided by socio-economically disadvantaged region, enterprise size (micro, small and medium) and economic activity.

### Impacts by socio-economically disadvantaged Region

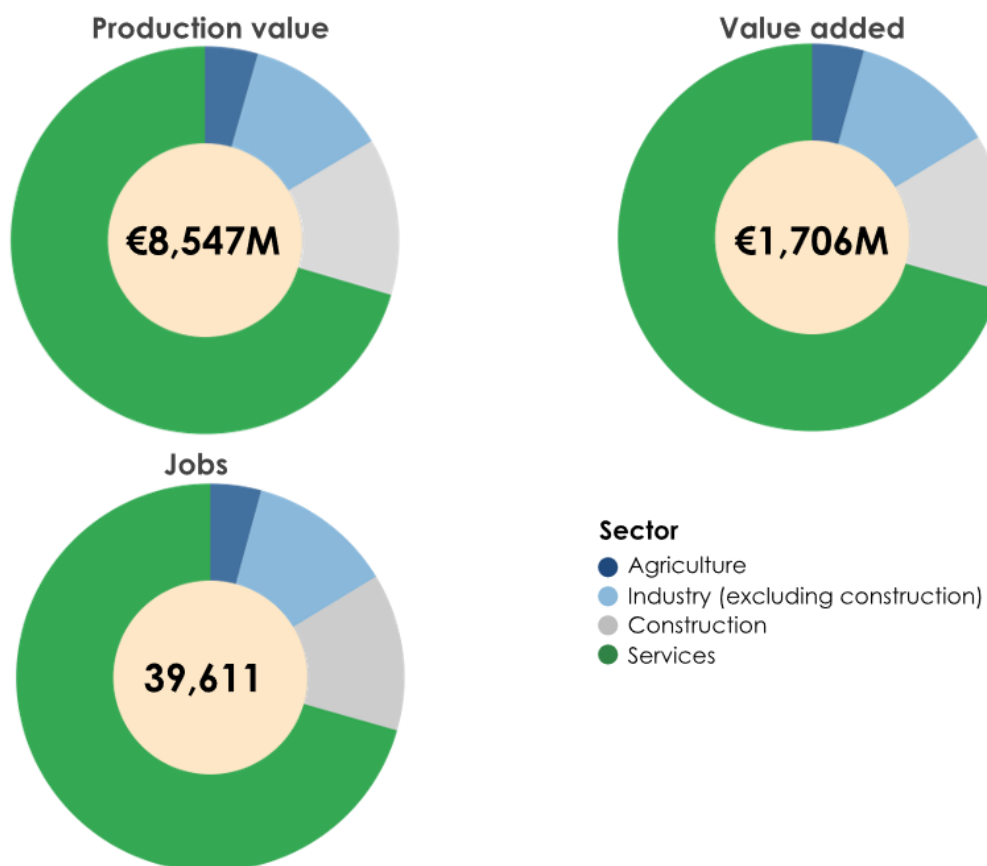


<sup>31</sup> The developed methodology assumes that the funding was used for working capital and other operating expenses and, in some cases, this proved crucial in avoiding voluntary business shutdowns. Such a methodology also allows to estimate the impacts stemming from default avoidance. Specifically, through the COVID-19 loans, 689 businesses have avoided default, retaining € 1.7 billion in production value, € 338 million in value added and more than 9 thousand jobs. Nonetheless, these estimates should be considered an alternative scenario to the “shutdown avoidance” results and are thereby excluded from this report.

### Impacts by business size



### Impacts by economic sector



## 2.5 Project examples

### R.A.D.I.C.I.



R.A.D.I.C.I - Active Network for Tomorrow: Together for an Integrated Community is the first example of co-programming and co-planning between Marche Region and Third Sector Organizations (herein after TSOs).

This initiative aims to foster innovation, participation and community development. The project network, composed of 18 TSOs, brings together the most prominent voluntary organizations and social promotion associations in the Region Marche, along with a significant number of TSO Foundations.

The goal of the project is to drive meaningful and lasting change in the social, economic, and environmental landscape of the Marche Region, by addressing major global challenges through concrete and targeted actions. In doing so, it aligns with the United Nations 2030 Agenda for Sustainable Development, with a particular focus on supporting vulnerable individuals and promoting environmental sustainability.

Activities carried out with the Bank's support include:

- Pet therapy – activities for people with disabilities;
- Alzheimer Café – workshops to support vulnerable individuals;
- Tutti in Campo (Everyone in the Field) – an intergenerational initiative focused on managing urban gardens.

### PANATÉ

Panaté is a prison-based company that produces high-quality artisanal baked goods in various Italian prisons. The main aim of the project is to create employment opportunities for inmates. It is well known that learning a trade in prison significantly reduces the risk of reoffending. Statistics show that 70% of crimes are committed by individuals with previous convictions, whereas the recidivism rate for inmates with stable employment drops to just 2%. Sixty percent of Panaté's employees are inmates hired under regular employment contracts, each of whom is trained and actively involved in the daily production of sourdough baked goods.

Panaté's commitment is to create both social and economic value, balancing the two. On the social side, the goal is to uphold the dignity of inmates and enable them to become active members of civil society through work. This is achieved by collaborating with cooperatives operating in the prison sector and establishing social franchising agreements with them. On the economic side, Panaté's involvement encompasses key business activities such as branding, cost control, recipe development, logistics, and market expansion. These, together with business risk management and long-term business planning, are essential to ensuring the creation of stable jobs with regular contracts..



## CASA MARTA



The Casa Marta project was launched in 2021 thanks to the synergy between the Caritas Florence Solidarity Foundation and the Martacappelli Foundation—named in memory of little Marta—to create the first pediatric hospice in Tuscany. Casa Marta will be dedicated to the care of children suffering from complex chronic illnesses, who can no longer be admitted to hospital and whose life expectancy is unpredictable, or who are facing particularly critical periods. It will be a highly specialised yet child-friendly healthcare facility, where every space has been designed to convey serenity and harmony—a home away from home. At the same time, it will act as a bridge between hospitalisation and returning home, providing support to parents and family members by assisting and training them in caregiving. It is estimated that around 30,000 children in Italy are in this condition, yet

only eight regions currently have a pediatric hospice. The facility will be housed in a Caritas building just 650 meters from the Meyer Pediatric Hospital and will offer both private and shared spaces, including indoor areas such as a library, music room, communal kitchen, and living area, as well as outdoor spaces. Covering approximately 500 square meters on two floors of a Tuscan villa, it is set amidst the greenery of Careggi Hill and surrounded by a 1,000-square-metre garden. Each of the four independent units, dedicated to individual families, will have direct access to the garden. In addition, this innovative medical-residential facility will serve as a hub within the regional healthcare network for pediatric patients, providing up-to-date medical information and acting as a link between families, hospitals, schools, family pediatricians, and emergency services. It will also function as a university medical training center for pediatric palliative care.

### 3. Intesa Sanpaolo's environmental and social commitment: an ongoing and consistent path from the green, circular and ecological transition to financial inclusion

The growth strategy of the Intesa Sanpaolo Group aims at creating solid and sustainable economic and financial, social and environmental value, built on the trust of all its Stakeholders and based on the values set out in the Code of Ethics.

The Group actively contributes to the global community of businesses working toward the UN Sustainable Development Goals (SDGs). This commitment reflects its strategic focus on integrating sustainability into its core business model, aligning financial operations with long-term global development objectives.

With the 2022-2025 Business Plan, the Bank has set itself the goal of continuing to generate value for all stakeholders and at the same time building a profitable, innovative and sustainable bank. To this extent the 2022-2025 Business Plan, by setting ESG and sustainability targets that directly contribute to several SDGs, confirms its commitments that translate into concrete actions aimed at generating positive social, environmental, and economic impacts.

In particular as concerns the environment, the Intesa Sanpaolo Group has committed to contribute to achieving global climate goals, facilitating the transition to a low-carbon economy, aware of the risks and opportunities presented by the new operating and regulatory context, both current and prospective, induced by climate change. The Group's commitment was confirmed in 2021 through the adherence to the main Net-Zero initiatives promoted by UNEP FI for all of its main business lines, and further reinforced in the 2022-2025 Business Plan.

In 2024, Intesa Sanpaolo has strengthened its commitment to decarbonization by setting new sectoral decarbonization targets for 2030 in Residential Real Estate, Agriculture-Primary Farming, Cement, and Aluminum. These sectors are added to the six sectors already reported in the 2023 Climate Report (Oil & Gas, Power Generation, Automotive, Coal Mining, Iron and Steel, Commercial Real Estate). With these objectives, the Bank completes the definition of its emissions reduction commitments in the most climate-impacting sectors, in line with the Net Zero Banking Alliance guidelines.

Active support to individuals and businesses committed to reducing their environmental footprints, come through the further promotion of green products and services. Intesa Sanpaolo has announced, within a total of over €400bn of new lending available over the NRRP (National Recovery and Resilience Plan) horizon, a total of €76bn to finance green and circular economy (the latter with a dedicated plafond of 8 billion over the period) and the ecological transition and €12bn to finance green lending to individuals (mainly mortgages). Further issuances of bonds under the Bank's Green, Social and Sustainable Framework are expected during the course of the Plan.

The Business Plan also strengthened the focus on social initiatives and related financial support with the inclusion of a specific target to make available €25bn of new social credit throughout the Plan. The Group's intervention is carried out through initiatives aimed at helping to create business and employment opportunities and also to assist people in difficulty through a number of activities: microfinance, anti-usury loans, products and services to support the Third Sector and financial inclusion of vulnerable groups, with particular reference to young people, their education and training and loans to support people affected by disasters. With specific reference to the Third Sector, Intesa Sanpaolo has been working on the Impact evaluation of loans disbursed. The Fund for Impact has also been confirmed, in order to provide direct support to people who cannot access credit through traditional financial channels, with dedicated programs among which stands out Per Merito, the loan dedicated to university students. With the new Plan, the Group has also committed itself to supporting credit for urban regeneration, through new financing to support investments in student housing and sustainable infrastructures.

As part of the 2022-2025 Business Plan, Intesa Sanpaolo has incorporated specific goals to support vulnerable groups by promoting financial inclusion and supporting community initiatives and thus committed to allocating 1.5 billion euro to initiatives and projects to address social needs, combat inequality and aid financial, social, educational and cultural inclusion in the 2023-2027 five-year period.

It has also established "Intesa Sanpaolo per il Sociale", a dedicated unit focused on reducing inequalities and

promoting social inclusion, in line with its goal of becoming the world's leading impact bank.

To support the Green Economy, Circular Economy, and ecological transition, around €68.3bn, out of the €76bn 2022-2025 Business Plan target, were disbursed between 2021 and 2024. Specifically in 2024, €4bn (of which €2.2bn related to green criteria) in relation to the €8bn circular economy plafond, and around €1.6bn in S-Loan (the Intesa Sanpaolo financing solution aimed at financing SMEs sustainable growth projects, associating their economic and financial decisions with their environmental and social impacts, and assisting them on the path to structural change), were disbursed.

In terms of social lending, in 2024 the Group disbursed approximately 5.6 billion euros, representing 8% of all Group's loans (for a total of €20.4bn over the 2022-2024 period) and €272m specifically to Non-Profit organizations.

The long-term attention to environmental, social and climate-related issues is also expressed through the participation in a series of national and international initiatives and has led over the years to adhere to numerous international standards, amongst which the UN Global Compact, UNEP FI, and the related Principles for Responsible Banking (PRB) and Net Zero alliances.

Intesa Sanpaolo's commitment to sustainable finance is also recognised by market participants and reflected in its positioning in the main ESG indices and rankings: in 2024 ISP was confirmed as the only Italian banking Group included in the Dow Jones Best-in-Class Indices (Europe and World), in CDP's Climate A List, and was awarded by Sustainalytics the 2025 ESG Industry and Regional Top-Rated Companies badges.



## Intesa Sanpaolo S.p.A.

Independent Auditors' report on the section "Intesa Sanpaolo Green Portfolio - Allocation Report" and "Intesa Sanpaolo Social Portfolio - Allocation Report" of the Green and Social Bond Report 2024

31 December 2024





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## Independent Auditors' report on the section "Intesa Sanpaolo Green Portfolio - Allocation Report" and "Intesa Sanpaolo Social Portfolio - Allocation Report" of the Green and Social Bond Report 2024

To the Board of Directors of Intesa Sanpaolo S.p.A.

We were engaged to perform a limited assurance engagement on the sections "1.3 Intesa Sanpaolo Green Portfolio - Allocation Report" and "2.3 Intesa Sanpaolo Social Portfolio - Allocation Report" (together the "Allocation Reports") contained in the accompanying Green and Social Bond Report 2024 of Intesa Sanpaolo S.p.A. (the "Bank") for the year ended 31 December 2024. The Allocation Reports are prepared to illustrate the eligible loans and allocate that in the eligible green categories and eligible social categories as defined in the Green, Social and Sustainability Bond Framework prepared by the Bank in June 2022 (the "Framework").

### Management's responsibility

The Management is responsible for the preparation of the Allocation Reports in accordance with the criteria contained in the Framework. The Framework is prepared by the Management in accordance with the Green Bond Principles 2021, the Social Bond Principles 2021, the Sustainability Bond Guidelines 2021, issued by the International Capital Market Association ("ICMA").

The Management is also responsible for the internal controls as Management determines is necessary to enable the preparation of the Allocation Reports, that are free from material misstatement, whether due to fraud or error.

### Independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Management 1 (ISQM Italia 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Independent Auditors' responsibility

Our responsibility is to express a conclusion on the Allocation Reports based on our limited assurance engagement. We conducted our limited assurance engagement in accordance with the provisions of the standard "International Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised") issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our procedures to obtain limited assurance whether the Allocation Reports are free from material misstatement.

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The procedures we performed were based on our professional judgment and included inquiries, primarily of persons responsible for the preparation of the Allocation Reports, inspection of documents, recalculation, agreeing or reconciling with underlying records and other evidence-gathering procedures that are appropriate in the circumstances.

Our limited assurance engagement also includes:

- ▶ interviews with the personnel of the Bank involved in the preparation of the Allocation Reports;
- ▶ assessing, through interviews with the personnel of the Bank, the procedures followed to collect, aggregate and report allocation indicators included in the Allocation Reports;
- ▶ in particular, regarding the significant information contained in the Allocation Reports, with reference to quantitative data, we have conducted both limited documentary evidence and analytical procedures, in order to collect information about the processes and procedures that support the collection, elaboration, processing and transmission of indicators. With reference to qualitative information, we have collected supporting documentation, on a sample basis, to verify consistency with the available evidence.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement conducted in accordance with ISAE 3000 revised and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement.

## Conclusion

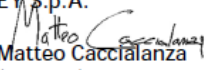
Based on the procedures we have performed, nothing has come to our attention that causes us to believe that the Allocation Reports, included in the Green and Social Bond Report 2024, are not prepared, in all material respects, in accordance with the criteria provided by the Framework.

## Other matters

This report has been prepared solely for the purposes described in the first paragraph and, accordingly, it may not be suitable for other purposes.

Milan, 27 March 2025

EY S.p.A.

  
Matteo Caccialanza  
(Auditor)