



Financial inclusion and supporting
production



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RELEVANT ISSUES

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WHY THESE ISSUES ARE RELEVANT

Intesa Sanpaolo attributes central importance to the economic and social growth of the communities in which it operates, a fundamental element that is deep-rooted in the Group's history and way of operating. The 2018-2021 Business Plan confirmed the role of Intesa Sanpaolo as a real-economy Bank enabling it to guarantee deserving businesses financial support also in times of difficulty, helping them to develop innovative restructuring, revitalisation and growth solutions.

The Group's activities benefiting society also include initiatives to support the Third Sector and the financial inclusion of groups that find it difficult to access credit despite their potential, in particular young people with their educational and training needs. The issues related to financial inclusion and supporting production have emerged even more important for the Group in the last two years because of the context linked to the COVID-19 pandemic, that hit hard the families and businesses to which Intesa Sanpaolo gave immediate support with a series of interventions aimed at alleviating the economic and social crisis.

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Projects/Indicators	2021 Actions/Results (cumulative value since the start of 2018 or 2020 value)	2021 objectives
Real-economy Bank	Medium/long-term credit granted to the real economy	~77.4 billion euro (~290 billion euro since the start of 2018)	~250 billion euro (cumulative value 2018-2021)
Financial inclusion and supporting production	Loans disbursed for initiatives with high social impact	About 20.6 billion euro disbursed, equal to 26.6% of total loans	Reinforcement of initiatives to foster financial inclusion and to support vulnerable groups
	Microcredit and anti-usury loans disbursed	About 111.9 million euro	
	Supporting people affected by natural disasters	<ul style="list-style-type: none"> ▪ Support to families and businesses affected by earthquakes and other natural disasters through the write-off of mortgages or moratoria on collapsed properties and subsidised loans ▪ To cope with the COVID-19 emergency, since the beginning of the pandemic there have been: 115 billion euro* of suspended payments of instalments on existing mortgages and loans for households and businesses; ~43 billion euro** of loans granted under the Liquidity Decree (approximately 14 billion euro in 2021) 	

* Moratoria granted up to 31/12/21 (flows), including renewals, considering UBI Banca and the sale of branches carried out in the first half of the year.

** As at 31/12/21, including UBI Banca and considering the sale of branches carried out in the first half of the year.

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Projects/Indicators	2021 Actions/Results (cumulative value since the start of 2018 or 2020 value)	2021 objectives
Financial inclusion and supporting production	Supporting people affected by natural disasters	<ul style="list-style-type: none"> Programma Rinascimento, including impact loans to micro-enterprises and start-ups, for the recovery and to re-shape their business models for the post COVID-19 era, leveraging on growth and innovation projects, boosting economic growth and social and territorial cohesion. Launched in 2020 in Bergamo, in partnership with the Municipality and in Florence, in partnership with CR Firenze Foundation 	
	Financial education	<ul style="list-style-type: none"> Museo del Risparmio (Museum of Saving): the training / dissemination of financial culture reached approximately 45,600 users in 2021, of which 40,000 primary and secondary school students and teachers with a total of 844 hours of training provided and 5,600 adults involved through events and dissemination initiatives dedicated and visits to the Museum in presence 	
	Fund for Impact	<ul style="list-style-type: none"> “Per Merito”, the first unsecured credit line dedicated to all university students residing in Italy, studying in Italy or abroad: 71 million euro granted (~162 million euro since the start of 2019) MAMMA@WORK, a highly subsidised loan, launched in July 2020 to balance motherhood and work during the children’s early years of life: ~1 million euro granted since its launch Support for working mothers in India and people over 50 who have lost their jobs or have difficulty accessing pension schemes “Per Esempio” – intended for volunteers taking part in Civil Service; “per Crescere”, for parents with school-age children, and “per avere Cura”, intended for families with members that are not self-sufficient. All three initiatives were launched in July 2021 XME StudioStation: launched in August 2020, a loan to households to assist with distance learning: ~0.5 million euro granted in 2021 and ~1.7 million euro granted since the launch 	Development of a fund of around 250 million euro to facilitate the disbursement of loans of around 1.25 billion euro (extended to 1.5 billion euro following the integration of UBI Banca) to sections of society that find it difficult to access credit
Loans disbursed to support the Third Sector and social enterprises	About 400 million euro (~1.2 billion since the start of 2018)	New medium and long-term loans of 700 million euro to support social enterprises (cumulative value 2018-2021)	

COMPANY POLICIES

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

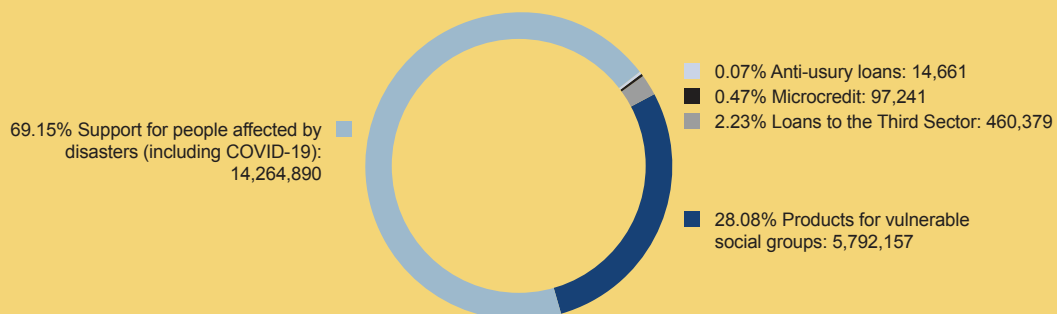
Intesa Sanpaolo confirmed its position as an accelerator for the growth of the real economy in Italy: in support of the National Recovery and Resilience Plan (NRRP), the Group has made available over 400 billion euro of medium/long-term loans for businesses and households.

FINANCIAL INCLUSION OF VULNERABLE PEOPLE

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

In 2021, the Intesa Sanpaolo Group issued new loans for high social impact activities amounting to about 20.6 billion euro, equal to 26.6% of the total loans granted, 14 billion of which to support the production system during the health emergency, helping to create business and employment opportunities and also to assist people in difficulty with various initiatives: microfinance; anti-usury loans; products and services for associations and entities in the Third Sector; products for the most vulnerable social groups to support their financial inclusion; loans to support people affected by disasters.

LOANS WITH SOCIAL IMPACT [% AND THOUSANDS OF EURO]



MICROFINANCE AND THE FIGHT AGAINST USURY

There are various partnerships with different entities to provide credit to individuals or small companies in difficulty. Altogether, in 2021 the Group disbursed about 112 million euro in microfinance or anti-usury projects, in Italy and abroad.

Agreements with Foundations and Associations (e.g. Adiconsum, Exodus 94, Fondazione San Nicola Medici, etc.) foster credit inclusion for disadvantaged individuals and companies. The guarantees financed with the Usury Prevention Fund allow loans to be raised from the banking system, thus preventing the financial exclusion of weak individuals who might otherwise turn to illegal credit channels.

In addition, the Bank makes available the "Finanziamento Microcredito Imprenditoriale" ("Business microcredit financing"), dedicated to micro-enterprises in the start-up phase of a new business or when investing in growth

projects, providing access to credit even without collateral. This opportunity was made possible by a section of the SME Guarantee Fund (Ministry of Economic Development Fund). The loan is suitable for the purchase of capital goods or services for the business, paying salaries to new employees and paying for training courses. The product features include assistance services offered free of charge by the VOBIS association (Volontari Bancari per le Iniziative nel Sociale - Banking Volunteers for Social Initiatives). In 2021, 342 loans were disbursed for a total of 9.5 million euro.

MICROCREDIT IN EGYPT

Microcredit is an activity at the heart of Bank of Alexandria's strategy, as a driver for reducing poverty and encouraging socio-economic development in the country. Bank of Alexandria aims to position itself as a reference for financial inclusion, economic empowerment and income support for small businesses and customers with no access to banking, with a greater focus on small farmers and artisans. In 2021, the Bank disbursed over 43,600 loans for a total of approximately 87 million euro, also providing customers with advisory services aimed at increasing their financial education, in collaboration with various strategic partners, including the World Food Programme (WFP).

FUND FOR IMPACT

The Fund for Impact is a specific credit line for businesses with a social impact and was established in 2019 to allow the disbursement of 1.5 billion euro of loans to categories that would otherwise find it difficult to access credit despite their own potential. For all the initiatives that refer to the Fund for Impact (Impact products) the compilation of an "impact detector" questionnaire (RIM) was made mandatory, which is a prerequisite for calculating the social impact attributable to the product.

The Fund for Impact supports the "Per Merito" initiative, the unsecured loan mainly intended for university students, which in 2021 financed 8,550 students by disbursing them about 71 million euro (about 162 million euro since the beginning of 2019). In 2021, the main novelties included the introduction of some innovations aimed at transferring a significant part of transactions online and the activation of new partnerships with numerous training institutions for the inclusion of higher education courses within the scope of the loans. In 2021, new products were made available within the scope of Fund for Impact:

- "Per Crescere", a loan dedicated to parents with school-age children, aimed at supporting training and education costs such as language courses or expenses for the development of psychomotor skills and speech therapy. Households with an ISEE not exceeding 40,000 euro can have access to a credit line of 2,000 or 3,000 euro per year for a maximum period of 5 years. At the end it is possible to return the sums used in 15 years.
- "Per Avere Cura", a product aimed at people with severe disabilities or those who care for a non-self-sufficient family member, in order to make healthcare costs more sustainable, such as nursing services or the purchase of healthcare accessories and provide support to caregivers. This is done through a credit line of 6,000 euro per year for a maximum period of 2 years. At the end it is possible to return the sums used in 15 years.
- "Per Esempio", dedicated to young people who carry out the Universal Civil Service involved in social assistance projects. People aged 18 to 30, residing in Italy, who have finished an experience of Universal Civil Service and who have to incur expenses related to starting their first work experience, can have access. The loan, repayable in 15 years, is for an amount between 2,000 and 8,000 euro.

Finally, the products already available in 2020 are still being offered, namely:

- "MAMMA@WORK", a loan for working mothers so that they can manage their financial commitments regarding their maternity while maintaining their working position. In 2021, the product financed 90 mothers, 175 from the start, for a total agreed amount of about 800 thousand euros;
- "XME StudioStation", a loan for households to support distance learning. In 2021 loans for 0.5 million euro were disbursed;
- "Obiettivo Pensione", a product that funds missing pension contributions for people who have lost their jobs and are waiting to retire. The product provides for a long-term repayment of the financed amounts.

SUPPORT FOR HOUSEHOLDS

Intesa Sanpaolo participates in the Guarantee Fund for Main Home Purchases, established by the 2014 Stability Law. The so-called “Sostegni-bis” Decree published in May 2021 refinanced the Fund for the years 2021 and 2022, making the following changes to the way it works:

- variation in the requirements for access to the Fund by individuals identified as having priority, moving the age limit for young people from 35 to 36 years;
- raising the percentage of coverage of the guarantee from 50% to 80% of the principal of the existing loan, if certain conditions occur.

The Bank offers mortgages to priority individuals at favourable conditions ranging from exemption/cancellation of the substitute tax, to the possibility of accessing high Loan To Value (LTV) also with the guarantee of the State and the benefit of very competitive rates. In 2021, 4,488 mortgages of a value of almost 500 million euro were issued.

The Group also signed up to the Agreement for women victims of violence which ABI and the main trade unions also signed. For women included in certified security programmes, who are in economic difficulty, the agreement provides for the suspension of repayment of the principal in mortgages and personal loans for a period of 18 months. When signing up to the Agreement, the Bank also provided for the suspension of the entire instalment to offer greater support. In November 2021, the protocol was extended for a further two years. The Bank has for some years been operating the “Anticipazione Sociale” project, designed for redundant workers who receive their INPS benefits 7-8 months after applying. The product provides credit facilities with favourable terms, until their redundancy benefits arrive from INPS. Through agreements signed with the Piedmont, Emilia Romagna, Tuscany and Veneto Regions, the worker does not bear any charges as these are covered by the project partners.

Since 1 June 2021, the Group has provided the free extension of Intesa Sanpaolo health insurance policy coverage to include COVID-19.

SOLUTIONS FOR YOUNG CUSTOMERS

Intesa Sanpaolo focuses on young people and their needs through a dedicated comprehensive offer, which concerns:

- “Mutuo Giovani”: an offer that facilitates young people with a house purchase by accepting requests of up to 100% of the property value, providing for subsidised rates, elimination of application fees and instalment collection costs. The “Mutuo Giovani” has thus gained a positioning on the market which sees the Group as the main lender of this target clientele. The total disbursement in 2021 – also considering the Guarantee Fund for Main Home Purchases (see paragraph above) – is about 4.9 billion euro to over 38,000 young people;
- “XME Prestito Giovani” can also be activated via the App or via the Internet and provides for favourable terms and allows, at no additional cost, to defer payment of instalments or change the amount as needed and can also be applied for in the case of a fixed-term or atypical employment contract or if the person is a freelancer. The “StudioSi” initiative is also added to the offer, which supports students engaged in tertiary education courses consistent with the National Smart Specialisation Strategy (NSSS), who are resident or enrolled in universities in certain Italian regions. The initiative allows for the granting of zero-interest loans to university students, up to 50,000 euro to be repaid in a maximum of 20 years without guarantees, to cover tuition fees, purchase of books and other costs associated with studying. Furthermore, with reference to the Fund for Impact, one should also note the “Per Merito” loan, which facilitates young students gaining access to studies;
- “XME Conto Under 35” and “XME Conto UP!” (dedicated to minors) offer current account fees, a debit card, bank transfers and ATM withdrawals free of charge and with tax paid by the Bank. During 2021, fees on other payment services (for example with the Flash prepaid card) were also cancelled;
- “SMART SAVE”, the first of the investment services designed from a digital perspective that allows customers to subscribe to funds starting from 5 euros and to manage all transactions directly via the App;
- The pre-paid “Flash Up Studio” card for students attending the partner Universities. It can be requested free of charge directly via the App: it can be used to make payments, receive scholarships, any emoluments and, if applicable, allows the holder to use university services and access University premises.

WOMEN’S ENTERPRISE SOLUTIONS

The Business Gemma loan supports businesses run by women and also women freelancers, benefitting free of charge from the guarantee of the special section of the SME Fund for Women’s Entrepreneurship and allows them to request suspension of the capital portion of their instalments for up to 12 months during the

amortisation period, whenever particular events occur in their life, such as for example maternity or illness. In 2021, 67 loans were disbursed for a total of 3.2 million euro.

Within the area of the International Subsidiary Banks, the Women in Business programme of the European Bank for Reconstruction and Development (EBRD) is active in two countries. Its goal is to support micro-enterprises and SMEs run by women in the Western Balkans by offering subsidised loans, technical advice and sharing know-how with the women beneficiaries of initiative. In 2021, Banca Intesa Beograd disbursed 492 loans to local SMEs for about 5.5 million euro, while Intesa Sanpaolo Bank Albania disbursed 13 loans for about 600,000 euro. In addition, among the various actions to promote female entrepreneurship, Intesa Sanpaolo and Intesa Sanpaolo Bank of Albania organised a seminar at the beginning of 2021 in order to present the products in the Women in Business programme and the mitigation measures adopted by the Bank in support of companies affected by the earthquake and those affected by COVID-19.

WOMEN VALUE COMPANY AWARD

In support of gender equality and the enhancement of the role of women in entrepreneurship, Intesa Sanpaolo promotes the “Women Value Company - Intesa Sanpaolo” award together with the Marisa Bellisario Foundation. In its fifth iteration in 2021, the award is given to small and medium-sized enterprises that implemented concrete and innovative policies and strategies to guarantee men and women equal opportunities and equal recognition in their careers. From about 800 candidates from all over Italy for the 2021 edition, 100 SMEs received awards in the final event that was held in live streaming in the month of July 2021. The event was an occasion for sharing views and opinions on corporate policies and best practices aimed at eliminating the gender gap, for an effective debate that aims to inspire and develop the corporate culture of Italian SMEs.

REMITTANCE MANAGEMENT

Intesa Sanpaolo offers specific products for foreign customers in Italy who need to send money to their home countries. Also in 2021, to facilitate customers in this difficult period, an agreement was reached with Western Union to cut costs to zero for remittances made through Money Transfer throughout the first half of 2021. Conversely, in the second half of the year, the Welcome initiatives were launched, providing zero-commission remittances for new customers signing up to the Money Transfer service.

During 2021, over 72,000 remittances were made for a total of almost 42 million euro.

PERMANENT OBSERVATORY ON FINANCIAL INCLUSION PROJECT

In recent years, there has been a growing interest and attention to the issue of financial inclusion. Several national and international initiatives, including legislative initiatives, have highlighted the role that financial inclusion can play in reducing inequalities and providing full access to rights. In 2021, a Permanent Observatory on Financial Inclusion was established to systemise the connections between all the actors met in the past in various working groups, inside and outside the Bank, in institutions, research centres, universities, foundations and so as not to lose the wealth of people, proposals and knowledge acquired with the study project on financial inclusion of migrants (2018-2020). It is a project that aims to turn the systemic approach into a method of study and work and to enhance and structure these experiences, with shared logic, procedures and proposals. It is believed that such a method can be a key factor in structuring the experience of the project on the financial inclusion of migrants compared to other “vulnerable” segments of the population. The objective of the Permanent Observatory, in addition to constantly monitoring the phenomenon of financial exclusion and measuring the effectiveness of the adopted measures and strategies, will therefore be to facilitate network connections and the progress of effective proposals at the system level.

RENAISSANCE PROGRAMMES

The Renaissance Programmes are an innovative and timely response that Intesa Sanpaolo provided to deal with the economic and social emergency, caused by the spread of COVID-19. These programmes supporting the real economy enable virtuous mechanisms for public-private-non-profit partnerships and are designed for start-ups, micro-enterprises and SMEs wishing to carry out development and innovation projects with impacts on their local area. As part of these programmes, the so-called Impact Loans were created, which are innovative and sustainable, long-term financing tools that are qualified as a form of patient capital with very modest costs. During 2020, Intesa Sanpaolo and the Municipality of Bergamo launched the Bergamo Renaissance Programme, in order to support an area that was particularly affected by the spread of COVID-19. The initiative, with a total value of 30 million euro divided into 10 million euro of non-repayable grants and 20 million euro of Impact Loans, saw the participation of the Cesvi Foundation as Actuating Party, and was arranged into various calls for proposals, in support of different types of Beneficiaries, who have submitted projects aimed at consolidating, adapting, renewing, innovating and/or reorganising their businesses. In particular, during 2021 the last two calls for proposals provided for by the initiative were activated and dedicated respectively to small companies and micro-enterprises in the trade sector with their registered offices in the Municipality of Bergamo. During 2021, the Programme recorded the stipulation of over 200 Impact Loans, for an amount equal to over 4.2 million euro.

The Florence Renaissance Programme was launched in the fourth quarter of 2020 by Intesa Sanpaolo and Fondazione CR Firenze, with the aim of supporting micro and small enterprises, craft activities, profit and non-profit organisations in the Metropolitan Area of Florence, operating in various fields: arts and crafts, tourism and culture industry, fashion industry, food and wine business and lifestyle (including cosmetics and perfumes), world of start-ups/technology/Industry 4.0, agritech and agribusiness. To support the Programme, the Fondazione CR Firenze provided 10 million euro to be disbursed in the form of grants and the Bank provided up to 50 million euro to be granted as Impact Loans. The Programme, which is arranged based on the representative sectors in the area through 5 calls for proposals, promoted and managed by the Actuating Parties, intends to support the implementation of projects for the revitalisation/reorganisation of activities that are credible and have a social impact that can be measured through defined social KPIs within each individual project. After the launch in 2020 of the first three calls (aimed at the sectors of: arts and crafts; tourism and culture industry; fashion industry, food and wine business and lifestyle), in 2021 two new calls for proposals were activated, dedicated respectively to start-ups, micro-enterprises and innovative small enterprises, and to micro-enterprises and small enterprises in the agro-industry sector. During 2021, the Programme recorded the stipulation of 103 Impact Loans, for an amount equal to over 19 million euro.

INITIATIVES IN COLLABORATION WITH THE DIOCESES

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

Similar to what was created in Bergamo, through the project that ended in 2020 “Ricominciamo insieme – Sostegno alle generazioni nella famiglia” (Let’s start again together – Support for the generations in the family), during 2021 new programmes continued their progress in the local area: “Vigevano Solidale” (Solidarity for Vigevano) (in collaboration with the Diocese of Vigevano) and “Torino Fondo Sorriso” (Turin Smile Fund) (in collaboration with the Diocese of Turin), aimed at families and micro-enterprises, in order to contain the social and economic emergency linked to unemployment, loss of jobs and turnover. The programmes involve, in particular, the provision of Impact Loans from the Group to micro-enterprises, backed by a solidarity guarantee fund set up beforehand by the local institutions involved. For “Vigevano Solidale”, the Bank has also made it possible for private individuals to participate in specific fundraising operations through the For Funding platform.

SUPPORTING THE THIRD SECTOR

In ways similar to those of the Fund for Impact, the Solidarity and Development Fund supports the operations of the Impact Department of Intesa Sanpaolo, facilitating the granting of credit to customers in the Third Sector with good prospects but some difficulties in accessing credit.

The Department operates with respect to the Third Sector with an offer dedicated to its organisations, a total deposit of about 9 billion euro, of which about 6.9 billion in direct deposits, as well as loans for about 2.8 billion.

CROWDFUNDING PLATFORMS

For Funding is the social crowdfunding platform of the Group aimed at organisations, non-profit associations and foundations which want to launch a fundraising campaign. The initiatives are selected by an internal team which assesses the beneficiary organisation and the type of projects so as to enhance the value of the most deserving. Each transaction is free for both the donor and the beneficiary. For Funding is a unique and distinctive model in the world of social crowdfunding and for loans to non-profit projects. In 2021, For Funding raised about 11.4 million euro in donations, exceeding the 2020 amount that had ranked it in 2020 as the leading Italian Donation Crowdfunding platform.

In 2021, the FORMULA programme was activated through which more than 30 projects were launched and supported by For Funding throughout the national territory. These projects are identified by the Bank's local structures, which have a thorough knowledge of their local area and are thus able to learn about important charitable initiatives that fail to obtain the visibility they need, as they are small organisations in small local realities. The projects aim, for example, to support reception centres for children in difficulty, social cooperatives that seek to prevent the marginalisation of adolescents, facilities for the elderly and disabled persons, but also aim to redevelop the suburbs or particular spaces, such as sports complexes that help to combat situations of hardship for young people through the aggregation and values of sport. In 2021, more than 5.3 million euro were raised for projects within the scope of FORMULA.

Some projects within the scope of For Funding involve a direct donation made by Intesa Sanpaolo. Specifically:

- 30 euro for each Green Mortgage disbursed and 10 euro for each Green loan are donated to the "Dona una Casa alle Api" (Donate a House to Bees) and "Forestami" (Urban Forestation) Project;
- 4.60 euro are donated for each signed "Proteggi Salute" (Health Protection) policy and "Salute e Infortuni" (Health and Accidents) module, to the project "Crescere Protetti" (Grow Protected) by the Fondazione Rava, to offer a Health policy free of charge to children from families in difficulty or fostered outside the family. At the end of 2021, the Bank had donated about 172,000 euro.

In addition, 50% of the interbank fees on the "Exclusive" credit card are donated to the "Prendersi cura non ha scadenza" (Caring has no expiry date) project in collaboration with Don Gino Rigoldi.

Starting in November 2020, Intesa Sanpaolo hosted the "Scena Unita" (United Scene) project by the Cesvi Foundation on For Funding, in support of those in the music and entertainment industry affected by the COVID-19 emergency restrictions. The project closed at the end of April 2021, raising over 2 million euro, of which about 1.2 million donated by Intesa Sanpaolo Life.

EDUCATION AND SPREAD OF FINANCIAL CULTURE

In 2021, the Museo del Risparmio (Museum of Saving) responded to the uncertainty and challenges posed by the pandemic by adopting a method of training and spreading knowledge about the financial culture that is increasingly oriented towards "phygital", namely combining the immediacy and usability of digital communication with physical interaction, where the context has allowed it.

This approach has allowed around 45,600 users to be reached during the year, of which 40,000 primary and secondary school pupils and teachers with a total of 844 training hours provided and 5,600 adults involved through events, dedicated promotional initiatives and visits to the Museum.

The S.A.V.E. Virtual Tour stands out among the new ideas developed for the school world. It is a multimedia programme dedicated to education on savings and sustainability, developed in collaboration with the EIB Institute, already adopted by 740 classes throughout Italy. This path allows pupils in primary and secondary schools to enjoy multimedia videos, gaming apps and workshops to learn how to consciously manage the scarcity of resources. The course is accompanied by in-depth webinars for teachers and online lessons for pupils.

After an experimental phase started in 2020, a modular proposal for financial education available online as part of the "Programmes for transversal skills and career guidance" (PCTO) reserved for secondary schools was put on the catalogue. The path, consisting of four 10-hour modules, explores four topics (Currency; Role of finance in society; Ethical and sustainable business; Risk and planning) with the viewing of multimedia content, the development of role plays and the realisation of group project works. In total, in 2021, 90 classes and about 1,800 students had taken part in the Museum's PCTOs.

The educational projects with face-to-face lessons for school groups, after the suspension due to lockdowns, were resumed in July, with the involvement of a total of about 1,350 pupils:

- MOney LEarning: project developed with the EIB Institute and Fondazione per la Scuola della Compagnia di Sanpaolo and reserved for primary schools in Piedmont, Lombardy, Valle d'Aosta and Liguria;
- Next Land: a project developed with the Associazione Next Level, the Fondazione Vodafone Italia and various Turin museums to provide innovative teaching to schools in difficult neighbourhoods;
- La Bella Estate: educational programme developed with the Compagnia di Sanpaolo and city museums for groups in summer centres.

Twenty-three special events were held for adolescents, including:

- the 6th edition of “Il mio posto nel mondo” (My place in the world), a festival created in collaboration with the Lavazza Museum, which engaged over 6,000 students in two days;
- the 5th edition of the “Fuoriclasse della Scuola” (School Champions) Campus in collaboration with the Ministry of Education, FEduF, ABI and Confindustria, for the 60 best Italian students who won the National School Olympics.

Aware of the fundamental role of financial education as a useful tool to promote social inclusion of the most disadvantaged categories, the Museum of Saving continued to offer, both online and face-to-face, specific initiatives aimed at vulnerable individuals, such as “Welcom-ed” dedicated to migrants; “Prometti di prenderti cura di te” (Promise to take care of yourself), for women in vulnerable conditions; “LEI” and “Logos” for the social reintegration of female prisoners on their release and for former prisoners (36 meetings for a total of about 70 hours of training). In addition, a “Permanent Discussion Group for Financial Education and Social Inclusion” was launched together with the Fondazione Triulza and the Foundation for Financial Education and Savings in order to provide operators in the Third Sector with effective tools to disseminate basic financial skills among their reference groups.

At the same time, the outreach activity for the adult audience continued with a schedule of 30 digital and blended events (of which 10 were reserved for teachers) which reached about 3,400 people live and 2,300 on-demand views¹ during the period considered. The new formats introduced in 2021 included four events and an online review, four Digital Live Talks and a competition for young designers aimed at raising awareness among the younger generations about the fight against waste and the importance of a green approach.

On the international front, on the occasion of the World Savings Day, the collaboration between the Museum and the Banks of the International Subsidiary Banks Division continued in 2021; nine of them proposed activities promoting financial education within “The Art of Saving” initiative, involving 120 local schools and reaching over 5,000 participants.

Lastly, it is worth noting the experimental project launched by the Museum of Saving in collaboration with Intesa Sanpaolo Innovation Center – through its Neuroscience Lab - and the IMT School for Advanced Studies in Lucca, which promoted the implementation of a neuroscientific study on the saving behaviour in girls and boys, using cutting-edge technological tools.

The partnership with the Osservatorio Permanente Giovani-Editori (Young Publishers’ Forum) for the Young Factor project continued in 2021, with the aim of supporting young people’s critical reading and economic and financial literacy. The initiative managed to continue with the project in schools, in spite of the health emergency, thanks to distance learning involving over 565,000 pupils.

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

¹ The data refers to the views of the recordings of events on the Youtube or Instagram channels of the Museum of Saving.

SUPPORTING PRODUCTION

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

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

SUPPORT FOR BUSINESSES IN ITALY

In 2021, Intesa Sanpaolo allocated a total of approximately 77 billion euro in new medium-long term loans to the real economy with approximately 66 billion euro in Italy, of which around 55 billion was disbursed to households and SMEs.

In 2021 the Group facilitated the return from non-performing to performing status of around 10,000 Italian companies, with a positive impact on employment through the protection of approximately 50,000 jobs.

In response to the COVID-19 emergency, Intesa Sanpaolo promptly implemented the measures specified in the Government Decrees, through concrete aid initiatives for companies to support them in times of difficulty. The support provided to households and businesses during the health emergency consisted mainly of the suspension of payments of mortgage and loan instalments and the disbursement of subsidised loans. In 2021, almost 14 billion euro of loans were disbursed with government and SACE-based guarantees.

The Italian National Recovery and Resilience Plan (NRRP) provides for a package of investments, to be carried out by 2026, substantiated in a set of projects that aim to strengthen the growth of the country. Intesa Sanpaolo, in support of the Italian economy throughout the duration of the NRRP, has established a plafond of 400 billion euro for dedicated loans. In 2021, Motore Italia was launched, the programme to support the recovery of the entire Italian production system, based on the key priorities of the NRRP: sustainability, financial support, investments, extraordinary finance and digitisation. The Motore Italia Digitale offer is geared to this last aspect. Motore Italia is a plafond of 50 billion euro available to Italian companies to address any future challenges. In addition to the support offered with the guaranteed loans of the Medio Credito Centrale (Guarantee Fund) or SACE and the possibility of accessing the suspension of business loans, all the tools are made available to design the future by seizing all the opportunities available: ranging from the tax benefits of the Superbonus and the Transition 4.0 plan, to the new extraordinary finance products, and the innovation offered by non-financial solutions to digitise and simplify business management.

As part of the financial support to companies interested in improving their digital profile, to which the NRRP dedicates 27% of its available resources, the D-Loan offer has been developed, which provides for the granting of loans with subsidised rates for companies that promise to commit to a list of selected “digital” KPIs.

The offer is activated when the loan application is drafted, through the signing of an addendum in which the customer undertakes to formalise the “digital” purposes of the requested loan and to declare, in the explanatory notes to the financial statements, that they have made investments in the selected areas.

Since August 2020, Intesa Sanpaolo has made the tools available to allow customers to benefit from the Superbonus and other tax bonuses on building improvements. In August 2021, it introduced significant changes to the process to make it more simple and also new digital changes to ensure a more efficient and timely service in the credit certification and assignment procedure. For further insights into the offer, see page 182.

The growth of Italian SMEs is also supported by the Extraordinary Finance structures and the partnership with Elite of Borsa Italiana, through innovative financial solutions that give companies high visibility to institutional investors and enhance their reputation and financial culture. In partnership with Confindustria, in 2021 Intesa Sanpaolo took 58 companies representing all of Italy and its economic sectors to three Elite Lounges (an international programme to accompany the most ambitious companies in their development phases), in a digital version.

In 2021, the Intesa Sanpaolo Basket Bond Programme continued, again in partnership with Elite. This is an operation allowing SMEs to issue bonds which envisages a potential, subsequent securitisation through “Notes” geared to institutional investors. The Programme, structured in several tranches, recorded until 2021 the subscription of bonds for a total amount of 135 million euro and involved 18 SMEs throughout Italy.

As part of the support to companies, the following initiatives are also of importance:

- “Micropagamenti” (Micropayments), which provides for the cancellation of POS commissions for transactions of an amount equal to or less than 10 euro for small companies participating to the initiative;
- “Pay by Link”, available for Intesa Sanpaolo-Nexi physical POSs, which allows the business partner to accept remote payments, without having an e-commerce site, in line with the need to give priority to payment solutions that protect the safety of merchants and their customers in compliance with anti-COVID rules.

For the enhancement of Italian entrepreneurial excellence, in 2021 the Group created the third edition of “Imprese Vincenti” (Winning Companies), the programme that highlights the growth and digital transformation programmes and the business models developed by companies to react to the pandemic crisis. The objective is to provide visibility, development support programmes, strategic skills advice, training and workshops in collaboration with key partners. The third edition recorded excellent results: about 3,500 candidate companies, 114 companies selected and celebrated as Winning Companies during the 8-stage Digital Tour, each dedicated to a distinctive theme for the growth strategy of SMEs: Innovation-R&D, Internationalisation, Digitisation, ESG and Sustainability, Supply Chains and Territory, Human Capital, with a focus on the agri-food sector and non-profit enterprises.

“RESTO AL SUD”: SUPPORT FOR NEW BUSINESSES

Since 2018, Intesa Sanpaolo has been a member of “Resto al Sud” (I’m staying in the South) initiative, in favour of aspiring and budding entrepreneurs for the creation and development of start-ups in Southern Italy, in the municipalities affected by the 2016-2017 earthquake and in the lagoon, lake and island areas of Central and Northern Italy. The initiative, managed by Invitalia, has a budget of 1.25 billion euro from the Development and Cohesion Fund. The audience of beneficiaries, over time, has been extended to those under 56 and to freelancers. The maximum amount that can be financed is 30,000 euro in the case of a company with only one proposer (equal to 50% of the maximum amount that can be requested from Invitalia for the investment) or 50,000 euro per individual shareholder of a company, with a maximum of 100,000 euro that can be financed for projects with multiple proposers (also in this case equal to 50% of the maximum amount that can be requested from Invitalia for the investment). The measure provides for a mix of favourable terms such as: bank loan amount equal to 50% of the approved investment; non-repayable grant, provided by Invitalia, equal to 50% of the approved amount; 662/96 guarantee, equal to 80%, to support the loan request. Intesa Sanpaolo was among the first banks to adhere to the ABI/Invitalia Agreement to offer subsidised loans, disseminating knowledge of the project to thousands of potential beneficiaries during more than 50 dedicated local meetings. Overall, since the launch of the initiative to date, more than 1,000 loans have been disbursed for over 39 million euro.

CORPORATE CREDIT AGREEMENTS

The prolonged period of emergency caused by the pandemic has seen the Bank implement new initiatives to accompany businesses, in line with the guidelines of the NRRP. This has offered the Bank the opportunity to take another look, with a view to the future, at the paradigms to facilitate a process of renewal in Italian companies, in particular in the areas of Digitisation and Sustainable Investments.

By signing new agreements with the main trade associations (Confindustria, Confartigianato Imprese, CNA-Confederazione Nazionale dell’Artigianato, Fipe Federazione Italiana Pubblici Esercizi, Federlegno Arredo, SMI Sistema Moda Italia, Uciimu, Federalberghi) the aim has been to provide support for the immediate needs of businesses by providing tools with a view to making a recovery that increases the competitiveness of Italian companies on global markets.

In 2021, there was continued use of the subsidised provisions from the agreements signed by Intesa Sanpaolo with EIB, where applicable on the basis of the established eligibility criteria. In June 2021, the agreement with EIB was renewed on the basis of which Intesa Sanpaolo can finalise, over a period of 24 months, new loans with a maximum duration of 6 years, for a total of 300 million euro with a discount of 10bps applied to bank rates.

In 2021, Intesa Sanpaolo continued to build the portfolio of new loans of up to 300 million euro guaranteed by FEI Innovfin and linked to research, innovation and development projects, based on the original agreement of 2018, renegotiating the extension of the availability period up to 31 December 2022 (the ordinary guarantee percentage remains at 50%). The “Linea COVID-19” (COVID-19 Line), specifically reserved for working capital needs with coverage of 80%, was also revised by increasing the duration of the loans with guarantees from 6 to 8 years, with confirmation of its term of operation up to 31 December 2021. The primary objective of the guarantee is to facilitate access to credit for SMEs and innovative Small Mid-Cap businesses, with a medium-low internal rating class, by incentivising product and process innovations and investments in digital technologies.

In addition, the Bank took steps to launch the SME Initiative, an initiative promoted by the European Investment Fund (EIF), for the financing at subsidised rates of investment projects of companies operating in the Southern regions of Italy. With this instrument, the Group undertook to disburse loans for a total of over 350 million euro in favour of SMEs with a benefit for them of a 50bps discount on the reference pricing. Thanks to the agreement reached with the EIF at the end of 2020, the initiative was also extended to supporting the working capital of companies that have suffered damage following the pandemic.

“DIALOGO INDUSTRIALE” AND THE “SVILUPPO FILIERE” PROGRAMME

“Dialogo Industriale” (Industrial Dialogue) was created with the aim of increasing the strength of dealings of managers with companies, identifying a common language for a better understanding of their needs, oriented to offering solutions better suited to the objectives and peculiarities of each company.

In 2021, a specific assessment support programme was launched in the area of ESG of customers. In particular, there were improvements to information, priorities and needs in the ESG area were identified and a dedicated section was created, retrieving all the ESG information available on the individual company examined.

In order to support businesses of every sector and every size, facilitating their access to credit, in particular in the post-COVID recovery phase, the “Sviluppo Filiere” (Supply Chain Development) programme continued, focusing attention on the relationship that links lead companies with the suppliers’ network and enabling a more detailed understanding of the financial requirements of individual supply chains.

Agreements were signed with the involvement of direct and indirect suppliers and the involvement of the supply chain downstream of the retailers. An offer is being developed to support the sustainable evolution of the supply chains, with the engagement of the chain leader and the suppliers to improve their sustainability profile. At the end of December 2021, there were around 800 participating lead companies with potentially over 19,000 suppliers and a workforce of over 107,000 employees.

SUPPORT FOR THE INTERNATIONALISATION OF BUSINESSES

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

- a foreign Network consisting of subsidiary Banks, international branches and representative offices in around 40 countries worldwide with specialised Desks (Corporate Desks and Multinational Desks), and a coverage in over 80 countries through cooperation agreements with other Banks;
- a service model that makes use of Internationalisation Specialists throughout Italy who represent a point of reference for the international Network and operate in constant contact with the Italian network with the aim of supporting Italian companies and their foreign subsidiaries in international markets; in addition, for every need and for identifying the best financial solutions in terms of import and export trade, Intesa Sanpaolo supports Italian businesses through a widespread network of Foreign Development Experts and Sales Global Transaction Banking Specialists dedicated to the needs of Trade Finance and Cash Management;
- a Business Strategy team that supports customers in implementing foreign development projects by identifying qualified partners, in Italy and abroad, who can provide specialist assistance and advice to expand their business abroad even in the most difficult markets;
- an offering of domestic and cross-border products, which, in the purely transactional area, aims to offer corporate customers the opportunities offered by the entry into force of Payment Services Directive 2 (PSD2).

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

CORPORATE WELFARE SERVICES

The Welfare Hub service is provided by Intesa Sanpaolo to client companies that intend to provide bonuses to their employees in the form of welfare services, as an alternative to paying them in their salaries, thus taking advantage of the tax benefits provided by the law for both the company and the employees. Through a digital, multimedia and multi-channel platform - that can be browsed via PC, tablet and smartphone and can also be accessed via App – the employees can convert their bonus into a series of goods and services, called Flexible Benefits. Thanks to the activation of the new Welfare on Demand circuit, since July 2021 employees have also been able to use their “welfare credit” at approved local facilities, thus enabling the enhancement of local communities and areas. The Welfare Hub was proposed as a sustainability tool by the “Sviluppo Filiere” programme and by the S-Loan project and, at the end of 2021, it had 4,115 companies that had signed up to the platform.