



ISP CB Pubblico S.r.l.

Interim financial statements as at 30 June 2022

**Review report on the interim financial statements
(Translation from the original Italian text)**

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Review report on the interim financial statements (Translation from the original Italian text)

To the Board of Directors of
ISP CB Pubblico S.r.l.

Introduction

We have reviewed the interim financial statements, comprising the statement of financial position, the statement of income, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related explanatory notes of ISP CB Pubblico S.r.l. as at 30 June 2022 and for the six-month period then ended. The Directors of ISP CB Pubblico S.r.l. are responsible for the preparation of the interim financial statements in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements of ISP CB Pubblico S.r.l. as at 30 June 2022 and for the six-month period then ended are not prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

EY S.p.A.
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Capitale Sociale Euro 2.525.000,00 i.v.
Iscritta alla S.O. del Registro delle Imprese presso la CCIAA di Milano Monza Brianza Lodi
Codice fiscale e numero di iscrizione 00434000584 - numero R.E.A. di Milano 606158 - P.IVA 00891231003
Iscritta al Registro Revisori Legali al n. 70945 Pubblicato sulla G.U. Suppl. 13 - IV Serie Speciale del 17/2/1998
Iscritta all'Albo Speciale delle società di revisione
Consob al progressivo n. 2 delibera n.10831 del 16/7/1997

Emphasis of matter

We draw attention to “Part A - Accounting policies” of the explanatory notes to the interim financial statements where the Directors state that the Company has the sole purpose of acquiring loans and securities funded in accordance with Law n. 130 of 30 April 1999, in connection with covered bonds transactions. As described by the Directors, the Company has recorded the acquired receivables, the securities purchased and the other transactions connected with the covered bonds in the explanatory notes consistently with the provisions of Law n. 130 of 30 April 1999 according to which the receivables and securities involved in each covered bond transaction are, to all effects, separated from the net assets of the Company and from those related to other transactions. Our conclusion is not qualified in respect of this matter.

Milan, 26 July 2022

EY S.p.A.
Signed by: Giovanni Pesce, Auditor

This report has been translated into the English language solely for the convenience of international readers

ISP CB Pubblico S.r.l.

(Translation from the Italian original which remains the definitive version)

Half-Yearly Report
as at 30 June 2022

INTESA  **SANPAOLO**

ISP CB Pubblico S.r.l.

ISP CB Pubblico S.r.l.

Registered Office: Via Monte di Pietà 8, 20121 Milan. Company incorporated pursuant to Law no. 130 of 30 April 1999. Quota capital €120,000. Tax code and Registration number in the Milan Monza Brianza Lodi Company Register 05936150969. Member of the Intesa Sanpaolo VAT Group no. 11991500015 (IT11991500015). ABI Code 16831 and Electronic Code 335075. Company subject to management and coordination by Intesa Sanpaolo S.p.A., and member of the Intesa Sanpaolo Banking Group, included in the register of banking groups.

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Company bodies

Board of Directors

Chair	Paola Fandella
Director	Roberta Carla Antonia Crespi
Director	Vanessa Gemmo

Board of Statutory Auditors

Chair	Nicola Bruni
Standing Statutory Auditor	Elena Fornara
Standing Statutory Auditor	Giuseppe Dalla Costa

Independent Auditors

EY S.p.A.

Half-yearly report on operations

General information

ISP CB Pubblico S.r.l. was incorporated on 14 November 2007 and its sole business object is the acquisition for consideration from banks of loans and securities within one or more covered bond issues in accordance with article 7-bis of Law no. 130 of 30 April 1999 and related implementing measures.

On 20 May 2009, the vehicle signed a “master sale agreement” (most recently revised on 19 April 2013) covering the sale of an initial portfolio of loans and securities and subsequent portfolios as part of a single Covered Bond Programme for which ISP CB Pubblico S.r.l. is the guarantor.

Its registered office is in Via Monte di Pietà 8, Milan and it does not have any branches and/or subsidiaries.

The vehicle does not have any employees and outsources all the functions necessary for the management of its operations, including the internal control systems, to specifically appointed third parties. Specifically, the vehicle has assigned the management of the portfolio of loans and securities acquired to the Servicer Intesa Sanpaolo S.p.A. in accordance with the provisions of Law 130/1999. Likewise, it has assigned the management of administrative, accounting, tax and corporate obligations to Intesa Sanpaolo S.p.A. (Administrative Services Provider).

Significant Events and Performance

On 31 March 2022, the Quotaholders' Meeting acknowledged that the term of office of the entire Board of Directors had ended due to the expiry of its mandate. As a consequence, the following were appointed as Directors for the years 2022, 2023 and 2024, and therefore up to the Quotaholders' Meeting to be called for the approval of the financial statements at 31 December 2024:

- Paola Fandella, also appointed as Chair of the Board of Directors;
- Vanessa Gemmo;
- Roberta Carla Antonia Crespi.

With regard to the macroeconomic scenario, after two years of the COVID-19 pandemic, the first half of 2022 was particularly uncertain due to the effects of a new external shock due to the direct and indirect economic and financial implications of the international geopolitical crisis caused by the conflict between Russia and Ukraine and its repercussions on Russia-EU relations, specifically in the energy area. Global economic activity showed signs of slowdown, while inflation rose almost everywhere, continuing to reflect the hikes in energy prices. The Governing Council of the European Central Bank assessed that the conflict will have significant repercussions on economic activity and inflation in the Eurozone and, in order to mitigate the effects of inflation and guarantee financial stability, announced that it will raise interest rates for the first time in ten years and will end its main government securities purchase programme, which has been in force for over eight years, on 1 July 2022.

The Programme ran according to plan in the first half of 2022, and on the Payment Date of 31 March 2022, cash flows for the collection of the loans from 1 August 2021 to 31 January 2022 were received.

The tenth series of Covered Bonds, with an original amount of €1,700 million, linked to the 6-month Euribor +0.25%, issued on 23 October 2015 and maturing on 6 October 2022 was partially redeemed in the amount of €100 million on 27 January 2022, and the remaining €150 million was redeemed in advance on 28 June 2022.

The twelfth series of Covered Bonds, with an original amount of €1,275 million, linked to the 6-month Euribor +0.23%, issued on 22 April 2016 and maturing on 6 October 2023 was partially redeemed in the amount of €225 million on 28 June 2022.

The maximum total amount of the Programme authorised by the Board of Directors on 24 May 2011 is €20 billion.

The table below summarises the main features of the covered bonds issued by Intesa Sanpaolo S.p.A. since the start of the Programme that had not yet matured and/or been cancelled and redeemed as at 30 June 2022.

Issues (Programme maximum amount: €20 billion)						
Series	Date of issue	Legal maturity date	Issue Amount	Rate	Listing exchange	Type
12	22/04/2016	06/10/2023	1,050,000,000	6-month Euribor +0,23%	LUX	retained
13	17/05/2017	06/10/2024	1,050,000,000	6-month Euribor +0,20%	LUX	retained
14	18/02/2021	06/10/2026	1,000,000,000	6-month Euribor 0,04%	LUX	retained
			3,100,000,000			

The subordinated loan was repaid during the half year, in the amount of €280 million, on the Guarantor Payment Date of 31 March 2022, using the cash and cash equivalents posted during the period, deriving from the collection of the principal from the assets of the underlying portfolio.

See paragraph H of Part D – Other information in the Explanatory notes, for more information on the vehicle's operations.

There were no other significant events in the period.

Transactions with Group Companies

As required by article 2497 and following of the Italian Civil Code, it is noted that the vehicle has current accounts with Intesa Sanpaolo S.p.A., which currently bear agreed interest rates.

In accordance with the contractual documentation signed for the completion of the Transaction and valid until its termination, during the period the vehicle has recognised the following amounts, in its segregated assets, as fees for the services provided by Intesa Sanpaolo S.p.A. through the Administration & Tax Department, the Corporate Bodies and Corporate Affairs Department, and the Banca dei Territori Division:

- €695,400 for servicing fees
- €6,000 for receivable account bank fees
- €25,000 for administrative services fees
- €5,000 for cash management fees
- €6,000 for account bank fees
- €250 for fees for the performance of services required by the EMIR.

The contractual documentation includes, inter alia, the Servicing Agreement, the Cash Allocation Management and Payment Agreement, the Administrative Services Agreement, and the Mandate Agreement (and any amendments and/or additions thereto subsequent to the finalisation of the Transaction).

The Explanatory notes provide more information about the vehicle's cash transactions and commitments with the other group companies.

Related-party transactions

With regard to the disclosure of related-party transactions, significant and non-recurring events and transactions, and positions or transactions deriving from atypical and/or unusual transactions, the following is noted:

Related-party transactions

See Part D - Other information, Section 6 - Related-party transactions, of the Explanatory notes for details of the related-party transactions.

Significant and non-recurring transactions

No significant and non-recurring transactions were carried out in the first half of 2022.

Atypical and/or unusual transactions

No atypical and/or unusual transactions were carried out in the first half of 2022.

Treasury quotas and/or shares in the parent company

The vehicle does not hold, nor has it ever held in its portfolio, treasury quotas and/or shares of the parent company.

Research and development

The vehicle does not carry out research and development.

Composition of the Quota Capital

The Quota Capital, subscribed and paid in for a total of €120,000, is divided into quotas and is held as follows:

- Intesa Sanpaolo S.p.A. holds a nominal amount of €72,000, equal to 60% of the Quota Capital;
- Stichting Viridis 2, with registered office in Amsterdam (the Netherlands), holds a nominal amount of €48,000, equal to 40% of the Quota Capital.

Management and coordination activities

In accordance with the provisions of article 2497 bis of the Italian Civil Code, we specify that the vehicle is subject to management and coordination by the parent company Intesa Sanpaolo S.p.A..

Subsequent events

No events after the reporting date are noted.

Outlook

The vehicle's future operations will be aimed at the orderly continuation of the covered bond issue Programme.

Going concern

In preparing the interim financial statements as at 30 June 2022, the Board of Directors made an assessment of the existence of the conditions relating to the vehicle's ability to operate as a going concern over a period of at least twelve months from the reporting date. In making this assessment, all available information was taken into account, as well as the specific activity conducted by the vehicle, whose exclusive purpose, in accordance with Law No. 130 of 30 April 1999, is to carry out one or more transactions involving the issuance of covered bonds.

Therefore, the Board of Directors, even in the current situation marked by the evolution of the pandemic and the military conflict between Russia and Ukraine, and their repercussions on the economy, has a reasonable expectation that the vehicle's operations will continue in a stable manner, also considering that its viability is guaranteed by the chargeback of costs to the segregated assets.

Accordingly, the interim financial statements as at 30 June 2022 have been prepared on a going concern basis as there are no events or conditions that could cast doubt on the vehicle's ability to continue as a going concern.

Also as regards segregated assets, which do not include any exposures to counterparties resident in the countries involved in the conflict, currently no elements have arisen that could significantly impact the management of the Programme, which will be carefully monitored over the rest of the year.

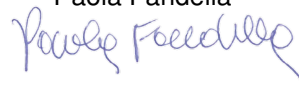
Net income/(loss) for the period

The vehicle ended the first half of 2022 at break-even because the operating costs were charged back to segregated assets in accordance with the contractual agreements.

Milan, 26 July 2022

on behalf of the BOARD OF DIRECTORS
Chair

Paola Fandella



Interim Financial Statements as at 30 June 2022

Financial statements

Statement of financial position

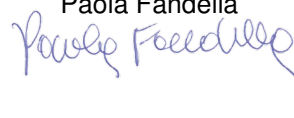
(amounts in Euros)

	Assets	30/06/2022	31/12/2021
10.	Cash and cash equivalents	235,126	218,208
100.	Tax assets:	1,619	1,450
	a) current	1,619	1,450
120.	Other assets	5,195	3,867
	TOTAL ASSETS	241,940	223,525

on behalf of the BOARD OF DIRECTORS

Chair

Paola Fandella



Statement of financial position

(amounts in Euros)

	Liabilities and equity	30/06/2022	31/12/2021
80.	Other liabilities	73,010	54,595
110.	Quota capital	120,000	120,000
150.	Reserves	48,930	48,930
170.	Net income (loss) (+/-)	-	-
	TOTAL LIABILITIES AND EQUITY	241,940	223,525

on behalf of the BOARD OF DIRECTORS

Chair

Paola Fandella



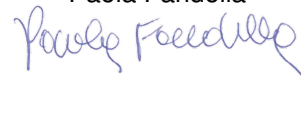
Statement of income

(amounts in Euros)

Statement of Income items	1ST HALF 2022	1ST HALF 2021
160. Administrative expenses:	-51,326	-50,914
a) personnel expenses	-19,924	-20,870
b) other administrative expenses	-31,402	-30,044
200. Other operating expenses/income	51,758	51,322
210. OPERATING EXPENSES	432	408
260. INCOME (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	432	408
270. Taxes on income from continuing operations	-432	-408
280. INCOME (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	-	-
300. NET INCOME (LOSS)	-	-

on behalf of the BOARD OF DIRECTORS
Chair

Paola Fandella

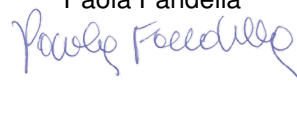


Statement of comprehensive income

	(amounts in Euros)	
	1ST HALF 2022	1ST HALF 2021
10. Net income (loss) (+/-)	-	-
Other comprehensive income, net of tax, that will not be reclassified to the statement of income		
20. Equity instruments at FVOCI	-	-
30. Financial liabilities at FVTPL (change in credit rating)	-	-
40. Hedges of equity instruments at FVOCI	-	-
50. Property and equipment	-	-
60. Intangible assets	-	-
70. Defined benefit plans	-	-
80. Non-current assets held for sale and discontinued operations	-	-
90. Share of valuation reserves connected with investments carried at equity	-	-
Other comprehensive income, net of tax, that will be reclassified to the statement of income		
100. Hedges of foreign investments	-	-
110. Foreign exchange differences	-	-
120. Cash flow hedges	-	-
130. Hedging instruments (elements not designated)	-	-
140. Financial assets (other than equity instruments) at FVOCI	-	-
150. Non-current assets held for sale and discontinued operations	-	-
160. Share of valuation reserves connected with investments carried at equity	-	-
170. Total other comprehensive income	-	-
180. Comprehensive income (captions 10+170)	-	-

on behalf of the BOARD OF DIRECTORS
Chair

Paola Fandella



Statement of changes in equity

30 June 2022

(amounts in Euros)

	Quota capital		Quota premium	Reserves		Valuation reserves	Equity instruments	Treasury quotas	Net income (loss)	Equity
	ordinary quotas	savings quotas		income-related	other					
AMOUNTS AT 01.01.2022	120,000	-	-	48,930	-	-	-	-	-	168,930
ALLOCATION OF NET INCOME OF THE PREVIOUS YEAR										
Reserves	-	-	-	-	-	-	-	-	-	-
Dividends and other distributions	-	-	-	-	-	-	-	-	-	-
CHANGES IN THE PERIOD										
Changes in reserves	-	-	-	-	-	-	-	-	-	-
Equity transactions										
Issue of new quotas	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-	-	-
Comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
EQUITY AT 30.06.2022	120,000	-	-	48,930	-	-	-	-	-	168,930

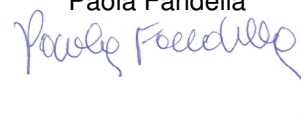
30 June 2021

(amounts in Euros)

	Quota capital		Quota premium	Reserves		Valuation reserves	Equity instruments	Treasury quotas	Net income (loss)	Equity
	ordinary quotas	savings quotas		income-related	other					
AMOUNTS AT 01.01.2021	120,000	-	-	48,930	-	-	-	-	-	168,930
ALLOCATION OF NET INCOME OF THE PREVIOUS YEAR										
Reserves	-	-	-	-	-	-	-	-	-	-
Dividends and other distributions	-	-	-	-	-	-	-	-	-	-
CHANGES IN THE PERIOD										
Changes in reserves	-	-	-	-	-	-	-	-	-	-
Equity transactions										
Issue of new quotas	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-	-	-
Comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
EQUITY AT 30.06.2021	120,000	-	-	48,930	-	-	-	-	-	168,930

on behalf of the BOARD OF DIRECTORS
Chair

Paola Fandella

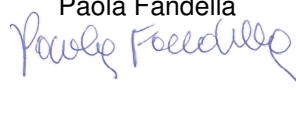


Statement of cash flows

	(amounts in Euros)	
	1ST HALF 2022	1ST HALF 2021
A. OPERATING ACTIVITIES		
1. Operations	16,918	43,556
- interest income collected (+)	-	-
- interest expense paid (-)	-	-
- dividends and similar income (+)	-	-
- net fee and commission income (expense) (+)	-	-
- personnel expenses (-)	-10,439	-10,421
- other expenses (-)	-46,672	-49,382
- other revenue (+)	74,630	103,621
- taxes and duties (-)	-601	-262
- expenses/revenue related to discontinued operations net of the tax effect (+/-)	-	-
2. Cash flows generated by/used for financial assets	-	-
- financial assets held for trading	-	-
- financial assets at fair value	-	-
- financial assets mandatorily measured at fair value	-	-
- financial assets at FVOCI	-	-
- financial assets at amortised cost	-	-
- other assets	-	-
3. Cash flows generated by/used for financial liabilities	-	-
- financial liabilities at amortised cost	-	-
- financial liabilities held for trading	-	-
- financial liabilities at fair value	-	-
- other liabilities	-	-
Net cash flows generated by/used in operating activities	16,918	43,556
B. INVESTING ACTIVITIES		
1. Cash flows generated by:	-	-
- sales of equity investments	-	-
- dividends from equity investments	-	-
- sales of property and equipment	-	-
- sales of intangible assets	-	-
- sales of business units	-	-
2. Cash flows used to acquire:	-	-
- equity investments	-	-
- property and equipment	-	-
- intangible assets	-	-
- business units	-	-
Net cash flows generated by/used in investing activities	-	-
C. FINANCING ACTIVITIES		
- issue/repurchase of treasury quotas	-	-
- issue/purchase of equity instruments	-	-
- dividends and other distributions	-	-
Net cash flows generated by/used in financing activities	-	-
NET CASH FLOWS FOR THE PERIOD	16,918	43,556
RECONCILIATION		
Opening cash and cash equivalents	218,208	177,219
Net cash flows for the period	16,918	43,556
Closing cash and cash equivalents	235,126	220,775

on behalf of the BOARD OF DIRECTORS
Chair

Paola Fandella



Explanatory notes

PART A - ACCOUNTING POLICIES

A.1 - GENERAL PART

SECTION 1 – Statement of compliance with the IAS/IFRS

The vehicle (or Company) has prepared its interim financial statements as at 30 June 2022 in accordance with the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC), endorsed by the European Commission and in force at the reporting date.

Specifically, the interim financial statements have been prepared in accordance with IAS 34 (Interim financial reporting).

SECTION 2 – Basis of preparation

The Company has the sole purpose of acquiring loans and securities funded in accordance with Law n. 130 of 30 April 1999, in connection with covered bonds transactions. The Company has recorded the acquired receivables, the securities purchased and the other transactions connected with the covered bonds in the explanatory notes consistently with the provisions of Law n. 130 of 30 April 1999 according to which the receivables and securities involved in each covered bond transaction are, to all effects, separated from the net assets of the Company and from those related to other transactions.

For purpose of full disclosure, we note that the IAS/IFRS accounting treatment to be applied to financial assets and/or groups of financial assets and financial liabilities arising from “covered bank bond issues” is still subject to further examination by the bodies responsible for interpreting the accounting standards.

The interim financial statements, drawn up in condensed format, as permitted by IAS 34, comprise a statement of financial position, a statement of income, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows, and these explanatory notes. They are accompanied by a half-yearly report on operations.

As required by the current regulations, the vehicle has prepared the interim financial statements using the Euro as its functional currency.

The amounts in the financial statements, these explanatory notes and the half-yearly report on operations are presented in Euros.

The interim financial statements are prepared with the application of the general principles set out by IAS 1 and the specific financial reporting standards endorsed by the European Commission, as well as in compliance with the general assumptions set forth by the Conceptual Framework for the preparation and presentation of Financial Statements issued by the IASB.

No departures from the IAS/IFRS have been made.

Pursuant to the provisions of Legislative Decree no. 38 of 28 February 2005, the vehicle has opted to prepare its interim financial statements in accordance with the IAS/IFRS, as it is included in the consolidation scope of Intesa Sanpaolo S.p.A.

To give priority to substance over form, and in view of the fact that IAS 1 does not establish rigid formats, the financial statement layouts that apply to financial intermediaries have been used in these interim financial statements, in accordance with the guidance provided in the update of the document “The financial statements of IFRS intermediaries other than banking intermediaries” issued by the Bank of Italy on 29 October 2021.

The interim financial statements are prepared with the intention of presenting a true and fair view of the assets and liabilities, financial position, results of operations for the period and cash flows, according to the following basis of presentation:

- Going concern (IAS 1 paragraphs 25 and 26): in preparing the interim financial statements as at 30 June 2022, the Board of Directors made an assessment of the existence of the conditions relating to the vehicle’s ability to operate as a going concern over a period of at least twelve months from the reporting date. In making this assessment, all available information was taken into account, as well as the specific activity conducted by the vehicle, whose exclusive purpose, in accordance with Law No. 130 of 30 April 1999, is to carry out one or more transactions involving the issuance of covered bonds. Therefore, the Board of Directors, even in the current situation marked by the evolution of the pandemic and the military conflict between Russia and Ukraine, and their repercussions on the economy, has a

reasonable expectation that the vehicle's operations will continue in a stable manner, also considering that its viability is guaranteed by the chargeback of costs to the segregated assets.

Accordingly, the interim financial statements as at 30 June 2022 have been prepared on a going concern basis as there are no events or conditions that could cast doubt on the vehicle's ability to continue as a going concern.

Also as regards segregated assets, which do not include any exposures to counterparties resident in the countries involved in the conflict, currently no elements have arisen that could significantly impact the management of the Programme, which will be carefully monitored over the rest of the year;

- Accrual basis of accounting (IAS 1 paragraphs 27 and 28): except for the cash flow reporting, the interim financial statements are prepared on the basis of accrual of costs and revenues, irrespective of the time of their monetary settlement and according to the matching principle;
- Consistency of presentation (IAS 1 paragraph 29): the criteria for the presentation and classification of captions in the interim financial statements are retained from one period to the next in order to ensure the comparability of information, unless otherwise required by an international accounting standard or an interpretation, or the need arises, in terms of significance, for a more appropriate presentation of the information. Where feasible, the change is adopted retrospectively and the nature, reason and amount of the items affected by the change is disclosed;
- Aggregation and materiality (IAS 1 paragraph 29): all significant aggregations of items with a similar nature or function are presented separately. Items of a dissimilar nature or function, if material, are presented separately;
- Offsetting (IAS 1 paragraph 32): assets and liabilities and costs and revenues cannot be offset against each other, unless specifically required or permitted by the international accounting standards or by an interpretation of those standards or by the instructions issued by the Bank of Italy;
- Comparative information: except when otherwise permitted or required by an international accounting standard or interpretation, comparative information is presented in respect of the preceding period for all the amounts recorded in these interim financial statements.

The accounting policies applied to prepare these interim financial statements as at 30 June 2022 did not change from those used for the annual financial statements as at 31 December 2021.

The interim financial statements and the Explanatory notes include the corresponding figures as at 31 December 2021 (statement of financial position) and for the six months ended 30 June 2021 (statement of income and statement of comprehensive income).

SECTION 3 – Subsequent events

No events after the reporting date are noted.

SECTION 4 – Other aspects

The ISP CB Pubblico S.r.l.'s interim financial statements is subject to limited review by EY S.p.A..

In accordance with the provisions of article 2497 bis of the Italian Civil Code, we specify that the vehicle is subject to management and coordination by the parent company Intesa Sanpaolo S.p.A.

No atypical and/or unusual transactions or significant, non-recurring transactions were carried out in the first half of 2022.

As duly approved by the Board of Directors on 25 September 2018, the vehicle subscribed to the Intesa Sanpaolo VAT Group on 24 October 2018, by selecting the declaration option provided in the specific website set up by the Italian Revenue Agency. As a result, with effect from 1 January 2019, the vehicle suspended its VAT number and adopted the VAT number 11991500015 of the Intesa Sanpaolo VAT Group, accepting the "Group VAT Rules".

Risks, uncertainties and impacts of the COVID-19 epidemic

With regard to the vehicle's operation, the continuing adverse effects of the economic and financial crisis resulting from the COVID-19 pandemic and the continued macroeconomic uncertainty has not had any impact on the management of the vehicle, also considering that its viability is guaranteed by the chargeback of costs to the segregated assets.

Also with regard to the segregated assets, there are currently no elements to report that could significantly impact the management of the Programme.

A.2 - DISCLOSURE ON MAIN CAPTIONS

This section sets out the accounting policies adopted in preparing the interim financial statements as at 30 June 2022, solely for the statement of financial position and statement of income captions presented in the financial statements. The recognition, classification, measurement and income recognition and derecognition criteria are given for each asset and liability caption. These criteria have not changed from the previous year.

Cash and cash equivalents

This caption includes on-demand receivables from banks represented by current accounts held with the Parent Company Intesa Sanpaolo S.p.A.

Other assets

This caption comprises assets not attributable to other asset captions of the statement of financial position. Those captions are stated at nominal value, which corresponds to their estimated realisable value.

Other liabilities

This caption comprises all liabilities not attributable to other liability captions in the statement of financial position, and mainly includes operational liabilities and other short-term liabilities. Specifically, the caption includes the vehicle's payables to the segregated assets to cover future vehicle operating expenses. Other liabilities are recognised at fair value, increased by any transaction costs/income. They are subsequently measured at amortised cost using the effective interest method. Current liabilities and other liabilities are an exception when the time value of money is negligible. They are maintained at their original amount and any related costs are taken to profit or loss on a straight-line basis over the contractual term of the liability. Financial and other liabilities are derecognised when they are settled.

Tax assets and liabilities

Current and deferred taxes are recognised using ruling rates.

Income taxes are recognised in profit or loss.

They are calculated using a prudent estimate of the current tax expense, deferred tax assets and liabilities. Specifically, deferred tax assets and liabilities are determined on temporary differences (without time limits) between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax assets are only recognised when their recovery is certain, depending on the vehicle's ability to continuously generate taxable profit.

Deferred tax liabilities are recognised.

Deferred tax assets and liabilities are recognised in the statement of financial position without offsetting as Tax assets and Tax liabilities, respectively.

There were no deferred tax assets or liabilities at the reporting date.

Recognition of costs and revenue

Costs are recognised in the statement of income when there is a decrease in future economic benefits resulting in a decrease in assets or an increase in liabilities for which the amount can be reliably measured. Costs are recognised in the statement of income based on cost and revenue matching. Revenues are recognised in the statement of income when an increase in future economic benefits occurs resulting in an increase in assets or a decrease in liabilities that can be reliably measured.

Costs and revenue are recognised on an accrual basis.

In view of the exclusive nature of the operations carried out by the vehicle, the operating costs are charged to the Covered Bond Programme, up to the amount necessary to ensure the vehicle's financial stability, as also provided for by the Intercreditor Agreement and reported in the Prospectus for each securitisation carried out. This amount is classified under "Other operating expenses/income" and is the main revenue caption in the vehicle's financial statements.

Other information

The vehicle does not hold and has never held treasury quotas.

The vehicle does not hold and has never held quotas or shares of its parents.

A.3 – DISCLOSURE ON TRANSFERS BETWEEN FINANCIAL ASSET PORTFOLIOS

In accordance with the disclosure required by IFRS 7, we note that no financial assets were reclassified between the various portfolios.

A.4 - DISCLOSURE ON FAIR VALUE

Following the reclassification of on-demand receivables from banks from caption 40 “Financial assets measured at amortised cost” to caption 10 “Cash and cash equivalents”, as required by the update of the accounting rules for the IFRS financial statements of intermediaries other than banking intermediaries, table A.4.5.4 “Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by fair value level” is no longer presented.

A.5 – INFORMATION ON DAY ONE PROFIT/LOSS

There is no information to be provided on the day one profit/loss, because the vehicle did not use any financial instruments during the first half of 2022 in its ordinary operations.

The information relating to Part B, Part C and Part D of the Explanatory notes is provided below. It does not include information regarding circumstances that do not concern the interim financial statements or tables relating to accounting captions that are not present.

PART B – EXPLANATORY NOTES TO THE STATEMENT OF FINANCIAL POSITION

ASSETS

Section 1 - Cash and cash equivalents - Caption 10

	30/06/2022	31/12/2021
Current accounts and on-demand deposits with banks	235,126	218,208
Total	235,126	218,208

On-demand receivables from banks are represented by current accounts held with the Parent Company Intesa Sanpaolo S.p.A..

Section 10 - Tax assets and liabilities - Asset caption 100 and liability caption 60

10.1 Breakdown of Caption 100 “Tax assets: current and deferred”

Current tax assets: breakdown	30/06/2022	31/12/2021
IRES payments on account and assets	1,312	1,431
IRAP payments on account and assets	307	19
Total	1,619	1,450

Section 12 - Other assets - Caption 120

12.1 Breakdown of Caption 120 “Other assets”

	30/06/2022	31/12/2021
Tax credits for withholdings to be offset	1,135	3,867
Prepayments	4,060	-
Total	5,195	3,867

LIABILITIES

Section 8 - Other liabilities - Caption 80

8.1 Breakdown of Caption 80 “Other liabilities”

	30/06/2022	31/12/2021
Payable for Directors’ fees	11,505	-
Due to statutory auditors for fees	8,319	12,180
Due to suppliers and beneficiaries	27,260	38,571
IRPEF tax payable for self-employed workers	-	780
Amounts due to segregated assets	25,862	2,990
Due to INAIL (national insurance institute for accidents at w	64	74
Total	73,010	54,595

“Amounts due to segregated assets” increased on 31 December 2021 due to the trends during the period.

Section 11 - Equity - Captions 110 and 150

11.1 Breakdown of Caption 110 “Quota capital”

	30/06/2022	31/12/2021
1. Quota capital		
1.1 Ordinary quotas	-	-
1.2 Quotas	120,000	120,000
Total	120,000	120,000

The Quota Capital, subscribed and paid in for a total of €120,000, is divided into quotas and is held as follows:

- Intesa Sanpaolo S.p.A. holds a nominal amount of €72,000, equal to 60% of the Quota Capital;
- Stichting Viridis 2, with registered office in Amsterdam (the Netherlands), holds a nominal amount of €48,000, equal to 40% of the Quota Capital.

11.5 Other information - Breakdown of and changes in caption 150 “Reserves”

	Legal reserve	Losses carried forward	Other extraordinary reserve	Total
A. Opening balance 01.01.2022	2,448	-	46,482	48,930
B. Increases				
B.1 Allocation of profits	-	-	-	-
B.2 Other increases	-	-	-	-
C. Decreases				
C.1 Utilisation	-	-	-	-
- to cover losses	-	-	-	-
- for dividend distribution	-	-	-	-
- for conversion into capital	-	-	-	-
C.2 Other decreases	-	-	-	-
D. Closing balance	2,448	-	46,482	48,930

Other information**1. Commitments and financial guarantees given**

There are no commitments and financial guarantees given.

2. Other commitments and other guarantees given

There are no other commitments and guarantees given.

Part C – EXPLANATORY NOTES TO THE STATEMENT OF INCOME

Section 10 - Administrative expenses - Caption 160

10.1 Breakdown of Caption 160.a “Personnel expenses”

	1ST HALF 2022	1ST HALF 2021
1. Employees	-	-
a) wages and salaries	-	-
b) social security charges	-	-
c) termination indemnities	-	-
d) social security expenses	-	-
e) accrual for post-employment benefits	-	-
f) provision for post-employment benefits:		
- defined contribution plans	-	-
- defined benefit plans	-	-
g) payments to external supplementary pension funds:		
- defined contribution plans	-	-
- defined benefit plans	-	-
h) other benefits	-	-
2. Other personnel	-	-
3. Directors and statutory auditors	19,924	20,870
4. Retired personnel	-	-
5. Cost recoveries for personnel seconded to other companies	-	-
6. Cost reimbursements for personnel seconded to the vehicle	-	-
Total	19,924	20,870

10.2 Average number of employees by category

The vehicle does not have any employees.

10.3 Breakdown of Caption 160.b “Other administrative expenses”

	1ST HALF 2022	1ST HALF 2021
Consultancy	4,047	3,438
Audit fees	25,394	25,179
Notary fees	1,539	1,118
Other taxes and duties	310	215
Sundry fees	112	94
Total	31,402	30,044

Section 14 - Other operating expenses/income - Caption 200**14.2 Breakdown of Caption 200 “Other operating expenses/income”**

	1ST HALF 2022	1ST HALF 2021
Contractually provided-for income	51,758	51,322
Total	51,758	51,322

The income reported above relates entirely to the chargeback to the segregated assets of all the operating expenses incurred, which are charged to the segregated assets, up to the amount necessary to ensure the vehicle’s financial stability, as also provided for by the Intercreditor Agreement and reported in the Prospectus of the securitisation carried out.

Section 19 - Taxes on income from continuing operations - Caption 270**19.1 Breakdown of Caption 270 “Taxes on income from continuing operations”**

	1ST HALF 2022	1ST HALF 2021
1. Current taxes (-)	432	408
2. Change in current taxes from previous years (+/-)	-	-
3. Decrease in current taxes for the period (+)	-	-
3. bis Decrease in current taxes for the period due to tax assets as per Law no. 214/2011 (+)	-	-
4. Change in deferred tax assets (+/-)	-	-
5. Change in deferred tax liabilities (+/-)	-	-
6. Tax expense for the period (-) (-1 +/-2+3+ 3 bis +/-4 +/-5)	432	408

Current taxes for the period consist of €119 for IRES (income tax) and €313 for IRAP (business tax).

19.2 Reconciliation of theoretical tax charge to total income tax expense for the period

	(amounts in Euros)	
	1ST HALF 2022	1ST HALF 2021
Income before tax from continuing operations	432	408
Theoretical taxable profit	432	408
	Tax	Tax
Income taxes - theoretical IRES tax expense	104	98
Increases	16	-
Non-deductible expenses (contingent liabilities, directors' fees, contractors IRAP, etc.)	16	-
Decreases	-	-
Other (taxable base reduction as per Article 11 of Legislative Decree 446/1997, ACE subsidy, etc.)	-	-
Total changes	16	-
Total	119	98
IRAP	313	310
Effective tax expense (IRES + IRAP)	432	408

Part D - OTHER DISCLOSURES

Section 1 - Operations

D. GUARANTEES AND COMMITMENTS

At the reporting date of the interim financial statements as at 30 June 2022, the vehicle has not given guarantees to third parties nor does it have commitments other than those specifically provided for and regulated by the contracts for the covered bond transactions and the segregated assets.

Transactions	30/06/2022	31/12/2021
1. First demand financial guarantees issued		
a) Banks	-	-
b) Financial institutions	-	-
c) Customers	-	-
2. Other financial guarantees issued		
a) Banks	-	-
b) Financial institutions	-	-
c) Customers	-	-
3. Commercial guarantees issued		
a) Banks	-	-
b) Financial institutions	-	-
c) Customers	-	-
4. Irrevocable loan commitments		
a) Banks		
i) certain use	-	-
ii) uncertain use	-	-
b) Financial institutions		
i) certain use	-	-
ii) uncertain use	-	-
c) Customers		
i) certain use	-	-
ii) uncertain use	-	-
5. Commitments underlying credit derivatives: protection sales	-	-
6. Assets pledged as collateral for third-party commitments	-	-
7. Other irrevocable commitments	-	-
a) to issue guarantees	-	-
b) other	4,344,382,338	4,665,146,226
Total	4,344,382,338	4,665,146,226

The table shows all the securitised assets related to the segregated assets which all guarantee the Covered Bond Programme of Intesa Sanpaolo S.p.A.

H. COVERED BONDS

Basis of preparation and accounting policies used to prepare the Summary of the securitised assets

The principles followed in the preparation of the Prospectus are those set out in the Bank of Italy's provisions relating to vehicles for assets underlying covered bank bonds in its Order "The financial statements of IFRS intermediaries other than banking intermediaries" of 29 October 2021.

The entries relating to the securitised loans and instruments match the figures in the accounting records and IT system of the servicer Intesa Sanpaolo S.p.A..

The accounting policies for the most significant captions are set out below.

Securitised assets - Loans and receivables

Loans and receivables have been recognised at their residual value at the securitisation date, net of collections received up to the reporting date and any adjustments calculated to determine the estimated realisable value, according to the valuation method used by the servicer Intesa Sanpaolo S.p.A..

Securitised assets - Securities

The securities are stated at their nominal value, which corresponds to the redemption amount, net of collections received up to the reporting date and any adjustments calculated to determine the estimated realisable value, according to the valuation method used by the servicer Intesa Sanpaolo S.p.A..

Utilisation of cash deriving from the management of securitised assets – Liquidity

Liquidity is represented by the loans from banks posted at nominal value, which equals the estimated realisable value, including any accruals of interest.

Loans received

The loans received are recognised at their nominal value including interest accrued as at the reporting date.

Other assets - Other liabilities - Prepayments and accrued income, deferred income and accrued expenses

Other assets are stated at nominal value corresponding to their estimated realisable value. Other liabilities are stated at nominal value. Prepayments and accrued income, and deferred income and accrued expenses are recognised on an accrual basis in line with the revenue and expense for the period.

Derivatives

To protect the vehicle, derivatives are used to hedge fixed and floating-rate assets. As they are similar to the related hedged assets and liabilities, the swaps are measured at cost and, accordingly, only the accrued interest income/expense is recognised.

Interest, fees and commissions, income and expense

Costs and revenue related to the securitised assets and loans received, interest, fees and commissions, income, other expense and revenue are all recognised on an accrual basis. All vehicle operating expenses are charged to the Covered Bond Programme.

Tax treatment of the segregated assets

Circular 8/E of 6 February 2003 issued by the Italian Revenue Agency defined the tax treatment of the segregated assets of securitisation vehicles (“vehicles”) and reiterated that the earnings deriving from the management of the securitised assets, during the implementation of the transactions concerned, are not available to the vehicle. In fact, it considers that the allocation of “segregated” assets excludes the vehicle from having a relevant income for tax purposes. It is only at the end of each securitisation that any residual earnings from the management of the securitised portfolio – which remain after all creditors of the segregated assets have been satisfied and of which the vehicle is the beneficiary – will be subject to taxation, because they will become legally available to the vehicle and will therefore contribute to generating its taxable income. Lastly, in accordance with Resolution no. 77/E of 4 August 2010 of the Italian Revenue Agency, where the segregated assets include receivables for withholding tax applied on interest income accrued on current accounts, that withholding tax may be deducted by the vehicle in the year in which the securitisation is completed.

Additional Interest Amount

The representation of the performance of the securitisation requires the recognition, in the event of a positive result, of an Additional Interest Amount to be paid to the Issuer of the Subordinated Loan/Originator (as an offsetting entry to a debt). In the event of a negative result, an adjustment is first made to the Additional Interest Amount, as an offsetting entry to a reduction of the debt, up to the amount of the debt, followed by the recognition of a receivable from the Issuer of the subordinated loan/Originator, up to the amount of the subordinated loan received, and, residually, the recognition of the negative result with “open” balances, showing any general negative performance of the securitisation at the bottom of the “Summary of the securitised assets”.

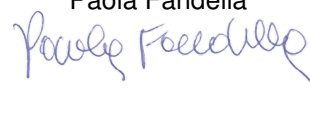
Summary of the securitised assets

(amounts in Euros)

	30/06/2022	31/12/2021
A. Securitised assets	3,315,405,331	3,493,423,038
A1) Loans and receivables	2,026,087,214	2,083,831,719
A2) Securities	1,272,769,422	1,392,769,510
A3) Other	16,548,695	16,821,809
- Accrued interest income on loans	11,384,502	11,440,007
- Accrued interest income on securities	3,677,016	5,190,024
- Other securities	1,487,177	191,778
B. Utilisation of cash deriving from the management of loans and receivables	1,028,977,007	1,171,723,188
B3) Other	1,028,977,007	1,171,723,188
- Cash and cash equivalents	668,182,475	817,116,796
- Other receivables	360,794,532	354,606,392
D. Loans received	4,287,049,646	4,567,470,779
E. Other liabilities	57,332,692	97,675,447
- Liabilities for services	103,752	104,883
- Amounts due to originators	583,455	619,424
- Due to securitisation vehicles	-	-
- Additional Interest Amount Provision	32,220,019	47,837,107
- Other accrued interest expense - accrued interest expense	24,425,466	49,114,033
	1ST HALF 2022	1ST HALF 2021
G. Fees and commissions borne by the transaction	808,797	907,125
G1) For servicing	695,400	774,222
G2) For other services	113,397	132,903
H. Other expense	47,444,652	62,461,260
- Interest expense on subordinated loan	11,109,524	11,961,747
- Losses on loans	-	-
- Expected losses on loans	2,216,443	-
- Losses on securities	320,977	268,475
- Expected losses on securities	5,883,868	20,504
- Additional Interest Amount	623,170	-2,171,431
- Interest expense on IRS	27,238,912	52,330,703
- Other expense	51,758	51,262
I. Interest generated by the securitised assets	45,015,254	49,983,516
L. Other revenue	3,238,194	13,384,869
- Interest income on IRS	3,156,415	10,641,290
- Revenues from early termination penalties	60,604	-
- Reversals of impairment losses on loans	-	1,612,907
- Reversals of impairment losses on securities	21,176	1,130,672

on behalf of the BOARD OF DIRECTORS
Chair

Paola Fandella



Breakdown of the main captions of the Summary of the securitised assets

A1) Loans and receivables	30/06/2022	31/12/2021
Loans and receivables	1,935,461,487	2,000,826,370
Unpaid instalments - principal	17,178,236	6,168,985
Unpaid instalments - interest	2,342,791	1,032,834
Amortised cost	76,191,850	78,674,238
Impairment losses on performing loans	-5,087,150	-2,870,708
	2,026,087,214	2,083,831,719

A2) Securities	30/06/2022	31/12/2021
Debt instruments	1,252,939,989	1,364,684,134
Not repaid principal	2,376,203	2,345,411
Not repaid interest	757,570	753,972
Rejected securities	31,583,128	33,989,593
Impairment losses on securities	-14,887,468	-9,003,600
	1,272,769,422	1,392,769,510

B3) Cash and cash equivalents	30/06/2022	31/12/2021
Investment Account	612,257,452	741,519,704
Expenses Account	97,254	94,871
Instalments to be received	55,827,769	75,502,221
	668,182,475	817,116,796

B3) Other receivables	30/06/2022	31/12/2021
Accrued interest income on IRS	1,190,706	-
Prepayments	25,000	-
Miscellaneous items	160,953	160,953
Amounts to be received	60,604	-
Items to be settled	159,084	159,084
Accrued interest income on subordinated loan adjustment	359,172,199	354,283,347
Loans and receivables with customers	-	18
Loans and receivables with companies	25,862	2,990
Receivables for miscellaneous transactions	124	-
	360,794,532	354,606,392

With regard to the classification of the loans in accordance with the provisions of Bank of Italy Circular no. 262/2005 and the IAS/IFRS and the EU supervisory regulations, all of the loans net of impairment losses and 99.75% of the securities net of impairment losses consist of performing exposures.

QUALITATIVE INFORMATION

Description of the Issue Programme and its performance

On 20 May 2009, the vehicle signed a “master sale agreement” (most recently revised on 19 April 2013) covering the sale of an initial portfolio of loans and subsequent portfolios as part of a single Covered Bond Programme for which ISP CB Pubblico S.r.l. is the guarantor.

Banca Intesa Infrastrutture e Sviluppo S.p.A. - BIIS S.p.A. (now Intesa Sanpaolo S.p.A. following the partial spin-off to the latter on 1 December 2012 with deed no. 1,655, file no. 564 notarised by notary Morone on 21 November 2012), sold the vehicle the first loan portfolio on 20 May 2009. The transaction became effective on 1 May 2009 and cost approximately €3.8 billion (the carrying amount of the loans at 1 May 2009).

The portfolio complies with the block criteria as per Law no. 130/1999 and was identified using the objective criteria published in the Italian Official Journal of 16 June 2009.

The consideration paid for the assets was determined using their carrying amounts in the originator’s financial statements as required by sector regulations, adjusted appropriately to reflect quantitative and objective changes made up until the sale’s effective date.

BIIS S.p.A. (now Intesa Sanpaolo S.p.A.) granted the vehicle subordinated loans to allow it to finance the acquisition of the loans. These loans partly reflect the financial profile of the bonds issued by Intesa Sanpaolo S.p.A. and allow BIIS S.p.A. (now Intesa Sanpaolo S.p.A.) to maintain an excess spread, equal to the difference between the return on the portfolio and the transaction’s total cost (payment of costs and expenses of the vehicle and all the parties involved in the transaction). The vehicle will repay the subordinated loans at the last redemption date or the extended redemption date of the covered bonds, respecting the applicable priority order and funds available, although it is obliged to repay the loans early if the conditions set out in the related agreements materialise.

BIIS S.p.A. (now Intesa Sanpaolo S.p.A.) sold the vehicle a second portfolio of loans and securities on 30 March 2010, effective from 1 April 2010, for approximately €2.5 billion (carrying amount of the loans and securities).

The portfolio complies with the block criteria as per Law no. 130/1999 and was identified using the objective criteria published in the Italian Official Journal of 15 April 2010.

The consideration paid for the assets was determined using their carrying amounts in the originator’s financial statements as required by sector regulations, adjusted appropriately to reflect quantitative and objective changes made up until the sale’s effective date.

BIIS S.p.A. (now Intesa Sanpaolo S.p.A.) provided the vehicle with a subordinated loan to finance its acquisition of the portfolio at the same conditions as those for the previous loan.

BIIS S.p.A. (now Intesa Sanpaolo S.p.A.) sold the vehicle a third portfolio of loans on 28 October 2010, effective from 1 November 2010, for approximately €1.7 billion (carrying amount of the loans).

The portfolio complies with the block criteria as per Law no. 130/1999 and was identified using the objective criteria published in the Italian Official Journal of 20 November 2010.

The consideration paid for the assets was determined using their carrying amounts in the originator’s financial statements as required by sector regulations, adjusted appropriately to reflect quantitative and objective changes made up until the sale’s effective date. Reconta Ernst & Young S.p.A. (now EY S.p.A.) performed an appraisal of some of the assets that did not have a carrying amount at 31 December 2009.

BIIS S.p.A. (now Intesa Sanpaolo S.p.A.) provided the vehicle with a subordinated loan to finance its acquisition of the portfolio at the same conditions as those for the previous loan.

BIIS S.p.A. sold the vehicle a fourth portfolio consisting of securities on 16 March 2011 for approximately €2.9 billion (carrying amount of the securities).

The portfolio complied with the objective criteria published in the Italian Official Journal of 24 March 2011.

The consideration paid for the assets was determined using their carrying amounts in the originator’s financial statements as required by sector regulations, adjusted appropriately to reflect quantitative and objective changes made up until the sale’s effective date. Reconta Ernst & Young S.p.A. (now EY S.p.A.) performed an appraisal of the carrying amounts at 31 December 2010 as the originator’s financial statements had not been approved at the date the fourth portfolio was sold and when the covered bonds were issued.

BIIS S.p.A. (now Intesa Sanpaolo S.p.A.) provided the vehicle with a subordinated loan to finance its acquisition of the portfolio at the same conditions as those for the previous loan.

On 24 May 2011, the Board of Directors authorised an increase in the Programme to €20 billion.

BIIS S.p.A. (now Intesa Sanpaolo S.p.A.) sold the vehicle a fifth portfolio of loans on 1 June 2011 for approximately €2.6 billion (carrying amount of the loans).

The portfolio complies with the block criteria as per Law no. 130/1999 and was identified using the objective criteria published in the Italian Official Journal of 4 June 2011.

The consideration paid for the assets was determined using their carrying amounts in the originator's financial statements as required by sector regulations, adjusted appropriately to reflect quantitative and objective changes made up until the sale's effective date.

BIIS S.p.A. provided the vehicle with a subordinated loan to finance its acquisition of the portfolio at the same conditions as those for the previous loan.

On 21 December 2011, the vehicle returned a portfolio of performing loans of approximately €449 million to BIIS S.p.A. (now Intesa Sanpaolo S.p.A.). This re-acquisition by the originator was necessary as the loans no longer met the requirements for inclusion in the cover pool of loans to Italian public sector bodies other than local entities due to Italy's downgrading.

BIIS S.p.A. (now Intesa Sanpaolo S.p.A.) sold the vehicle a sixth portfolio of securities on 1 March 2012 for approximately €286.8 million (carrying amount of the securities).

The portfolio complied with the objective criteria published in the Italian Official Journal of 10 March 2012.

The consideration paid for the assets was determined using the carrying amounts in the originator's financial statements as required by sector regulations, adjusted appropriately to reflect quantitative and objective changes made up until the sale's effective date.

The vehicle funded the acquisition using the principal available funds.

On 25 June 2012, the vehicle returned a portfolio comprising two loans to BIIS S.p.A. (now Intesa Sanpaolo S.p.A.), which had past due payments that were partly defaulting and two defaulting securities, as per the Programme documentation, for a total of approximately €41.3 million.

On 24 September 2012, the vehicle returned the Generalitat de Catalunya 4.75% 2018 bonds with an outstanding payable of €25 million to BIIS S.p.A. (now Intesa Sanpaolo S.p.A.). It had paid €27,501,961.24 to purchase these bonds.

On 19 April 2013, Intesa Sanpaolo S.p.A. sold the vehicle a seventh portfolio consisting of zero-coupon Italian treasury bonds maturing on 30 September 2014 for approximately €1,031 million (carrying amount of the bond).

The portfolio complied with the objective criteria published in the Italian Official Journal of 19 April 2013.

The consideration paid for the assets was determined using the carrying amounts in the originator's financial statements as required by sector regulations, adjusted appropriately to reflect quantitative and objective changes made up until the sale's effective date.

The vehicle paid for the portfolio using the principal available funds on 30 September 2013.

On 7 September 2020, Intesa Sanpaolo S.p.A. exercised a repurchase option, accepted by the vehicle, in relation to several loans identified as a block pursuant to Article 1331 of the Italian Civil Code.

The loans were returned by the vehicle to the originator Intesa Sanpaolo S.p.A. for a consideration of €132,412,887.63.

By means of a private agreement notarised at the office of notaries Pietro Sormani and Stefano Ajello, the deed of sale was signed on 7 September 2020 with deed no. 67124, file no. 14131.

The deed of sale was registered at the Italian Revenue Agency, Milan Provincial Department, on 7 September 2020, under no. 65697, Series 1T.

Pursuant to article 7-bis.1 of Law no. 130/99 and article 4 of the Ministry for the Economy and Finance decree, the vehicle granted a first-demand autonomous, irrevocable and unconditional guarantee to the bondholders with limited recourse to the cover pool assets (the covered bonds guarantee). In accordance with the covered bonds guarantee, if the issuer defaults (i.e. non-payment by the Issuer of interest and/or principal on the bonds) and following receipt of a notice to pay from the bondholders' representative, to be sent as per the Intercreditor Agreement, the vehicle will meet the issuer's obligations with the bondholders in line with the originally agreed terms and conditions to the extent of the segregated assets. The guarantee agreement was also signed by Intesa Sanpaolo S.p.A. as acknowledgement of its issue by the vehicle to the bondholders and of the related terms and conditions.

Italian law requires that the validity of the guarantee be checked over the bonds' term. Accordingly, Banca Finint S.p.A. (which absorbed the subsidiary Securitisation Services S.p.A. in 2020 by means of merger), performs tests on the portfolio, in its capacity as the calculation agent, to check whether the nominal amount,

present value and interest flows (considering the hedging swaps and the transaction costs) of the portfolio allow the vehicle, where necessary, to pay the interest and principal of the issued bonds. B.D.O. Italia S.p.A. checks the tests' accuracy as the asset monitor, which has to be an audit company as per the supervisory instructions. Management of the portfolio over the transaction term is regulated by a portfolio administration agreement signed, inter alia, by the vehicle and Intesa Sanpaolo S.p.A..

On 21 November 2012, BIIS S.p.A. and Intesa Sanpaolo S.p.A. signed a partial spin-off deed whereby the operations of BIIS S.p.A. were transferred to Intesa Sanpaolo S.p.A. The latter took over all BIIS S.p.A.'s legal relationships on 1 December 2012, including those for the Programme. As a result of this spin-off, Intesa Sanpaolo S.p.A. took on the roles previously held by BIIS S.p.A. (originator, servicer, swap counterparty, lender of the subordinated loan and receivables collection account bank).

The transaction's financial structure provides for the six-monthly payment of the transaction costs, i.e., at the payment dates of 31 March and 30 September of each year.

Information about the cash flows and payments of the first half of 2022 is set out below.

Twenty-fifth Payment Date (31 March 2022)

On 31 March 2022, the vehicle made the payments in accordance with the Prospectus for the collections received from 1 August 2021 to 31 January 2022.

The Interest Available Funds distributable by the vehicle amounted to €111.8 million, of which:

- €49.5 million as collections on the portfolio for interest payments
- €62.3 million as the reserve amount.

The following payments were made with these funds:

- €868 thousand as remuneration to the third parties that provided services to the vehicle
- €80 thousand as the reimbursement of corporate costs and advances to organise the transaction
- €50 million as payment to the swap counterparty
- €33.1 million as the reserve amount.
- €11.5 million as interest for the subordinated loan
- €16.2 million as premium interest for the subordinated loan

The amount of €280 million was also used from the principal available funds (totalling €734.5 million) to partially repay the subordinated loan.

Parties involved

In addition to ISP CB Pubblico S.r.l. (the Covered Bond Guarantor), the main parties involved in the Covered Bond Programme are:

Originator and Subordinated Loan Provider	Intesa Sanpaolo S.p.A.
Issuer	Intesa Sanpaolo S.p.A.
Servicer	Intesa Sanpaolo S.p.A.
Administrative Services Provider	Intesa Sanpaolo S.p.A.
Account Bank	Intesa Sanpaolo S.p.A.
Cash Manager	Intesa Sanpaolo S.p.A.
Paying Agent	Deutsche Bank S.p.A.
Representative of the Covered Bondholders	Banca Finint S.p.A.
Calculation Agent	Banca Finint S.p.A.
Asset Monitor	BDO Italia S.p.A.
Luxembourg Listing Agent	Deutsche Bank Luxembourg S.A.
Rating Agency	Moody's Investors Service (Moody's or the Rating Agency).
Swap Service Providers	Intesa Sanpaolo S.p.A.
CB Hedging Counterparty:	Intesa Sanpaolo S.p.A.
TBG Hedging Counterparty:	Intesa Sanpaolo S.p.A.

Up until 30 November 2012, when it was replaced by Intesa Sanpaolo S.p.A. (as per the spin-off deed of 21 November 2012), BII S.p.A. collected and managed the securitised loans on behalf of the vehicle. Intesa Sanpaolo S.p.A. is also the servicer as per Law no. 130/99 and it may sub-delegate activities to third parties. Intesa Sanpaolo S.p.A. provides IT infrastructure, including via Intesa Sanpaolo Group Services S.c.p.a. (now merged into Intesa Sanpaolo S.p.A.), and performs the back-office activities for collections on the securitised loans, as per the Group's regulations. As servicer, Intesa Sanpaolo S.p.A. is also responsible for ensuring that the transaction activities comply with the law and the Prospectus, as per article 2.6 of Law no. 130/99.

Intesa Sanpaolo S.p.A. and the vehicle have signed an administrative services agreement under which the former provides the vehicle administrative, accounting and corporate services (including book keeping, tax returns and corporate activities).

Following enactment of the EMIR, which imposes specific regulatory obligations on parties to OTC derivative contracts, in February 2014, Intesa Sanpaolo Group Services S.c.p.a. (now merged into Intesa Sanpaolo S.p.A.) and Intesa Sanpaolo S.p.A. were entrusted with the performance of certain of these mandatory activities as representatives of the vehicle (specifically, Intesa Sanpaolo Group Services S.c.p.a. (now merged into Intesa Sanpaolo S.p.A.) is responsible for reconciling the portfolios and managing disputes while Intesa Sanpaolo S.p.A. is in charge of reporting).

The amounts collected by the Servicer Intesa Sanpaolo S.p.A. are paid into accounts opened with it. Intesa Sanpaolo S.p.A., also acts as Account Bank and Cash Manager for the transaction and manages the liquidity between the collection and payment dates established by the relevant agreements.

Intesa Sanpaolo S.p.A. receives a fee in line with market conditions for these services.

Intesa Sanpaolo S.p.A. selected Deutsche Bank as the paying agent for the covered bonds. Banca Finint S.p.A. (which absorbed the subsidiaries Securitisation Services S.p.A. and FISG S.r.l. by merger in 2020) has been selected for the roles of Representative of the Holders of the Covered Bonds and Calculation Agent. The Luxembourg listing agent is currently Deutsche Bank Luxembourg S.A., while B.D.O. Italia, as mentioned above, acts as asset monitor.

All the above parties signed the Intercreditor Agreement, acknowledging and accepting that all the vehicle's obligations, as per the transaction documents, are limited recourse obligations, conditioned by and limited to its available funds and that these funds can only be used by the vehicle in accordance with the payment priority order set out in the aforesaid Intercreditor Agreement up until full redemption of the covered bonds and satisfaction of all other creditors' claims.

Banca IMI S.p.A. (now merged into Intesa Sanpaolo S.p.A.) assisted Intesa Sanpaolo S.p.A. to structure the transaction as arranger of the first issuance.

Issue characteristics

The main characteristics of the covered bonds issued by Intesa Sanpaolo S.p.A. (the issuer) as part of the Covered Bond Programme, for which ISP CB Pubblico S.r.l., as guarantor of the bonds, has issued the covered bond guarantee to the bondholders, are set out below.

Moody's Investor Service rated the bonds AAA after analysing the portfolio, the legal documentation and the transaction's structure.

The first issue of Intesa Sanpaolo covered bonds on 24 July 2009 amounted to €3 billion. The bonds paid six-monthly coupons at a floating six-month Euribor plus a spread. The payment dates were 6 April and 6 October of each year starting from 6 April 2010. The bonds paid interest for the first period of roughly nine months using the nine-month Euribor of 2 July 2009 as a base (1.404%). The bonds had a term of just over two years and were to be redeemed in a bullet payment on 6 October 2011. The redemption date could be extended by one year to 6 October 2012. The bonds were rated AAA by Moody's. They matured and were fully redeemed on 6 October 2011.

The second issue of 28 April 2010 amounted to €2 billion and was fully placed on the market. The bonds had a seven-year term (bullet payment on 28 April 2017), which could have been extended by one year to 28 April 2018. The bonds paid an annual coupon at a fixed rate of 3.25%. The payment date was 28 April of each year starting from 28 April 2011. The bonds were rated AAA by Moody's. The issue was subject to the exchange offer in the period from July to September 2012, as described in more detail below: €1,863,250,000 was acquired by Intesa Sanpaolo S.p.A. as collateral to be placed with the Eurosystem, while €136,750,000 remained on the market. The bonds matured on 28 April 2017.

The third issue of 27 January 2011 amounted to €1.5 billion and was fully placed on the market. The bonds had a ten-year term (bullet payment on 27 January 2021), which could have been extended by one year to 27 January 2022. The bonds paid an annual coupon at a fixed rate of 5.00%. The payment date is 27 January of each year starting from 27 January 2012. The bonds were rated AAA by Moody's. The issue was subject to the exchange offer in the period from July to September 2012, as described in more detail below: €1,353,028,000 was acquired by Intesa Sanpaolo S.p.A. as collateral to be placed with the Eurosystem, while €146,972,000 remained on the market. The bond was fully redeemed with a value date of 27 January 2021.

The fourth issue of 30 March 2011 amounted to €2.4 billion and was fully subscribed by Banca IMI S.p.A. and then sold to BIIS S.p.A. The bonds had a two-year term (bullet payment on 6 April 2013), which could have been extended by one year to 6 April 2014. The bonds paid a six-monthly coupon at a floating six-month Euribor plus a spread. The payment dates were 6 April and 6 October of each year, starting from 6 October 2011. The bonds were rated AAA by Moody's. They matured and were fully redeemed on 6 April 2013.

The fifth issue of 29 July 2011 amounted to €2 billion and was fully subscribed by Banca IMI S.p.A. and then sold to BIIS S.p.A. The bonds had a two-year term (bullet payment on 6 October 2013), which could have been extended by one year to 6 October 2014. The bonds paid a six-monthly coupon at a floating six-month Euribor plus a spread. The payment dates were 6 April and 6 October of each year, starting from 6 April 2012. The bonds were rated AAA by Moody's. They were redeemed in advance on 2 October 2013.

The sixth issue of 1 December 2011 amounted to €2.4 billion and was fully subscribed by Banca IMI S.p.A. and then sold to BIIS S.p.A. The bonds had a two-year term (bullet payment on 7 April 2014), which could have been extended by one year to 7 April 2015. The bonds paid a six-monthly coupon at a floating six-month Euribor plus a spread. The payment dates were 6 April and 6 October of each year, starting from 6 April 2012. The bonds were rated Aa3 by Moody's. The bonds were partially redeemed (€1 billion) on 24 March 2014, with the remainder (€1.4 billion) redeemed on 3 April 2014.

On 5 June 2012, and as resolved by its management board, Intesa Sanpaolo S.p.A., as issuer, approved an exchange offer, enabling the holders of the only two series of covered bonds still on the market (series 2 and 3) to exchange their bonds for new covered bonds issued as part of the Programme guaranteed by ISP CB Ipotecario S.r.l.

The first stage of the exchange offer took place on 16 July 2012 with two new issues as part of the Programme guaranteed by ISP CB Ipotecario S.r.l. with the same characteristics:

- (a) ISIN IT0004839251, the tenth issue of the ISP CB Ipotecario Programme, €1,813,150,000, replacing the covered bonds of €2,000,000,000 (ISIN IT0004603434) of the ISP CB Pubblico Programme, bearing a fixed interest rate of 3.25% and maturing on 28 April 2017.
- (b) ISIN IT0004839046, the eleventh issue of the ISP CB Ipotecario Programme, €1,341,823,000, replacing the covered bonds of €1,500,000,000 (ISIN IT0004679368) of the ISP CB Pubblico Programme, bearing a fixed interest rate of 5.00% and maturing on 27 January 2021.

Intesa Sanpaolo S.p.A. concurrently acquired the portion of the two covered bond series guaranteed by ISP CB Pubblico S.r.l. object of the exchange offer, and included them in its eligible assets with the Eurosystem. The exchange offer was closed on 25 September 2012 and, following an additional request from the investors, a second tranche was issued integrating the two initial issues of the Programme guaranteed by ISP CB Ipotecario by €50,100,000 for the tenth series and €11,205,000 for the eleventh series, with the subsequent re-acquisition by Intesa Sanpaolo S.p.A. of identical amounts of the Programme issues guaranteed by ISP CB Pubblico.

The seventh issue of 29 April 2013 amounted to €2 billion and was fully subscribed by Intesa Sanpaolo S.p.A. The bonds had a term of 2.5 years (bullet payment on 6 October 2015), which could have been extended by one year to 6 October 2016. The bonds paid a six-monthly coupon at a floating six-month Euribor plus a spread. The payment dates were 6 April and 6 October of each year, starting from 7 October 2013. The bonds were rated A3 by Moody's. The bonds were fully redeemed in advance on 2 October 2015.

The eighth issue of 14 October 2013 amounted to €2.2 billion and was fully subscribed by Intesa Sanpaolo S.p.A. The bonds had a term of 2.5 years (bullet payment on 6 April 2016), which could have been extended by one year to 6 April 2017. The bonds paid a six-monthly coupon at a floating six-month Euribor plus a spread. The payment dates were 6 April and 6 October of each year, starting from 7 April 2014. The bonds were rated A3 by Moody's and were fully redeemed in advance on 4 April 2016.

The ninth issue of 24 March 2014 amounted to €1 billion and was fully subscribed by Intesa Sanpaolo S.p.A. The bonds had an approximate two-year term (bullet payment on 6 April 2016), which could have been extended by one year to 6 April 2017. The bonds paid a six-monthly coupon at a floating six-month Euribor plus a spread. The payment dates were 6 April and 6 October of each year, starting from 6 April 2014. The bonds were rated A2 by Moody's and were fully redeemed in advance on 27 January 2016.

The tenth issue of 23 October 2015 amounted to €1.7 billion and was fully subscribed by Intesa Sanpaolo S.p.A. The bonds had an approximate seven-year term (bullet payment on 6 October 2022), which could have been extended by one year to 6 April 2023. The bonds paid a six-monthly coupon at a floating six-month Euribor plus a spread. The payment dates were 6 April and 6 October of each year, starting from 6 April 2016. The bonds were rated A1 by Moody's.

The nominal value of the bonds was partially reduced by €500 million on 27 January 2017, by €100 million on 29 July 2019, by €550 million on 24 January 2020, by €300 million on 31 July 2020 and by €100 million on 27 January 2022. This issue was fully redeemed in advance on 28 June 2022 (residual value of €150 million).

The eleventh issue of 22 April 2016 amounted to €1.1 billion and was fully subscribed by Intesa Sanpaolo S.p.A. The bonds had an approximate two-year term (bullet payment on 6 October 2018), which could have been extended by one year to 6 October 2019. The bonds paid a six-monthly coupon at a floating six-month Euribor plus a spread. The payment dates were 6 April and 6 October of each year, starting from 6 October 2016. The bonds were rated A1 by Moody's.

On 30 January 2018, €600 million of the nominal amount of the bonds was partially redeemed in advance. On 27 July 2018, €250 million of the nominal amount of the bonds was partially redeemed in advance; the residual nominal amount of €250 million was redeemed upon maturity on 6 October 2018.

The twelfth issue of 22 April 2016 amounted to €1.275 billion and was fully subscribed by Intesa Sanpaolo S.p.A. The bonds have an approximate seven-year term (bullet payment on 6 October 2023), which may be extended by one year to 6 October 2024. The bonds pay a six-monthly coupon at a floating six-month Euribor plus a spread. The payment dates are 6 April and 6 October of each year, starting from 6 October 2016. The bonds were rated A1 by Moody's. On 28 June 2022, their nominal value was partially reduced by €225 million, resulting in a new nominal amount of €1,050 million.

The thirteenth issue of 17 May 2017 amounted to €1.650 billion and was fully subscribed by Intesa Sanpaolo S.p.A. The bonds have an approximate seven-year term (bullet payment on 6 October 2024), which may be extended by one year to 6 October 2025. The bonds pay a six-monthly coupon at a floating six-month Euribor plus a spread. The payment dates are 6 April and 6 October of each year, starting from 6 October 2017. The bonds were rated A1 by Moody's. On 25 January 2019, €600 million of the nominal amount of the bonds was

partially redeemed in advance, resulting in a new nominal amount of €1,050 million.

The fourteenth issue of 18 February 2021, for €1 billion and with a maturity of 6 October 2026 (with possibility of extension to 6 October 2027), was fully subscribed by Intesa Sanpaolo S.p.A. The bonds pay a six-monthly coupon at a floating six-month Euribor plus a spread. The payment dates are 6 April and 6 October of each year. The bonds were rated A2 by Moody's.

Moody's revised the ratings of all the covered bond issues guaranteed by ISP CB Pubblico S.r.l. as follows: on 6 October 2011, they were downgraded from AAA to Aa1. Subsequently, on 29 November 2011 the rating was downgraded from Aa1 to Aa3, on 13 June 2012 from Aa3 to A1, on 13 July 2012 from A1 to A2, on 7 August 2012 from A2 to A3; on 21 February 2014, they were upgraded to A2 and finally on 23 June 2015 they were again upgraded to A1.

Moody's downgraded the rating of the ISP CB Pubblico Programme from A1 to A2 as of 25 January 2019.

Related financial transactions

The vehicle entered into fifteen swaps with the derivatives counterparty (initially BIIS S.p.A. and, subsequently, Intesa Sanpaolo S.p.A. after the spin-off of 21 November 2012), including thirteen total balance guaranteed swaps hedging fixed and floating-rate assets, and two fixed/floating IRS.

The two fixed/floating-rate IRS, the second of which was terminated in January 2021, hedged the vehicle against interest rate risk arising from the issuer's default.

As at 30 June 2022, 12 total balance guaranteed swaps were in place.

The vehicle's operating powers

The vehicle may invest the available cash collected during each collection period until the next payment date via the cash manager. The investment characteristics (eligible investments and authorised investments) are agreed with the rating agency.

Section 3 – Risks and related hedging policies

3.1 Credit risk

1. General aspects

Qualitative disclosure

The vehicle only has on-demand receivables consisting of current accounts held with Intesa Sanpaolo S.p.A., which are not considered to have any credit risk.

Following the update of 29 October 2021 of the rules for IFRS financial statements of intermediaries other than banking intermediaries, these relationships have been reclassified from caption 40 “Financial assets measured at amortised cost” to caption 10 “Cash and cash equivalents”.

With regard to the segregated assets, the vehicle is subject to risks arising from the failure to collect amounts due from debtors and the servicer’s failure to perform its duties and commitments to collect sufficient funds to meet its payment obligations under the Programme. These risks are mitigated by the issue of covered bonds by Intesa Sanpaolo S.p.A. for a total amount that is lower than the value of the portfolios of Securitised loans. As at 30 June 2022, all the covered bonds issued under the Programme are subscribed by Intesa Sanpaolo S.p.A.

Impacts resulting from the COVID-19 pandemic

With regard to the vehicle’s operation, the continuing adverse effects of the economic and financial crisis resulting from the COVID-19 pandemic and the continued macroeconomic uncertainty has not had any impact on the management of the vehicle, also considering that its viability is guaranteed by the chargeback of costs to the segregated assets.

Also with regard to the segregated assets, there are currently no elements to report that could significantly impact the management of the Programme.

For more details in this regard, see the “Quantitative disclosure” in Part H – Covered Bonds.

Quantitative disclosure

Although on-demand receivables meet the definition of on-balance sheet credit exposures, by convention they are not included in the tables in Section 3.1, except in the specifically identified cases in which they must be considered.

The table below refers to the vehicle's operations.

6. Credit exposures to customers, banks and financial companies

6.1 On- and off-balance sheet credit exposures to banks and financial companies: gross and net values

	Gross exposure				Total adjustments and total provisions for credit risk			Purchased or originated credit-impaired	Net exposure	Total partial write-offs*
	First stage	Second stage	Third stage	Purchased or originated credit-impaired	First stage	Second stage	Third stage			
A. ON-BALANCE SHEET CREDIT EXPOSURES										
A.1 On-demand	235,126	235,126	-	-	-	-	-	-	235,126	-
a) Non-performing	-	X	-	-	-	X	-	-	-	-
b) Performing	235,126	235,126	-	X	-	-	X	-	235,126	-
A.2 Other	-	-	-	-	-	-	-	-	-	-
a) Bad loans	-	X	-	-	-	X	-	-	-	-
-of which: forbore exposures	-	X	-	-	-	X	-	-	-	-
b) Unlikely to pay	-	X	-	-	-	X	-	-	-	-
-of which: forbore exposures	-	X	-	-	-	X	-	-	-	-
c) Non-performing past due exposures	-	X	-	-	-	X	-	-	-	-
-of which: forbore exposures	-	X	-	-	-	X	-	-	-	-
d) Performing past due exposures	-	-	-	X	-	-	-	X	-	-
-of which: forbore exposures	-	-	-	X	-	-	-	X	-	-
e) Other performing exposures	-	-	-	X	-	-	-	X	-	-
-of which: forbore exposures	-	-	-	X	-	-	-	X	-	-
TOTAL A	235,126	235,126	-	-	-	-	-	-	235,126	-
B. OFF-BALANCE SHEET EXPOSURES										
a) Non-performing	-	X	-	-	-	X	-	-	-	-
b) Performing	-	-	-	X	-	-	-	X	-	-
TOTAL B	-	-	-	-	-	-	-	-	-	-
TOTAL (A+B)	235,126	235,126	-	-	-	-	-	-	235,126	-

* Amount to be stated for disclosure purposes

“On-demand on-balance sheet credit exposures” include on-demand receivables from banks classified in the caption “Cash and cash equivalents” and consisting of current accounts held with Intesa Sanpaolo S.p.A..

3.2 Market risk

3.2.1 Interest rate risk

Qualitative disclosure

1. General aspects

The vehicle is not exposed to interest rate risk because it only has on-demand receivables consisting of current accounts held with Intesa Sanpaolo S.p.A..

With regard to the segregated assets, the interest rate risk mainly consists of the potential loss arising from changes in interest rates between the securitised assets and the covered bonds and only occurs when the Issuer is no longer able to meet its commitments arising from the covered bond issues. This risk is mitigated by the vehicle by entering into derivative contracts with the counterparty Intesa Sanpaolo S.p.A. For more details, see the “Quantitative disclosure” in Part H – Covered Bonds.

As at 30 June 2022, all the covered bonds issued under the Programme are subscribed by Intesa Sanpaolo S.p.A..

Qualitative disclosure

The vehicle is not exposed to interest rate risk.

Quantitative disclosure

1. Breakdown by residual maturity (repricing date) of financial assets and liabilities

	On-demand	Up to 3 months	3 - 6 months	6 months - 1 year	1 - 5 years	5 - 10 years	After 10 years	Unspecified maturity
1. Assets								
1.1 Debt instruments	-	-	-	-	-	-	-	-
1.2 Loans and receivables	-	-	-	-	-	-	-	-
1.3 Other assets	235,126	-	-	-	-	-	-	-
2. Liabilities								
2.1 Financial liabilities	-	-	-	-	-	-	-	-
2.2 Debt instruments	-	-	-	-	-	-	-	-
2.3 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
Options								
3.1 Long positions	-	-	-	-	-	-	-	-
3.2 Short positions	-	-	-	-	-	-	-	-
Other derivatives								
3.3 Long positions	-	-	-	-	-	-	-	-
3.4 Short positions	-	-	-	-	-	-	-	-

3.2.2 Price risk

This section has not been completed because there are no risk positions of this kind.

3.2.3 Foreign Exchange risk

This section has not been completed because there are no risk positions of this kind.

3.3 Operational risk

Qualitative disclosure

1. General aspects, management processes and operational risk measurement methods

With regard to operational risk, you are reminded that the vehicle does not have any employees and that the vehicle has delegated the activities necessary for the operational management of the segregated assets to specialist professional providers of financial and regulatory services for these operations.

3.4 Liquidity risk

Qualitative disclosure

1. General aspects, management processes and liquidity risk measurement methods

The Vehicle believes that it has sufficient available cash to meet its commitments, because the contractual provisions establish that, on the payment dates, the Vehicle will be reimbursed from the segregated assets for the operating expenses incurred to maintain it in good standing.

With regard to the liquidity risk of the segregated assets, the structure of the transaction, as governed by the related contracts, requires the vehicle, in accordance with the provisions of Article 1, paragraph 2 of Law no. 130, to only use the collections from the securitised assets on each payment date to “satisfy the rights embedded in the securities issued, by it or by another company, to fund the purchase of those loans and pay transaction costs”.

In any event, the structure of the transaction provides that where the collections from the securitised assets are, temporarily, insufficient to meet the obligations assumed, the vehicle can make use of the instruments indicated in the paragraph “Related financial transactions” of the “Quantitative information” in Part H – Covered Bonds.

Quantitative disclosure

The table below refers to the vehicle's operations.

1. Breakdown by contractual residual maturity of financial assets and liabilities

Captions/Residual maturity	On-demand	1 - 7 days	7 - 15 days	15 days - 1 month	1 - 3 months	3 - 6 months	6 months - 1 year	1 - 3 years	3 - 5 years	After 5 years	unspecified maturity
On-balance sheet assets											
A.1 Government bonds	-	-	-	-	-	-	-	-	-	-	-
A.2 Other debt instruments	-	-	-	-	-	-	-	-	-	-	-
A.3 Loans	-	-	-	-	-	-	-	-	-	-	-
A.4 Other assets	235,126	-	-	-	-	-	-	-	-	-	-
On-balance sheet liabilities											
B.1 Due to:	-	-	-	-	-	-	-	-	-	-	-
- Banks	-	-	-	-	-	-	-	-	-	-	-
- Financial companies	-	-	-	-	-	-	-	-	-	-	-
- Customers	-	-	-	-	-	-	-	-	-	-	-
B.2 Debt instruments	-	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet transactions											
C.1 Financial derivatives with exchange of principal	-	-	-	-	-	-	-	-	-	-	-
- Long positions	-	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-	-
C.2 Financial derivatives without exchange of principal	-	-	-	-	-	-	-	-	-	-	-
- Positive difference	-	-	-	-	-	-	-	-	-	-	-
- Negative difference	-	-	-	-	-	-	-	-	-	-	-
C.3 Financing to be received	-	-	-	-	-	-	-	-	-	-	-
- Long positions	-	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable loan commitments	-	-	-	-	-	-	-	-	-	-	-
- Long positions	-	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-	-

Disclosure on risks

Pursuant to article 7-bis.1 of Law no. 130 and article 4 of the Ministry for the Economy and Finance decree, the vehicle granted a first-demand autonomous, irrevocable and unconditional guarantee to the bondholders with limited recourse to the cover pool assets (the covered bonds guarantee). In accordance with the covered bonds guarantee, if the issuer defaults (i.e. non-payment by the issuer of interest and/or principal on the bonds) and following receipt of a notice to pay from the bondholders' representative, to be sent as per the Intercreditor Agreement, the vehicle will meet the issuer's obligations with the bondholders in line with the originally agreed terms and conditions to the extent of the segregated assets. The risk of partial or total non-collection of the cover pool assets included in the segregated assets has been transferred to the originator BIIS S.p.A. (now Intesa Sanpaolo S.p.A.) which granted ISP CB Pubblico S.r.l. a subordinated loan which it used to fully finance the transaction.

Section 4 - Equity

4.1 Equity

4.1.1 Qualitative disclosure

The management of the vehicle's assets consists of the set of policies that determine their size in order to ensure that they are adequate for the vehicle's operations and meet the quantitative and qualitative requirements established by law.

The vehicle was established in accordance with Law no. 130/99, in the form of a limited liability company, and its sole purpose is to carry out loan securitisations.

As provided for by Law no. 130/99, the characteristic of the vehicle's activity is the separation of its assets and liabilities from the segregated assets of the securitisations it owns. As a result of this segregation, the costs incurred to maintain the vehicle's good standing are low and, in any case, recovered through specific contractual provisions that provide for their chargeback to the securitisation.

This ensures that ISP CB Pubblico S.r.l. maintains adequate levels of capital while executing the Covered Bond Programme.

4.1.2 Quantitative disclosure

4.1.2.1 Equity: breakdown

The vehicle's equity, amounting to €168,930, consists of quota capital of €120,000, split into quotas, the legal reserve (€2,448) and the extraordinary reserve (€46,482).

	30/06/2022	31/12/2021
1. Quota capital	120,000	120,000
2. Quota premium	-	-
3. Reserves	48,930	48,930
- income-related	48,930	48,930
a) legal	2,448	2,448
b) statutory	-	-
c) treasury quotas	-	-
d) other	46,482	46,482
- other	-	-
4. (Treasury quotas)	-	-
5. Valuation reserves	-	-
- Equity instruments at FVOCI	-	-
- Hedges of equity instruments at FVOCI	-	-
- Financial assets (other than equity instruments) at FVOCI	-	-
- Property and equipment	-	-
- Intangible assets	-	-
- Hedges of foreign investments	-	-
- Cash flow hedges	-	-
- Hedging instruments (elements not designated)	-	-
- Foreign exchange differences	-	-
- Non-current assets held for sale and discontinued operations	-	-
- Financial liabilities at FVTPL (change in credit rating)	-	-
- Special revaluation laws	-	-
- Actuarial gains/losses on defined benefit plans	-	-
- Portion of valuation reserves of equity-accounted investees	-	-
6. Equity instruments	-	-
7. Net income (loss) for the period	-	-
Total	168,930	168,930

4.2 Own Funds and Capital Ratios

4.2.1 Own funds

4.2.2 Qualitative disclosure

The vehicle is not subject to the special rules on own funds and capital ratios.

Section 5 - Breakdown of comprehensive income

Given that no other components of comprehensive income were recognised during the half year (and in the previous period), there is no information to be provided in relation to the statement of comprehensive income, which is the same as the net income/(loss) for the period.

Section 6 - Related-party transactions

6.1 Information on remuneration of key management personnel

Figures for the 1st half 2022	Directors and Statutory Auditors
Fees and social security contributions	
- Directors	
- paid to Intesa Sanpaolo S.p.A.	-
- other	11,605
- Statutory auditors	8,319
Total	19,924

6.2 Loans and guarantees given to/on behalf of directors and statutory auditors

No loans or guarantees have been given to/on behalf of directors or statutory auditors.

6.3 Related-party transactions

Information about the vehicle's related-party transactions is summarised in the following table:

Assets and liabilities at 30/06/2022	Cash and cash equivalents	Other liabilities
- Directors and statutory auditors	-	19,824
- Parent: Intesa Sanpaolo S.p.A.	235,126	8
Total	235,126	19,832

Income and expense for the 1st half 2022	Personnel expenses	Other administrative expenses
- Directors and statutory auditors	19,924	-
- Parent: Intesa Sanpaolo S.p.A.	-	15
Total	19,924	15

Section 8 - Other information

- Equity at 30 June 2022

(amounts in Euros)

	Amount at 30/06/2022	Possible use (*)	Portion of earnings in tax suspension	Summary of use in past three years	
				to cover losses	for other reasons
Equity:					
Quota capital	120,000		-	-	-
Legal reserve	2,448	A (1), B, C (1)	-	-	-
Extraordinary reserve (Other reserves)	46,482	A, B, C	-	-	-
Total quota capital and reserves	168,930				
Non-distributable portion	2,448				

(*) A = for capital increase; B = to cover losses; C = for distribution to quotaholders

(1) available for capital increase (A) and for distribution to quotaholders (C) in the amount exceeding one fifth of the quota capital

- Parent that prepares consolidated financial statements

Intesa Sanpaolo S.p.A. - Piazza San Carlo 156 - Turin

Milan, 26 July 2022

on behalf of the BOARD OF DIRECTORS
Chair

Paola Fandella

