



Implementing the European Green Deal and the Circular Economy Action Plan – the Role of Intesa Sanpaolo

Anna Monticelli
Head of Circular Economy Desk

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Intesa Sanpaolo Group

Highlights



1069 €/mld
Total Asset



4.185 €/mld
2021 Net Income



20.6 mln
Customers
13.5 mln in Italy
7.1 mln abroad



50.9 €/mld
Market Capitalisation⁽¹⁾



465.3 €/mld
Loans disbursed



63.8 €/mld
Shareholder's Equity



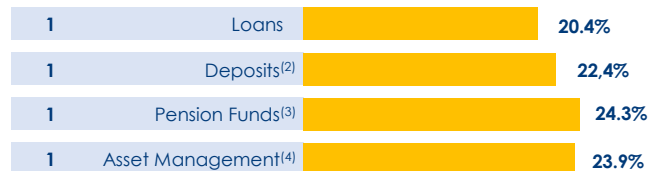
555.6 €/mld
Direct customers
deposits



4.719
Branches
3.740 in Italy
979 abroad

Leadership in Italy is based on a lasting relationship with customers

Ranking in Italy



Figures as at 31 December 2021

(2) Including Bonds

(3) Data as at 30 September 2021

(4) Mutual Funds; Data as at 30 September 2021

Eurozone Ranking

Banks Market Capitalisation

	HSBC	128.1
1	BNP Paribas	77.8
	Sberbank	65.8
	UBS	60.7
2	Banco Santander	53.7
3	Ing	51
4	Intesa Sanpaolo	50.9
	Lloyds Banking	43.4
5	Credit Agricole	41.3
6	Nordea Bank	41.3
	Barclays	39.6
7	BBVA	37.6

Source: Bloomberg prices as at 31 January 2022

Intesa Sanpaolo Innovation Center

Intesa Sanpaolo Innovation Center is the Intesa Sanpaolo Group company dedicated to the frontier of innovation.

*It explores future scenarios and trends, develops multidisciplinary applied research projects, supports startups, accelerates the **business transformation of companies** according to the criteria of Open Innovation and the **Circular Economy**, favors the development of innovative ecosystems and spreads the culture of innovation, to make Intesa Sanpaolo the driving force of a more aware, inclusive and sustainable economy.*

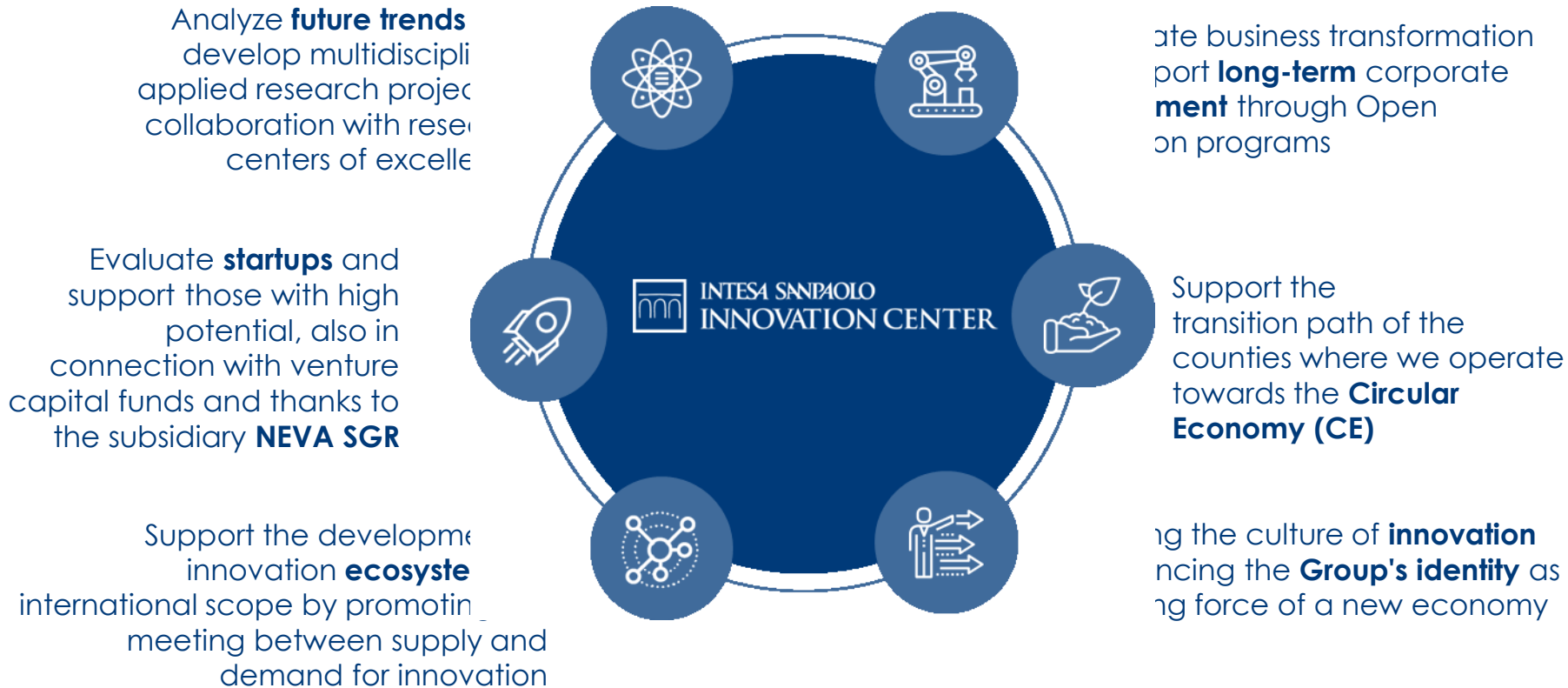


INTESA SANPAOLO
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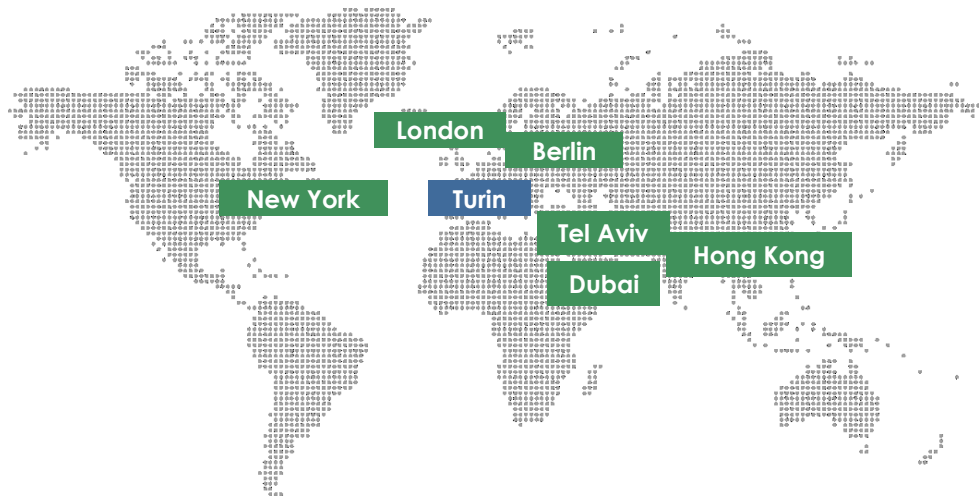
Our role in the Country's innovation



Stakeholder system and targets



Our international presence



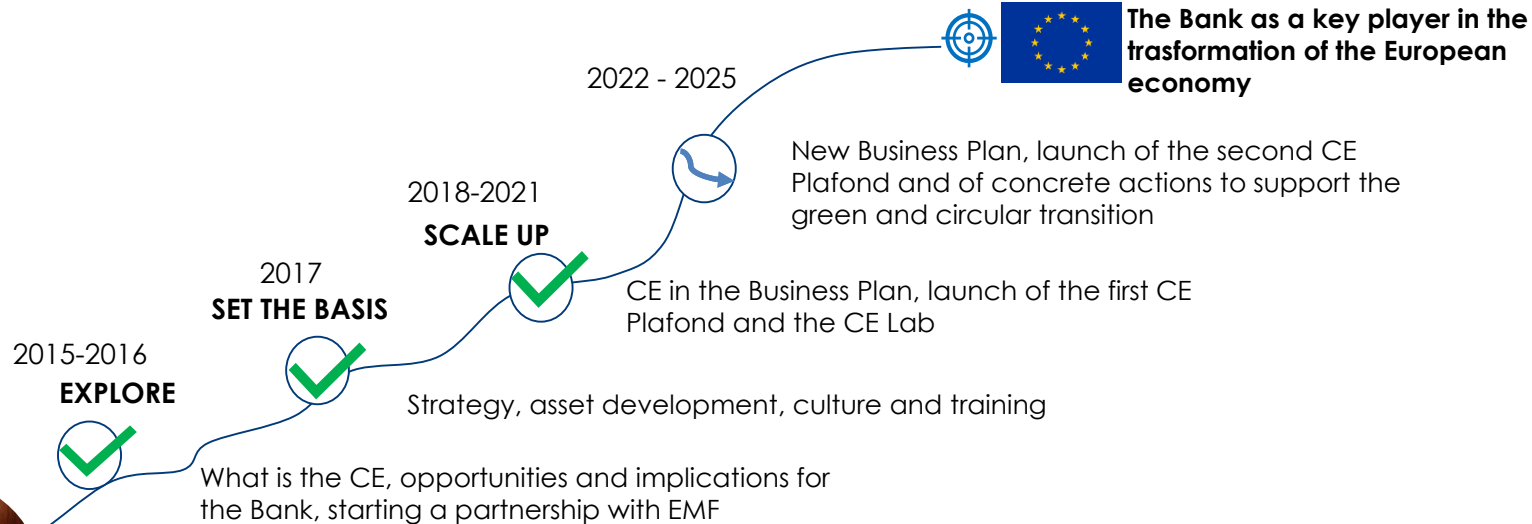
Examples of partnerships and collaborations techstars

A grid of logos representing various international partnerships and collaborations, including embassies, chambers of commerce, and academic institutions.

- Embassy of Italy in Dublin
- Italian Consulate in Hong Kong
- Italian Consulate in Canton
- Italy-America Chamber of Commerce
- CAMERA DI COMMERCIO ITALIANA PER LA GERMANIA ITALIENSCHES HANDELSKAMMER FÜR DEUTSCHLAND
- Camera di Commercio Italiana in Cina China-Italy Chamber of Commerce
- ITALIAN CHAMBER OF COMMERCE IN JAPAN 日本イタリア商工振興会
- ROCKETINTERNET
- ITALIAN CHAMBER OF COMMERCE 香港科技大學 THE HONG KONG UNIVERSITY OF SCIENCE AND TECHNOLOGY
- DECODED FASHION
- UK TRADE & INVESTMENT
- HKSTP
- THE FLOOR
- R
- Gianni Origoni Griffo Cappelli Partners
- ELLEN MACARTHUR FOUNDATION
- ITA ITALIAN TRADE AGENCY
- Embassy of Italy Tel Aviv
- START-UP NATION CENTRAL
- ISRAELI CHAMBER OF COMMERCE AND INDUSTRY חדש העסקים והיינועם "טראו"א"ינרטי
- THE FLOOR
- OurCrowd
- DRIVE
- OXFORD Said Business School
- smau
- TECHNION Israel Institute of Technology
- LONDON & PARTNERS
- ITALIAN INDUSTRY & COMMERCE OFFICE IN TEL AVIV
- AFEKA TEL AVIV ACADEMIC COLLEGE OF ENGINEERING
- CBI
- Masdar CLEAN ENERGY
- LINK4 SUCCESS
- DLD
- HAWKSFORD
- OCTO
- ECOMOTION

Intesa Sanpaolo's strategic path on Circular Economy

The Circular Economy is increasingly recognized as a crucial part of the solution to climate change and is core in the strategic interests of regulators (EU), other stakeholders and companies



INTESA  SANPAOLO

&



EMF Strategic Partner Group to date

BlackRock



H&M Group



INTESA



MAYOR OF LONDON



NYC Mayor's Office of Sustainability

SPECIFICS

POSTCODE

SLOTTERY'S

PHILIPS

GROUPE RENAULT

CITY OF SÃO PAULO

scJohnson







SUN Institute



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The CE in the most recent system initiatives

In the last years, there have been numerous European and national policy initiatives that have contributed to outlining complex and ambitious targets in terms of a new industrial policy and transformation of the EU economic model.

Initiative	Description	Implications in the CE context
 European Green Deal	Transform EU policies on climate, energy, transport and taxation to reduce net greenhouse gas emissions by at least 55% by 2030 compared to the levels of the 1990	<ul style="list-style-type: none">✓ <u>February 2021</u> - The European Commission approved the new Action Plan for the circular economy, part of the European Green Deal✓ <u>March 2022</u> - A new plan including initiatives and proposals to make sustainable products the norm in the EU, promote circular business models and empower consumers in the green transition
 RepowerEU	Transformation of the European energy system to avoid the EU's dependence on Russian fossil fuels and tackle the climate crisis	<p><u>March 2022</u> - published the European plan aimed at:</p> <ul style="list-style-type: none">✓ strengthen long-term energy efficiency measures, including a 4% increase in the energy efficiency target set under the 'Fit for 55' linked to the European Green Deal✓ Diversify supply, create partnerships and cooperate on hydrogen✓ Accelerate the diffusion of renewable energies also with a view to closing the energy cycle (e.g. self-consumption): 2030 targets for renewables from 40% to 45%
 EU Taxonomy Regulation	A common classification system for sustainable economic activities , aimed at companies, finance and policymakers based on 6 environmental objectives, including the circular economy.	<ul style="list-style-type: none">✓ <u>December 2021</u> - First delegated act on sustainable activities for climate change mitigation and adaptation published, including technical screening criteria✓ <u>March 2022</u> - The Platform for sustainable finance reports recommendations for the four remaining environmental objectives of the EU taxonomy✓ <u>Starting 2024</u>, financial institutions will have to disclose exposure to "sustainable activities", including circular ones, aligned with the objectives of the EU Taxonomy
 PNRR	Facility of the Next Gen EU consisting of an investment and reform package divided into six missions. About 37% of the resources are dedicated to green investments .	<ul style="list-style-type: none">✓ The update of the Italian National Strategy for the Circular Economy (published in late June 2022) is part of the reforms to support the investments of Mission 2, Green Revolution and Ecological Transition, of the PNRR to improve the capacity for efficient and sustainable waste management and the circular economy paradigm.✓ Strategic approach mainly oriented to the waste management area, leaving out some of CE's most ambitious peculiarities for industry

EU Action plan for Circular Economy

The EU's new circular action plan paves the way for a cleaner and more competitive Europe.



30th March 2022 – The EU Commission presents a package of European Green Deal proposals as **new rules to make almost all physical goods on the EU market more friendly to the environment, circular, and energy efficient throughout their whole lifecycle from the design phase through to daily use, repurposing and end-of-life**

- a new strategy to **make textiles more durable, repairable, reusable and recyclable**, to tackle fast fashion, textile waste and the destruction of unsold textiles, and ensure their production takes place in full respect of social rights
- boost the **internal market for construction products** and ensure that the regulatory framework in place is fit for making the built environment deliver on our **sustainability and climate objectives**
- new rules to **empower consumers in the green transition** so that consumers are better informed about the environmental sustainability of products and better protected against greenwashing

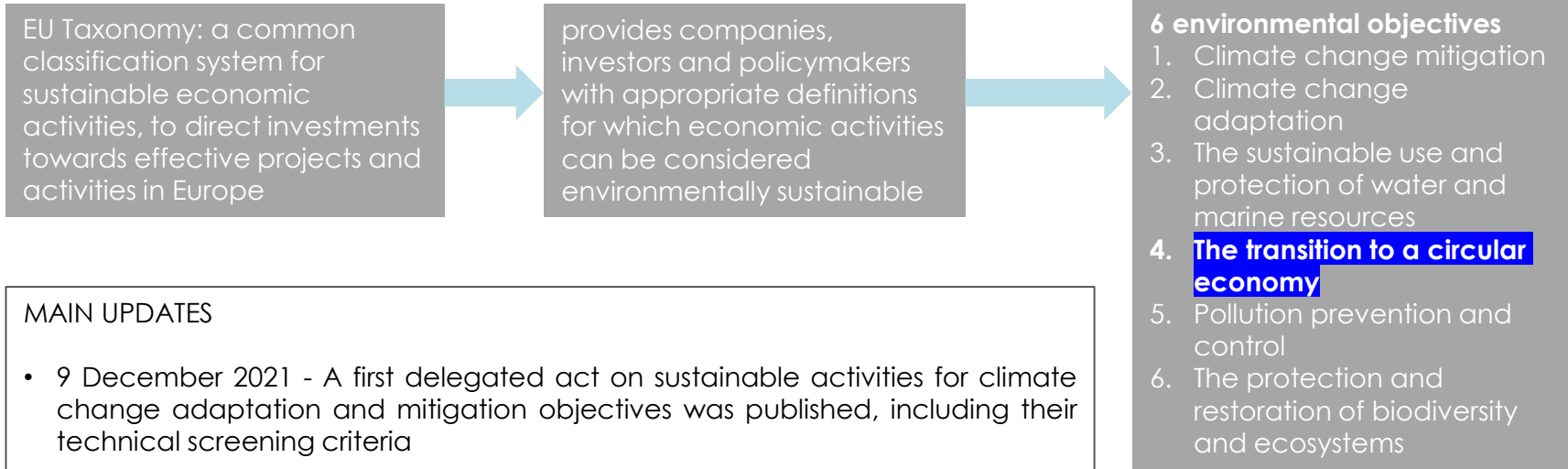


“To a **truly circular economy in the EU**: decoupled from energy and resource dependencies, more resilient to external shocks and respectful of nature and people's health”

Frans Timmermans, Executive Vice-President for the European Green Deal

EU taxonomy for sustainable activities

What the EU is doing to create an EU-wide classification system for sustainable and circular activities



MAIN UPDATES

- 9 December 2021 - A first delegated act on sustainable activities for climate change adaptation and mitigation objectives was published, including their technical screening criteria
- A second delegated act for the remaining objectives will be published in 2022
- 30 March 2022 - the Platform for Sustainable Finance reports with recommendations toward EU Commission on technical screening criteria for the four remaining environmental objectives of the EU taxonomy

Published on 22nd June 2020



Intesa Sanpaolo Business Plan effectively supports the EU Action plan¹⁰

The Circular Economy as a strategy that accelerate the achievement of ESG goals

The Business Plan Formula 2022-2025

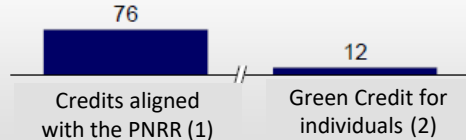
Le nostre Persone sono la nostra risorsa più importante



Supporting Corporates, SMEs and Retail customers in the ESG/climate transition through the strengthening of sustainable credit and dedicated advisory services

New credit to support green transition

Flussi cumulati, € mld



Of which €8 billion dedicated to circular economy

Enhancement of the commercial offer...

...of dedicated investment and advisory products, such as **funds for the circular economy**

Support to SMEs/Corporates in the transition path



Offering businesses **innovation, education and connection** services



Enhancing the Bank's **strategic partnership** with the Ellen MacArthur Foundation.

1) 2021-2026
2) 2022-2025

Circular Economy Plafond



Intesa Sanpaolo's **2022-25 Business Plan** includes a specific action **to support the transition towards a circular economy** : the renewal of the CE Plafond, a dedicated credit facility up to € 8 bn.

The **€ 8 bn Circular Economy Plafond** provides the most innovative clients/projects with credit at favorable terms. Access to these facilities is evaluated against a set of **five eligibility criteria** developed in partnership with the Ellen MacArthur Foundation and three additional criteria related to green projects.



Solutions that extend the product-life of goods and/or materials



Utilization of renewable/recycled resources



Increase in efficiency and effectiveness of resources' consumption



Products that can be fully recycled or composted



Innovative technologies to enable circular business models



Production and transmission of renewable energy



Energy efficiency of production processes and buildings

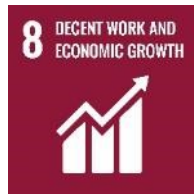


Sustainable management of natural resources and soil, biodiversity

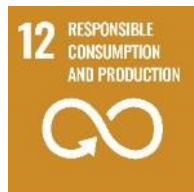
For the € 6 bn CE Plafond launched by the **2018-2021 Business Plan**, approximately € 7.7 bn was **financed**, of which approximately € 5.5 bn in 2021



Sustainability Bond for Circular Economy



In 2019, new Guidelines were developed (Sustainability Bond Framework) to issue Sustainability Bonds and to **support loans and projects** (new or existing ones) related to Green Economy, Circular Economy and for social purposes.



In November 2019, Intesa Sanpaolo successfully placed the **first Sustainability Bond focused on Circular Economy**, aimed to support the loans performed by the Bank within the € 6 Bn credit plafond for dedicated to Circular Economy.



The **€ 750 Mln issuance**, with a **demand exceeding € 3.5 Bn**, was mainly underwritten by institutional investors: Asset Managers (75%), Banks and Private banking (10%), Public Bodies (10%), Insurances and Pension funds (4%).

MISSION

Experiment and disseminate new models of value creation capable of combining the development of businesses and organizations with the protection and enhancement of human, natural, social and economic capital.

Encouraging the transformation of companies towards a circular model is different for each company, depending on the level of maturity reached, on the issues, technologies, etc. It is possible to design a **Circular Journey** where each company can find an answer to its needs by building a personalized path of Circular transformation.

CE LAB PILLARS



CIRCULAR EDUCATION

Training courses for companies, aimed at **disseminating knowledge** about Circular Economy and related **opportunities**, especially in terms of **business, competitiveness and resilience**.



CIRCULAR CONNECTION

Dissemination of circular culture on a national and international scale, through events, networking platforms, thematic reports and with the involvement of external actors and partners



CIRCULAR INNOVATION

Circular advisory, aimed at SMEs / Corporates. Business model analysis and **innovation services** (e.g. Circularity Assessment, Open Innovation programs)



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