



## Sustainable Lending Framework

INTESA  SANPAOLO

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# Sustainable Lending Framework

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# 1 Sustainability in Intesa Sanpaolo



ESG topics<sup>1</sup> related to environmental (with particular reference to the topic of Climate Change), social and governance sustainability are of increasing importance in the strategy of the primary European and international financial institutions.

Key corporate stakeholders — customers, employees, shareholders, investors, and civil society representatives — consider ESG factors, particularly environmental ones, in their decisions, and these same factors now represent a global priority for policy makers and banking regulators/supervisors.

Aware of the impact its actions have on the environmental and social context in which it operates, Intesa Sanpaolo Group has integrated sustainability into its corporate strategies and model for creating sustainable value for all stakeholders.

In this context, Intesa Sanpaolo:

- is a signatory to the Global Compact, supports the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda and has participated in the United Nations Environment Programme Financial Initiative (UNEP FI) since 2007;
- in 2024, appointed a Chief Sustainability Officer, assigning responsibility for the new Governance Area to guide the Group's sustainability strategies, within which the Chief Social Impact Officer Governance Area was established;
- starting from the 2024 financial year, prepares the Consolidated Sustainability Report in accordance with the Corporate Sustainability Reporting Directive (CSRD), providing information to understand the company's impact on sustainability matters, in addition to other public ESG disclosures, including the SDGs Report and the Climate Report;
- also in 2024, completed the definition of 2030 decarbonization targets in high climate impact sectors for the Group, with the goal of achieving net zero emissions (the so-called "Net-Zero") in its lending portfolio by 2050;

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<sup>1</sup> Environmental, Social and Governance

- in 2025, obtained validation of its decarbonization targets from the Science Based Targets initiative (SBTi), submitted in March 2024<sup>2</sup>;
- since 2016, has been a Strategic Partner of the Ellen MacArthur Foundation, a leading international non-profit organization dedicated to the transition towards a circular economy.

The 2026–2029 Business Plan confirms Intesa Sanpaolo's commitment to ESG, with a world-class position in Social Impact, setting challenging goals to support clients in the sustainable transition, and confirming its decarbonization objectives.

Specifically, in terms of Sustainable Lending, over the 2026–2029 Business Plan period, the Group is committed to achieving a target of 30% of total medium-long term (MLT) new lending with a strong focus on social and environmental activities<sup>3</sup>.

### Sustainable lending target in the 2026-2029 Intesa Sanpaolo's Business Plan

Scope	Date of publication	Objective	Timeframe	Eligible types of financing
Sustainable Lending	February 2026	30% of total MLT new lending over the Business Plan horizon with a strong focus on social and environmental activities	From January 1, 2026, to December 31, 2029	Credit products, lending transactions and financing granted to specific counterparties, classified as sustainable under this Framework

Considering the factors outlined above, and in order to ensure greater internal and external transparency regarding products and transactions classified as sustainable, the Group has decided to release these Rules for the classification of sustainable credit products and lending transactions.

## 2 Purpose of the document and scope of application

The purpose of this document<sup>4</sup> is to define the Intesa Sanpaolo Group's methodology for classifying lending as sustainable (so-called "Sustainable Lending"), including the criteria and processes used to identify and assess such financing, in order to monitor and report performance against the objectives of the Group's Business Plan.

This document is consistent with the internal regulatory framework adopted by the Group for the governance of ESG risks in lending activities. It also defines general criteria aimed at excluding the financing of companies and/or projects with particularly significant environmental, social, and governance impacts<sup>5</sup>, ensuring a rigorous, consistent, and transparent approach to ESG topics, including the mitigation of greenwashing risk.

The Sustainable Lending Framework, issued by the Chief Sustainability Officer Governance Area and effective from January 1, 2026, has been developed at Group level and apply to all Group Banks and Legal Entities, including foreign branches, that provide financing to customers.

### 2.1 Eligible types of financing

Financing may be classified as sustainable when it is dedicated to environmental, social, and

<sup>2</sup> Including sector targets defined for Automotive, Commercial Real Estate, Iron & Steel, Power Generation.

<sup>3</sup> Equal to ~€112bn assuming ~€374bn total MLT new lending, of which ~€25bn social lending and ~€87bn environmental/other sustainable activities.

<sup>4</sup> Referral is also made to the internal document "Rules for the classification of sustainable credit products and lending transaction".

<sup>5</sup> Further details are available on the Group's website <https://group.intesasanpaolo.com/en/sustainability/sustainability-governance/risk-management-control/monitoring-esg-reputational-risks>.

governance objectives, or related to such objectives through sustainability-linked covenant(s) or KPI(s), or granted to specific categories of sustainable counterparties as set out below.

In particular, lending may be classified as “sustainable” when it refers to<sup>6</sup>:

- **Credit products or lending transactions with a defined use of proceeds**, where the use of funds is known and complies with the environmental, social or governance sustainability criteria set out in this Framework; the purpose of the transaction and the product features and scope of application must be consistent with the classification categories defined in Chapter 3, and must be documented both at the proposal stage and for the entire duration of the transaction<sup>7</sup>;
- **Credit products or lending transactions linked to sustainability covenant(s) or KPI(s)**, i.e., that includes sustainability targets associated to specific KPIs consistent with the environmental, social or governance classification categories defined in Chapter 3, and identified with reference to one or more of the relevant activities. The KPIs identified must be material and consistent with the achievement of the company's sustainability strategies, measurable and quantifiable, and included in the counterparty's financial documentation and/or in the financing contractual documentation. KPIs monitoring must be documented throughout the duration of the operation. This type of transaction is classified in the "Other sustainability" category, regardless of the nature of the KPIs in such contracts.
- **Financing granted to sustainable counterparties**, i.e. counterparties aligned with the EU Taxonomy<sup>8</sup> or operating in the “Renewable Electricity Generation” sector<sup>9</sup> or belonging to non-profit and third sector, as further described in Chapter 3.

## 2.2 Inclusions, limitations and exclusions

The Group takes into account ESG risks associated with its clients’ business activities and gives particular consideration to the assessment of sustainability issues in the credit granting process, in accordance with the Group regulation “Group Guidelines for the governance of Environmental, Social and Governance (ESG) Risks<sup>10</sup>”, which sets out general exclusion criteria aimed at preventing the financing of activities and/or projects with particularly significant negative environmental and social impacts.

In addition to the general exclusion criteria set out in the above regulation, specific policies have been defined, establishing criteria for limiting or excluding financing activities, taking into account sector-specific characteristics and the purpose of the financing granted, such as “Rules on Oil&Gas sector<sup>11</sup>”, “Rules for lending operations in the coal sector<sup>12</sup>”, “Rules on biodiversity and nature<sup>13</sup>” and “Guidelines governing Transactions with Subjects Active in the Armaments Sector<sup>14</sup>”.

<sup>6</sup> The scope of activities eligible for classification as sustainable includes the Group's blended finance lending transactions, consisting of lending operations compliant with this Framework and co-financed through a combination of public and private resources.

<sup>7</sup> For dedicated lending transactions, the classification as “sustainable” is also intended to be applicable to any cash lines (i.e. RCF) that are ancillary and strictly connected to the implementation of the project to which the financing is dedicated.

<sup>8</sup> The exposure is identified at counterparty level and weighted by the alignment KPIs, considering the share of turnover aligned with the European Taxonomy according to the rules on the Green Asset Ratio calculation.

<sup>9</sup> Ateco Code 2025/NACE rev2.1 “35.12 – Electricity generation from renewable sources”.

<sup>10</sup> [https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/sostenibilit%C3%A0/inglese/policy/Guidelines\\_for\\_the\\_governance\\_of\\_ESG\\_risks\\_abstract.pdf](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/sostenibilit%C3%A0/inglese/policy/Guidelines_for_the_governance_of_ESG_risks_abstract.pdf)

<sup>11</sup> [https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/sostenibilit%C3%A0/inglese/policy/Summary\\_Rules\\_on\\_Oil\\_Gas\\_sector.pdf](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/sostenibilit%C3%A0/inglese/policy/Summary_Rules_on_Oil_Gas_sector.pdf)

<sup>12</sup> [https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/sostenibilit%C3%A0/inglese/policy/Summary%20Rules%20for%20the%20Coal%20sector\\_july%202021.pdf](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/sostenibilit%C3%A0/inglese/policy/Summary%20Rules%20for%20the%20Coal%20sector_july%202021.pdf)

<sup>13</sup> [https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/sostenibilit%C3%A0/inglese/policy/Rules\\_on\\_biodiversity\\_and\\_nature\\_abstract.pdf](https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/sostenibilit%C3%A0/inglese/policy/Rules_on_biodiversity_and_nature_abstract.pdf)

<sup>14</sup> <https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/sostenibilit%C3%A0/inglese/policy/Guidelines%20governing%20transactions%20with%20subjects%20active%20in%20the%20armaments%20sector.pdf>

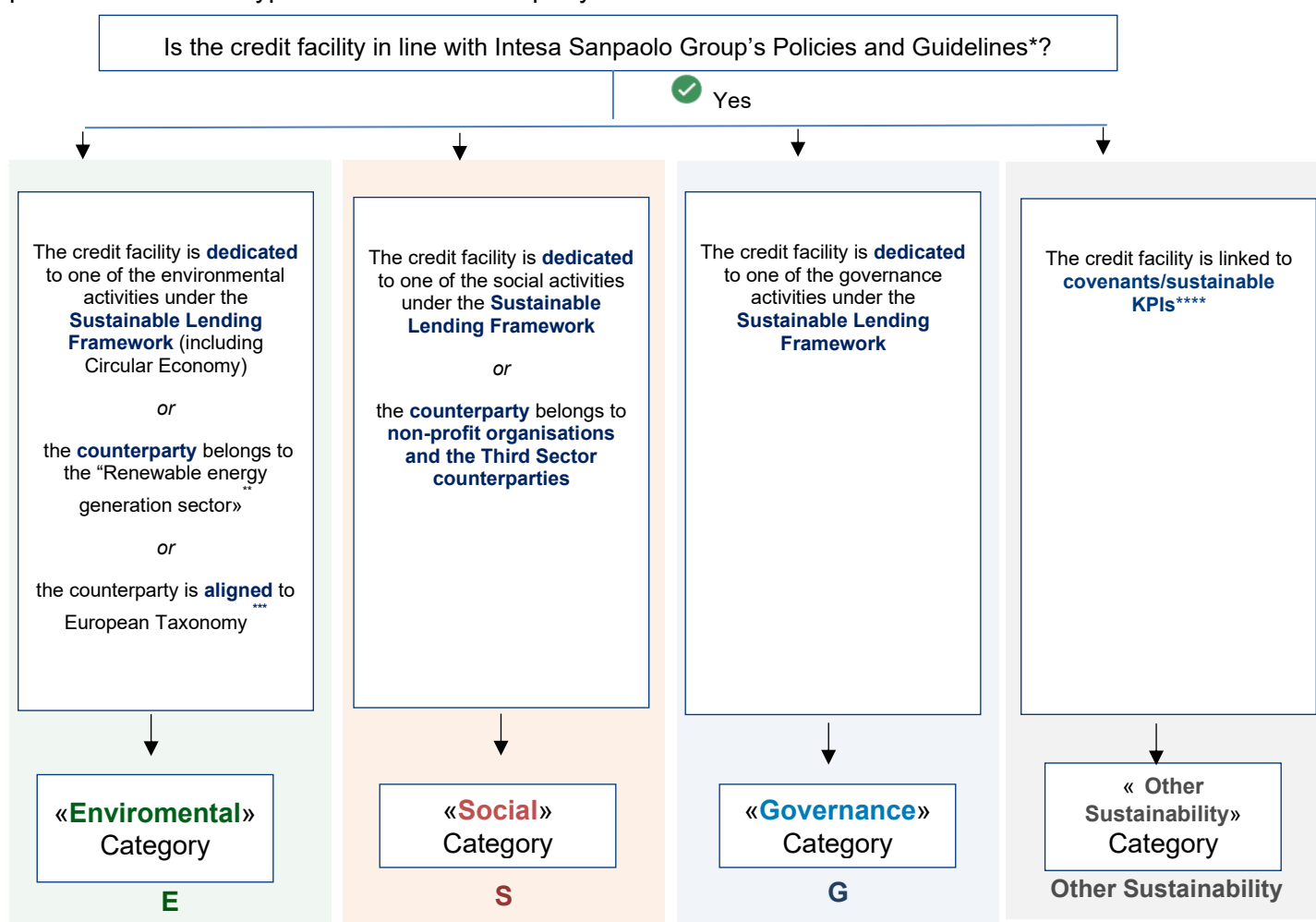
### 3 Classification categories and reference activities

The classification categories are defined based on the categories present in the LMA (Loan Market Association) Green Loan<sup>15</sup>, LMA Social Loan<sup>16</sup> and LMA Sustainability-linked loan principles<sup>17</sup>, taking into account the EU Taxonomy requirements, and the most common market practices.

The classification categories are:

- Environmental Sustainability (“Environmental”)
- Social Sustainability (“Social”)
- Governance Sustainability (“Governance”)
- Other Sustainability (“Other Sustainability”)

The chart below shows the composition of the sustainable categories based on the product/transaction type and on the counterparty features.



\* See par. 2.2;

\*\* Ateco Code 2025/NACE rev2.1 «35.12»;

\*\*\* The exposure is identified at counterparty level and weighted by the alignment KPIs, considering the share of turnover aligned with the European Taxonomy according to the rules on the Green Asset Ratio calculation.

\*\*\*\* Including general purpose credit facilities associated with strategic objectives of the counterparty, consistent with the "Circular Economy" reference activity within the Environmental sustainability category referred to in paragraph 3.1.

<sup>15</sup> [https://www.lma.eu.com/application/files/1917/4298/0817/Green\\_Loan\\_Principles\\_-\\_26\\_March\\_2025.pdf](https://www.lma.eu.com/application/files/1917/4298/0817/Green_Loan_Principles_-_26_March_2025.pdf)

<sup>16</sup> [https://www.lma.eu.com/application/files/1317/4307/3886/Social\\_Loan\\_Principles\\_-\\_26\\_March\\_2025.pdf](https://www.lma.eu.com/application/files/1317/4307/3886/Social_Loan_Principles_-_26_March_2025.pdf)

<sup>17</sup> [https://www.lma.eu.com/application/files/2317/4481/8026/Sustainability-Linked\\_Loan\\_Principles\\_-\\_26\\_March\\_2025\\_.pdf](https://www.lma.eu.com/application/files/2317/4481/8026/Sustainability-Linked_Loan_Principles_-_26_March_2025_.pdf)

### 3.1 Environmental sustainability (“Environmental”)





The “Environmental” category includes credit products and lending transactions that contribute to the achievement of environmental objectives, through the financing of activities with a positive environmental impact or granted to environmentally sustainable counterparties.

The classification in the “Environmental” category occurs when:

- the credit facility is dedicated to environmental activities included among the reference activities hereafter reported, even in the case in which the dedicated credit facility is aligned with the European Taxonomy;
- the credit facility is not dedicated and it is related to counterparties aligned with the European Taxonomy, weighted by the alignment KPIs of the respective counterparty. In this case, the exposure is identified at counterparty level taking into account the share of revenue aligned with the European Taxonomy, according to the rules on the Green Asset Ratio calculation;
- the credit facility is granted to counterparties belonging to the “Electricity generation from renewable sources” sector<sup>18</sup>.

#### Reference activities of the “Environmental” category

The Environmental category includes eleven reference activities, which relate to the purposes of the transaction or the scope reported below.

Reference activity	Purpose of the transaction/ scope of the product and KPIs	Sustainable Development Goal
<b>Renewable energy</b>	<ul style="list-style-type: none"> <li>• Systems for the production, storage and transmission of energy from renewable sources, such as wind, solar, biomethane, biomass, marine and for energy from geothermal and hydroelectric sources</li> <li>• Purchase, production, development, installation, operation and maintenance of renewable energy infrastructure/equipment/plants</li> </ul>	 

<sup>18</sup> Counterparties with ATECO 2025/NACE rev2.1 “35.12 – Electricity generation from renewable sources”.

- Financial support to counterparties with Ateco 2025 / NACE rev2.1 code “35.12 – Electricity generation from renewable sources”, which correspond to the Power14 and Power15 subsectors of the Intesa Sanpaolo Group Sector Taxonomy, as defined in the documents published by the Research Department

**Energy Efficiency**

- Purchase, production, and maintenance of infrastructure (and associated assets), technologies, and services that contribute to reducing energy consumption and/or increasing the energy efficiency of industrial processes, commercial and residential properties, and energy distribution and transmission systems, such as:
  - cogeneration of heat/cold and electricity (from solar, solar-thermal, geothermal, bioenergy, using renewable non-fossil gaseous and liquid fuels, using waste heat);<sup>19</sup>
  - energy-efficient equipment for buildings, such as insulation, LED lighting, kitchens, and HVAC (heating, ventilation, and air conditioning), instruments for measuring and controlling building energy performance, etc.
  - construction, renovation and operation of pipelines and associated infrastructure for the distribution of heating and cooling that meet the definition of efficient district heating and cooling systems pursuant to EU Directive 2021/27/EU



- Smart grid technology and/or infrastructure

**Pollution prevention and control**

- Investments aimed at the reduction, mitigation and control of:
  - air pollution due to greenhouse gases (greenhouse gas control)
  - soil and water contamination (soil remediation)
  - waste production
- Purchase and production of plants or investments aimed at waste-to-energy treatment optimized in terms of energy efficiency and emission control









**Environmentally sustainable management of natural resources and land use**

- Investments aimed at developing and implementing sustainable agricultural practices. Projects and activities must not deplete existing carbon reserves and must not generate further negative environmental impacts, for example:
  - agriculture with a positive environmental impact
  - sustainable livestock management



<sup>19</sup> If aligned with EU Taxonomy Technical Screening Criteria (Substantial Contribution only), as in force from time to time.

	<ul style="list-style-type: none"> <li>○ implementation of biological crop protection techniques and drip irrigation systems</li> <li>○ sustainable fishing and aquaculture</li> <li>○ sustainable forestry, including reforestation, conservation or restoration of natural landscapes</li> <li>○ recovery of agricultural land and local agriculture</li> <li>○ afforestation or reforestation, urban greening projects, farms, and climate-controlled irrigation systems</li> </ul>	
<p><b>Terrestrial and aquatic biodiversity restoration, conservation and enhancement</b></p>	<ul style="list-style-type: none"> <li>● Carbon farming: investments to finance projects and activities such as, but not limited to, the restoration/conservation of peatlands and wetlands (e.g., floodplains, fens)</li> <li>● Projects, investments, and activities aimed at the management, conservation, protection, preservation, and/or restoration of nature and aquatic and terrestrial biodiversity, as well as natural habitats and ecosystems, through the protection of coastal, river, lake, or marine environments, etc.</li> </ul>	 
<p><b>Clean transportation</b></p>	<ul style="list-style-type: none"> <li>● Production, purchase, and leasing of electric, hybrid, zero-emission, and bimodal rail vehicles, non-motorized vehicles, and clean energy vehicles<sup>20</sup></li> <li>● Provision of services related to electric, hybrid, public, rail, non-motorized, multimodal transport (e.g. ROSCO maintenance) in line with the emission requirements set out in the European Taxonomy</li> <li>● Investments in dedicated manufacturing facilities to produce batteries or battery components at a large scale for various applications (e.g. Giga-factories), including energy storage systems and electric vehicles</li> <li>● Production and purchase of low-emission vessels that comply with EEDI standards and do not carry fossil fuels or ammonia</li> <li>● Cold ironing for port electrification and green TUG projects</li> <li>● Construction, modernization, maintenance, management and construction of infrastructure for clean energy transport and the reduction of harmful emissions</li> </ul>	 
<p><b>Other technologies supporting the decarbonization</b></p>	<ul style="list-style-type: none"> <li>● Investments in green technologies, such as: <ul style="list-style-type: none"> <li>○ energy storage systems (including hydrogen, thermal energy and pumped hydroelectric energy storage)</li> <li>○ carbon capture</li> </ul> </li> </ul>	

<sup>20</sup> If aligned with EU Taxonomy Technical Screening Criteria (Substantial Contribution only), as in force from time to time.

- green hydrogen
- Investments in nuclear fission energy technologies<sup>21</sup>
- Investments in transformative industrial technologies for decarbonization, such as the development of scrap-based EAFs (electric arc furnaces) or lower emitting DRIs (low emission DRIs)
- Investments in sustainable and renewable alternative fuel technologies of non-biological origin

### Sustainable water and wastewater management

- Purchase, development and maintenance of:
  - sustainable infrastructure to produce clean and/or potable water
  - wastewater treatment infrastructure
  - intelligent irrigation systems



### Climate change adaptation and resilience

Investments in systems for the reduction, elimination or mitigation of physical risk arising from climate change, conveyed through atmospheric hazards of the following types:

- Acute – heat waves, forest fires, hail, extreme rainfall, flash frosts, droughts, windstorms, hail, floods, etc.
- Chronic – changes in rainfall, wind, and solar radiation patterns; rising sea levels, chronic water shortages, rising average temperatures, etc.



The aforementioned investments can be of different types. For example:

- revamping or strengthening existing components on the at-risk asset, with the aim of increasing its resilience (oversizing cooling or drainage systems, incorporating fireproof materials, stronger glazing and coverings, grounding movable elements, etc.) and/or strengthening the monitoring and therefore prevention capabilities of atmospheric systems (data collection, early warning systems, etc.);
- changes to production processes and asset management operations to make them more resilient to the impacts of weather hazards (development of emergency plans, re-routing of goods and/or finished products, changes in inventory and storage management, etc.);
- inclusion of new elements on existing assets in order to limit the impacts of atmospheric hazards (detention basins or physical barriers against floods, natural barriers against fires, rainwater collection systems, etc.).

<sup>21</sup> If aligned with EU Taxonomy Technical Screening Criteria (Substantial Contribution only), as in force from time to time.

**Circular economy<sup>22</sup>**

- Design of products, goods, or services that integrate circular economy strategies or principles, including reduction of material inputs, use of reused, recycled, and/or regenerative inputs, and increased ease of reuse, repair, or recycling; production processes that reduce the use of virgin raw materials and increase production efficiency
- Extension of the useful life of products and goods, for example through repair, refurbishment, renovation, reuse, upgrading and remanufacturing
- Collection and sorting to enable the circularity of end-of-life products and materials; management of organic and non-organic materials, recycling and recovery
- Products, services, business models, platforms and tools that enable circularity across the different phases of the material life cycle, promoting a more intensive use of resources already in circulation
- Projects that increase the circularity of the economy as a whole, at the system level, by creating connections between companies, institutions and other actors to build shared infrastructure, technologies and skills

**Green buildings**

- Purchase, construction, subrogation, renovation, purchase + renovation of residential and non-residential buildings, which meet at least one of the following levels of environmental standards (or equivalent):
  - EPC (Energy Performance Certificate): A or B
  - technical screening criteria established by the European Taxonomy currently in force
  - LEED (Leadership in Energy and Environmental Design): gold
  - BREEAM (Building Research Establishment Environmental Assessment Method): good/very good
  - HQE (High Environmental Quality): very good/excellent
  - CASBEE (Comprehensive Assessment System for Built Environment Efficiency): A (very good)/S (excellent)
- Renovation or purchase with subsequent renovation of buildings for which a minimum energy saving of 30% can be demonstrated (or at least two EPC label improvement classes or equivalent)



<sup>22</sup> Criteria defined with the Ellen MacArthur Foundation, of which Intesa Sanpaolo has been a Strategic Partner since 2016

## 3.2 Social sustainability (“Social”)






The “Social” sustainability category includes credit products and lending transactions that contribute to the achievement of social objectives, through the financing of activities with a positive social impact or in favour of socially sustainable counterparties.

The classification of products and credit transactions in the “Social” sustainable category occurs when the credit facility is:

- dedicated to social activities, i.e. related to the reference activities reported below;
- in favour of non-profit and Third Sector counterparties which, by company statute, pursue social and general interest objectives, unless already classified in one of the other sustainability categories.

### Reference activities of the “Social” category

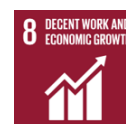
The Social category includes six reference activities, which relate to the purposes of the transaction or the scope reported below.

Reference activity	Purpose of the transaction/ scope of the product and KPIs	Sustainable Development Goals
<b>Affordable housing and basic infrastructure</b>	<ul style="list-style-type: none"> <li>• Investments and projects finalized to:               <ul style="list-style-type: none"> <li>○ access to basic infrastructure (e.g. clean drinking water, main-connected water desalination plants, aqueducts, sewerage, sanitation, transportation, energy, basic telecommunications)</li> <li>○ for the construction, development, maintenance or renovation of buildings, recreational facilities, commercial and residential buildings during natural disasters (such as earthquakes, floods, etc.)</li> <li>○ the construction of bridges, roads, tunnels, walkways or highways intended to improve accessibility for disadvantaged population groups,</li> </ul> </li> </ul>	  

<b>Access to essential services and quality of life improvement</b>	<p>if they do not have an impact on protected territory or do not violate the rights of indigenous peoples</p> <ul style="list-style-type: none"> <li>○ for the construction, renovation or maintenance of residential and commercial buildings in subsidized and subsidized housing</li> </ul> <ul style="list-style-type: none"> <li>● Investments and infrastructure projects aimed at improving the quality of life of individuals and communities and/or ensure access to essential services, such as, for example:           <ul style="list-style-type: none"> <li>○ construction, development, maintenance, or other activities related to free or subsidized health care and early warning, risk reduction, and management of health crises and emergencies (e.g., hospitals, clinics, mental health centers)</li> <li>○ construction and renovation of schools, campuses, research centers, student accommodation (including school sports facilities) and related equipment</li> <li>○ entertainment and sports-related activities (e.g., amateur sporting events, training, physical activities, competitions, etc.)</li> <li>○ activities focused on child protection, childcare and nursery services, family services, elderly care services, temporary shelters and refugee assistance</li> <li>○ construction/investment in social infrastructure such as parks, green and public spaces, paths, sports centers and related facilities</li> <li>○ access to culture and cultural welfare services, integration of disadvantaged subjects (e.g., creation of museums, libraries, promotion of cultural initiatives)</li> <li>○ access to other essential services (e.g., vocational training, government offices serving selected populations)</li> </ul> </li> <li>● Promotion of:           <ul style="list-style-type: none"> <li>○ banking inclusion (supporting people in accessing (to banking services and credit)</li> <li>○ promoting financial literacy (e.g., financial education)</li> <li>○ products or services that promote the digitalization of banking activities for customers and non-customers</li> </ul> </li> </ul>	  
<b>Job creation, job inclusion and employability programs</b>	<ul style="list-style-type: none"> <li>● Projects aimed at increasing the level of employment and preventing and/or alleviating unemployment</li> <li>● Companies affected by natural disasters/health emergencies (e.g., COVID-19 pandemic, etc.)</li> <li>● Projects to support micro-enterprises or microfinance initiatives</li> </ul>	 
<b>Food security and sustainability of food systems</b>	<ul style="list-style-type: none"> <li>● Investments aimed at improving food quality and safety</li> </ul>	

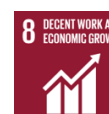
## Socio-economic advancement and empowerment

- Investments aimed at developing sustainable food systems:
  - physical, social and economic access to safe, nutritious food that meets dietary needs and requirements
  - reduction of food losses and waste
  - improving the productivity of small producers
- Investments aimed at advancing socioeconomic status, that is, to economic and social development and social inclusion:
  - equitable access to goods, services, resources and opportunities
  - equal participation and integration in the market and society, including the reduction of inequality of income and opportunity
- Projects involving the following target populations:
  - people in material poverty
  - excluded and/or marginalized populations and/or communities
  - people with disabilities and/or vulnerabilities
  - migrants and/or displaced people
  - people in educational poverty, due to the lack of quality access to essential goods and services
  - unemployed
  - mothers, workers, fragile or vulnerable women and/or minorities
  - young and old
  - subjects in conditions of socioeconomic fragility (e.g. at risk of usury)
  - other vulnerable groups, including those affected by natural disasters/health emergencies (e.g., COVID-19 pandemic, etc.)
- Projects and funding aimed at enabling equal access to education (e.g., pre-primary schooling, tertiary and university studies, master's degrees, specialist and vocational training – aimed at improving people's economic and social conditions)
- Projects to promote STEM subjects for women



## Third sector

- Financial support for the activities of registered charities or non-profit organizations and the third sector<sup>23</sup>



<sup>23</sup> Entities which, under their bylaws, pursue social and general-interest purposes






### 3.3 Governance Sustainability (“Governance”)

The sustainable “Governance” category includes credit products and lending transactions that contribute to the improvement of the corporate governance structure, the organisational measures, or the control procedures and business ethics.

The classification of products and credit transactions in the “Governance” category occurs when the credit facility is dedicated to the reference activities reported below.

#### Reference activities of the “Governance” category

The “Governance” category includes three sustainable reference activities, which relate to the purposes of the transaction or the scope reported below.

Reference activity	Purpose of the transaction/ scope of the product and KPIs	Sustainable Development Goals
<b>Business ethics</b>	<ul style="list-style-type: none"> <li>Investment in activities related to improving corporate ethics in strategic areas, decision-making, and day-to-day business operations (for example, in relation to reducing the percentage of workplace accidents, percentage of women employed or on the Board, hours of training provided, supply chain assessment based on the presence of ESG certificates, etc.</li> </ul>	 
<b>Strengthening corporate governance and transparency</b>	<ul style="list-style-type: none"> <li>Investment in activities related to strengthening sound corporate governance and increasing corporate transparency</li> <li>Investments in activities linked to the maintenance of a certain level of ESG ambition (for example: maintenance of the ESG Score, certified by rating agencies; maintenance of a certain percentage of Alignment with the European Taxonomy)</li> </ul>	
<b>Strengthening attention to employee well-being (welfare)</b>	<ul style="list-style-type: none"> <li>Investment in activities and services related to strengthening the corporate welfare of company employees</li> </ul>	 

### 3.4 Other sustainability (“Other Sustainability”)

The “Other sustainability” (“Other Sustainability”) category comprises dedicated or general purpose credit products and lending transactions<sup>24</sup> linked to sustainability covenant(s)/KPI(s).

These covenants/KPIs must be consistent with the reference activities of the

Environmental/Social/Governance sustainable categories indicated in paragraphs 3.1, 3.2 and 3.3.

## 4 Classification process

Credit facilities are classified as sustainable according to the following processes:

- in the case of a **credit product**, the classification is assigned by the Product Governance Committee, i.e. the body established at the level of the Business Division and/or Legal Entity, responsible for analysing and assessing matters relating to the offering of products to customers of the relevant Business Division and/or Legal Entity. The Product Governance process involves all Group structures entitled to express their compliance opinion through the assessment of product characteristics, also to clearly identify the target audience for which it is intended, with a view to protecting the end customer. This process is constantly subject to verification by the responsible compliance function to ensure substantial and formal compliance with internal and external regulations and the underlying assessments. Within the Product Governance process, the product sustainability classification also assesses any applicable agreements/covenants/KPIs. In particular, the product will be classified under one of the sustainable categories (“Environmental sustainability”, “Social sustainability” or “Governance sustainability”) when its financing purpose or scope is among those set out in chapter 3;
- in the case of a tailor-made lending transaction, Business Units analyse, assess and classify transactions in accordance with sustainable categories defined in chapter 3.

The sustainability attribute shall be assigned during the assessment within timeframes and according to methods defined by each Division, in line with process and product specificities and with the time required to obtain the relevant documentation.

After disbursement of the loan, a verification and monitoring activity of the conditions underlying the sustainability attribute is envisaged, within the timeframes defined contractually according to the type of loan, to be carried out by the operational and business functions for the entire duration of the loan and for all types of transactions.

If, at a stage following disbursement, conditions required to maintain the “sustainability” attribute cease to apply or can no longer be properly verified, the competent operational and business functions shall classify the transaction concerned as “non-sustainable”.

The loss of the “sustainability” attribute applies to the residual life of the transaction.

<sup>24</sup> Including general purpose credit facilities associated with strategic objectives of the counterparty, consistent with the “Circular Economy” reference activity within the Environmental sustainability category referred to in paragraph 3.1.

## 5 Levels of Defence

In order to ensure adequate control over the classification of sustainable credit products and lending transactions, the Group's usual first-, second-, and third-level of defence scheme assigned to the functions responsible for monitoring is applied to the Framework, as specified below.

### First Level

The operational and business functions define the first-level of defence measures in accordance with the control objectives established in agreement with the second- and third-level functions and with the methodological control framework of each Division, in accordance with the processes envisaged for products, offerings and transactions.

### Second Level

Enterprise Risk Management performs second-level monitoring of the activities carried out by the business functions through sample checks.

### Third Level

The Audit functions, within the scope of their third-level oversight of the overall internal control system, assess the adequacy and effectiveness of the Group's non-compliance risk management model and collaborate with the Compliance Function in order to verify the effective application of external and internal regulations by the Group and to remedy any shortcomings identified during audit activities.

## 6 Review process

The Framework is periodically updated with the aim of aligning it with evolving market practices and guidelines. Updates to this Framework will be effective from the date of publication, unless otherwise specified, and will not be applied retroactively to the sustainable financial performance reported for the previous full year.

## 7 Reporting

Sustainable Lending reporting based on this framework is provided starting from the 2026 financial year in the Sustainability Report that the Group publishes annually<sup>25</sup>.

<sup>25</sup> <https://group.intesasanpaolo.com/en/sustainability/sustainability-reporting>

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## GLOSSARY

- BREEAM: Building Research Establishment Environmental Assessment Method - an international system for certifying the sustainability of buildings, which evaluates their environmental impact through criteria such as energy efficiency and use of resources
- DRI: Direct Reduced Iron (see also: Lower-emitting DRI) - Ferrous material obtained through a more efficient and environmentally friendly production compared to traditional processes, used as a raw material in the steel industry, especially in electrical steel production plants
- EAF: Electric Arc Furnace (vedi anche: Scrap-based EAF) - electric arc furnace widely used in sustainable steel production
- EPC: Energy Performance Certificate - Official document that certifies the energy efficiency of a building, classifying it on a scale from A (most efficient) to G (least efficient); it also provides recommendations for improving its efficiency
- ESG: Environmental, Social, Governance
- HQE: High Environmental Quality
- HVAC: Heating, Ventilation and Air Conditioning
- KPI: Key Performance Indicator
- LED: Light Emitting Diode
- LEED: Leadership in Energy and Environmental Design
- LMA: Loan Market Association - industry organization representing the loan market and aiming to improve its liquidity, efficiency and transparency in Europe, the Middle East and Africa
- Lower-emitting DRI: Direct Reduced Iron with low emissions
- POG: Product Oversight and Governance - regulatory process that governs the design, distribution, and monitoring of banking and insurance products
- TUG green projects: Thematic User Group green projects
- RCF: Revolving Credit Facility - a renewable and flexible line of credit that allows a business to withdraw, repay and repay funds up to a pre-established limit
- SBTi: a renewable and flexible line of credit that allows a business to withdraw, repay and repay funds up to a pre-established limit
- Scrap-based EAF: Electric Arc Furnace powered by scrap metal
- SDGs: Sustainable Development Goals.