



# UBI Finance S.r.l.

Interim financial statements as at 30 June 2023

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  
UBI Finance 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 UBI Finance S.r.l. as at 30 June 2023 and for the six-months period then ended. The Directors of UBI Finance 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 UBI Finance S.r.l. as at 30 June 2023 and for the six-months 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.

## 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 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, 27 July 2023

EY S.p.A.  
Signed by: Eleonora Reina, Auditor

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

# **UBI FINANCE S.r.l.**

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

Half-Yearly Report  
as at 30 June 2023

**INTESA**  **SANPAOLO**

# UBI FINANCE S.r.l.

**UBI FINANCE 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 €10,000. Tax code and Registration number in the Milan Company Register 06132280964. Member of the Intesa Sanpaolo VAT Group no. 11991500015 (IT11991500015). 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.

# Contents

<b>Company bodies</b>	<b>4</b>
<b>Half-yearly report on operations</b>	
General information	6
Significant Events and Performance	6
Transactions with Group Companies	7
Related-party transactions, significant and non-recurring, atypical and/or unusual	8
Treasury quotas and/or shares in the parent company	8
Research and development	8
Composition of the Quota Capital	8
Management and coordination activities	8
Subsequent events	8
Outlook	8
Going concern	8
Net income (loss) for the period	9
<b>Interim Financial Statements as at 30 June 2023</b>	
<b>Financial statements</b>	
Statement of financial position	12
Statement of income	13
Statement of comprehensive income	14
Statement of changes in equity	15
Statement of cash flows	16
<b>Explanatory notes</b>	
Part A: Accounting policies	18
Part B: Explanatory notes to the statement of financial position	22
Part C: Explanatory notes to the statement of income	25
Part D: Other disclosures	28

## Company bodies

### **Board of Directors**

Chair  
Director  
Director

Renzo Parisotto  
Giuseppe Gilardi  
Andrea Di Cola

### **Independent Auditors**

EY S.p.A.

## **Half-yearly report on operations**



## General information

UBI Finance S.r.l. (below the “vehicle”) is a securitisation special purpose vehicle incorporated on 18 March 2008 and, pursuant to Article 2 of its Articles of Association, its sole business purpose is the acquisition for consideration from banks of mortgage loans, loans to public administration entities or guaranteed by them, including those identified as a block, as well as securities involving loans of the same nature, through one or more issuances (understood as both single transactions and issuance programmes) of covered bonds carried out in accordance with Law no. 130 of 30 April 1999, as amended and supplemented (Title I bis, Article 7-quinquies et seq.) and the related implementing measures, by means of loans granted or guaranteed, also by the originators, as well as the provision of guarantees for the bonds issued by those banks or other banks.

On 4 May 2022 the registered office of UBI Finance S.r.l. was moved from Corso Vercelli 40 to Via Monte di Pietà 8, still in the Municipality of Milan, as per the resolution of the meeting of the vehicle’s Board of Directors held on that date.

The vehicle has no branches.

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, with effect from 1 January 2022 the vehicle has assigned the management of the loan portfolio acquired to the Servicer Intesa Sanpaolo S.p.A. in accordance with the provisions of Law no. 130/1999.

Specifically, on 1 January 2022, the management of administrative, accounting, tax and corporate obligations of the vehicle was assigned to Intesa Sanpaolo S.p.A., as the new Guarantor Corporate Servicer, following the termination, on 7 January 2022, by entering into a Termination and Appointment Agreement, of the Administrative Services Agreement in force between the vehicle and TMF Italy S.r.l., the original Guarantor Corporate Servicer of the Programme.

In accordance with its business purpose, starting from 2008, the vehicle, with the assistance of Barclays Bank PLC, as Arranger, and the law firms Clifford Chance and Chiomenti, initiated a series of negotiations with UBI Banca S.p.A. (now Intesa Sanpaolo, also the “Issuer”) aimed at the implementation of the programme for the issuance by Intesa Sanpaolo of covered bonds pursuant to Law no. 130/1999 (the “Programme”).

Specifically, the Programme involves the issuance of one or more covered bonds (the “Covered Bonds”) by Intesa Sanpaolo (formerly UBI Banca) for an original amount of up to €10,000,000,000 and in this context the vehicle has undertaken to guarantee the aforementioned issuances. More specifically, the Covered Bond Guarantee agreement, signed on 30 July 2008, establishes that the vehicle shall issue an irrevocable, on-demand, unconditional and autonomous guarantee in favour of the holders of the covered bonds in respect of the loan portfolios sold from time to time by the Originators, under which the vehicle shall guarantee the repayment by the Issuer of all the sums due as principal and interest in relation to the covered bonds (the “Guarantee”). The vehicle has therefore agreed to increase the Guarantee issued where necessary, from time to time, based on the amount of the individual issuance.

## Significant Events and Performance

The macroeconomic framework continues to be marked by high uncertainty, mostly due to developments of the conflict in Ukraine. The international scenario shows falling global demand and tighter than expected financing conditions.

The reduction in pressure on energy prices permitted a partial improvement in the outlook compared to the expectations at the end of 2022, although the volatility of the prices of commodities such as oil and natural gas continues to affect production costs for many production and manufacturing entities.

Inflation is slowly easing in several countries, thus fuelling the debate in some central banks about the optimal terminal rate of monetary tightening. In the first half of 2023, the European Central Bank continued to pursue its objective of reducing inflation, which is still too high compared to targets, with interest rate hikes of 50 basis points in February and March and 25 basis points in May and June. Since July last year, the ECB has raised interest rates by 400 basis points with a monetary policy that is unprecedented in the European Monetary Union’s history due to its speed and breadth.

With specific reference to the performance of the outstanding securitisation transaction, the above-mentioned rise in interest rates led to a significant increase in interest income and expenses in the presence of floating rates.

During the first half of 2023, the Programme progressed steadily, despite the macro-economic environment characterised by the rise in interest rates. There were six Payment Dates relating to cash flows from loan collections, from December 2022 to May 2023.

On 19 April 2023, Intesa Sanpaolo S.p.A. exercised a repurchase option, accepted by the special purpose vehicle, with financial effect from 17 April 2023 and legal effect from 19 April 2023, in relation to several loans identified as a block pursuant to article 58 of the Consolidated Law on Banking. The loans, consisting of mortgage loans in “bad loan” or “unlikely-to-pay” status, were returned by the vehicle to the originator Intesa Sanpaolo S.p.A. for a consideration of €57,360,770.37.

The sales notice was published in the Italian Official Journal, Part 2, no. 53 of 6 May 2023.

The repurchase price of the assets was set, in continuity with the sale price, based on the carrying amounts of the assets on the effective date of the repurchase.

On 27 January 2023, the eighteenth series of Covered Bonds matured, with a residual nominal value at the time of redemption of €1,250 million.

The table below summarises the main features of the Covered Bonds issued by Intesa Sanpaolo S.p.A. (formerly UBI Banca) since the start of the Programme that had not yet matured and/or been cancelled and redeemed as at 30 June 2023.

**UBI Finance Covered bond programme**

Maximum amount: € 15 billion

Moody's Rating: Aa3

DBRS Rating: AA

Series	Date of issue	Legal maturity date	Issue Amount	Rate	Coupon frequency	Listing exchange	Type
14	05/02/2014	05/02/2024	1,000,000,000	3.125%	annual	Euronext Dublin	market
17	07/11/2014	07/02/2025	1,000,000,000	1.250%	annual	Euronext Dublin	market
22	14/09/2016	14/09/2026	1,000,000,000	0.375%	annual	Euronext Dublin	market
23	04/10/2017	04/10/2027	1,250,000,000	1.125%	annual	Euronext Dublin	market
24	15/01/2018	15/07/2024	750,000,000	0.500%	annual	Euronext Dublin	market
25	15/01/2018	15/01/2030	500,000,000	1.250%	annual	Euronext Dublin	market
26	23/02/2018	23/02/2033	90,000,000	1.780%	annual	Euronext Dublin	private placement
27	26/02/2018	25/02/2033	160,000,000	1.750%	annual	Euronext Dublin	private placement
28	16/10/2018	16/10/2028	200,000,000	3-month Euribor +1.00%	quarterly	Euronext Dublin	private placement
31	25/02/2019	25/09/2025	500,000,000	1.000%	annual	Euronext Dublin	market
			<b>6,450,000,000</b>				

Repayments of the subordinated loan were made for €500 million using the cash and cash equivalents posted during the half-year, 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 et seq. 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, the vehicle recognised the following amounts during the half year in its segregated assets, as fees for the services provided by Intesa Sanpaolo through the Administration & Tax Department, the Corporate Affairs and Advisory Department, and the Banca dei Territori Division:

- €1,003,209 for servicing fees;
- €15,000 for administrative services fees;
- €10,000 for account bank fees

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 significant and non-recurring, atypical and/or unusual**

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 2023.

#### *Atypical and/or unusual transactions*

No atypical and/or unusual transactions were carried out in the first half of 2023.

### **Treasury quotas and/or shares or quotas and/or shares in parent companies**

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

### **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 €10,000, is divided into quotas and is held as follows:

- Intesa Sanpaolo S.p.A. holds a nominal amount of €6,000, equal to 60% of the Quota Capital;
- Stichting Mara, a foundation under Dutch law, with registered office in Amsterdam (the Netherlands), holds a nominal amount of €4,000, 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.

### **Going concern**

In preparing the interim financial statements as at 30 June 2023, 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, also in the current macroeconomic environment, which remains subject to high uncertainty mainly due to the evolution of the conflict in Ukraine – 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 2023 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 the 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 transaction, which will continue to be carefully monitored.

### **Net income (loss) for the period**

The vehicle ended the first half of 2023 at break-even because the operating costs were charged back to segregated assets in accordance with the contractual agreements.

Milan, 25 July 2023

on behalf of the BOARD OF DIRECTORS

Chairperson

Renzo Parisotto



## **Interim Financial Statements as at 30 June 2023**

## **Financial statements**

## Statement of financial position

(amounts in Euros)

Assets	30/06/2023	31/12/2022
10. Cash and cash equivalents	9,742	9,742
100. Tax assets:	356	325
a) current	356	325
120. Other assets	29,502	35,824
<b>TOTAL ASSETS</b>	<b>39,600</b>	<b>45,891</b>

(amounts in Euros)

Liabilities and equity	30/06/2023	31/12/2022
60. Tax liabilities:	-	736
a) current	-	736
80. Other liabilities	29,565	35,120
110. Quota capital	10,000	10,000
150. Reserves	35	35
170. Net income (loss) for the period (+/-)	-	-
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>39,600</b>	<b>45,891</b>

on behalf of the BOARD OF DIRECTORS  
 Chairperson  
 Renzo Parisotto



**Statement of income**

(amounts in Euros)

Items	1ST HALF OF 2023	1ST HALF OF 2022
160. Administrative expenses:	-33,405	-32,779
a) personnel expenses	-12,240	-12,259
b) other administrative expenses	-21,165	-20,520
200. Other operating expenses/income	32,638	33,407
<b>210. OPERATING EXPENSES</b>	<b>-767</b>	<b>628</b>
<b>260. INCOME (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS</b>	<b>-767</b>	<b>628</b>
270. Taxes on income from continuing operations	767	-628
<b>280. INCOME (LOSS) AFTER TAX FROM CONTINUING OPERATIONS</b>	<b>-</b>	<b>-</b>
<b>300. NET INCOME (LOSS)</b>	<b>-</b>	<b>-</b>

on behalf of the BOARD OF DIRECTORS  
 Chairperson  
 Renzo Parisotto





## Statement of comprehensive income

(amounts in Euros)

Items	1ST HALF OF 2023	1ST HALF OF 2022
<b>10. Net income (loss) (+/-)</b>	-	-
<b>Other comprehensive income (net of tax) that may not be reclassified to the income statement</b>		
20. Equity instruments designated at fair value through other comprehensive income	-	-
30. Financial liabilities designated at fair value through profit or loss (change in own credit rating)	-	-
40. Hedging of equity instruments designated at fair value through other comprehensive income	-	-
50. Property and equipment	-	-
60. Intangible assets	-	-
70. Defined benefit plans	-	-
80. Non current assets classified as held for sale	-	-
90. Share of valuation reserves connected with investments carried at equity	-	-
<b>Other comprehensive income (net of tax) that may be reclassified to the income statement</b>		
100. Hedges of foreign investments	-	-
110. Foreign exchange differences	-	-
120. Cash flow hedges	-	-
130. Hedging instruments (not designated elements)	-	-
140. Financial assets (other than equities) measured at fair value through other comprehensive income	-	-
150. Non-current assets held for sale and discontinued operations	-	-
160. Share of valuation reserves connected with investments carried at equity	-	-
<b>170. Total other comprehensive income (net of tax)</b>	-	-
<b>180. Total comprehensive income (captions 10+170)</b>	-	-

on behalf of the BOARD OF DIRECTORS  
Chairperson  
Renzo Parisotto



## Statement of changes in equity

### 30 June 2023

(amounts in Euro)

	Amounts as at 31/12/2022	Change in opening balances	Amounts as at 01/01/2023	Allocation of net income of the previous year			Changes in the period					Total comprehensive income for the period	Equity as at 30/06/2023
				Reserves	Dividends and other allocations	Changes in reserves	Equity transactions						
							Issue of new quotas	Purchase of treasury quotas	Extraordinary dividend distributions	Changes in equity instruments	Other changes		
Quota capital	10,000	-	10,000	-	-	-	-	-	-	-	-	-	10,000
Quota premium	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserves	35	-	35	-	-	-	-	-	-	-	-	-	35
a) income-related	35	-	35	-	-	-	-	-	-	-	-	-	35
b) other	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury quotas	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income (loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Equity</b>	<b>10,035</b>	-	<b>10,035</b>	-	-	-	-	-	-	-	-	-	<b>10,035</b>

### 30 June 2022

(amounts in Euro)

	Amounts as at 31/12/2021	Change in opening balances	Amounts as at 01/01/2022	Allocation of net income of the previous year			Changes in the period					Total comprehensive income for the period	Equity as at 30/06/2022
				Reserves	Dividends and other allocations	Changes in reserves	Equity transactions						
							Issue of new quotas	Purchase of treasury quotas	Extraordinary dividend distributions	Changes in equity instruments	Other changes		
Quota capital	10,000	-	10,000	-	-	-	-	-	-	-	-	-	10,000
Quota premium	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserves	35	-	35	-	-	-	-	-	-	-	-	-	35
a) income-related	35	-	35	-	-	-	-	-	-	-	-	-	35
b) other	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury quotas	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income (loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Equity</b>	<b>10,035</b>	-	<b>10,035</b>	-	-	-	-	-	-	-	-	-	<b>10,035</b>

on behalf of the BOARD OF DIRECTORS  
Chairperson  
Renzo Parisotto



## Statement of cash flows (Direct method)

(amounts in Euros)

	1ST HALF OF 2023	1ST HALF OF 2022
<b>A. OPERATING ACTIVITIES</b>		
<b>1. Cash flow from operations</b>	-	-
- interest income collected (+)	-	-
- interest expense paid (-)	-	-
- dividends and similar income (+)	-	-
- net fee and commission income (expense) (+/-)	-	-
- personnel expenses (-)	-2,474	-3,392
- other expenses (-)	-29,604	-26,296
- other revenue (+)	32,078	29,688
- taxes and duties (-)	-	-
- expenses/revenue related to discontinued operations net of the tax effect (+/-)	-	-
<b>2. Cash flow from / used in financial assets</b>	<b>-32,078</b>	<b>-29,688</b>
- financial assets held for trading	-	-
- financial assets designated at fair value	-	-
- other financial assets mandatorily measured at fair value	-	-
- financial assets measured at fair value through other comprehensive income	-	-
- financial assets measured at amortised cost	-	-
- other assets	-32,078	-29,688
<b>3. Cash flow from / used in financial liabilities</b>	<b>32,078</b>	<b>29,688</b>
- financial liabilities measured at amortised cost	-	-
- financial liabilities held for trading	-	-
- financial liabilities designated at fair value	-	-
- other liabilities	32,078	29,688
<b>Net cash flow from (used in) operating activities</b>	<b>-</b>	<b>-</b>
<b>B. INVESTING ACTIVITIES</b>		
<b>1. Cash flows generated by:</b>	-	-
- sales of equity investments	-	-
- dividends from equity investments	-	-
- sales of property and equipment	-	-
- sales of intangible assets	-	-
- sales of business units	-	-
<b>2. Cash flows used to acquire:</b>	-	-
- equity investments	-	-
- property and equipment	-	-
- intangible assets	-	-
- business units	-	-
<b>Net cash flow from (used in) investing activities</b>	<b>-</b>	<b>-</b>
<b>C. FINANCING ACTIVITIES</b>		
- issues/repurchases of treasury quotas	-	-
- issues/purchases of equity instruments	-	-
- dividends and other distributions	-	-
<b>Net cash flow from (used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS FOR THE PERIOD</b>	<b>-</b>	<b>-</b>
<b>RECONCILIATION</b>		
Cash and cash equivalents at the beginning of the period	9,742	9,742
Net increase (decrease) in cash and cash equivalents	-	-
Cash and cash equivalents: foreign exchange effect	-	-
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>9,742</b>	<b>9,742</b>

on behalf of the BOARD OF DIRECTORS  
 Chairperson  
 Renzo Parisotto



## **Explanatory notes**

## **PART A - ACCOUNTING POLICIES**

### **A.1 - GENERAL PART**

#### **SECTION 1 - Statement of compliance with the IAS/IFRS**

In compliance with Legislative Decree no. 38 of 28 February 2005, the vehicle has prepared its interim financial statements as at 30 June 2023, in accordance with the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) applicable at the reporting date, 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, in accordance with Regulation (EC) No. 1606 of 19 July 2002.

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 no. 130 of 30 April 1999, in connection with covered bonds transactions.

The company has recorded the acquired receivables 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 the purposes 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 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 and described in Part A.2 of these explanatory notes, 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.

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, statements of changes in equity, a statement of cash flows, and these explanatory notes. They are accompanied by a half-yearly report on operations which comments on the vehicle’s performance, results, financial position and cash flows.

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 notes and the half-yearly report on operations are presented in Euros.

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 17 November 2022.

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 preparation:

- Going concern (IAS 1 paragraphs 25 and 26): in preparing the interim financial statements at 30 June 2023, 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 after 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, also in the current macroeconomic environment, which remains subject to high uncertainty mainly due to the evolution of the conflict in Ukraine, 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 2023 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 the 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 transaction, which will continue to be carefully monitored;
- 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 2023 did not change from those used for the annual financial statements as at 31 December 2022.

The interim financial statements and the explanatory notes include the corresponding figures as at 31 December 2022 (statement of financial position) and for the six months ended 30 June 2022 (statement of income and statement of comprehensive income).

### **SECTION 3 - Subsequent events**

No other events after the reporting date are noted.

### **SECTION 4 - Other aspects**

The UBI Finance 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 2023.

Following the acquisition of the entire share capital of UBI Banca by Intesa Sanpaolo, the latter, in its capacity as Parent Company of the Intesa Sanpaolo banking group and as representative of the Intesa Sanpaolo VAT Group, asked the vehicle to join the VAT Group, which the vehicle joined on 12 April 2021. As a result, the vehicle suspended its VAT number and adopted the VAT number 11991500015 of the Intesa Sanpaolo VAT Group, concurrently accepting the "Group VAT Rules".

## A.2 - DISCLOSURE ON MAIN CAPTIONS

This section sets out the accounting policies adopted in preparing the interim financial statements as at 30 June 2023, 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 for advances received 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 expenses and revenues

Expenses 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.

Expenses 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.

Expenses 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 the 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 transferred between the various portfolios.

### **A.4 - DISCLOSURE ON FAIR VALUE**

In view of the company's activities and captions of the statement of financial position, there is no information to be provided in connection with the disclosure required by IFRS 13.

### **A.5 – INFORMATION ON DAY ONE PROFIT/LOSS**

There is no information to be provided on the day one profit/loss under IFRS 7, paragraph 28, because the vehicle did not use any financial instruments during the first half of 2023 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

Items	30/06/2023	31/12/2022
Current accounts and on-demand deposits with banks	9,742	9,742
<b>Total</b>	<b>9,742</b>	<b>9,742</b>

The caption includes the “Capital” current account 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 “Tax assets: current and deferred”: breakdown

Current tax assets: breakdown	30/06/2023	31/12/2022
IRES payments on account and assets	275	-
IRAP payments on account and assets	81	325
<b>Total</b>	<b>356</b>	<b>325</b>

##### 10.2 “Tax liabilities: current and deferred”: breakdown

Current and deferred tax liabilities: breakdown	30/06/2023	31/12/2022
<b>- Current taxes</b>		
IRES liabilities	-	736
<b>Total</b>	<b>-</b>	<b>736</b>

#### Section 12 - Other assets - Caption 120

##### 12.1 Other assets: breakdown

Items	30/06/2023	31/12/2022
Prepayments	29,502	35,824
<b>Total</b>	<b>29,502</b>	<b>35,824</b>

## LIABILITIES

### Section 8 - Other liabilities - Caption 80

#### 8.1 Other liabilities: breakdown

Items	30/06/2023	31/12/2022
Invoices to be received	19,998	28,340
Amounts due to segregated assets	4,304	4,863
Amounts due to suppliers	8	-
Amounts due to Corporate Bodies	5,090	1,857
Payables for withholdings to be paid	112	-
Due to Inail (national insurance institute for accidents at work)	53	60
<b>Total</b>	<b>29,565</b>	<b>35,120</b>

“Amounts due to segregated assets” refer to the vehicle’s payables to the segregated assets for advances received to cover future vehicle operating expenses.

### Section 11 - Equity - Captions 110 and 150

#### 11.1 Quota capital: breakdown

Types	30/06/2023	31/12/2022
1. Quota capital		
1.1 Ordinary shares	-	-
1.2 Quotas	10,000	10,000
<b>Total</b>	<b>10,000</b>	<b>10,000</b>

The Quota Capital, subscribed and paid in for a total of €10,000, is divided into quotas and is held as follows:

- Intesa Sanpaolo S.p.A., with registered office in Turin, holds a nominal amount of €6,000, equal to 60% of the Quota Capital;
- Stichting Mara, a foundation under Dutch law, with registered office in Amsterdam (the Netherlands), holds a nominal amount of €4,000, equal to 40% of the Quota Capital.

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

	Legal reserve	Retained earnings	Other extraordinary	Total
<b>A. Opening balance 01/01/2023</b>	2	33	-	35
<b>B. Increases</b>				
B.1 Allocation of profits	-	-	-	-
B.2 Other increases	-	-	-	-
<b>C. Decreases</b>				
C.1 Utilisation	-	-	-	-
- to cover losses	-	-	-	-
- for dividend distribution	-	-	-	-
- for conversion into capital	-	-	-	-
C.2 Other decreases	-	-	-	-
<b>D. Closing balance 30/06/2023</b>	2	33	-	35

**Statement of the breakdown of equity as at 30 June 2023 according to Article 2427, paragraph 7 bis, of the Italian Civil Code**

Description	Amount at 30/06/2023	Possible use (*)	Portion of earnings in tax suspension	Summary of use in past three years	
				to cover losses	for other reasons
Quota capital	10,000		-	-	-
Legal reserve	2	A (1), B, C (1)	-	-	-
Extraordinary reserve (Other reserves)	33	A, B, C	-	-	-
<b>Total quota capital and reserves</b>	<b>10,035</b>				
<b>Non-distributable portion</b>	<b>2</b>				

(\*) 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

**1. Financial commitments and guarantees given (other than those measured at fair value)**

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 Personnel expense: breakdown

Type of expense/Amount	1ST HALF OF 2023	1ST HALF OF 2022
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	12,240	12,259
4. Retired personnel	-	-
5. Cost recoveries for personnel seconded to other companies	-	-
6. Cost reimbursements for personnel seconded to the vehicle	-	-
<b>Total</b>	<b>12,240</b>	<b>12,259</b>

#### 10.2 Average number of employees by category

The vehicle does not have any employees.

**10.3 Other administrative expenses: breakdown**

Type of expense/Amount	1ST HALF OF 2023	1ST HALF OF 2022
Audit fees	19,688	19,838
Other administrative expenses	454	367
Legal and notary fees	810	101
Charges relating to indirect taxes and duties	213	214
<b>Total</b>	<b>21,165</b>	<b>20,520</b>

**Section 14 - Other operating expenses/income - Caption 200****14.2 Other operating expenses/income: breakdown**

Items	1ST HALF OF 2023	1ST HALF OF 2022
Contractually provided-for income	32,638	31,460
Contingent assets	-	1,947
<b>Total</b>	<b>32,638</b>	<b>33,407</b>

“Contractually provided-for income” relates to the chargeback to the securitisation 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 for the securitisation carried out.

## Section 19 - Tax on income from continuing operations - Caption 270

### 19.1 Tax on income from continuing operations: breakdown

	1ST HALF OF 2023	1ST HALF OF 2022
1. Current taxes (-)	244	572
2. Change in current taxes from previous years (+/-)	-1,011	56
3. Decrease in current taxes for the year (+)	-	-
3.bis Decrease in current taxes for the year due to tax assets as per Law no. 214/2011 (+)	-	-
4. Change in deferred tax assets (+/-)	-	-
5. Change in deferred tax liabilities (+/-)	-	-
<b>6. Tax expense for the period (-) (-1+/-2+3+ 3 bis+/-4+/-5)</b>	<b>-767</b>	<b>628</b>

The current taxes for the period refer in full to IRAP, while the change in current taxes from previous years refers to IRES for the year 2022, set aside in excess of what was actually due.

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

	1ST HALF OF 2023	1ST HALF OF 2022
Income before tax from continuing operations	-767	628
<b>Theoretical taxable profit</b>	<b>-767</b>	<b>628</b>
	<b>Income taxes</b>	<b>Income taxes</b>
<b>Income taxes - theoretical IRES tax expense</b>	<b>-</b>	<b>151</b>
<b>Increases</b>	<b>-</b>	<b>160</b>
Higher effective tax rate and higher tax base for IRAP purposes	-	-
Non-deductible expenses (contingent liabilities, etc.)	-	160
<b>Decreases</b>	<b>-1,011</b>	<b>-</b>
Untaxed gains on equity investments	-	-
Non-taxable dividends	-	-
Income at reduced rate	-	-
Other - prior year	-1,011	-
<b>Total changes</b>	<b>-1,011</b>	<b>160</b>
<b>Total</b>	<b>-1,011</b>	<b>311</b>
	<b>IRAP</b>	<b>IRAP</b>
	<b>244</b>	<b>317</b>
<b>Effective tax expense (IRES + IRAP)</b>	<b>-767</b>	<b>628</b>

## Part D - OTHER DISCLOSURES

### Section 1 - Operations

#### D. GUARANTEES AND COMMITMENTS

At the reporting date of the interim financial statements as at 30 June 2023, 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	30/06/2023	31/12/2022
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	8,833,072,664	9,350,760,495
<b>Total</b>	<b>8,833,072,664</b>	<b>9,350,760,495</b>

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**

This section provides the qualitative and quantitative information required by the Bank of Italy provisions relating to vehicles for assets underlying covered bank bonds in its Order “The financial statements of IFRS intermediaries other than banking intermediaries” of 17 November 2022.

In view of the fact that the aforementioned Order does not provide for detailed indications and specific tables, the information contained in this section has been provided according to the information scheme expressly requested for the part “F. Securitisation” of Bank of Italy Order of 15 December 2015, suitably adapted to covered bond transactions, in continuity with previous years.

The entries relating to the securitised loans 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 are 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..

### **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.

### **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 Premium**

The representation of the performance of the securitisation requires the related-party

, in the event of a positive result, of an Additional Interest Premium 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 Premium, 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”.

This approach, at a given date over the life of a securitisation, better represents the profit and loss values and specific contractual commitments of the securitisation, on an accrual basis.

## Summary of the securitised assets

	30/06/2023	31/12/2022	(amounts in Euros)
<b>A. Securitised assets</b>		<b>7,952,241,833</b>	<b>8,580,868,924</b>
A1) Loans and receivables	7,943,449,233	8,573,524,056	
A3) Other	8,792,600	7,344,868	
- Accrued income	8,792,600	7,344,868	
<b>B. Utilisation of cash deriving from the management of securitised assets</b>		<b>880,830,831</b>	<b>769,891,571</b>
B3) Other	880,830,831	769,891,571	
- Cash and cash equivalents	880,794,914	769,883,556	
- Other receivables	35,917	8,015	
<b>D. Loans received</b>		<b>8,741,433,201</b>	<b>9,241,433,779</b>
<b>E. Other liabilities</b>		<b>91,639,463</b>	<b>109,326,716</b>
- Liabilities for services	64,279	53,736	
- Due to customers	333,030	1,314,904	
- Amounts due to originators	1,013,209	2,102,443	
- Additional Interest Premium Provision	90,228,785	105,855,380	
- Due to others	160	253	
<b>G. Fees and commissions borne by the transaction</b>		<b>1,108,056</b>	<b>2,186,522</b>
G1) For servicing	1,003,209	2,081,269	
G2) For other services	104,847	105,253	
<b>H. Other expense</b>		<b>142,828,346</b>	<b>99,063,618</b>
- Interest expense on subordinated loan	44,147	50,161	
- Losses on loans	79,080	94,132	
- Expected losses on loans	5,218,410	-	
- Additional Interest Premium	137,438,909	98,612,281	
- Other expense	47,800	307,044	
<b>I. Interest generated by the securitised assets</b>		<b>134,641,101</b>	<b>72,105,830</b>
<b>L. Other revenue</b>		<b>9,295,301</b>	<b>29,144,310</b>
- Interest income on c/a	7,280,162	-	
- Revenues from early termination penalties	183,178	138,128	
- Reversals of impairment losses on loans	316,124	29,006,164	
- Miscellaneous revenues	1,515,837	18	

on behalf of the BOARD OF DIRECTORS  
Chairperson  
Renzo Parisotto



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

<b>A1) Loans and receivables</b>	<b>30/06/2023</b>	<b>31/12/2022</b>
Loans and receivables	7,913,567,385	8,539,763,215
Unpaid instalments - principal	2,039,914	4,659,807
Unpaid instalments - interest	1,379,483	1,784,909
Extended uncollectable instalments - principal	2,597,215	2,845,390
Extended uncollectable instalments - interest	1,987,139	2,143,991
Expenses on loans	1,073,714	1,185,356
Interest from suspended instalments	28,095,025	30,800,269
Amortised cost	46,933,014	55,201,865
Default interest	60	2,813
Impairment losses on non-performing past due exposures	-4,096,779	-3,551,923
Value adjustments to unlikely-to-pay exposures	-2,859,854	-13,126,645
Value adjustments to bad loans	-269,176	-867,288
Value adjustments to default interest	-60	-2,813
Impairment losses on performing loans	-46,997,847	-47,314,890
	<b>7,943,449,233</b>	<b>8,573,524,056</b>
<b>B3) Cash and cash equivalents</b>	<b>30/06/2023</b>	<b>31/12/2022</b>
Receivables Collection Account	118,697,878	116,870,721
Cash Reserve	65,000,000	75,000,000
Principal Account	692,924,386	576,436,622
Expenses Account	19,864	17,788
Accrued income - Accruals in progress	4,152,786	1,558,425
	<b>880,794,914</b>	<b>769,883,556</b>
<b>B3) Other receivables</b>	<b>30/06/2023</b>	<b>31/12/2022</b>
Withholdings on bank interest	1,800	1,800
Prepayments	29,507	383
Miscellaneous items	306	-
Loans and receivables with companies	4,304	4,864
VAT receivables	-	968
	<b>35,917</b>	<b>8,015</b>

A summary table is provided below of the loans, as classified by the servicer, in accordance with the provisions of Bank of Italy Circular no. 262/2005 and the IAS/IFRS and the EU supervisory regulations.

	30/06/2023				31/12/2022			
	Gross amount	Impairment losses	Carrying amount	% coverage	Gross amount	Impairment losses	Carrying amount	% coverage
<b>Performing exposures</b>	<b>7,917,390,586</b>	<b>46,997,847</b>	<b>7,870,392,739</b>	<b>0.59%</b>	<b>8,497,949,036</b>	<b>47,314,890</b>	<b>8,450,634,146</b>	<b>0.56%</b>
Non-performing past due exposures	19,542,909	4,096,779	15,446,130	20.96%	19,801,832	3,551,923	16,249,909	17.94%
Unlikely-to-pay	13,305,562	2,859,913	10,445,649	21.49%	63,717,219	13,129,436	50,587,783	20.61%
Bad loans	500,877	269,176	231,701	53.74%	1,717,663	867,310	850,353	50.49%
<b>Non-performing exposures</b>	<b>33,349,348</b>	<b>7,225,868</b>	<b>26,123,480</b>	<b>21.67%</b>	<b>85,236,714</b>	<b>17,548,669</b>	<b>67,688,045</b>	<b>20.59%</b>
Amortised cost	46,933,014	-	46,933,014		55,201,865	-	55,201,865	
<b>Total loans</b>	<b>7,997,672,948</b>	<b>54,223,715</b>	<b>7,943,449,233</b>		<b>8,638,387,615</b>	<b>64,863,559</b>	<b>8,573,524,056</b>	
<b>% Non-performing exposures on total loans</b>	<b>0.42%</b>		<b>0.33%</b>		<b>0.99%</b>		<b>0.79%</b>	

For the sake of completeness, it should be noted that as at 30 June 2023 there were no outstanding loans that constituted new liquidity, granted through public guarantee mechanisms issued within the COVID-19 framework.

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

In the first half of 2023, a total of €4,902,286 of impairment losses on loans were recorded (of which impairment losses of €5,218,406 on non-performing loans and reversals of impairment losses of €316,120 on performing loans), compared with reversals of impairment losses of €29,006,614 recorded at 30 June 2022 (of which reversals of impairment losses of €2,121,405 on non-performing loans and reversals of impairment losses of €26,884,759 on performing loans).

However, due to the repurchases carried out by the Parent Company during the first half of 2023, the comparison with the previous year is not on a like-for-like basis.

For the sake of completeness, it should be noted that as at 30 June 2023 there were no outstanding loans that constituted new liquidity, granted through public guarantee mechanisms issued within the COVID-19 framework.

## QUALITATIVE INFORMATION

### Description of the Issue Programme and its performance

#### THE PROGRAMME

In 2008, the vehicle, with the assistance of Barclays Bank PLC, as Arranger, and the law firms Clifford Chance and Chiomenti, initiated a series of negotiations with UBI Banca (now Intesa Sanpaolo, also the “**Issuer**”) aimed at the implementation of the programme (the “**Programme**”) for the issuance by UBI Banca of covered bonds (the “**Covered Bonds**”, pursuant to Law no. 130/1999.

In particular, the Programme provides for, on the one hand, the sales without recourse of residential mortgage loans, as further identified below, to the vehicle by certain banks of the UBI Banca group (now Intesa Sanpaolo), specifically:

1. Banco di Brescia S.p.A. (“**BBS**”), merged into UBI Banca by deed of 20 February 2017;
2. Banca Regionale Europea S.p.A. (“**BRE**”), merged into UBI Banca by deed of 15 November 2016;
3. Banca Popolare di Bergamo S.p.A. (“**BPB**”), merged into UBI Banca by deed of 20 February 2017;
4. Banca Popolare di Ancona S.p.A. (“**BPA**”), merged into UBI Banca by deed of 20 February 2017;
5. Banco di San Giorgio S.p.A. (“**BSG**”), previously merged into BRE, and then into UBI Banca by deed of 15 November 2016;
6. Banca Popolare Commercio e Industria S.p.A. (“**BKI**”), merged into UBI Banca by deed of 15 November 2016;
7. Banca Carime S.p.A. (“**BRM**”), merged into UBI Banca by deed of 20 February 2017;
8. UBI Banca Private Investment S.p.A. (“**BPI**”), now IW Bank S.p.A. by virtue of the merger by absorption through deed of 25 May 2015;
9. Banca di Valle Camonica S.p.A. (“**BVC**”), merged into UBI Banca by deed of 20 February 2017 and
10. Unione di Banche Italiane S.p.A. (“**UBI**”), which absorbed Banca 24-7 by merger on 23 July 2012 (with accounting and tax effect from 1 January 2012), and was merged into Intesa Sanpaolo by deed of 26 March 2021.

(collectively the “**Originators**”),

and, on the other hand, the tranching issuance of covered bonds by UBI Banca (now Intesa Sanpaolo) for an amount of up to €10,000,000,000.

In this context, the vehicle has undertaken to guarantee the above-mentioned issuances. More specifically, the Covered Bond Guarantee agreement, signed on 30 July 2008, establishes that the vehicle shall issue an irrevocable, on-demand, unconditional and autonomous guarantee in favour of the holders of the covered bonds in respect of the loan portfolios sold from time to time by the Originators, under which the vehicle shall guarantee the repayment by the Issuer of all the sums due as principal and interest in relation to the covered bonds (the “**Guarantee**”). The vehicle has therefore agreed to increase the Guarantee issued where necessary, from time to time, based on the amount of the individual issuance.

In accordance with this Programme structure, the vehicle has carried out the following.

#### INITIAL SALE

On 30 June 2008, the vehicle entered into two agreements with BRE and BBS (jointly the “**Initial Originators**”) for the sale of loans identified as a block pursuant to and for the purposes of the combined provisions of Article 7-bis and 4 of Law no. 130/99 and Article 58 of the Consolidated Law on Banking, acquiring without recourse, with effect from 1 July 2008, the following portfolios of performing loans deriving from first rank residential

mortgages (the “**Initial Loans**”):

- €595,473,865 from BRE and
- €1,391,201,377 from BBS.

*INITIAL LOANS SOLD*

At that date, these loans were identified as a “block”, pursuant to and for the purposes of the combined provisions of Article 7-bis and 4 of Law no. 130/99 and Article 58 of the Consolidated Law on Banking, because they complied with the following common criteria:

- (1) that they are residential mortgage loans whose ratio of the outstanding principal amount added to the outstanding principal amount of any previous mortgage loans on the same property does not exceed 80% of the value of the property, in accordance with the provisions of Decree 310 of 14 December 2006 of the Ministry of Economy and Finance;
- (2) in respect of which the consolidation period applicable to the related mortgage has ended and the related mortgage is not subject to challenge pursuant to Article 67 of Royal Decree no. 267 of 16 March 1942 and, where applicable, Article 39 of Legislative Decree no. 385 of 1 September 1993;
- (3) that they have been disbursed by the Originator;
- (4) that they are governed by Italian law;
- (5) that they are performing loans and in relation to which there are no fees that are overdue and unpaid for more than 1 day from the related due date for payment;
- (6) that they do not contain any clause restricting the Originator’s ability to sell the loans under the related agreement or establishing that the consent of the relevant debtor is necessary for such sale and that the Originator has obtained such consent;
- (7) in relation to which at least one instalment has been paid by the debtor before 1 July 2008;
- (8) that they require the payment by the debtor of monthly, quarterly or semi-annual instalments;
- (9) that they establish that all payments due by the debtor are to be made in euros;
- (10) that they have been fully disbursed;
- (11) that they have not been granted to natural persons who are, or were at their date of disbursement, employees of any company belonging to the banking group Unione di Banche Italiane S.c.p.A. (now Intesa Sanpaolo);
- (12) that they have been granted to a natural person or to several natural persons who are joint holders;
- (13) that they are subsidised mortgages that included concessions or other benefits in terms of principal or interest at the time of disbursement (subsidised mortgages);
- (14) that they are first rank mortgages, understood as either (i) a first rank mortgage or (ii) (A) a second or subsequent rank mortgage in respect of which the creditor secured by the first rank mortgage is the Originator and in respect of which the obligations guaranteed by such higher rank mortgage have been satisfied in full, or (B) a second or subsequent rank mortgage in respect of which the creditor secured by the higher rank mortgages is the Originator (even if the obligations guaranteed by the higher rank mortgages have not been satisfied in full) and the loans secured by those higher rank mortgages arise out of loans which satisfy these criteria.

*SUBORDINATED LOANS  
FROM INITIAL  
ORIGINATORS*

At the same time, each Initial Originator granted the vehicle a loan for the same amount, so that the vehicle would have the necessary funds to purchase the above-mentioned Loan Portfolios, whose repayment is subordinated to the prior redemption of the covered bonds issued by Intesa

<i>REPURCHASE INITIAL LOANS</i>	<p>Sanpaolo.</p> <p>On 1 March 2010, the vehicle returned the following Initial Loans to the Initial Originators, pursuant to Article 11.3 of the respective Master Sale Agreement, which for various reasons no longer met the selection criteria for the portfolios of the Programme:</p> <ul style="list-style-type: none"> <li>▪ €2,398,570 in default and €87,561,597 not eligible to BRE and</li> <li>▪ €4,729,024 in default and €243,098,071 not eligible to BBS.</li> </ul>
<b>SUBSEQUENT SALES</b>	<p>Subsequent to the Initial Sale, the vehicle acquired various loan portfolios without recourse from the Originators ("<b>Subsequent Sales</b>"), a summary of which is provided below.</p>
<i>SALE 2</i>	<p>On 30 November 2009, the vehicle made the following new acquisitions:</p> <ul style="list-style-type: none"> <li>▪ €210,984,151 from BRE;</li> <li>▪ €453,032,832 from BBS and</li> <li>▪ €1,347,612,455 from BPB, which joined the Programme as an additional originator.</li> </ul>
<i>SALE 3</i>	<p>On 1 May 2010, the vehicle made the following new acquisitions:</p> <ul style="list-style-type: none"> <li>▪ a new portfolio of loans from BBS for €672,896,469;</li> <li>▪ a new portfolio of loans from BRE for €245,457,659;</li> <li>▪ a new portfolio of loans from BPB for €758,754,383;</li> <li>▪ the initial portfolio of performing loans deriving from first rank residential mortgages owned by BPA for €672,137,149;</li> <li>▪ the initial portfolio of performing loans deriving from first rank residential mortgages owned by BSG for €336,304,315.</li> </ul> <p>In this sale, BPA and BSG joined the Programme as additional originators.</p>
<i>SALE 4</i>	<p>On 1 October 2010, the vehicle acquired the following loan portfolios without recourse:</p> <ul style="list-style-type: none"> <li>▪ €1,381,598,480 from BKI;</li> <li>▪ €696,269,788 from BRM;</li> <li>▪ €223,133,986 from BVC, and</li> <li>▪ €140,498,355 from BPI.</li> </ul> <p>In this sale, BKI, BRM, BVC and BPI joined the Programme as additional originators.</p>
<i>SALE 5</i>	<p>On 1 May 2011, the vehicle made the following new acquisitions:</p> <ul style="list-style-type: none"> <li>▪ a new portfolio of loans from BBS for €564,335,773; and</li> <li>▪ a new portfolio of loans from BPB for €809,449,670.</li> </ul>
<i>SALE 6</i>	<p>On 31 October 2011, the vehicle acquired the following loan portfolios without recourse:</p> <ul style="list-style-type: none"> <li>▪ €395,798,879 from BRE;</li> <li>▪ €466,384,081 from BPA;</li> <li>▪ €203,958,421 from BSG, and</li> <li>▪ €520,886,653 from BKI.</li> </ul>
<i>SALE 7</i>	<p>On 31 January 2012, the vehicle made the following new acquisitions:</p> <ul style="list-style-type: none"> <li>▪ €346,098,197 from BBS;</li> <li>▪ €451,159,851 from BPB;</li> <li>▪ €278,557,527 from BRM, and</li> <li>▪ €91,832,409 from BPI.</li> </ul>
<i>SALE 8</i>	<p>On 28 September 2012, the vehicle acquired the following loan portfolios without recourse:</p> <ul style="list-style-type: none"> <li>▪ €223,786,985 from BRE;</li> <li>▪ €347,111,898 from BPA;</li> <li>▪ €605,687,070 from BPCI;</li> </ul>

	<ul style="list-style-type: none"> <li>▪ €141,235,188 from BSG, and</li> <li>▪ €94,047,055 from BVC.</li> </ul>
<i>SALE 9</i>	<p>On 31 May 2013, the vehicle acquired the following loan portfolios without recourse:</p> <ul style="list-style-type: none"> <li>▪ €628,145,188 from BBS;</li> <li>▪ €137,912,876 from BPA;</li> <li>▪ €167,481,923 from BPCI, and</li> <li>▪ €310,275,741 from BRM.</li> </ul>
<i>SALE 10</i>	<p>On 31 October 2013, the vehicle acquired the following loan portfolios without recourse:</p> <ul style="list-style-type: none"> <li>▪ €1,119,040,043 from BPB;</li> <li>▪ €25,303,963 from BVC;</li> <li>▪ €60,626,004 from BPI, and</li> <li>▪ €2,096,634,974 from UBI Banca.</li> </ul> <p>In this sale, UBI Banca joined the Programme as an additional originator.</p>
<i>SALE 11</i>	<p>On 30 May 2014, the vehicle acquired the following loan portfolios without recourse:</p> <ul style="list-style-type: none"> <li>▪ €254,881,540 from BRE;</li> <li>▪ €141,768,365 from BPA;</li> <li>▪ €127,927,796 from BKI, and</li> <li>▪ €100,912,280 from BRM.</li> </ul>
<i>SALE 12</i>	<p>On 31 October 2014, the vehicle acquired the following loan portfolios without recourse:</p> <ul style="list-style-type: none"> <li>▪ €242,990,513 from BBS;</li> <li>▪ €244,542,693 from BPB;</li> <li>▪ €22,534,632 from BVC;</li> <li>▪ €20,575,993 from BPI and</li> <li>▪ €57,466,582 from UBI Banca.</li> </ul>
<i>SALE 13</i>	<p>On 15 May 2015, the vehicle acquired the following loan portfolios without recourse:</p> <ul style="list-style-type: none"> <li>▪ €254,557,943 from BBS;</li> <li>▪ €250,138,690 from BKI;</li> <li>▪ €146,941,417 from BRE and</li> <li>▪ €104,735,863 from BRM.</li> </ul>
<i>SALE 14</i>	<p>On 30 October 2015, the vehicle acquired the following loan portfolios without recourse:</p> <ul style="list-style-type: none"> <li>▪ €181,027,136 from BPA;</li> <li>▪ €475,470,927 from BPB;</li> <li>▪ €25,133,892 from BVC;</li> <li>▪ €18,324,256 from IWB and</li> <li>▪ €39,462,602 from UBI.</li> </ul>
<i>SALE 15</i>	<p>On 29 April 2016, the vehicle acquired the following loan portfolios without recourse:</p> <ul style="list-style-type: none"> <li>▪ €149,380,663 from BPA;</li> <li>▪ €329,285,627 from BBS;</li> <li>▪ €369,758,806 from BPB;</li> <li>▪ €337,658,528 from BKI and</li> <li>▪ €172,705,787 from BRE.</li> </ul>
<i>SALE 16</i>	<p>On 28 April 2017, the vehicle acquired a loan portfolio from UBI Banca for €1,684,900,633.</p>
<i>SALE 17</i>	<p>On 30 April 2018, the vehicle acquired a loan portfolio from UBI Banca for</p>



€2,233,739,364.

<i>SALE 18</i>	On 30 November 2018, the vehicle acquired a loan portfolio from UBI Banca for €1,290,979,287.
<i>SALE 19</i>	On 30 April 2019, the vehicle acquired a loan portfolio from UBI Banca for €2,420,021,494.
<i>SALE 20</i>	On 30 April 2020, the vehicle acquired a loan portfolio without recourse from IWBank for €46,499,038 and a loan portfolio from UBI Banca for €2,427,956,115.
<i>SALE 21</i>	On 16 June 2022, the vehicle acquired a loan portfolio without recourse from Intesa Sanpaolo S.p.A. for €822,761,016.

On 27 January 2022, Intesa Sanpaolo S.p.A. exercised a repurchase option, accepted by the special purpose vehicle, with financial effect from 24 January 2022 and legal effect from 27 January 2022, in relation to several loans identified as a block pursuant to article 58 of the Consolidated Law on Banking.

The loans, consisting of mortgage loans in “bad loan” or “unlikely-to-pay” status, were returned by the vehicle to the originator Intesa Sanpaolo S.p.A. for a consideration of €71,864,261.88.

The sales notice was published in the Italian Official Journal, Part 2, no. 20 of 19 February 2022.

The repurchase price of the assets was set, in continuity with the sale price, based on the carrying amounts of the assets on the effective date of the repurchase.

On 19 April 2023, Intesa Sanpaolo S.p.A. exercised a repurchase option, accepted by the special purpose vehicle, with financial effect from 17 April 2023 and legal effect from 19 April 2023, in relation to several loans identified as a block pursuant to article 58 of the Consolidated Law on Banking.

The loans, consisting of mortgage loans in “bad loan” or “unlikely-to-pay” status, were returned by the vehicle to the originator Intesa Sanpaolo S.p.A. for a consideration of €57,360,770.37.

The sales notice was published in the Italian Official Journal, Part 2, no. 53 of 6 May 2023.

The repurchase price of the assets was set, in continuity with the sale price, based on the carrying amounts of the assets on the effective date of the repurchase.

**ISSUANCE OF THE FIRST SERIES OF COVERED BONDS** UBI Banca (now Intesa Sanpaolo), due to the unfavourable performance of the international financial markets, decided to issue the first series of covered bonds on 23 September 2009 for an amount of €1 billion.

These covered bonds were placed on the Italian and foreign markets with Italian and foreign institutional investors, in addition to being listed on the London Stock Exchange. The prospectus governing the Covered Bonds constitutes the “base prospectus” within the meaning of Directive 2003/71/EC.

**GUARANTEE TO THE ISSUER** In accordance with the provisions of Article 4 of the MEF Decree, and with respect to the various Loan Portfolios that will be sold to it, on 21 September 2009 the vehicle issued an irrevocable, first demand, unconditional and independent guarantee in favour of the holders of the covered bonds, according to which the vehicle will guarantee the repayment by the Issuer of all the amounts due as principal and interest in relation to the covered bonds, for a maximum guaranteed amount of €1,882,502,000.

**ISSUANCE OF SUBSEQUENT COVERED BOND SERIES** Subsequently, UBI Banca (now Intesa Sanpaolo) issued the following series of covered bonds and, at the same time, the vehicle adjusted the maximum amount guaranteed under the Guarantee to the total amount of the series of covered bonds issued:

2009-13

MAXIMUM AMOUNT OF THE  
PROGRAMME: €10  
BILLION

ISSUANCES (max. programme €10bn)			
Series	date	Maturity	Initial issue
1	23/09/2009		1,000,000,000
2	16/12/2009	16/12/2019	1,000,000,000
3	30/04/2010	30/04/2023	250,000,000
4	15/09/2010	15/09/2017	1,000,000,000
5	18/10/2010	18/10/2015	500,000,000
6	28/01/2011	28/01/2021	1,000,000,000
7	22/02/2011	22/02/2017	750,000,000
8	18/11/2011	18/11/2022	250,000,000
9	22/02/2012	17/02/2014	250,000,000
10	22/02/2012	18/02/2014	250,000,000
11	22/02/2012	19/02/2014	250,000,000
12 Tranche 1	14/10/2013	14/10/2020	1,250,000,000
12 Tranche 2	19/12/2013	14/10/2020	250,000,000
13	23/12/2013	23/12/2018	1,000,000,000

2014-TODAY

MAXIMUM AMOUNT OF THE  
PROGRAMME: €15  
BILLION

ISSUANCES (max. programme €15bn)			
Series	date	Maturity	Initial issue
14	05/02/2014	05/02/2024	1,000,000,000
15	05/03/2014	05/03/2019	700,000,000
16	13/10/2014	13/10/2017	700,000,000
17	07/11/2014	07/11/2025	1,000,000,000
18 Tranche 1	27/10/2015	27/01/2023	750,000,000
19	14/12/2015	14/12/2022	500,000,000
20	31/03/2016	31/03/2022	1,000,000,000
18 Tranche 2	20/06/2016	27/01/2023	250,000,000
21	23/06/2016	23/06/2018	750,000,000
22	14/09/2016	14/09/2026	1,000,000,000
18 Tranche 3	21/10/2016	27/01/2023	250,000,000
18 Tranche 3	21/10/2016	27/01/2023	250,000,000
23	04/10/2017	04/10/2027	1,250,000,000
24	15/01/2018	15/07/2024	500,000,000
25	15/01/2018	15/01/2030	500,000,000
26	23/02/2018	23/02/2033	90,000,000
27	26/02/2018	25/02/2033	160,000,000
24 Tranche 2	15/10/2018	15/07/2024	250,000,000
28	16/10/2018	16/10/2028	700,000,000
29	10/12/2018	12/12/2022	800,000,000
30	10/12/2018	11/12/2023	500,000,000
31	25/02/2019	25/09/2025	500,000,000
32	05/12/2019	05/12/2029	1,000,000,000

**CHANGES TO THE  
STRUCTURE OF THE  
PROGRAMME  
DOWNGRADING OF  
UBI BANCA**

Since the start of the Programme, the vehicle has made the following changes to the Programme's structure and contractual documentation.

From its establishment, the Programme envisaged that:

- UBI Banca (now Intesa Sanpaolo) and other subsidiaries of the UBI Group would act as custodian banks for the collections from the portfolios purchased;
- UBI Banca (now Intesa Sanpaolo) would take out derivatives with the vehicle to hedge interest rate risk.

The preservation of these roles was linked to the maintenance of a certain rating level assigned by the rating agencies involved in the Programme.

It was also envisaged that, following a downgrading of UBI Banca (now Intesa Sanpaolo) below certain thresholds:

- (i) the sums deposited in the current accounts opened with UBI Banca (now Intesa Sanpaolo) and the companies controlled by it would be promptly transferred, at the expense of the custodian bank, to another entity meeting the necessary requirements (including the rating), appointed by the vehicle;
- (ii) the existing contractual relationships with the custodian banks would be terminated;
- (iii) UBI Banca (now Intesa Sanpaolo) would be required to collateralise its obligations arising from the derivatives.

On 5 October 2011, the rating agency Moody's downgraded the rating of Italian government bonds by three notches (from Aa2 to A2), which was followed on the next day by the wave of downgrades on Italian banks. Specifically, UBI Banca (now Intesa Sanpaolo) saw its long-term rating fall from A2 to A3 and its short-term rating fall from P-1 to P-2.

As a result of this downgrading, the above-mentioned rating level limits were exceeded and therefore, on 8 November 2011, it was necessary to make the following changes to the structure of the Programme:

- a) the vehicle terminated the contract with UBI Banca International S.A. as custodian bank;
- b) UBI Banca (now Intesa Sanpaolo) had to margin the swaps with the vehicle;
- c) the vehicle opened new current accounts with The Bank of New York Mellon, London Branch, an eligible counterparty, so that the amounts collected from the amortisation of the portfolios acquired could be transferred to these accounts, as well as the guarantee relating to the derivatives entered into by the vehicle with UBI Banca under the Programme.

**AMENDMENTS TO THE  
SWAP AGREEMENTS**

According to the operational practice in force at the time of establishment of the Programme, UBI Banca (now Intesa Sanpaolo) had agreed with the rating agencies and the Arranger of the Programme to use derivatives to normalise all the flows exchanged between the Originators and the vehicle (asset swaps) and to hedge the vehicle against interest rate risk in the event that UBI Banca took over payment of the coupons of the covered bonds (liability swaps).

Full hedging through derivatives was a necessary condition for obtaining the "AAA" rating for the Programme. And, at the time, UBI Banca had rating levels that allowed it to be a direct counterparty to these swaps with the vehicle (directly on the liability swap, indirectly on the asset swaps by providing the guarantee to the Originators).

However, following the above downgrades, UBI Banca and the Originators found themselves in the position of being contractually obliged to transfer the derivatives entered into under the Programme (asset swaps and liability swaps) to third parties.

In light of the market conditions and the specific characteristics of the derivatives taken out, UBI Banca did not find any counterparties willing to take over these derivatives at current conditions and therefore decided to carry out a comprehensive restructuring of the existing swaps aimed at:

- (i) reducing the overall notional amount of the swaps; and
- (ii) aligning structural forecasts with market forecasts in order to allow transfer to third parties.

To this end, UBI Banca agreed with the rating agencies to abandon the contractual provision of complete hedging of interest rate risk by the vehicle, in the event of it taking over the payment of the coupons of the covered bonds, in favour of an approach that takes account of the fact that the floating-rate mortgages (which constitute the majority of the assets transferred to the vehicle) would make it unnecessary to convert all the interest on the mortgages received by the vehicle into floating-rate mortgages, while the fixed-rate mortgages provide a partial natural hedge with respect to the issuances of fixed-rate covered bonds.

In view of this, the following changes were made to the structure of the Programme on 11 April 2013:

- a) the early termination of all the asset swaps (through the signing of a termination agreement between the vehicle and each Asset Swap Provider); and
- b) the amendment of the liability swaps to reduce the notional amount to the strictly necessary amount agreed with the rating agencies.

Once the liability swaps had been modified, UBI Banca (now Intesa Sanpaolo) began the search for a market counterparty to which to assign these derivatives, a search which to date has not been completed.

***TRANSFER OF COVERED  
BOND STOCK EXCHANGE  
LISTING***

In 2014, upon indication from UBI Banca (now Intesa Sanpaolo), the need emerged, for efficiency reasons, to change the listing exchange of the Covered Bonds, initially listed on the London Stock Exchange, to the Irish Stock Exchange, both with regard to future issuances and to the issuances already outstanding under the Programme.

In view of this, the vehicle collaborated with UBI Banca (now Intesa Sanpaolo), as issuer, in order to:

- (i) complete the passporting procedure for the base prospectus for the CB2 Programme (the “Prospectus”),
- (ii) take the necessary steps to apply for and obtain the listing of the Covered Bonds on the Irish Stock Exchange,
- (iii) carry out the delisting of the series of Covered Bonds listed on the London Stock Exchange,
- (iv) participate in the preparation and negotiation of the new Prospectus for approval by the Irish Authorities; and
- (v) make all the necessary and appropriate communications to the dealers of the Programme and to the holders of the Covered Bonds in order to inform them of the implementation of the activities described above.

On 23 May 2014, the passporting procedure was completed and the Covered Bonds are now listed on the Irish Stock Exchange.

***INCREASE IN MAXIMUM  
PROGRAMME AMOUNT***

At the same time as the transfer of the listing exchange, UBI Banca (now Intesa Sanpaolo) increased the maximum amount of the Programme from the initial amount of €10 billion to a new amount (€15 billion), more compatible with the issuances already carried out and those planned for the future.

***SWAP COLLATERAL  
ACCOUNT TRANSFER***

In 2014, the need also arose, upon indication from UBI Banca (now Intesa Sanpaolo), to transfer the Collateral Swap Accounts relating to UBI Banca as Liability Swap Provider, opened at Bank of New York Mellon, London Branch, which performs role of English Account Bank under the Programme, to another financial institution.

Accordingly, on 10 December 2014, BNP Paribas Securities Services was appointed as the “Swap Collateral Account Bank” of the Programme.

To this end, the following documents, among others, were signed:

- (i) “Appointment Agreement”, to appoint the new custodian bank;
- (ii) Amending Agreements to the “Intercreditor Agreement”, the “Cash Allocation, Management and Payments Agreement”, the “English Account Bank Agreement” and the “Master Definitions Agreement”, to acknowledge the accession of the new custodian bank to those agreements;
- (iii) “Supplemental Deed of Charge”, to establish a pledge on the new swap collateral accounts opened with the new custodian bank.

**AMENDMENT TO MASTER SERVICING AGREEMENT**

In 2015, upon indication from UBI Banca (now Intesa Sanpaolo), the need arose to amend certain definitions contained in the Programme agreements, including those of “Eligible Institution”, “Eligible Investment” and “Top Up Assets”, in order to, among other things, bring the contractual documentation into line with the amendments to Regulation (EU) No 575/2013 (“CRR”) (and related implementing regulations).

In addition to the above, on 30 July 2015, for reasons of efficiency and expediency, the Servicing Master Agreement and the collection procedures attached thereto were amended to provide, among other things, for the possibility for UBI Banca, in its capacity as Master Servicer, as part of the management of bad loans in the name and on behalf of the vehicle, to sell those loans directly to third parties in the interest of the vehicle.

**REPLACEMENT OF FITCH BY DBRS**

On 24 August 2015, the rating agency Fitch Ratings Limited published a press release in which it announced that for commercial reasons it was withdrawing its rating on the covered bond programme for which the vehicle is guarantor.

Consequently, on 23 September 2015, it became necessary to amend the contractual structure of the CB2 Programme in order to replace Fitch Ratings Limited by DBRS Ratings Limited as the rating agency for the Programme.

**SINGLE BANK PROJECT**

On 27 June 2016, UBI Banca (now Intesa Sanpaolo) approved the “Group Business Plan”, which envisaged – among other things – the adoption of a simpler and more efficient “single bank” operating structure, with the merger of BPB, BdB, BPCI, BRE, BPA, CARIME and BVC into UBI Banca (now Intesa Sanpaolo) by the first half of 2017. This merger project, approved by the Bank of Italy on 30 August 2016, consists of three phases:

- (i) an initial merger agreement for the merger of Banca Regionale Europea S.p.A. and Banca Popolare Commercio e Industria S.c.p.A. into UBI Banca;
- (ii) a second merger agreement relating to the merger of Banca Popolare di Bergamo S.p.A., Banca di Valle Camonica S.p.A. and Banco di Brescia S.p.A., and lastly
- (iii) a third merger agreement relating to the merger of Banca Carime S.p.A. and Banca Popolare di Ancona S.p.A.

**FIRST PHASE**

On 15 November 2016, UBI Banca (now Intesa Sanpaolo) signed the two merger deeds pursuant to Article 2504 of the Italian Civil Code relating, respectively, to the merger by absorption of BPCI and BRE.

At the same time, the agreements of the Programme were amended so that UBI Banca (now Intesa Sanpaolo) took over the rights and obligations of the two merged banks as Originator and Sub-Servicer of the Programme.

**SECOND AND THIRD PHASES**

Contrary to the provisions of the “Plan”, on 20 February 2017 UBI Banca (now Intesa Sanpaolo) merged the remaining banks of the Group, concluding in advance all the phases of the “Single Bank” merger project.

This meant that on 23 May 2017 the following changes to the Programme were again necessary:

- a) the termination of the sub-servicing agreements entered into by UBI Banca (now Intesa Sanpaolo) as Master Servicer and by the Merged Banks as Sub-Servicers, whereby certain activities relating to the collection and management of the loans sold by them were delegated by the Master Servicer to the Merged Banks, because, subsequent to the Merger, these activities were carried out by UBI Banca (now Intesa Sanpaolo);
- b) the closure of the “Italian Collection Accounts” and “English Collection Accounts” opened by the vehicle in which the collections from the Portfolios sold by the Merged Banks were deposited (the “Relevant Accounts”), because these collections, following the Merger, were transferred to the corresponding accounts opened by the vehicle with the Account Bank for the UBI Portfolio (the “UBI Accounts”), while the collections received subsequent to the Merger are directly credited to the UBI Accounts, and
- c) the extinction of the pledge established by the vehicle in favour of the noteholders and other secured creditors, on the Relevant Accounts referred to in paragraph (b) above which have been closed.

**MINOR CONTRACTUAL  
AMENDMENTS**

On 12 December 2017, several agreements of the Programme were amended in order to: (i) modify the nominal value test; (ii) cancel UBI’s liability swaps (considered no longer necessary because at the current rating level of the Programme they did not bring particular benefits to the Programme); and (iii) allow the transfer of securities of public entities.

On 21 May 2018, several agreements under the Programme were amended in order to: (a) make several changes relating to the structure of the Programme accounts and the termination and appointment of several Agents, and (b) make certain changes relating to the Markets in Financial Instruments Directive 2014/65 / EU (the “MiFID II”).

On 3 August 2018, the “Programme Agreement” was amended in order to better clarify, in accordance with the disclosure included in the description of the business in the prospectus approved on 30 July 2018, the specific transaction and relationship of the Issuer with certain persons and entities located in sanctioned countries, such as Russia, Belarus, Burma, Côte d’Ivoire, Cuba, Iraq, Lebanon, Liberia, Libya, South Sudan, Sudan, Ukraine, Yemen and Zimbabwe.

On 7 May 2020, several agreements under the Programme were amended in order to: (i) amend the definition of “Reserve Fund Amount” set out below under the “Master Definitions Agreement”; (ii) include clarifications in the “Master Definitions Agreement” relating to the appointment of Barclays Ireland PLC as Arranger and Dealer; and (iii) include a clarification in the formula relating to the calculation of the Interest Coverage Test in accordance with the “Cover Pool Management Agreement”.

**POST MERGER OF UBI  
BANCA INTO INTESA  
SANPAOLO**

On 1 April 2021, PricewaterhouseCoopers Advisory SpA (“**PWC**”) entered into a termination and appointment agreement with Intesa Sanpaolo, the vehicle as guarantor of the Programme and the other parties, under which (a) Intesa Sanpaolo (formerly UBI Banca) resigned as Calculation Agent for the Programme and (b) the vehicle appointed PWC as the new Calculation Agent for the Programme with effect from 31 May 2021.

On 29 April 2021, PWC entered into a business unit lease agreement with PricewaterhouseCoopers Business Services S.r.l. (“**PWC BS**”) under which it transferred to PWC BS the business unit responsible for, among other things, carrying out the activities relating to the Calculation Agent’s duties under the Programme and, therefore, the related rights and obligations set out in the agreements entered into by PWC under the Programme.

**CONTRACTUAL  
AMENDMENTS**

On 3 November 2022, the master servicer Intesa Sanpaolo sub-delegated the administration, management and recovery of bad loans to Intrum Italy S.p.A., except for Excluded Loans, namely the bad loans that, in accordance

with the Master Agreement, will be managed directly by Intesa Sanpaolo.

**PERFORMANCE OF THE TRANSACTION** In summary, during 2023, the transaction ran according to plan and the vehicle's future operations will be aimed at the orderly continuation of the Programme.

## Parties involved

In addition to UBI FINANCE S.R.L. (the “*Guarantor*”), the main parties involved in the Covered Bond Programme are:

<b>Originators, Sub-Servicers &amp; Subordinated Loan Providers</b>	Banco di San Giorgio S.p.A. (“BSG”) (1), Banca Regionale Europea S.p.A. (“BRE”) (2), Banca Popolare Commercio e Industria S.p.A. (“BKI”) (2), Banco di Brescia S.p.A. (“BBS”) (3), Banca Popolare di Bergamo S.p.A. (“BPB”) (3), Banca Popolare di Ancona S.p.A. (“BPA”) (3), Banca Carime S.p.A. (“BRM”)(3), UBI Banca Private Investment S.p.A. (“BPI”), now IW Bank S.p.A. by virtue of the merger by incorporation which took place on 25 May 2015 Banca di Valle Camonica S.p.A. (“BVC”) (3), IW Bank S.p.A. (“IWB”), and Unione di Banche Italiane S.p.A. (“UBI”) (4).
<b>Issuer, Master Servicer &amp; Italian Account Bank Representative of the Covered Bondholders</b>	Intesa Sanpaolo S.p.A. (formerly Unione di Banche Italiane Società per Azioni)
<b>Asset Monitor</b>	BNY Mellon Corporate Trustee Services Ltd.
<b>Principal Paying Agent</b>	BDO Italia S.p.A.
<b>English Account Bank</b>	The Bank of New York Mellon (Luxembourg) S.A., Italian Branch
<b>Calculation Agent</b>	The Bank of New York Mellon, London Branch
<b>SWAP Collateral Account bank</b>	PricewaterhouseCoopers Business Services S.r.l.
<b>Guarantor Corporate Servicer</b>	BNP Paribas Securities Services Intesa Sanpaolo S.p.A.

*On 15 October 2012 Banco di San Giorgio S.p.A signed the deed of merger into Banca Regionale Europea S.p.A., which took effect on 22 October 2012. Banco di San Giorgio S.p.A. was the sub-servicer of the transaction and the subordinated loan provider with regard to its securitised loans up to the merger date.*

*On 15 November 2016, Banca Regionale Europea S.p.A. and Banca Popolare Commercio e Industria S.p.A signed the deed of merger into UBI Banca, which took effect from 21 November 2016. BRE and BKI were originators, sub-servicers of the transaction and subordinated loan providers, in respect of their securitised loans, up to the merger date.*

*On 20 February 2017, Banco di Brescia S.p.A., Banca Popolare di Bergamo S.p.A., Banca Carime S.p.A. and Banca Popolare di Ancona S.p.A. signed the deed of merger into UBI Banca. BBS, BPB, BRM and BPA were originators, sub-servicers of the transaction and subordinated loan providers, in relation to their securitised loans, up to the merger date.*

*On 26 March 2021, UBI Banca signed the deed of merger into Intesa Sanpaolo. UBI Banca was the originator, master servicer, sub-servicer, calculation agent, bank agent for the transaction and Subordinated loan provider, for the securitised loans, up to the date of the merger.*

Intesa Sanpaolo S.p.A. collects and manages the securitised loans on behalf of the vehicle. It acts as account bank and servicer of the securitisation, as per Law no. 130/99 and may sub-delegate activities to third parties. Intesa Sanpaolo S.p.A. provides IT infrastructure and performs the back-office activities for collections on the cover pool, 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 paragraph 6 bis 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).

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

## Issue characteristics

As mentioned in the section “Description of the Transaction”, the vehicle, as guarantor of the covered bonds, with the loan portfolios purchased from time to time by the Originators, of the programme for the issuance of covered bonds by UBI Banca (now Intesa Sanpaolo), will not issue securities directly, as provided for by Law no. 130 of 30 April 1999 (Title I bis, Article 7-quinquies et seq.).

## **Related financial transactions**

### **ORIGINATOR'S GUARANTEE AND INDEMNITY**

On the Sale Date, the vehicle entered into a Guarantee and Indemnity Agreement with each Originator pursuant to which the Originator made certain representations and warranties to the vehicle in relation to the loan portfolio sold and agreed to indemnify the vehicle against certain costs, expenses and liabilities incurred in connection with the acquisition and ownership of the securitised portfolio.

### **SUBORDINATED LOAN**

At the same time as the purchase of the Loan Portfolios, the vehicle entered into a Subordinated Loan Agreement for the same amount with each Originator (now only Intesa Sanpaolo), in order to have the necessary funding to purchase those loans.

The above-mentioned loan is subordinated to the prior redemption of the covered bonds to be subsequently issued by UBI Banca (now Intesa Sanpaolo).

As remuneration for this loan, on each payment date, the vehicle pays each Originator (now only Intesa Sanpaolo) a basic annual interest rate of 0.001%, plus a "Premium" consisting of the difference between the interest received on the Loan Portfolio and the majority of the operating costs relating to the existence of the vehicle and the Programme.

### **INTERCREDITOR AGREEMENT**

In return for the transfer of all rights, title and interests in each asset relating to the Programme, the vehicle receives the guarantee from the Representative of the Subscribers of the coverage of all the rights, title and interest in the sums deposited from time to time in the current accounts registered to the transaction for the benefit of the subscribers and all the creditors of the Programme.

### **HEDGING INSTRUMENTS**

There were no hedging derivatives as at 30 June 2023.

## **The vehicle's operating powers**

The vehicle has no operating powers regarding the early redemption of the covered bonds.



## Section 3 – Risks and related hedging policies

### 3.1 Credit risk

#### Qualitative disclosure

##### 1. General aspects

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

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.

#### 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				Purchased or originated credit-impaired	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			First stage	Second stage	Third stage			
<b>A. ON-BALANCE SHEET CREDIT EXPOSURES</b>											
<b>A.1 On-demand</b>	257,101	257,101	-	-	-	-	-	-	-	257,101	-
a) Non-performing	-	X	-	-	-	X	-	-	-	-	-
b) Performing	257,101	257,101	-	X	-	-	-	X	-	257,101	-
<b>A.2 Other</b>											
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	-	-	-
<b>TOTAL (A)</b>	<b>257,101</b>	<b>257,101</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>257,101</b>	<b>-</b>
<b>B. OFF-BALANCE SHEET CREDIT EXPOSURES</b>											
a) Non-performing	-	X	-	-	-	X	-	-	-	-	-
b) Performing	-	-	-	X	-	-	-	X	-	-	-
<b>TOTAL (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL (A+B)</b>	<b>257,101</b>	<b>257,101</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>257,101</b>	<b>-</b>

\* 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 the Parent Company Intesa Sanpaolo S.p.A..

With regard to segregated assets, the interest rate risk only arises when the Issuer is no longer able to meet its commitments arising from the covered bond issuances ("issuer default notice") and mainly consists of the potential loss arising from changes in interest rates between the securitised assets and the covered bonds issued.

#### Quantitative disclosure

The table below refers to the vehicle's operations.

##### 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
<b>1. Assets</b>								
1.1 Debt instruments	-	-	-	-	-	-	-	-
1.2 Loans and receivables	-	-	-	-	-	-	-	-
1.3 Other assets	9,742	-	-	-	-	-	-	-
<b>2. Liabilities</b>								
2.1 Financial liabilities	-	-	-	-	-	-	-	-
2.2 Debt instruments	-	-	-	-	-	-	-	-
2.3 Other liabilities	-	-	-	-	-	-	-	-
<b>3. Financial derivatives</b>								
<b>Options</b>								
3.1 Long positions	-	-	-	-	-	-	-	-
3.2 Short positions	-	-	-	-	-	-	-	-
<b>Other derivatives</b>								
3.3 Long positions	-	-	-	-	-	-	-	-
3.4 Short positions	-	-	-	-	-	-	-	-

### 3.2.2 Price risk

The company does not hold any assets or liabilities subject to price risk.

### 3.2.3 Foreign Exchange risk

The company does not hold any assets or liabilities in foreign currencies subject to foreign exchange risk.

### 3.3 Operational risk

#### Qualitative disclosure

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

Operational risk is the risk of suffering losses generated by inefficiencies in business processes, malfunctions in technological systems, and external events that cause or could cause objective and measurable losses for the vehicle.

The Basel Committee attributes unexpected losses to the occurrence of four factors: human error, systems failures, inadequate procedures and controls, and external events. Operational risk is a pure risk, i.e., only negative events are associated with it.

With regard to operational risk, you are reminded that the vehicle does not have any employees and that it 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.

The vehicle's ability to meet its obligations under the Covered Bond Programme structured by UBI Banca (now Intesa Sanpaolo), in which the vehicle participates, therefore depends exclusively on third parties to whom all the characteristic functions of an organisational structure as well as the internal control systems have been delegated.

Specifically, the success of the Programme depends on the Servicer's ability to manage the loan portfolio in accordance with the terms of the Servicing Agreement.

Accordingly, to mitigate the risk arising from the servicing activities and to ensure that the loans are managed in a consistent and uniform manner, the Servicer:

- has acknowledged that its obligations under the Servicing Agreement are the same as in the normal exercise of its professional activity;
- has agreed to manage the servicing activities with the best professional diligence, it being understood that if, in the performance of the mandate, a conflict should arise between its interests as a bank providing other services in relation to the transferred debtors and the interests of the vehicle, the Servicer will report that circumstance to the vehicle and to the Representative of the Noteholders and will in any case act only in accordance with the instructions given by the latter;
- has committed to performing the servicing activities through its own operational structure, ensuring that it has all the infrastructure, technical and organisational resources and information technology necessary to efficiently perform those activities.

### 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 segregated assets, liquidity risk relates to the possibility of incurring losses, in terms of the price of disposal of assets/liabilities, resulting from the need to liquidate those positions in a timely manner due to unforeseen financial needs in the event of default by the Issuer Bank. In such case, the vehicle would be forced to sell the cover pool on the market, as the funds collected on the portfolio could be insufficient to meet the timely payment of interest and principal on the covered bonds issued.

The main elements for mitigating this risk are:

- the issuance of covered bonds by Intesa Sanpaolo S.p.A. for a total amount that is lower than the value of the securitised loan portfolios;
- the dynamic management of the cover pool, given that the funds from the principal payments collected on the loans in the cover pool are reinvested in new loans with similar characteristics.

For the quantitative information, see paragraph “H. Covered Bonds” of Part D – Other Disclosures of the explanatory notes.

#### 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
<b>On-balance sheet assets</b>											
A.1 Government bonds	-	-	-	-	-	-	-	-	-	-	-
A.2 Other debt instruments	-	-	-	-	-	-	-	-	-	-	-
A.3 Loans	-	-	-	-	-	-	-	-	-	-	-
A.4 Other assets	9,742	-	-	-	-	-	-	-	-	-	-
<b>On-balance sheet liabilities</b>											
B.1 Due to:											
- Banks	-	-	-	-	-	-	-	-	-	-	-
- Financial companies	-	-	-	-	-	-	-	-	-	-	-
- Customers	-	-	-	-	-	-	-	-	-	-	-
B.2 Debt instruments	-	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>Off-balance sheet transactions</b>											
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-sexies, sub-para c) of Law no. 130 of 30 April 1999 and Article 4 of the Ministry for the Economy and Finance Decree, UBI Finance S.r.l. 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., insolvency of Intesa Sanpaolo S.p.A., 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 Intesa Sanpaolo S.p.A., which granted UBI Finance S.r.l. subordinated loans 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 company was established in accordance with Law no. 130/99, in the form of a limited liability company, and has the sole purpose of acquiring loans and securities funded in accordance with Law no. 130 of 30 April 1999, in connection with bond transactions.

As provided for by Law no. 130/99, the characteristic of the vehicle's activity is the segregation of its assets and liabilities from those 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 UBI Finance 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 consists of quota capital of €10,000, split into quotas, the legal reserve (€2) and profits carried forward (€33).

Items/Values	30/06/2023	31/12/2022
1. Quota capital	10,000	10,000
2. Quota premium	-	-
3. Reserves	35	35
- income-related	35	35
a) legal	2	2
b) statutory	-	-
c) treasury quotas	-	-
d) other	33	33
- 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	-	-
<b>Total</b>	<b>10,035</b>	<b>10,035</b>

## 4.2 Own Funds and Capital Ratios

### 4.2.1 Own funds

#### 4.2.1.1 Qualitative disclosure

The company is not subject to the supervisory rules on own funds and capital adequacy.

## Section 5 - Breakdown of comprehensive income

Given that no other components of comprehensive income were recognised during the first half (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 of 2023	Directors and Statutory Auditors
Fees and social security contributions	
- Directors	
- paid to Intesa Sanpaolo S.p.A.	3,868
- other	8,372
<b>Total</b>	<b>12,240</b>

The vehicle does not have a Board of Statutory Auditors.

### 6.2 Loans and guarantees given to/on behalf of directors

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

### 6.3 Related-party transactions

Assets and liabilities at 30/06/2023	Cash and cash equivalents	Other liabilities
- Directors	-	5,090
- Parent: Intesa Sanpaolo S.p.A.	9,742	179
<b>Total</b>	<b>9,742</b>	<b>5,269</b>

Income and expense for the 1st half of 2023	Personnel expense	Other administrative expenses
- Directors	8,372	-
- Parent: Intesa Sanpaolo S.p.A.	3,868	374
<b>Total</b>	<b>12,240</b>	<b>374</b>

## Section 8 - Other information

### Parent that prepares consolidated financial statements

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

Milan, 25 July 2023

on behalf of the BOARD OF DIRECTORS  
Chairperson  
*Renzo Parisotto*



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