



Green, Social and Sustainability Bond Framework

June 2022

Content

PURPOSE	3
MANAGEMENT ASSERTIONS AND ALIGNMENT WITH INTERNATIONAL GUIDELINES	3
1.1 BACKGROUND AND INTESA SANPAOLO COMMITMENT	3
1.1.1 Climate change contrast: Green and Circular Economy	4
1.1.2 Social Inclusion in Community and Third sector commitment	5
1.2 SUSTAINABLE LENDING BY INTESA SANPAOLO	6
1.2.1 Green Economy	6
1.2.1.1 Circular Economy	6
1.2.2 Social Impact Loans	6
2.1 USE OF PROCEEDS	8
2.1.1 Green Eligible Categories	8
2.1.1.1 Green Eligible Categories - Focus on Circular Economy	11
2.1.1.2 Alignment on a best effort basis with EU Taxonomy	13
2.1.2 Social Eligible Categories	15
2.2 EXCLUDED CATEGORIES AND LIMITATIONS	18
3.1 PROJECT EVALUATION AND SELECTION	18
3.1.1 Evaluation of economic, social and environmental profile in financing	19
4. MANAGEMENT OF PROCEEDS	19
5. REPORTING	20
6. VERIFICATION – EXTERNAL REVIEW	20
ANNEX 1 - Reporting on Funds Allocation per Eligible Category	21
ANNEX 2 - Reporting on Environmental and Social Benefits per Eligible Category: Output and Impacts	22
Annex 2.1 – Green	22
Annex 2.1.1 – Green - Focus on Circular Economy	23
Annex 2.2 – Social	24
ANNEX 3 – EU Taxonomy alignment assessment	26

Green, Social and Sustainability Bond Framework

June 2022

Intesa Sanpaolo is responsible for the preparation and fair presentation of this Green, Social and Sustainability Bond Framework as of June 2022.

PURPOSE

As part of its broader commitment to sustainability, **Intesa Sanpaolo** (the “Bank” or the “Group”) developed this Green, Social and Sustainability Bond Framework (the “Framework”) under which it can issue Green, Social and Sustainability debt securities in various format and currencies (secured, unsecured, subordinated, CP) to fund new and existing loans and businesses with environmental and/or social benefits, in alignment with the *ICMA Green Bond Principles 2021*, the *ICMA Social Bond Principles 2021*, the *ICMA Sustainability Bond Guidelines 2021* and with the intention of seeking alignment with the EU Taxonomy regulation on sustainable activities and the Green Bond Standards.

MANAGEMENT ASSERTIONS AND ALIGNMENT WITH INTERNATIONAL GUIDELINES

For each Green, Social and Sustainability Bond (the “Bond”) issued under this framework, **Intesa Sanpaolo** Management asserts that it will adopt the following key pillars:

- (I) Use of Proceeds
- (II) Project evaluation and selection
- (III) Management of proceeds
- (IV) Reporting
- (V) External Review

as set out in this Framework. Intesa Sanpaolo intends to update this Framework from time to time, in order to reflect future standards in the Green, Social and Sustainability Bond market.

In addition, the Framework takes into account the requirements of the EU Taxonomy, with the intention to implement them on reasonable effort basis and where is feasible for the Bank.

Any subsequent version of this Framework will either keep or improve the current level of transparency.

1.1 BACKGROUND AND INTESA SANPAOLO COMMITMENT

Intesa Sanpaolo is aware that a large banking group has a significant influence in terms of environmental and social sustainability, both in the short and long term thus choosing to act not only on the basis of profit, but also with the aim of creating long-term value for the Bank, its employees, customers, community and the environment.

In line with the principles outlined in the [Code of Ethics](#) and in accordance with its ESG & Sustainability approach, the Group is aware of the importance of a correct and responsible allocation of resources, according to criteria of social and environmental sustainability. Therefore, it promotes a balanced development aimed at redirecting capital flows towards sustainable investments to balance interests such as the preservation of the natural environment, health, work, the well-being of the community as a whole and the safeguarding of the system of social relations.

Intesa Sanpaolo is committed to be a responsible financial intermediary that generates collective value knowing that innovation, development of new products and services and a social and environmental sustainable way of conducting business can contribute to reducing the impact on society of phenomena such as climate change and social inequality.

The changes in the patterns of development of society and the economy on a global scale require effective responses at all levels, also from businesses and financial institutions specifically.

The recent Covid-19 pandemic and Climate Change emergency are increasing social inequality within countries almost everywhere; Intesa Sanpaolo is conscious that economic inequality and disparity of opportunities can no longer be ignored, not only for ethical reasons, but also to provide a sustainable future for the next generations and to ensure social stability in the present.

In this sense, the Group includes in its strategy and takes into consideration the Sustainable Development Goals (SDGs) set by the United Nations and wishes to provide a concrete response in implementing the social and environmental commitments undertaken which are an integral part of the Bank’s sustainable and responsible business model.

With the 2022-2025 Business Plan, Intesa Sanpaolo intends to further strengthen its role as a leading ESG bank, ensuring that the creation of solid and sustainable value for all stakeholders remains a top priority. ESG has become one of the four pillars of the 2022-2025 Plan, in line with the commitments declared in the Group’s

new Mission, approved in January 2022.

Intesa Sanpaolo regularly identifies the material issues for the company and for its stakeholders and represents them in the Materiality Matrix. As well as constituting the core of non-financial and sustainability reporting, these aspects are also crucial for identifying and managing risks and opportunities, also contributing to shape the company's strategy with regard to relevant issues for the business and its Stakeholders.

In 2021, the analysis confirmed the importance of the topics "Financial inclusion and supporting production", "Service quality and customer satisfaction" and "Sustainable investments and insurance" and also showed growing relevance of the topic "Innovation, digital transformation and cybersecurity" and "Community support".

"Climate change" resulted particularly relevant both for stakeholders and because of its potential impact on strategies. Finally, the topic "Transition to a sustainable, green and circular economy" recorded a positive change, reflecting the increase in relevance of the issues related to the green and circular economy and the rapid evolution of the European regulatory context, as well as the Group's commitment on these issues, with the implementation or launch of various initiatives.

The long-term attention to ESG and sustainability is also expressed through the participation in a series of national and international initiatives and has led over the years to adhere to numerous international standards, amongst which the UN Global Compact and the Women's Empowerment Principles, UNEP FI, the related Principles for Responsible Banking (PRB) and the Task Force on Climate-related Financial Disclosures (TCFD).

1.1.1 CLIMATE CHANGE CONTRAST: GREEN AND CIRCULAR ECONOMY

Climate change is a critical phenomenon. As well as its consequences and repercussions on the planet's ecosystem, the constant increase in global temperatures due to the growing concentration of greenhouse gases in the atmosphere is also impacting on the economic and social dynamics of present and future generations. Banks have a key role to play and a responsibility on the issue of climate change, because they have the possibility of directing loans and investments towards companies that are virtuous from an environmental point of view and operate with a view towards raising awareness and risk containment.

The United Nations Climate Change Conference (COP 26), held in Glasgow in November 2021, recognized the importance of a rapid and substantial reduction in greenhouse gas emissions in order to limit global warming to 1.5°C compared to pre-industrial levels, regarded by the experts as the maximum safety threshold to avoid otherwise irreversible consequences. The relevance of the issue was confirmed by the sixth report of the Intergovernmental Panel on Climate Change (IPCC) which provides new forecasts on the possibility of exceeding this threshold, emphasizing how limiting global warming to close to 1.5°C will be impossible unless broad-reaching plans for the reduction of greenhouse gas emissions are launched immediately.

The European Union has made clear commitments to combating climate change with the aim of reducing emissions by at least 55% by 2030 and making Europe the first climate-neutral continent by 2050. The EU commitment to guaranteeing the transition to a low-carbon economy is also confirmed by the Recovery and Resilience Facility, a tool which represents 90% of over € 806 billion EU Next Generation plan (which will help rebuild a post-COVID-19 Europe). The Recovery and Resilience Facility provides subsidies and loans subordinate to the presentation of national recovery and resilience plans (NRRP), in which 37% of resources must be allocated to the climate. The recent REPowerEU Plan moreover, aims at energy savings, diversification of energy supplies, and accelerated roll-out of renewable energy to replace fossil fuels in homes, industry and power generation.

Intesa Sanpaolo has more than 97,000 employees, working in about 4,700 branches and more than 20 million customers worldwide (as of 31 December 2021). Environmental protection is one of the key aspects of its commitment to sustainability and takes the form of self-regulated environmental and energy instruments and policies that define the strategic and operational guidelines which underpin the Group's environmental protection initiatives and its efforts to reduce its environmental footprint.

In line with the principles of its Code of Ethics, Intesa Sanpaolo regards sound sustainability governance, strong risk management, the development of an adequate product range to promote and support the transition towards a sustainable, green and circular economy, and the engagement and training on climate and ESG issues within the Group and among its customers, as an integral part of the strategy for combating climate change.

In 2021, Intesa Sanpaolo underlined the strategic importance of climate change by joining the Net-Zero Banking Alliance (NZBA), the Net-Zero Asset Managers Initiative (NZAMI) through Eurizon Capital SGR, Fideuram Asset Management SGR, Fideuram Asset Management Ireland and Asteria Investment Managers; and finally in December 2021 the Net-Zero Asset Owner Alliance (NZAOA) and the Net-Zero Insurance Alliance (NZIA) through Intesa Sanpaolo Vita.

In addition, with regard to climate matters, in 2021 Intesa Sanpaolo published its first TCFD (Task Force on Climate-related Financial Disclosures) report.

On February 4th 2022, Intesa Sanpaolo issued its 2022-2025 Business Plan, which, among others strengthened the focus on climate and environmental initiatives stating its commitment to net-zero for its own emissions by 2030, and setting, over one year ahead of the NZBA deadline, 2030 targets with respect to 4 identified high-emitting sectors (Oil & Gas, Power Generation, Automotive and Coal mining), covering over 60% of non-financial companies' portfolio financed emissions in the sectors identified by the Alliance. Intesa Sanpaolo's commitment will also extend to protecting and restoring natural capital, planting more than 100 million trees over the four-year Plan horizon - directly as a Group or with dedicated financing for its clients – and through the adoption of a specific policy on biodiversity.

The Business Plan moreover confirms Intesa Sanpaolo's active support to individuals and businesses committed to reducing their environmental footprints, through the further promotion of green products and services. In fact, Intesa Sanpaolo has announced, within a total of over € 400 billion of new lending available over the NRRP (National Recovery and Resilience Plan) horizon, a total of € 76 billion to finance green and circular economy (the latter with € 8 billion dedicated over the period) and the ecological transition and € 12 billion to finance green lending to individuals (mainly mortgages).

Finally, since 2014, Intesa Sanpaolo has identified the so-called “Circular Economy” as a potential paradigm to tackle environmental issues while boosting competitiveness of companies. The current economic model of “Linear Economy” is based on a take-make-dispose approach, which generates negative externalities and critical losses of resources. Circular Economy, on the other hand, decouples economic growth from exploitation of finite natural resources. By redefining the approach to value creation, Circular Economy combines a resilient economic system with a positive approach towards natural capital. In 2015, Intesa Sanpaolo decided to start supporting the transition towards a Circular Economy by joining the Ellen MacArthur Foundation – the main global actor in the field – becoming the first Financial Services Global Partner, now strategic Partner.

1.1.2 SOCIAL INCLUSION IN COMMUNITY AND THIRD SECTOR COMMITMENT

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 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.

The issues related to financial inclusion and supporting production have emerged with even more importance 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.

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.

Intesa Sanpaolo places great importance on its role as an impact bank in support of Italy's economic and social fabric.

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 of medium/long-term loans for businesses and households.

In its 2022-2025 Business Plan, Intesa Sanpaolo has also included important social and cultural initiatives: from meeting social needs with new initiatives, for example, in favor of the young and senior population (including one of the most extensive social housing program in Italy and the creation of community hubs), to providing support to financial inclusion through cumulative social credit flows to the tune of € 25 billion, to the continuous commitment towards culture through, for example, the plan to double the Gallerie d'Italia exhibition spaces by 2025.

1.2 SUSTAINABLE LENDING BY INTESA SANPAOLO

1.2.1 GREEN ECONOMY

Intesa Sanpaolo Group's offer to the green economy involves all customer segments and financing forms:

- Project finance
- Corporate and Public Finance
- Business and Third Sector
- Leasing
- Retail

Majority of loans for the Green Economy disbursed by the Intesa Sanpaolo Group have been granted for transactions for renewables and energy efficiency projects for SMEs, corporates and retail customers.

Recently, the range of green solutions has been enriched with a series of dedicated services, some of which provided by partner companies. These additional and optional services help to assess the possible savings that can be made through energy redevelopment measures.

The activity has been carried out mainly through the Banca dei Territori and the IMI Corporate & Investment Banking Division (IMI CIB), that play a leading role in the structuring of loans for the renewable energy sector, especially photovoltaic and wind power, and that support corporate customers investing in renewable energy production plants and in the energy efficiency of their production processes, through dedicated financial solutions and specialist advisory services.

The Bank also supports the green projects of its retail customers through the granting of mortgages and loans for environmental purposes.

To support small and medium-sized enterprises that aim to improve their sustainability profile and with the goal of assisting them on a path of structural change, associating their economic and financial decisions with their environmental and social impacts, Intesa Sanpaolo has launched the ESG-Linked S-Loan. This loan, which enjoys favorable conditions, involves the sharing of sustainability performance improvement goals by businesses, through precise commitments undertaken with the Bank via specific KPIs subject to annual monitoring, certified by the businesses in the notes to their financial statements. Intesa Sanpaolo allocated a € 2 billion credit line for the S-Loan as part of the € 76 billion dedicated to the Green Economy.

For Corporate customers, support for the sustainable transition is provided thanks to the activities of the ESG Team IMI CIB, created in 2020 and made up of professionals with complementary knowledge, expertise and experience, to propose domestic and international Corporate customers a wide and integrated range of products and services. The financial offer includes the main ESG solutions: Sustainability-linked and solutions with income tied to specific capex which make it possible, depending on the circumstances, to use the Bank's dedicated Circular Economy credit plafond. In particular, in terms of sustainability-linked solutions, in 2021 the Group supported its customers with loans, bonds, guarantees, securitizations and hedging activities.

1.2.1.1 CIRCULAR ECONOMY

Intesa Sanpaolo Group, through its commitment toward Circular Economy, is seizing strategic opportunities to become an innovative and exclusive financial leader for the circular economy, redefining traditional financial tools to support transition to a new model for economic development, which is sustainable over time.

In September 2018, Intesa Sanpaolo launched its € 5 billion CE Plafond (extended to € 6 billion) within the 2018-2021 Business Plan. After the positive experience, the bank decided to dedicate € 8 billion to the financing of Circular Economy within its new 2022-2025 Business Plan.

The credit facility is dedicated to the most innovative companies or projects in the Circular Economy field across all Italian and foreign markets. Access to CE Plafond is regulated by both ordinary credit procedures and compliance with a set of eligibility criteria. Such criteria of "circularity" were developed in partnership by Intesa Sanpaolo Innovation Center and the Ellen MacArthur Foundation.

1.2.2 SOCIAL IMPACT LOANS

Intesa Sanpaolo puts a particular focus on financial inclusion and access to credit through Social impact loans, disbursed to the most vulnerable segments of customers, microfinance anti-usury loans, products and services for associations and entities in the Third Sector, products for the most vulnerable social groups to support their financial inclusion and loans to support people affected by disasters.

In line with the 2018 - 2021 Business Plan in 2019 the Fund for Impact, a specific credit line for businesses with a social impact, was established to allow the disbursement of loans to categories that would otherwise find it difficult to access credit despite their own potential, in order to offer direct support with dedicated programs such as "MAMMA@WORK", a highly subsidised loan to balance motherhood and work in their

children's early years of life, "Per Merito", the first line of credit without collateral dedicated to university students, and XME StudioStation, loans to families to assist with distance learning.

Being the Third sector a significant part of the Italian economy and society, Intesa Sanpaolo has long recognized its importance by providing financial services to not-for-profit organizations and the religious world through its Impact Department.

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.

With regards to microfinance Intesa Sanpaolo has established various partnerships mainly with philanthropic or religious entities to provide credit to individuals or small companies in difficulty. The initiatives entail supporting microfinance and anti-usury loans of a social nature, thus providing income support for families, and those of a business nature, for the creation of micro and small enterprises.

Furthermore, Intesa Sanpaolo within the concrete support for the creation of new business and companies, also focuses on the regions of southern Italy where it helps to drive social development and economic growth. In this area affected by high unemployment and social hardship, Intesa Sanpaolo scope of action is addressed to young people and innovative start-ups.

Finally, the Intesa Sanpaolo Group continues to confirm its commitment to support families and businesses affected by environmental disasters or other catastrophes by providing subsidized loans intended for the restoration of damaged properties, suspensions on existing loans, actions in protection and preferential, simplified and expedited procedures.




Through the new 2022-2025 Business Plan, the Group commits to new lending of € 25 billion to support non-profit activities, vulnerable individuals and young people, which makes the Group stand out as the largest social sector lender in Italy.

2.1 USE OF PROCEEDS






The proceeds of any Intesa Sanpaolo Bond issued under this Framework will be exclusively allocated to Eligible Loans as defined within the following list of Eligible Categories.

2.1.1 GREEN ELIGIBLE CATEGORIES



Intesa Sanpaolo considers as Eligible Green Loans those aligned to the Categories as below defined.

Green Eligible categories	Description	ICMA GBP Category/EU Environmental Objective	Impacted Sustainable Development Goals
1 - Renewable Energy	<p>Renewable energy production facilities, supporting infrastructure, technologies and solutions¹, including from the following renewable sources:</p> <ul style="list-style-type: none"> • Solar energy (photovoltaic and concentrated solar power) • Wind power (offshore and onshore) • Hydropower, where the facility complies with one of the following criteria: <ul style="list-style-type: none"> - the facility is a run-of-river plant and does not have an artificial reservoir; - the power density of the facility is above 5W/m²; - the life-cycle GHG emissions are lower than 100gCO₂e/kWh. 	<p><u>ICMA GBP:</u> Renewable energy</p> <p><u>EU Objective:</u> Climate change mitigation</p>	 
2 - Energy Efficiency	<p>Investments and ongoing maintenance in infrastructure, associated assets, technology and services that contribute towards reduced energy usage and or increased energy efficiency:</p> <ul style="list-style-type: none"> • Energy storage from renewable energy (including hydrogen storage, thermal energy storage, and pumped hydropower storage) • Smart grid technology and/or infrastructure • Energy efficient equipment for buildings e.g. insulation, LED lighting, cooking stoves and HVAC (heat, ventilation and air conditioning), instruments for measuring and controlling the energy performance of buildings, etc. • Co-generation of heat/cool and power (from solar energy, geothermal energy, bioenergy, using non-fossil gaseous and liquid fuels), where the life-cycle GHG emissions from the generation of heat/cool are lower than 100 g CO₂e per 1 kWh of energy output from the combined generation. • Construction, refurbishment and operation of pipelines and associated infrastructure for distribution of heating and cooling, ending at the sub-station or heat exchanger, which meet the definition of efficient district heating and cooling systems in accordance with the EU Directive 2021/27/EU. 	<p><u>ICMA GBP:</u> Energy efficiency</p> <p><u>EU Objective:</u> Climate change mitigation</p>	

¹ Loans may be for specific assets and projects or to 'pure play' companies, defined as enterprises which are expected to derive ≥90% of their turnover from assets aligned with the Use of Proceeds defined criteria. For such enterprises, the entire loan principle is eligible for green bond funding, otherwise not at all.









Green Eligible categories	Description	ICMA GBP Category/EU Environmental Objective	Impacted Sustainable Development Goals
3 - Clean transportation	<p>Transport by electric vehicles: Financing of low carbon passenger cars and light commercial vehicles with specific direct tailpipe CO2 emissions equal to zero.</p> <p>Infrastructure enabling low carbon road and public transport: Construction, modernisation, maintenance and operation of infrastructure that is required for zero tailpipe CO2 operation of zero-emissions road transport, as well as infrastructure required for transshipment and operating urban transport, including electric charging points, electricity grid connection upgrades, hydrogen fuelling stations or electric road systems (ERS).</p> <p>Urban and suburban road passenger transport: Financing of urban and suburban transport vehicles, for passengers and road/rail passenger transport with direct tailpipe CO2 emissions equal to zero.</p> <p>Freight transport services by road Purchase, financing, leasing, rental and operation of vehicles designated as category N1, N2 or N3 for freight transport services by road.</p> <p>The activity complies with one of the following criteria: a. vehicles of category N1 have zero direct (tailpipe) CO2 emissions; b. vehicles of category N2 and N3 with a technically permissible maximum laden mass not exceeding 7,5 tonnes are 'zero-emission heavy-duty vehicles' as defined in Article 3, point (11), of Regulation (EU) 2019/1242.</p>	<p><u>ICMA GBP:</u> Clean transportation</p> <p><u>EU Objective:</u> Climate change mitigation</p>	 
4 - Green Buildings	<p>New, existing and refurbished buildings (including public service, commercial, residential and recreational) which meet one of the following criteria:</p> <p>New and Existing buildings For buildings built before 31st December 2020:</p> <ul style="list-style-type: none"> • Buildings with an Energy Performance Certificate (EPC) class A, or the building has a Primary Energy Demand (PED) which is within the top 15% of the national building stock² • Buildings, belonging to the top 15% of the national building stock as defined above, that have obtained at least the following recognized environmental standard: <ul style="list-style-type: none"> - LEED 'Gold' or above - BREEAM 'Excellent' or above - HQE 'Excellent or above' - CASBEE 'S' (Excellent) or above - Other equivalent internationally recognized Green Building certification <p>For buildings built after 1st January 2021:</p> <ul style="list-style-type: none"> • Buildings where the Primary Energy Demand (PED) is, or will be, at least 10% lower than the threshold set for the nearly zero-energy building (NZEB) requirements in national measures <p>Refurbished buildings Refurbished buildings resulting in a reduction of primary energy demand (PED) of at least 30% and validated through an Energy Performance Certificate (corresponding to a change of at least two EPC classes)</p>	<p><u>ICMA GBP:</u> Green buildings</p> <p><u>EU Objective:</u> Climate change mitigation</p>	  

² Currently buildings with EPC label B belong to the top 15% low carbon residential buildings in Italy.

Green Eligible categories	Description	ICMA GBP Category/EU Environmental Objective	Impacted Sustainable Development Goals
<p>5 - Environmentally sustainable management of living natural resources and land-use, biodiversity</p>	<p>Projects and activities aimed at developing and using sustainable agricultural practices, conservation, preservation and/or restoration of nature and biodiversity, as well as natural habitats and ecosystems. Projects and activities must not deplete existing carbon pools and should not generate any additional negative environmental impact (e.g. biodiversity loss).</p> <p>Sustainable Agriculture</p> <p>Loans and projects to support sustainable agriculture, such as, but not limited to, the following:</p> <ul style="list-style-type: none"> • Agroforestry practices (e.g. integration of woody vegetation with crop and/or animal systems) • Land remediation / optimization (e.g. conversion of arable land to grassland, grazing, etc.) • Organic agriculture (e.g. use of cover crop, implementation of minimum tillage technologies, etc.) • Optimized feeding strategies for livestock (e.g. use of feed additives to limit the formation of methane gas in the rumen, etc.) • Improved livestock health management and breeding techniques (e.g. improvement of the sanitary conditions of animals through better stables management, etc.) <p>Forestry</p> <p>Loans to sustainable forestry projects such as, but not limited to the following:</p> <ul style="list-style-type: none"> • Afforestation (e.g. planting, seeding, or natural regeneration on land that was previously designated for a different use or unused) • Reforestation (e.g. restoration of native species of an ecosystem) • Forest management / conservation forestry (e.g. prevention of deforestation, fires, etc.) <p>To select relevant activities the bank will use existing certifications or emerging best practices of the market such as the Verified Carbon Standards from Verra and/or the Gold Standard one.</p> <p>Carbon farming</p> <p>Loans to finance projects and activities such as, but not limited to, restoration/conservation of peatland and wetland (e.g., floodplains, marshes)</p>	<p><u>ICMA GBP:</u> Environmentally sustainable management of living natural resources and land use</p> <p><u>EU Objective:</u> Climate change mitigation</p>	 
<p>6 - Circular Economy</p>	<p>As specified in section 2.1.1.1</p>	<p>As specified in section 2.1.1.1</p>	<p>As specified in section 2.1.1.1</p>

2.1.1.1 GREEN ELIGIBLE CATEGORIES - FOCUS ON CIRCULAR ECONOMY

The Circular Economy is the Eligible Category that aims to finance companies whose projects are defined as circular according to the below mentioned 5 criteria and the related sub-criteria, through the € 8 billion Circular Economy Plafond.

6. Circular Economy Eligible Categories	Description	Benefits	ICMA GBP Project Category/EU Environmental Objectives	Impacted Sustainable Development Goals
1- Solutions that extend the product-life or cycles of use of goods and/or materials³	<ul style="list-style-type: none"> Applying modular design or design for disassembly Take-back schemes and redeploying products (reverse logistic) Reuse, repair and/or products regeneration/refurbishment Servitization (pay-per-use) and/or models aiming at sharing goods (sharing economy) 	Solutions that extend the product life or cycles of use of goods allow to maintain the inner value of products and components at the highest possible level	<p><u>ICMA GBP:</u></p> <p>Pollution prevention and control</p> <p>Eco-efficient and/or circular economy adapted products, production technologies and processes</p> <p><u>EU Objective:</u></p> <p>Transition to a circular economy</p>	
2 - Production processes fueled by and/or products made of renewable or recycled resources	<ul style="list-style-type: none"> Products that substitute critical materials⁴ with biological or bio-based materials⁵ Processes fueled by energy from solar, wind or conversion of biomass⁶ to energy⁷ 	Production processes fueled by and/or products made of renewable or recycled resources allow to decouple production processes from fossil fuels and fossil-based raw materials	<p><u>ICMA GBP:</u></p> <p>Eco-efficient and/or circular economy adapted products, production technologies and processes</p> <p>Renewable energy</p> <p>Pollution prevention and control</p> <p>Clean transportation</p> <p><u>EU Objective:</u></p> <p>Transition to a circular economy</p>	  
3 - Products and/ or services that significantly increase effectiveness and efficiency of the resources consumption, within the company or along its supply chain	<ul style="list-style-type: none"> Applying principles of industrial symbiosis⁸ and realizing an integrated supply chain that makes waste streams into feedstock Closing loops and/or apply circular economy and systemic design principles 	<p>Products and/ or services that significantly increase effectiveness and efficiency of the resource consumption enable a relevant saving of critical resources⁹.</p> <p>These practices are restorative and regenerative of the natural capital</p>	<p><u>ICMA GBP:</u></p> <p>Environmentally sustainable management of living natural resources and land use</p> <p>Pollution prevention and control</p> <p>Sustainable water and wastewater management</p> <p><u>EU Objective:</u></p> <p>Transition to a circular economy</p>	   

³ Virgin plastic based products are excluded and will not be selected under this category.

⁴ Raw materials and natural resources such as water, agricultural resources as inputs of bio-based chemicals products, oil, natural gas, coal, metals, in addition to land and agricultural resources with supply limits.





⁵ Sustainability of the biological or bio-based materials is taken into account in the evaluation of the projects, ensuring they have limited sustainability risks and are not resulting in deforestation/competition with food production.

⁶ Only if they are part of larger circular value chains that aim to close material loops i.e. feedstock is separately collected at source and by products are used as fertilizers and where the biomass originates from sustainable sources and/or is a non-recyclable and non-hazardous waste.

⁷ The transition to renewable energy sources is one of the key conditions that support a fully circular economy model. For this reason, financing companies or projects that foresee to use or to self-produce renewable energy in their processes is in line with the scope of the CE Plafond.

⁸ An industry or industrial process replace the raw materials for another. Application of this concept allows materials to be used in a more sustainable way and contributes to the creation of a circular economy.

⁹ Raw materials and natural resources such as water, agricultural resources as inputs of biobased chemicals products, oil, natural gas, coal, metals (eg antimony, cobalt, gallium, germanium, indium, platinum, palladium, niobium, neodymium and tantalum), in addition to land and agricultural resources with supply limits.

6. Circular Economy Eligible Categories	Description	Benefits	ICMA GBP Project Category/EU Environmental Objectives	Impacted Sustainable Development Goals
4 - Design and/or manufacture products that can be fully recycled or composted within an efficient framework of collection, separation and recycling after use	<ul style="list-style-type: none"> Compostable products Recyclable products 	Design and/or manufacture products that can be fully recycled or composted allow to significantly reduce waste by re-using effectively products, components and materials	<u>ICMA GBP:</u> Environmentally sustainable management of living natural resources and land use Pollution prevention and control <u>EU Objective:</u> Transition to a circular economy	
5 - Innovative technologies to enable circular business models	<ul style="list-style-type: none"> Internet of Things to empower traceability services (reverse-logistic) and/or predictive maintenance Additive manufacturing/3D printing to increase the easy-to-repair degree and the materials Big Data analytics, Artificial Intelligence, Cloud Computing and Digital Solutions aiming at dematerialization services and/or marketplaces development for secondary raw materials or reuse practices Blockchain technology which allows certified traceability of the supply chain, quality & quantity check purposes, and origin derivation (material passport) 	Innovative technologies enable new business models and services, enhancing all the positive impacts connected to the Circular Economy, including the access to assets and resources for a wider target of consumers	<u>ICMA GBP:</u> Energy efficiency Eco-efficient and/or circular economy adapted products, production technologies and processes Climate change adaptation <u>EU Objective:</u> Mitigation Transition to a circular economy	
				
				

2.1.1.2 ALIGNMENT ON A BEST EFFORT BASIS WITH THE EU TAXONOMY

Intesa Sanpaolo is aware of the establishment of the EU Taxonomy regulation and its reporting requirements.

The majority of Green Loans included within this Framework substantially contribute to the Environmental Objective Climate Change Mitigation. Since Circular Economy is such a key area for the Bank, the Framework also contributes to the EU Objective of Transition to a Circular Economy.

Intesa Sanpaolo intends to be transparent with its ESG investor base and showcase how its Green Loans align with the EU Taxonomy. At this stage, Intesa focuses on transparently disclosing where there is compliance with the Delegated Acts on Climate Change Mitigation. Contribution to additional EU Objectives will be added going forward, once the Delegated Acts for the relevant Objective have been formalized and approved by the EU Council.

Intesa Sanpaolo has engaged its SPO provider to assess compliance with the EU Taxonomy, on a best effort basis. This information is provided within Annex 3 of this Framework as well as part of the SPO assessment available on our website.

Compliance with Climate Change Mitigation Technical Screening Criteria (TSC)

Where possible and feasible for Intesa, Eligible Green Loans will, on a best effort basis, be aligned with the technical screening criteria for the substantial contribution to Climate Change Mitigation as outlined in the EU Taxonomy (December 2021).

DNSH-criteria (Do No Significant Harm)

The DNSH-criteria are developed to make sure that progress against some objectives are not made at the expense of others and recognizes the relationships between different environmental objectives. Since substantial contribution is assessed versus Mitigation, the DNSH-criteria are related to:

- climate change adaptation
- sustainable use and protection of water and marine resources
- transition to a circular economy
- pollution prevention and control
- protection and restoration of biodiversity and ecosystems

Intesa Sanpaolo commits itself to comply with DNSH-criteria through its ESG and sustainable approach to lending, in particular by abiding to the Italian and EU regulations, which require the respect of strict rules and procedures including Environmental Law and Environmental Impact Assessment.

Furthermore, for large corporate counterparties, Intesa Sanpaolo applies ESG risk management and credit assessment procedures which take into consideration environmental and climate aspects.

For details, please refer to Intesa Sanpaolo Consolidated Non-financial Statement: "Management of environmental, social and governance risks".

Minimum Social Safeguards (MSS-criteria)

Further in order to qualify as a sustainable activity under the EU regulation certain minimum safeguards must be complied with. The safeguards entail compliance with the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights, including the International Labour Organisation's ('ILO') declaration on Fundamental Rights and Principles at Work, the eight ILO core conventions and the International Bill of Human Rights.

In its role as an intermediary, a financial institution like Intesa Sanpaolo initiates a value chain that involves many different individuals, entities, businesses and States. For this reason, as well as observing the relevant legislation in force in all countries in which it operates, it is committed to identifying, mitigating and, where possible, preventing potential violations of human rights connected with its activities, as recommended by the UN's Guiding Principles on Business and Human Rights.

In December 2017, the Group adopted a specific human rights policy, the [Principles on Human Rights](#), approved by the Board of Directors, which incorporates the principles already outlined in the Code of Ethics translating them into tangible commitments. Through the Group policy Intesa Sanpaolo pledges to:

- Support the protection of human rights in accordance with the principles established in the Universal Declaration of Human Rights of 1948 and subsequent international conventions on civil and political rights and economic, social and cultural rights;
- Recognize the principles established by the fundamental conventions of the ILO (International Labor Organization) and in particular the right of association and the right to collective bargaining, the abolition of forced and child labor, and non-discrimination in employment;

- Contribute to combating corruption, supporting the guidelines of the OECD (Organization for Economic Co-operation and Development) and the anti-corruption principles established by the UN in 2003, and also by taking a 'zero tolerance' approach to any eventual cases of corruption.




In addition, the Intesa Sanpaolo Group recognizes that compliance with internal and external regulations and codes of conduct is of significant importance, also from a strategic viewpoint, and therefore it acts in the belief that respecting standards and fairness in business. Intesa Sanpaolo believes that compliance with standards encourages the creation and maintenance of a competitive economic environment and protection of customer rights, which contributes to the development of local areas and communities.


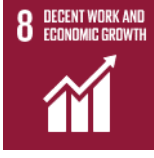

In this context, the Group actively adheres to the principles of the United Nations' Global Compact that envisage the development of policies for combating corruption, protecting human rights, workers' rights and safeguarding the environment.

The Bank identified the following as specific instruments already existing and aimed at planning the formation and implementation of company decisions and carrying out controls on business operations, including in relation to crimes and offences to be prevented:

- Corporate governance rules, adopted in compliance with the Corporate Governance Code for listed companies and the relevant company regulations and regulatory legislation;
- Internal regulations and company policies;
- Group's Code of Ethics, Internal Code of Conduct and Anti-Corruption Guidelines;
- Internal control system;
- Power and delegation system.

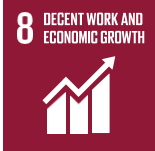



2.1.2 SOCIAL ELIGIBLE CATEGORIES

Eligible Social Categories	Description	Social benefit	Impacted Sustainable Development Goals
<p>1 – Access to Essential Services</p>	<p>To be eligible for funding Organizations' investments and day-to-day operations must be in sectors of general interest such as:</p> <p><u>Healthcare</u></p> <ul style="list-style-type: none"> Loans dedicated to the financing of healthcare facilities, including hospitals for the provision of free or subsidized healthcare, including facilities that treat specific physical and/or cognitive conditions and rehabilitation services. Loans financing home care facilities for elderly, seriously (including terminally) ill or disabled people. <p><u>Education</u></p> <p>Loans financing the activities of education facilities, such as schools, universities and campus, including school sport facilities, student housing and vocational training centres.</p> <p><u>Entertainment, recreational and sports activities</u></p> <p>Loans to non profit organizations financing the provision of amateur sport, training, physical fitness and sport competition services and events, recreational facilities and services individuals/communities.</p> <p><u>Welfare and solidarity</u></p> <p>Loans financing organizations in the following sectors: child welfare, child services and day care; youth services and youth welfare; family services; services for disabled; services for the elderly; self-help and other personal social services; disaster prevention and control; temporary shelters; refugee assistance; income support and maintenance; material assistance.</p> <p><u>Art and culture, including restoration of artistic heritage</u></p> <p>Loans financing non-profit organizations operating in the following sectors: media and communications; visual arts, architecture, ceramic art; production, dissemination and display of visual arts and architecture; performing arts centres, companies and associations (theatre, dance, ballet, opera, orchestras, chorals and music ensembles); historical, literary and humanistic societies; museums.</p>	<p>Increase access to quality, timely and accessible healthcare</p> <p>Increase access to quality and accessible education and vocational training</p> <p>Support communities and promote social inclusion for all</p>	  

Eligible Social Categories	Description	Social benefit	Impacted Sustainable Development Goals
2 – Socioeconomic Advancement and Empowerment	<p><u>S-Loans</u></p> <p>Loans to SMEs (so called “S-loans”) in order to support them to finance ESG initiatives, to reach sustainable development objectives and to improve their ESG profile.</p> <p>Evaluation and monitoring guidelines require the following elements, amongst others:</p> <ul style="list-style-type: none"> • Choice of at least 2 KPIs (Key Performance Indicators) relevant to the borrower and aimed at improving its ESG profile; • KPI(s) and Target(s) cannot be subject to modification after loans have been granted • KPI(s) measure progress in E, S and G areas and the borrower is eligible for a discount on the interest margin in case the Target(s) have been reached • Borrowers have to report progress on the advancement of Target(s) in the notes of their financial statements on annual basis • Among the KPIs that can be achieved, companies can opt to focus on the enhancement of female figures, promoting their hiring and the activation of dedicated welfare programs. In addition, companies may choose to invest in raising awareness and training of both suppliers and employees on ESG issues, as well as dedicating a portion of revenue to community support 	<p>Reduction of inequality and discrimination</p> <p>Empowerment and promotion of job creating and preservation</p> <p>Support innovative businesses embedding E, S and G in their business models and contributing to socio-economic advancement</p> <p>Promote sustained, inclusive and sustainable economic growth; digital inclusion; enhance connectivity and digital access; increase access to ICT</p>	  
	<p><u>D-loans</u></p> <p>Loans to SMEs (so called “D-loan”) in order to support their digital transformation through investments in digital projects. Among the areas in which companies can choose to engage, there are solutions and initiatives to: manage and mitigate cybersecurity risks; enable broadband usage to allow everyone to be connected; implement employee training programs on digital transition topics; and access work tools that enable remote digital collaboration.</p> <p><u>Access to affordable financial products</u></p> <p>Affordable loans to specific target groups:</p> <ul style="list-style-type: none"> • Students • Individuals with low income¹⁰ • Undereducated • Unemployed • Refugees • Youth • Elderlies <p>Intesa Sanpaolo offers specific affordable products to customers in target socio-economic groups.</p> <p><u>Microfinance</u></p> <p>Loans to fund micro-enterprises¹¹ or microfinance initiatives.</p>		

¹⁰ selection according to income poverty line set by ISTAT: <https://www.istat.it/it/dati-analisi-e-prodotti/contenuti-interattivi/soglia-di-poverta> and/or according to criteria defined by national, regional and local authorities with reference to social housing initiatives

¹¹ In accordance with the EU definition. The European Union (EU) defines “micro-enterprises” as those that meet two of the following three criteria and do not fail to do so for at least 10 years: fewer than 10 employees balance sheet total below EUR 2 million and turnover below EUR 2 million.

Eligible Social Categories	Description	Social benefit	Impacted Sustainable Development Goals
<p>3 – Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises</p>	<p><u>SMEs¹² in socio-economically disadvantaged areas</u></p> <p>Loans to SMEs located in the most socioeconomically disadvantaged areas in Italy. Socioeconomically disadvantaged areas are defined as areas (Italian regions) with GDP per capita lower than the national average and ranking in the worst 30% in terms of unemployment rate</p> <p><u>Relief from natural disaster and health or social emergencies</u></p> <p>Loans to companies, including SMEs and micro-enterprises, facing natural disaster (such as earthquakes, floods, etc.), health or social emergencies and the related economic downturn</p>	<p>Employment generation and retention, reduction of inequality by fostering economic growth in specific areas</p> <p>Alleviation of unemployment and employment retention in the aftermath of crisis</p>	
<p>4 – Affordable Housing</p>	<p>Loans for the construction, renovation or upgrade of facilities in order to provide access to decent housing to people with economic difficulties¹³ with a pricing below the relevant market standard.</p>	<p>Allow for universal access to decent housing</p>	  

¹² Small and medium-sized enterprises (SMEs) are defined in the EU recommendation 2003/361: enterprises which employ fewer than 250 persons and which have either an annual turnover not exceeding €50 million, or an annual balance sheet total not exceeding €43 million.

¹³ As per the income criteria defined by the relevant state/municipality where assets are located

2.2 EXCLUDED CATEGORIES AND LIMITATIONS

- Any kind of investment connected to: Fossil Fuels, Nuclear energy, Armament, Alcohol¹⁴, Gambling, Sex industry and Tobacco sector will be excluded.
- Any kind of investment to companies or projects connected to: Intensive agro-industrial activities with intensive use of agrochemicals or which entail deforestation, Animal maltreatment, Hazardous chemicals, will be excluded.
- Hydro projects up to 25 MW in installed capacity are eligible. If between 25 MW and 1000 MW, one of the following international sustainability best practices has to be satisfied:
 - Hydropower Sustainability Protocol – Published assessment report, score of 3 or above (i.e., in line with “Good Practices”) on all relevant pillars or
 - International Finance Corporation (IFC) Standards – Publicly stated commitment to meet the requirements outlined by all eight IFC performance standards.

Hydro projects over 1000 MW in installed capacity are excluded

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

3.1 PROJECT EVALUATION AND SELECTION

Business teams will propose loans to be included in the Green, Social and Sustainability Bond Portfolios (the “Portfolios”) as defined under the Framework.

An internal team of qualified individuals, the “Green, Social and Sustainability Bond Working Group (the “Working Group”) made up from the “Treasury Department”, “ESG & Sustainability” and the Circular Economy Desk or the dedicated desks of sustainable lending, will review and approve, as appropriate, proposed loans based on the defined Eligible Categories and Criteria listed in section 2.1 “Use of Proceeds”.

Loans determined as eligible will be marked accordingly and added into the Portfolios described in section 4 “Management of Proceeds” below.

The Working Group is in charge of the oversight of the process:

- Business teams will propose loans to be included in the Portfolios
- The internal Working Group will review and approve, as appropriate, proposed loans based on the defined Eligible Categories listed within the applicable Use of Proceeds
- Loans determined as eligible will be marked accordingly and added into a Green, Social and Sustainability Bond Portfolio
- The Working Group is responsible to maintain and update the Portfolios

The selection process of Eligible Loans is structured and fully integrated in Intesa Sanpaolo's existing investment process. Internal roles and responsibilities are defined as follows:

- The analysis of loans eligibility is managed by the dedicated business teams of the Group.
- The Credit Evaluation function of each dedicated lending desk evaluates client's reputation and creditworthiness.
- Then dedicated lending desk approves the disbursements to be made.

¹⁴ In accordance with the IFC Exclusion List, production or trade in alcoholic beverages (except for beer and wine) is excluded.

Link to IFC Exclusion List: https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/company-resources/ifcexclusionlist

3.1.1 EVALUATION OF ECONOMIC, SOCIAL AND ENVIRONMENTAL PROFILE IN FINANCING

In compliance with the current Framework, Intesa Sanpaolo expects its customers and business partners to operate in accordance with relevant international, national and local laws and regulations. Thus, in order to assess loans eligibility, Intesa Sanpaolo executes legal and technical due diligences before supplying credit to its customers, considering the economical sustainability of the business plan, the respect of laws and regulations in the starting phase of the project financed and the environmental and social impacts generated (MWh expected production, in case of Renewable Energy Loans). Such ESG minimum requirements are reflected within Intesa Sanpaolo internal policies, whose implementation helps to mitigate the environmental and social risks associated with the Eligible Loans. Example of relevant Policies and Guidelines governing the social and environmental considerations at company level and during the lending process are the Intesa Sanpaolo Group Human Rights Policy¹⁵, Code of Ethics¹⁶, Rules for the Environmental and Energy Policy¹⁷, Guidelines for the governance of environmental social and governance risks regarding lending operations¹⁸ and Rules for lending operations in the coal sector¹⁹

4. MANAGEMENT OF PROCEEDS

Intesa Sanpaolo defines an overall Eligible Loan Portfolio, which includes a Green sub-portfolio and a Social sub-portfolio. The proceeds from the Bonds issued under this Framework will be managed on a portfolio basis.

Eligible Loans are selected in accordance with ISP's Eligibility Criteria and Process for project evaluation and selection.

Intesa Sanpaolo will strive, over time, to maintain an aggregate amount of loans in the portfolio that matches or exceeds the balance of net proceeds of all outstanding Intesa Sanpaolo bonds issued under the Framework.

The proceeds of any Intesa Sanpaolo bond under the Framework will be dedicated to loans directly from Intesa Sanpaolo or from any one of Intesa Sanpaolo's subsidiaries dedicated to circular, green or social financing, which will be funded via intercompany loans.

As such, the allocation from any Intesa Sanpaolo Bond issued under this Framework will be made into green or social loans either directly or indirectly. This will be disclosed in the annual Green, Social and Sustainability Bond Report (the "Report"), further described in section 5. "Reporting" below.

Any balance of issuance proceeds not allocated to fund Eligible Loans in the portfolio will be held in accordance with Intesa Sanpaolo's normal liquidity management, including treasury liquidity portfolio, Cash, Time Deposit with Banks or Other form of available short term and medium / long term funding sources (e.g. Commercial Paper Program, Bank Credit Line), that do not include GHG intensive activities (i.e. related to fossil fuels exploitation and to carbon intensive assets such as infrastructure dependent on fossil fuels; fossil fuel-fired power plants; high-carbon assets) nor any disputable sector/activity (Animal maltreatment, Alcohol²⁰, Armament, Hazardous chemicals, Gambling, Intensive agro-industrial activities with intensive use of agrochemicals or which entail deforestation, Nuclear energy, Sex industry, Tobacco).

In case of early loan reimbursement or if a loan no longer meets the eligibility criteria, Intesa Sanpaolo will use the net proceeds to finance other Eligible Loans which are compliant with the eligibility criteria of the Framework.

The Issuer will monitor the investments of the proceeds allocated to Eligible Loans, through the review of the external auditor. This monitoring of the funds is integrated into the annual financial reporting and further described in section 6. "Verification" below.

¹⁵ https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/public/Contenuti/RISORSE/Documenti%20PDF/en_sostenibilita/CNT-05-00000004F4564.pdf

¹⁶ https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/public/Contenuti/RISORSE/Documenti%20PDF/en_sostenibilita/CNT-04-0000000028276.pdf

¹⁷ https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/public/Contenuti/RISORSE/Documenti%20PDF/en_sostenibilita/CNT-04-0000000058942.pdf

¹⁸ group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/sostenibilit%C3%A0/inglese/Guidelines%20for%20the%20governance%20of%20ESG%20risks%20regarding%20lending%20operations_Highlights.pdf

¹⁹ https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/sostenibilit%C3%A0/inglese/policy/Summary%20Rules%20for%20the%20Coal%20sector_july%202021.pdf

²⁰ In accordance with the IFC Exclusion List, production or trade in alcoholic beverages (except for beer and wine) is excluded. Link to IFC Exclusion List: https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/company-resources/ifcexclusionlist

5. REPORTING

In accordance with the recommendation of the ICMA Green Bond Principles 2021, Social Bond Principles 2021 and Sustainability Guidelines 2021, Intesa Sanpaolo will report annually on the allocation of the proceeds of the bonds issued under this Framework and the relative impact of the projects at category level, in accordance with the portfolio approach and sub-portfolio level.

ALLOCATION REPORTING

Intesa Sanpaolo will report annually, until maturity, on the use of proceeds via a Green, Social or Sustainability Bond Report (the “Report”), as the case may be, which will be published via www.group.intesasanpaolo.com. The Report will be verified by an annual external assurance process.

The allocation report will include:

- The total amount of Intesa Sanpaolo Green, Social and Sustainability bonds outstanding
- The total amount of the Portfolios broken down per Eligible Category
- Aggregate amounts of net proceeds allocated to each Eligible Category of the Portfolios
- The balance of unallocated proceeds at the time of reporting
- The amount or the percentage of new financing

IMPACT REPORTING

Intesa Sanpaolo also intends to report annually on the environmental and social benefits (see Annex 2) resulting from the Portfolios disbursed from the Green, Social and Sustainability Bonds issued.

The impact report may provide:

- a description of some Eligible Projects;
- the breakdown of Green, Social and Sustainability projects by nature of what is being financed (financial assets);
- Environmental and Social Metrics, such as the ones described below.

Output: annual estimates and/or assessment of major outputs disclosed per Eligible Category of the Portfolios level.

Impacts: annual estimates of ex-ante and/or ex-post impacts (where feasible) based on specific indicators developed by Intesa Sanpaolo, disclosed per Eligible Category at the Portfolios level.

On a best effort basis Intesa Sanpaolo will align the impact reporting with the portfolio approach described in the “Harmonized Framework for Impact Reporting” dated June 2021²¹.

When reporting on the identified outcomes, Intesa Sanpaolo may select alternative quantitative or qualitative indicators, to remain relevant to the selected Eligible Loans. For all Eligible Loans, Intesa Sanpaolo may integrate additional qualitative or quantitative indicators as considered appropriate to disclose relevant performances or details on loans management.

6. VERIFICATION – EXTERNAL REVIEW

Intesa Sanpaolo’s Sustainable Bond issuances are supported by external reviews as described below.

Second-Party Opinion

Intesa Sanpaolo has engaged a leading second opinion Provider to perform a Second Party Opinion on the Framework’s validity and its general alignment with the Green Bond Principles, Social Bond Principles and the Sustainability Bond Guidelines as well as an assessment on compliance with the EU Taxonomy.

Post issuance external verification of the reporting

Starting one year after issuance, a verification or assurance of the reporting may be released on an annual basis by a third party ESG agency or financial auditor, including: bond proceeds allocation, the compliance of the allocated loans with the selection process.

²¹<https://www.icmagroup.org/green-social-and-sustainability-bonds/impact-reporting/>

ANNEX 1

REPORTING ON FUNDS ALLOCATION PER ELIGIBLE CATEGORY

Criteria	Reporting Indicators at category level
Use of Proceeds	<ul style="list-style-type: none">▫ Number of loans▫ Amounts invested (in EUR)▫ Average loan Maturity▫ Total Allocated amount vs total amount proceeds (in %)▫ Balance of unallocated proceeds (in EUR and %)▫ Description of the unallocated proceeds management▫ New funding amount▫ The geographical distribution of the assets (at country level)

ANNEX 2

REPORTING ON ENVIRONMENTAL AND SOCIAL BENEFITS PER ELIGIBLE CATEGORY: OUTPUT AND IMPACTS

ANNEX 2.1 – GREEN

Green Eligible categories	Environmental benefits	Output reporting indicators	Impacts reporting indicators
1 - Renewable Energy		<ul style="list-style-type: none"> Installed capacity (MW) Renewable energy production (MWh) 	
2 – Energy Efficiency	<ul style="list-style-type: none"> Climate change mitigation 	<ul style="list-style-type: none"> Energy saving in MWh 	CO2 emissions avoided (tons)
3 - Clean Transportation		<ul style="list-style-type: none"> N. of vehicles, charging stations and assets financed 	
4 - Green Buildings		<ul style="list-style-type: none"> Environmental Certifications/EPC labels obtained (for buildings, #) 	
5 - Environmentally sustainable management of living natural resources and land-use	<ul style="list-style-type: none"> Protection of healthy ecosystems Environmentally Sustainable Management of Living Natural Resources and Land Use Environmentally Sustainable Agriculture 	<ul style="list-style-type: none"> Ecologically sustainable agricultural production per hectare (tons) Additional forestation areas converted (km²) Area of natural landscape preserved (km²) Area of land managed (km²) 	<p>CO2 emissions avoided (tons)</p> <p>Number of people and/or enterprises (e.g. companies or farms) benefitting from measures to mitigate the consequences of floods and droughts</p>

ANNEX 2.1.1 – GREEN - FOCUS ON CIRCULAR ECONOMY

6. Circular Economy - Eligible criteria	Environmental benefits	Potential output reporting indicators	Impact reporting indicators
1 - Solutions that extend the product- life or cycles of use of goods and/or materials		<ul style="list-style-type: none"> Amount of recovered materials thanks to product re-design, new business models and/or reverse logistics (tons) 	
2 - Production processes fuelled by and/or products made of renewable or recycled resources	<ul style="list-style-type: none"> Climate change mitigation Transition to a circular economy, waste prevention and recycling 	<ul style="list-style-type: none"> Increase of renewables energies utilization (MW) Increase of biobased/recycled materials utilization (tons) 	
3 - Products and/ or services that significantly increase effectiveness and efficiency of the resources consumption, within the company or along its supply chain	<ul style="list-style-type: none"> Regeneration of natural capital 	<ul style="list-style-type: none"> Amount of waste and by-products re-inputted in production processes (tons) Amount of non- wasted food (tons) 	CO2 emissions avoided (tons)
4 - Design and/ or manufacture products that can be fully recycled or composted within an efficient framework of collection, separation and recycling after use	<ul style="list-style-type: none"> Design out waste and pollution 	<ul style="list-style-type: none"> Amount of fully recyclable goods produced (tons) Amount of fully compostable goods produced (tons) 	
5 - Innovative technologies to enable circular business models		<ul style="list-style-type: none"> Investments in technologies not accountable with KPIs in other CE criteria (€ mln) 	

ANNEX 2.2 – SOCIAL

Social Eligible categories	Social benefits	Potential output and impact reporting indicators
Access to Essential Services	<ul style="list-style-type: none"> • Increase access to quality, timely and accessible healthcare • Increase access to quality and accessible education and vocational training • Support local communities and promote social inclusion for all 	<ul style="list-style-type: none"> - Number of organizations funded - Number of beneficiaries of the funded initiatives - Number of beneficiaries of welfare and solidarity services - Number of beneficiaries of healthcare services - Number of outpatient and inpatient in healthcare facilities - Number of beneficiaries of education services - Number of beneficiaries of entertainment, recreational and sport activities - Number of beneficiaries of art and culture services
Socioeconomic Advancement and Empowerment	<ul style="list-style-type: none"> • Reduction of inequality and discrimination • Empowerment and promotion of job creating and preservation • Support innovative businesses embedding E, S and G in their business models and contributing to socio-economic advancement 	<ul style="list-style-type: none"> - Number of SMEs financed - Number of loans to target population - Number of microfinance loans - Number of projects funded - Number of people provided with access to financial services, including microfinance - Number of equal paying jobs created for women and other under-represented gender groups - High level information on S- and D Loans to SMEs (number, location, type of business, KPI/target focus) and (if feasible) estimated impact of the loan to the business

Social Eligible categories	Social benefits	Potential output and impact reporting indicators
<p>Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises</p>	<ul style="list-style-type: none"> • Employment generation and retention, reduction of inequality by fostering economic growth in specific areas • Alleviation of unemployment and employment retention in the aftermath of crisis 	<ul style="list-style-type: none"> - Number of SMEs financed - Number of businesses affected by natural/ health emergencies financed - Number of businesses affected by natural/ health emergencies that have avoided default - Number of jobs retained on the financed businesses affected by natural/ health emergencies - Production value retained in the financed businesses affected by natural/ health emergencies - Value added retained in the financed businesses affected by natural/ health emergencies - Number of jobs created in low-income areas, among disadvantaged groups and other target populations - Production value generated in the financed Corporate/SMEs in socio-economically disadvantaged areas - Value added generated in the financed Corporate/SMEs in socio-economically disadvantaged areas
<p>Affordable Housing</p>	<ul style="list-style-type: none"> • Allow for universal access to decent housing 	<ul style="list-style-type: none"> - Square meters of refurbished/new buildings - Number of units constructed or renovated (affordable and social housing) - Number of potential beneficiaries - Savings in terms of housing rents and other subsidized housing conditions

ANNEX 3 – EU Taxonomy alignment assessment

Green Eligible Categories	Level of alignment	Commentary	EU Economic Activities (in accordance with Annex I of the EU Taxonomy Regulation as of December 2021)
1 - Renewable Energy	Aligned, on a best effort basis	<p>Where possible Eligible Green Loans will, on a best effort basis, be aligned with the technical screening criteria for the substantial contribution to climate change mitigation as outlined in the EU Taxonomy (December 2021). The 'Do No Significant Harm' assessment is covered by referring to : a) Intesa Sanpaolo's Policies such as the credit policy and company-wide risk management framework, including identification and measurement of climate risks, b) Compliance with external guidelines, including risk management frameworks for project finance such as the Equator Principles and c) Compliance with Italian and EU Regulatory frameworks on environmental safeguard.</p> <p>Regarding 'Minimum Social Safeguards', Intesa:</p> <ul style="list-style-type: none"> - Operates in Italy, which is an OECD country - Is committed to act in accordance with the UN Guiding Principles on Business and Human Rights - Recognises and refers to the principles outlined in the ILO Conventions via its Code of Ethics 	<ul style="list-style-type: none"> - 4.1. Electricity generation using solar photovoltaic technology - 4.2. Electricity generation using concentrated solar power (CSP) technology - 4.3. Electricity generation from wind power - 4.5. Electricity generation from hydropower
2 - Energy Efficiency	Partially aligned	<p>Where feasible, Eligible Green Loans may, on a best effort basis, be aligned with the technical screening criteria for the substantial contribution to climate change mitigation as outlined in the EU Taxonomy (December 2021). Full alignment with the technical screening criteria cannot be claimed. Instead, selection of these Loans is made in compliance with the ICMA Green Bond Principles. Intesa has not assessed compliance with the 'DNSH' requirements.</p>	<ul style="list-style-type: none"> - 4.9. Transmission and distribution of electricity - 4.10. Storage of electricity - 4.11. Storage of thermal energy - 4.12. Storage of hydrogen - 4.15. District heating/cooling distribution - 4.17. Cogeneration of heat/cool and power from solar energy - 4.18. Cogeneration of heat/cool and power from geothermal energy - 4.19. Cogeneration of heat/cool and power from renewable non-fossil gaseous and liquid fuels - 4.20. Cogeneration of heat/cool and power from bioenergy - Activities not included within the Taxonomy such as projects resulting material improvements in terms of energy efficiency

Green Eligible Categories	Level of alignment	Commentary	EU Economic Activities (in accordance with Annex I of the EU Taxonomy Regulation as of December 2021)
3 - Clean transportation	Aligned, on a best effort basis	<p>Where possible Eligible Green Loans will, on a best effort basis, be aligned with the technical screening criteria for the substantial contribution to climate change mitigation as outlined in the EU Taxonomy (December 2021). The 'Do No Significant Harm' assessment is covered by referring to: a) Intesa Sanpaolo's Policies such as the credit policy and company-wide risk management framework, including identification and measurement of climate risks, and b) Compliance with Italian and EU Regulatory frameworks on emission thresholds for clean vehicles. It is also worth noting that the Framework does not include hybrid vehicles, which would be eligible from a Taxonomy perspective, up until 2025.</p> <p>Regarding 'Minimum Social Safeguards', Intesa:</p> <ul style="list-style-type: none"> - Operates in Italy, which is an OECD country - Is committed to act in accordance with the UN Guiding Principles on Business and Human Rights - Recognises and refers to the principles outlined in the ILO Conventions via its Code of Ethics 	<ul style="list-style-type: none"> - 6.3. Urban and suburban transport, road passenger transport - 6.5. Transport by motorbikes, passenger cars and light commercial vehicles - 6.15. Infrastructure enabling low-carbon road transport and public transport - 6.6. Freight transport services by road
4 - Green Buildings	Mostly aligned, on a best effort basis	<p>Where possible Eligible Green Assets will, on a best effort basis, be aligned with the technical screening criteria for the substantial contribution to climate change mitigation as outlined in the EU Taxonomy (December 2021). In the context of Construction of New Buildings, the Framework does not refer to additional considerations for or buildings greater than 5000m2.</p> <p>The 'Do No Significant Harm' assessment is covered by referring to : a) Intesa Sanpaolo's Policies such as the credit policy and company-wide risk management framework, including identification and measurement of climate risks and b) Compliance with Italian and EU Regulatory frameworks, including building permits.</p> <p>Regarding 'Minimum Social Safeguards', Intesa:</p> <ul style="list-style-type: none"> - Operates in Italy, which is an OECD country - Is committed to act in accordance with the UN Guiding Principles on Business and Human Rights - Recognises and refers to the principles outlined in the ILO Conventions via its Code of Ethics 	<ul style="list-style-type: none"> - 7.1. Construction of new buildings - 7.2. Renovation of existing buildings - 7.7. Acquisition and ownership of buildings
5 - Environmentally sustainable management of living natural resources and land-use, biodiversity	Not Applicable	Not applicable to Sustainable Agriculture and Carbon farming because of lack of technical screening criteria.	<ul style="list-style-type: none"> - 1.1. Afforestation - 1.2. Rehabilitation and restoration of forests, including reforestation and natural forest regeneration after an extreme event - 1.3. Forest management - 1.4. Conservation forestry - 2. Environmental protection and restoration activities - 2.1. Restoration of wetlands
6 – Circular Economy	Not Applicable	'The Transition to a Circular Economy' is one of the EU Taxonomy's six environmental objectives. The Delegated Acts for this Environmental Objective have not yet been implemented in the legislation.	NA