



**A Strong Bank for
a Digital World**

9M21 Results

Excellent Performance

**€4bn Minimum Net Income Target for 2021
Already Achieved and Balance Sheet Further
Strengthened**

ISP Delivered Excellent Nine-Month Performance with the €4bn Minimum Net Income Target for 2021 Already Achieved...

**€4bn Net income (+28.7 % vs 9M20⁽¹⁾, +99% excluding Nexi capital gain⁽²⁾),
the best 9M since 2008**

€1bn Net income in Q3, +80% vs 3Q20⁽¹⁾

Highest-ever 9M and Q3 Operating income (+3.4% vs 9M20⁽³⁾ and +7.0% vs 3Q20⁽³⁾)

The best-ever 9M and Q3 for Commissions (+11.5% vs 9M20⁽³⁾)

~€55bn growth in Customer financial assets in 9M to fuel Wealth Management engine

Strong decrease in Operating costs (-2.3% vs 9M20⁽³⁾)

Best-ever 9M and Q3 Operating margin (+9.8% vs 9M20⁽³⁾ and +19.5% vs 3Q20⁽³⁾)

**€17.3bn Gross NPL stock reduction on a yearly basis (€2.6bn in 9M)
coupled with the lowest-ever 9M NPL inflow**

**Lowest NPL stock since 2007 and the lowest-ever NPL ratios, with Gross NPL ratio at 3.8% and
Net NPL ratio at 2.0% (2.9% and 1.5% according to EBA definition)**

Excellent performance despite COVID-19 impact and while successfully merging UBI Banca

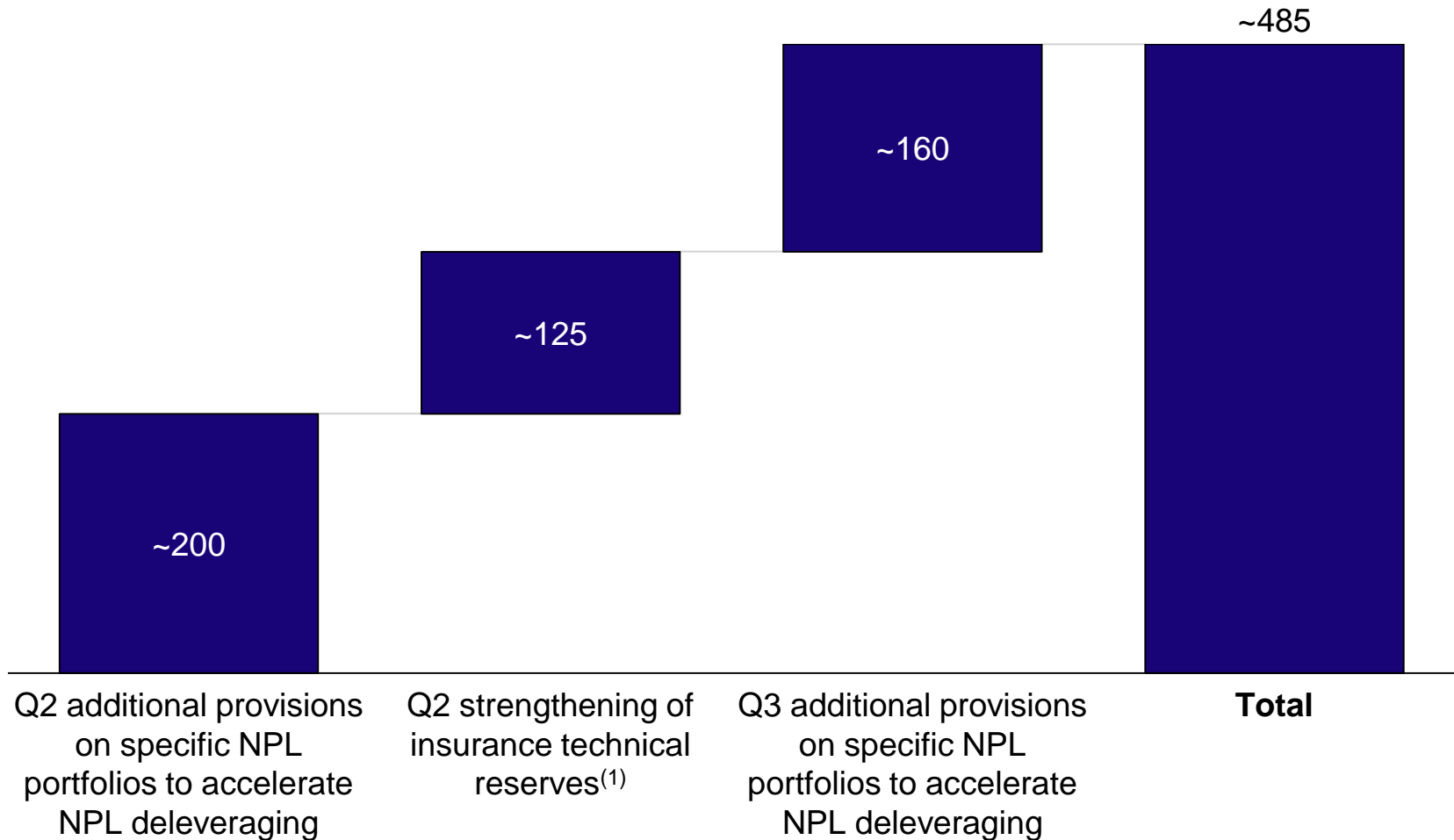
(1) Excluding accounting effects from the combination with UBI Banca

(2) €1.1bn booked in 2Q20

(3) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

... while Allocating almost €500m out of 9M Pre-tax Profit to Succeed in the Coming Years and Further Strengthen the Sustainability of Results

€ m, pre-tax



(1) Booked in Net provisions and net impairment losses on other assets

ISP Is Ready to Succeed in the Future...

Common Equity ratio⁽¹⁾ at 15.1% (13.8% Fully phased-in) – after €1.9bn cash distribution from reserves paid on 20.10.21 – well above regulatory requirements even under the EBA stress test adverse scenario, coupled with a strong liquidity position, with LCR and NSFR well above 100% and €335bn in Liquid assets

Over €6bn⁽²⁾ out of 2020 pre-tax profit and almost €500m from 9M pre-tax profit allocated to succeed in the coming years and further strengthen the sustainability of our results

The lowest NPL stock since 2007 and the lowest-ever NPL ratios, with 2018-21 NPL deleveraging target exceeded one year ahead of Plan

Distinctive proactive credit management capabilities (Pulse) coupled with strategic partnerships with leading NPL industrial players (Intrum, Prelios)

High operating efficiency with Cost/Income ratio at 50.1%⁽³⁾

Over €1bn yearly synergies from the combination with UBI Banca

Successful evolution towards a “light” distribution model and significant room for further branch reduction

A Wealth Management and Protection company with ~€1.25 trillion in Customer financial assets, with Commissions and Insurance income representing 52.2% of Operating income

Strong digital proposition, with ~12.5m multichannel clients (93% of total clients) and ~7.8m clients using our Mobile App⁽⁴⁾, which has been recognised as “Overall Digital Experience Leader” among the European Banking Apps by Forrester

Strong commitment to ESG, with a leading position in the main sustainability indexes and rankings; ISP joined the Net-Zero Banking Alliance and the Net-Zero Asset Managers Initiative committing to align Group emissions⁽⁵⁾ to an ambition level of Net-Zero by 2050

ISP awarded “Best Bank in Italy” for the second consecutive year by Euromoney

(1) Pro-forma fully loaded Basel 3 (30.9.21 financial statements considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, DTA related to the combination with UBI Banca, the expected absorption of DTA on losses carried forward and the expected distribution on 9M21 Net income of insurance companies)

(2) €2.2bn provisions for future COVID-19 impacts, €2.1bn additional provisions on UBI Banca NPL and Performing loans and €2bn integration charges

(3) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(4) Data referring to Banca dei Territori perimeter

(5) Own emissions, lending and asset management

... and to Continue Delivering Best-In-Class Performance

Profitability

More than €4bn Net income for 2021

Dividend payout

70% cash dividend payout ratio⁽¹⁾ for 2021 Net income (€2.8bn already accrued in 9M), with €1.4bn to be paid as interim dividend on 24 November 2021

Capital

Maintain a solid capital position with a minimum Common Equity ratio⁽²⁾ of 13% (12% Fully phased-in)

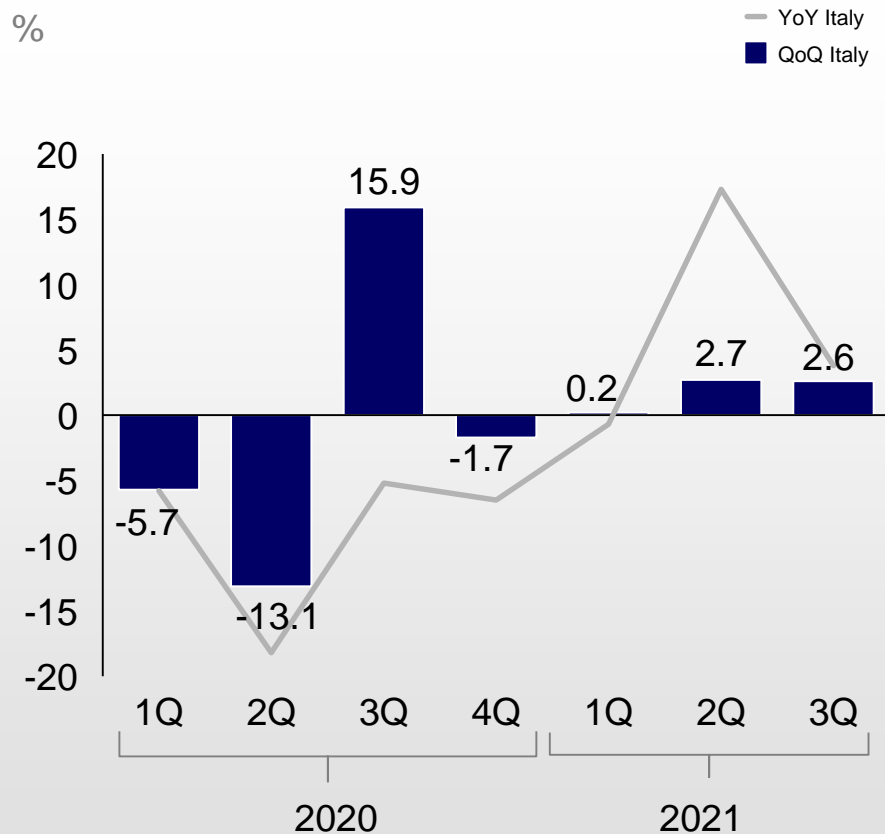
The integration with UBI Banca adds significant value by delivering synergies above €1bn per year with no social costs

(1) Envisaged in the 2018-21 Business Plan

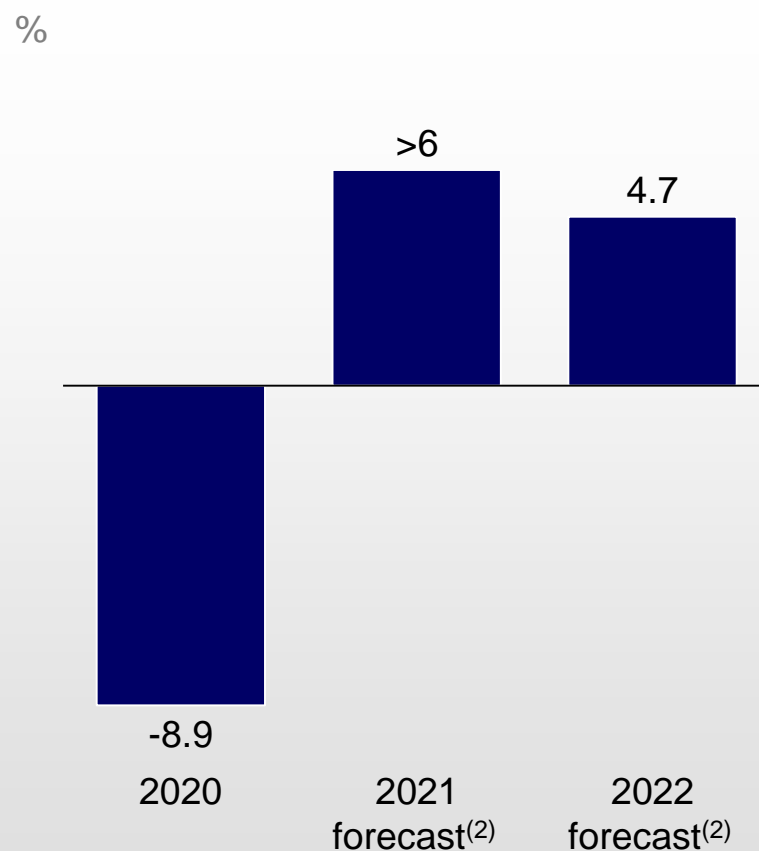
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GDP Recovery in Q2 and Q3 Was Stronger than Anticipated, with Further Expansion Expected in 2022

Italian GDP YoY and QoQ evolution⁽¹⁾



Italian GDP YoY evolution⁽¹⁾



- **National Recovery and Resilience Plan⁽³⁾ providing Italy with more than €200bn in grants and loans, of which ~€25bn received in August as a pre-financing**
- **ISP to provide more than €400bn in medium-long term lending to businesses and households in support of Italy's Recovery and Resilience Plan⁽³⁾**

(1) Source: ISTAT

(2) Source: Italian Government

(3) Piano Nazionale di Ripresa e Resilienza

ISP Is Fully Equipped for the Challenges Ahead

9M21: Excellent Performance

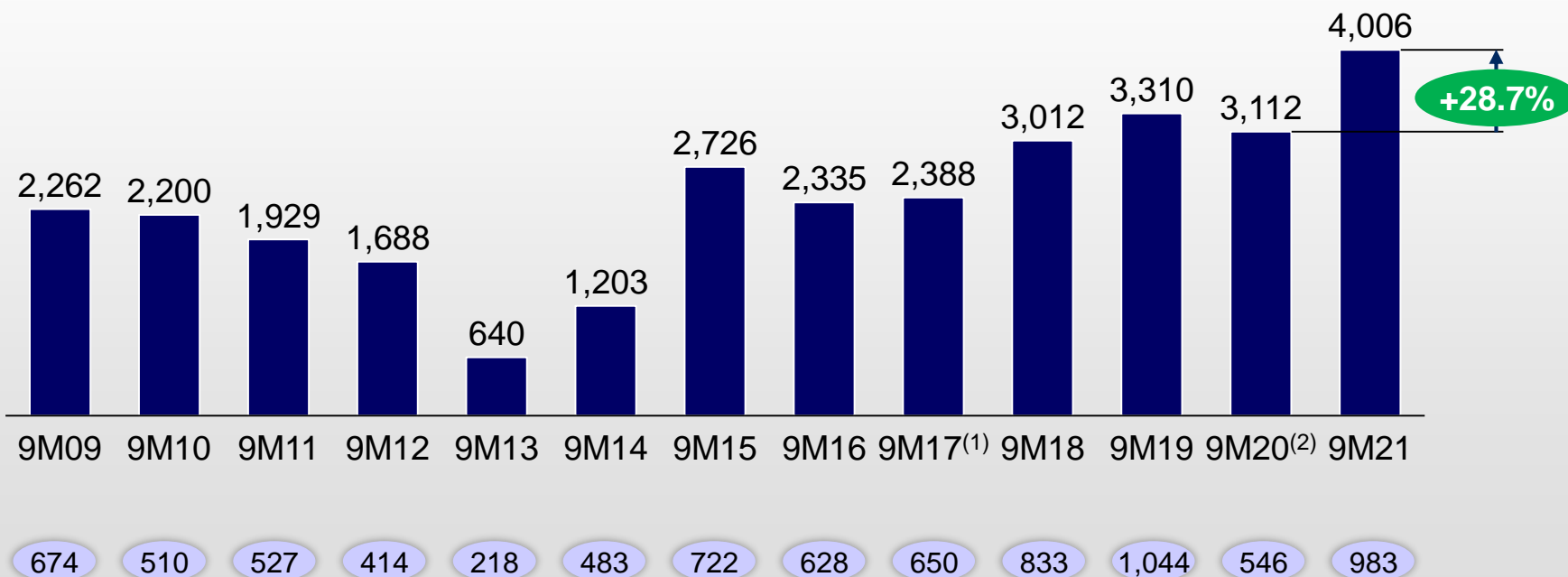
Final Remarks

ISP Delivered the Best 9M Net Income since 2008...

The highest 9M Net income of the past twelve years

€ m

x Q3 Net income, € m

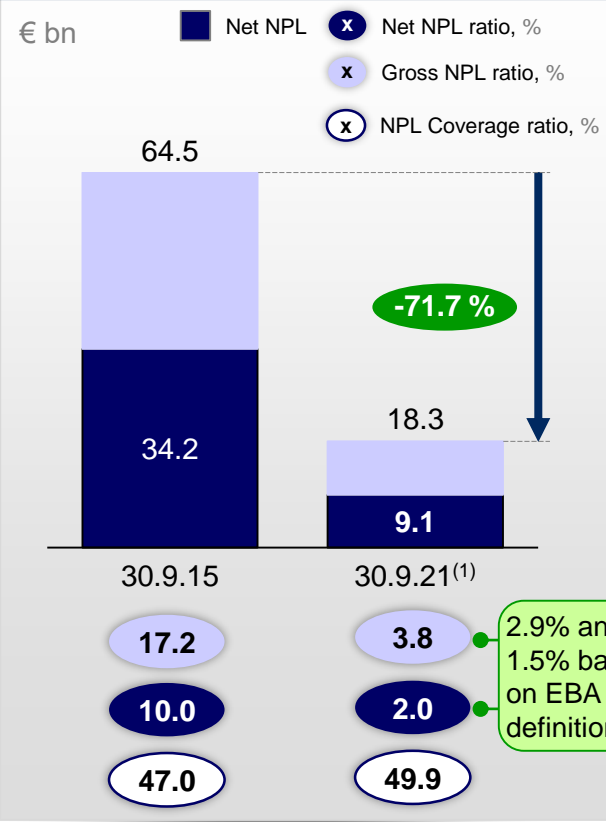


Minimum €4bn Net income target for 2021 already achieved

- (1) Management data including the contribution of the two former Venetian banks – excluding public cash contribution of €3.5bn to offset the impact of the acquisition of certain assets of the two former Venetian banks on ISP's capital ratios
- (2) Excluding accounting effects from the combination with UBI Banca

... while Reducing NPL Stock, Increasing NPL Coverage, Strengthening Capital and Reinforcing an Already Resilient Business Model

NPL Stock



ISP Fully Loaded CET1 Ratio



Contribution of Net fees and commissions and Insurance income to Operating income

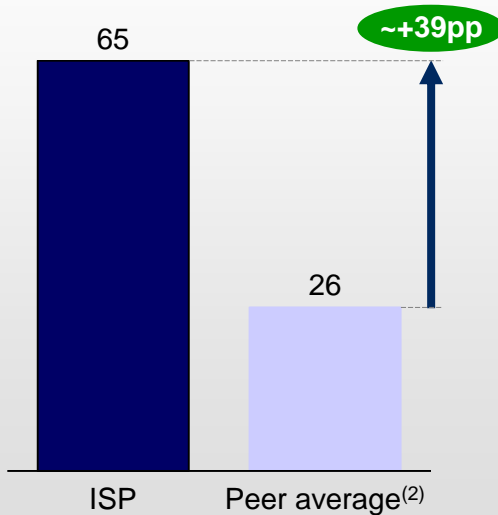


(1) Not including €4.7bn Gross NPL (€1.7bn Net) booked in Discontinued operations as of 30.9.21
 (2) Pro-forma fully loaded Basel 3 (30.9.21 financial statements considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, DTA related to the combination with UBI Banca, the expected absorption of DTA on losses carried forward and the expected distribution on 9M21 Net income of insurance companies)
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 (4) Including €1.4bn to be paid as *interim dividend* on 24.11.21
 (5) Excluding Corporate Centre

ISP Is Now Far Better Equipped than Peers to Tackle the Challenges Ahead

Best-in-class risk profile

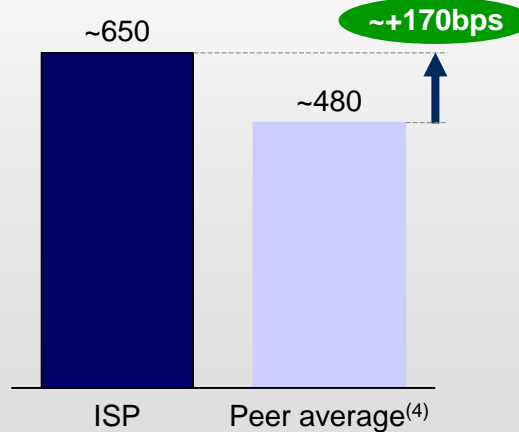
Fully Loaded CET1/Total illiquid assets⁽¹⁾, 30.9.21, %



Best-in-class leverage ratio: 6.7%

Solid capital position

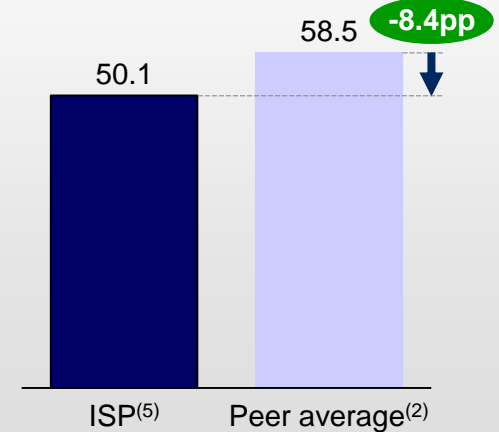
Buffer vs requirements SREP + Combined Buffer⁽³⁾, 30.9.21, bps



Rock-solid capital base, well above regulatory requirements even under the EBA stress test adverse scenario

High operating efficiency

Cost/Income, 30.9.21, %



High strategic flexibility to further reduce costs

Note: figures may not add up exactly due to rounding

(1) Total illiquid assets include Net NPL stock, Level 2 assets and Level 3 assets

(2) Sample: Barclays, BBVA, BNP Paribas, Deutsche Bank, HSBC, Lloyds Banking Group, Nordea, Santander, Standard Chartered, UBS and UniCredit (30.9.21 data); Commerzbank, Crédit Agricole Group, Credit Suisse, ING Group and Société Générale (30.6.21 data)

(3) Calculated as the difference between the Fully Loaded CET1 Ratio vs requirements SREP + Combined Buffer; only top European banks that have communicated their SREP requirement

(4) Sample: BBVA, BNP Paribas, Deutsche Bank, Nordea, Santander and UniCredit (30.9.21 data); Commerzbank, Crédit Agricole Group, ING Group, Société Générale (30.6.21 data); Source: Investor Presentations, Press Releases, Conference Calls and Financial Statements

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Merger with UBI Banca Successfully Completed, Enabling Additional Value Creation

Our top performing delivery machine at work...

IT

Merger of UBI Banca into ISP successfully completed with:

- Migration of 587 UBI Banca branches⁽¹⁾ to BPER Banca on February 22nd (the largest-ever disposal of banking branches in Italy)
- Completion of IT integration on April 12th (one of the most extensive IT migrations in Italy involving ~1,000 branches)

Clients

- ~2.4m clients transferred to ISP, of which more than 1m multichannel clients (Internet Banking and App)
- ~1.4m clients transferred to BPER Banca

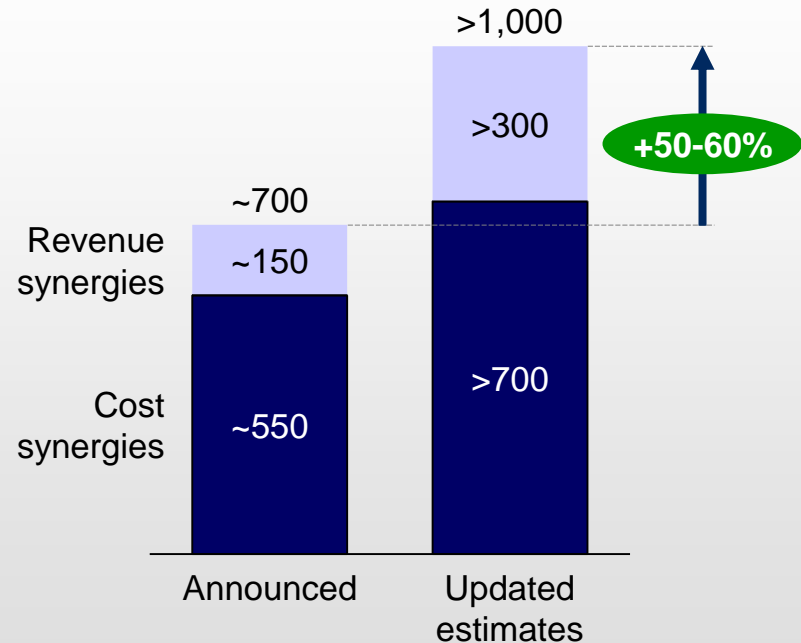
People

- ~14,500 people onboarded
- ~5,250 people supported during the transfer to BPER Banca and to BPPB
- New organisational structure implemented

Two large-scale migrations performed with all ~1,000 former UBI Banca branches and digital channels up and running

... enabling additional value creation with synergies above €1bn per year

Pre-tax annual synergies
€ m



- **Synergies timeline: >80% in 2023, 100% from 2024**
- **~€2bn⁽²⁾ integration charges fully booked in 4Q20**

(1) Including 132 outlets/sub-branches
(2) Pre-tax, €1.4bn net of tax

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9M21: Excellent Performance

Final Remarks

9M21: Highlights

■ Excellent economic performance despite COVID-19 containment measures and while successfully merging UBI Banca:

- ❑ **€4,006m Net income (+28.7% vs 9M20⁽¹⁾, +99% excluding Nexi capital gain⁽²⁾), the best 9M since 2008**
- ❑ **Q3 Net income at €983m (+80% vs 3Q20⁽¹⁾)**
- ❑ **Highest-ever 9M and Q3 Operating income (+3.4% vs 9M20⁽³⁾ and +7.0% vs 3Q20⁽³⁾) thanks to the best 9M and Q3 Commissions ever (+11.5% vs 9M20⁽³⁾)**
- ❑ **Net interest income growing for the second consecutive quarter (+0.2% vs 2Q21⁽⁴⁾)**
- ❑ **Strong decrease in Operating costs (-2.3% vs 9M20⁽³⁾) with Administrative costs down 5.9%**
- ❑ **Best-ever 9M and Q3 Operating margin (+9.8% vs 9M20⁽³⁾ and +19.5% vs 3Q20⁽³⁾) and Gross income (+15.6% vs 9M20⁽³⁾, +46% excluding Nexi capital gain⁽²⁾)**
- ❑ **Annualised Cost of risk at 44bps⁽⁴⁾ (34bps⁽⁴⁾ excluding additional provisions on specific NPL portfolios to accelerate deleveraging)**
- ❑ **Lowest-ever 9M NPL inflow**

■ Best-in-class capital position and balance sheet further strengthened:

- ❑ **Common Equity ratio at 15.1%⁽⁵⁾ (13.8% Fully phased-in), well above regulatory requirements even under the EBA stress test adverse scenario**
- ❑ **€2.6bn Gross NPL stock reduction in 9M (€1.1bn in Q3), €17.3bn on a yearly basis**
- ❑ **Lowest NPL stock since 2007 and lowest-ever NPL ratios, with Gross NPL ratio at 3.8% and Net NPL ratio at 2.0% (2.9% and 1.5% according to EBA definition)**
- ❑ **Best-in-class leverage ratio: 6.7%**
- ❑ **Strong liquidity position: LCR and NSFR well above 100%; €335bn in Liquid assets**

(1) Excluding accounting effects from the combination with UBI Banca

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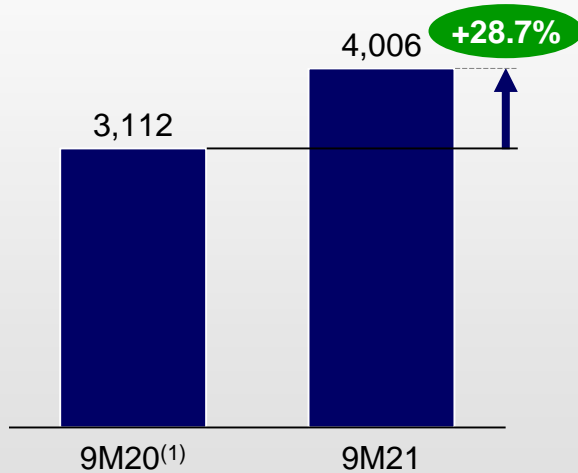
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9M21: Strong Growth in Profitability and Further Strengthening of the Balance Sheet

Net income

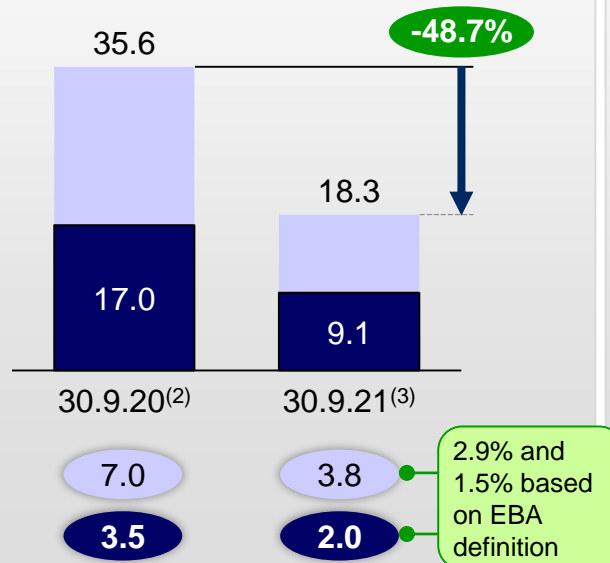
€ m



NPL stock

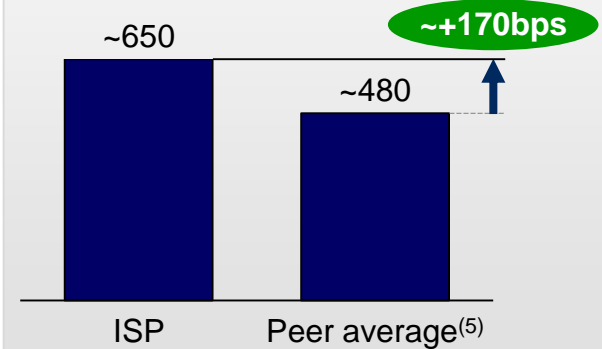
€ bn

■ Net NPL x Net NPL ratio, %
 ■ Gross NPL ratio, %



Excess capital

Pro-forma Fully Loaded CET1 Ratio Buffer vs requirements SREP + Combined Buffer⁽⁴⁾, 30.9.21, bps



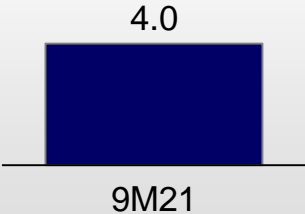
Well above regulatory requirements even under the EBA stress test adverse scenario

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Our Excellent Performance Creates Benefits for All Stakeholders

Shareholders

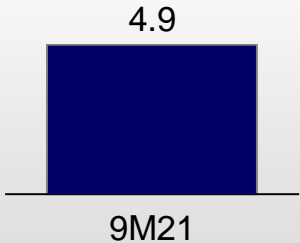
Net income, € bn



€2.8bn dividends already accrued in 9M

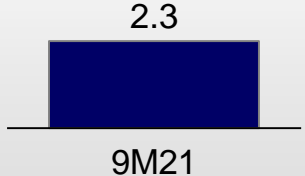
Employees

Personnel expenses, € bn



Public Sector

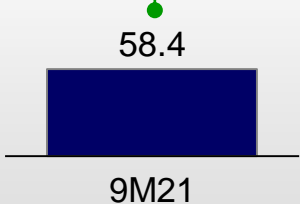
Taxes⁽¹⁾, € bn



Households and Businesses

Medium/Long-term new lending, € bn

Of which €50.2bn in Italy



~7,300 Italian companies helped to return to performing status⁽²⁾ in 9M (~131,000 since 2014)

(1) Direct and indirect
 (2) Deriving from Non-performing loans outflow

ISP Successfully Mitigated the COVID-19 Impact

Care for ISP People and Clients

ISP People

- **Remote working** enabled for **~78,000** ISP Group People, with “digital coach” to support the switch to smart working and share best practices
- Agreements with trade unions for **extraordinary measures** to support **families and childcare** and to **compensate for COVID-19** work absences in the **variable performance bonus⁽¹⁾** calculation
- **Digital learning** enabled for **all ISP People in Italy**
- **6 additional days** of paid leave in 2020 for ISP people who worked in the **branch network** or were unable to work **remotely**
- **~1,800 people hired⁽²⁾** since January 2020
- **“Ascolto e Supporto”** project offering mental wellness support to all ISP people
- **Free insurance policy for adverse vaccination reactions** offered to all employees in Italy



ISP Clients

- **~100% of branches open** and fully operational: advisory by appointment only and cash desk service by appointment only in the Italian areas with a higher level of COVID measures (red zones)
- **Business continuity ensured** by the online branch, Internet Banking, App and ATM/Cash machines (98% active)
- **Activated remote advisory service**, with ~31,100 Relationship Managers
- **Free extension** of ISP health insurance policy coverage to include COVID-19



Continuous support to the real economy and society

Voluntary donations



- **€100m** to the **National Health System** through the Civil Protection Department
- **€10m** to support **families in financial and social difficulty**
- **€6m** from CEO (€1m) and top management for **healthcare initiatives**, with additional voluntary donations from ISP people and Board of Directors
- **€3.5m** through ForFunding to **Civil Protection Department**
- **€1m** from ISP Charity Fund for **COVID-19 scientific research**
- **€600k** from *Fondazione Intesa Sanpaolo Onlus* for **vulnerable individuals**
- **€350k** to *Associazione Nazionale Alpini* for a field hospital in Bergamo

Lending support



- **€114bn⁽³⁾** **suspension of existing mortgage and loan installments** for families and companies
- **€50bn** in **credit made available to support companies and professionals** during the emergency
- **€31bn⁽⁴⁾** in **loans with a State guarantee**
- **€10bn** in new credit facilities to boost **~2,500 Italian industrial supplier chains**
- **€11bn⁽⁴⁾** in **loans with a SACE guarantee**
- **€80m** *Programma Rinascimento*, including impact loans to micro-enterprises and start-ups for recovery and re-shaping of their business model

€150m (equal to 50%) of the ISP Fund for Impact will be used to reduce the socio-economic distress caused by COVID-19

Strong value proposition on digital channels enabled immediate business reaction

9M21⁽⁵⁾ vs 9M20

Enhanced digital service⁽⁶⁾	Multichannel clients	~12.5m, ~+1.2m
	App users (4.6/5.0 rating on iOS ⁽⁸⁾ and 4.5/5.0 on Android ⁽⁸⁾)	~7.8m, ~+1.1m
Flexible and secure remote work infrastructure⁽⁷⁾	# of digital operations	~117.4m, +15%
	# of digital sales⁽⁹⁾	~2.6m, +89%
Instant messaging	# of digital payments⁽¹⁰⁾	~28.9m, +98%
	Conference call/ video conference (average usage per day)	~417k, +88k
	Instant messaging (average usage per day)	~443k, +92k



- **Ranked first, for the second consecutive year, among Italian corporates in the “Cyber Resilience amid a Global Pandemic” by AIPSA⁽¹¹⁾**
- **The Intesa Sanpaolo Mobile App was recognised as “Overall Digital Experience Leader” and cited as Best Practice in several categories among the European Banking Apps by Forrester**

(1) Premio Variabile di Risultato
 (2) Italian perimeter including UBI Banca
 (3) Suspensions granted until 30.9.21 (flows), including renewals, including UBI Banca considering the disposal of branches sold in 1H
 (4) As of 30.9.21, including UBI Banca considering the disposal of branches sold in 1H
 (5) Including UBI Banca and considering the disposal of branches sold in 1H
 (6) Banca dei Territori perimeter
 (7) Italian perimeter
 (8) As of 30.9.21
 (9) Commercial offer sent to the client (website or App) by Relationship manager or online branch, signed electronically by the clients, or self-service purchases
 (10) Number of payments with digital wallet (e.g., Apple Pay, Samsung Pay, Google Pay)
 (11) Italian Association of Corporate Security Professionals

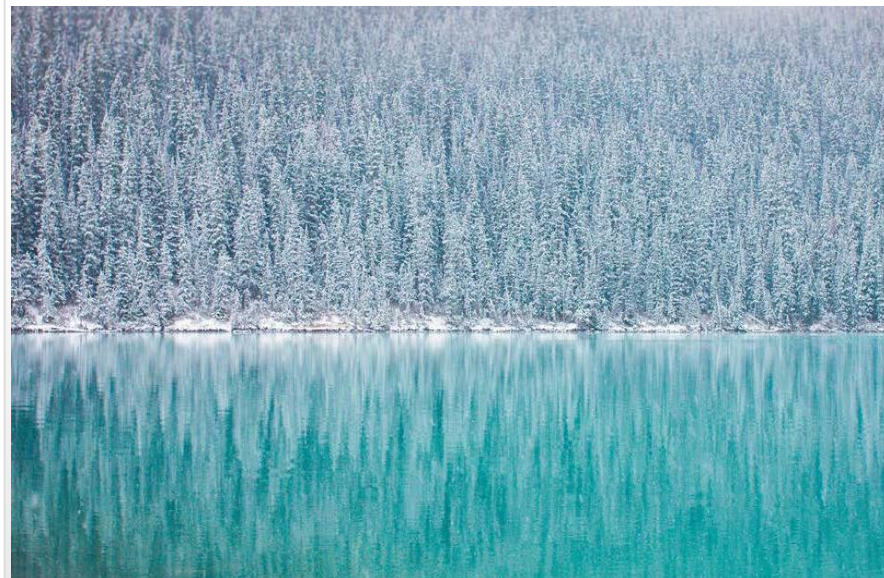
ISP as the Engine of Sustainable and Inclusive Growth...

ISP as the engine of the real and social economies...



- €76bn in new lending dedicated to the Green Economy, Circular Economy and Green Transition as part of the Group's commitment in support of the Italian NRRP⁽¹⁾
- €50bn in credit available to support companies and professionals throughout the COVID-19 emergency
- More than €100m donated to provide COVID-19 relief and €150m (equal to 50%) of the ISP Fund for Impact to be used to reduce socio-economic distress caused by COVID-19

... with a strong commitment to the Environment



- ISP commits to Net-Zero emissions by 2050 (own emissions, lending and asset management) and is part of the Net-Zero Banking Alliance (NZBA)
- Eurizon Capital SGR, Fideuram - ISPB Asset Management SGR and Fideuram Asset Management (Ireland) have joined the Net-Zero Asset Managers Initiative (NZAMI)
- In October, ISP published its first TCFD Report in accordance with the Recommendations of the "Task Force on Climate Related Financial Disclosures"

(1) Piano Nazionale di Ripresa e Resilienza

Link to video: <https://group.intesasanpaolo.com/en/editorial-section/Intesa-Sanpaolo-The-driver-of-sustainable-and-inclusive-development>

... with Initiatives Supported by the Dedicated ESG/Climate Program (ISP4ESG) Launched in 4Q19...

Objectives

- **Consolidating** Group leadership around **ESG/Climate** topics
- **Prioritising ESG/Climate** themes most relevant for the Group

Governance

- **Specific sessions of the Executive Committee** that meets at least every 3 months to discuss ESG/Climate topics
- Dedicated **ESG Control Room**, including **17 Sustainability Managers** from all Divisions and Governance areas, coordinated through a central ISP4ESG team, to **support the Executive Committee** in defining priorities and new initiatives

Initiatives (selected highlights)

- **Dedicated ESG advisory service** and **ESG-linked loans to SMEs**
- **ESG specialist coverage and product team** supporting **IMI C&B Division** Relationship Managers and clients
- **Strong focus on ESG funds** (~€100bn⁽¹⁾ managed by Eurizon)
- **Strategic framework** and **product working group** aimed at defining the **guidelines for sustainable products** for the Group and a **credit framework** that integrates **ESG/Climate metrics** in accordance with relevant regulations
- Dedicated **ESG training** for **ISP People** (more than 27,000 colleagues trained) and **corporate clients** (*Skills4capital*)
- Strengthened the **green fleet of hybrid vehicles** for ISP people
- In July 2021, **ISP reviewed its Coal Policy** including a **phase out of coal mining by 2025**, and introduced a **new policy on Unconventional Oil & Gas resources** with **immediate termination of new loans** and **phase out by 2030**
- ISP is currently working on the development of a **broad ESG Score** at counterparty level for non-financial corporates
- In September 2021, ISP committed to adopt and implement the **Stakeholder Capitalism Metrics** developed by the **World Economic Forum**

(1) As of 30.6.21 classified under Articles 8 and 9 of the SFDR Regulation

... Delivering Tangible Results for Society

In 9M21, evaluated over 290 startups

(~2,930 since 2018) in 4 acceleration programs, with 74 coached startups (~460 since 2018), introducing them to selected investors and ecosystem players (~6,150 to date)

€6bn Circular Economy credit plafond: ~€5.7bn disbursed to date (~€3.5bn in 9M21)

In October 2021, ISP launched **Digital Loans (D-Loans)** aiming at improving the digitalisation of companies

Green Bond issued in March 2021 for **€1.25bn**

focused on **green mortgages** granted for the construction or purchase of energy efficient properties (energy classification A and B): the orderbook **exceeded €3.5bn**.

Three other Green Bonds issued in 2019 and 2017 for a total amount of €1.75bn (€750m **Circular**; €500m **renewables** and **energy efficiency**; and €500m **renewable energy sectors** by UBI)

In July 2020, **ISP allocated a €2bn plafond for S-Loans** (~€1bn granted since launch, of which ~€900m in 9M21) dedicated to SMEs to finance projects aimed at improving their sustainability profile. In April 2021, the product offer was expanded with S-Loan Diversity, and in July 2021 with S-Loan Climate Change. All S-Loans have a reduced interest rate, subject to annual monitoring of 2 KPIs that must be reported in the borrower's annual report. The new **S-Loan Climate Change** product is eligible for a 80% green guarantee by SACE

Initiatives to **reduce child poverty** and **support people in need** well ahead of Business Plan target, delivering since 2018:

- ~21.9 million meals
- ~1.3 million dormitory beds
- ~274,200 medicine prescriptions
- ~228,000 articles of clothing

ISP's **"Giovani e Lavoro"** Program, in partnership with Generation, aimed at training and introducing 5,000 young people to the Italian labour market:

- ~7,000 young people (aged 18-29) applied to the Program in 9M21 (more than 22,000 since 2019)
- ~950 students interviewed and ~450 students trained/in training through 17 courses in 9M21 (~4,500 students interviewed and ~1,900 students trained/in training since 2019)
- ~1,800 companies involved since the beginning of the Program

ISP is the Main Sponsor of **Generation4Universities**, developed by Generation Italy and McKinsey & Company, aimed at facilitating talented senior-year university students facing difficulty in living up to their potential due to external factors to start a successful professional career. The Program, which ended in July, involved 70 students from 31 universities and 18 top-tier Italian corporations as potential employers

P-Tech initiative, in partnership with IBM, aimed at training young professionals in new digital skills: mentoring activities with 20 ISP "mentors" for 40 young professionals

Ecobonus: ISP ready to buy tax credits to support families, condominiums and businesses through modular and flexible financial solutions benefitting from the provisions of the "Decreto Rilancio" which raise the deduction to 110% for expenses related to energy efficiency and measures to reduce seismic risk

Donated €100m to strengthen the National Health System through the **Civil Protection Department** across Italy, and in particular in the most affected areas of Bergamo and Brescia. 16 hospitals and 3 COVID-19 Emergency Centres have benefitted from the donation with the creation of 36 new hospital wards and 500 hospital beds mainly in Intensive and Sub-Intensive Care Units

€10m to support families in financial and social difficulty due to the COVID-19 crisis, of which **€5m** donated to **Ricominciamo Insieme** project of the **Diocese of Bergamo** and **€5m** donated to the **Diocese of Brescia**

€6m in donations coming from the CEO (€1m) and top management's 2019 variable compensation, to strengthen healthcare initiatives, with **additional voluntary donations** coming from **ISP people and Board**

€3.5m donated through **ForFunding** – the ISP crowdfunding platform – to support **Civil Protection Department COVID initiatives**

€1m allocated from the **ISP Charity Fund** to boost **COVID-19 scientific research**

€600k intervention by the **Fondazione Intesa Sanpaolo Onlus** to support entities that have guaranteed **primary services** and **direct assistance** to vulnerable individuals

€350k donated to **ANA⁽¹⁾** to accelerate the construction of a **field hospital** in Bergamo

€114bn⁽²⁾ suspension of existing mortgage and loan installments for families and companies (1st in Italy to launch the initiative before the regulation came into force)

€50bn in credit made available to support companies and professionals aimed at protecting jobs and managing payments during the emergency

€31bn⁽³⁾ in loans with a State guarantee

€10bn in new credit facilities to boost ~2,500 Italian industrial supplier value chains through enhancement of the **Sviluppo Filiere** Program

€11bn⁽³⁾ in loans with a guarantee from SACE (1st in Italy to sign the collaboration protocol with SACE, providing immediate support to large corporates and SMEs under Liquidity Decree)

€80m Programma Rinascimento, including impact loans to micro-enterprises and start-ups, for the **recovery and to re-shape their business models** for the post COVID-19 era, leveraging on growth and innovation projects boosting economic growth and social and territorial cohesion. Launched in Bergamo (€30m, in partnership with the Municipality) and in Florence (€50m, in partnership with CR Firenze Foundation)

Important national and international partnerships: **miart**, international fair of modern and contemporary art in Milan; **Gazing ball** by **Jeff Koons**, sculpture exhibited in Gallerie d'Italia in Milan in synergy with the exhibit in Palazzo Strozzi in Florence; **Under the sky of Venice**, artworks from the ISP collections exhibited in **Vladivostok** (Russia) as part of the official cultural program of the **Eastern Economic Forum**

Seeing the invisible (Gallerie d'Italia, Vicenza in partnership with **CSAR-Università Ca' Foscari**, Venice), the new permanent exhibition path dedicated to **Russian icons from the Intesa Sanpaolo collection** is enriched by an immersive, multimedia and multisensory experience and dialogues with The Celestial Architectures of **Valery Koshlyakov**, one of the greatest contemporary Russian artists

Presentation of the **urban redevelopment project of the Municipality of Milan** relating to the **Teatro Ringhiera** supported by the **Cariplo Foundation** and Intesa Sanpaolo to bring back a center of culture and social relationships in the life of the boroughs

The advanced training course in **Management of artistic heritage and corporate collections** has been completed, the first edition of **Gallerie d'Italia Academy**. **37 students, 80 teachers, 164 hours of remote lectures and webinars, 10 scholarships made available by the Compagnia di San Paolo and the Cariplo Foundation, 4 live streams from Gallerie d'Italia and the 1563 Foundation of Turin**

XME StudioStation launched in August 2020: loans to families to support distance learning (~€0.5m granted in 9M21; ~€1.7m granted since launch)



ISP Fund for Impact launched in 4Q18 (~€1.5bn lending capacity). Main initiatives:

- "Per Merito"**, the first line of credit without collateral dedicated to university students residing in Italy, studying in Italy or abroad; €50m granted in 9M21 (~€141m since the beginning of 2019)
- MAMMA@WORK**: a **highly-subsidised loan** launched in July 2020 to balance motherhood and work in their children's early years of life (~€0.6m in 9M21; ~€0.8m granted since the launch)
 - Support to **working mothers** in India and **people over 50** who have **lost their jobs** or have **difficulty accessing pension schemes** (€0.1m in 9M21)
- "Per Esemplio"** – dedicated to volunteers of Civil Service, **"per Crescere"** dedicated to school age children's parents, **"per avere Cura"** for families with non-self-sufficient relatives. All 3 initiatives launched in July 2021

(1) Associazione Nazionale Alpinisti
 (2) Suspensions granted until 30.9.21 (flows), including renewals, including UBI Banca considering the disposal of branches sold in H1
 (3) As of 30.9.21, including UBI Banca considering the disposal of branches sold in H1

ISP Leads in the Main Sustainability Indexes and Rankings

Top ranking⁽¹⁾ for Sustainability



The **only Italian bank** listed in the Dow Jones Sustainability Indices and the 2021 Corporate Knights “Global 100 Most Sustainable Corporations in the World Index”. Ranked first among peers by Bloomberg (ESG Disclosure Score), Sustainalytics and MSCI



In 2021 ranking by Institutional Investor, ISP was **Europe’s Best Bank** and **Italy’s Best Company for ESG Aspects**

In October 2021, ISP was included in the **Euronext - Borsa Italiana MIB ESG Index**

Bloomberg	CDP	MSCI	S&P Global	SUSTAINALYTICS
ISP 67	ING A	ISP AAA	ISP 100	ISP 16.4
BBVA 62	UBS A	BBVA AAA	BBVA 99	UniCredit 20.5
Santander 57	ISP A-	SOCIETE GENERALE AAA	Santander 95	Nordea 21.5
BNP PARIBAS 56	BBVA A-	ING AA	ISP 94	ING 22.2
SOCIETE GENERALE 56	BNP PARIBAS A-	BNP PARIBAS AA	CREDIT SUISSE 93	UBS 22.2
UBS 56	CREDIT SUISSE A-	CREDIT SUISSE AA	BNP PARIBAS 93	LLOYDS BANK 22.6
ING 55	CREDIT AGRICOLE A-	UBS AA	SOCIETE GENERALE 90	BBVA 22.8
CREDIT SUISSE 55	HSBC A-	LLOYDS BANK AA	BARCLAYS 88	HSBC 23.0
LLOYDS BANK 54	UniCredit A-	COMMERZBANK AA	COMMERZBANK 87	COMMERZBANK 24.1
UniCredit 54	SOCIETE GENERALE B	Nordea AA	ING 82	BARCLAYS 24.3
ING 54	Santander B	HSBC AA	ING 70	SOCIETE GENERALE 25.2
CREDIT AGRICOLE 54	LLOYDS BANK B	CREDIT AGRICOLE A	UniCredit 67	BNP PARIBAS 25.6
BARCLAYS 54	BARCLAYS B	CREDIT AGRICOLE A	CREDIT AGRICOLE 62	ING 26.8
COMMERZBANK 53	COMMERZBANK B	CREDIT SUISSE A	HSBC 62	Santander 27.1
HSBC 53	Nordea B	UniCredit A	LLOYDS BANK 60	CREDIT SUISSE 27.8
COMMERZBANK 48	ING C	BARCLAYS A	COMMERZBANK 57	CREDIT AGRICOLE 28.6
Nordea 46	ISP C	Santander BBB	Nordea 54	ISP 30.0

Member 2020/2021
ESG Leaders
Indices

INDICES EUROPE120
INDICES EUROZONE120

Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA

SOLACTIVE
German Index Engineering

REFINITIV
TOP 100 COMPANY 2021
Diversity and Inclusion Index

Bloomberg
Gender-Equality
Index
2021

GLOBAL100
Corporate Knights
The Magazine for Clean Capitalism

standard
ethics

MSCI
ESG RATINGS
AAA (D)

CDP
DISCLOSURE INSIGHT ACTION

EURONEXT
INDICES EUROZONE120

Sustainability Award
Bronze Class 2021
S&P Global

FTSE4Good

SUSTAINALYTICS
a Morningstar company

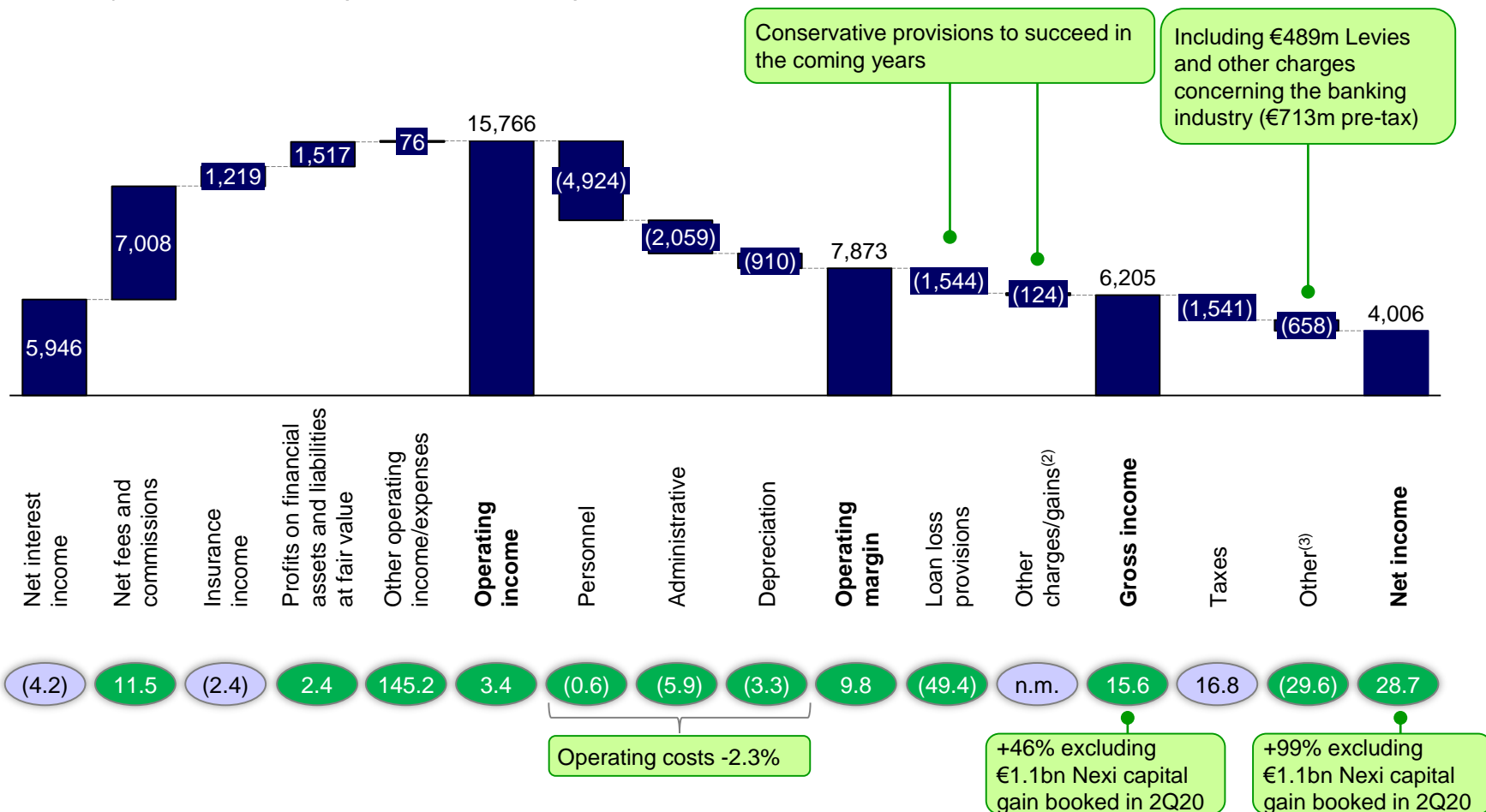
ECPI
Sense in
sustainability

(1) ISP peer group
Sources: Bloomberg ESG Disclosure Score (Bloomberg as of 30.9.21), CDP Climate Change Score 2020 (<https://www.cdp.net/en/companies/companies-scores>); MSCI ESG Score (<https://www.msci.com/esg-ratings>) Data as of 30.9.21; S&P Global (Bloomberg as of 30.9.21); Sustainalytics score (<https://www.sustainalytics.com/>) ESG Risk Rating as of 30.9.21

9M: €4bn Net Income, the Best Nine Months since 2008

9M21 P&L – considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombardia Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

€ m



Note: figures may not add up exactly due to rounding

(1) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombardia Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group; excluding 9M20 accounting effects from the combination with UBI Banca

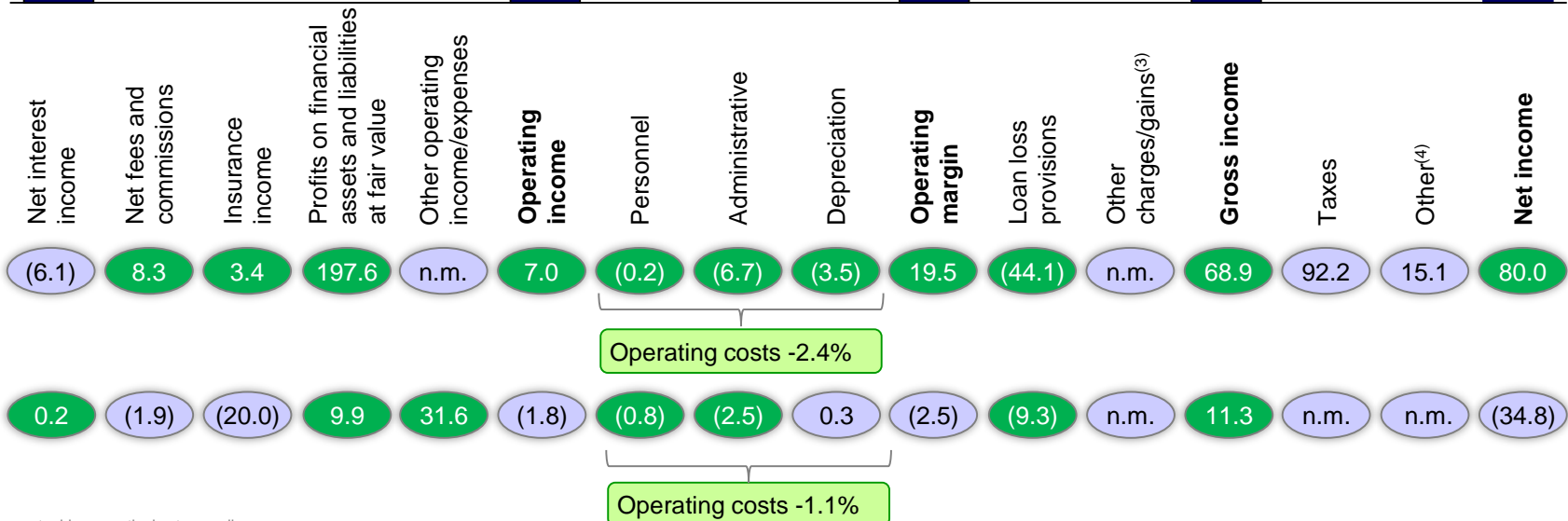
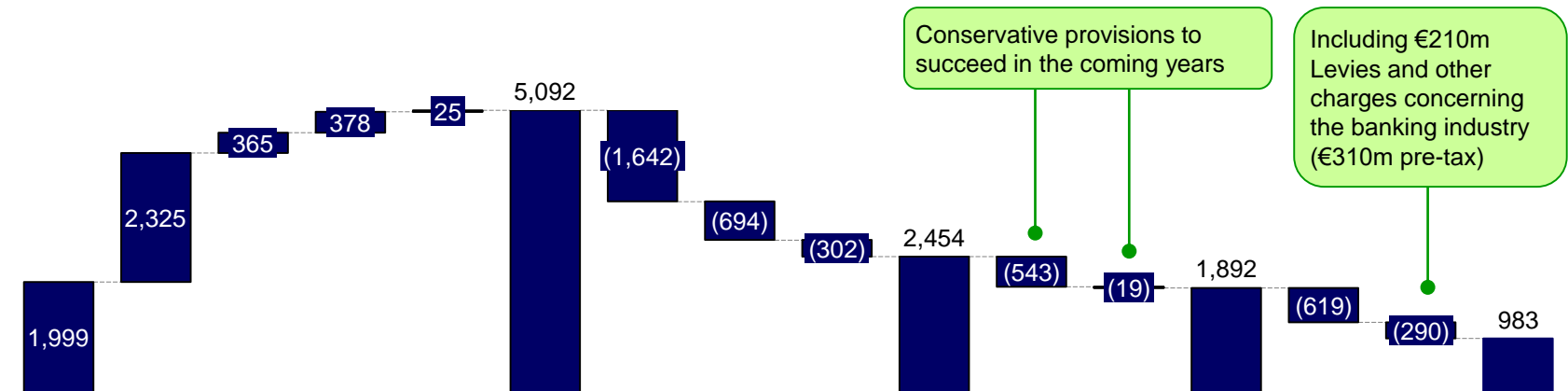
(2) Net provisions and net impairment losses on other assets, Other income (expenses), Income (Loss) from discontinued operations

(3) Charges (net of tax) for integration and exit incentives, Effect of purchase price allocation (net of tax), Levies and other charges concerning the banking industry (net of tax), Impairment (net of tax) of goodwill and other intangible assets, Minority interests

Q3: €1bn Net Income Driven by Solid Core Operating Performance

3Q21 P&L – considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

€ m



Note: figures may not add up exactly due to rounding

(1) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(2) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

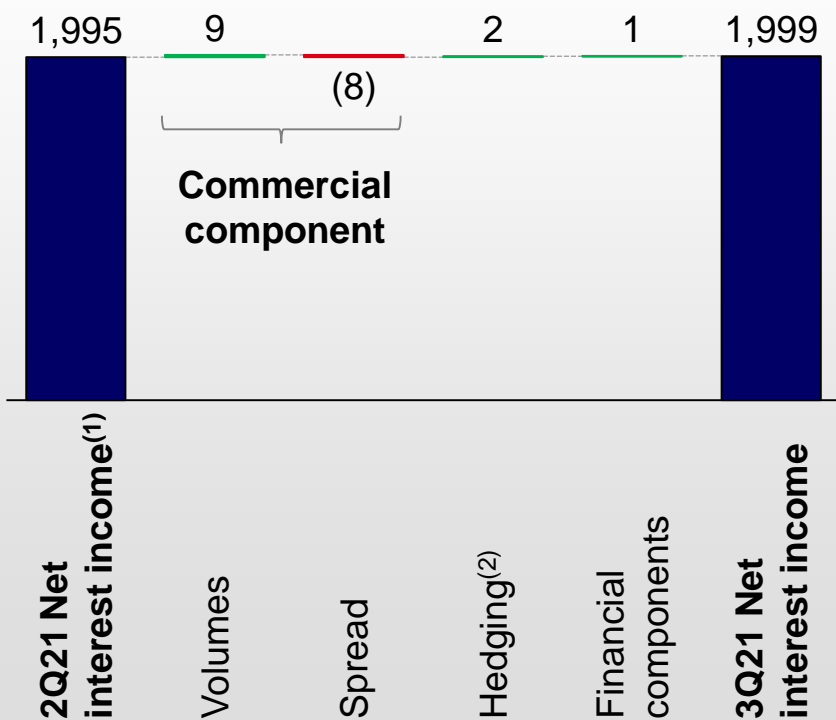
(3) Net provisions and net impairment losses on other assets, Other income (expenses), Income (Loss) from discontinued operations

(4) Charges (net of tax) for integration and exit incentives, Effect of purchase price allocation (net of tax), Levies and other charges concerning the banking industry (net of tax), Impairment (net of tax) of goodwill and other intangible assets, Minority interests

Increase in Net Interest Income for the Second Consecutive Quarter

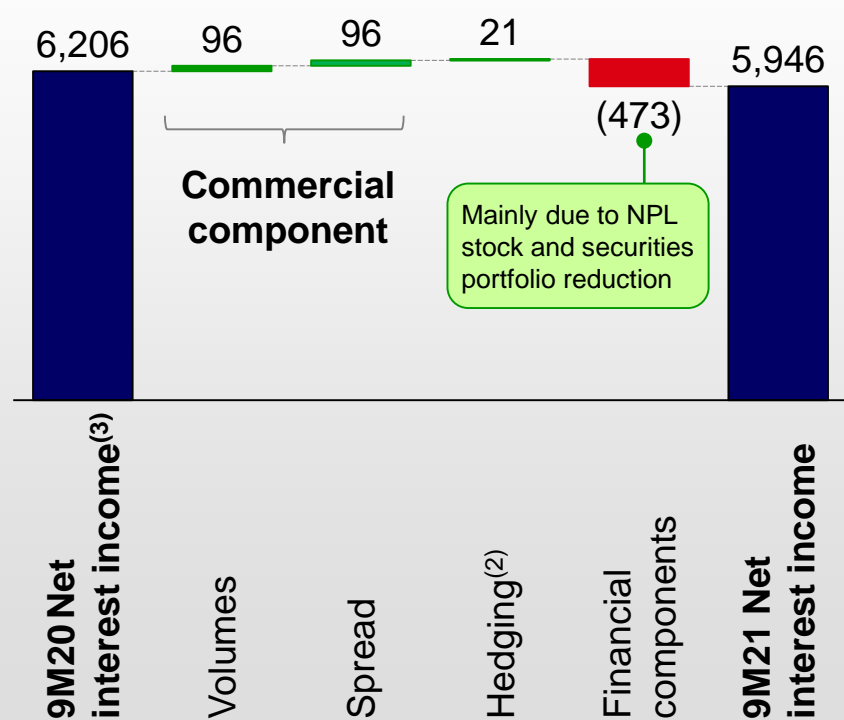
Quarterly comparison

Net interest income, Δ 3Q21 vs 2Q21
€ m



Yearly comparison

Net interest income, Δ 9M21 vs 9M20
€ m



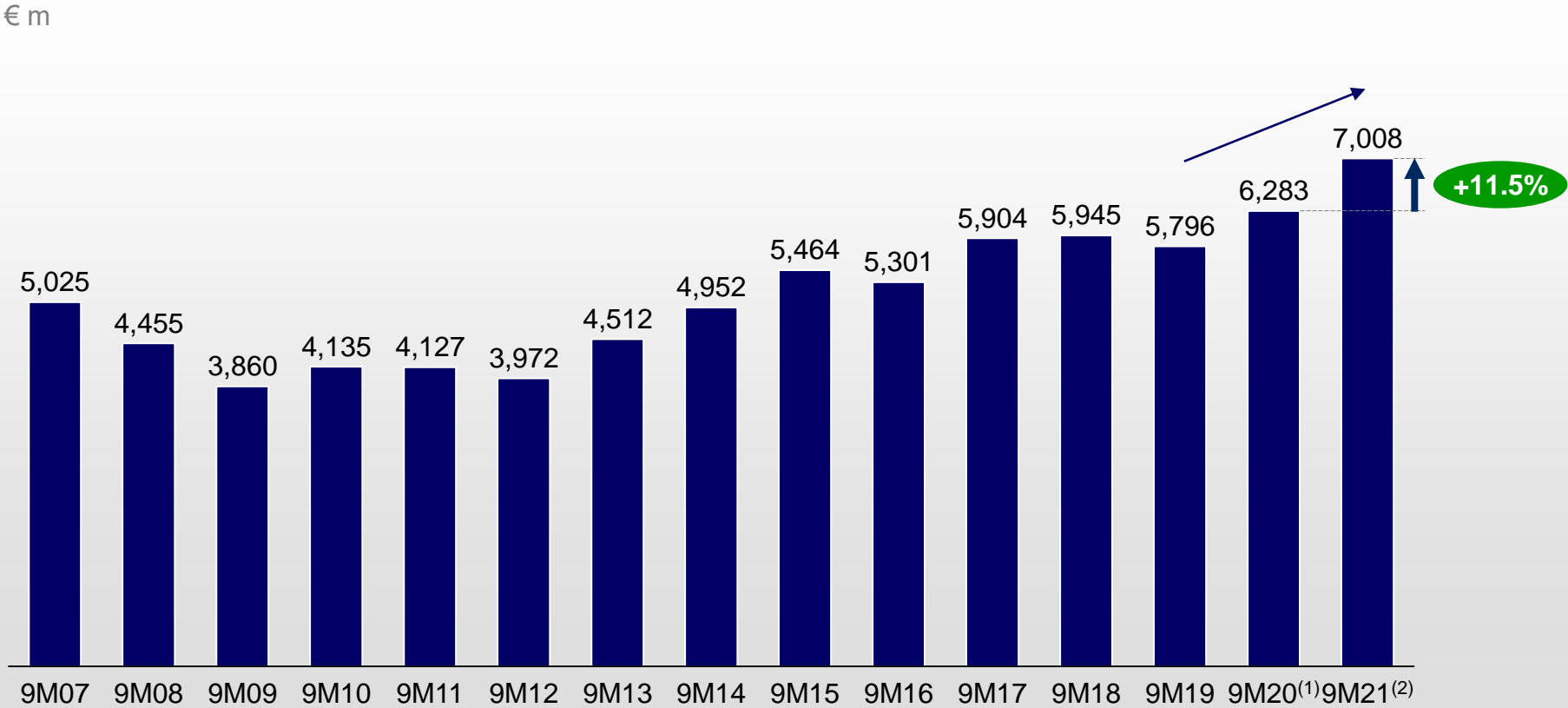
Revenues managed in an integrated manner to create value

Note: figures may not add up exactly due to rounding

- (1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group
- (2) ~€170m benefit from hedging on core deposits in 9M21, of which ~€60m in 3Q21
- (3) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Best-ever 9M for Commissions Despite COVID-19 Impact

Net fees and commissions



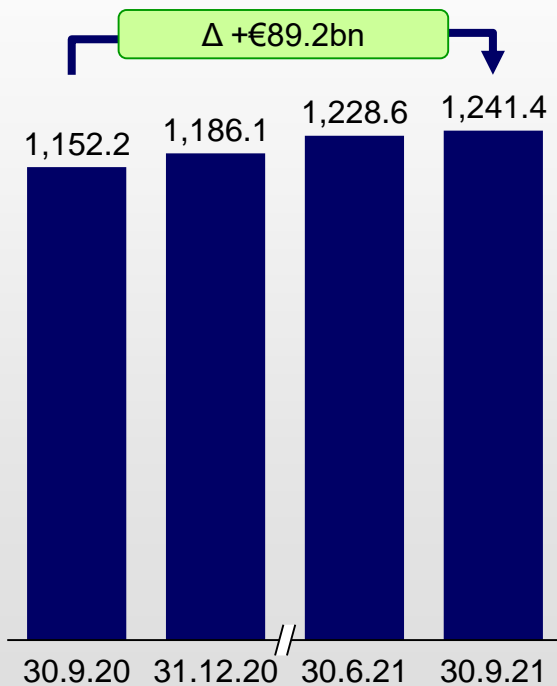
(1) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(2) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

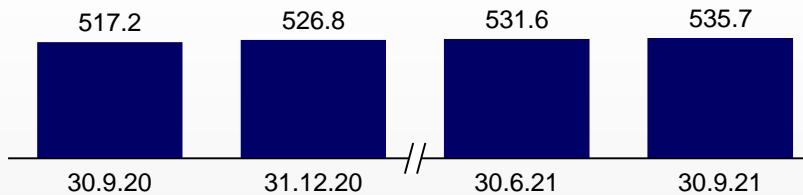
~€1.25 Trillion in Customer Financial Assets, with an €89bn Increase on a Yearly Basis

Customer financial assets⁽¹⁾⁽²⁾

€ bn

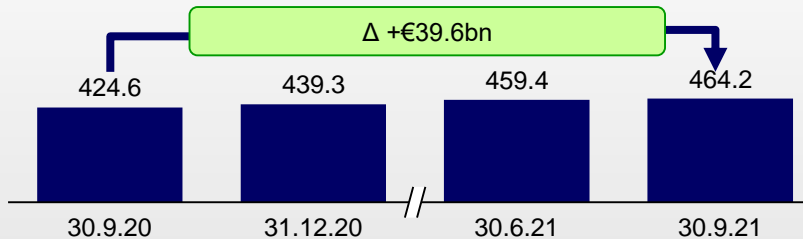


Direct deposits



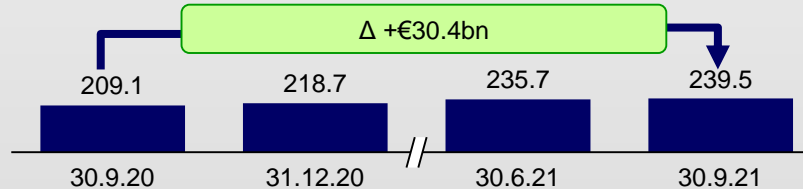
+€20bn in retail and corporate deposits on a yearly basis

Assets under Management

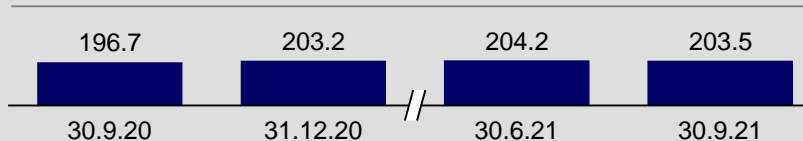


+€12.4bn of AuM Net inflow in 9M

Assets under Administration



Direct deposits from Insurance Business and Technical reserves



f(x)

Note: figures may not add up exactly due to rounding

(1) Net of duplications between Direct Deposits and Indirect Customer Deposits

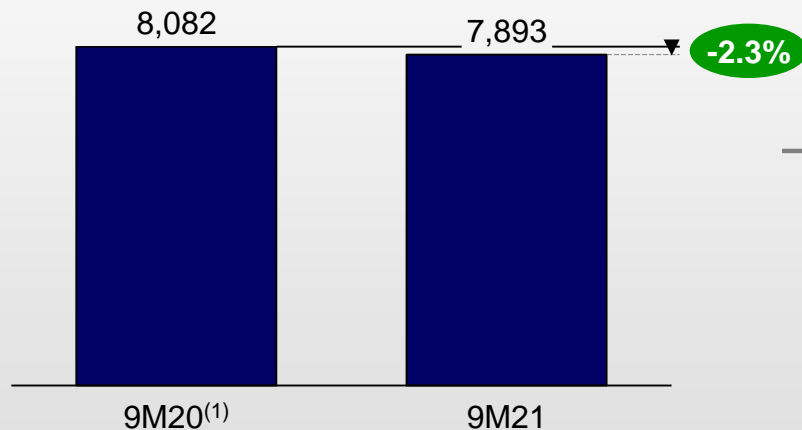
(2) Including UBI Banca, considering the disposal of branches sold in 1H21 and the full line-by-line consolidation of the REYL Group and Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21)

Continued Strong Reduction in Operating Costs while Investing for Growth

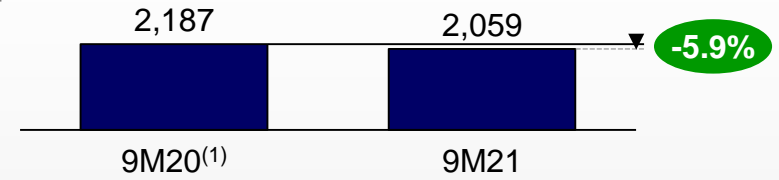
Operating costs

€ m

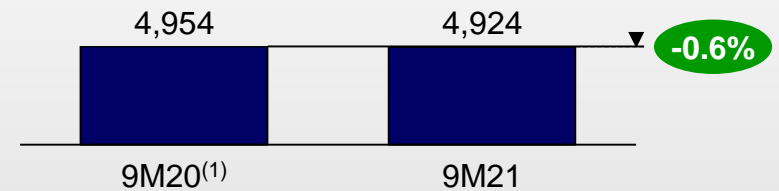
Total Operating costs



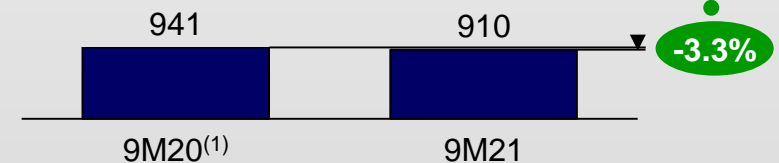
Administrative costs



Personnel costs



Depreciation



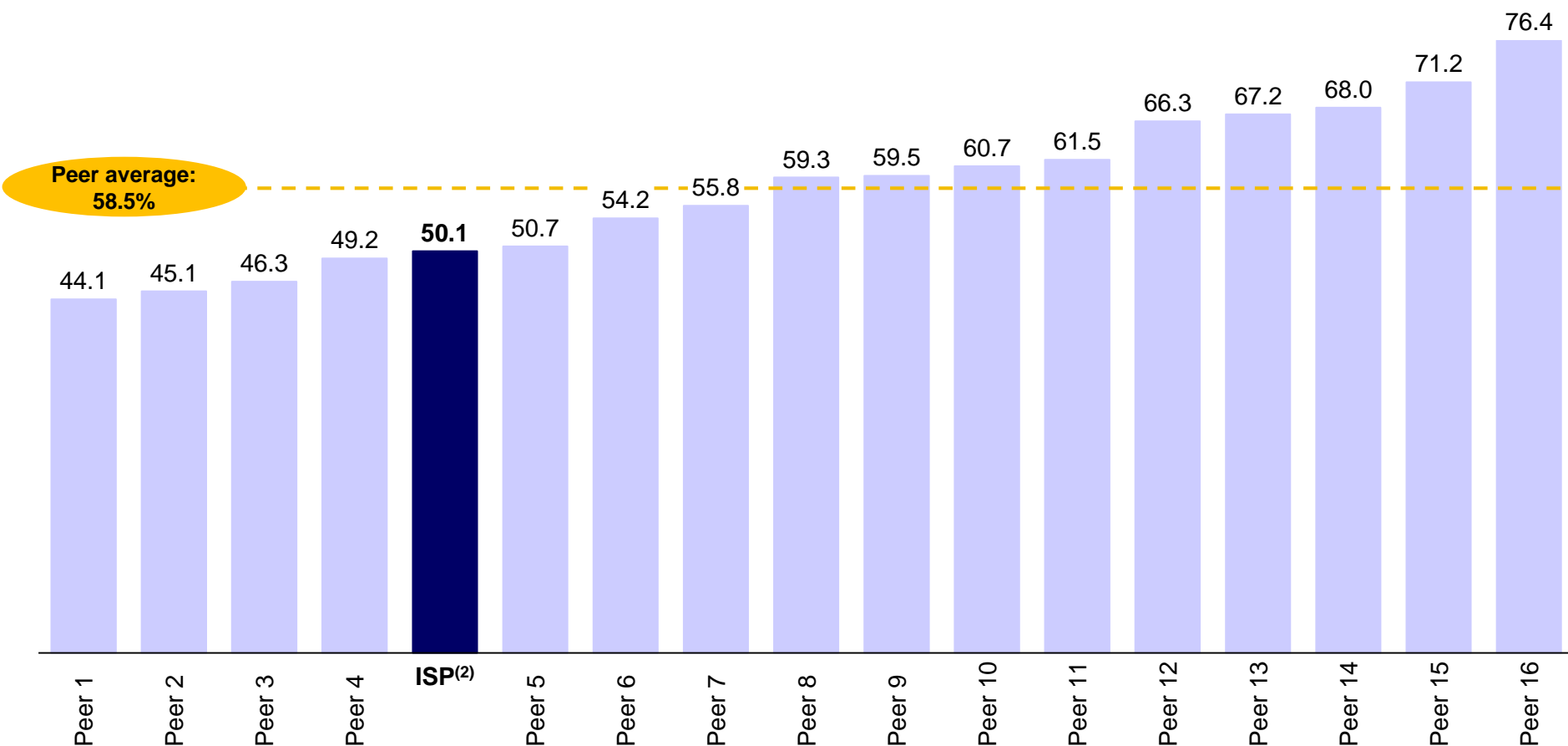
f(x)

- ~4,000 headcount reduction on a yearly basis, of which ~3,400 in 9M21 (~1,500 in Q3)
- ~7,200 voluntary exits by 2023 – of which ~2,700 exited in 9M21 – related to the combination with UBI Banca, already agreed with Labour Unions and already fully provisioned (with 3,500 hires by 1H24)
- Further branch reduction in light of Mooney and combination with UBI Banca

(1) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

One of the Best Cost/Income Ratios in Europe

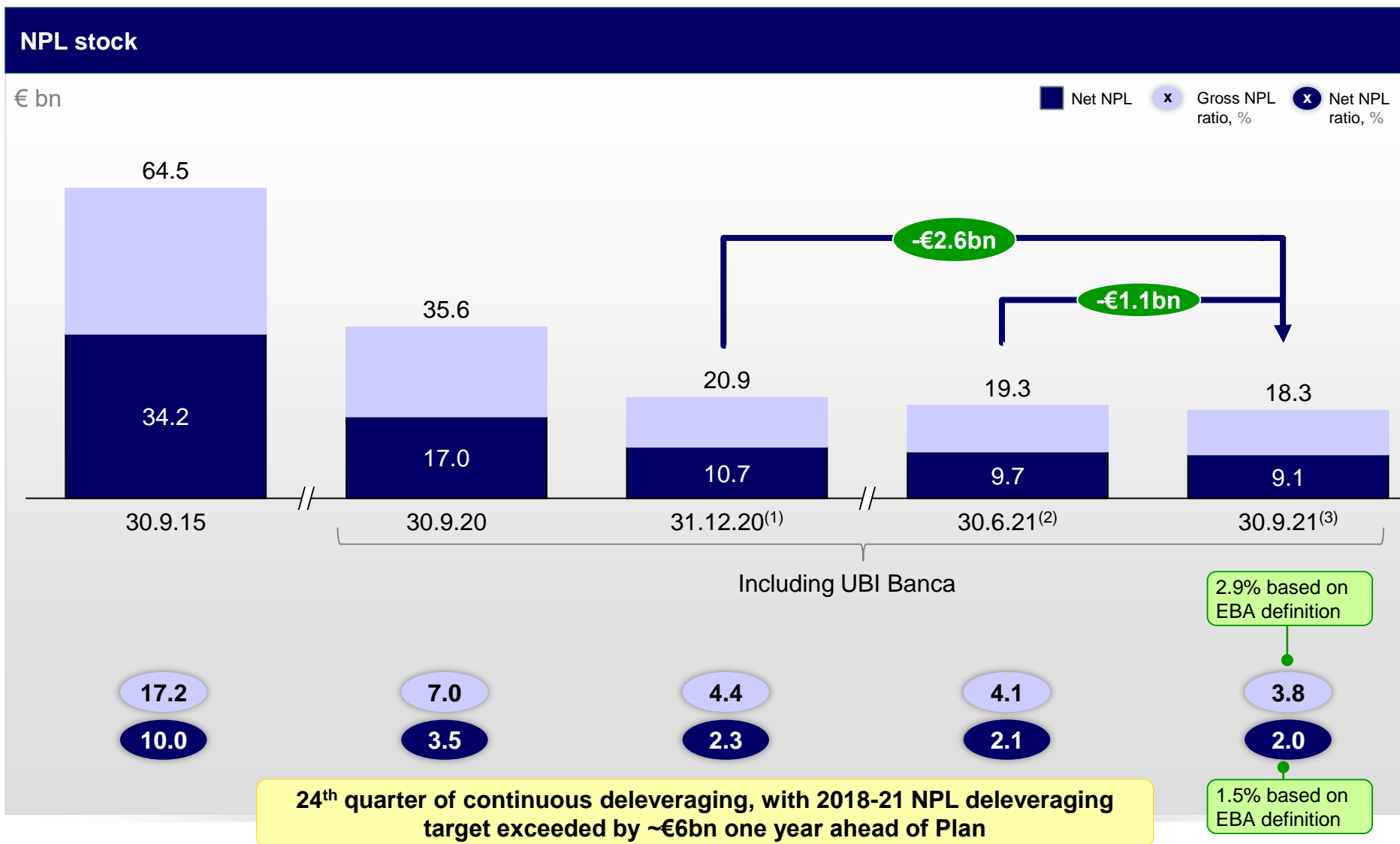
Cost/Income⁽¹⁾
%



(1) Sample: Barclays, BBVA, BNP Paribas, Deutsche Bank, HSBC, Lloyds Banking Group, Nordea, Santander, Standard Chartered, UBS and UniCredit (30.9.21 data); Commerzbank, Crédit Agricole S.A., Credit Suisse, ING Group and Société Générale (30.6.21 data)

(2) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

€17.3bn Gross NPL Stock Reduction on a Yearly Basis, €2.6bn in 9M



Note: figures may not add up exactly due to rounding
 (1) Excluding €5.4bn Gross NPL (€2.1bn Net) booked in Discontinued operations
 (2) Excluding €5.2bn Gross NPL (€1.5bn Net) booked in Discontinued operations
 (3) Excluding €4.7bn Gross NPL (€1.7bn Net) booked in Discontinued operations

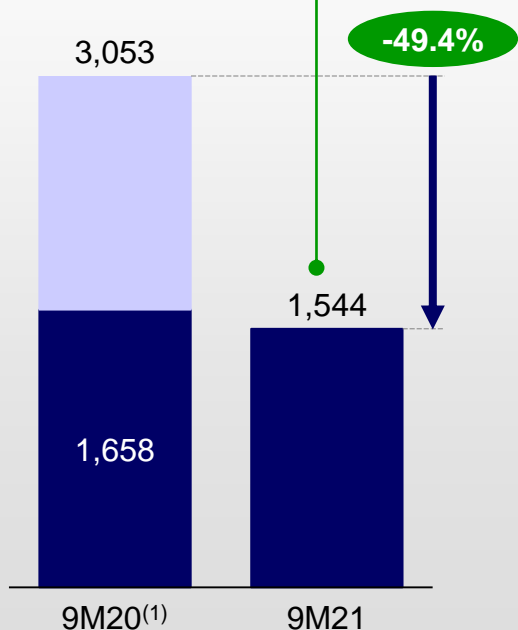
Strong Reduction in Loan Loss Provisions and Cost of Risk Coupled with Lowest-ever NPL Inflow

Loan loss provisions

€ m

Provisions for future COVID-19 impacts

Including ~€360m for additional provisions on specific NPL portfolios to accelerate NPL deleveraging



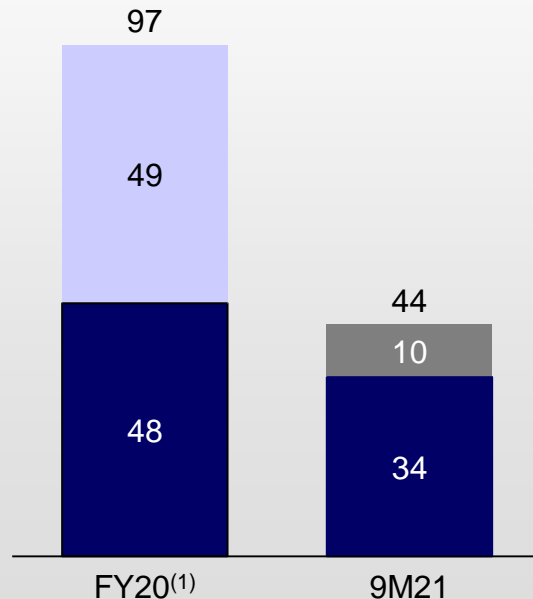
Expired moratoria already at €43bn

Cost of risk

bps; annualised

Provisions for future COVID-19 impacts

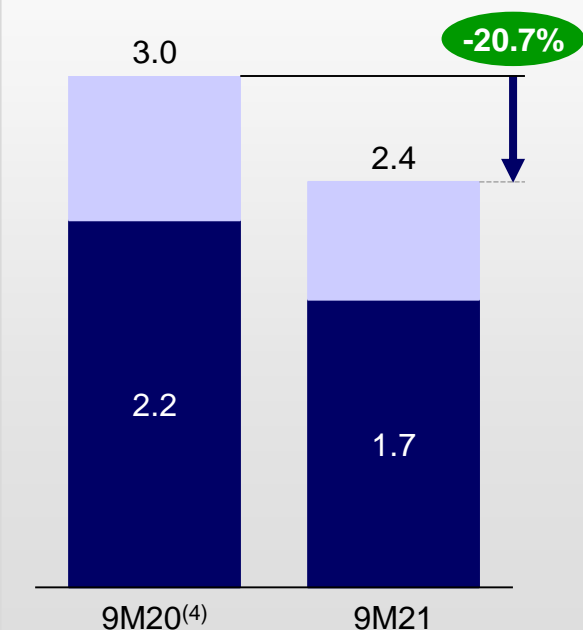
Additional provisions on specific NPL portfolios to accelerate NPL deleveraging



Gross 9M NPL inflow⁽²⁾ from performing loans

€ bn

Net inflow⁽³⁾



Lowest-ever 9M NPL inflow

(1) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

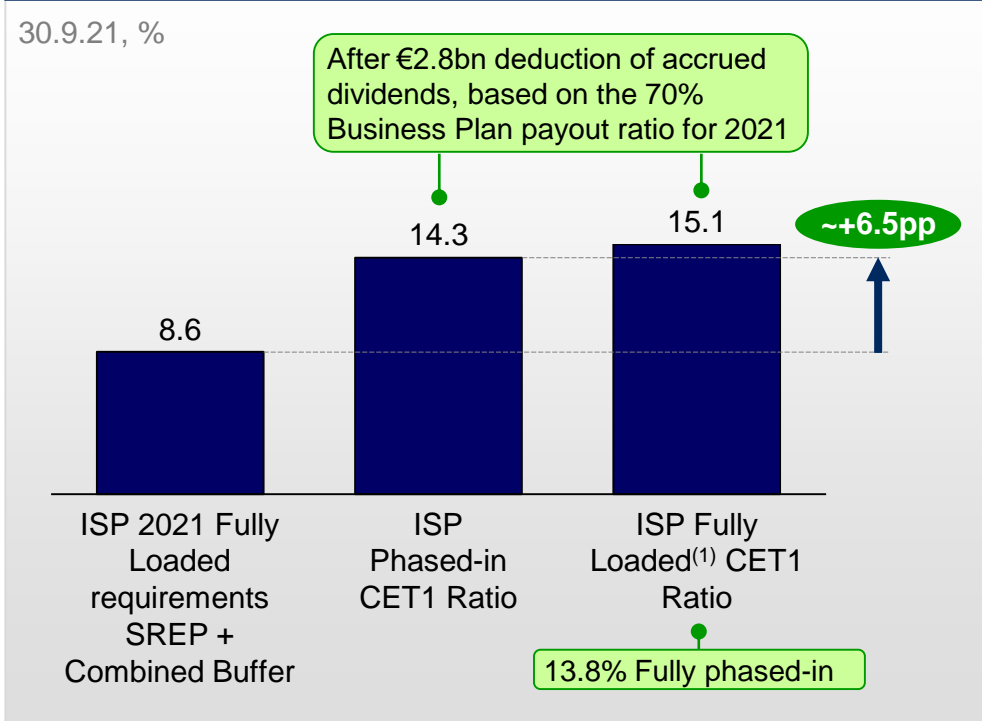
(2) Inflow to NPL (Bad Loans, Unlikely to Pay and Past Due) from performing loans

(3) Inflow to NPL (Bad Loans, Unlikely to Pay and Past Due) from performing loans minus outflow from NPL into performing loans

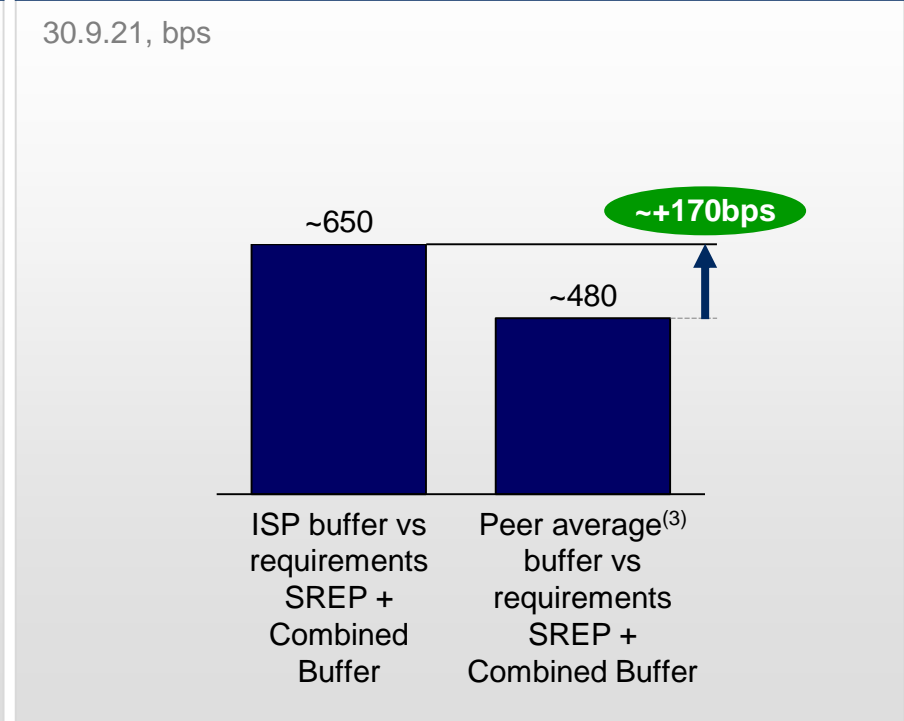
(4) Including UBI Banca

Rock-Solid Capital Base, Well Above Regulatory Requirements

ISP CET1 Ratios vs requirements SREP + Combined Buffer



Fully Loaded CET1 Ratio Buffer vs requirements SREP + Combined Buffer⁽²⁾



€1.9bn additional cash distribution from reserves paid on 20 October 2021, already deducted from ISP 30.9.21 capital ratios

Note: figures may not add up exactly due to rounding

(1) Pro-forma fully loaded Basel 3 (30.9.21 financial statements considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, DTA related to the combination with UBI Banca, the expected absorption of DTA on losses carried forward and the expected distribution on 9M21 Net income of insurance companies)

(2) Calculated as the difference between the Fully Loaded CET1 Ratio vs requirements SREP + Combined Buffer; only top European banks that have communicated their SREP requirement

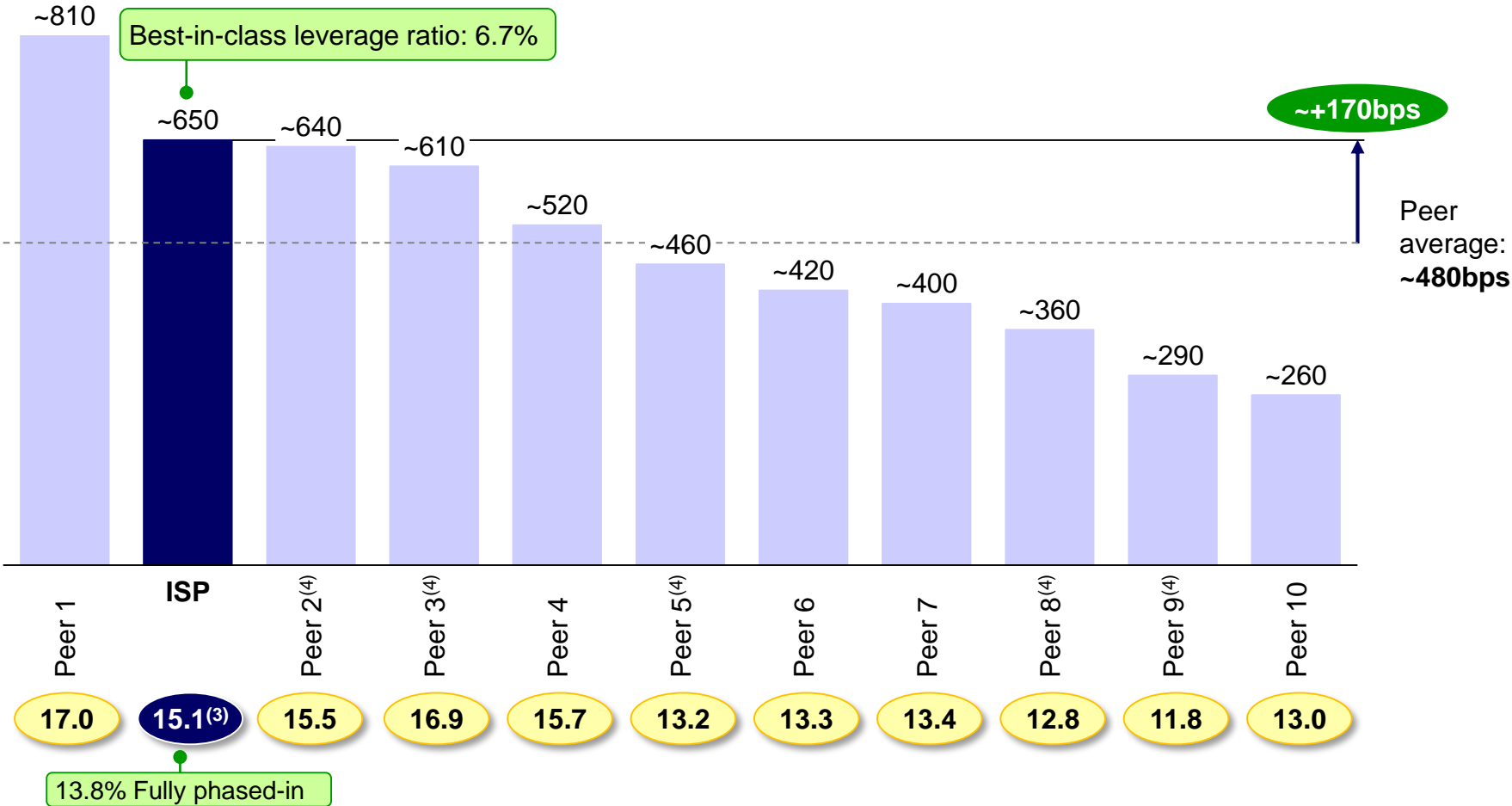
(3) Sample: BBVA, BNP Paribas, Deutsche Bank, Nordea, Santander and UniCredit (30.9.21 data); Commerzbank, Crédit Agricole Group, ING Group and Société Générale (30.6.21); Source: Investor Presentations, Press Releases, Conference Calls, Financial

Best-in-Class Excess Capital in Europe

Fully Loaded CET1 Ratio Buffer vs requirements SREP + Combined Buffer⁽¹⁾⁽²⁾

bps

Fully Loaded CET1 Ratio⁽²⁾, %



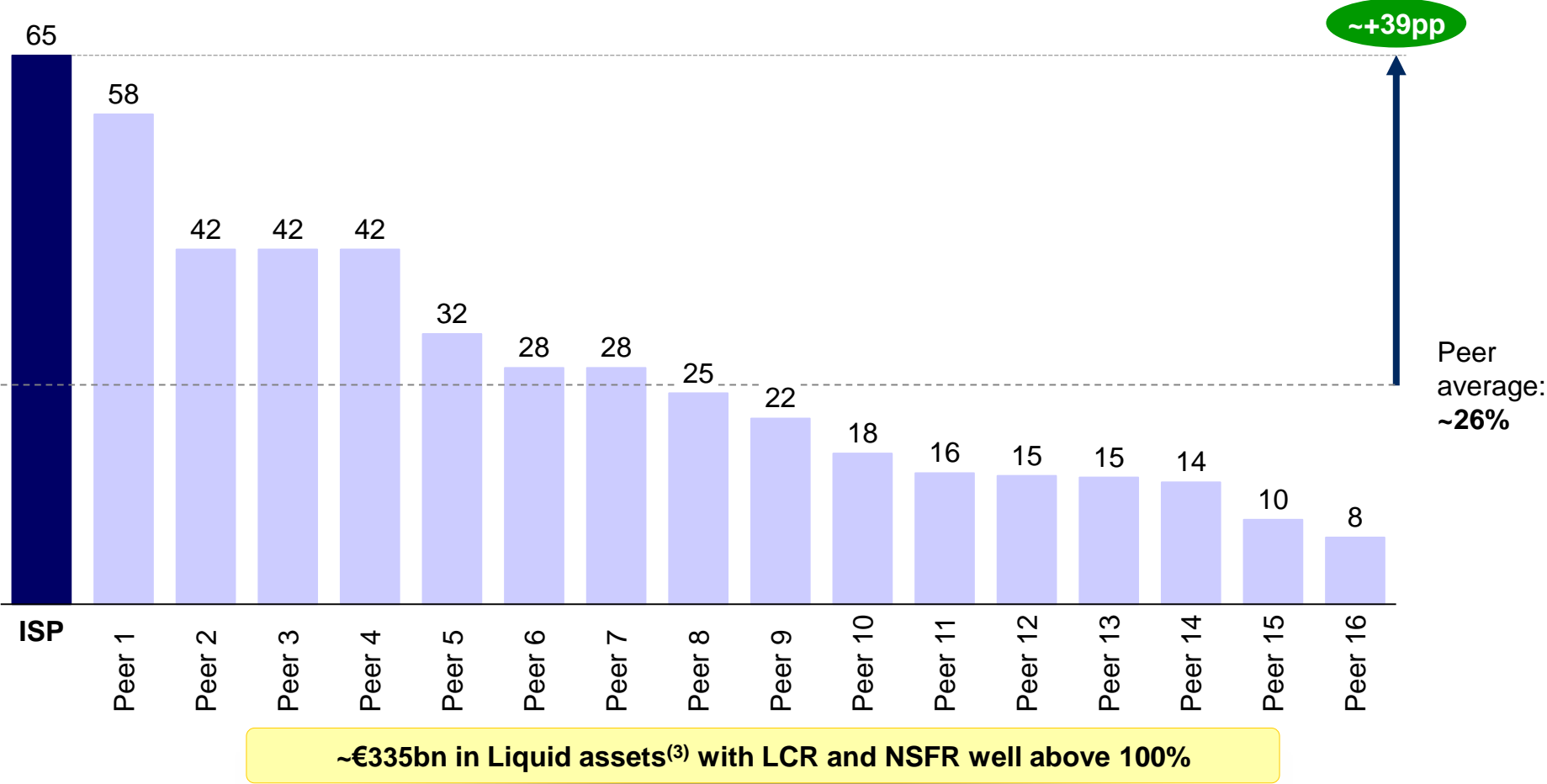
Note: figures may not add up exactly due to rounding

- (1) Calculated as the difference between the Fully Loaded CET1 ratio vs requirements SREP + Combined Buffer; the Countercyclical Capital Buffer is estimated; only top European banks that have communicated their SREP requirement
- (2) Sample: BBVA, BNP Paribas, Deutsche Bank, Nordea, Santander and UniCredit (30.9.21 data); Commerzbank, Crédit Agricole Group, ING Group and Société Générale (30.6.21 data); Source: Investor Presentations, Press Releases, Conference Calls, Financial Statements
- (3) Pro-forma fully loaded Basel 3 (30.9.21 financial statements considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, DTA related to the combination with UBI Banca, the expected absorption of DTA on losses carried forward and the expected distribution on 9M21 Net income of insurance companies)
- (4) Share buy-backs already approved by the ECB are deducted from the capital position

Best-in-Class Risk Profile in Terms of Financial Illiquid Assets

Fully Loaded CET1⁽¹⁾/Total illiquid assets⁽²⁾

%



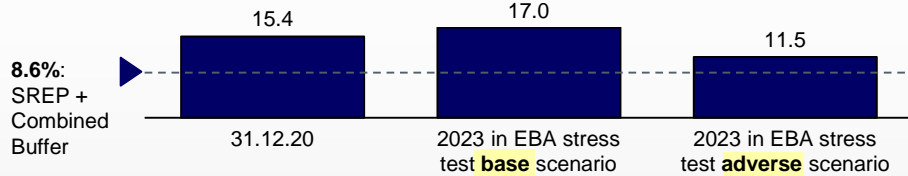
(1) Fully Loaded CET1. Sample: Barclays, BBVA, BNP Paribas, Deutsche Bank, HSBC, Lloyds Banking Group, Nordea, Santander, Standard Chartered, UBS and UniCredit (30.9.21 data); Commerzbank, Crédit Agricole Group, Credit Suisse, ING Group and Société Générale (30.6.21 data)

(2) Total illiquid assets include Net NPL stock, Level 2 assets and Level 3 assets. Sample: Barclays, BBVA, Deutsche Bank, HSBC, Lloyds Banking Group, Nordea, Santander, Standard Chartered, UBS and UniCredit (Net NPL 30.9.21 data); BNP Paribas, Commerzbank, Crédit Agricole Group, Credit Suisse, ING Group and Société Générale (Net NPL 30.6.21 data). Level 2 and Level 3 assets 30.6.21 data

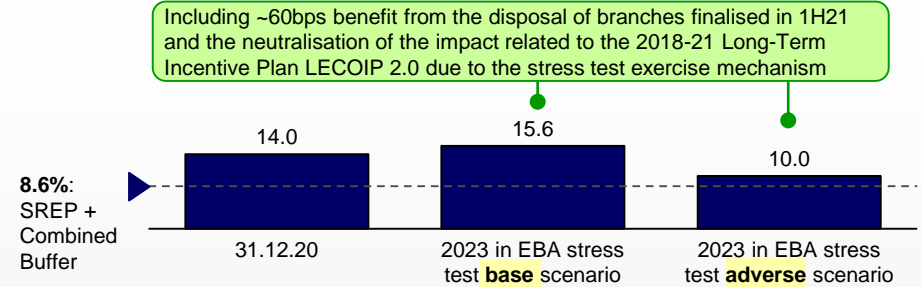
(3) Stock of own-account eligible assets (including assets used as collateral and excluding eligible assets received as collateral) and cash and deposits with Central Banks

Capital Position Well Above Regulatory Requirements even in the EBA Stress Test Adverse Scenario

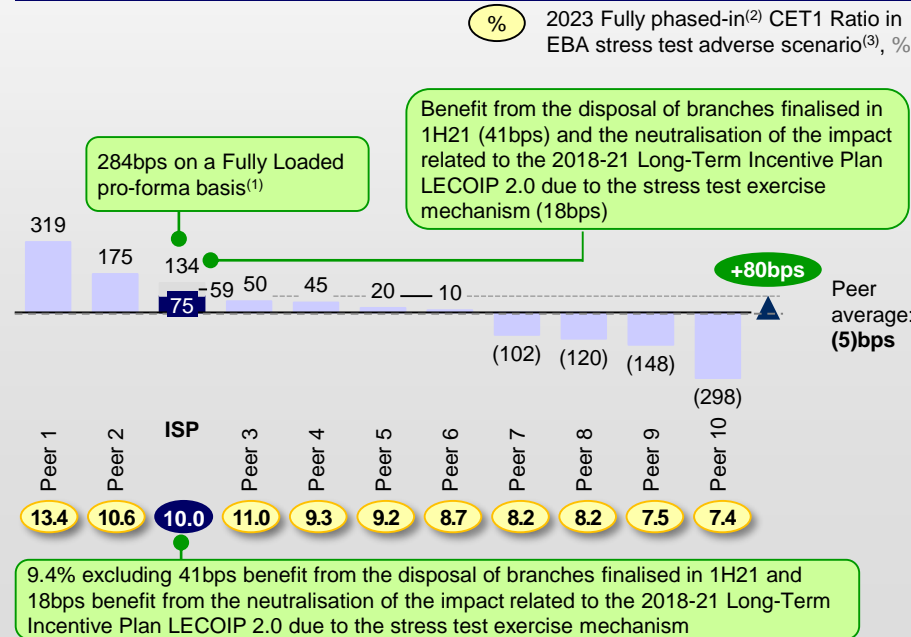
Pro-forma Fully Loaded CET1 Ratio⁽¹⁾, %



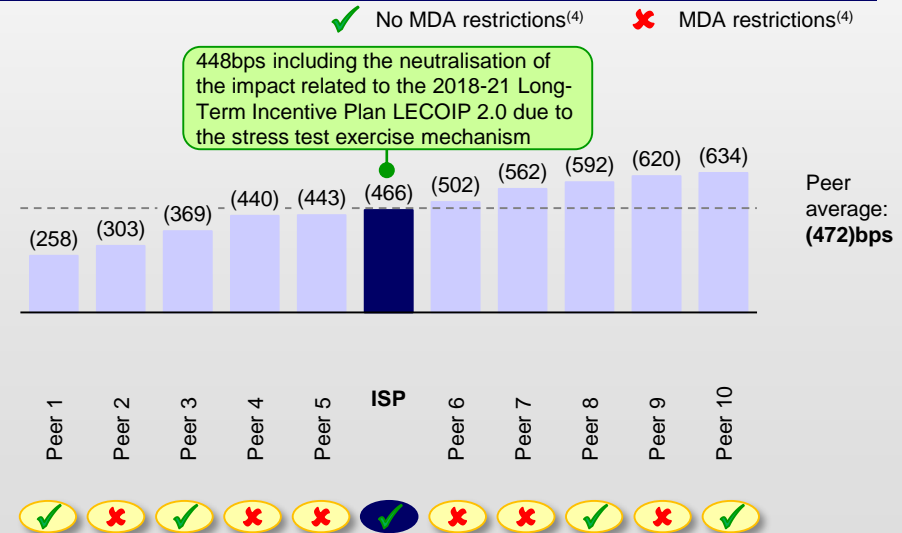
Fully phased-in CET1 Ratio⁽²⁾, %



2023 Fully phased-in⁽²⁾ CET1 Ratio buffer in EBA stress test adverse scenario vs requirements SREP + Combined Buffer, bps



2023 adverse scenario impact on Fully phased-in⁽²⁾ CET1 Ratio⁽³⁾, bps



(1) Pro-forma fully loaded Basel 3 (31.12.20 financial statements considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, the expected absorption of DTA on losses carried forward and DTA related to the combination with UBI Banca arising from PPA, integration charges, the expected distribution of FY20 Net income of insurance companies and – for 2023 – the disposal to BPER Banca of a portion of branches and related assets and liabilities and the neutralisation of the impact related to the 2018-21 Long-Term Incentive Plan LECOIP 2.0 due to the stress test exercise mechanism)

(2) Fully Loaded CET1 Ratio according to EBA definition

(3) Sample: BBVA, BNP Paribas, Commerzbank, Crédit Agricole Group, Deutsche Bank, ING Group, Nordea, Santander, Société Générale and UniCredit

(4) Restrictions on dividend/incentive schemes/AT1 coupon payments

Contents

ISP Is Fully Equipped for the Challenges Ahead

9M21: Excellent Performance

Final Remarks

ISP Is Fully Equipped to Continue to Succeed in the Future

ISP delivered an excellent 9M:

- **Highest Net income since 2008**
- **Highest-ever Operating income and Commissions**
- **Best-ever Operating margin and Gross income**
- **Strong cost reduction**
- **Significant NPL stock reduction and lowest-ever NPL inflow**

ISP is fully equipped to succeed in the future:

- **Best-in-class excess capital, low leverage and strong liquidity**
- **Over €6bn** out of 2020 pre-tax profit and **almost €500m** from 9M pre-tax profit allocated **to further strengthen the future sustainability of our results**
- **Low NPL stock**
- **High operating efficiency** (Cost/Income ratio at 50.1%⁽¹⁾) and **strategic flexibility in managing costs**
- **Over €1bn yearly synergies from the combination with UBI Banca**
- **Well-diversified and resilient business model**

- **More than €4bn Net income for 2021**
- **Best-in-class distribution to shareholders** with a 70%⁽²⁾ cash dividend payout ratio for 2021 Net income (€2.8bn already accrued in 9M), with €1.4bn to be paid as interim dividend on 24 November 2021
- **Maintain a solid capital position with a minimum Common Equity ratio⁽³⁾ of 13% (12% fully phased-in)**

- **Minimum €4bn Net income target for 2021 already achieved despite COVID-19 impact and while successfully merging UBI Banca and allocating significant resources to further strengthen the future sustainability of our results**
- **Rock-solid capital base, well above regulatory requirements even under the EBA stress test adverse scenario**

(1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(2) Envisaged in the 2018-21 Business Plan

(3) Pro-forma fully loaded Basel 3 (considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, DTA related to the combination with UBI Banca and the expected absorption of DTA on losses carried forward)



9M21 Results

Detailed Information

Key P&L and Balance Sheet Figures

€ m

	9M21 ⁽¹⁾		30.9.21
Operating income	15,766	Loans to Customers	463,295
Operating costs	(7,893)	Customer Financial Assets ⁽²⁾	1,241,420
Cost/Income ratio	50.1%	of which Direct Deposits from Banking Business	535,746
Operating margin	7,873	of which Direct Deposits from Insurance Business and Technical Reserves	203,538
Gross income (loss)	6,205	of which Indirect Customer Deposits	703,721
Net income	4,006	- Assets under Management	464,215
		- Assets under Administration	239,506
		RWA	328,176
		Total Assets	1,071,418

Note: figures may not add up exactly due to rounding

(1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(2) Net of duplications between Direct Deposits and Indirect Customer Deposits

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Liquidity, Funding and Capital Base

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Divisional Results and Other Information

9M21 vs 9M20: €4bn Net Income, the Best 9M Result since 2008

€ m

	9M20	9M21		Δ%
	redetermined ⁽¹⁾ [A]	stated ⁽²⁾ [B]	redetermined ⁽³⁾ [C]	[C]/[A]
Net interest income	6,206	6,012	5,946	(4.2)
Net fee and commission income	6,283	7,102	7,008	11.5
Income from insurance business	1,249	1,176	1,219	(2.4)
Profits on financial assets and liabilities at fair value	1,482	1,518	1,517	2.4
Other operating income (expenses)	31	90	76	145.2
Operating income	15,251	15,898	15,766	3.4
Personnel expenses	(4,954)	(4,975)	(4,924)	(0.6)
Other administrative expenses	(2,187)	(2,052)	(2,059)	(5.9)
Adjustments to property, equipment and intangible assets	(941)	(908)	(910)	(3.3)
Operating costs	(8,082)	(7,935)	(7,893)	(2.3)
Operating margin	7,169	7,963	7,873	9.8
Net adjustments to loans	(3,053)	(1,550)	(1,544)	(49.4)
Net provisions and net impairment losses on other assets	(244)	(433)	(436)	78.7
Other income (expenses)	35	254	254	625.7
Income (Loss) from discontinued operations	1,459	0	58	(96.0)
Gross income (loss)	5,366	6,234	6,205	15.6
Taxes on income	(1,319)	(1,540)	(1,541)	16.8
Charges (net of tax) for integration and exit incentives	(64)	(148)	(148)	131.3
Effect of purchase price allocation (net of tax)	3,187	(85)	(85)	n.m.
Levies and other charges concerning the banking industry (net of tax)	(475)	(502)	(489) ⁽⁴⁾	2.9
Impairment (net of tax) of goodwill and other intangible assets	0	0	0	n.m.
Minority interests	(319)	47	64	n.m.
Net income	6,376	4,006	4,006	(37.2)
Net income excluding the accounting effect of the combination with UBI Banca	3,112	4,006	4,006	28.7

+46% excluding
€1.1bn Nexi capital
gain booked in 2Q20

+99% excluding
€1.1bn Nexi capital
gain booked in 2Q20

Note: figures may not add up exactly due to rounding

(1) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and - on the basis of management accounts - the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(2) Including the contribution of branches sold in 1H21 and the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni from the effective date of their acquisition and REYL Group from 1.1.21

(3) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(4) €713m pre-tax of which charges for the Resolution Fund: €278m pre-tax (€192m net of tax), charges for the Deposit Guarantee Scheme: €315m pre-tax (€213m net of tax), and additional contribution to the National Resolution Fund: €103m pre-tax (€69m net of tax)

Q3 vs Q2: €1bn Net Income Driven by Solid Core Operating Performance

€ m

	2Q21	3Q21	Δ%
	redetermined ⁽¹⁾		
Net interest income	1,995	1,999	0.2
Net fee and commission income	2,370	2,325	(1.9)
Income from insurance business	456	365	(20.0)
Profits on financial assets and liabilities at fair value	344	378	9.9
Other operating income (expenses)	19	25	31.6
Operating income	5,184	5,092	(1.8)
Personnel expenses	(1,655)	(1,642)	(0.8)
Other administrative expenses	(712)	(694)	(2.5)
Adjustments to property, equipment and intangible assets	(301)	(302)	0.3
Operating costs	(2,668)	(2,638)	(1.1)
Operating margin	2,516	2,454	(2.5)
Net adjustments to loans	(599)	(543)	(9.3)
Net provisions and net impairment losses on other assets	(220)	(82)	(62.7)
Other income (expenses)	(7)	63	n.m.
Income (Loss) from discontinued operations	10	0	(100.0)
Gross income (loss)	1,700	1,892	11.3
Taxes on income	(85)	(619)	628.2
Charges (net of tax) for integration and exit incentives	(55)	(41)	(25.5)
Effect of purchase price allocation (net of tax)	(18)	(51)	183.3
Levies and other charges concerning the banking industry (net of tax)	(83)	(210) ⁽²⁾	153.0
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	48	12	(75.0)
Net income	1,507	983	(34.8)

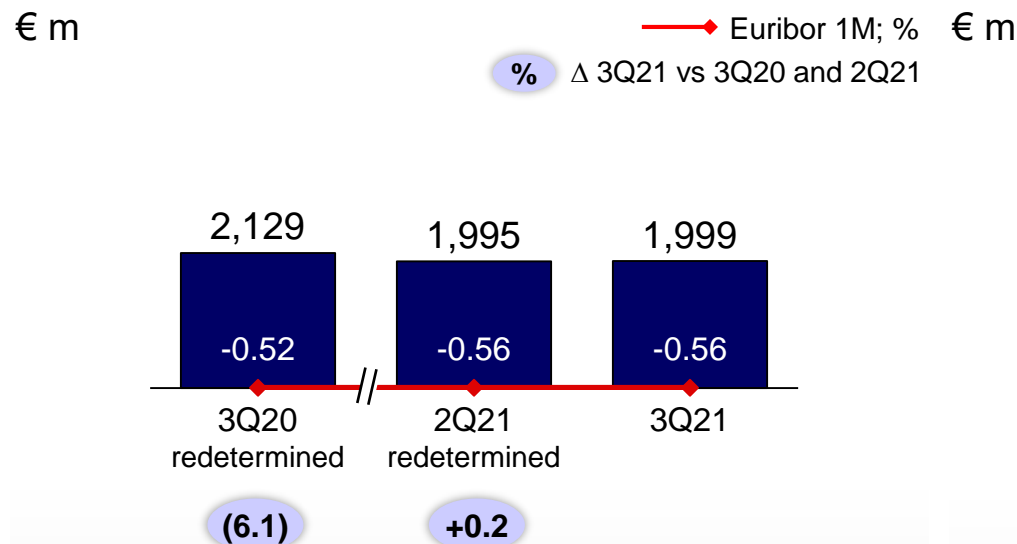
Note: figures may not add up exactly due to rounding

(1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(2) €310m pre-tax

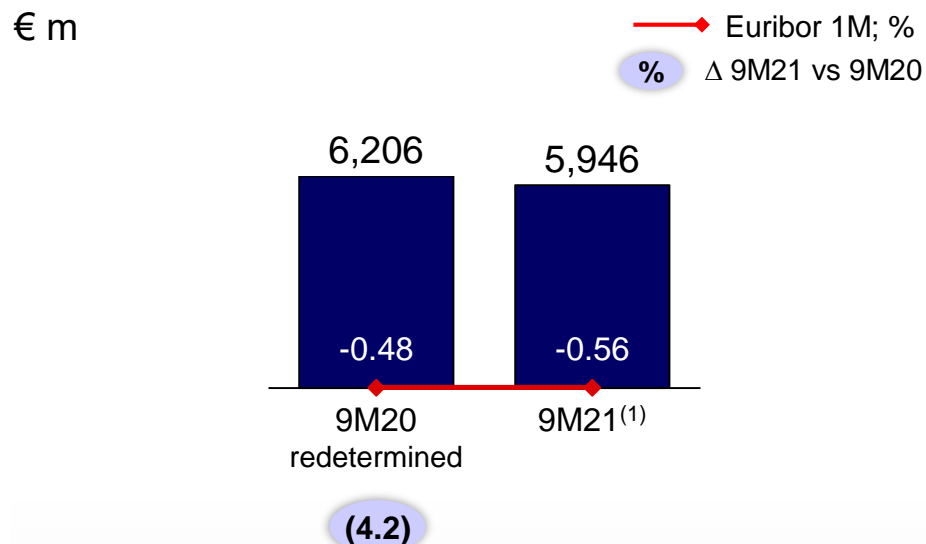
Net Interest Income: Second Consecutive Quarterly Increase Despite All-Time Low Interest Rates

Quarterly Analysis



- Increase vs Q2 despite the challenging environment and continued all-time low interest rates
- 0.3% growth in average Direct deposits from banking business vs Q2 (+6.1% vs 3Q20)
- 0.2% growth in average Performing loans to customers vs Q2 (+2.2% vs 3Q20)

Yearly Analysis



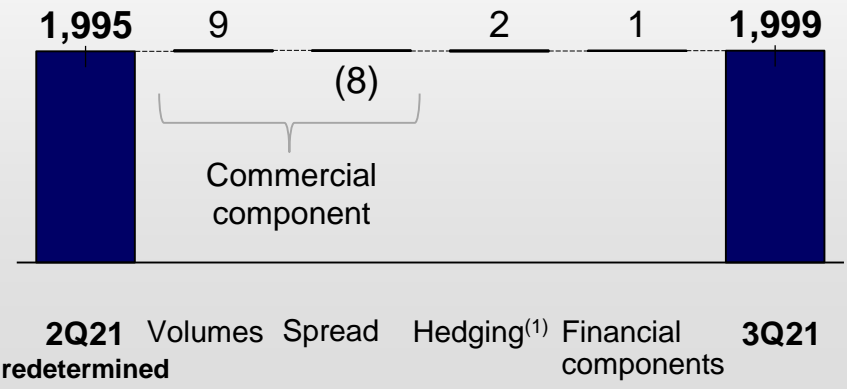
- Increase in the commercial component
- 8.9% growth in average Direct deposits from banking business
- 3.3% growth in average Performing loans to customers

(1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Net Interest Income: Increase in the Commercial Component

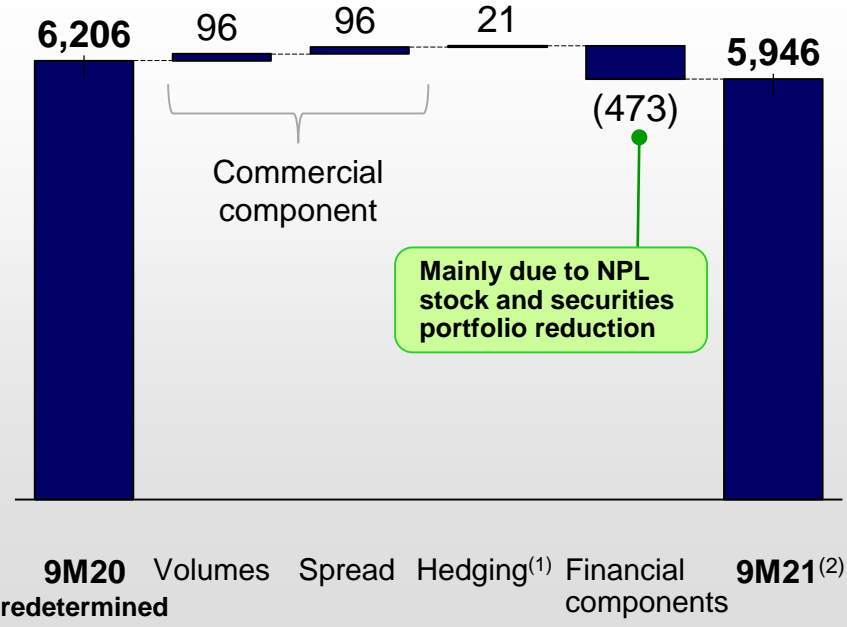
Quarterly Analysis

€ m



Yearly Analysis

€ m



Note: figures may not add up exactly due to rounding

(1) ~€170m benefit from hedging on core deposits in 9M21, of which ~€60m in 3Q21

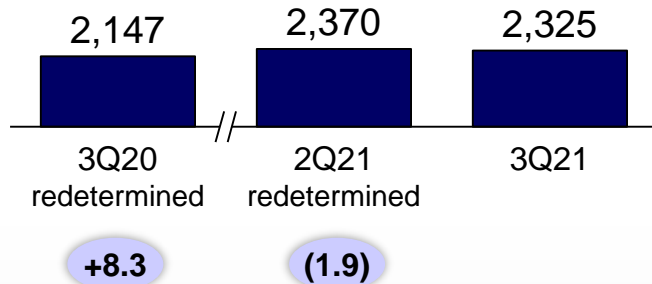
(2) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Net Fee and Commission Income: Best-ever 9M and Q3

Quarterly Analysis

€ m

% Δ 3Q21 vs 3Q20 and 2Q21

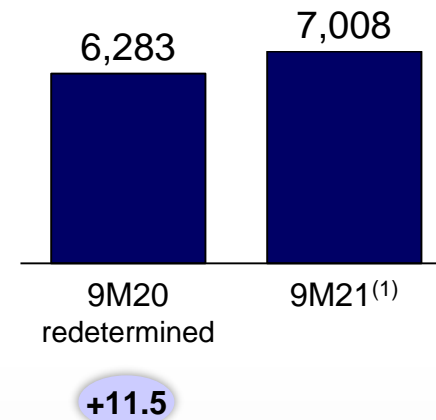


- Best Q3 ever
- Strong increase vs 3Q20 mainly due to growth in commissions from Commercial banking activities (+8.6%; +€52m)
- Decline vs Q2 due to the usual seasonal business slowdown in summer
- €4.1bn in AuM net inflows in Q3

Yearly Analysis

€ m

% Δ 9M21 vs 9M20



- 9M21, the best-ever 9M despite multiple lockdowns and while successfully merging UBI Banca
- Commissions from Management, dealing and consultancy activities up 13.1% (+€511m)
- Commissions from Commercial banking activities up 6.4% (+€114m)
- €12.4bn in AuM net inflows in 9M21⁽¹⁾

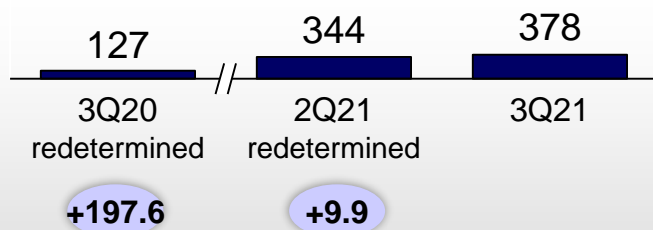
(1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Profits on Financial Assets and Liabilities at Fair Value: Excellent Performance

Quarterly Analysis

€ m

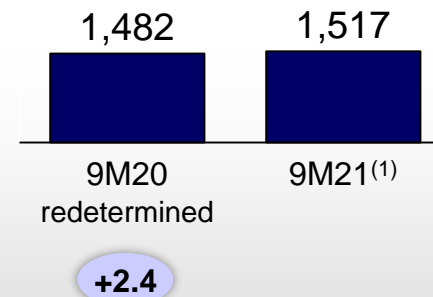
% Δ 3Q21 vs 3Q20 and 2Q21



Yearly Analysis

€ m

% Δ 9M21 vs 9M20



■ 9M21, the second-best 9M result ever

Contributions by Activity

	3Q20 redetermined	2Q21 redetermined	3Q21	9M20 redetermined	9M21 ⁽¹⁾
Customers	100	72	74	362	231
Capital markets	(205)	97	158	202	573
Trading and Treasury	224	173	143	938	703
Structured credit products	7	2	3	(19)	10

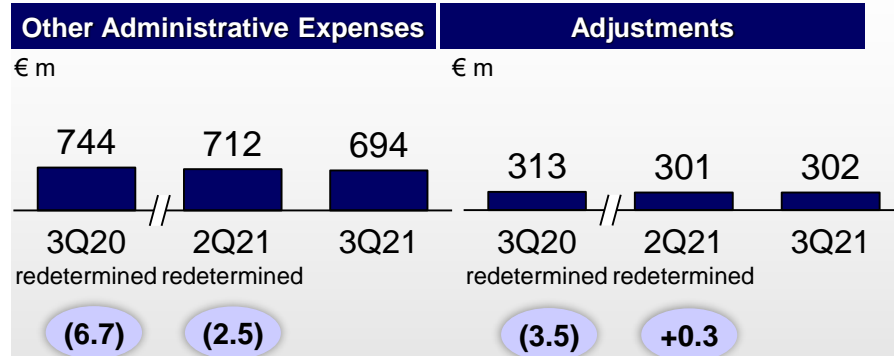
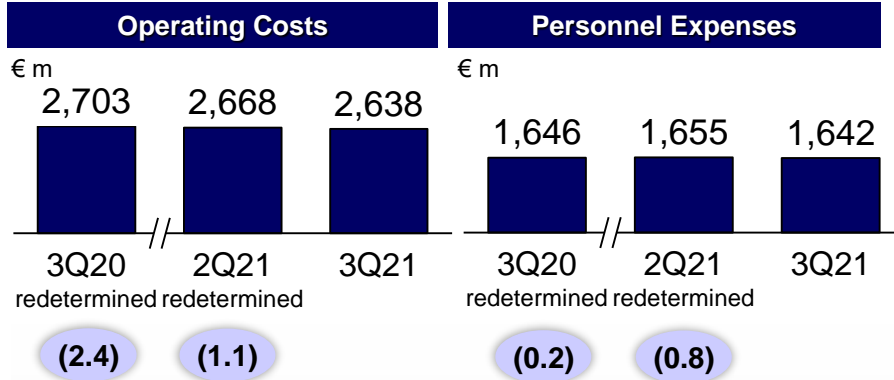
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(1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Operating Costs: Further Significant Reduction while Investing for Growth

Quarterly Analysis

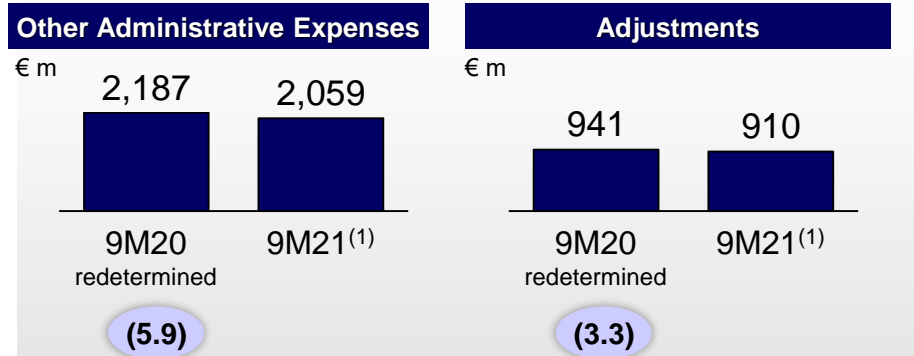
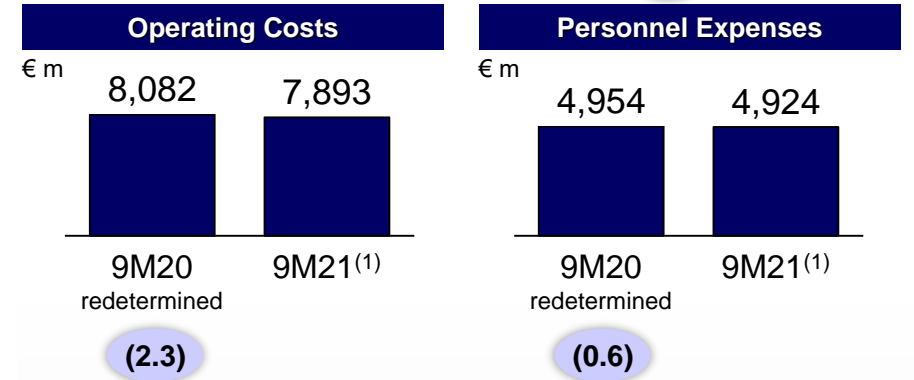
% Δ 3Q21 vs 3Q20 and 2Q21



- Strong decrease in Operating costs and Other administrative expenses vs 3Q20
- ~1,500 headcount reduction in Q3

Yearly Analysis

% Δ 9M21 vs 9M20



- Strong reduction (-5.9%) in Other administrative expenses
- Cost/Income ratio at 50.1%⁽¹⁾
- ~4,000⁽²⁾ headcount reduction
- Decrease in Adjustments due to the 4Q20 write-off of UBI Banca IT investments

(1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(2) Including UBI Banca and not considering the disposal of branches sold in 1H21

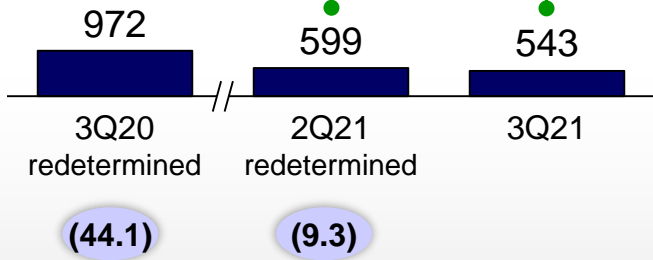
Net Adjustments to Loans: Significant Reduction Coupled with a Strong Decrease in NPL Stock and Inflows

Quarterly Analysis

€ m % Δ 3Q21 vs 3Q20 and 2Q21

€430m due to provisions for future COVID-19 impacts

~€200m and ~€160m respectively for additional provisions on specific NPL portfolios to accelerate NPL deleveraging



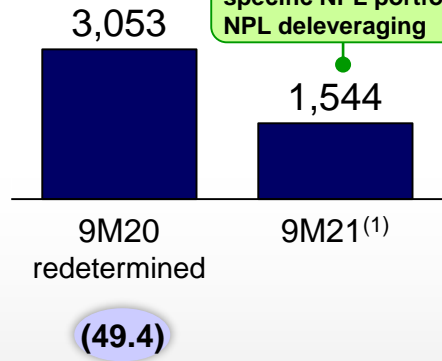
- Twenty-fourth consecutive quarterly reduction in gross NPL stock

Yearly Analysis

€ m % Δ 9M21 vs 9M20

€1,395m due to provisions for future COVID-19 impacts

~€360m for additional provisions on specific NPL portfolios to accelerate NPL deleveraging



- Annualised cost of credit at 44bps⁽¹⁾, 34bps⁽¹⁾ excluding additional provisions on specific NPL portfolios to accelerate NPL deleveraging
- Lowest-ever NPL inflows
- €17.3bn gross NPL reduction on a yearly basis

⁽¹⁾ Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

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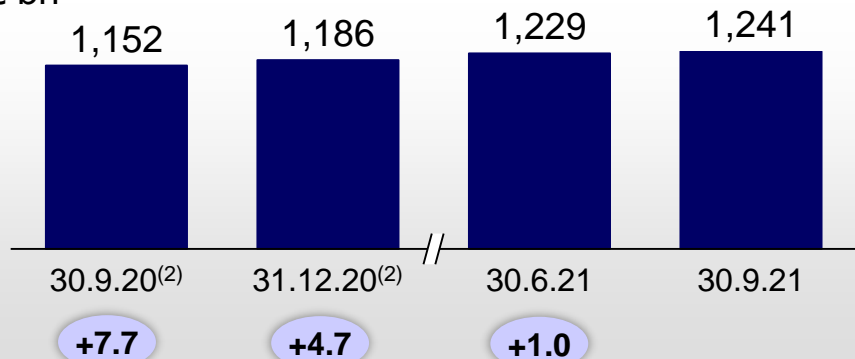
Divisional Results and Other Information

Strong Growth in Customer Financial Assets

% Δ 30.9.21 vs 30.9.20, 31.12.20 and 30.6.21

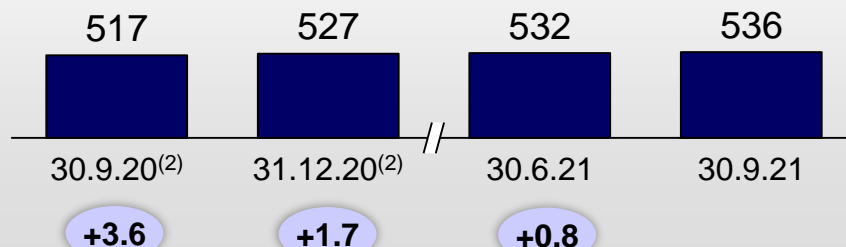
Customer Financial Assets⁽¹⁾

€ bn



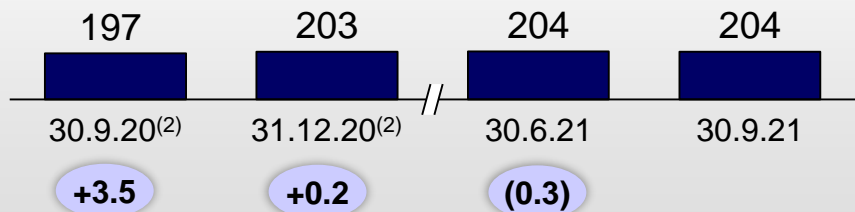
Direct Deposits from Banking Business

€ bn



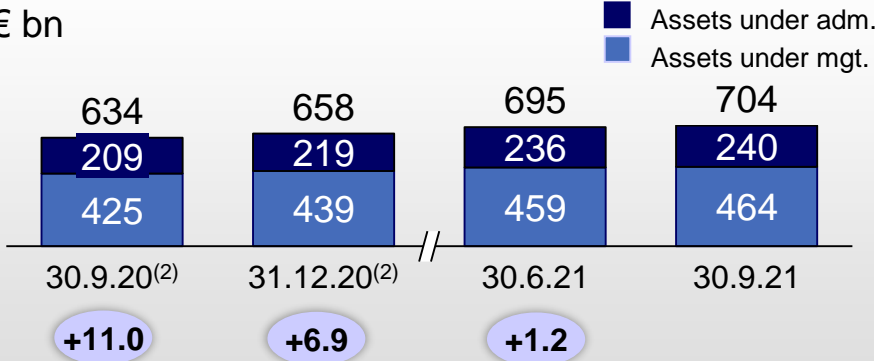
Direct Deposits from Insurance Business and Technical Reserves

€ bn



Indirect Customer Deposits

€ bn



■ ~€5bn increase in AuM in 3Q21, ~€40bn on a yearly basis

Note: figures may not add up exactly due to rounding

(1) Net of duplications between Direct Deposits and Indirect Customer Deposits

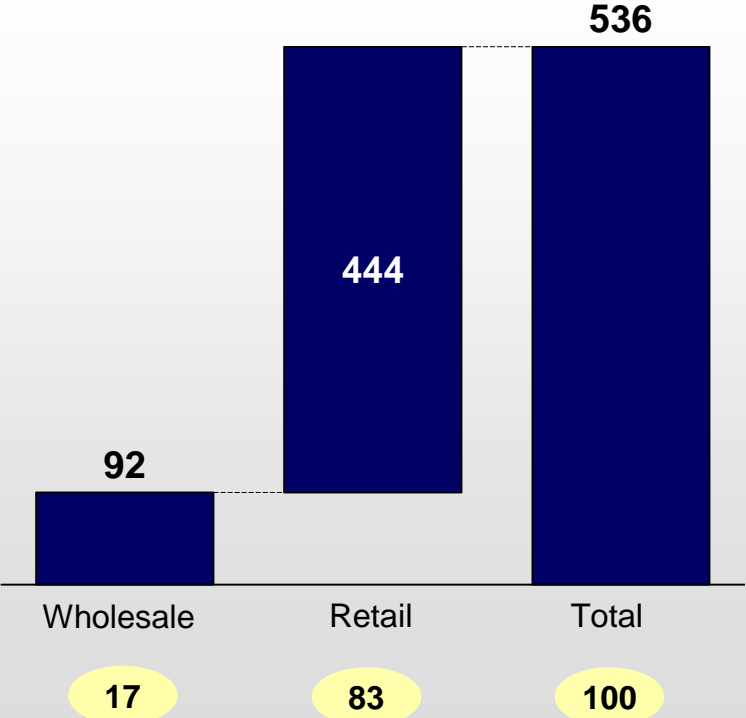
(2) Including UBI Banca, considering the disposal of branches sold in 1H21 and the full line-by-line consolidation of the REYL Group and Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21)

Funding Mix

Breakdown of Direct Deposits from Banking Business

€ bn; 30.9.21

% Percentage of total



	Wholesale	Retail
■ Current accounts and deposits	6	413
■ Repos and securities lending	5	-
■ Senior bonds ⁽¹⁾	38	8
■ Covered bonds	18	-
■ Short-term institutional funding	12 ⁽²⁾	-
■ Subordinated liabilities	10	3
■ Other deposits	3	20 ⁽³⁾

Placed with Private Banking clients

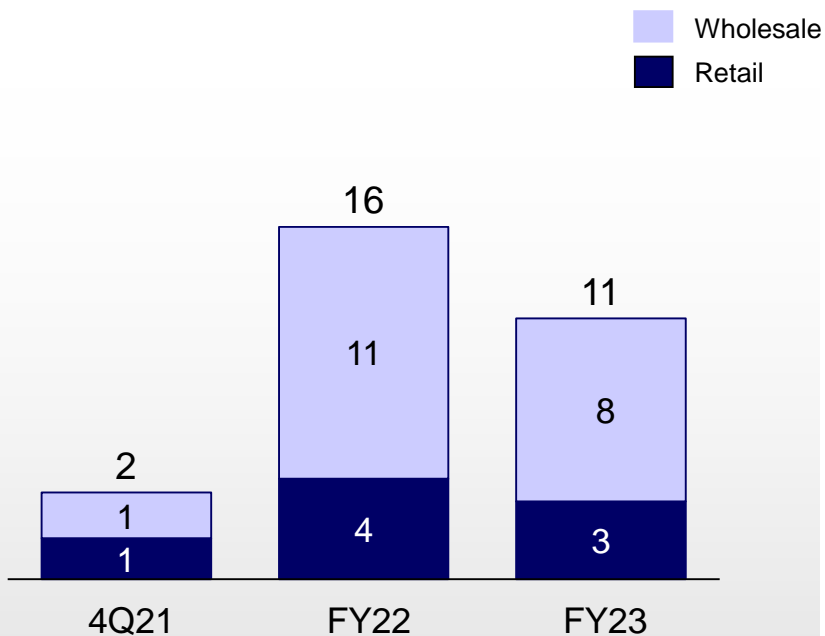
Retail funding represents 83% of Direct deposits from banking business

Note: figures may not add up exactly due to rounding
 (1) Including Senior non-preferred
 (2) Certificates of deposit + Commercial papers
 (3) Including Certificates

Strong Funding Capability: Broad Access to International Markets

2021-2023 MLT Maturities

€ bn



Main Wholesale Issues

2020⁽¹⁾

- **GBP350m senior unsecured, €3bn AT1 and €1.25bn senior unsecured placed. On average 85% demand from foreign investors; orderbooks average oversubscription ~3.5x**
 - **January: GBP350m 10y senior unsecured issue, first GBP transaction by an Italian bank since 2010**
 - **February: €1.5bn dual-tranche 5/10y Additional Tier 1 issue, first ever dual-tranche AT1 in the Euro market**
 - **May: €1.25bn 5y senior unsecured issue, first Italian bank transaction since the COVID-19 outbreak**
 - **August: €1.5bn dual-tranche 7.5/11y Additional Tier 1 issue, second ISP issue of this kind in 2020**

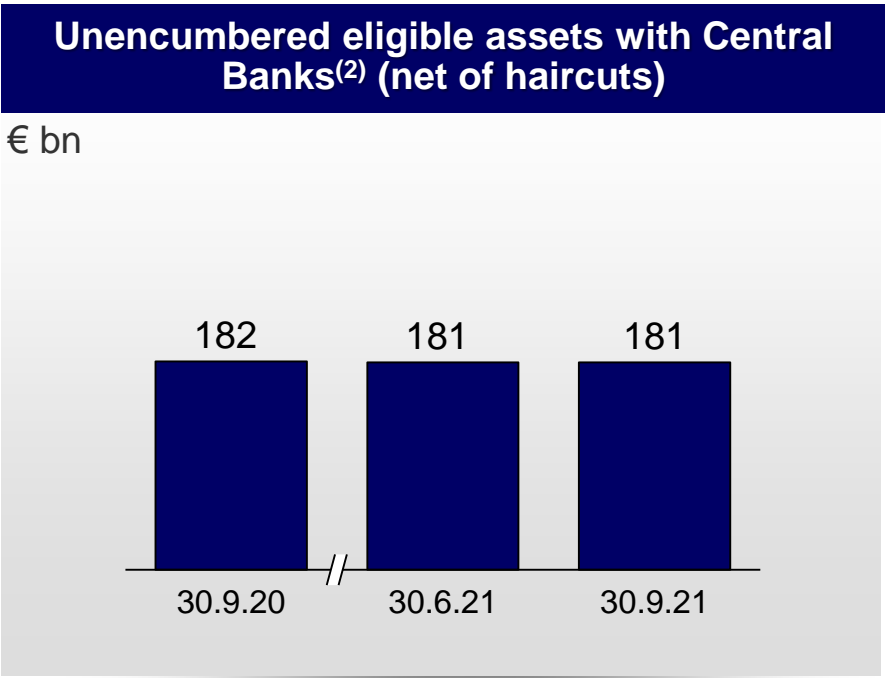
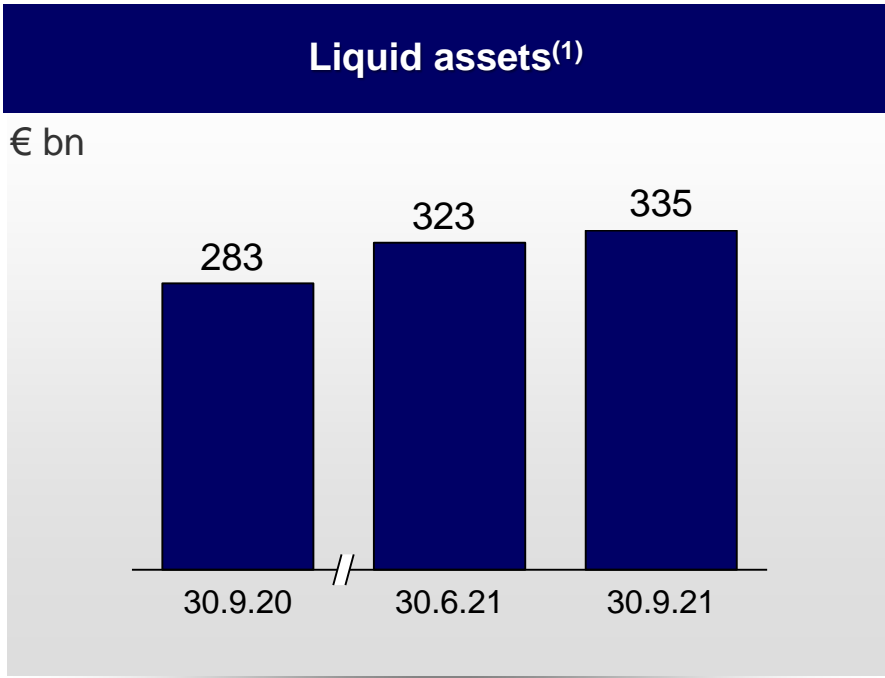
2021⁽¹⁾

- **€1.75bn senior non-preferred, €1.25bn green bond and \$1.5bn Tier 2 placed. On average 92% demand from foreign investors; orderbooks average oversubscription ~3.9x**
 - **February: inaugural €1.75bn dual-tranche 5/10y senior non-preferred, the coupons represent the lowest-ever of any Italian SNP in their respective maturity buckets**
 - **March: €1.25bn 7y senior unsecured green bond, confirming ISP's aim of fostering its ESG profile and its role as a regular player in the green and sustainable bond market**
 - **May: \$750m 11NC10 and \$750m 21NC20 Tier 2 issue, first ever dual-tranche \$ structure with 1y MREL-style call**

Note: figures may not add up exactly due to rounding

(1) ISP stand-alone

High Liquidity: LCR and NSFR Well Above Regulatory Requirements

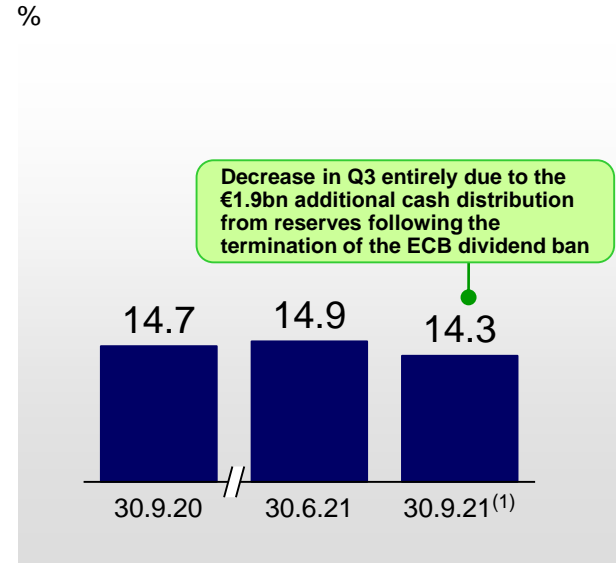


- **Refinancing operations with the ECB: ~€131bn⁽³⁾ consisting entirely of TLTRO III, out of a maximum allowance of ~€133bn**
- **Loan to Deposit ratio⁽⁴⁾ at 86%**

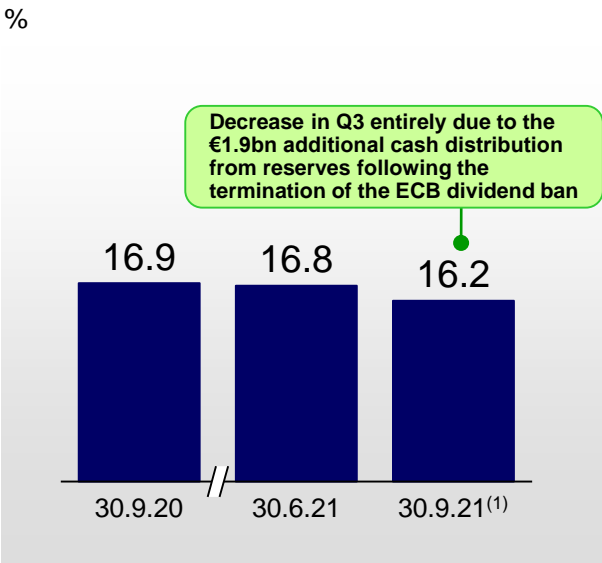
(1) Stock of own-account eligible assets (including assets used as collateral and excluding eligible assets received as collateral) and cash & deposits with Central Banks
 (2) Eligible assets freely available (excluding assets used as collateral and including eligible assets received as collateral) and cash & deposits with Central Banks
 (3) €36bn borrowed in March (settlement date 27.3.21), €11bn borrowed in June (settlement date 24.6.21) and €1.5bn borrowed in September (settlement date 29.9.21)
 (4) Loans to Customers/Direct Deposits from Banking Business

Solid Capital Base

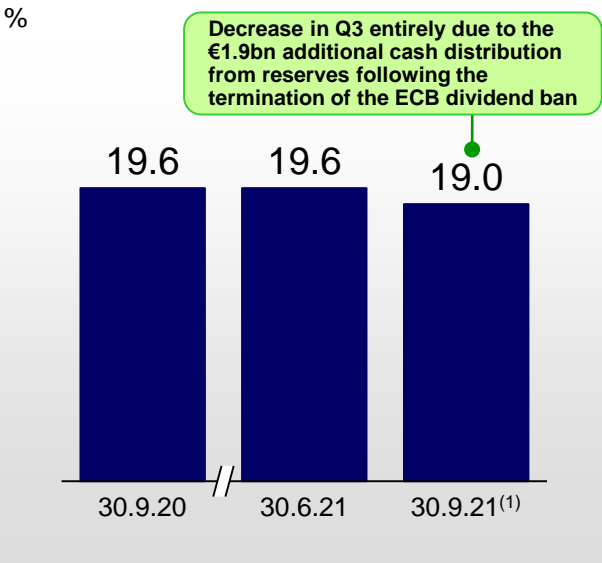
Phased-in Common Equity Ratio



Phased-in Tier 1 Ratio



Phased-in Total Capital Ratio



- **15.1%⁽²⁾ pro-forma fully loaded Common Equity Tier 1 ratio (13.8% fully phased-in)**
- **6.7% leverage ratio**

(1) Considering the ECB recommendation dated 15.12.20 on dividend policy in the aftermath of the COVID-19 epidemic, the impact from IFRS9 FTA phasing-in (~20bps in 1Q21) and after the deduction of accrued dividends (€2.8bn in 9M21), assumed equal to 70% of the Net income for the period, and coupons accrued on the Additional Tier 1 issues

(2) Pro-forma fully loaded Basel 3 (30.9.21 financial statements considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, DTA related to the combination with UBI Banca, the expected absorption of DTA on losses carried forward and the expected distribution on 9M21 Net income of insurance companies)

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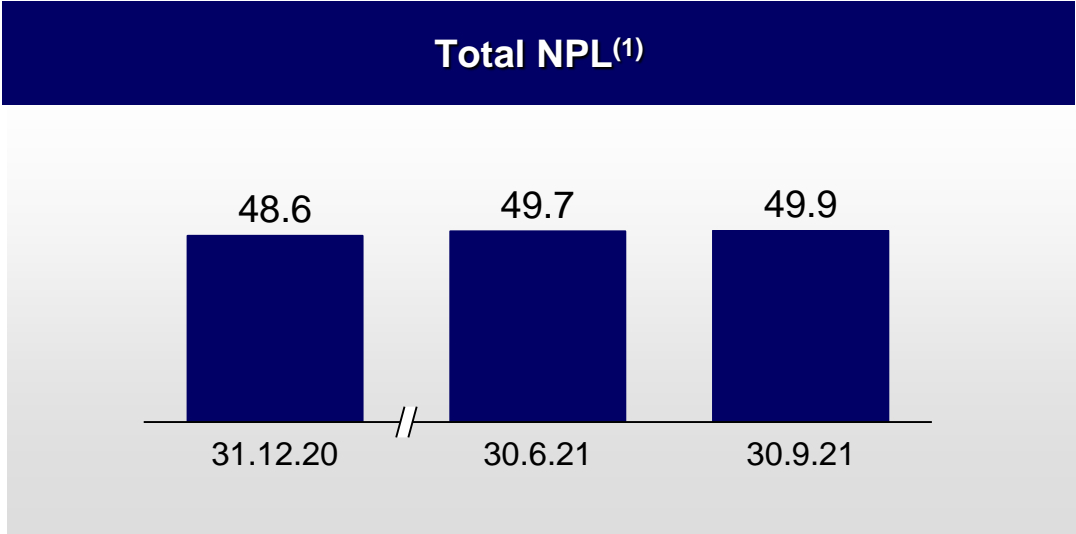
Liquidity, Funding and Capital Base

Asset Quality

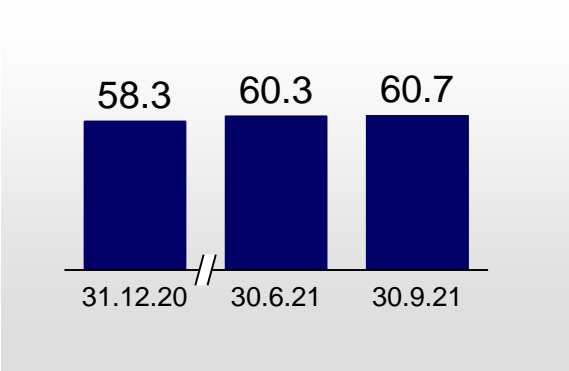
Divisional Results and Other Information

Non-performing Loans: Sizeable and Increased Coverage after Impressive Deleveraging

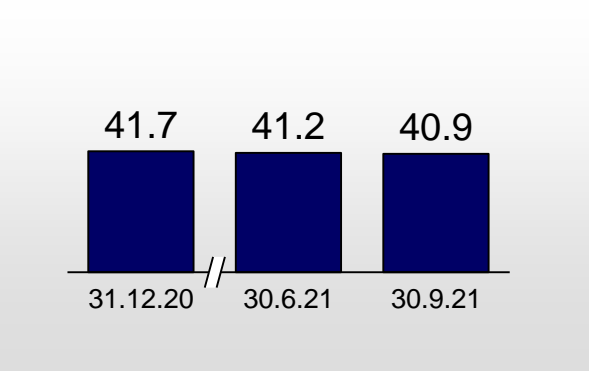
Cash coverage; %



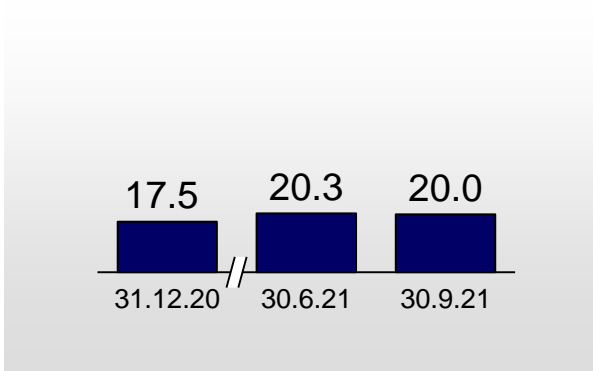
Bad Loans



Unlikely to Pay



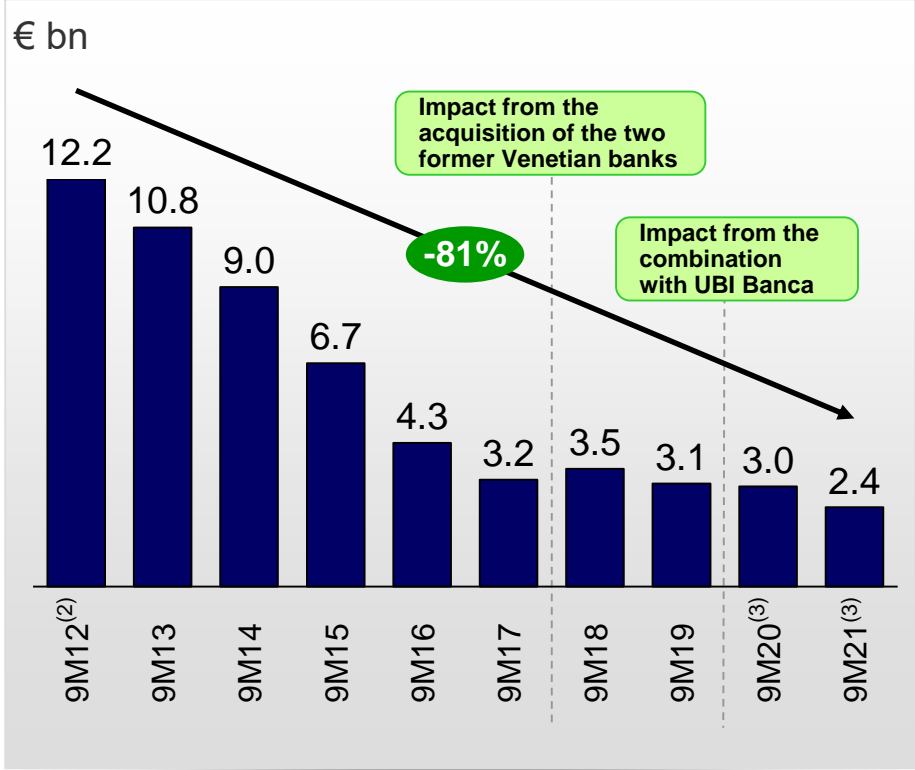
Past Due



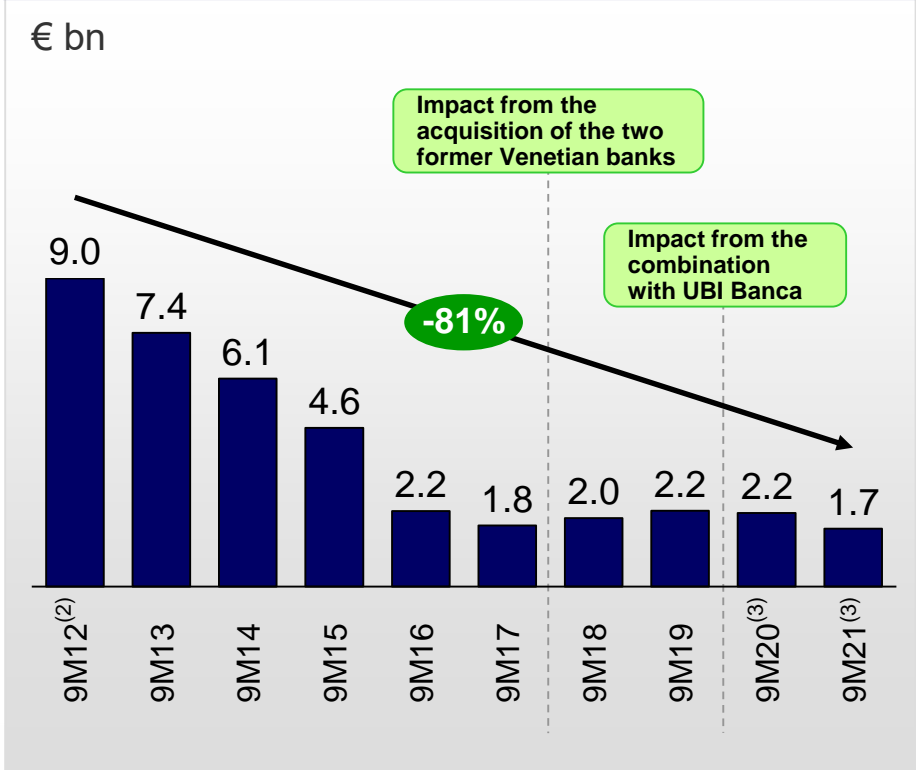
(1) Bad Loans (Sofferenze), Unlikely to pay (Inadempienze probabili) and Past Due (Scaduti e sconfinanti)

Non-performing Loans: Lowest-ever 9M Inflows

Gross inflow of new NPL⁽¹⁾ from Performing Loans



Net inflow of new NPL⁽¹⁾ from Performing Loans

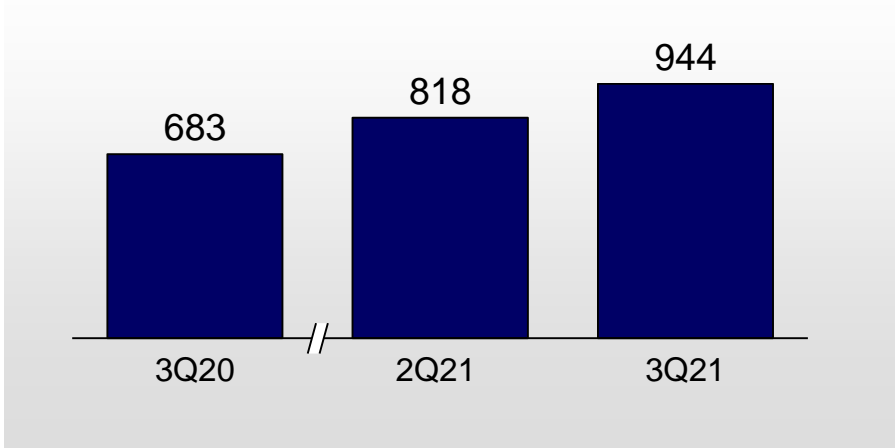


(1) Bad Loans (Sofferenze), Unlikely to pay (Inadempienze probabili) and Past Due (Scaduti e sconfinanti)
 (2) 2012 figures recalculated to take into consideration the regulatory changes to Past Due classification criteria introduced by the Bank of Italy (90 days since 2012 vs 180 days up until 31.12.11)
 (3) Including UBI Banca

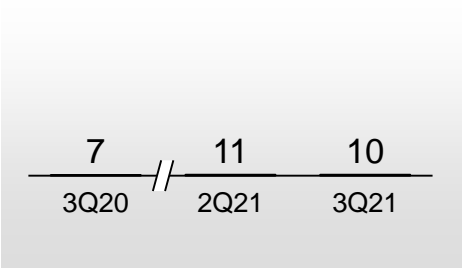
Non-performing Loans: Gross Inflow

€ m

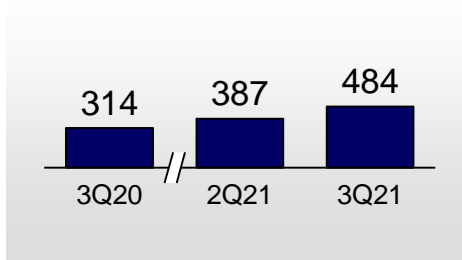
Gross inflow of new NPL⁽¹⁾ from Performing Loans



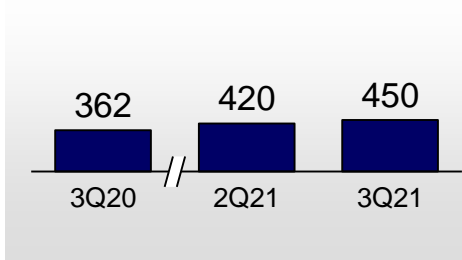
Bad Loans



Unlikely to Pay



Past Due

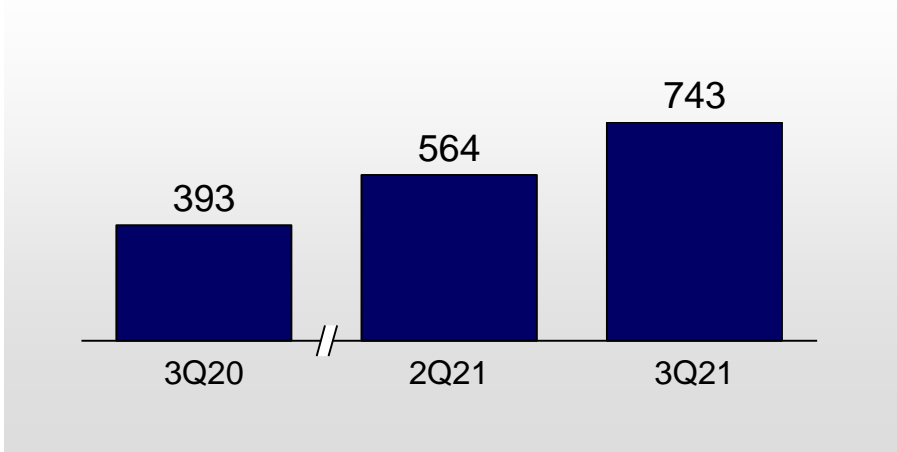


Note: figures may not add up exactly due to rounding
 (1) Bad Loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past Due (*Scaduti e sconfinanti*)

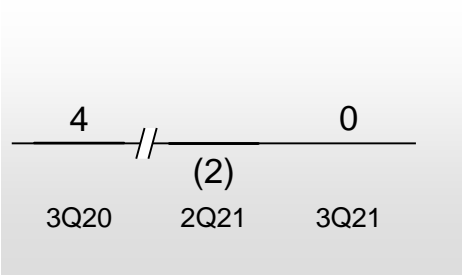
Non-performing Loans: Net Inflow

€ m

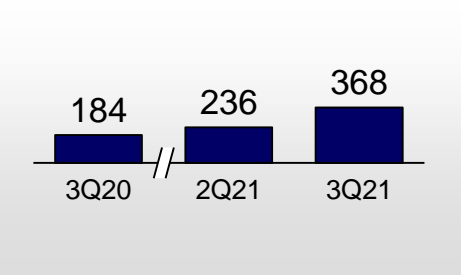
Net inflow of new NPL⁽¹⁾ from Performing Loans



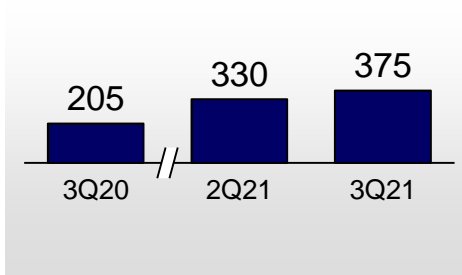
Bad Loans



Unlikely to Pay



Past Due



Note: figures may not add up exactly due to rounding

(1) Bad Loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past Due (*Scaduti e sconfinanti*)

Non-performing Loans: Lowest Stock since 2007 and Lowest-ever Ratios

x Gross NPL ratio, %

x Net NPL ratio, %

Gross NPL				
€ bn	30.9.20	31.12.20 ⁽¹⁾	30.6.21 ⁽²⁾	30.9.21 ⁽³⁾
Bad Loans	20.4	9.6	9.3	9.1
- of which forborne	3.2	1.6	1.9	1.9
Unlikely to pay	14.2	10.7	9.4	8.4
- of which forborne	6.3	4.2	3.9	3.5
Past Due	1.0	0.6	0.6	0.7
- of which forborne	0.1	-	-	0.1
Total	35.6	20.9	19.3	18.3
	7.0	4.4	4.1	3.8

2.9% according to EBA definition

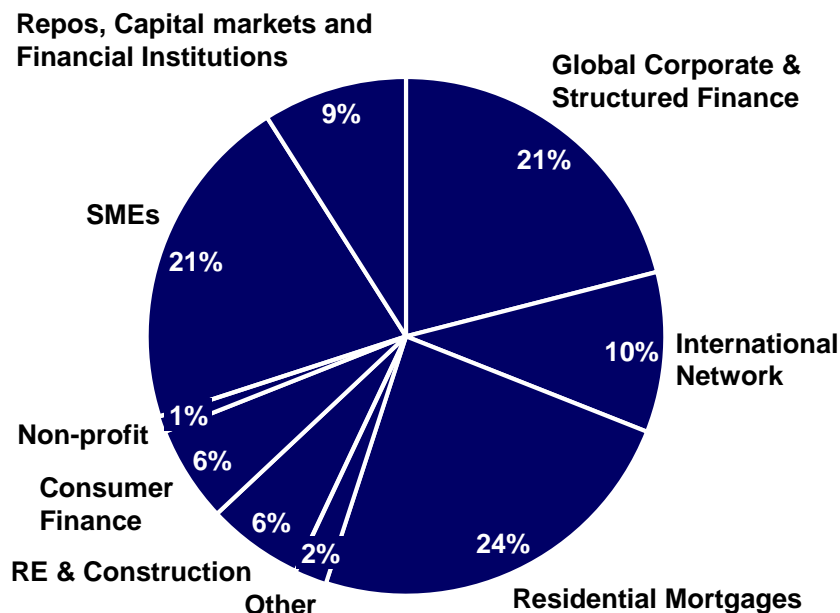
Net NPL				
€ bn	30.9.20	31.12.20 ⁽⁴⁾	30.6.21 ⁽⁵⁾	30.9.21 ⁽⁶⁾
Bad Loans	7.7	4.0	3.7	3.6
- of which forborne	1.4	0.7	0.8	0.8
Unlikely to pay	8.5	6.2	5.5	5.0
- of which forborne	4.2	2.8	2.7	2.4
Past Due	0.8	0.5	0.5	0.6
- of which forborne	0.1	-	-	-
Total	17.0	10.7	9.7	9.1
	3.5	2.3	2.1	2.0

1.5% according to EBA definition

Note: figures may not add up exactly due to rounding
 (1) Not including €5.4bn gross NPL booked in Discontinued operations
 (2) Not including €5.2bn gross NPL booked in Discontinued operations
 (3) Not including €4.7bn gross NPL booked in Discontinued operations
 (4) Not including €2.1bn net NPL booked in Discontinued operations
 (5) Not including €1.5bn net NPL booked in Discontinued operations
 (6) Not including €1.7bn net NPL booked in Discontinued operations

Loans to Customers: A Well-diversified Portfolio

Breakdown by business area (data as at 30.9.21)



■ Low risk profile of residential mortgage portfolio

- Instalment/available income ratio at 31%
- Average Loan-to-Value equal to ~60%
- Original average maturity equal to ~24 years
- Residual average life equal to ~19 years

Breakdown by economic business sector

	30.9.21
Loans of the Italian banks and companies of the Group	
Households	30.0%
Public Administration	4.1%
Financial companies	8.7%
Non-financial companies	44.6%
<i>of which:</i>	
SERVICES	4.4%
UTILITIES	4.3%
TRANSPORTATION MEANS	3.6%
CONSTRUCTION AND MATERIALS FOR CONSTR.	3.3%
DISTRIBUTION	3.1%
REAL ESTATE	2.9%
TRANSPORT	2.5%
FOOD AND DRINK	2.4%
FASHION	2.3%
METALS AND METAL PRODUCTS	2.2%
ENERGY AND EXTRACTION	2.0%
AGRICULTURE	1.9%
INFRASTRUCTURE	1.6%
TOURISM	1.6%
CHEMICALS, RUBBER AND PLASTICS	1.5%
MECHANICAL	1.4%
PHARMACEUTICAL	0.8%
FURNITURE AND WHITE GOODS	0.8%
ELECTRICAL COMPONENTS AND EQUIPMENT	0.8%
MEDIA	0.5%
WOOD AND PAPER	0.5%
OTHER CONSUMPTION GOODS	0.2%
Loans of international banks and companies of the Group	10.6%
Non-performing loans	2.0%
TOTAL	100.0%

Moratoria Volumes: Enterprises Accounting for ~87%

Moratoria stock as at 30.9.21			
Segments	# Clients (k)	Volumes (€ bn)	% of total net loan portfolio
Households	13	2	0.3%
Enterprises	26	10	2.2%
Total	38	12 ⁽¹⁾	2.5%

€43bn expired moratoria with ~2%⁽²⁾ default rate

Note: figures may not add up exactly due to rounding
 (1) €1.7bn according to EBA criteria
 (2) Italian perimeter

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Divisional Financial Highlights

Data as at 30.9.21

	Divisions							Total redetermined ⁽⁶⁾
	Banca dei Territori	IMI Corporate & Investment Banking	International Subsidiary Banks ⁽¹⁾	Private Banking ⁽²⁾	Asset Management ⁽³⁾	Insurance ⁽⁴⁾	Corporate Centre / Others ⁽⁵⁾	
Operating Income (€ m)	6,681	3,600	1,471	1,781	938	1,180	115	15,766
Operating Margin (€ m)	1,906	2,611	698	1,129	775	894	(140)	7,873
Net Income (€ m)	398	1,775	393	862	557	617	(596)	4,006
Cost/Income (%)	71.5	27.5	52.5	36.6	17.4	24.2	n.m.	50.1
RWA (€ bn)	95.1	111.4	33.9	11.9	2.0	0.0	73.9	328.2
Direct Deposits from Banking Business (€ bn)	286.8	80.9	49.3	52.0	0.0	0.0	66.7	535.7
Loans to Customers (€ bn)	251.1	149.0	37.6	13.2	0.4	0.0	12.0	463.3

Note: figures may not add up exactly due to rounding

(1) Excluding the Russian subsidiary Banca Intesa which is included in IMI C&IB

(2) Fideuram, Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Bank (Suisse) Morval, REYL Group, and Siref Fiduciaria

(3) Eurizon

(4) Assicurazioni Vita (former Aviva Vita), Bancassurance Popolari, Cargeas Assicurazioni, Fideuram Vita, Intesa Sanpaolo Assicura, Intesa Sanpaolo Life, Intesa Sanpaolo RBM Salute, Intesa Sanpaolo Vita, and Lombarda Vita

(5) Treasury Department, Central Structures and consolidation adjustments

(6) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Banca dei Territori: 9M21 vs 9M20

€ m

	9M20 redetermined	9M21	Δ%
Net interest income	3,169	2,990	(5.6)
Net fee and commission income	3,335	3,605	8.1
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	86	74	(14.0)
Other operating income (expenses)	4	12	200.0
Operating income	6,594	6,681	1.3
Personnel expenses	(2,675)	(2,605)	(2.6)
Other administrative expenses	(2,232)	(2,165)	(3.0)
Adjustments to property, equipment and intangible assets	(4)	(5)	25.0
Operating costs	(4,911)	(4,775)	(2.8)
Operating margin	1,683	1,906	13.3
Net adjustments to loans	(2,255)	(1,015)	(55.0)
Net provisions and net impairment losses on other assets	(44)	(52)	18.2
Other income (expenses)	29	52	79.3
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	(587)	891	n.m.
Taxes on income	222	(279)	n.m.
Charges (net of tax) for integration and exit incentives	(8)	(19)	137.5
Effect of purchase price allocation (net of tax)	0	(3)	n.m.
Levies and other charges concerning the banking industry (net of tax)	(128)	(190)	48.4
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	(2)	n.m.
Net income	(501)	398	n.m.

Note: figures may not add up exactly due to rounding

Banca dei Territori: Q3 vs Q2

€ m

	2Q21 redetermined	3Q21	Δ%
Net interest income	998	998	(0.1)
Net fee and commission income	1,197	1,204	0.6
Income from insurance business	0	0	4.5
Profits on financial assets and liabilities at fair value	21	24	15.2
Other operating income (expenses)	1	5	719.5
Operating income	2,217	2,231	0.6
Personnel expenses	(867)	(861)	(0.7)
Other administrative expenses	(725)	(725)	0.0
Adjustments to property, equipment and intangible assets	(2)	(2)	1.1
Operating costs	(1,594)	(1,588)	(0.4)
Operating margin	624	643	3.1
Net adjustments to loans	(381)	(348)	(8.7)
Net provisions and net impairment losses on other assets	(7)	(27)	274.9
Other income (expenses)	(0)	52	n.m.
Income (Loss) from discontinued operations	(0)	(0)	n.m.
Gross income (loss)	235	320	36.0
Taxes on income	(79)	(89)	12.7
Charges (net of tax) for integration and exit incentives	(13)	(4)	(72.2)
Effect of purchase price allocation (net of tax)	(1)	(1)	26.7
Levies and other charges concerning the banking industry (net of tax)	0	(190)	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(1)	(1)	(18.4)
Net income	141	35	(74.9)

Note: figures may not add up exactly due to rounding

IMI Corporate & Investment Banking: 9M21 vs 9M20

€ m

	9M20 redetermined	9M21	Δ%
Net interest income	1,512	1,587	5.0
Net fee and commission income	776	853	9.9
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	1,214	1,160	(4.4)
Other operating income (expenses)	7	0	(100.0)
Operating income	3,509	3,600	2.6
Personnel expenses	(334)	(355)	6.3
Other administrative expenses	(623)	(618)	(0.8)
Adjustments to property, equipment and intangible assets	(16)	(16)	0.0
Operating costs	(973)	(989)	1.6
Operating margin	2,536	2,611	3.0
Net adjustments to loans	(324)	(38)	(88.3)
Net provisions and net impairment losses on other assets	(41)	0	(100.0)
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	2,171	2,573	18.5
Taxes on income	(712)	(803)	12.8
Charges (net of tax) for integration and exit incentives	(10)	(15)	50.0
Effect of purchase price allocation (net of tax)	0	20	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	1,449	1,775	22.5

Note: figures may not add up exactly due to rounding

IMI Corporate & Investment Banking: Q3 vs Q2

€ m

	2Q21 redetermined	3Q21	Δ%
Net interest income	519	529	1.8
Net fee and commission income	294	278	(5.7)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	254	339	33.5
Other operating income (expenses)	(0)	(1)	57.8
Operating income	1,067	1,145	7.3
Personnel expenses	(124)	(122)	(1.5)
Other administrative expenses	(206)	(216)	4.9
Adjustments to property, equipment and intangible assets	(6)	(5)	(8.3)
Operating costs	(335)	(343)	2.3
Operating margin	732	802	9.6
Net adjustments to loans	12	16	29.2
Net provisions and net impairment losses on other assets	5	(3)	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	749	815	8.7
Taxes on income	(230)	(254)	10.5
Charges (net of tax) for integration and exit incentives	(5)	(5)	(8.9)
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	513	555	8.1

Note: figures may not add up exactly due to rounding

International Subsidiary Banks: 9M21 vs 9M20

€ m

	9M20 redetermined	9M21	Δ%
Net interest income	981	988	0.7
Net fee and commission income	368	408	10.9
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	89	104	16.9
Other operating income (expenses)	(25)	(29)	16.0
Operating income	1,413	1,471	4.1
Personnel expenses	(392)	(400)	2.0
Other administrative expenses	(285)	(287)	0.7
Adjustments to property, equipment and intangible assets	(82)	(86)	4.9
Operating costs	(759)	(773)	1.8
Operating margin	654	698	6.7
Net adjustments to loans	(173)	(117)	(32.4)
Net provisions and net impairment losses on other assets	(2)	(24)	n.m.
Other income (expenses)	6	4	(33.3)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	485	561	15.7
Taxes on income	(103)	(117)	13.6
Charges (net of tax) for integration and exit incentives	(29)	(29)	0.0
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	(51)	(22)	(56.9)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	302	393	30.1

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa which is included in IMI C&IB

International Subsidiary Banks: Q3 vs Q2

€ m

	2Q21 redetermined	3Q21	Δ%
Net interest income	326	339	4.0
Net fee and commission income	141	145	2.4
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	43	31	(27.1)
Other operating income (expenses)	(11)	(10)	5.0
Operating income	499	504	1.1
Personnel expenses	(134)	(138)	2.6
Other administrative expenses	(93)	(101)	8.0
Adjustments to property, equipment and intangible assets	(29)	(29)	2.2
Operating costs	(256)	(267)	4.5
Operating margin	243	237	(2.6)
Net adjustments to loans	(31)	(40)	30.0
Net provisions and net impairment losses on other assets	(9)	(8)	(17.8)
Other income (expenses)	2	1	(57.2)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	205	190	(7.3)
Taxes on income	(40)	(34)	(15.4)
Charges (net of tax) for integration and exit incentives	(10)	(10)	(0.8)
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	(8)	(5)	(43.8)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(0)	0	n.m.
Net income	147	142	(3.5)

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa which is included in IMI C&IB

Private Banking: 9M21 vs 9M20

€ m

	9M20 redetermined	9M21	Δ%
Net interest income	195	161	(17.4)
Net fee and commission income	1,408	1,558	10.7
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	30	41	36.7
Other operating income (expenses)	4	21	425.0
Operating income	1,637	1,781	8.8
Personnel expenses	(343)	(344)	0.3
Other administrative expenses	(244)	(254)	4.1
Adjustments to property, equipment and intangible assets	(51)	(54)	5.9
Operating costs	(638)	(652)	2.2
Operating margin	999	1,129	13.0
Net adjustments to loans	(21)	0	(100.0)
Net provisions and net impairment losses on other assets	(36)	(28)	(22.2)
Other income (expenses)	6	194	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	948	1,295	36.6
Taxes on income	(293)	(390)	33.1
Charges (net of tax) for integration and exit incentives	(12)	(14)	16.7
Effect of purchase price allocation (net of tax)	(1)	(16)	n.m.
Levies and other charges concerning the banking industry (net of tax)	(13)	(15)	15.4
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	6	2	(66.7)
Net income	635	862	35.7

Note: figures may not add up exactly due to rounding

Private Banking: Q3 vs Q2

€ m

	2Q21	3Q21	Δ%
	redetermined		
Net interest income	53	55	3.2
Net fee and commission income	518	518	0.0
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	12	9	(26.2)
Other operating income (expenses)	7	6	(5.8)
Operating income	591	589	(0.4)
Personnel expenses	(116)	(118)	1.8
Other administrative expenses	(91)	(84)	(7.7)
Adjustments to property, equipment and intangible assets	(17)	(18)	5.8
Operating costs	(224)	(220)	(1.8)
Operating margin	366	368	0.5
Net adjustments to loans	1	(1)	n.m.
Net provisions and net impairment losses on other assets	(9)	(11)	20.5
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	358	356	(0.5)
Taxes on income	(106)	(103)	(3.1)
Charges (net of tax) for integration and exit incentives	(6)	(4)	(32.8)
Effect of purchase price allocation (net of tax)	(11)	(5)	(56.0)
Levies and other charges concerning the banking industry (net of tax)	0	(15)	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	2	2	7.1
Net income	237	231	(2.3)

Note: figures may not add up exactly due to rounding

Asset Management: 9M21 vs 9M20

€ m

	9M20 redetermined	9M21	Δ%
Net interest income	0	(1)	n.m.
Net fee and commission income	698	887	27.1
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	(2)	(3)	50.0
Other operating income (expenses)	23	55	139.1
Operating income	719	938	30.5
Personnel expenses	(71)	(78)	9.9
Other administrative expenses	(80)	(80)	0.0
Adjustments to property, equipment and intangible assets	(5)	(5)	0.0
Operating costs	(156)	(163)	4.5
Operating margin	563	775	37.7
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	0	1	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	563	776	37.8
Taxes on income	(149)	(205)	37.6
Charges (net of tax) for integration and exit incentives	0	(2)	n.m.
Effect of purchase price allocation (net of tax)	0	(3)	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(35)	(9)	(74.3)
Net income	379	557	47.0

Note: figures may not add up exactly due to rounding

Asset Management: Q3 vs Q2

€ m

	2Q21 redetermined	3Q21	Δ%
Net interest income	(0)	(0)	(53.6)
Net fee and commission income	310	291	(5.8)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	(1)	(1)	(13.3)
Other operating income (expenses)	23	15	(36.8)
Operating income	332	305	(8.1)
Personnel expenses	(27)	(28)	2.3
Other administrative expenses	(26)	(28)	8.4
Adjustments to property, equipment and intangible assets	(2)	(2)	(0.8)
Operating costs	(55)	(57)	5.1
Operating margin	278	248	(10.7)
Net adjustments to loans	(0)	0	n.m.
Net provisions and net impairment losses on other assets	0	0	74.0
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	278	248	(10.8)
Taxes on income	(73)	(64)	(13.5)
Charges (net of tax) for integration and exit incentives	(1)	(1)	45.9
Effect of purchase price allocation (net of tax)	0	(3)	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(0)	1	n.m.
Net income	204	181	(11.1)

Note: figures may not add up exactly due to rounding

Insurance: 9M21 vs 9M20

€ m

	9M20 redetermined	9M21	Δ%
Net interest income	0	0	n.m.
Net fee and commission income	(2)	1	n.m.
Income from insurance business	1,183	1,189	0.5
Profits on financial assets and liabilities at fair value	0	0	n.m.
Other operating income (expenses)	(3)	(10)	233.3
Operating income	1,178	1,180	0.2
Personnel expenses	(100)	(103)	3.0
Other administrative expenses	(162)	(168)	3.7
Adjustments to property, equipment and intangible assets	(14)	(15)	7.1
Operating costs	(276)	(286)	3.6
Operating margin	902	894	(0.9)
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	(26)	(155)	496.2
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	876	739	(15.6)
Taxes on income	(247)	(173)	(30.0)
Charges (net of tax) for integration and exit incentives	(11)	(18)	63.6
Effect of purchase price allocation (net of tax)	(14)	(16)	14.3
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(128)	85	n.m.
Net income	476	617	29.6

Note: figures may not add up exactly due to rounding

Insurance: Q3 vs Q2

€ m

	2Q21	3Q21	Δ%
	redetermined		
Net interest income	(0)	(0)	1.8
Net fee and commission income	0	0	27.1
Income from insurance business	439	364	(17.1)
Profits on financial assets and liabilities at fair value	0	0	n.m.
Other operating income (expenses)	(2)	(4)	(94.2)
Operating income	437	360	(17.6)
Personnel expenses	(38)	(31)	(17.8)
Other administrative expenses	(59)	(61)	2.2
Adjustments to property, equipment and intangible assets	(5)	(5)	(3.7)
Operating costs	(102)	(96)	(5.5)
Operating margin	335	263	(21.3)
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	(128)	(24)	(81.5)
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	207	240	16.0
Taxes on income	(30)	(63)	109.7
Charges (net of tax) for integration and exit incentives	(6)	(11)	77.7
Effect of purchase price allocation (net of tax)	(7)	(4)	(48.5)
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	51	16	(69.5)
Net income	214	178	(17.1)

Note: figures may not add up exactly due to rounding

Quarterly P&L

€ m

	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
	redetermined ⁽¹⁾						
Net interest income	2,040	2,037	2,129	2,072	1,952	1,995	1,999
Net fee and commission income	2,122	2,014	2,147	2,442	2,313	2,370	2,325
Income from insurance business	440	456	353	436	398	456	365
Profits on financial assets and liabilities at fair value	1,049	306	127	193	795	344	378
Other operating income (expenses)	1	29	1	6	32	19	25
Operating income	5,652	4,842	4,757	5,149	5,490	5,184	5,092
Personnel expenses	(1,646)	(1,662)	(1,646)	(1,744)	(1,627)	(1,655)	(1,642)
Other administrative expenses	(696)	(747)	(744)	(898)	(653)	(712)	(694)
Adjustments to property, equipment and intangible assets	(314)	(314)	(313)	(315)	(307)	(301)	(302)
Operating costs	(2,656)	(2,723)	(2,703)	(2,957)	(2,587)	(2,668)	(2,638)
Operating margin	2,996	2,119	2,054	2,192	2,903	2,516	2,454
Net adjustments to loans	(538)	(1,543)	(972)	(1,440)	(402)	(599)	(543)
Net provisions and net impairment losses on other assets	(431)	251	(64)	(121)	(134)	(220)	(82)
Other income (expenses)	13	0	22	62	198	(7)	63
Income (Loss) from discontinued operations	149	1,230	80	129	48	10	0
Gross income (loss)	2,189	2,057	1,120	822	2,613	1,700	1,892
Taxes on income	(635)	(362)	(322)	(191)	(837)	(85)	(619)
Charges (net of tax) for integration and exit incentives	(15)	(22)	(27)	(1,485)	(52)	(55)	(41)
Effect of purchase price allocation (net of tax)	(26)	(24)	3,237	(1,227)	(16)	(18)	(51)
Levies and other charges concerning the banking industry (net of tax)	(206)	(91)	(178)	(38)	(196)	(83)	(210)
Impairment (net of tax) of goodwill and other intangible assets	0	0	0	(912)	0	0	0
Minority interests	(156)	(143)	(20)	(68)	4	48	12
Net income	1,151	1,415	3,810	(3,099)	1,516	1,507	983

€546m and €393m respectively when excluding the accounting effect of the combination with UBI Banca and of the impairment of goodwill

Note: figures may not add up exactly due to rounding

(1) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and - on the basis of management accounts - the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita(former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Net Fee and Commission Income: Quarterly Development Breakdown

€ m

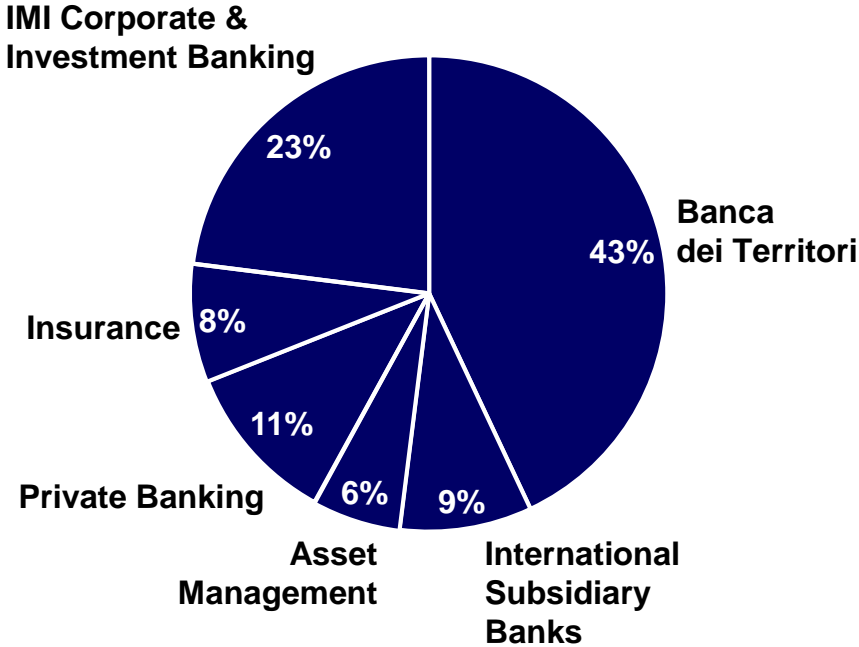
Net Fee and Commission Income							
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
	redetermined⁽¹⁾						
Guarantees given / received	51	48	47	50	47	55	61
Collection and payment services	124	113	115	140	137	139	138
Current accounts	352	353	360	366	344	352	352
Credit and debit cards	65	73	85	89	61	106	108
Commercial banking activities	592	587	607	645	589	652	659
Dealing and placement of securities	199	168	193	229	295	288	211
Currency dealing	1	1	2	2	3	3	3
Portfolio management	663	649	687	844	733	781	764
Distribution of insurance products	388	365	396	418	406	383	401
Other	73	60	67	68	53	45	54
Management, dealing and consultancy activities	1,324	1,243	1,345	1,561	1,490	1,500	1,433
Other net fee and commission income	206	184	195	236	234	218	233
Net fee and commission income	2,122	2,014	2,147	2,442	2,313	2,370	2,325

Note: figures may not add up exactly due to rounding

(1) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and - on the basis of management accounts - the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Market Leadership in Italy

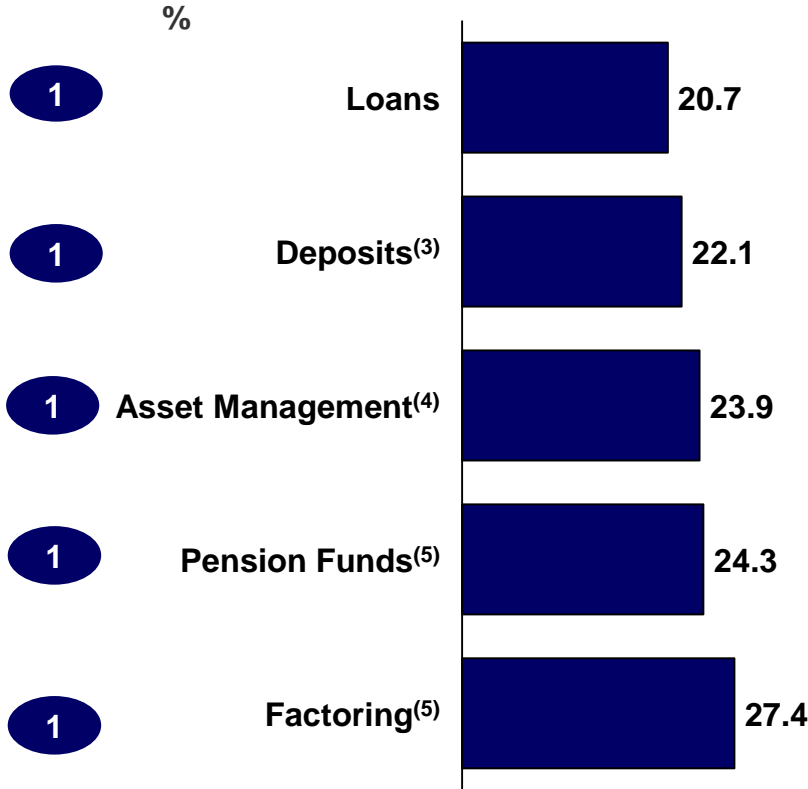
9M21 Operating Income Breakdown by business area⁽¹⁾



Leader in Italy

Ranking

Market share⁽²⁾



Note: figures may not add up exactly due to rounding

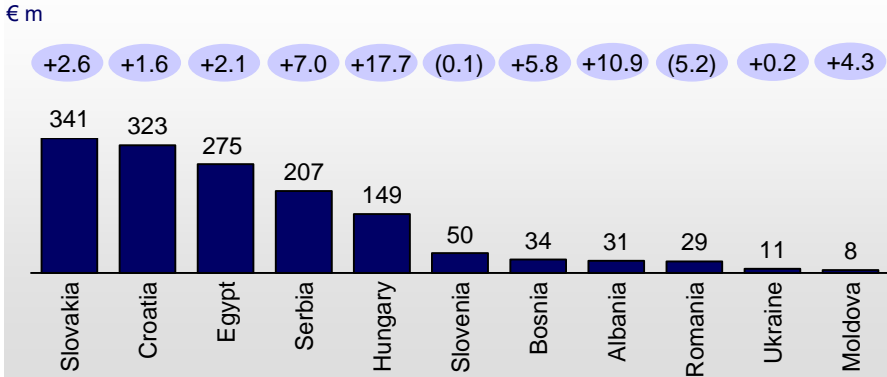
(1) Excluding Corporate Centre
 (2) Data as at 30.9.21
 (3) Including bonds
 (4) Mutual funds; data as at 30.6.21
 (5) Data as at 30.6.21

International Subsidiary Banks: Key P&L Data by Country

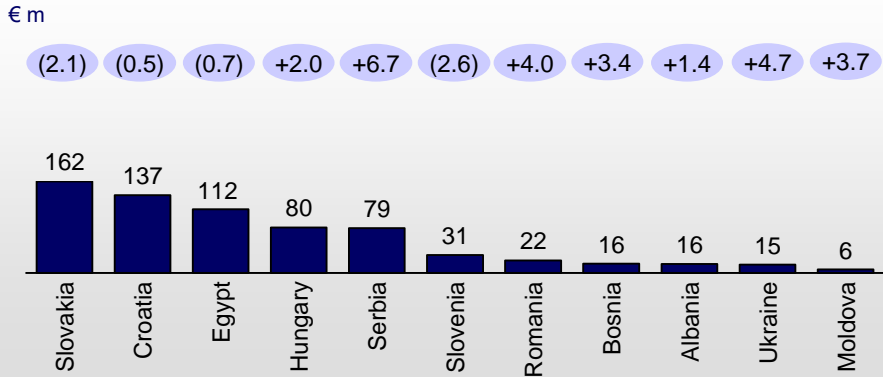
Data as at 30.9.21

(Δ% vs 9M20)

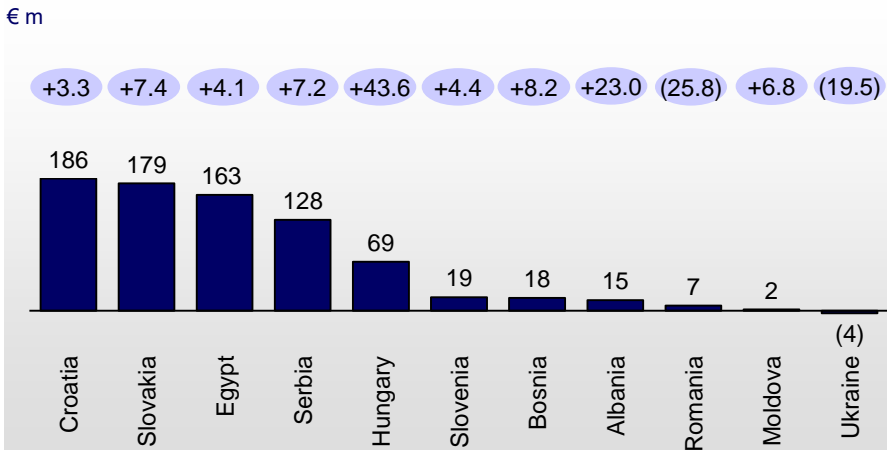
Operating Income



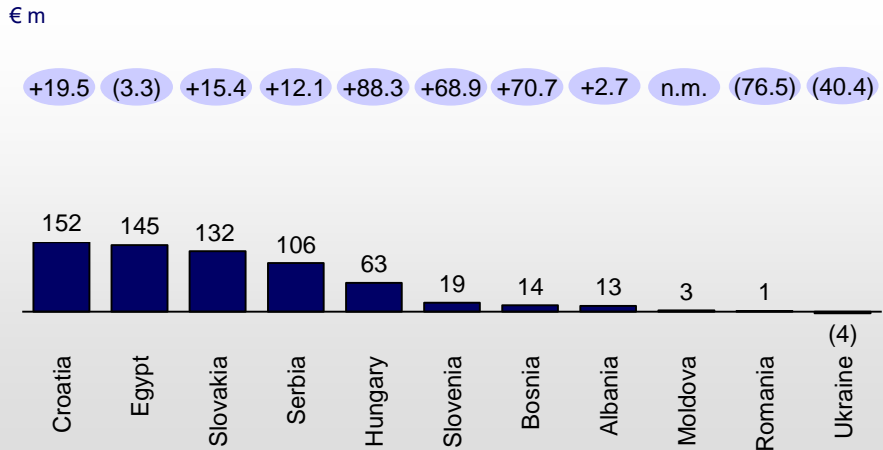
Operating Costs



Operating Margin



Gross Income



Note: excluding the Russian subsidiary Banca Intesa which is included in IMI C&IB

International Subsidiary Banks by Country: 8% of the Group's Total Loans

Data as at 30.9.21

													
	Hungary	Slovakia	Slovenia	Croatia	Bosnia	Serbia	Albania	Romania	Moldova	Ukraine	Total CEE	Egypt	Total
Oper. Income (€ m)	149	341	50	323	34	207	31	29	8	11	1,182	275	1,457
% of Group total	0.9%	2.2%	0.3%	2.0%	0.2%	1.3%	0.2%	0.2%	0.0%	0.1%	7.5%	1.7%	9.2%
Net income (€ m)	36	88	13	116	11	74	8	(1)	2	(4)	343	96	439
% of Group total	0.9%	2.2%	0.3%	2.9%	0.3%	1.9%	0.2%	n.m.	0.1%	n.m.	8.6%	2.4%	11.0%
Customer Deposits (€ bn)	5.0	17.2	2.7	10.6	0.8	4.9	1.4	1.0	0.2	0.2	44.0	5.0	49.0
% of Group total	0.9%	3.2%	0.5%	2.0%	0.2%	0.9%	0.3%	0.2%	0.0%	0.0%	8.2%	0.9%	9.1%
Customer Loans (€ bn)	3.3	16.1	2.0	7.2	0.8	4.0	0.4	0.9	0.1	0.1	34.9	2.7	37.6
% of Group total	0.7%	3.5%	0.4%	1.6%	0.2%	0.9%	0.1%	0.2%	0.0%	0.0%	7.5%	0.6%	8.1%
Total Assets (€ bn)	7.0	22.4	3.4	13.6	1.2	6.7	1.6	1.4	0.2	0.3	57.8	6.3	64.0
% of Group total	0.7%	2.1%	0.3%	1.3%	0.1%	0.6%	0.2%	0.1%	0.0%	0.0%	5.4%	0.6%	6.0%
Book value (€ m)	729	1,760	324	1,898	177	1,001	198	178	35	59	6,358	665	7,023
- intangibles	29	125	6	25	2	38	3	4	2	3	237	9	245

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa which is included in IMI C&IB

International Subsidiary Banks by Country: Loan Breakdown and Coverage

Data as at 30.9.21

											Total CEE		Total
	Hungary	Slovakia	Slovenia	Croatia	Bosnia	Serbia	Albania	Romania	Moldova	Ukraine		Egypt	

Performing loans (€ bn)	3.3	16.0	1.9	7.0	0.8	3.9	0.4	0.8	0.1	0.1	34.4	2.6	37.0
of which:													
Retail local currency	48%	61%	43%	32%	32%	24%	21%	15%	55%	33%	46%	59%	47%
Retail foreign currency	0%	0%	0%	21%	14%	29%	13%	15%	0%	0%	8%	0%	8%
Corporate local currency	23%	33%	57%	23%	16%	6%	14%	45%	18%	48%	28%	29%	28%
Corporate foreign currency	28%	6%	0%	24%	38%	41%	52%	25%	27%	19%	17%	12%	17%
Bad loans⁽¹⁾ (€ m)	9	82	1	66	5	17	4	8	0	0	192	0	192
Unlikely to pay⁽²⁾ (€ m)	57	65	17	165	9	26	4	22	1	0	366	65	431
Performing loans coverage	1.4%	0.6%	1.0%	1.8%	2.1%	1.7%	1.6%	2.0%	3.3%	0.8%	1.1%	1.2%	1.1%
Bad loans⁽¹⁾ coverage	61%	69%	93%	67%	74%	72%	56%	58%	60%	n.m.	68%	100%	70%
Unlikely to pay⁽²⁾ coverage	43%	48%	50%	34%	36%	49%	43%	39%	52%	n.m.	41%	48%	42%
Annualised cost of credit⁽³⁾ (bps)	24	39	6	46	65	51	78	104	n.m.	17	40	58	42

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa which is included in IMI C&IB

(1) *Sofferenze*

(2) Including Past due

(3) Net adjustments to loans/Net customer loans

Common Equity Tier 1 Ratio as at 30.9.21: from Phased-in to Pro-forma Fully Loaded

	~€ bn	~bps
Direct-deduction relevant items		
DTA on losses carried forward ⁽¹⁾	1.9	58
IFRS9 transitional adjustment	(1.5)	(45)
Total	0.4	13
Cap relevant items^(*)(2)		
Total	0.0	25
(*) as a memo, constituents of deductions subject to cap:		
- Other DTA ⁽³⁾	1.6	
- Investments in banking and financial companies	2.0	
RWA from 100% weighted DTA⁽⁴⁾	(9.4)	43
Total estimated impact		81
Pro-forma fully loaded Common Equity Tier 1 ratio		15.1%

Note: figures may not add up exactly due to rounding

(1) Considering the expected absorption of DTA on losses carried forward (€2.1bn as at 30.9.21)

(2) Following the application of the Danish Compromise, insurance investments are risk weighted instead of being deducted from capital. In the amount of insurance investments, the expected distribution on 9M21 Net income of insurance companies is considered, which for the sake of simplicity is left included in the benefit allocated to this caption

(3) Other DTA: mostly related to provisions for risks and charges, considering the total absorption of DTA related to IFRS9 FTA (€1.2bn as at 30.9.21) and DTA related to the non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of operations of the two former Venetian banks (€0.1bn as at 30.9.21) and DTA related to the acquisition of UBI Banca (€0.7bn as at 30.9.21). DTA related to goodwill realignment and adjustments to loans are excluded due to their treatment as credits to tax authorities

(4) Considering the total absorption of DTA convertible into tax credit related to goodwill realignment (€6.3bn as at 30.9.21) and adjustments to loans (€3.1bn as at 30.9.21)

Total Exposure⁽¹⁾ by Main Countries

€ m

	DEBT SECURITIES						LOANS
	Banking Business				Insurance Business ⁽³⁾	Total	
	AC	FVTOCI	FVTPL ⁽²⁾	Total			
EU Countries	34,692	43,284	9,013	86,989	82,748	169,737	429,985
Austria	122	173	85	380	387	767	654
Belgium	803	2,604	386	3,793	718	4,511	1,118
Bulgaria					129	129	25
Croatia	208	665	153	1,026	251	1,277	7,246
Cyprus					101	101	26
Czech Republic	99			99	42	141	793
Denmark	33	8		41	77	118	50
Estonia					2	2	6
Finland	15	46	-21	40	167	207	599
France	2,901	5,005	-188	7,718	5,877	13,595	12,004
Germany	1,307	1,826	236	3,369	2,656	6,025	8,014
Greece	62		31	93	6	99	72
Hungary	400	891	44	1,335	63	1,398	3,180
Ireland	464	1,287	446	2,197	175	2,372	798
Italy	22,911	18,080	9,234	50,225	64,330	114,555	362,895
Latvia			3	3	21	24	28
Lithuania							1
Luxembourg	236	535	203	974	158	1,132	7,614
Malta							119
The Netherlands	267	891	107	1,265	1,398	2,663	1,876
Poland	198	167		365	62	427	1,123
Portugal	203	452	-70	585	727	1,312	154
Romania	66	385	23	474	468	942	1,027
Slovakia		472	15	487	48	535	14,132
Slovenia	1	232	-23	210	63	273	1,883
Spain	4,372	9,321	-1,651	12,042	4,665	16,707	4,137
Sweden	24	244		268	157	425	411
Albania	194	381	1	576	30	606	458
Egypt		1,779	2	1,781	124	1,905	3,173
Japan	59	2,429	3	2,491	203	2,694	811
Russia		102	6	108	65	173	5,688
Serbia	7	688	65	760	104	864	4,207
United Kingdom	638	546	35	1,219	1,951	3,170	15,816
U.S.A.	2,197	4,895	140	7,232	3,288	10,520	7,101
Other Countries	1,620	6,068	133	7,821	3,751	11,572	26,167
Total	39,407	60,172	9,398	108,977	92,264	201,241	493,406

Note: management accounts. Figures may not add up exactly due to rounding

(1) Exposure to sovereign risks (central and local governments), banks and other customers. Book Value of Debt Securities and Net Loans as at 30.9.21

(2) Taking into account cash short positions

(3) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

Exposure to Sovereign Risks⁽¹⁾ by Main Countries

€ m

	DEBT SECURITIES							LOANS
	Banking Business				Insurance Business ⁽³⁾	Total	FVTOCI/AFS Reserve ⁽⁴⁾	
	AC	FVTOCI	FVTPL ⁽²⁾	Total				
EU Countries	22,823	35,675	6,746	65,244	71,829	137,073	387	11,881
Austria		71	83	154	258	412	-1	
Belgium	757	2,534	384	3,675	502	4,177	-30	
Bulgaria					67	67		
Croatia	148	665	153	966	241	1,207	6	1,235
Cyprus					101	101	-7	
Czech Republic								
Denmark								
Estonia								
Finland			-19	-19	37	18		
France	2,363	3,577	-179	5,761	2,970	8,731	-80	4
Germany	512	772	69	1,353	1,453	2,806	-7	
Greece			31	31	6	37		
Hungary	216	867	44	1,127	50	1,177	9	118
Ireland	143	293	-5	431	134	565	1	
Italy	14,552	16,144	7,717	38,413	61,060	99,473	495	10,083
Latvia			3	3	21	24		28
Lithuania								
Luxembourg		221	184	405		405	1	
Malta								
The Netherlands	52	121	13	186	334	520	-2	
Poland	51	69		120	26	146		
Portugal	84	435	-117	402	653	1,055	-5	
Romania	66	385	23	474	445	919	-5	5
Slovakia		444	15	459		459	4	181
Slovenia	1	224	-23	202	63	265	-3	179
Spain	3,878	8,829	-1,630	11,077	3,408	14,485	11	48
Sweden		24		24		24		
Albania	194	381	1	576	30	606	3	1
Egypt		1,779	2	1,781	124	1,905	7	304
Japan		2,127		2,127		2,127	9	
Russia		90	6	96		96	1	
Serbia	7	688	65	760	104	864	4	75
United Kingdom		134	9	143	64	207	-5	
U.S.A.	1,340	3,437	34	4,811	6	4,817	-127	
Other Countries	1,289	4,240	108	5,637	1,490	7,127	-51	4,986
Total	25,653	48,551	6,971	81,175	73,647	154,822	228	17,247

Banking Business Government bond duration: 6.4y
Adjusted duration due to hedging: 0.3y

Note: management accounts. Figures may not add up exactly due to rounding

(1) Exposure to central and local governments. Book Value of Debt Securities and Net Loans as at 30.9.21

(2) Taking into account cash short positions

(3) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

(4) Net of tax and allocation to insurance products under separate management

Exposure to Banks by Main Countries⁽¹⁾

€ m

	DEBT SECURITIES						LOANS
	Banking Business				Insurance Business ⁽³⁾	Total	
	AC	FVTOCI	FVTPL ⁽²⁾	Total			
EU Countries	1,918	3,924	694	6,536	3,990	10,526	25,444
Austria	104	52	2	158	97	255	374
Belgium	11	49		60	74	134	483
Bulgaria							
Croatia	42			42		42	26
Cyprus							
Czech Republic							
Denmark	20	8		28	54	82	34
Estonia							
Finland	9	14	-2	21	66	87	55
France	284	966	-33	1,217	1,391	2,608	10,082
Germany	69	625	172	866	239	1,105	6,455
Greece							54
Hungary	126	18		144	11	155	68
Ireland		27		27		27	416
Italy	897	1,057	609	2,563	1,282	3,845	5,421
Latvia							
Lithuania							
Luxembourg		162	4	166	10	176	852
Malta							64
The Netherlands	101	296	-2	395	315	710	186
Poland		89		89		89	6
Portugal		17	1	18		18	4
Romania							104
Slovakia		28		28		28	
Slovenia		8		8		8	2
Spain	237	352	-57	532	433	965	715
Sweden	18	156		174	18	192	43
Albania							15
Egypt							64
Japan	29	110		139	64	203	76
Russia		12		12		12	155
Serbia							58
United Kingdom	157	224	11	392	586	978	4,404
U.S.A.	292	799	50	1,141	1,718	2,859	984
Other Countries	124	1,298	11	1,433	904	2,337	5,848
Total	2,520	6,367	766	9,653	7,262	16,915	37,048

Note: management accounts. Figures may not add up exactly due to rounding

(1) Book Value of Debt Securities and Net Loans as at 30.9.21

(2) Taking into account cash short positions

(3) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

Exposure to Other Customers by Main Countries⁽¹⁾

€ m

	DEBT SECURITIES						LOANS
	Banking Business				Insurance Business ⁽³⁾	Total	
	AC	FVTOCI	FVTPL ⁽²⁾	Total			
EU Countries	9,951	3,685	1,573	15,209	6,929	22,138	392,660
Austria	18	50		68	32	100	280
Belgium	35	21	2	58	142	200	635
Bulgaria					62	62	25
Croatia	18			18	10	28	5,985
Cyprus							26
Czech Republic	99			99	42	141	793
Denmark	13			13	23	36	16
Estonia					2	2	6
Finland	6	32		38	64	102	544
France	254	462	24	740	1,516	2,256	1,918
Germany	726	429	-5	1,150	964	2,114	1,559
Greece	62			62		62	18
Hungary	58	6		64	2	66	2,994
Ireland	321	967	451	1,739	41	1,780	382
Italy	7,462	879	908	9,249	1,988	11,237	347,391
Latvia							
Lithuania							1
Luxembourg	236	152	15	403	148	551	6,762
Malta							55
The Netherlands	114	474	96	684	749	1,433	1,690
Poland	147	9		156	36	192	1,117
Portugal	119		46	165	74	239	150
Romania					23	23	918
Slovakia					48	48	13,951
Slovenia							1,702
Spain	257	140	36	433	824	1,257	3,374
Sweden	6	64		70	139	209	368
Albania							442
Egypt							2,805
Japan	30	192	3	225	139	364	735
Russia					65	65	5,533
Serbia							4,074
United Kingdom	481	188	15	684	1,301	1,985	11,412
U.S.A.	565	659	56	1,280	1,564	2,844	6,117
Other Countries	207	530	14	751	1,357	2,108	15,333
Total	11,234	5,254	1,661	18,149	11,355	29,504	439,111

Note: management accounts. Figures may not add up exactly due to rounding

(1) Book Value of Debt Securities and Net Loans as at 30.9.21

(2) Taking into account cash short positions

(3) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

Disclaimer

“The manager responsible for preparing the company’s financial reports, Fabrizio Dabbene, declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this presentation corresponds to the document results, books and accounting records”.

* * *

This presentation includes certain forward looking statements, projections, objectives and estimates reflecting the current views of the management of the Company with respect to future events. Forward looking statements, projections, objectives, estimates and forecasts are generally identifiable by the use of the words “may,” “will,” “should,” “plan,” “expect,” “anticipate,” “estimate,” “believe,” “intend,” “project,” “goal” or “target” or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts, including, without limitation, those regarding the Company’s future financial position and results of operations, strategy, plans, objectives, goals and targets and future developments in the markets where the Company participates or is seeking to participate.

Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements as a prediction of actual results. The Group’s ability to achieve its projected objectives or results is dependent on many factors which are outside management’s control. Actual results may differ materially from (and be more negative than) those projected or implied in the forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results and is based on certain key assumptions.

All forward-looking statements included herein are based on information available to the Company as of the date hereof. The Company undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements.