

PRESS RELEASE

INTESA SANPAOLO SUCCESSFULLY COMPLETES THE PLACEMENT OF THE FIRST SUSTAINABILITY BOND DEDICATED TO THE CIRCULAR ECONOMY

- **Following the Green Bond in 2017, the Bank returns to the market with an issue devoted to sustainability**
- **Demand for the 750 million euro issue reached more than 3.5 billion euro**
- **Issue primarily subscribed by international institutional investors and specialized investors**

Milan, 27 November 2019 – Intesa Sanpaolo has successfully completed the placement of its first Sustainability Bond for supporting loans granted by the Bank as part of the 5-billion-euro fund for the circular economy, launched last year.

Demand reached over 3.5 billion euro, proof of the strong position held by Intesa Sanpaolo in international markets in this specific sector as well. The Bank completed the transaction by placing 750 million euro of bonds at a fixed rate of 0.75%, with a 5-year maturity.

The issue was primarily subscribed to by institutional investors: Asset Managers (75%), Banks and Private Banking (10%), Public Entities (10%), and Insurers and Retirement Funds (4%). The geographical distribution of uptake is as follows: United Kingdom and Republic of Ireland (23%), Germany and Austria (18%), France (17%), Italy (13%), Benelux (11%), Switzerland (6%), Spain and Portugal (5%) and Nordic Countries – Denmark, Norway and Sweden – (5%).

Banca IMI and Crédit Agricole CIB acted as green structuring advisors and joint bookrunners. ING and Société Générale acted as joint bookrunners for the transaction.

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In 2017, Intesa Sanpaolo stood out as the first bank in Italy to issue a 500-million-euro Green Bond (5-year unsecured senior bond reserved for international institutional investors) for loans supporting environmental sustainability, especially renewable energies and energy efficiency. The proceeds were completely allocated in the bond's

first year, with 75 projects funded at June 2019, preventing the emission of over 350,000 tonnes of CO₂ over the course of just 12 months.

Today, the Bank makes its return to the market with its first-ever Sustainability Bond, that will support a dedicated circular fund that can be accessed - via standard credit granting procedures – by complying with a number of specific criteria, drawn up by Intesa Sanpaolo’s Innovation Center together with the Ellen MacArthur Foundation, which revolve around the circular economy. To date, 60 or so operations have been funded, equalling an overall amount of 600 million euro as part of the fund.

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Stefano Del Punta, Chief Financial Officer of Intesa Sanpaolo, commented: *“The transaction completed today is an important step in developing the circular economy as set out in our 2018-2021 Business Plan. Intesa Sanpaolo seeks to become a global benchmark in its commitment to sustainability, social and cultural responsibility, and protecting the environment, as well as in its support of social promotion and suitable corporate governance rules, consistent with the United Nations Sustainable Development Goals (UN SDGs). The landmark The significant interest today from international bond markets once again recognises our role that, thanks to an exclusive partnership with the Ellen MacArthur Foundation, we intend to strengthen even further.”*

For further information

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About Intesa Sanpaolo

Intesa Sanpaolo is one of the most solid and profitable banks in Europe, providing wealth management, consumer banking, corporate and investment banking, asset management and insurance. As the market leader in Italy, Intesa Sanpaolo serves nearly 12 million customers through digital and traditional channels. The Group’s international subsidiary banks provide for an additional 7.2 million customers in Central Eastern Europe, the Middle East and North Africa. Intesa Sanpaolo is recognized as one of the most sustainable banks in the world. The Group believes that value creation should be interpreted broadly, supporting social purpose and driving the real economy. As part of its commitment to sustainable growth, Intesa Sanpaolo has created a €5 billion financing facility dedicated to the circular economy. The Group’s large-scale project for economic inclusion and poverty alleviation includes a Fund for Impact to provide €1.2 billion in loans to those parts of society that find access to credit difficult. Intesa Sanpaolo is deeply committed to cultural initiatives that it promotes on its own and together with partners in Italy and abroad, including permanent and temporary exhibits of the vast artistic patrimony of the Gallerie d’Italia, the Group’s three museums located in Milan, Naples and Vicenza.

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