

2021 INTEGRATED REPORT

NFS pursuant to Legislative Decree 254/2016

The impact of the activities
of Cassa Depositi e Prestiti



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GUIDE TO INTERPRETATION

The Cassa Depositi e Prestiti Group (hereinafter also the “Group”) has been reporting on sustainability, in accordance with regulatory requirements, since 2017. This year it is publishing its second Integrated Report (the “Report”).

The document aims to provide a brief overview of how the Group’s strategy, governance, performance and prospects enable value to be created in the short, medium and long term. The document also reports the figures and illustrates the concrete initiatives that testify to the Group’s commitment to promoting greater transparency towards stakeholders, and its desire to go beyond its legal obligations in order to offer a greater contribution towards furthering the country’s sustainable development.

In preparing the report, the following were taken into account:

- the guiding principles of the International Integrated Reporting (IR) Framework published in January 2021 by the International Integrated Reporting Council (IIRC);
- the GRI Sustainability Reporting Standards of the Global Reporting Initiative, applied on the basis of the “in accordance-Core” option and the international principles of the Sustainability Accounting Standards Board (SASB). The “GRI Content Table” section offers details of the reported indicators, in accordance with the guidelines adopted;
- the recommendations of the Task Force on Climate Related Financial Disclosure (TCFD).

The information contained in the Report refers to the topics identified through a Materiality analysis process and represented in the “Materiality Matrix”, updated over the course of 2021, and related indicators that reflect the economic, environmental and social impacts of the organisation considered significant or that could substantially influence the assessments and decisions of the Group’s stakeholders. The document also contains summary information about those topics which, while not “material”, are specifically mentioned in Italian Legislative Decree no. 254/2016.

Finally, CDP proprietary methodologies briefly illustrated in the corresponding section of the annex were used, particularly for the purpose of reporting impacts.

In addition, the document reports those activities considered to be potentially environmentally sustainable according to the Taxonomy (“eligible activities”) as per the reporting requirements of the European Taxonomy Regulations (Article 10 of Delegated Regulation (EU) 2021/2178 of 6 July 2021, issued in accordance with Article 8, paragraph 4 of Regulation (EU) 852/2020, and published in the Official Journal of the European Union on 10/12/2021).

Unless otherwise stated, the information provided in this Report refers to the year 2021 (1 January - 31 December), and in particular to the projects pursued by the CDP Group over the course of the year. The figures are compared with those of the two previous years. Any changes to data published in previous reporting documents have been appropriately highlighted in the document.

The quantitative indicators have been taken directly from the databases of the Group Companies subject to management and co-

ordination and aggregated by the Parent Company to provide an overall representation of the economic, social, environmental and governance performance.

As concerns the scope of reporting, in accordance with Italian Legislative Decree no. 254/16, which requires consistency between the business model, policies, risks connected with significant areas, and the impacts generated on those areas by the companies falling within the scope of reporting, the Integrated Report presents figures for the Parent Company and for those companies it controls and over which it exercises management and coordination (the “Group”), namely CDP Equity S.p.A., CDP Immobiliare S.r.l., CDP Immobiliare SGR S.p.A., CDP Reti S.p.A., Fintecna S.p.A. and CDP Industria S.p.A.

Consistency between the business model, policies, risks connected with significant areas, and the impacts generated on those areas, can only be guaranteed if powers of management and coordination are exercised by the Parent Company over the other companies within the Group. Thus in this specific case, the following companies, while fully consolidated on a line-by-line basis, are not subject to said management and coordination, and thus do not come within the scope of the Group NFS: Terna S.p.A., Fincantieri S.p.A., SNAM S.p.A., Italgas S.p.A., Ansaldo Energia S.p.A., SIA S.p.A., Fondo Italiano di Investimento SGR S.p.A., FSI Investimenti, FSIA Investimenti, ITsART, the FIV Plus, FIC Extra, FNT, FT1, FIA2, FoF Private Debt funds, and the Fondo Italiano Consolidamento e Crescita. In particular, Terna S.p.A., Fincantieri S.p.A., Italgas S.p.A. and SNAM S.p.A. produce their own non-financial report in line with the requirements of the Decree, which should be referred to for further details.

It should be noted that in the financial year 2021 the SACE Group did not come within the document’s scope insofar as it was no longer subject to the coordination and management of the Parent Company following publication of Italian Decree Law no. 23/2020 (8 April 2020). More specifically, in order to ensure a better understanding of the activities compared to the previous year, the decision was taken to include the Group’s 2020 figures leaving out SACE, as duly indicated in the tables.

The document, prepared by the “Sustainability Development, Monitoring and Reporting” Unit and drawn up in compliance with the “Global Reporting Initiative Sustainability Reporting Standards” laid down in 2016 and subsequent versions of the Global Reporting Initiative (GRI), was brought to the attention of the Risk and Sustainability Committee, which provided the Board of Directors with a non-binding opinion, and was approved, together with the Consolidated Financial Statements, by the Board of Directors of the Parent Company Cassa Depositi e Prestiti S.p.A. on 31 March 2022, and subjected in full to specific audit procedures. The independent auditor’s report prepared by Deloitte & Touche S.p.A.¹, is contained in the annexes to this document.

For information regarding the present report, please contact sostenibilita@cdp.it.

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¹ Assignment conferred by the Shareholders’ Meeting of CDP S.p.A on 19 March 2019 for the period 2020-2028.

LETTER TO THE SHAREHOLDERS AND STAKEHOLDERS

In 2021, Cassa Depositi e Prestiti (CDP) continued to provide support to Italy's recovery in a scenario still characterised by the challenge of the Covid-19 pandemic.

CDP's commitment was aimed at local and regional authorities, through the promotion of initiatives for social cohesion and sustainable development, especially in the fields of school and health buildings, mobility, and urban regeneration.

In addition, CDP has responded promptly to the needs of the productive world, in order to favour investments and defend employment levels, but also to relaunch its long-term prospects. Our people's experience and technical expertise have made it

possible to commit approximately 24 billion euro, and to attract further funds from third parties, which together mean a total investment of 35 billion euro in support of the country. This result has been achieved thanks to the soundness of our funding, first and foremost that collected through postal savings, amounting to 281 billion euro, together with other issuances based on ESG principles.

The appointment of the new Board of Directors saw the launch of the 2022-2024 Strategic Plan. This Plan identified four major challenges to tackle in order to make a real contribution to re-launching the Italian economy, in line with the UN 2030 Agenda for Sustainable Development: climate change and protection of

the ecosystem, inclusive and sustainable growth, digitisation and innovation, and rethinking value chains. These 4 challenges have resulted in the establishment of 10 areas of operation designed to better focus CDP's activities and to avoid its actions being dissipated across too many fronts.

With its new Strategic Plan, CDP undertakes to fund projects capable of having the greatest possible economic, social, and environmental impacts, and creating value in the long term. A focus on sustainability in fact characterises all stages of the funding and investment process, starting with the formulation of specific policies designed to direct operations.

In its capacity as a National Promotional Institution, CDP intends to increase its ability to sustain businesses and public administrations, by focusing on technical and financial consultancy, the strengthening of the mechanisms for blending our own resources with those of third parties, and the use of alternative instruments to the banking system. A new approach inspired by principles of additionality and complementarity to the market, also functional to the reinforcing of CDP's role as the Italian Financial Institution for International Cooperation, working in partnership with multilateral development banks.

For the management of equity investments, CDP shall maintain its role as a stable shareholder in infrastructure and assets of strategic importance for the country. At the same time, it shall place great importance on the consolidation of the private equity market, the strengthening of its commitment to venture capital, and the implementation of special purpose interventions aimed at business growth in key sectors, based on a specific exit approach and with the involvement of other investors.

Furthermore, we also play a role in the implementation of the National Recovery and Resilience Plan, of vital importance to Italy's future development. CDP is playing its part in a responsible, tangible manner by providing technical assistance to national and local public authorities, and by directly managing part of the resources linked to strategic initiatives to stimulate the Italian economy.

In this context, the contribution of the Group's women and men has been essential and will be even more so in the future.. Their professionalism and integrity are key to CDP's reputation as a centre of excellence serving the country's needs. This is the very reason why we shall increase our commitment to inclusion and transparency both within the Group and in our relations with external stakeholders.

Productive cooperation with our shareholders, the Italian Ministry of Economy and Finance and the Banking Foundations, which support us in pursuing our mission of promoting the growth of local areas and communities, and with whom we work intensively in the country's interest, has always been, and continues to be, of fundamental importance.

Faced with an extremely uncertain international scenario, we are all called upon to play our part in laying the foundations for a resilient, sustainable, supportive and inclusive development, especially for women and young people.

The CDP Group is ready to offer its expertise, with the great sense of responsibility which has always characterised its history, confirming its commitment to Italy.



The Chief Executive Officer and the Chairman of Cassa Depositi e Prestiti

Giovanni Gorno Tempini
Chairman

Dario Scannapieco
Chief Executive Officer



1. OUR ORGANISATIONAL MODEL: A SOLID BUSINESS CREATING VALUE

Cassa Depositi e Prestiti, established in 1850 with the aim of providing support to the Italian economy and financing public entities through the collection of savings at local level, is currently committed to sustaining investments generating significant positive externalities for the entire community, in order to encourage economic growth and increase Italy's competitiveness.

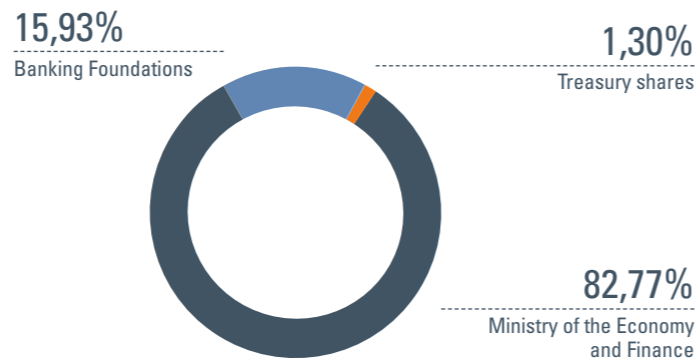
1.1 THE GROUP'S CORPORATE STRUCTURE AND SYSTEM OF VALUES

Founded in 1850 to collect deposits from Italian savers to finance the country's infrastructure, the history of Cassa Depositi e Prestiti (CDP) is deeply intertwined with Italy's economic and social development, which it has always supported also in the face of unexpected extreme events and throughout all fundamental discontinuities and transition phases that shaped its history.

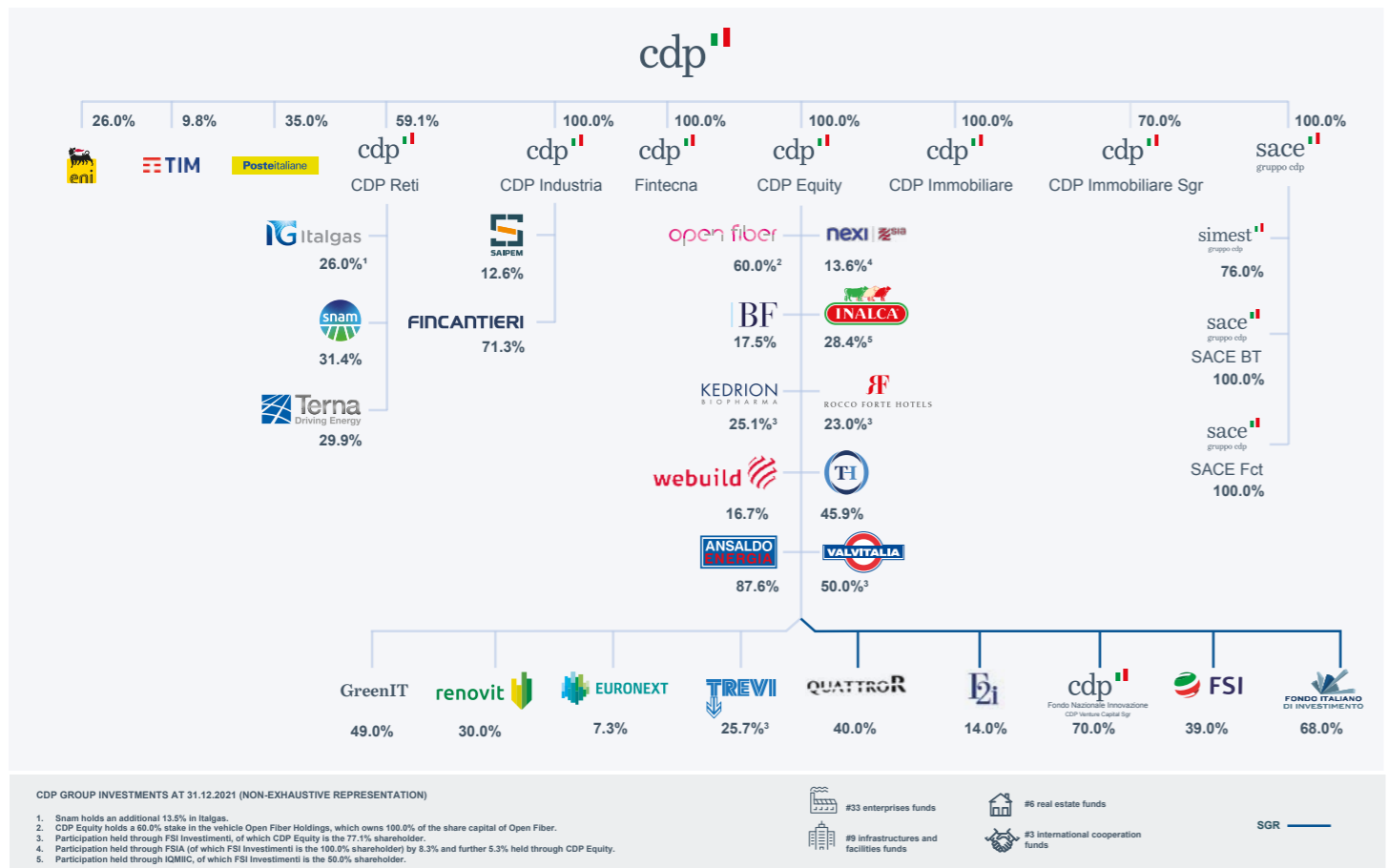
Ever since its establishment, CDP - through the management of Postal Savings - has funded schools, local authorities and infrastructure, broadening its scope of intervention over the years to support innovation and private enterprises in Italy and abroad, in the name of the mutual trust it has established, and renews every day, with the millions of people who entrust their savings to CDP. CDP's mission, which it also shares with its shareholders, has never changed over time, although its scope of action has ex-

panded considerably. Today the CDP Group represents a unique force in Italy, and one that boasts a network of financial and industrial expertise borrowed from all the companies that belong to it. The specific public-private nature of CDP's shareholder structure means that maximising the value created for its shareholders coincides with creating value for the community as a whole.

CDP's ownership structure



The configuration of the CDP Group



¹ Snam holds an additional 13.5% in Italgas.
² CDP Equity holds a 60.0% stake in the vehicle Open Fiber Holdings, which owns 100.0% of the share capital of Open Fiber.
³ Participation held through FSI Investment, of which CDP Equity is the 77.1% shareholder.
⁴ Participation held through FSIA (of which FSI Investment is the 100.0% shareholder) by 8.3% and further 5.3% held through CDP Equity.
⁵ Participation held through ICMIC, of which FSI Investment is the 80.0% shareholder.

Indeed, by their nature Banking Foundations play an important subsidiary role in promoting the social, economic, environmental, cultural and artistic development of local communities. This enables the work of the Foundations to be complementary to the guidance and direction of the country's economic and financial policy as laid out by the Ministry of the Economy and Finance.

As a valuable example of a public-private partnership between entities whose final purpose consists of aims of general interest, CDP's shareholder structure together with its capacity to create shared value for local communities, has enabled it to act as a catalyst for the development of infrastructure and property, as well as a key player in support of the Italian economy and business system.

In its efforts to promote the country's sustainable development, CDP is responsible for maintaining a delicate balance between protecting and leveraging the funding it obtains on a fiduciary

basis through postal savings. In this perspective, the growing attention to sustainability gives the work and operations of the entire organisation a single common objective: to achieve progress for local communities, business competitiveness and wellbeing for individuals through its operations and business.

In line with its mandate, every day CDP acts according to a well-defined set of values. The set of principles and values that the Group recognises, accepts and shares and the set of responsibilities that it assumes both internally and externally are outlined in the Code of Ethics, about which all members of corporate bodies, employees, contractors, consultants, partners, suppliers and business associates are informed. Employees and Corporate Bodies sign a statement saying that they have read the Code of Ethics and that they undertake to follow its principles.

MISSION¹

PROMOTING THE SUSTAINABLE DEVELOPMENT OF ITALY, USING SAVINGS IN A RESPONSIBLE MANNER IN ORDER TO FAVOUR GROWTH AND EMPLOYMENT, AND TO SUPPORT THE INNOVATION AND COMPETITIVENESS OF COMPANIES, INFRASTRUCTURE AND LOCAL COMMUNITIES

VALUES²

- 

INTEGRITY
We operate in a rigorous, transparent manner in observance of CDP's values
- 

INCLUSION
We promote all forms of equality and equal opportunities
- 

ENVIRONMENTAL RESPONSIBILITY
We defend the environment in order to safeguard future generations
- 

IMPACT
We create value by working with people, local communities and the country as a whole
- 

EXPERTISE
We aim for excellence through the pursuit of constant improvement

¹ For further details see CDP's Strategic Plan for 2022-2024: www.cdp.it/resources/cms/documents/Piano_Strategico_CDP_2022-2024.pdf
² For further details see the Code of Ethics: www.cdp.it/sitointernet/it/codice_etico.page

1.2 THE CAPACITY TO CREATE SHARED VALUE OVER TIME

The great challenges we are faced with today, such as the climate, financial and health crises, clearly show that the development of an organic approach, capable of taking account of the interdependence of diverse factors, is the best possible way of dealing with the complex changes of our time. By adopting such an approach, the 2021 Integrated Report reveals the interdependence between the different forms of capital that the Group draws from and has an impact on, the results of its constant and commitment, and the economic, social and environmental bene-

fits of such, in order to represent the value-creation process as a whole and in its systemic interrelations.

This process is represented in a simplified manner in the infographic below, showing how the value created by CDP is affected by the external **economic, social and environmental context** (pp. 34-35) and depends on various different factors.

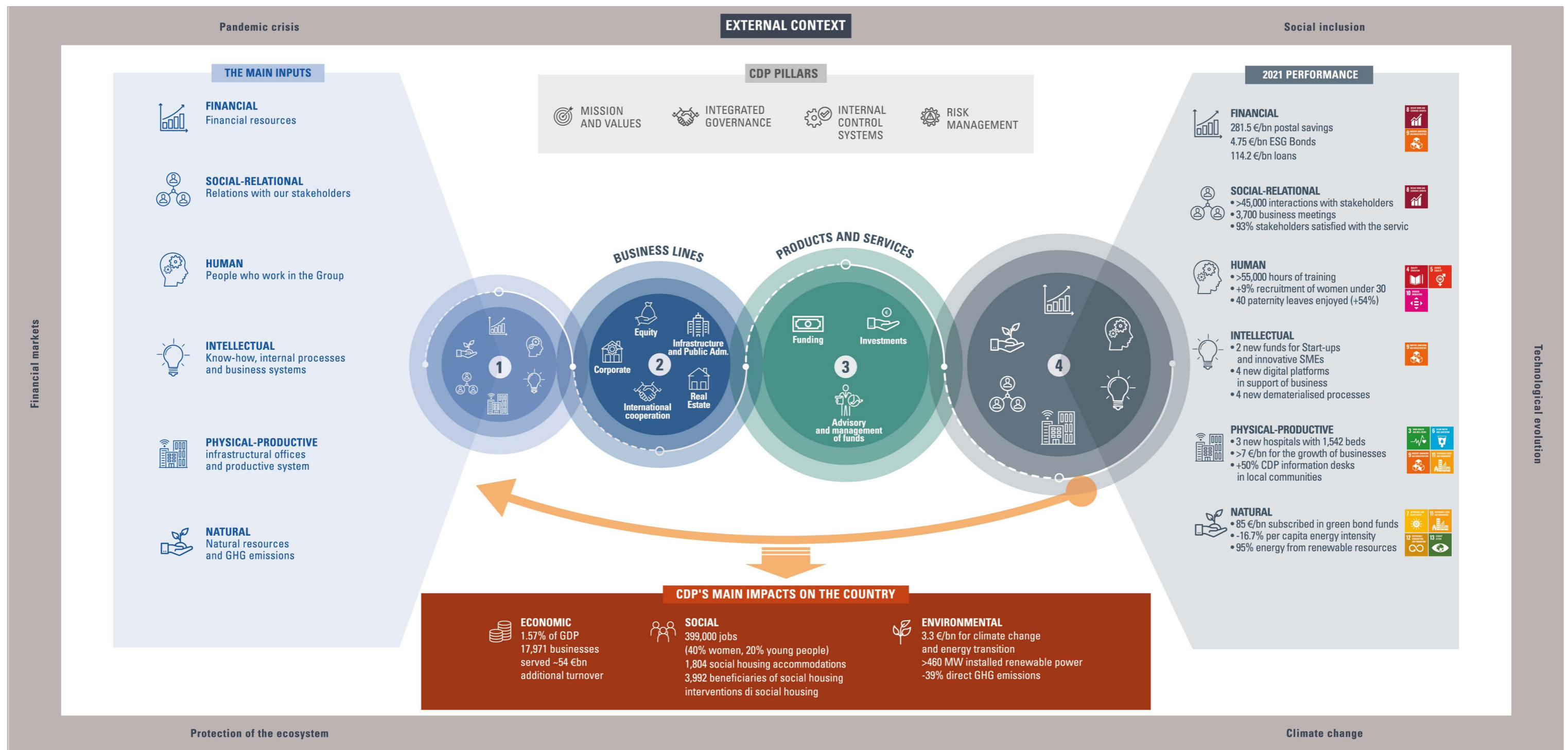
Firstly, the **four pillars** on which its everyday operations rest: its mission and the values based on the principles of sustainable development (p. 9); its governance capable of guaranteeing a structured strategic approach and the appropriate supervision

of its operations (pp. 16-19); the internal system of controls capable of safeguarding the company's assets and guaranteeing observance of the applicable laws and regulations (pp. 20-23); and finally, a risk management model capable of taking advantage of all opportunities that arise (pp. 24-31).

Secondly, the **six forms of capital** (financial, social-relational, human, intellectual, physical-productive, and natural, p. 12) underlying the business model ("Initial Capital") that the Group depends on in order to generate value in the short, medium and long term.

Finally, the **business model** that utilises the six forms of capital as input, transforming them into products and services through the operations of its business lines, and producing results capable of strengthening the very same capitals ("Performance in 2021").

This model allows the CDP Group to create positive economic, social and environmental externalities throughout its value chain (the so-called "principal impacts of CDP on the country"), in keeping with the UN's Sustainable Development Goals, Italy's major challenges and stakeholders' expectations.



1.3 THE 6 CAPITALS AS A LEVER FOR GROWING TOGETHER WITH OUR STAKEHOLDERS

The 2021 Integrated Report is based on the CDP Group's capacity to "think in an integrated, interconnected way". This capacity enables the Group to identify, in an organic manner, the impacts that its actions have on all of the capitals on which it can draw to create value, and thus to recognise the levers it may employ to strategically plan and direct its own operations in order to positively impact Italy's economic, social, environmental and cultural transformation. Consequently, in reporting the impact on each capital (albeit using qualitative-quantitative indicators still), the Integrated Report aims to render CDP's operations increasingly accessible to the Group's stakeholders, and to lay the ground for the radical, increasingly integrated rethinking, over time, of its own impact and its own daily operations.



FINANCIAL CAPITAL

The responsible management of the financial resources provided by savers and investors, in order to promote growth and employment, business innovation and competitiveness, and the creation of resilient infrastructure.



INTELLECTUAL CAPITAL

The creation of the digital systems and technologies, organisational structure and innovative processes of a solid, flexible and secure company, one that is capable of enhancing the Italian economy's capacity for innovation.



PHYSICAL-PRODUCTIVE CAPITAL

Contributing towards the creation of infrastructure having a substantial social impact, and supporting the competitiveness of the productive system. Creating a welcoming and inclusive working environment in the form of functional, accessible workplaces.



HUMAN CAPITAL

Enhancing the skills, plurality of perspectives and participation of colleagues to achieve the company's strategic objectives, while ensuring well-being and motivation.



NATURAL CAPITAL

Contributing towards countering climate change and towards a fair and just ecological transition through business activities and responsible raw material use and internal consumption.



SOCIAL-RELATIONAL CAPITAL

Pursuing long-lasting, open and transparent relationships with The Group's stakeholders in order to be constantly in touch with local communities, to promote the sustainable, inclusive growth of the Italian economy and to create shared value.



1.4 5 BUSINESS LINES: HOW TO MAXIMISE GENERATED IMPACTS

The CDP Group operates every day as a catalyst for the country's sustainable development. To this end, the Group operates through 5 business lines, which follow the principles of additionality and selectivity of CDP's operations in order to optimise their economic, environmental and social impact, and create long-term value for the community.



INFRASTRUCTURE AND PUBLIC ADMINISTRATION:

The CDP Group sustains the growth of Italy's Public Administration and local communities, through both the traditional financing activities for the promotion of development and the modernization of local authorities, and through its provision of advisory services aimed at promoting projects in the energy, digital and social spheres.



EQUITY:

The CDP Group promotes the country's industrial growth, both in its capacity as a stable shareholder in strategic infrastructure and assets, and by implementing special purpose interventions aimed at promoting the growth of businesses in key sectors based on a specific logic of exit and with the involvement of other investors.



CORPORATE:

The CDP Group provides financial support to the productive and business network for the development, innovation and growth of Italian companies, also internationally, through the integrated provision of funding, equity instruments and guarantees.



INTERNATIONAL COOPERATION:

The CDP Group promotes the sustainable development of developing countries and emerging markets by financing projects having a substantial economic, environmental and social impact in key sectors, with a specific focus on agribusiness, renewable energy and infrastructure, and by supporting themed programmes for the promotion of women's financial inclusion and women's entrepreneurship.



REAL ESTATE:

The CDP Group promotes Social, Senior and Student housing projects and the enhancement of public assets through urban growth and redevelopment, also in conjunction with Banking Foundations, with the aim of encouraging actions that contribute towards the sustainable development of local urban areas; it also continues to provide support to the tourist sector.

An aerial photograph of a lush green forest. A winding asphalt road curves through the trees. In the lower center, there is a small, rectangular field with a grid-like pattern, possibly a garden or a small farm. The overall scene is vibrant and natural.

2. GOVERNANCE: A BUSINESS MODEL AIMED AT SUSTAINABLE DEVELOPMENT



Thanks to a corporate governance model based on the principle of sustainable development, CDP integrates ESG criteria into its corporate processes in order to create value for the nation.

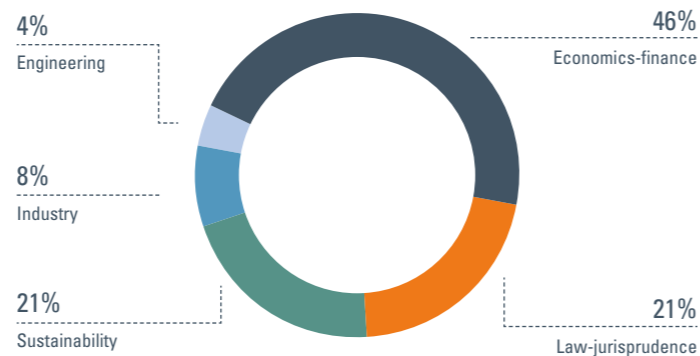
2.1 THE CORPORATE GOVERNANCE MODEL

THE GROUP'S CORPORATE GOVERNANCE MODEL

CDP's corporate governance model is based on the principle of sustainable development, insofar as it aims to promote economic, social and environmental sustainability in the long term, for the benefit of shareholders and taking into account the interests of other stakeholders relevant to the company. With this in mind, the Shareholders' Meeting of 27 May 2021 approved the amendment to the Articles of Association introducing the aforementioned principle. CDP's corporate governance model centres around a Board of Directors ("BoD") whose responsibilities include, among other things, defining, applying and updating the corporate governance rules, in compliance with current regulations, as well as determining the strategic operational and executive management of the Group. Four advisory committees support the BoD in its assessments and decisions. Governance is completed by the Board of Statutory Auditors, which also acts as the Supervisory Body, the Support Committee for Non-Controlling Shareholders, which among other things encourages cooperation between the Company and its non-controlling shareholders, also with a view to enhancing CDP's dialogue with local communities. Furthermore, a judge of the Court of Auditors attends the meetings of the Board of Directors and of the Board of Statutory Auditors. Finally, the Parliamentary Supervisory Committee monitors CDP's activities. The establishment and implementation of operating plans is entrusted to the Management Team, which is supported by Managerial Committees.

Given the particular nature of CDP's operations, the composition of the Board of Directors varies depending on the type of funds used for the transactions the Board is called upon to decide on. In the case of "ordinary account" transactions that utilize capital or banking market funds³, which are not guaranteed by the Government, the Board of Directors shall be composed of 9 directors elected by the Shareholders' Meeting, 3 of whom shall be appointed as representatives of non-controlling shareholders. If, on the other hand, the BoD is called upon to decide on "separate account" transactions funded mainly by postal savings⁴, the Board of Directors shall be supplemented by 5 additional directors⁵, comprising: the Director General of the Treasury (or his/her proxy), the State Accountant General (or his/her proxy), and 3 representatives of regional, provincial and municipal government appointed, by decree, by the Minister of the Economy and Finance.

Directors' expertise



BOARD OF DIRECTORS

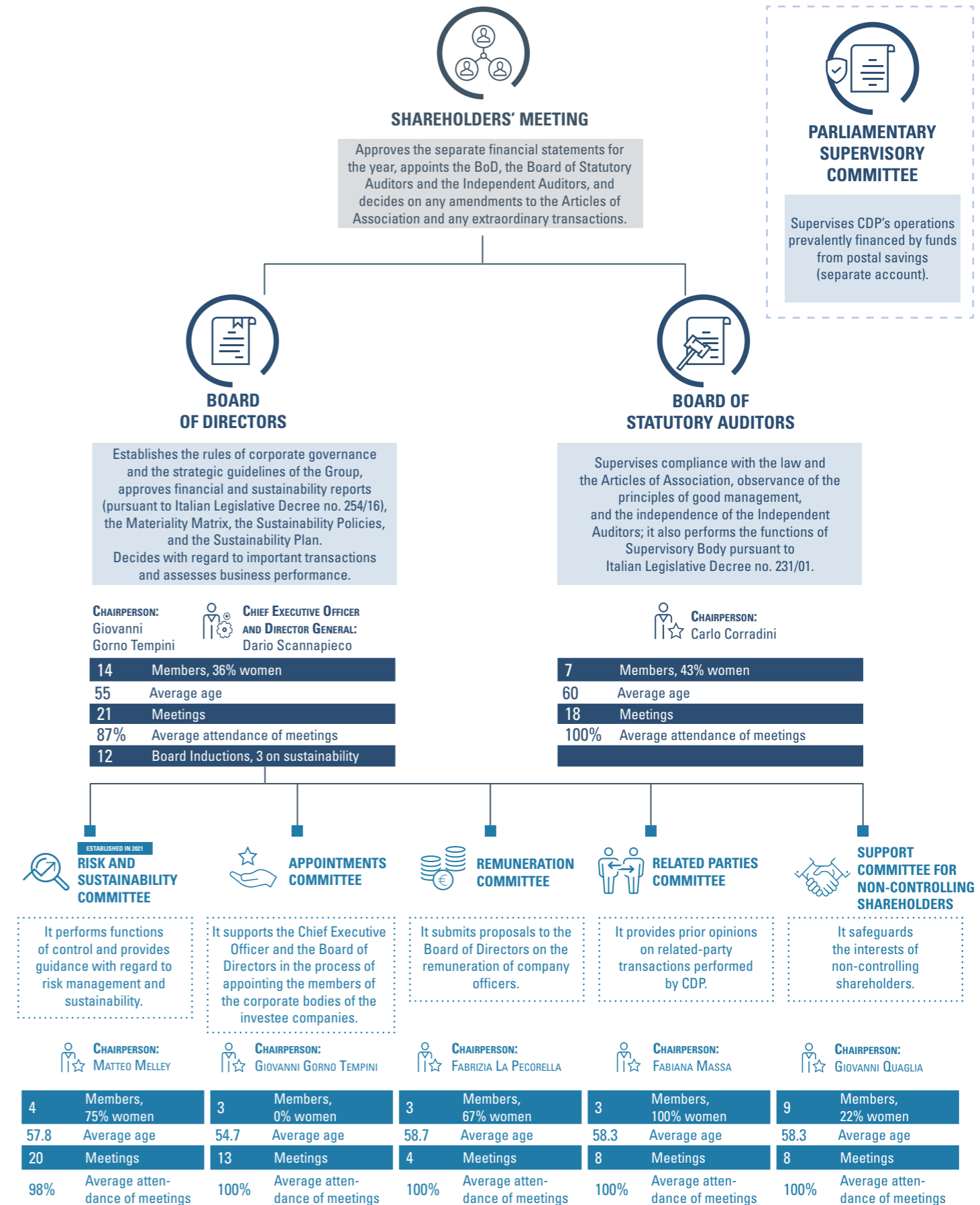
Appointment, composition and remuneration

The appointment mechanism for the members of the Board of Directors is governed by the Articles of Association¹. They hold office for the period indicated at the time of appointment – for no more than three financial years – but can be re-elected thereafter. To be elected, Directors must meet the requirements of integrity and professional fitness established by applicable law and the Articles of Association.

CDP has adopted internal rules governing, among other things, the process to be followed in cases of directors' conflict of interests – on their own behalf or on behalf of third parties – in the matters to be dealt with by the Board of Directors. This process complies with the regulations applicable to CDP. The other directors may not serve on more than five additional joint-stock company Boards².

The new BoD appointed by the Shareholders' Meeting of 27 May, is characterised by a substantially greater presence of female directors (up from 21% to 36%)⁶, thus coming into line with the Italian average for the sector (36%)⁷ and with the provisions of the New Corporate Governance Code.

CDP encourages investee companies to establish remuneration policies that are in line with recognised international best practices and capable of attracting, retaining and encouraging management to pursue long-term value creation, avoiding excessive risk taking. CDP calls for the implementation of remuneration policies that adequately reflect the company's economic situation and performance.



¹ To view the Articles of Association go to the link https://www.cdp.it/sitointernet/en/statuto_cdp.page.

² The positions of director held in companies in which CDP holds an interest, even indirectly, are not considered in the calculation of the above limits.

³ So-called "Ordinary Account".

⁴ So-called "Separate Account". Separate account transactions may draw on postal savings secured by the State, as well as capital market funding.

⁵ So-called "Members by right".

⁶ This percentage refers to the composition of the Board of Directors when called upon to decide on Separate Account transactions. In the 2020 Integrated Report, said percentage is that of the Board when called upon to decide on Ordinary Account transactions, where female directors represent 33% of the total.

⁷ "Women in the board room: a global perspective" seventh edition Deloitte.

The policies related to directors' remuneration are an area of interest for shareholders, as demonstrated by the establishment of the Remuneration Committee. The remuneration of directors must be in line with their responsibilities and participation in committees, also taking into account the practices of the sector/country of operations.

All information on remuneration packages must be disclosed to shareholders in a clear, complete and comprehensible form, in order to provide sufficient information to evaluate the link between remuneration and the performance of the company.⁸

CHAIRPERSON

Appointed by the Shareholders' Meeting, the Chairperson is responsible, among other things, for signing documents on behalf of the Company and legally representing the latter, and supervising and coordinating the internal auditing performed by the Board of Directors. Moreover, jointly with the Chief Executive Officer, the Chairperson also follows institutional and communication relations and activities, international activities and study and research. The Chairperson convenes the Board of Directors' meetings and sets the relative agenda.

CHIEF EXECUTIVE OFFICER

The Chief Executive Officer is appointed by the Board of Directors and is vested with all powers of ordinary and extraordinary management, with the exception of matters reserved by law and by the Articles of Association to the Company's Shareholders' Meeting, Chairperson and Board of Directors.

The Chief Executive Officer ensures, among other things, that the organisational, administrative and accounting structure is appropriate to the nature and size of the company, and reports to the Board of Directors and the Board of Statutory Auditors at least quarterly on CDP's performance and business outlook, as well as on the most significant transactions, in terms of size or nature, carried out by the Company and its subsidiaries.

The Chief Executive Officer may not serve as a director on more than two additional joint-stock company Boards.

THE MANAGEMENT TEAM

The Management Team establishes and implements the operational plans arising from the day-to-day implementation of the projects and long-term visions. It is composed of the top managers at Cassa Depositi e Prestiti S.p.A. and of the CEOs of the CDP Group companies subject to management and coordination.

THE MANAGERIAL COMMITTEES

They perform an advisory function and are called upon to discuss and examine company and/or Group operational matters for their specific areas of responsibility.



There are 10 Managerial Committees: 5 of them pertain to the Parent Company and the remaining 5 to the Group as a whole.

FOCUS: THE EXECUTIVE COMMITTEE

The Executive Committee defines and implements the operational plans, using the information inputs from the day-to-day implementation of the projects and long-term visions. It is composed of the Chief Executive Officer and Director General (Chairperson), the Deputy General Managers and CDP's top management. The Committee discusses, among other things:

- strategic priorities and sharing relevant information on company-level operations;
- company performance;
- commercial and business strategies;
- relevant issues having an impact on capital, risks and/or liquidity;
- the monitoring of implementation of the Strategic Plan, other strategic initiatives and interdepartmental projects.

2.2 SUSTAINABILITY GOVERNANCE

The responsibilities of CDP's Board Risk Committee were extended in 2021, with said committee, renamed the "Risk and Sustainability Committee", assigned specific responsibilities concerning ESG.

At management level, CDP's organizational arrangements, which were reviewed in January 2022 and which will be fully operative in the coming months, provide for the attribution of specific responsibilities to three separate Departments that report directly to the Chief Executive Officer, in order to guarantee an adequate integration and management of the environmental, social and governance aspects of company processes.

SECTORAL STRATEGIES AND IMPACT

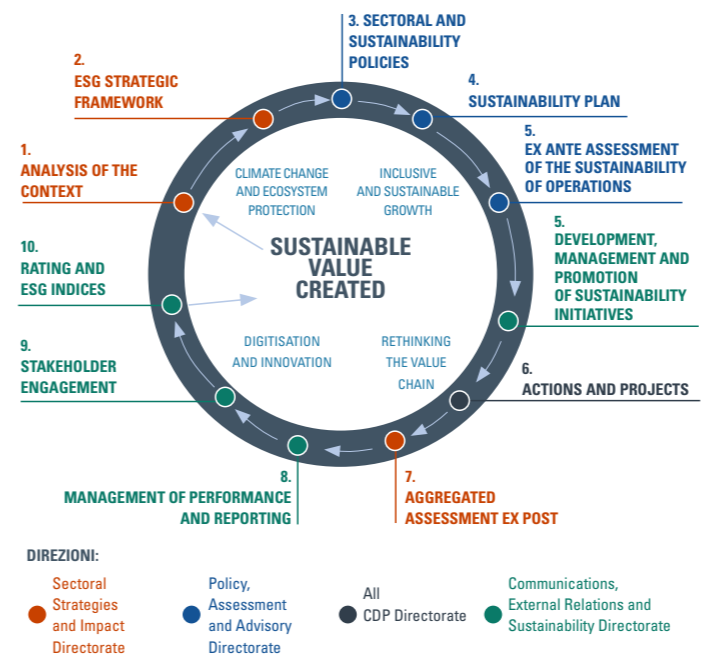
In light of an analysis of the external environment, the Directorate is responsible for, among other things, helping top management establish strategies capable of strengthening the impact of the CDP Group's actions on the country's economy, the environment, long-term sustainability, regional planning and the quality of life of the population, and for measuring said impact ex post.

POLICY, ASSESSMENT AND ADVISORY

The Directorate is responsible for, among other things, establishing the Group's general and sectoral investment/financing and sustainability policies, laying out the Group's strategy in terms of ESG targets (Sustainability Plan), and guaranteeing the assessment of the impact, ex ante and from the ESG point of view, of the operations promoted and conducted by CDP's various business lines.

COMMUNICATIONS, EXTERNAL RELATIONS AND SUSTAINABILITY

The Directorate is responsible for, among other things, ensuring the development, management and promotion of measures designed to strengthen the Group's sustainability credentials, managing and reporting ratings and ESG indices, and managing relations with stakeholders with regard to matters of sustainability.



SUSTAINABILITY AMBASSADORS

In order to guarantee the widespread reach of the Group's organisational structure, more than 100 sustainability ambassadors have been selected, each tasked with contributing towards the planning and reporting of sustainability, and with constantly monitoring those indicators for which such ambassadors are responsible.

Those responsible for the governance of sustainability include the Internal Audit Department, which assesses, and provides assurance in regard to, the system of internal controls also as far as the sustainability process is concerned, and the Risk Methodologies Unit within the Risks Directorate, which, among other things, identifies, selects and implements models, methods and instruments for the assessment of emerging risks, in particular climate and environmental risks⁹.

Finally, confirmation of the Group's commitment to issues of sustainability is provided by the CDP Foundation, whose operations constitute a concrete, tangible example of corporate social responsibility.

THE CDP FOUNDATION

The CDP Foundation was established in 2020 with the aim of supporting the Group's traditional contribution and commitment to Italy's social, cultural, environmental and economic development, through the promotion of projects and initiatives having a substantial social impact, with a special focus on initiatives for the benefit of the new generations and in support of human capital.

MISSION
Promoting the sustainable growth of people, communities and local areas.

OPERATING SECTORS
Education in the "training and social inclusion" sphere.
Education in the "cultural" sphere.
Assistance and scientific research in the "sustainability and emergency support" sphere.

2.3 CORPORATE GOVERNANCE GUIDELINES

The CDP Group possesses diverse instruments with which to support the company in guaranteeing effective, efficient, transparent management. Finally, in order to guarantee the complete integration of Sustainability within the company's internal regulations, it has adopted policies, guidelines and procedures connected to ESG issues.

⁸ To view Reports and Presentations see the link https://www.cdp.it/sitointernet/en/bilanci_e_presentazioni_2021.page.

⁹ For further information see the chapter on Risks.

COMPANY DOCUMENT	PURPOSES OF THIS DOCUMENT
CDP GROUP	
Code of Ethics	Governs all of the rights, duties and responsibilities that CDP and the above-mentioned coordinated Companies expressly assume with respect to the stakeholders they interact with in the course of their business activities.
Guidelines for the preparation and updating of the 231 Model of the CDP Group companies	Describes the Group's principles governing the preparation and updating of the CDP Group companies' Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01.
Guidelines for Internal Audit activities within the CDP Group Companies	Describes the Group's principles governing the carrying out of Internal Audit operations.
Tax Policy	Defines the principles to abide by in order to guarantee the systematic coordination of, and a homogeneous approach to, key tax issues for the Group's purposes.
"Waste Management" Policy	Defines guidelines for the classification, temporary storage and removal of special waste and waste similar to municipal waste, with the aim of ensuring compliance with the environmental protection laws in force.
"Management of Whistleblowing Reports" Policy	Establishes the process of management of whistleblowing reports regarding circumstances that may constitute criminal offences, unlawful actions or irregularities and/or conduct of any kind involving CDP Group employees and/or third parties that breaches provisions of the Code of Ethics, the 231 Model and the applicable internal and external regulations.
"CDP Group MBO Incentive Plan" Policy	Governs the eligibility criteria, the architecture and the rules of the working of the MBO Incentive Plan.
"CDP Group evaluation guidelines and remuneration" Policy	Establishes the general principles and applicable criteria of performance evaluation and remuneration policy.
"Sustainability Reporting" Process	Outlines criteria and operating methods for the preparation of the Group's Sustainability Report, that is, the declaration drawn up pursuant to Italian Legislative Decree 254/16.
Group Operating Instructions - "Managing the health and safety aspects for seconded personnel"	Describes the guidelines adopted by CDP and the Group Companies to ensure, in the presence of partial and total secondment of personnel employed by the Group Companies, the correct and consistent management of compliance with the requirements of occupational health and safety regulations.
"Corporate Governance" Group Process	Represents the set of rules, methods, models and systems of planning, management and control necessary for the operations of the company's management and control bodies, their interaction and their relationship with the company structure, as well as the attribution of responsibilities in the management of company activities.
"Integrated Tableau de Bord of the Control Functions" Policy	Describes the approach adopted by the control functions of CDP and of the Group companies in preparing the integrated operating instrument (i.e. the Tableau de Bord) to be used for the purposes of regular summary reporting to the Boards of Directors of the respective companies.
"Assessment of the Reputational Risk of Transactions" Policy	Creates an adequate framework at Group level for containing the Reputational Risk associated with the potential for CDP and the Group Companies to be involved, also unintentionally and unknowingly, in illegal activities carried out or attempted by third parties with whom they maintain direct or indirect relationships for any purpose and of any nature.
"CDP Group Compliance Model" Policy	Describes the model adopted by CDP and the Group Companies to manage the Compliance Risk and the Reputational Risk of transactions.
"Antitrust Compliance" Policy	Establishes the principles of action that should inspire conduct so as to spread the culture of the Antitrust Regulations and the Consumer Regulations, and thus mitigate the risk of potential offences being committed, in line with CDP's Code of Ethics.
Anti-Corruption Policy	Provides a systematic framework of the anti-corruption tools that the CDP Group has designed and implemented.
"Personal data processing guidelines" Policy	Governs the organisational model and key principles concerning privacy, in accordance with the provisions of the General Data Protection Regulation EU 2017/679.
Anti-Money Laundering (AML) Policy	Defines the general rules that CDP and the recipient Companies are required to implement in order to effectively meet their anti-money laundering obligations (e.g. organisational arrangements, internal procedures and controls, due diligence, data retention and the reporting of suspicious transactions).
Identification of Operational Risks, Risk Self-Assessment and Loss Data Collection Policy	Describes the methodological framework and operating instruments adopted to identify and analyse operating risks, step by step, with reference: (i) to the assessment of the level of company exposure to operational risks (Risk Self Assessment); (ii) to the activity of collecting and analysing the internal loss data as a result of operating risks that arise within the Company (Loss Data Collection); and (iii) to the definition of any actions required to mitigate risk ("Remediation Plan").

COMPANY DOCUMENT	PURPOSES OF THIS DOCUMENT
CDP GROUP	
"Cyber Risk Monitoring" Regulation	Defines the cyber-risk monitoring process in terms of the recognition and periodic management of specific risk indicators pertaining to those monitoring areas identified by the National Cyber Security and Data Protection Framework.
CDP S.P.A.	
Risk Policy	Describes the different types of Risk present at Group level, and comprises the Risk Policy and the associated documents. It represents the Group's Risk Appetite Framework, the key tool used by the Board of Directors to determine CDP's risk appetite, its tolerance thresholds, risk limits, risk governance policies, and the corresponding set of organisational processes.
Incident Management Regulation	Establishes, in compliance with the applicable provisions of law and with the "Bank of Italy's instructions for the reporting of serious cyber security incidents for Less Significant Banks" of 5 August 2019, the guidelines for managing incidents, in order to guarantee the integrity of processed data, operating levels and service continuity.
Integrated Environmental and Occupational Health and Safety Policy	Establishes the principles for the promotion of personal well-being and environmental protection, through preventive action, the dissemination of a culture of security, and the adoption of management systems.
Climate and Environmental Risk Assessment Regulation	Describes the methods to be adopted in order to assess climate and environmental risks both in light of CDP's specific nature, and in compliance with the guidelines published by the ECB and the EBA in regard to banking regulations.
"New Way of Working" Regulation	Describes the characteristics of the new operating model which, by leveraging the new digital tools available, the trusting relationship between company and employees, and the principles of accountability and company welfare, allows the benefits of digitalisation and remote working to be enjoyed, while at the same time guaranteeing organisational efficacy and personal well-being.
Regulation on the Management of Relations with the Inspecting Authorities	Governs the responsibilities and control measures adopted in relations with the Public Authorities in the event of requests for documents, data, information and/or audits and inspections; this is intended to ensure the seamless management of the information provided to the various parties together with the transparency and traceability of the process.
Regulation on Transactions in the Defence and Armaments Sector	Regulates operations connected to the Defence and Armaments Sector, together with the methods of compliance with the requirements of Italian Law no. 185/90, as subsequently amended and supplemented (and the corresponding implementation provisions), and of the main international and European laws governing said sector.
Regulation on the "Sale of goods no longer in use"	Governs the process of gratuitous transfer of the so-called "goods no longer in use" owned by CDP, in keeping with the principles of the circular economy.
Regulation on "IT Risk Management"	Describes the procedure to be followed for the purposes of IT risk management and the corresponding methods of analysis, together with the propensity to IT risk ("risk appetite") with regard to CDP.
Conflicts of Interest Regulation	Describes the methods adopted by CDP, together with the rules to be complied with, to contain as far as possible those situations that may generate conflicts of interest. This Regulation is supplemented by the Mapping of the most relevant situations that may risk generating conflicts of interest, and it details the respective operating safeguards to be adopted in order to mitigate such risk.
Regulation on "Training Management"	Describes the principles and operating methods adopted to manage training schemes within CDP designed to develop the managerial and technical skills required to sustain the company policies and to contribute towards the spread of conducts aligned with the company's culture.
Regulation on "General Information Security Policies"	Establishes the general principles together with the organisational, technological and process guidelines, designed to produce an accurate security system protecting CDP's information, that is capable of minimising any threats to the confidentiality, integrity and availability of that information.
Regulation on the Assessment of Sustainability in the sphere of International Cooperation	Describes the way in which environmental, social and gender-equality principles are incorporated into the assessment of those initiatives promoted by the CDP International Cooperation & Development Finance Department, and establish a complete system of environmental, social and gender-equality management.
Sustainability Framework Regulation	Describes the founding methodological principles and the operating areas and methods that CDP adopts and implements in the management of sustainability inside its own organisational system, in accordance with the applicable internal and external regulations.
Tax Integrity Risk Regulation	Governs the approach that CDP must adopt when implementing the provisions of European tax law, in regard to both transactions concerning the management of European funds, and transactions of an international nature.



**3.
RISK MANAGEMENT:
TO GRASP EVERY
OPPORTUNITY**

Drawing on a management system sensitive to emergent risks and attentive to ESG factors in the evaluation of operations, CDP guarantees full compliance with the law and the pursuit of corporate targets and strategies, thus contributing towards building a more resilient Italy.

3.1 RISK CLASSIFICATION AND MANAGEMENT AND CORPORATE COMPLIANCE

The CDP Group has adopted an internal control system consisting of a set of controls, rules, policies, procedures¹ and organisational structures designed to identify, assess, monitor and mitigate the risks found in the various customer and operating segments, as well as to ensure full regulatory compliance, observance of corporate strategies and the achievement of set targets.

The internal control and risk management system operates on three levels, and is applied in all the various CDP Group companies, taking into account their specific operations:

The operating structures, through an accurate management process, ensure the correctness of business operations in line with assigned risk objectives. **1st LEVEL CONTROLS**

The Risks Directorate monitors the overall company and Group risk, also through the measurement, monitoring and control of the risk exposures of operations. Moreover, the manager in charge verifies the adequacy and effective operation of the internal administrative/accounting procedures. **2nd LEVEL CONTROLS**

As a permanent, independent and objective function, Internal Audit pursues the continuous improvement of the effectiveness and efficiency of the company's governance processes, risk management and control through professional and systematic supervision. It also provides an assessment of the completeness, adequacy, functionality and reliability of the organisational structure and the overall system of internal controls of the CDP Group. **3rd LEVEL CONTROLS**

CDP's Board of Directors plays a key role in the formulation of guidelines for the internal control system, and verifies that said system both remains in line with the established strategic directions and risk appetite, and is capable of embracing changes in, and the interaction of, corporate risks. It establishes CDP's risk appetite, tolerance thresholds, risk limits, risk management policies and the framework of the corresponding organisational processes (laid down in the **Risk Appetite Framework - "RAF"**), approves and updates risk management policies, and assesses the efficiency and adequacy of the internal control system.

For the purposes of preliminary investigations and advisory activities relating to the company's internal controls and risk management monitoring, the BoD relies on the BoD Risk and Sustainability Committee².

Within the context of each audit operation planned by the Audit Plan approved by the BoD, the Internal Audit function of CDP and of the CDP Group Companies conducts an independent, objective assessment of the completeness, adequacy, functionality (in terms of efficacy and efficiency) and reliability of the Internal Control System as a whole in relation to each process under analysis. Any critical issues identified during said audit process are immediately reported to the relevant company structures so that they can implement mitigating actions, and are subjected to regular monitoring designed to ascertain their due implementation.

The second and third level control structures cooperate with each other with the aim of reporting the overall level of risk that is as detailed as possible to the Corporate Bodies, coordinating annual activity plans and exchanging information on critical issues, inefficiencies, weaknesses or irregularities identified in their respective control activities. Furthermore, said structures periodically provide evidence of the activities carried out and the related results to the Board of Statutory Auditors, and after examination by the Risk and Sustainability Committee, to the Board of Directors.

The different types of risk are identified by the **Risk Policy** approved by the Board of Directors and updated every six months, and by the related annexes, each of which focuses on a specific risk category.

In accordance with its mission, the Group adopts a prudent approach with reference to the **reputational risks** connected with its operations and it refrains from financing projects that have an adverse impact on the environment and society, measured on the basis of objective data or evaluations. Reputational risk assessment measures are also adopted in regard to suppliers, business partners and sponsorship initiatives.

CDP attaches the highest priority to the need to prevent and monitor the occurrence of Reputational Risk events related to transactions that fall within its corporate purpose, as defined by the respective Articles of Association, and for this purpose promotes the establishment of high ethical and professional standards with the approval of clear policies and procedures aimed at ensuring compliance with such standards.

The Group also attaches specific importance to the monitoring of **compliance risks** in the belief that compliance with applicable laws and regulations is a fundamental element of the carrying out of its activities.

3.2 THE RISKS ASSOCIATED WITH CLIMATE CHANGE - THE RECOMMENDATIONS OF THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

The CDP Group recognises the importance of, and closely monitors, the emerging risks tied to climate change, in terms of both their potential economic-financial impact and the potential reputational risks they entail. This importance is confirmed by the Company's decision to voluntarily report information about cli-

mate change on the basis of those areas established by the Task Force on Climate-related Financial Disclosures (TCFD), namely: Governance, Strategy, Risk Management, Metrics, Targets and a selection of the "Guidance for All Sectors" envisaged by the TCFD and reported in "CDP Disclosure" of the following table.

PILLAR	RECOMMENDATIONS	CDP DISCLOSURE
 GOVERNANCE	<ul style="list-style-type: none"> Supervision by the Board of Directors Role of Management 	<ul style="list-style-type: none"> BoD: approves the strategic framework for climate and environmental risks and opportunities (22-24 Plan). Risk and Sustainability Committee: supervises ESG risks and opportunities, including those related to climate change. Induction Board/Committee: develops and improves the BoD's and BoD Committee's knowledge on sustainability issues. In particular, in 2021 an induction session was held for the Risk and Sustainability Committee and the Board of Statutory Auditors with regard to the assessment of climate and environmental risks. Risk Assessment Committee: evaluates those transactions/operations considered relevant in terms of their riskiness for CDP S.p.A. with regard to the limits established by the RAF. Risk Methodologies Area: establishes the methods to be used to assess emergent risks such as climate and environmental risk. Compliance & AML Area: ensures, according to a risk-based approach, the management of the compliance, money laundering and reputational risks of all company transactions, and in doing so guarantees the methodological alignment and coordination of those Group companies subject to management and coordination. Policy and Sustainability Area: manages the ex ante assessment of CDP's operations in terms of their ESG impact, and establishes its environmental, social and governance sustainability policies. Strategy and Impact Area: guarantees the ex post measurement of the impact of the CDP Group's actions on the national economy, the environment and long-term sustainability. Sustainability and Civil Society Area: deals with monitoring and reporting the ESG targets and the corresponding KPIs. Infrastructure & Climate Financing Dev. Finance Structure: deals with the origination, structuring, granting and monitoring of CDP loans to private undertakings operating in Developing Countries in the energy, infrastructure and green finance sectors. A course for employees is currently being developed regarding the Taxonomy and model of assessment of climate risk
 STRATEGY	<ul style="list-style-type: none"> Climate-related risks and opportunities Incidence of climate-related risks and opportunities Resilience of the organisation's strategy 	<ul style="list-style-type: none"> 2022-24 Strategic Plan: identifies climate change and the protection of the eco-system as one of the great challenges to be tackled in order to make a concrete contribution to the revival of the Italian economy over the next three years. Green Climate Fund accreditation (2019). Reputational assessment of operations. Assessment of the impact of climate and environmental risk on financing and investment operations. Policies in those sectors and markets that are particularly vulnerable to climate and environmental risks are currently being developed.
 RISK	<ul style="list-style-type: none"> Identification and measurement processes Management processes Integration in general risk management 	<ul style="list-style-type: none"> Identification of climate risks (physical, transition and environmental). Climate and environmental risk assessment method, including physical, transition and environmental risks, with a special emphasis on those aspects related to climate change (applied, as from the second half of 2021, to new lending and share transactions of a value in excess of the established materiality thresholds)³. Policy on the assessment of the reputational risk of transactions. Sustainability assessment methods (Sustainable Development Assessment – "SDA")⁴. Climate and Environmental Risk Assessment Regulation, which sets out the organisational aspects, processes and assessment criteria. The document, while taking account of CDP's specific characteristics, complies with the guidelines published by the ECB and the EBA within the context of banking regulations.
 METRICS AND TARGETS	<ul style="list-style-type: none"> Metrics used to assess GHG emissions Targets 	<ul style="list-style-type: none"> Indicators proposed by the reporting standards of the Global Reporting Initiative (GRI): GHG scope 1,2,3. 2030 Manifesto: eliminate the Group's carbon footprint: <ol style="list-style-type: none"> by achieving the Group's carbon neutrality; through the subscription of over 3 billion euro green bonds; by eliminating the CO2 emissions of the Group's offices; by disseminating good practices on the use of natural resources. The Strategic Plan's guidelines, in terms of short and medium-term ESG targets, are currently being defined.

¹ For further details, see the section on the company and Group policies contained in the chapter on Governance (p. 16).
² For a more detailed description of the Risk and Sustainability Committee, see the chapter on Governance (p. 16).

³ The methodology has been developed by the Risks Directorate. In regard to the metrics and methods used to assess the climate risks of its own transactions, see the special section "The ESG assessment of transactions".
⁴ Methods developed by the "Policy, Assessment and Sustainability" Department. For further details, see the section "The ESG assessment of transactions".

3.3 THE ESG ASSESSMENT OF TRANSACTIONS

The Group’s investment and financing decisions take account not only of the financial risks involved, but also of all key risks associated with the business of the beneficiaries of CDP’s activities, regardless of the form such activities take. From the earliest stages of the selection and evaluation of the opportunities for its intervention, CDP gathers key information about the beneficiaries of its actions, through both open sources and specific databases and dedicated instruments, as well as by means of direct requests addressed to those concerned.

The information thus gathered is then assessed by both the organisational business units, and those units tasked with carrying out second-level controls (Compliance & Anti-Money Laundering, Risk Operations, Risk Management). In addition, in a series of cases provided for by the internal rules⁵, the information is evaluated by the Policy and Sustainability structure in order to assess the possible impact of the transactions in question.

More specifically, the assessment of the ESG aspects of transactions entails the analysis of the latter ex ante, both in terms of their potential positive and negative consequences according to counterparty ESG criteria applied to individual transactions using the Sustainable Development Assessment (SDA) model, and in terms of the ESG risks of the transaction.



3.4 SUSTAINABLE DEVELOPMENT ASSESSMENT

Building on a structured peer comparison process launched in 2019, as of 2020 CDP has structurally incorporated the ex-ante assessment of positive and negative ESG impacts into its lending operations, with a view to raising awareness and focusing efforts on the areas and actions of greatest potential impact.

Such assessment has become part and parcel of the internal decision-making process, from origination through to approval, alongside the assessment of risk profile, of financial conditions and of legal and compliance aspects.

Impact is measured using a qualitative/quantitative measurement methodology known as “Sustainable Development Assessment” (SDA).

CONSISTENCY WITH PRIORITY AREAS AND THE STRATEGIC PLAN
 Consistency check on the initiative with CDP Materiality Matrix, with the Sustainable Development Targets of the UN’s 2030 Agenda, and in the future with the guidelines of the new Strategic Plan.

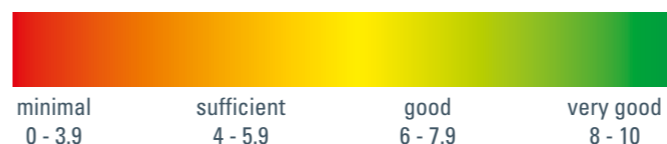
COUNTERPARTY ASSESSMENT
 Assessment of the counterparty on the basis of the operational model adopted within the context of its own operations, and of its conduct in regard to ESG aspects and in terms of the monitoring and reporting of environmental and social impacts.

PROJECT ASSESSMENT
 Assessment of the project’s alignment with sustainable development issues in various terms, including the beneficiary groups and areas, the environment, transition and innovation, as well as the economic, environmental and social outcomes produced.

ADDITIONALITY ASSESSMENT
 Assessment of CDP’s additional role in financial terms, considering its capacity to operate in market sectors and segments exposed to insolvency or credit restrictions.

This method results in a score on a scale of 0 to 10, where 10 identifies projects with the greatest expected positive impact. Projects are then classified according to four assessment levels, on the basis of the SDA score obtained.

SDA SCORES



Ex-ante assessments are produced by considering the different aspects of initiatives, including the counterparties involved, financial instruments, sectors, and national or supranational contexts of reference, ensuring a suitable level of comparability among the initiatives.

The analysis of the project, which from 2022 on will be conducted with the help of special Competence Centres skilled in assessing the technical and economic aspects of strategic, more complex projects, shall cover not only the project’s positive effects, but also an assessment of its potential negative impact from the economic, environmental and social points of view, in terms of intensity and likelihood of occurrence.

The SDA methodology is constantly being updated and aligned with developments in international benchmarks, also thanks to CDP’s participation to working groups promoted by European Development Finance Institutions (DFIs) and the OECD, with a view to creating an ever more accurate and exhaustive assessment tool.

Developments regard both the refinement of the metrics of evaluation and the scope of application. New developments include the conclusion of the first pilot scheme designed to ascertain consistency with the Taxonomy on sustainable finance in view of the entry into force of the Green Asset Ratio.

3.5 ESG RISK ASSESSMENT

ESG risks are monitored ex ante and managed mainly in the context of **reputational risks, compliance risks, and money laundering and terrorist financing risks**. Within such context, CDP has adopted, and applies, specific policies, procedures and methods designed for the purpose of assessing the level of risk, of guaranteeing the necessary in-depth analyses during the assessment and structuring of transactions, of identifying any measures capable of mitigating risk, and where provided for, of activating any process of escalation to the Board of Directors and of ensuring constant monitoring for the entire duration of the relationship with the counterparties concerned.

More specifically, the Group’s methods of assessing the reputational risk of transactions, also comprise the use of risk assessment indicators related to ethics and integrity, and to social and environmental demands.

Over the last two years, CDP has developed its own **climate and environmental risk assessment method**, which also covers **physical risk**, meaning the risk of direct or indirect damage caused by recurring or extreme climate and natural events,

transition risk, meaning the business risk related to policies aimed at containing *global warming*, with a specific focus on the energy sector, and **environmental risks** meaning the risks of pollution and environmental damage having potential reputational consequences for the financing party.

The method adopted enables the three risks to be analytically assessed and summarised in an evaluation given in terms of set risk classes based on the establishment of a qualitative-quantitative rating system.

The criteria and weightings are documented and have been determined by analysing and calibrating a series of past transactions.

3.6 THE INTERCONNECTION BETWEEN MATERIAL TOPICS, RISKS AND MITIGATION MEASURES

With regard to “material topics”, the Group has identified the main risks associated with its activities and set out organisational measures, controls and dedicated tools with the aim of reducing those risks and minimising any impact they may have.

The main risks associated with material topics can be broken down into:

1. **Compliance risk:** the risk of incurring legal or administrative penalties, significant financial losses or reputational damage as a result of violations of external provisions (laws or regulations) or self-governance rules (e.g. articles of association, codes of conduct, corporate governance rules).
2. **Reputational risk:** the current or prospective risk of a fall in profits, a loss of economic value or damage to the institutional role, resulting from a negative perception of the image of CDP or the Group by customers, counterparties, shareholders, investors, regulators or other stakeholders.
3. **Operational risk:** the risk of suffering losses resulting from inadequate or malfunctioning internal procedures, human resources or systems, or from external events (including environmental and social events).
4. **Business risk:** the risk of the CDP Group’s business initiatives not being aligned with the Plan’s sustainability guidelines.
5. **Transition risk:** the risk associated with potential direct or indirect economic losses caused by the transition towards a low carbon emissions, more environmentally sustainable economy.

When carrying out audits planned in the Audit Plan approved by the Board of Directors, and any extraordinary audits required over the year, the Internal Audit function examines the various types of risk applicable and suggests possible improvements in their handling to management.

⁵ The ex-ante impact assessment is carried out on all financing initiatives with private counterparties and all international cooperation initiatives involving private or public counterparties.

MATERIAL TOPICS	NATURE OF THE RISK	RISK FACTORS	POTENTIAL IMPACT ON CDP	PRINCIPAL MEASURES
FAIRNESS AND TRANSPARENCY IN GOVERNANCE	Compliance Reputational	<ul style="list-style-type: none"> Conduct contrary to the organization rules of sound management Ambiguous conduct in the decisional and delegation mechanisms 	<p>IN THE CASE OF CDP:</p> <ul style="list-style-type: none"> Possible penalties Potential fraud and financing of illegal operations Negative impact on the Group's reputation Compromising trusting relations with stakeholders Loss of business opportunities 	<ul style="list-style-type: none"> Internal control system Internal company regulations Specialist training Creation of a whistleblowing system
BUSINESS RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM	Compliance Reputational Operational	<ul style="list-style-type: none"> Inadequate governance of the risk management and control systems Non-identification of potentially damaging events 	<p>IN THE CASE OF STAKEHOLDERS:</p> <ul style="list-style-type: none"> Economic losses Exposure to illegal actions Customer dissatisfaction Low quality of service provided 	<ul style="list-style-type: none"> Internal control system Internal company regulations Specialist training Creation of a whistleblowing system Reputational assessment
DATA SECURITY AND PRIVACY PROTECTION	Compliance Reputational Operational	<ul style="list-style-type: none"> Data losses/leaks Increased disruptions to services connected to technological infrastructure 	<p>IN THE CASE OF CDP:</p> <ul style="list-style-type: none"> Potential litigation Negative impact on the Group's reputation Compromising trusting relations with stakeholders Loss of business opportunities 	<ul style="list-style-type: none"> Internal control system Adoption of IT security measures Specialist training Internal company regulations
STAKEHOLDER ENGAGEMENT AND SUPPORT TO LOCAL AREAS	Business Compliance Reputational	<ul style="list-style-type: none"> Lack of consideration for stakeholders' expectations Omissions/inadequacies in the information provided 	<p>IN THE CASE OF STAKEHOLDERS:</p> <ul style="list-style-type: none"> Customer dissatisfaction Low quality of service provided 	<ul style="list-style-type: none"> Constant, structured engagement with stakeholders Partnership agreements Support to local areas
START UP, GROWTH AND CONSOLIDATION OF ENTERPRISES	Business Reputational	<ul style="list-style-type: none"> Failure to pursue the company's mission Insufficient contribution to the capacity to support the growth of the Italian business system 	<p>IN THE CASE OF CDP:</p> <ul style="list-style-type: none"> Potential litigation Possible penalties Negative impact on the Group's reputation Compromising trusting relations with stakeholders Loss of business opportunities 	<ul style="list-style-type: none"> Internal control system Internal company regulations Reputational assessment (including assessments of AML and Sanctions aspects) KYC, AML and Sanctions processes Sustainable Development Assessment Specialist training
INNOVATION, RESEARCH AND DIGITISATION	Business Reputational	<ul style="list-style-type: none"> Non-compliance with the provisions of the Articles of Association Insufficient contribution to the innovative capacities of businesses and the Public Administration Distance from customers in terms of contents and products offered 	<p>IN THE CASE OF STAKEHOLDERS:</p> <ul style="list-style-type: none"> Economic losses Low quality of service 	
CREATION OF VALUE AND SUPPORT FOR STRATEGIC SECTORS	Business Reputational	<ul style="list-style-type: none"> Non-compliance with the provisions of the Articles of Association Insufficient contribution to the capacity to sustain employment and strategic supply chains, in line with its own mission Distance from customers in terms of contents and products offered 	<p>IN THE CASE OF CDP:</p> <ul style="list-style-type: none"> Potential litigation Possible penalties Negative impact on the Group's reputation Compromising trusting relations with stakeholders Loss of business opportunities 	
AVAILABILITY OF INFRASTRUCTURE FOR SUSTAINABLE DEVELOPMENT	Business Reputational	<ul style="list-style-type: none"> Non-compliance with the provisions of the Articles of Association Insufficient contribution to the capacity to support the country's sustainable development, in line with its own mission Financing structures that clash with the principles of sustainable development (e.g. inclusion, energy efficiency, circular economy) Distance from customers in terms of contents and products offered 	<p>IN THE CASE OF STAKEHOLDERS:</p> <ul style="list-style-type: none"> Environmental degradation Non-inclusive, inefficient infrastructure and plant, and health and safety 	
REDEVELOPMENT OF LOCAL AREAS AND SOCIAL INFRASTRUCTURE	Business Reputational	<ul style="list-style-type: none"> Non-compliance with the provisions of the Articles of Association Insufficient contribution to the capacity to support the country's sustainable development, in line with its own mission Financing structures that clash with the principles of sustainable development (e.g. inclusion, energy efficiency, circular economy) Distance from customers in terms of contents and products offered 	<p>IN THE CASE OF CDP:</p> <ul style="list-style-type: none"> Potential litigation Possible penalties Negative impact on the Group's reputation Compromising trusting relations with stakeholders Loss of business opportunities 	
SOCIAL, DIGITAL AND FINANCIAL INCLUSION	Business Compliance Reputational	<ul style="list-style-type: none"> Insufficient consideration with regard to access to financial services on the part of specific categories of customer 	<p>IN THE CASE OF STAKEHOLDERS:</p> <ul style="list-style-type: none"> Customer dissatisfaction 	<ul style="list-style-type: none"> Internal control system Internal company regulations Reputational assessment (including assessments of AML and Sanctions aspects) KYC, AML and Sanctions processes Sustainable Development Assessment Specialist training
OCCUPATIONAL HEALTH AND SAFETY AND WELFARE OF COLLEAGUES	Operational Compliance Reputational	<ul style="list-style-type: none"> Workplace accidents/injuries Inadequacy of working spaces/instruments and of the organisation of work Psychosocial risks (stress/burnout/violation of personal integrity) 	<p>IN THE CASE OF CDP:</p> <ul style="list-style-type: none"> Possible penalties Litigation and administrative procedures Negative impact on the Group's reputation Lesser commitment of resources due to a lack of adequate motivation Loss of the capacity to attract talent on the market Compromising trusting relations with stakeholders <p>IN THE CASE OF STAKEHOLDERS:</p> <ul style="list-style-type: none"> Health & safety 	<ul style="list-style-type: none"> Internal control system Specialist training Certification of the occupational health & safety management system (OHSAS 18001) Welfare initiatives

MATERIAL TOPICS	NATURE OF THE RISK	RISK FACTORS	POTENTIAL IMPACT ON CDP	PRINCIPAL MEASURES
DIVERSITY AND EQUAL OPPORTUNITY	Operational Compliance Reputational	<ul style="list-style-type: none"> Possible discrimination and little transparency in the assessment process during the careers of employees 	<p>IN THE CASE OF CDP:</p> <ul style="list-style-type: none"> Possible penalties Litigation and administrative procedures Negative impact on the Group's reputation Lesser commitment of resources due to a lack of adequate motivation Loss of the capacity to attract talent on the market Compromising trusting relations with stakeholders <p>IN THE CASE OF STAKEHOLDERS:</p> <ul style="list-style-type: none"> Human rights 	<ul style="list-style-type: none"> Internal control system Establishment of internal company regulations Specialist training Creation of a whistleblowing system Impartial and meritocratic HR processes
DEVELOPMENT AND TRAINING OF PERSONNEL	Operational Compliance Reputational	<ul style="list-style-type: none"> Inadequate skills Inequalities Exclusion from the labour market Non-fulfilment of mandatory training requirements (occupational health & safety, anti-money laundering, etc.) Mismanagement of the process for supporting "talent development" Inadequate succession planning Misunderstanding of our employees' training needs 	<p>IN THE CASE OF CDP:</p> <ul style="list-style-type: none"> Possible penalties Litigation and administrative procedures Negative impact on the Group's reputation Lesser commitment of resources due to a lack of adequate motivation Loss of the capacity to attract talent on the market <p>IN THE CASE OF STAKEHOLDERS:</p> <ul style="list-style-type: none"> Human rights 	<ul style="list-style-type: none"> Specialist training (voluntary and mandatory) Mentoring Internal mobility Engagement initiatives Internal communications
PROTECTION OF HUMAN RIGHTS	Operational Compliance Reputational	<ul style="list-style-type: none"> Possible discrimination in regard to company personnel and in the carrying out of business operations 	<p>IN THE CASE OF CDP:</p> <ul style="list-style-type: none"> Possible penalties Litigation and administrative procedures Negative impact on the Group's reputation Lesser commitment of resources due to a lack of adequate motivation Loss of the capacity to attract talent on the market Compromising trusting relations with stakeholders <p>IN THE CASE OF STAKEHOLDERS:</p> <ul style="list-style-type: none"> Human rights 	<ul style="list-style-type: none"> Internal control system Establishment of internal company regulations Specialist training Creation of a whistleblowing system Impartial and meritocratic HR processes
CLIMATE CHANGE AND TRANSITION TO A GREEN ECONOMY	Operational Compliance Transition	<ul style="list-style-type: none"> Increase in emissions/consumption related to the Group's operations Impact of economic transition on investments Failed/partial assessment of the impacts of initiatives promoted by the Group 	<p>IN THE CASE OF CDP:</p> <ul style="list-style-type: none"> Negative impact on the Group's reputation Economic losses 	<ul style="list-style-type: none"> Internal control system Establishment of internal company regulations Methodology for assessing climate and environmental risks Reputational assessment Sustainability assessment Specialist training
BALANCED ECOSYSTEM	Operational Reputational	<ul style="list-style-type: none"> Failed/partial assessment of the impacts of initiatives promoted by the Group 	<p>IN THE CASE OF STAKEHOLDERS:</p> <ul style="list-style-type: none"> Health & safety Negative effects on the environment 	
DEVELOPMENT OF THE CIRCULAR ECONOMY	Reputational	<ul style="list-style-type: none"> Failed/partial assessment of the impacts of initiatives promoted by the Group 	<p>IN THE CASE OF CDP:</p> <ul style="list-style-type: none"> Negative impact on the Group's reputation <p>IN THE CASE OF STAKEHOLDERS:</p> <ul style="list-style-type: none"> Negative effects on the environment 	<ul style="list-style-type: none"> Internal control system Methodology for assessing climate and environmental risks Reputational assessment Sustainability assessment Specialist training
SUSTAINABLE FINANCE AND IMPACT FINANCE	Operational Reputational Transition	<ul style="list-style-type: none"> Failed/partial assessment of the ESG impacts of the initiatives promoted by the Group 	<p>IN THE CASE OF CDP:</p> <ul style="list-style-type: none"> Negative impact on the Group's reputation Economic losses Loss of business opportunities <p>IN THE CASE OF STAKEHOLDERS:</p> <ul style="list-style-type: none"> Economic losses Human rights 	<ul style="list-style-type: none"> Internal control system Establishment of internal company regulations Methodology for assessing climate and environmental risks Reputational assessment Sustainability assessment Specialist training
RISKS AND OPPORTUNITIES OF THE SYSTEM	Operational Reputational Business	<ul style="list-style-type: none"> Failed/partial assessment of the ESG impacts of the initiatives promoted by the Group 	<p>IN THE CASE OF CDP:</p> <ul style="list-style-type: none"> Negative impact on the Group's reputation Economic losses Litigation and administrative procedures <p>IN THE CASE OF STAKEHOLDERS:</p> <ul style="list-style-type: none"> Economic losses Exposure to illegal actions Customer dissatisfaction Low quality of service provided 	<ul style="list-style-type: none"> Internal control system Establishment of internal company regulations Methodology for assessing climate and environmental risks Reputational assessment Sustainability assessment Specialist training
RESPONSIBLE PROCUREMENT	Operational Reputational Compliance	<ul style="list-style-type: none"> Suppliers' conduct not in line with the Group policies 	<p>IN THE CASE OF CDP:</p> <ul style="list-style-type: none"> Possible penalties Litigation and administrative procedures Adverse effects on the Group's reputation <p>IN THE CASE OF STAKEHOLDERS:</p> <ul style="list-style-type: none"> Health & safety Human rights Negative effects on the environment 	<ul style="list-style-type: none"> Internal control system Establishment of internal company regulations Specialist training

An aerial photograph showing a town with a grid-like street pattern and numerous houses with red-tiled roofs. The town is surrounded by agricultural fields in various shades of green and brown. Two large, solid orange rectangular boxes are placed over the town, redacting parts of the image. The text '4. STRATEGY: TO ADDRESS ITALY'S MAIN CHALLENGES' is overlaid in white, bold, sans-serif font on the left side of the image.

4. STRATEGY: TO ADDRESS ITALY'S MAIN CHALLENGES

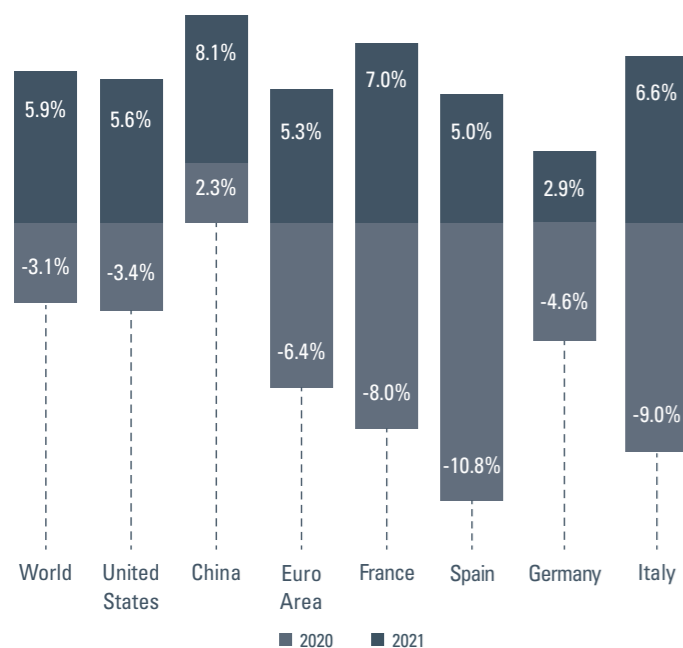
In defining its targets and strategies, CDP supports Italy and the emerging economies in addressing their main economic and social challenges, in order to maximise its own contribution to the Goals of the 2030¹ Agenda and to pursue the priorities of its stakeholders.

4.1 THE MAIN ECONOMIC, SOCIAL AND ENVIRONMENTAL CHALLENGES

2021 was marked by a strong economic recovery following the economic crisis caused by the pandemic, and global GDP rose by 5.9% compared to a fall of 3.1% in 2020. Public stimulus in response to the crisis reached 17 thousand billion dollars² in 2021 at the global level, and additional fiscal measures are planned this year in many countries to support the green transition, the digital transformation and other investments in strategic sectors.

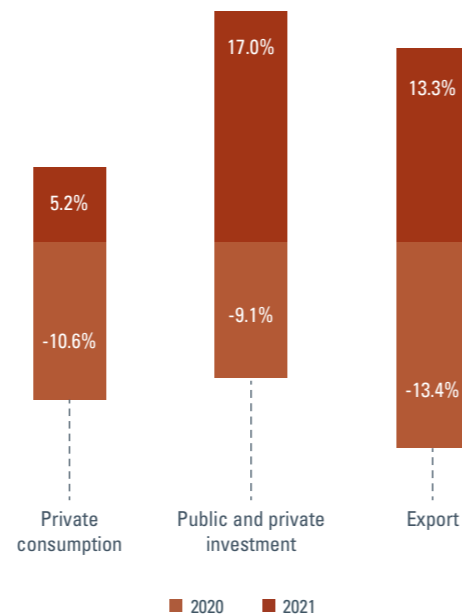
In the Eurozone, GDP³ grew by 5.3% in 2021, compared to a fall of 6.4% in 2020. The dynamic among Member States was positive but varying, and slowed towards the end of the year as a result of a new rise in Covid infections, of the increase in raw materials prices, and of continued interruptions in the global value chains.

Real GDP
(% annual rate of change)



The recovery of the Italian economy in 2021 was mainly driven by domestic demand, with families' consumption beginning to grow once again thanks also to the stimulus from the increased savings made by families during the course of the pandemic, and to the robust recovery of public and private investment driven by the incentives introduced in favour of businesses.

Key components of Italian real GDP
(% annual rate of change)



The economic recovery witnessed in 2021 led to improved labour market conditions and recovered pre-crisis employment positions in the last part of the year: in December 2021 the employment rate exceeded the levels recorded at the end of 2019 (59.2%, compared to 59% in December 2019), and the unemployment rate dropped (down to 9.0% from 9.7% in December 2019)⁴.

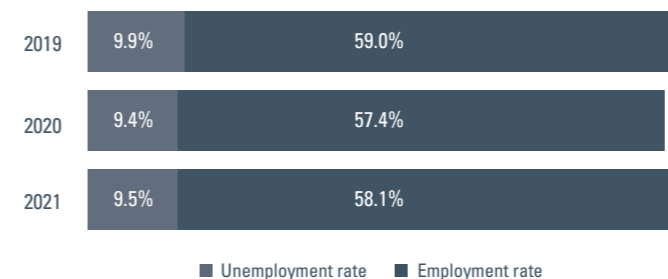
As the pandemic crisis is gradually coming to an end, the greatest risks for economic growth in a medium-term scenario are linked to inflation and the continuation of sustained price levels due to the increase in demand for raw materials related to the energy transition and to the geopolitical tensions exacerbated by the war between Russia and Ukraine.

In Italy the pandemic has further aggravated the gap with the European average, thus making even more urgent the challenges our country has to overcome. These challenges are: the modernisation of the public administration; the strengthening of the productive system; and the intensification of efforts to counter poverty, social exclusion and inequality.

Our country is lagging behind its European partners on a series of counts. As far as **mitigation adaption to climate change** are concerned, Italy needs to bridge the gap in terms of the

¹ Italy's position in terms of SDGs compared to other European countries has been determined also on the basis of CDP's "Priorità Italia" (Priority Italy) model.
² IMF, Fiscal Monitor, October 2021.
³ Eurostat Data, Federal Statistical Office, INSEE and INE.
⁴ Istat, Monthly note on the trend of the Italian economy, January 2022.

Employment and unemployment rates⁵
(% figures)



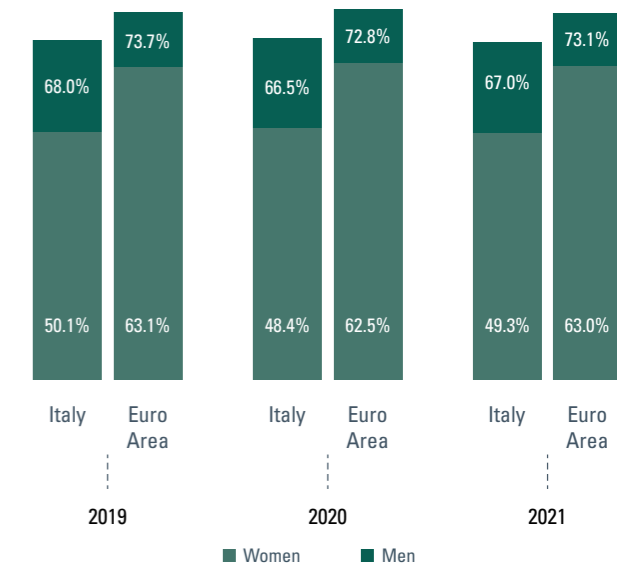
development of renewable energy sources: in 2020 the country's share of renewable energy in terms of final consumption stood at 20.36% compared to the European average of 22.09%, and over the course of the last three years the growth trend has been weaker than in the rest of Europe (3.85% compared to 6.31%)⁶. Then there is the question of waste management, where despite Italy featuring among the leading users of recycled materials in 2020 (21.6% compared to a European average of 12.8%)⁷, the country continues to use landfills to an excessive degree, and makes limited use of waste material for the production of energy (20% of the waste produced re-utilised to produce energy, compared to an average 45% of Europe's best performers). Meanwhile, the need for the increased efficiency of the water sector has been met by limited investment in infrastructure, while water loss from the water mains network amounts to 41.2%⁸, and the rate of recovery of wastewater is only 60% in Italy⁹.

With regard to the **regeneration of urban areas and social infrastructure**, Italy suffers from one of the highest levels of air pollution in Europe (25.5% in 2019 compared to an average of 20.5%)¹⁰ and a rate of homelessness that is higher than the European average (7.4% in 2019 compared to a European average of 5.5%)¹¹ despite a constant reduction in this rate over the last three years. In recent years there has been limited investment in healthcare facilities, in *Social, Student and Senior housing projects*, and in school buildings:

- HEALTHCARE AND WELFARE FACILITIES**
 - 21 beds in nursing homes per 1000 over-65s (compared to a European average of 50)
 - Local healthcare facilities at 15% of the capacity planned by government standards
- SCHOOL AND UNIVERSITY BUILDING**
 - 62% of school buildings constructed before 1976 (the coming into force of new school building regulations and methods)
- HOUSING**
 - rate of homelessness at 11% (the European average is 5.6%)

Furthermore with regard to **social and economic inclusion**, Italy is still some way behind in terms of gender equality (women participation in the labour market at 49.9% in the third quarter of 2021, compared to the European average of 64.3%)¹².

Male and female employment rates in Italy and Europe⁵
(% figures)



With regard to the process of **digitalization**, Italy is ranked last among EU countries in terms of digital skills and is lagging behind other members countries with regard to technological innovation, particularly among SMEs. In fact, 1 out of 5 Italians admits never having used the Internet¹³, while 18% of the country's SMEs have no investments planned for the next three years (compared to a European average of 10%)¹⁴. As far as international expansion and strategic supply chains are concerned, despite the fact that Italy boasts several top-quality products present in foreign markets, there are several gaps between Italy and other European countries in terms of dependence on foreign goods and the country's limited attractiveness abroad (Italy ranks 18th in the Global Attractiveness Index). As regards Italy's role in **international cooperation**, it lags behind in terms of Aid to Developing Countries (Official Development Assistance, ODA) (0.22% of GDP in 2020 compared to a European average of 0.5%, a figure that has fallen over the last three years¹⁴), and its contribution to climate finance has been rather limited. CDP's commitment in the present economic, social and environmental scenario will be to play a key role in the pursuit of the targets set out in the National Recovery and Resilience Plan (Piano Nazionale di Ripresa e Resilienza - PNRR), in an effort to help bridge the gap between Italy and the rest of Europe with the aim of pursuing the sustainable development envisaged in the UN's 2030 Agenda.

⁵ The figures shown are yearly averages of monthly figures.
⁶ "Share of renewable energy in gross final energy consumption by sector", Eurostat, 2020.
⁷ Circular material use rate, Eurostat, 2020.
⁸ Arera Annual Report, 2020.
⁹ Population connected to at least secondary waste water treatment, Eurostat, 2015.
¹⁰ Exposure to air pollution by particulate matter, Eurostat (source EEA), 2019.
¹¹ Source: ISTAT, Eurostat, third quarter 2021. In December 2021 the Italian figure stood at 50.5%.
¹² Digital Economy and Society Index (DESI) 2021.
¹³ Digitalization of SMEs in Italy - EIB 2021.
¹⁴ Official development assistance as share of gross national income, Eurostat (source OECD), 2020.

4.2 THE PRIORITIES OF THE GROUP'S STAKEHOLDERS

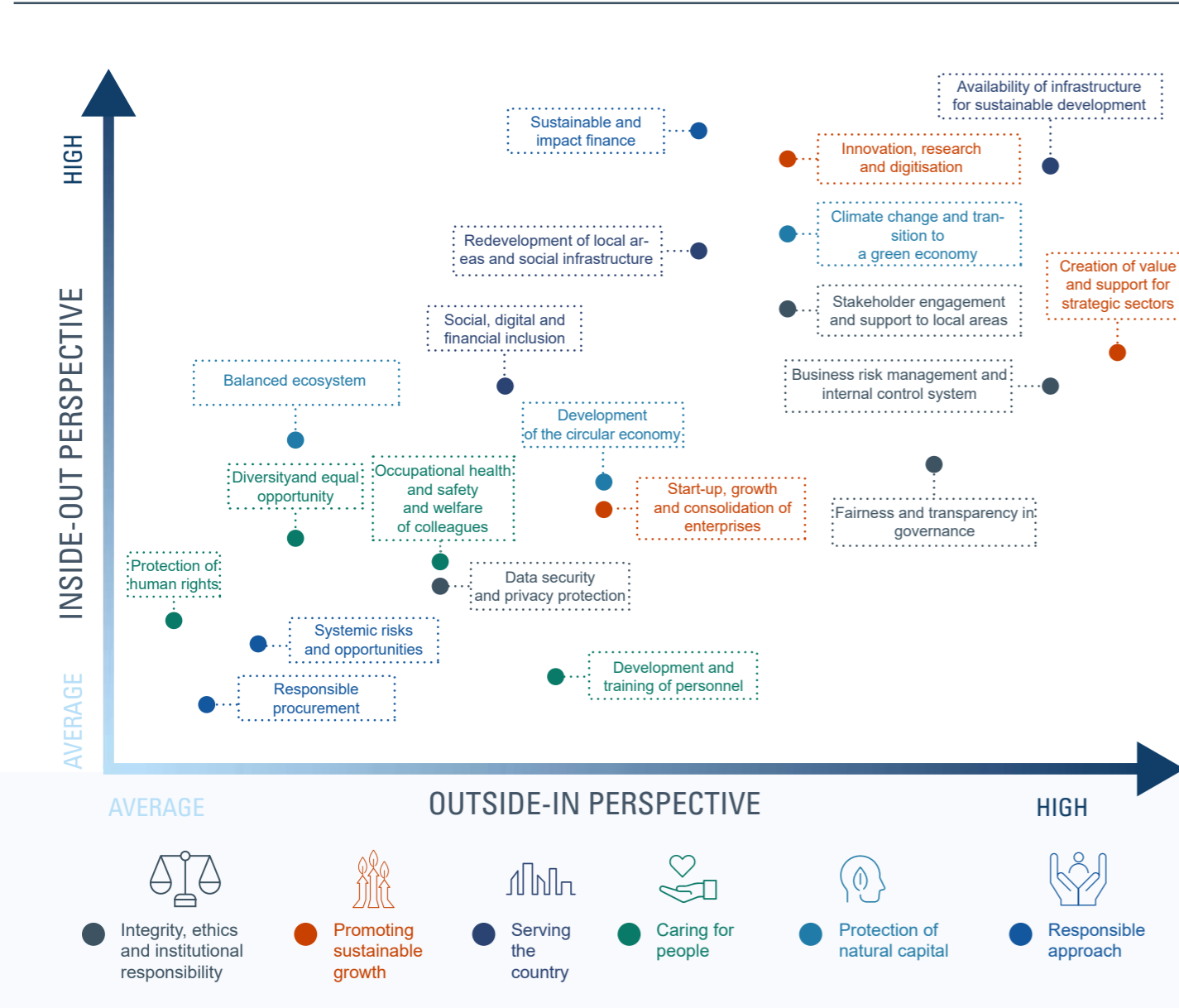
In a scenario like the current one, where change happens very quickly and where external developments reveal stakeholders' growing attention to sustainable development, constant engagement with those stakeholders is of fundamental importance to maintaining an understanding of their expectations that reflect the current situation, while at the same time enabling us to foresee possible future developments.

With this conviction in mind, and with the aim of further strengthening its own approach in the light of developments in the reference context, the CDP Group updated its Materiality Matrix once again in 2021.

In formulating the new Matrix, the Group initiated a process of gradual transition towards the framework to be established at European level, with regard to non-financial reporting, by the Corporate Sustainability Reporting Directive ("CSRD"). This directive specifically introduced the concept of "dual materiality" comprising both the inside-out perspective, which provides information about the impact of the Group's operations on sustainable development, and the outside-in perspective which shows how environmental, social and governance issues impact the Group's development, performance and positioning.

The adoption of said approach offers a broader vision of the impact of Group operations on sustainability, since it permits the identification of those questions that can positively or negatively impact CDP's development and performance, as well as the significant effects of CDP's operations on people and the natural environment.

Materiality matrix



Representation of the most important issues for stakeholders**

ISSUE	SHAREHOLDERS	MINISTRIES & INSTITUTIONS	COUNTERPARTIES	SUPPLIERS	PARTNERS	EMPLOYEES	PEERS	MEDIA AND OPINION MAKERS	REGULATORS	FINANCIAL COMMUNITY*	POLICY MAKERS
Fairness and transparency in governance				●	●				●	●	●
Business risk management and internal control system							●	●	●	●	
Data security and privacy protection							●	●	●		●
Stakeholder engagement and support to local areas	●	●			●	●				●	
Start-up, growth and consolidation of enterprises			●	●	●	●			●	●	
Innovation, research and digitisation	●	●	●	●	●	●		●			
Creation of value and support for strategic sectors		●	●	●	●	●			●		
Availability of infrastructure for sustainable development	●		●	●	●	●	●	●			●
Redevelopment of local areas and social infrastructure	●	●	●	●	●	●					
Social, digital and financial inclusion	●			●				●			
Occupational health and safety and welfare of colleagues				●						●	
Diversity and equal opportunity	●									●	
Development and training of personnel							●	●			
Protection of human rights							●		●		●
Climate change and transition to a green economy		●	●		●	●	●	●	●		●
Balanced ecosystem	●	●									●
Development of the circular economy	●	●	●								
Sustainable and impact finance		●	●		●	●	●		●	●	●
Systemic risks and opportunities							●	●			●
Responsible procurement										●	

* This category includes investors and raters.
** The table shows the 8 most important issues for stakeholders

As regards stakeholders' involvement, methods of direct engagement were used (online surveys for Top Management, Shareholders, Ministries & Institutions, Counterparties, Suppliers, Partners and Employees) together with artificial intelligence instruments (Datamaran for Peers, Media and Opinion Makers, Regulators, Financial Community and Policy Makers).

In order to listen more carefully to stakeholders' needs, the panel of stakeholders concerned was significantly broadened in 2021. Thus the views local authorities, suppliers, innovative start-ups and the businesses who participated in *Officina Italia* were solicited, amounting to around 800 stakeholders involved (+280% compared to 2020), and around 30% of those who were asked for their views responded. The businesses involved are those adhering to the "Officina Italia" programme designed to bring together Italian companies in order to share experiences and listen to their needs.

Compared to the 2020 matrix, all questions pertaining to **Integrity, ethics and institutional responsibility** were once again deemed of considerable importance, thus confirming stakeholders' attention to the consistency of the Group's mission, system of values, transparent governance, and effective management of risks and compliance guaranteeing the full protection of those resources entrusted to the Group in the form of postal savings.

The importance of **Promoting sustainable growth** of the productive system shifts the attention, also due to the impetus of European policies (Next Generation EU, EU Green Deal) and the National Recovery and Resilience Plan, towards the need for a greater focus on innovation, research and digitisation rather than on general support for the physiological growth of businesses (Start-up, growth and consolidation of enterprises).

In terms of **Service to the country**, the importance of providing the country with environmentally sustainable infrastructure and of re-developing local social infrastructure is confirmed, also in light of the objectives pursued with the introduction of the European Taxonomy of eco-sustainable activities. Stakeholders also give increasing importance to social, digital and financial inclusion as a means of mitigating the potentially negative effects of the contingent crisis.

Medium importance continues to be given to all those questions pertaining to **Caring for people**, principally linked to the protection of company employees and, in a broader sense, to the observance of human rights, which go beyond the rights of employees to comprise also those of customers, suppliers and society as a whole.

Stakeholders' stances in regard to the **Protection of natural capital** remain largely unaltered, but the company's attention to climate change grows under the pressure of political-regulatory initiatives and of investors' and rating agencies' attention. Finally, in terms of a **Responsible approach**, stakeholders see the development of products capable of internalising the logic of impact as of key importance.

4.3 THE 2022-2024 STRATEGIC PLAN

The new 2022-2024 Strategic Plan lays down the Group guidelines for the sustainable growth of the economy, and for bridging the gap between Italy and other countries through the identification of diverse priorities for action.

The Plan confirms CDP's role as the catalyst for Italy's sustainable development. It identifies four major challenges to be tackled in order to make a concrete contribution to the revival of the Italian economy over the next three years, which together represent the Group's four strategic directives:

-  **CLIMATE CHANGE AND ECOSYSTEM PROTECTION**
-  **INCLUSIVE AND SUSTAINABLE GROWTH**
-  **DIGITISATION AND INNOVATION**
-  **RETHINKING VALUE CHAINS**

These challenges correspond to ten areas of action for CDP, which will base its commitment on respecting the targets of the UN 2030 Agenda for Sustainable development, while also implementing many of the missions of the National Recovery and Resilience Plan (PNRR).

Specifically, the Group's operating strategy is based on three major transformational pillars, which will affect CDP's activities across the board:

1. **Sector analyses and financing and investment policies** targeting actions to generate impact. These policies will provide ex-ante guidance when making decisions, and will allow an ex-post measurement of the social, economic and environmental impact, thanks to the introduction of a new operating model. CDP's operations will thus be based on criteria of selectivity of the operations examined. For this reason, CDP will strive to reinforce analytical capacities and create Competence Centres that specialise in thematic areas, also by attracting new talent: Urban development and regeneration; Natural resources, energy and the environment; Transport; Social infrastructure; Innovation and digitisation.
2. **Strengthening the advisory area and the management of public, national and European funds**, especially for the benefit of the public administration, also with a view to directing investments towards high-quality projects.

3. **CDP's role as a Promotional and Development Institution** by offering financial instruments to businesses and public administrations to cover all needs during the life cycle of a company or project, with a strong focus on international cooperation and development finance. CDP's action must be additional and complementary to other available forms of financing, inclusive and non-divisive towards the market.

In the next three years, CDP will increase its support to infrastructure, the public administrations and companies, through a policy designed to foster virtuous investment, in line with ESG sustainability criteria.

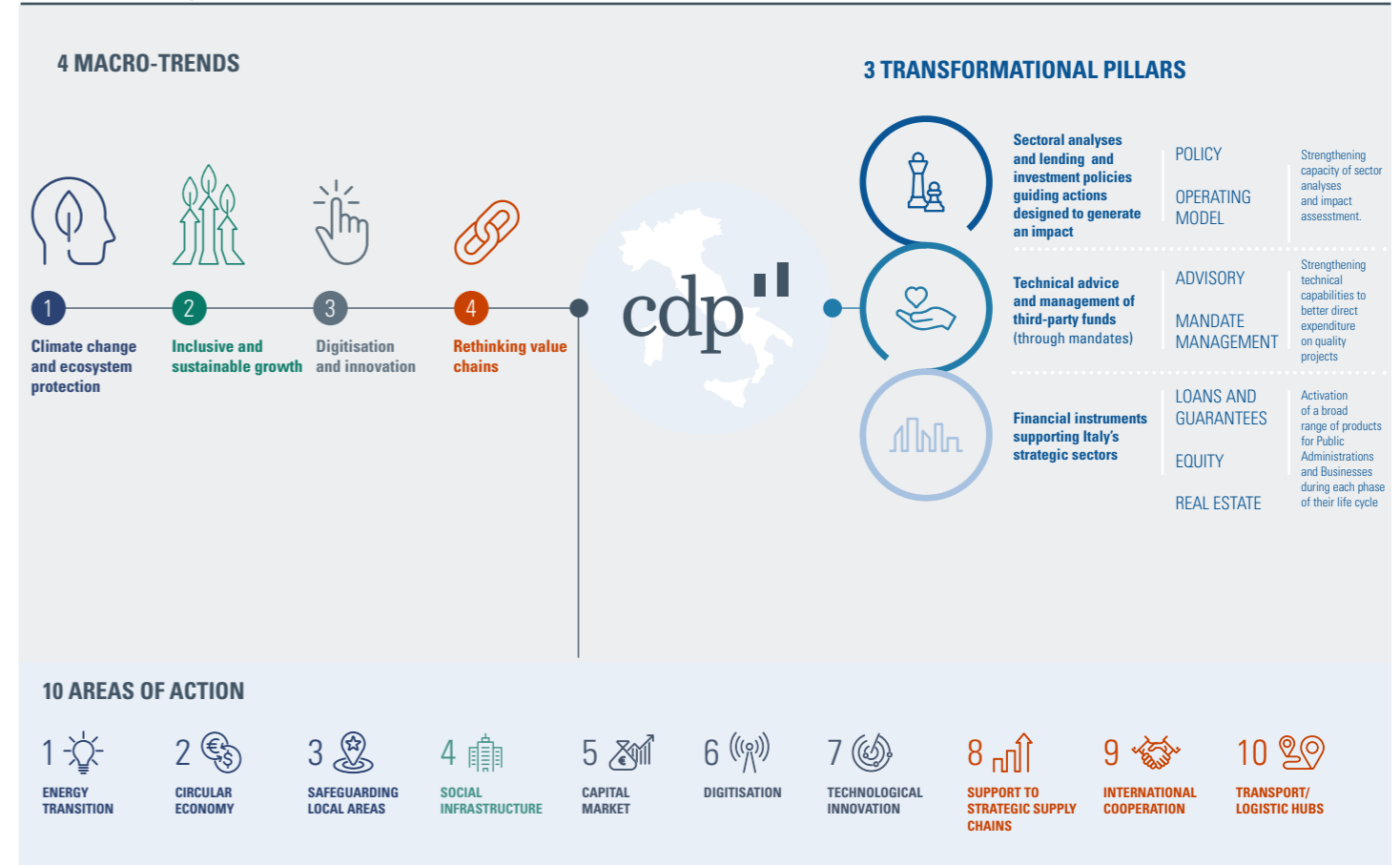
With regard to its equity portfolio, the management of equity investments and actions shall be based on a new logic: in regard to those of a strategic nature, CDP will maintain its role as a permanent shareholder covering infrastructure and assets of strategic importance for the country; in those aimed at the growth or stabilisation of businesses in key sectors, it will adopt an exit and capital turnover rationale.

As regards the real estate sector, in addition to continuing its commitment to tourism, CDP will focus on Social, Senior and Student housing projects, also in partnership with Banking Foundations, specifically targeting Southern Italy.

Overall, in the next three years CDP will activate investments amounting to 128 billion euro against own resources of 65 billion euro and third-party resources of 63 billion euro. This growth will aim to have a strong effect at an economic and social level, with real and tangible positive results for companies, public administrations and households.

In the coming months, the 2022-24 Strategic Plan will consist of clear, measurable ESG objectives.

2022-2024 Strategic Plan





5. OUR PERFORMANCE IN 2021

5.1
Inclusion and welfare
of people

5.2
Integrity, transparency
and engagement
with stakeholders

5.3
Support for
local areas

5.4
Digitisation
and innovation

5.5
Combating climate
change and
environmental
protection

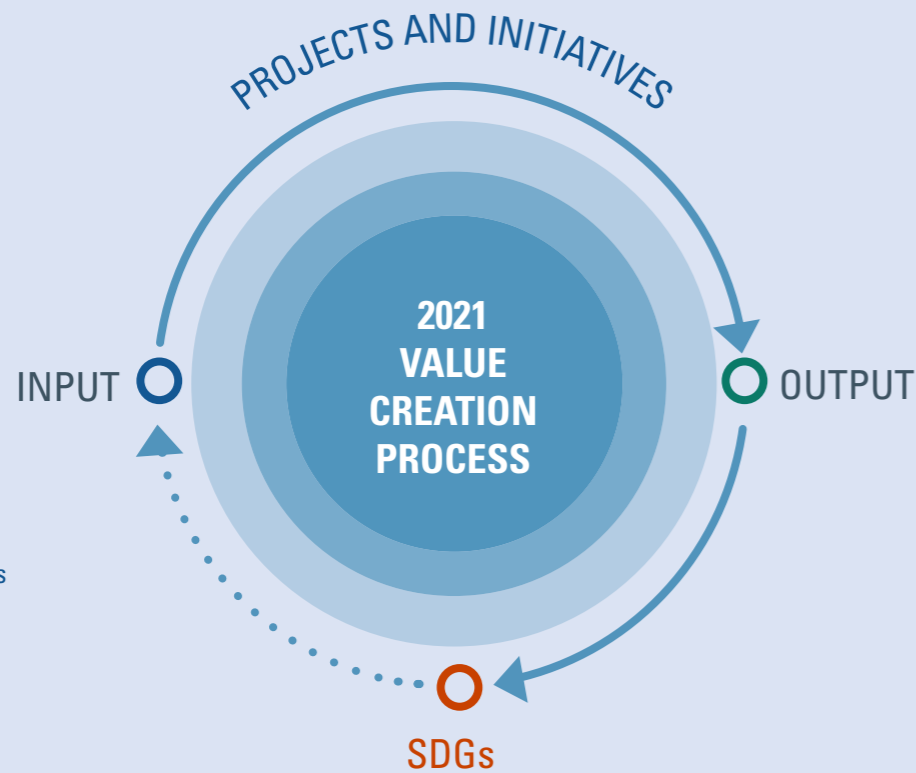
5.6
Beyond Italian
borders

5.1 INCLUSION AND WELFARE OF PEOPLE

Competent, satisfied people involved in an open working environment. A corporate culture that values individuals, in the belief that inclusiveness, promotion of diversity and gender equality represent important levers of value creation.



- FINANCIAL**
 - Financial resources
- SOCIAL-RELATIONAL**
 - Relations with our people
- INTELLECTUAL**
 - Know-how, corporate processes and systems
- HUMAN**
 - The people in the Group



- HUMAN**
- +22% training hours
 - +3% female executives
 - >800 participants in the "Prevenzione e Benessere 360°" programme
 - ~300 participants in the CDP Healthy Programme
 - 40 paternity leaves taken (+54%)
 - 2x people applying for flexible benefits

5.1.1 COMPOSITION OF PERSONNEL

The CDP Group considers its own personnel as of fundamental importance for the achievement of the company's goals and for the creation of shared value, and counts on approximately 1,500 colleagues who each day display commitment, dedication and responsibility to guarantee the effective management of the Group's business, which in turn contributes towards the country's growth.

Therefore, during the course of 2021 the Group continued to invest heavily in the management of its own personnel, with a 10% increase in staff numbers compared to the previous year. The Group continued to pursue its commitment to recruiting new professionals and young people, preferably with recourse to forms of employment contract that guarantee working stability:

94% of employees are on permanent contracts

The Group's commitment to its own personnel also continued in the form of initiatives and projects designed to help employees strengthen their own skills and deal positively with the numerous changes brought about by the pandemic.

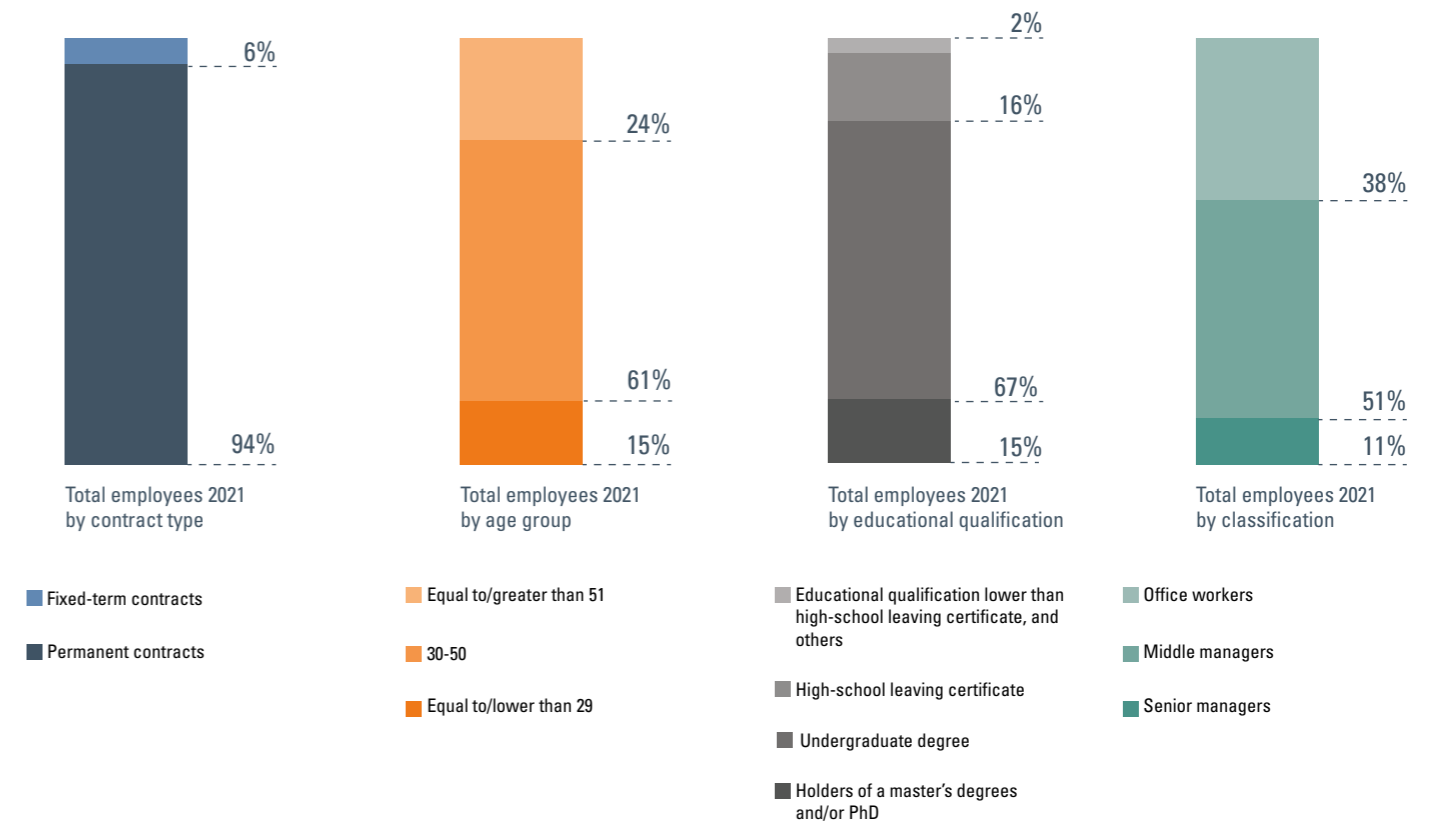
5.1.2 ENGAGEMENT OF PEOPLE

The engagement of people is an underlying principle of a shared corporate culture, and therefore the Group has adopted a series of different, integrated instruments with the aim of facilitating the optimal circulation of information, and of sharing its goals, thus favouring a sense of belonging among employees together with their active participation.

- 300 NEWS
- 80 NEWSLETTERS
- 45 WEBINARS AND ONLINE EVENTS³
- 4 ENGAGEMENT INITIATIVES

Composition of personnel

1,498¹ COLLEAGUES (+10% compared to 2020²)



¹ The information differs from that reported in the 2021 Annual Financial Report due to the different calculation method employed (further details are given in the Annex, in the section entitled "Inclusion and welfare of people").
² The 2020 figures have been restated in order to isolate the SACE Group.
³ Internal and external webinars and online events to which Group personnel are invited.

One of the key moments in this involvement was the launch of the new Strategic Plan, which has opened the way for a series of meetings to be held between CDP's Senior Management and its personnel, in order that they may share the newly planned strategy. These meetings were planned during the course of 2021, and they began in January 2022.

Another highly-appreciated instrument has been the **noi.cdp app**⁴, designed to facilitate access to personnel services directly from a smartphone, thus encouraging employee involvement and increasing their sense of belonging.

24,793 Total user sessions (+24% compared to 2020)

150,395 Total pages viewed (+53% compared to 2020)

During the course of the year, the app was further developed through the inclusion of new aspects that have made it more accessible. These range from its graphic restyling designed to optimise the navigability of the app in all areas, to the launch of new services, functions and sections, including:

My requests section, designed to manage and monitor the state of progress of those requests relating to company welfare;

Podcasts dedicated to the morning news and to macroeconomic updates from the think tank, to remain constantly informed about both the issues covered by national, international and local daily newspapers, and about specific economic, financial and industrial analyses;

Marketplace where adverts can be placed for sales/exchanges or purchases in our own second-hand market;

Platform for the management of service and entertainment expenses enabling the upload, in just a few simple clicks, of all reimbursement documents without the need to print them;

Information sheets concerning the principal training programmes launched during the course of the year

5.1.3 DEVELOPMENT, TRAINING AND MANAGEMENT

Each individual's skills and knowledge may constitute key resources for the achievement of the Group's goals.

Consequently, investment in training is necessary in order to increase our personnel's capacity to understand the new challenges arising and to effectively contribute towards the achievement of results that are important for the country.

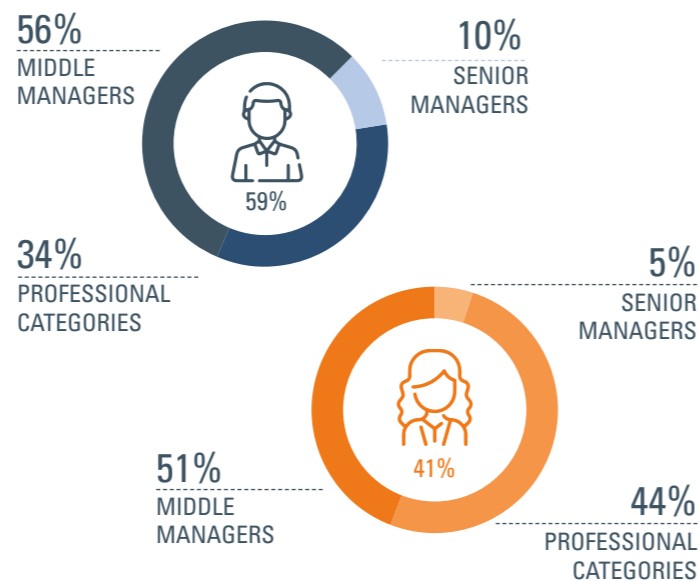
>55,000 training hours (+22% compared to 2020)

92% of employees trained in 2021

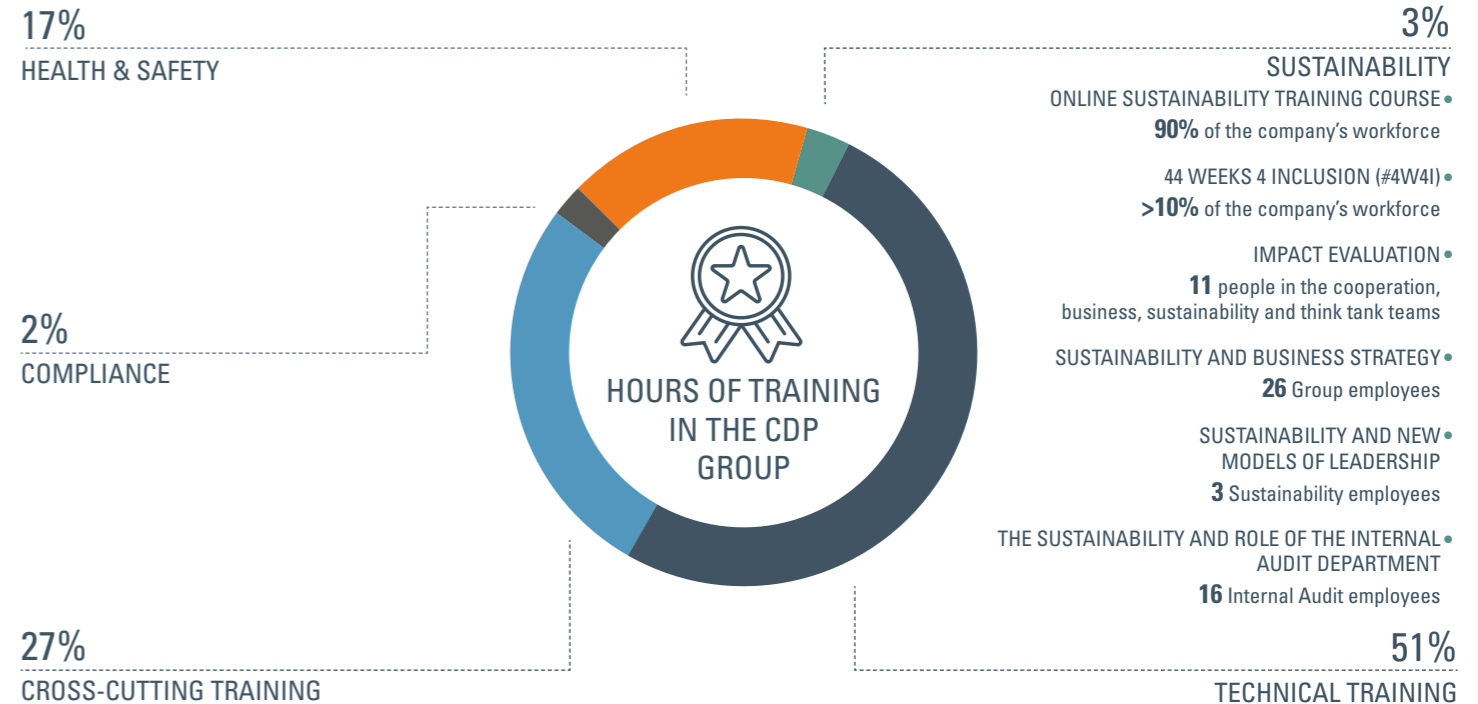
37 average training hours per employee (+11% compared to 2020)

Accordingly, once again this year a wide range of training opportunities have been offered thanks to the considerable diversification of training programmes.

Hours of training by category and gender



Types and timeframe of training



The most significant training programmes in 2021 included:

- BOARD INDUCTION**
For 26 CDP Managers, regarding Corporate Governance systems and questions concerning the functioning of the BoD.
- CDP FINANCIAL MODELING PROGRAMME**
For more than 100 employees of CDP, CDP Equity and CDP Venture Capital, this programme aims to provide participants with the tools with which to create a financial model that improves individuals' capacity to read, interpret and apply the principal investment valuation methods.
- JUMP INDUCTION PROGRAMME (Join Unconventional Monthly Programme)**
A programme for newly-hired CDP Group employees, renewed in 2021, actively involving more than 160 employees and comprising a total of 4,500 training hours. The programme was accompanied by two parallel initiatives concerning Mentoring and Job Shadowing.

Also of note were the **training programme** concerning **European Structural and Investment Funds**, specifically designed for members of the Business Strategic Programmes team, and consisting in training with regard to European Community planning, and the **Train the interviewers programme**, the designing of which was concluded in 2021 and which is aimed at all potential interviewers, with a view to guaranteeing optimal efficacy in interview situations. These, together with other "tailor-made" role-based training programmes, supplement traditional specialised "external catalogue-based" training schemes which continue nevertheless to

play an important role in the Group's upskilling process. With the aim of facilitating the professional induction and development of personnel on the other hand, during the course of the year the parent company launched **114 mentoring programmes** involving **57 mentors** and **114 mentees**; while in an effort to promote the professionalism of the Group as a whole, the process of internal mobility was consolidated, involving a total of **117 employees**.

Furthermore, during the course of the year over 3,500 meetings were held with the HR business partners, thus offering our people constant support, particularly following their trial period and/or professional advancement.

Another key moment in the development of personnel consists in the **annual assessment of performance levels**, which involves all of those employed at CDP. This assessment consists in the manager engaging the employee in a transparent manner with a view to promoting awareness, motivation, growth and dialogue aimed at continuous improvement.

Finally, the Group's **remuneration policy** has been studied to recognise and reward the invaluable work and expertise of employees, to support their motivation and to attract and retain human resources.

The process of determination of employees' remuneration is based on the principles of internal fairness and external competitiveness, in keeping with market standards.

Remuneration is calculated on the basis of the corresponding national collective bargaining agreement, taking into account skills, experience and the responsibilities assigned, as well as best practices in the market in question.

⁴ Instrument supplied to the employees of CDP S.p.A.

In addition to the fixed and variable components of salary, the CDP Group undertakes to also offer its employees a range of services and benefits developed in line with the Group's principles and strategies, which enable it to be competitive and to attract the best resources present on the market.

With the aim of enhancing such elements, each year the CDP Group provides employees with a "Total Reward Statement" setting out the total value of remuneration paid, and the other services offered, to its employees.

VARIABLE COMPONENT

The variable component of remuneration guarantees the link between remuneration received and short-term and long-term performance, by rewarding results and behaviour in keeping with the Group's values, and aligning the aims of individuals with the company's short-term and long-term strategies.

FIXED COMPONENT

The fixed component of remuneration is based on the individual's role, professionalism and responsibilities, bearing in mind the National Collective Bargaining Agreement concerned, as well as market practices and internal fairness.

BENEFITS

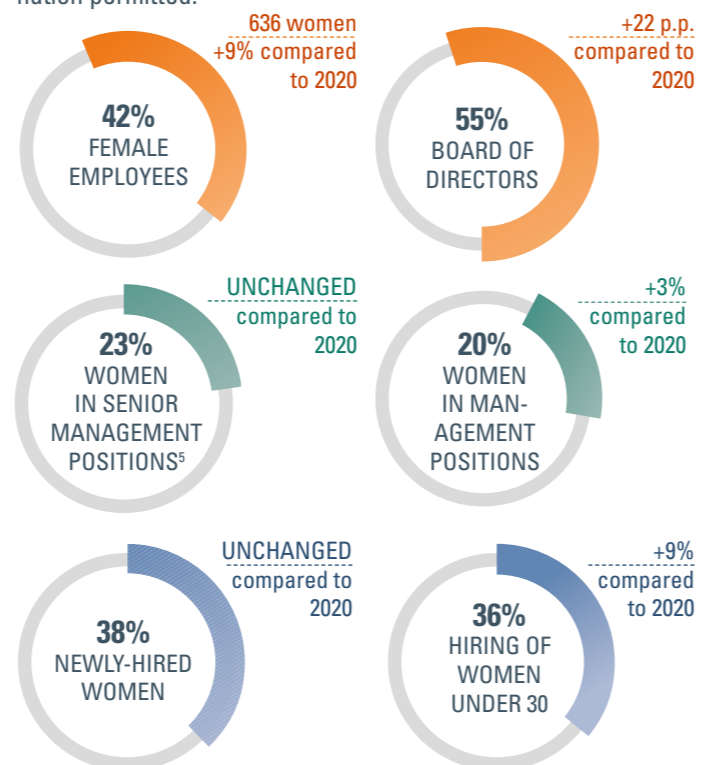
These represent the combination of initiatives and services made available to employees to complete the remuneration they receive, in keeping with market practices and the applicable laws and regulations.

5.1.4 DIVERSITY AND EQUAL OPPORTUNITIES

Respect for the individual and his/her professional development is considered of pre-eminent importance by the CDP Group, as is the knowledge that the relational, intellectual, organisational and technical capacities of each employee represent a strategically important resource for the Group.

Following the launch of the new 2022-2024 Strategic Plan, the theme of inclusion is now part of the 5 key values of the Group's corporate culture, and as such it confirms the Group's commitment to Diversity, Fairness and Inclusion, and points to the new strategy aimed at valorising all forms of diversity, gender equality and inclusion, thus creating an open, respectful, welcoming working environment in which each individual can express his/her true potential.

Consequently, in the management of relations with employees, from when they are hired right up to the end of their working lives, equal opportunities are guaranteed on the basis of professional skills and individual capacities, with no form of discrimination permitted.



In keeping with our values and objectives, during the course of 2021 a series of initiatives were launched designed to promote a culture of equal opportunities that harnesses the potential of diversity and inclusion.

In addition, during the year a new staff recruitment process was established that incorporates the new guiding principles of CDP's culture in the new Regulation on Staff Selection and Recruitment. The new process has strengthened the concepts of transparency, publicity and impartiality with the aim of recruiting staff on the basis of systems for the assessment and appreciation of individuals, based exclusively on the recognition of their merit and avoiding any form of discrimination.

New developments include the presence, at job interviews, of a representative from the CDP Group's Independent Association of Women, established in late 2021, who shall support the employer selection process, thus contributing towards the protection of Diversity, Fairness and Inclusion.



Furthermore, the stipulation of an understanding to renew the Supplementary Company Agreement in 2021 led to the introduction of further measures designed to render the working environment more flexible, thus favouring a better home-work balance, and more receptive to diversity and equal opportunities.

The initiatives taken include:

- the setting up of a **Bilateral Commission on the equal treatment and equal opportunities of male and female employees in CDP** with the aim of sharing policies and initiatives, and encouraging the active discussion of such matters;
- the appointment of a **Diversity, Equity & Inclusion (DE&I)⁶ manager** whose job it is to formulate the company policy on equal treatment and inclusion, and to favour and monitor the implementation of such policy;
- the recognition and extension to employees forming **homosexual couples**, to those who are part of an **unmarried couple** and those in a **civil union** of those same **conditions and benefits** provided for by national law and/or company regulations for heterosexual couples;
- the introduction of a series of **new measures** in favour of **parenthood**, including:
 - the extension of paternity leave to 30 days;
 - the extension of parental leave to look after sick children until the children reach the age of six;
 - the introduction of paid leave of up to 3 days a year, to help young children settle in at kindergarten or nursery school;
 - an increase in the entity of study grants for the children of employees;
 - leave for victims of violence and discrimination;
 - new disability measures (financial contributions for the medical expenses borne by employees with certified permanent disabilities and/or for each dependent child with a certified severe disability);
- a focus on the work-life balance and welfare of employees, with a formal undertaking to guarantee the **"right to disconnect"**.

CDP promotes the greater sharing of parental duties, together with measures designed to favour a better work-life balance. In fact, in 2021 more people took paternity leave (40 compared to 26) and maternity leave (53 compared to 44) than in the previous year.

Finally, in 2021 CDP was involved in various initiatives designed to favour inclusion and general equality. These comprised:

- "No Women No Panel"**, a campaign promoted by the European Commission to promote gender equality in public debate and events, by introducing the undertaking to guarantee gender equality in all those events attended by CDP representatives;

- "4 Weeks 4 Inclusion (#4W4I)"**, an initiative organised by TIM in which more than 200 companies from various sectors came together to promote, divulge and enhance a culture of diversity and inclusion, thanks to a full programme of shared events, webinars, digital labs and creative groups. CDP's contribution consisted in the organisation of a webinar dealing with the question of female entrepreneurship;
- Women's Forum G20**, an event held in Italy for the first time, within the context of Italy's Presidency of G20, with the aim of placing the female world at the centre of the post-pandemic recovery. During the Forum, CDP's CEO, Dario Scannapieco, together with other CEOs from the major Italian and international companies, signed the CEO Champion Commitment **"Towards the Zero Gender Gap"**, thus reinforcing the company's commitment to gender equality, diversity and inclusion;
- "Sistema Scuola Impresa" (Company-School Scheme)** involving a number of female employees from CDP with a STEM qualification, in their capacity as Role Models for middle-school and high-school pupils wishing to learn about the professions of the future while overcoming gender stereotyping.

CDP'S ASSOCIATION OF WOMEN

Dialogue and discussion, individual and collective commitment, involvement and sharing of experiences and skills, to promote gender equality. These were the declared aims of the CDP Group's Association of Women, a free, independent, non-profit association set up in November 2021.

GOALS: enhance the role of women within the Group and in civil society

MISSION: favour inclusion and non-discrimination by sustaining female employment and entrepreneurship

AREAS OF ACTIVITY:

- Seminars and training
- Volunteer work
- Networking
- Partnerships

220 MEMBERSHIPS
as of 28 February 2022

5.1.5 WELFARE OF OUR PEOPLE

The welfare of our people is considered a key factor in the carrying out of daily activities. Hence the CDP Group regularly organises a series of people-caring initiatives designed to improve and sustain the occupational and domestic welfare of its own employees, and to offer instruments with which to best manage the new lifestyle and new working modes, also in response to the persistence of the Covid-19 pandemic.

⁵ Parent Company figure. At Group level the figure stands at 21%. "Senior management positions" means: line I and II managers (in the case of the Parent Company) and line I managers (in the case of companies subject to management and coordination) reporting directly to the Chief Executive Officer.

⁶ Appointed in February 2022.

WELFARE INITIATIVES

WELLBEING

- Live Training Service with fitness sessions available also online (**more than 800 videos** on demand, **20 live lessons** daily, and **2 weekly ad hoc master classes** for employees of the CDP Group)
- In-person Training Service with the possibility of purchasing sports subscriptions at special prices
- Remote listening and psychological support service
- Medicorner and medical check-ups with specialists free-of-charge
- Awareness-raising on questions of prevention: "Ottobre Rosa" (Pink October) and "Prevenzione al maschile" (Male prevention)
- Medical assistance and accident insurance policy
- Awareness-raising campaign with regard to anti-flu vaccinations

PARENTHOOD

- Paternity leave of up to 30 days
- Leave to look after sick children aged 0 to 6 years, of up to 30 days
- Up to 3 days paid leave a year, to help young children settle in at kindergarten or nursery school
- Special parking places for female employees expecting children during the entire course of their pregnancy
- Study grants and financial aid for the children of employees, covering the entire period from kindergarten to university
- Seminars on "Security Awareness per i più giovani" (Security Awareness for the very young) organised for employees and their children (**>330 participants**)
- "Summer school, tutoring e...tanto altro!" training and orientation project for employees' children aged between 6 and 18 years (**137 participants**)
- University orientation programmes (**420 participants**)

MOBILITY AND TRANSPORT

- Public transport subsidy
- Shared mobility convention using electric scooters: 150 subscriptions for employees

OTHER INITIATIVES

- Conventions and promotional initiatives regarding culture, sport and leisure time
- Food delivery service
- Loans for first-time buyers
- Supplementary pension schemes
- Tax assistance
- Branches present at headquarters: post office branch, bank branch and insurance broker

During the course of the year, special attention was given to those initiatives aimed at favouring the welfare of employees and their families. With this in mind, the "Prevenzione e Benessere 360°" (360° Prevention and Welfare) Project was launched for the benefit of all Group employees, based on three pillars:



PREVENTION

The launch of a disease prevention campaign for all employees and their families, comprising genetic testing and consultation with specialists to assess any risk of developing specific diseases, including breast cancer for women, and prostate cancer for men (**>500 participants in total**);



LISTENING

The launch of 2 theme-based Focus Groups: "Lotta contro il fumo" (The battle against smoking), "Salute Mente Corpo" (Healthy Body and Mind) (**>50 participants**);



WELLBEING

The launch of the digital challenge "CDP Healthy Program" which saw the CDP Group employees take part in team games designed to encourage a healthy lifestyle.

- **~300 participants**;
- **3,434 hours of sporting activity**;
- **713 challenges set**;
- **over 65 million steps taken**;
- **26,000 km travelled**.

The CDP Group has also extended its focus to families with the launch of a new training and orientation programme for the children of employees aged between 6 and 18 ("Summer school, tutoring e...tanto altro!" - Summer school, tutoring and... much more) that features a wide range of initiatives organised with highly qualified partners and targeted by age group:

- For the benefit of children attending **Primary and Middle School (6 – 14 years of age)**, an innovative digital tutoring programme was launched, in which tutors expert in teaching skills and theory offered their help to children during the final part of the school year (**70 pupils involved** and a total of **500 hours of tutoring provided**);
- Pupils in the first two years of **High School (15 – 16 years of age)** were offered the choice of two **summer courses**, which were attended by **around 50 pupils**:
 - **Course in coding and robotics** designed to teach children how to combine several digital tools in a completely new, exciting mix with the aim of creating 3D robots using different modelling instruments, thus encouraging the development of digital skills;
 - **Singing, acting, painting, photography, guitar and piano courses**;



- Pupils in the second two years of **High School (17 – 18 years of age)** were offered the choice of a **Summer School** organised in conjunction with one of Italy's most prestigious universities (**17 participants in total**). Once again, in 2021 all employees were given the opportunity to convert part of their company bonus into services, through a special welfare platform, as provided for by the applicable provisions of law.

FLEXIBLE BENEFITS PARTICIPANTS **2x** COMPARED TO 2020

In the light of the persistence of the Covid-19 pandemic, in 2021 simplified Remote Working was once again made available as the principal mode of working.

~100% EMPLOYEES IN REMOTE WORKING MODE

With the aim of improving employees' work-life balance by means of flexible, independent working, the Group stipulated a new Remote Working agreement with the trade unions that will regulate the use of this instrument when the current emergency legislation no longer applies.

5.1.6 HEALTH & SAFETY

All levels of the Group's organisation have invested in its goals regarding the organisation of health and safety, and these goals are shared and verified by the appointed departments.

Through the creation and development of their own ISO 45001-certified Management System, the companies CDP S.p.A., CDP Immobiliare, CDP SGR and Fintecna aim to guarantee regulatory compliance, to foresee and minimise those corporate risks associated with occupational health and safety, and to pursue the continuous opportunities for improvement that arise.

The Group companies also aim to adopt a preventive approach to health and safety, each in relation to their specific business activities.

Accordingly, specific importance is given to the analysis of the connected risks and dangers, performed by the Employer in conjunction with the Health and Safety Officer and Company Doctors, and summarised in the Risk Assessment Document (DVR).

Furthermore, as provided for by the applicable legislation, the CDP Group's companies regularly check for any risks to the health and safety of employees, the presence of which is recorded in the Risk Assessment Document, which also contains the procedures and measures designed to minimise such risks.

In regard to the identification of dangers and the assessment of risks, the persistence of the Covid-19 emergency has meant that those measures designed to counter and contain the spread of the Covid virus in the workplace continued to be adopted.

The health emergency impacted the Group's organisation, in the form of the intensification and reinforcement of those instruments used to favour and monitor health and safety within the Group's workplaces, without however generating any issues or limitations affecting the companies' operations.

Anti-Covid measures adopted to safeguard personnel



950 protective kits
>28,000 surgical and FFP2 facemasks
~180 litres of hand gel
>3500 free swabs
35 digital thermometers and scanners



Agreements with **2** car parks for the Rome offices



Dedicated e-mail address for Covid-related questions and communications
 Creation of a dedicated Teams channel "Help desk green pass"

All of the adopted measures are coordinated and monitored by the internal Task Force set up in February 2020, composed of representatives from the Group's units, which constantly monitors and assesses the emergency situation relating to the spread of the Covid-19 virus. The guidelines are also updated following consultation with the Workers' Representatives and in accordance with the provisions of the **Protocol for the measures to combat and contain the spread of COVID-19 in the CDP GROUP**.

Finally, the actions taken in pursuit of the goals regarding workers' health and safety protection, include the lifelong learning course for workers provided for by Italian Legislative Decree no. 81/08 (general and specific training, executive managers, workers' safety representatives, prevention and protection services staff members, first-aid staff, etc.), specific ad hoc courses organised by each company on the basis of contingent requirements, and the workers' awareness and involvement campaigns, including the "Defibrillatori salvavita" (Lifesaving Defibrillators) project which foresaw the organisation of theoretical-practical courses on cardio-pulmonary reanimation methods (Basic Life Support), which involved a total of 121 employees.



9,582 hours of occupational health and safety training (+33.8% compared to 2020);



6 workplace injuries of which 5 in transit, but none of a serious nature

5.2 INTEGRITY, TRANSPARENCY AND ENGAGEMENT WITH STAKEHOLDERS

An open, constructive, and transparent dialogue with all CDP Group's stakeholders, with the aim of involving communities and supporting local areas with integrity and in an impartial, responsible manner, in creating shared value and prosperity.

MATERIAL TOPICS



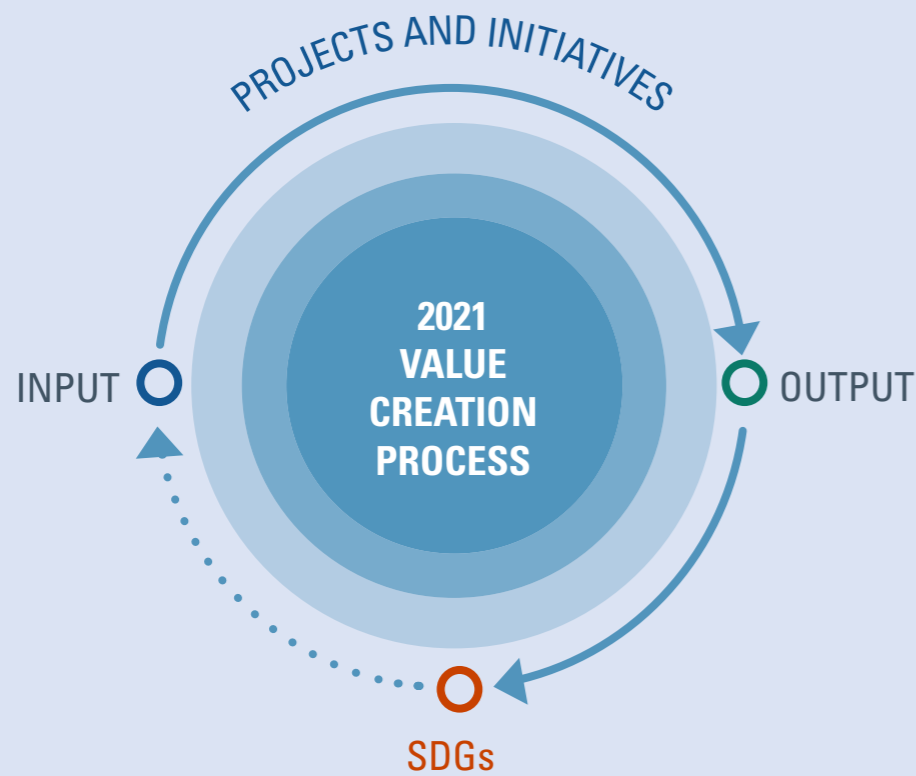
FINANCIAL
• Financial resources



SOCIAL-RELATIONAL
• Relationship with Stakeholders



HUMAN
• The people in the Group



SOCIAL AND RELATIONAL

- **>45,000** interactions with stakeholders
- **93%** stakeholders satisfied with the service offered by the Group
- **>3,700** business meetings
- **100%** suppliers assessed on the basis of social criteria



PHYSICAL-PRODUCTIVE

- **+50%** Spazio CDP desks in local areas

5.2.1 TRANSPARENCY AND ENGAGEMENT WITH STAKEHOLDERS

The **transparency of relations** and the **quality of the service** provided, are essential to the Group's ability to constantly and constructively engage with its own stakeholders.

In order to monitor relations with stakeholders in a precise, effective manner, in 2021 CDP launched an **online survey** designed to measure people's perceptions of the quality and transparency of the relationship. The survey involved over 100 stakeholders from various different categories, including customers, partners and suppliers.

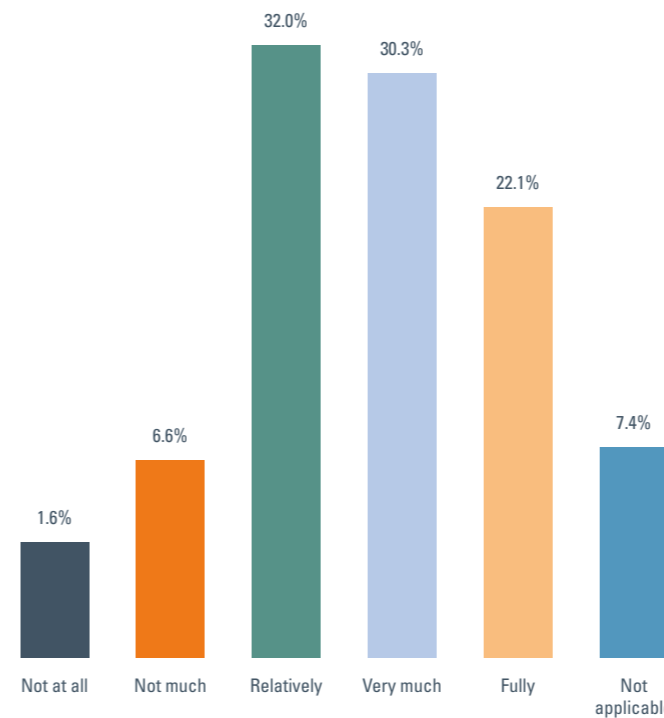
52% of stakeholders believe that their relationship with the Group made a significant contribution to the creation of shared long-term value

68% declared that they were satisfied with the frequency with which they were involved

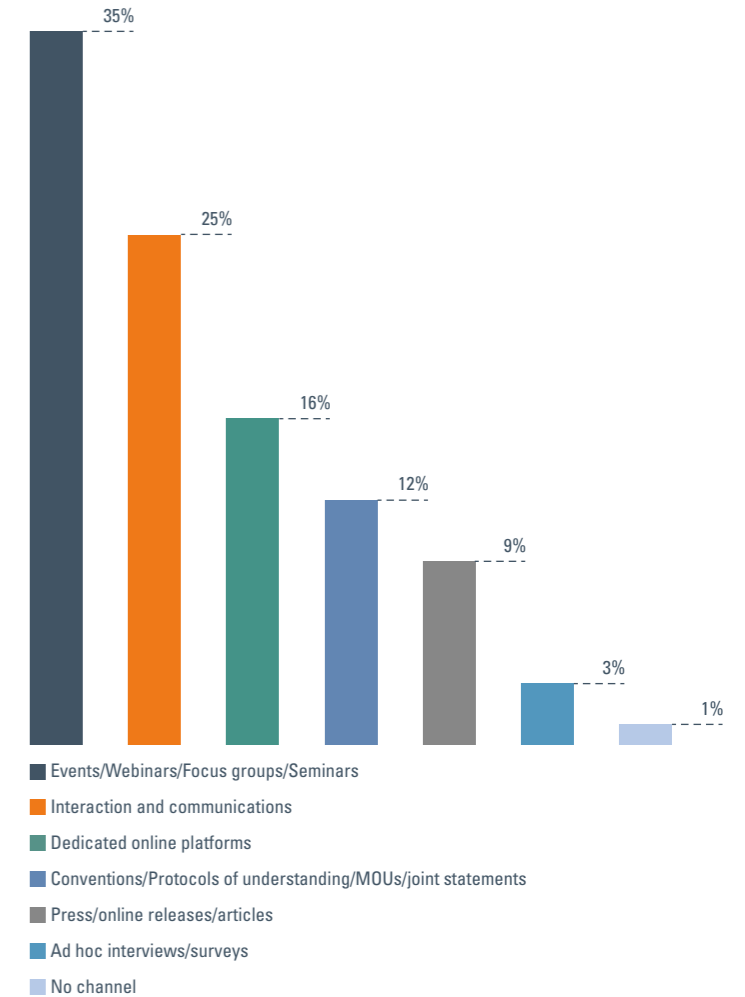
98% are informed about the Group's sustainability actions and results

93% are satisfied with the methods, speed and service offered by the Group

Survey on the transparency of relations with stakeholders: % of answers to the question "do you think that your relationship with CDP can create long-term shared value?"



The channels and/or instruments most commonly employed by stakeholders



In the Group's eyes, **constant engagement** and a constructive relationship with stakeholders is key to aligning its own strategy to the social and economic development of the country.

The principal means of engagement employed, and the KPIs, in 2021

- Regular meetings/consultations >8,000
- Newspaper and online articles 3,500
- Social media 1,400
- Newsletters >800
- Webinars and online events >500
- Focus groups/workshops >170
- Press releases >140

STAKEHOLDERS	ENGAGEMENT INITIATIVES	MAIN KPIS
 SHAREHOLDERS	<ul style="list-style-type: none"> Interaction and communications Webinars, focus groups and seminars Conventions/Protocols of understanding/MOUs/joint statements 	<ul style="list-style-type: none"> >340 >45 40
 COUNTERPARTIES	<ul style="list-style-type: none"> Interaction and communications Webinars, focus groups and seminars Conventions/Protocols of understanding/MOUs/joint statements Customer care 	<ul style="list-style-type: none"> >5,000 >250 118 25,000
 EMPLOYEES	<ul style="list-style-type: none"> Regular meetings/consultations Communications/newsletters Webinars, focus groups and seminars Conventions/Protocols of understanding/MOUs 	<ul style="list-style-type: none"> >3,500 >400 48 19
 REGULATORS AND POLICY MAKERS	<ul style="list-style-type: none"> Events Regular meetings/consultations Papers 	<ul style="list-style-type: none"> 1 51 1
 MINISTRIES AND INSTITUTIONS	<ul style="list-style-type: none"> Regular meetings/consultations Conventions/Protocols of understanding/MOUs 	<ul style="list-style-type: none"> 600 10
 FINANCIAL COMMUNITY (INVESTORS AND RATING AGENCIES)*	<ul style="list-style-type: none"> Financial Community Conferences/Events Rating Agencies' Meetings One-to-one interactions 	<ul style="list-style-type: none"> 4 5 1
 PARTNERS	<ul style="list-style-type: none"> Interaction and communications Webinars, focus groups and seminars Conventions/Protocols of understanding/MOUs/joint statements 	<ul style="list-style-type: none"> >2,300 >300 159
 SUPPLIERS	<ul style="list-style-type: none"> Interaction and communications Focus groups/workshops Conventions/Protocols of understanding/MOUs 	<ul style="list-style-type: none"> >1,600 8 50
 PEERS	<ul style="list-style-type: none"> Interaction and communications Webinars and seminars Conventions/Protocols of understanding/MOUs 	<ul style="list-style-type: none"> >400 9 2
 MEDIA AND OPINION MAKERS	<ul style="list-style-type: none"> Regular meetings/consultations Webinars and seminars Press releases Focus groups/workshops Newspaper and online articles Social media communications Press/digital campaigns 	<ul style="list-style-type: none"> >30 9 >140 7 3,500 1,400 6
 POSTAL SAVERS	<ul style="list-style-type: none"> DM, SMS and notifications on the post-office banking APP, assistance 	<ul style="list-style-type: none"> 4 million savers reached

With regard to engagement with companies, CDP continued with its "Officina Italia" project involving engagement with a panel of around 200 customer companies, aimed at evaluating customer experience and analysing requirements in order to improve the range of products and services on offer.

In 2021 one focus group was organised to examine the question of sustainability, and a survey was held which, compared to the previous year, revealed an increase of 12 percentage points in the number of companies that were completely satisfied with their experience with CDP.

Furthermore, the Customer Care service was strengthened through the establishment of specialised teams dedicated to the needs of Businesses and Public Authorities, tasked with handling stakeholders' requests for information and assistance in an increasingly specific and complete manner.

5.2.3 STRONG SUPPORT FOR LOCAL AREAS

The level of coverage of the service has always been a key part of CDP's strategy. The Group constantly endeavours to support the innovative potential and competitiveness of businesses and public authorities throughout Italy. In recent years, in an effort to provide local businesses and public authorities with the best possible support, the local presence of CDP has become of primary importance for the Group, which has accordingly invested in the creation of an innovative network of contact points and the construction of new representative offices.

CDP offices in Italy

INSTITUTIONAL OFFICES	LOCAL OFFICES	SPAZIO CDP DESKS
<ul style="list-style-type: none"> Rome (3) Milan 	<ul style="list-style-type: none"> Turin Milan Verona Genoa Florence Ancona* Rome Naples Bari 	<ul style="list-style-type: none"> Trento - Rovereto Padua** Parma** Modena Forlì Perugia L'Aquila** Chieti Campobasso** Potenza** Cosenza** Cagliari - Sassari

To this end, in 2019 CDP opened the first new local office in **Verona**. This office represents the point of departure for the intensification of CDP's relationship with local stakeholders. The Verona project was subsequently replicated with a further **8 local offices**, of which **2 were opened in 2021**.

Furthermore, in order to strengthen ties with important local stakeholders, such as Banking Foundations and local Chambers of Commerce, and to increase interaction with local businesses and authorities, in 2021 the Group continued to create CDP information points (so-called "Spazio CDP") in their offices. In 2021 **6 new Spazio CDP** desks were opened, in addition to the **6 that had been opened in previous years**.

With regard to interaction with the business world, in 2021 more than 3,700 business meetings were held resulting in the conclusion of 136 direct transactions with a total value of over 2.2 billion euro.

In order to reinforce the impact of the opening of local branches, CDP also organised, together with local partners (such as Banking Foundations, the General Confederation of Italian Industry - Confindustria, Regional Financial Companies, ANCI, UNCEM, GSE, etc.), 16 informational webinars presenting the CDP Group's products and services and sharing local economic questions and studies, which saw the participation of some 1,400 businesses and local authorities.

Following the launch of the National Recovery and Resilience Plan, and the undertaking to support the local authorities and the principal trade associations involved in the Plan's implementation, the Group aims to further increase its local presence through the **opening**, during the course of 2022, of a further **5 Local Offices** and **1 Spazio CDP** desk.



* Local offices opened in 2021


** Spazio CDP desks opened in 2021

5.2.4 TRANSPARENCY AND ENGAGEMENT WITH SUPPLIERS

The CDP Group believes that recognition of the social and environmental value of relations with suppliers is necessary in order to leverage social-relational capital throughout the value chain. Suppliers are sourced via a **transparent procurement process** aimed at maximising economic, productive, social and environmental benefits by selecting suppliers that are reliable, technically and economically capable, and committed to protecting the health and safety of workers in full observance of their human rights. This process begins with suppliers submitting an application for accreditation using the “Supplier Portal”. Accreditation through the Portal is subject to the suppliers’ **acceptance of a series of clauses** (e.g. Code of Conduct, compliance with the rules and provisions regarding placement, the protection of minors, social security contributions, welfare, pension schemes, occupational health and safety) and to **verification of certain information** (e.g. the absence of any convictions or disqualification measures pursuant to Italian Legislative Decree 231/2001) and of **ESG certificates** by CDP.

 ISO 14001, EMAS, ISO 5001

 OHSAS 18001, ISO 45001

 ISO 3700, SA8000, ISO 27001, ISO 9001

Suppliers are selected on the basis of a detailed assessment and in accordance with certain requirements: cost effectiveness, efficiency, fairness, free competition, non-discrimination, transparency, proportionality, and publicity.

The CDP Group’s supply chain is mainly comprised of purchases connected to general costs and property costs, ICT and consultancy services, publicity, training and works. The Group possesses a “Supplier Portal” which it uses to implement procedures for awarding contracts for goods, services and works; if no suitable suppliers can be found via the Supplier Portal, then individual Group companies may look for such on the market.

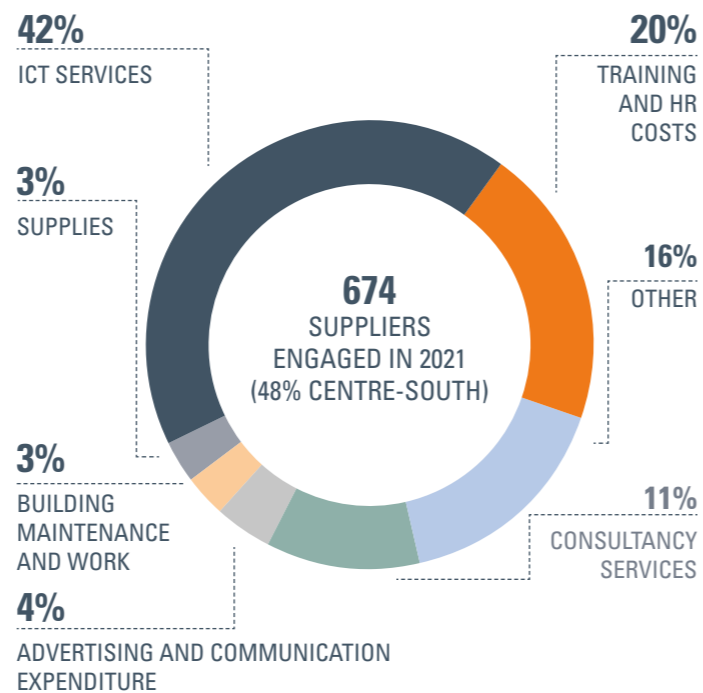
In addition to its qualification and evaluation operations, the Group also constantly monitors suppliers’ performance. In fact, a vendor rating system is in place based on the quarterly assessment of certain specific technical aspects of supply (delivery times, quality, compliance, workplace safety).

All CDP Group suppliers, in order to be qualified, selected or contracted, have to declare that they have not committed any criminal offences related to mafia-type organisation, organisation aimed at illicit trafficking of narcotics, tobacco smuggling, illegal waste trafficking, involvement in criminal organisations, corruption, influence peddling, the abuse of professional office, breaches or fraud, corruption between private individuals, terrorism, money laundering, the exploitation of under-age workers

and other forms of human trafficking, together with corporate crimes and those offences pursuant to Italian Legislative Decree 231/2001. CDP’s supplier agreements contain clauses drafted to ensure full compliance with all regulations on workers’ rights, compliance with applicable national collective bargaining agreements, the right of free association and protection of minors, social security, insurance and pensions, and the protection of health and security in the workplace. Said agreements also require contractors and subcontractors to guarantee workers the remuneration and rights provided for under the corresponding national collective bargaining agreement. CDP believes that the construction of a positive relationship with suppliers also requires listening to and engaging with those suppliers. Consequently, in 2021 suppliers were also asked to participate in a survey concerning the perceived quality and transparency of their relationship with the CDP Group.

96% declared that they were satisfied with their interaction with the Group.

Distribution of total orders in 2021¹



Assessment of suppliers

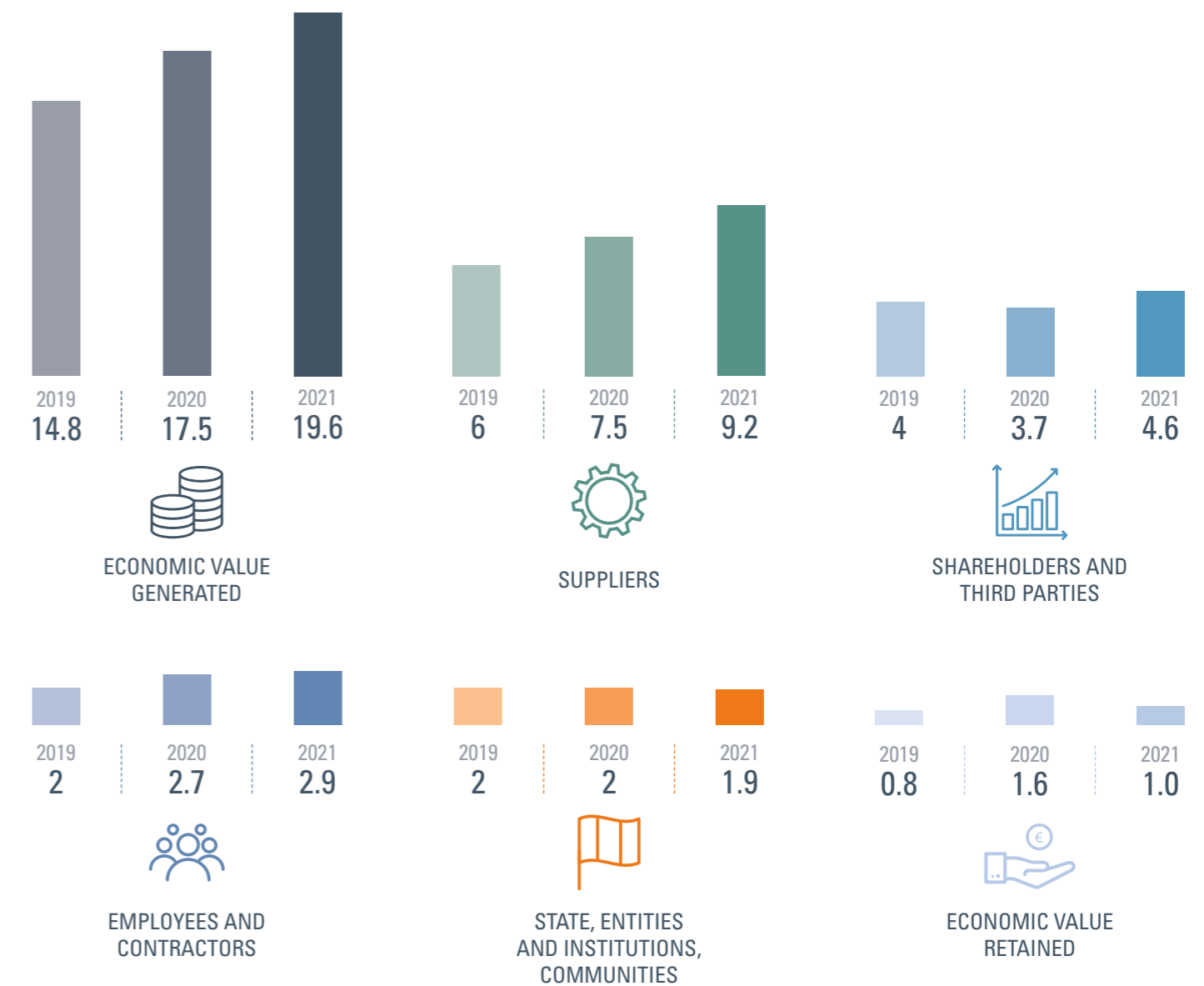
100% OF ALL NEW SUPPLIERS ASSESSED ON THE BASIS OF SOCIAL CRITERIA (in line with 2020)

97% OF ALL NEW SUPPLIERS SCREENED FOR CORRUPTION AND UNLAWFULNESS (in line with 2020)

75% OF ALL NEW SUPPLIERS ASSESSED ON THE BASIS OF ENVIRONMENTAL CRITERIA (+14% compared to 2020)

¹ The figure refers to CDP S.p.A. and the percentages refer to total orders in 2021. This amount differs from the figure for total costs shown in the Report on Operations.

Economic value generated and distributed to stakeholders² (figures shown in Euro/bln)



The generated economic value (“GEV”) is a measure of the wealth produced by the Group, as calculated on the basis of the consolidated financial statements, prepared in accordance with Bank of Italy Circular no. 262 “Bank financial statements: presentation formats and rules”. The scope of reference differs from that of the Integrated Report and is the same as that of CDP Group’s consolidated financial statements. The CDP Group’s GEV amounted to 19.630 billion euro in 2021 (compared to 17.453 billion euro in 2020), and is represented by net income from financial and insurance operations, plus realised gains and losses on equity investments and investments and other net operating income. It should be noted that the figures differ from those entered in the Consolidated Income Statement set out in the 2021 and 2020 Annual Financial Reports, as a result of the exclusion of unrealised

profit/loss items, which have been presented separately. For the most part, GEV is distributed to the CDP Group’s counterparties, for a total of 18.621 billion euro in 2021 (compared to 15.835 billion euro in 2020), amounting to approx. 95% of GEV (compared to 91% in 2020). The remaining amount of 1.009 billion euro (compared to 1.618 billion euro in 2020) represents the share of GEV retained by the Group³. The information concerning the creation and distribution of economic value provides a basic idea of the wealth that the organisation generated for the benefit of its stakeholders. For a more detailed analysis of the company’s financial situation and performance, see the Group’s Consolidated Financial Statements.

² The calculation is carried out in accordance with the international standards of reference, taking into account the interpretative and methodological guidelines for sustainability reporting prepared by the Italian Banking Association (ABI), and the specific characteristics of the CDP Group.

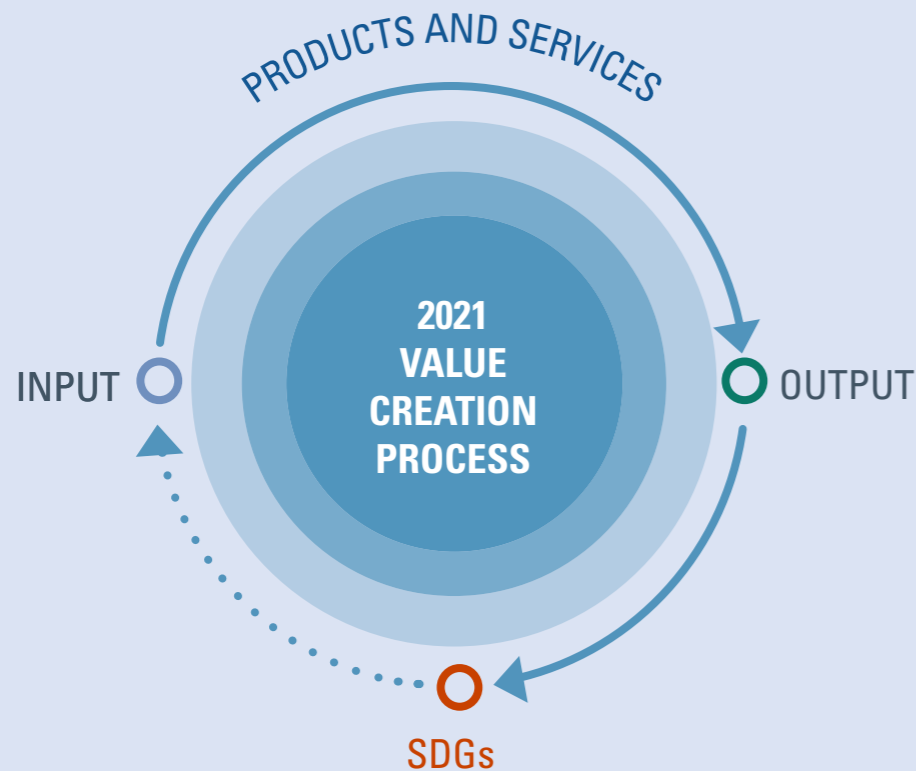
³ The Economic Value Retained is represented by adjustments/recoveries and provisions, deferred tax assets and liabilities, consolidated profits net of dividends paid, and capitalisations for in-house work.

5.3 SUPPORT FOR LOCAL AREAS

A daily commitment to resilient, sustainable local areas, through the promotion of infrastructure with high social impact, measures designed to further the competitiveness of the productive system and financial inclusion and to strengthen Italy's human, artistic and cultural capital.



- FINANCIAL**
 - Financial resources
- HUMAN**
 - People that work in the Group
- SOCIAL-RELATIONAL**
 - Relationships with stakeholders
- INTELLECTUAL**
 - Know-how, corporate processes and systems



- SOCIAL-RELATIONAL**
 - 3,992** beneficiaries of social housing projects
 - +8,000** pupils beneficiaries of school building projects

- PHYSICAL-PRODUCTIVE**
 - >17,000** companies financed
 - 3** new hospitals with 1,542 beds

- NATURAL**
 - 80,000 m²** subject to earthquake-proofing and fire-proofing retrofitting work
 - 150** buildings subject to energy upgrading

5.3.1 BUILDING INFRASTRUCTURE WITH HIGH SOCIAL IMPACT

For over a decade, CDP has been working to promote and support the development of **social housing** in Italy through the "Fondo Investimenti per l'Abitare (FIA)", a fund of funds managed by the subsidiary CDP Immobiliare SGR ("CDPI SGR").

In order to direct its activities towards sustainable development, CDPI SGR contributes to the realisation of projects that promote the reuse of disused and/or underused areas, sites and buildings in Italian cities that, with a view to urban regeneration, are redeveloped and converted in order to be returned to local communities.

Accordingly, in 2021 the company continued to target urban redevelopment and regeneration projects, involving initiatives aimed at giving new life to historical areas and to abandoned industrial complexes that no longer serve a purpose in Italian cities. These projects aim to create new sustainable social housing for weaker segments of the population, such as low-income households, young people, students and the elderly.

2021 PROJECTS
27 Social Housing projects

1,804 high-energy-efficiency-rated social housing units (84% with an energy class > A)

3,992 beneficiaries

2,452 euro average yearly saving per family

>30,000 m2 of re-developed property

ROVERETO, THE FORMER MARANGONI SITE: WOODEN "SOLIDARITY" BUILDINGS

The former "Marangoni" property complex is part of a major urban renewal project in a central area of the town of Rovereto (Trento). The project has seen the development of two buildings comprising 68 social housing units, constructed using the X-Lam system for wooden constructions: one of the two is an 8-storey building, and as such is unique of its kind, representing one of the tallest wooden buildings in the whole of Italy. This building was entirely constructed using wood from fallen trees, thanks to the work of PEFC-certified companies from the fair-trade chain, starting from the general contractor Ri-Legno.

OBJECTIVES:

- to transform the former Marangoni Meccanica industrial premises into a new sustainable, avant-garde neighbourhood;
- to link together two areas of the town which up until now had been separated by the demolished industrial site.

OUTCOMES:

- 4,107 m2** of re-utilised land
- 4,692 m2** of land with a social purpose
- 68** social housing flats
- 152** beneficiaries from low-income families

Social infrastructure represents the necessary framework for the proper functioning and development of civil society: schools, hospitals, prisons, as well as road and railway networks, are essential not only from an economic point of view, but also for the productivity and welfare of the local community.

Being fully aware of this, the Group lends its support to the development of social infrastructure both in its historical capacity as a long-term lender and by working with local authorities to which it offers technical-financial advice.

In its **advisory** capacity, CDP has continued to work as a strategic partner alongside Local Authorities, providing them with economic-financial and technical-specialised advice with the aim of speeding up the construction of social infrastructure in diverse sectors.

In 2021, in addition to existing projects, a further 52 new projects were launched in 14 Italian regions (73% in the Centre-South of Italy), with total investment amounting to some 3.6 billion euro. These include 38 projects sustaining smart city initiatives. This meant that CDP exceeded its target of launching 11 new projects in 2021 (more than trebling the original target).

The 52 new projects concerned the following sectors: public healthcare building (12), school building (13), local public transport (12), roads (6) and ports (9).

Summing together the new projects launched in 2021 with those already on-going, CDP's advisory projects now totalled 97, with total investment amounting to around 8 billion euro.



HEALTHCARE/PUBLIC SECTOR BUILDING

- **3** new hospitals with 1,542 beds
- **150** buildings subject to energy upgrading
- **80.000** m² subject to earthquake-proofing and fire-proofing retrofitting work
- **2** sports complexes seating a total of 7,200 spectators



SCHOOL BUILDING

- **10** schools (including 4 Educational Complexes), approximately 30% of which are new buildings
- **3** university complexes, approximately 67% of which are new buildings
- **+8,000** pupils beneficiaries



LOCAL PUBLIC TRANSPORT

- **60** km of modernised and expanded routes



ROAD NETWORKS

- **30** km of connected, expanded, improved roads

In its capacity as **long-term financier**, in 2021 CDP committed over 200 million euro in favour of 160 Authorities for the financing of school infrastructure (nursery, primary and secondary schools) and 230 million euro in favour of 40 Authorities to be invested in over 70 healthcare facilities.

As regards **sustainable mobility** infrastructure, and in particular the rail network, the Group committed over 1.2 billion euro, of which around 400 million euro for the design and construction of the Palermo-Catania-Messina and the Naples-Bari railway lines, and over 800 million euro in favour of Ferrovie dello Stato (the Italian State Railways) for the development of high-speed rail infrastructure, for the acquisition and/or modernisation of those goods required for passenger and goods transport, and for the construction and management of rail and road infrastructure networks.

THE "FELETTINO" HOSPITAL IN LA SPEZIA

The "Felettino" Hospital project aims at the construction of a new hospital for the town of La Spezia. The feasibility project plans the construction of a high-tech, environmentally-sustainable hospital organised in such a way as to guarantee functionality and efficiency in keeping with Logistics 4.0 principles, so as to render it smart and innovative, and compliant with the new standards required by the Covid-19 emergency. The new hospital will offer **506 beds and 10 operating theatres**.

In the knowledge that the tourism sector is of key importance both for the Italian economy and for the social and cultural integration of local areas, the Group supported those businesses operating in said sector to mitigate the impact of the Covid-19 pandemic.

More specifically, following on from what was done in 2020, on the basis of the characteristics and types of business operated, tourist and hotel enterprises' rents were suspended for the year 2021, with unpaid rents delayed until the 2023-25 period (2020 credit) and until the 2024-26 period (2021 credit), while those for 2020 and 2021 were discounted.

5.3.2 SUPPORTING THE COMPETITIVENESS OF THE PRODUCTIVE SYSTEM

Italy's entrepreneurial system is mainly based on micro, small and medium-sized enterprises, which represent 99% of total businesses.

The health emergency caused by the Covid-19 pandemic proved a testing challenge for the country, and substantially impacted this business sector which, within the space of a few months, found itself having to respond promptly in order to meet the resulting short-term and medium-term economic and financial challenges.

A survey conducted by CDP of 200 enterprises taken from the "Officina Italia" panel (24% SMEs, 63% medium-sized enterprises, and 13% large-scale enterprises), revealed that in order to meet the consequences of the health crisis, 86% of enterprises needed financial support, in particular liquidity instruments and a moratorium on payments due.

Approximately 66% of those enterprises consider medium/long-term loans the most appropriate financial instrument with which to promote business growth, while over 30% consider the entry of institutional investors among their shareholders as a valid alternative.

Given such needs, support for the growth and consolidation of businesses represents a key objective of the CDP Group, which in 2021 continued to focus on the inclusive, lasting growth of this industrial sector, also with the aim of sustaining the sector's development plans, thus countering the effects of the Covid-19 pandemic.



LIQUIDITY DIRECTLY PROVIDED TO ENTERPRISES

>2.2 Bn euro¹;
132 enterprises sustained²
70% Medium-sized³, **30%** Large-scale
58% North, **42%** Centre-South

CDP FINANCES THE SUSTAINABLE GROWTH OF MAIORA S.R.L.

Established in 2012, Maiora s.r.l. is one of the largest, most innovative companies operating in the mass distribution sector in central-southern Italy.

Thanks to its know-how in the management of sales networks, in the integration of the fresh produce supply chain - from fruit and vegetables to meats - the company has become an important player in the mass distribution sector over the course of the years.

- **over 2,400 people**
- **445 sales outlets**
- **Puglia, Molise, Basilicata, Calabria, Abruzzo**

Driven by a focus on responsibility and credibility, Maiora promotes the development of local businesses and favours suppliers who meet the highest quality standards.

In 2021 CDP lent 15 million euro in support of the plans for sustainable growth and development of this company.

The financing of those SMEs and enterprises which, in view of their characteristics, are not suited to being directly financed by CDP for statutory or operating reasons, was nevertheless achieved through financial institutions that CDP provides liquidity and guarantees to. The Group guarantees the development and monitoring of funds and all other subsidised credit facilities available to financial institutions and intermediaries, designed to indirectly favour enterprises' access to credit within the context of projects of general public interest.



LIQUIDITY CHANNELLED THROUGH THE BANKS

~5 Bn euro⁴;
~17,000 enterprises supported
~100% SMEs

Also within the context of the liquidity provided to the banking system to be used in favour of SMEs, it should be noted that during the course of 2021, within the context of the strategic programme of loans and initiatives of the Bank entitled "Motore Italia", CDP underwrote in full the bond issued by **INTESA SAN PAOLO** (1 billion euro, 7 years) for the granting of new loans to Italian micro, small and medium-sized enterprises and mid-caps. The aim was to permit such enterprises to overcome the difficult phase associated with the Covid pandemic, and to re-launch themselves on the market through the adoption of new growth and development plans. As part of the initiative, certain operating areas were selected for the utilisation of CDP provision, such as: sustainable transition through the financing of investments meeting ESG criteria and the growth in size of enterprises.

In 2021 **CDP underwrote 3 Social Bonds** of Financial Institutions:



SOCIAL BOND B-PER (500 million euro, 6 years): to finance and re-finance loans and investments in favour of SMEs based in the **disadvantaged areas of Italy** worst hit by the **Covid-19** pandemic, or managed by **female entrepreneurs**. CDP contributed 65 million euro to this operation.



SOCIAL BOND BPM (500 million euro, 5 years): to finance or re-finance investments in favour of Italian SMEs for the promotion of sustainable development on the basis of the following 2 criteria: i) loans to SMEs based in **disadvantaged areas of Italy**, areas with GDP per capita lower than the national average, or areas that have been hit by natural disasters; ii) loans secured by State guarantees to support SMEs affected by the **Covid-19 pandemic**. CDP contributed 80 million euro to this operation.



SOCIAL BOND ICCREA (500 million euro, 5 years): to finance and re-finance loans and investments: i) in favour of sole proprietorships run by **young entrepreneurs** (i.e. aged up to 35) or in favour of **female entrepreneurs**; ii) loans to Italian SMEs hit by the **Covid-19 pandemic** and/or SMEs based in **disadvantaged areas of Italy**, or in areas with a GDP per capita lower than the national average. CDP contributed 40 million euro to this operation.

In addition to direct or indirect loans, CDP also supports businesses (in particular SMEs) through **alternative financial instruments** (basket bonds and diversified loan funds) that supplement the facilities offered by the banking system. These instruments take on even greater importance, particularly in the present Covid crisis, as they help small and medium-sized enterprises achieve the balanced financial structure required to overcome the contingent emergency in the best possible way.



BASKET BOND ~80 M euro;
43 enterprises supported
90% SMEs - **10%** Mid Caps
12% North, **12%** Centre; **76%** South

BASKET BOND PUGLIA

This programme was launched in 2020: conceived by the Puglia Regional Government, it was implemented jointly by Puglia Sviluppo and UniCredit, and supported by CDP and MCC, who were involved in the project in their capacity as anchor investors lending it financial support. In 2021 CDP completed two closings for a total value of 35 million euro (CDP's share was 16.5 million euro) in support of the growth and productivity plans of 7 SMEs based in Puglia. The two issuances in 2021 were in addition to the first two completed in 2020, and together they raised the overall portfolio to 82 million euro (over one half of the upper threshold of the programme) in support of a total of 21 SMEs.

Various different productive sectors were concerned: the packaging of foodstuffs, waste and scrap metal recycling, metals processing and investing, the construction industry, hospital pre-fabs, and 3D printers.

¹ The scope of direct loans concerns the domestic sphere, and mainly concerns dimensional growth, innovation and energy efficiency/the green economy. The figure shown also includes the volume of investments and the number of enterprises supported, as represented in the chapters "Combating climate change and environmental protection" and "Innovation and digitisation".

² Of which ~32% supported in the form of Covid-19 cash covered by the "Garanzia Italia" programme.

³ Classification based on turnover: SMEs: 1-50 million euro; Medium-sized: 50-500 million euro; Large-scale: >500 million euro).

⁴ This figure considers the investments made in 2021 through the following products: the Enterprises Platform Fund, the Natural Disasters Fund, the Central Italy Earthquake Fund, the Earthquake Reconstruction Fund. 2012, the Confidi Fund: SME guarantees drawn on the European Guarantee Fund.

As proof of its growing commitment to sustainable finance, **CDP issued its 6th Social Bond in 2021** to offer support to enterprises located mainly in Southern Italy, in order to sustain growth, social cohesion and employment in that part of Italy.

With this issuance, CDP confirms its role as a leader in sustainable finance and the leading Italian issuer of social bonds, consolidating its position in the European market with a share of ESG Bonds issued amounting to 4.75 billion euro.



AMOUNT:
500 M euro



DURATION:
8 years



ANNUAL COUPON
0.75%



SDGs
8 and 9

Demonstrating the strong interest of the market, the transaction attracted requests for around 2.5 billion euro and was taken up by over 90 investors, approximately 60 of whom were foreign investors.

Finally, the Group's support goes beyond the Italian productive system, extending to projects for growth abroad as well, and for the international expansion of Italian companies. For further details on the 2021 projects, see the chapter "Beyond Italian borders".

5.3.3 PROMOTING FINANCIAL INCLUSION

As the issuer of postal savings bonds and postal passbook savings accounts distributed by Poste Italiane through more than 12,000 branches throughout Italy, CDP offers all Italian and non-Italian citizens resident in Italy the possibility to access savings instruments that are now also available online with a view to increasing accessibility also to those individuals who live in remoter areas, on the outskirts of towns or in disadvantaged areas.

Taking advantage of territorial proximity to communities and the widespread network of Poste Italiane, postal savings provide support to people who are traditionally excluded, who due to specific personal or physical conditions do not have direct access to financial products (e.g. because of the distance of where they live from bank branches).

Postal savings instruments add important ethical value to the financial value of an investment guaranteed by the State: with their savings, savers are involved in the growth of their community and contribute to the development of the main places of socialisation, and to Italy's strategic investments and competitiveness.

FIGURES FOR 2021

~281 Bn euro Stock of Postal Savings (+2.5% compared to 2020)

~30 Bn euro Subscriptions of Postal Savings Bonds (+7.8% compared to 2020)

5.3.4 STRENGTHENING HUMAN CAPITAL AND ENHANCING ITALY'S ARTISTIC AND CULTURAL HERITAGE

One of the necessary conditions for the country's social and economic development is the availability of qualified "human capital" capable of contributing to the processes of innovation and of managing activities of a more scientific, technological nature. The CDP Group, being aware of this fact, has broadened its services to businesses: in addition to the traditional financial support instruments (loans and investments in venture capital), it has added specific instruments designed to help the development of human capital in order to enable Italy's business system to be increasingly competitive and innovative in global markets.

Within this context, December 2020 saw the launch of the **Acceleratore Imprese** programme aimed at high-potential Italian SMEs and Mid Caps, and designed to speed up their growth and consolidation. Those undertakings taking part in the programme may:

- carry out a personalised preliminary assessment on the part of the Business Relationship Manager concerned, to identify the key guidelines for the process of development;
- access a platform specifically designed for professional services, offered by major international consultancy firms and the programme's Italian university partners, with regard to the following subject areas:
 - strategic advice, in order to establish and implement strategic growth plans;
 - managerial selection and training, to develop and strengthen the professional skills of key company resources;
 - digital transformation, to optimise processes and reduce the risks associated with the use of digital technology;
 - Tax & Legal, to improve financial communications and to receive support with certification and with the procurement of subsidised loans.



The main results achieved in 2021 were as follows:

- **84** companies involved, of which 61% in Northern Italy and 39% in Central-Southern Italy;
- **~35%** of the companies involved identified improvement projects in regard to which discussions with programme partners are on-going relating to over 50 professional assistance services.

In 2021, the CDP Group focused on measures designed to favour the formation of human capital, in particular that of the younger generations, in Italy's key sectors and in those of strategic importance for the country's future.

The **TH Resorts La Scuola Italiana di Ospitalità** (The TH Resorts Italian Hospitality School) project, launched in 2019 with the ambition of sharpening the competitive edge of the tourism sector through the offer of advanced professional training for the formation of new managers and the qualitative growth of Italian hospitality, in 2021 organised:

- the **three-year degree course in "Hospitality Innovation and e-Tourism"** (which has already started);
- the **executive course in "Hotel Management"** (which has already started);
- the **Master's degree in "Entrepreneurship for Hospitality & Travel Industry"** (due to start in 2022).

In 2021 Fondazione CDP launched a series of training projects aimed specifically at young people and at improving the quality of human capital. These include:

- **"Costruire Futuro, insieme!":** (Building our future together), a project managed in conjunction with Action Aid, aimed at tackling educational poverty and reversing school drop-out rates. The project will enable 500 teachers and 9,000 pupils aged 11 to 19 to develop and strengthen their skills through a number of ad hoc training courses. Employees from the CDP Group will be among those involved in the project, in their capacity as corporate volunteers;
- A **professional training** project in the **digital field**, developed in 2020 in conjunction with the **Generation Italy Foundation** in response to the youth unemployment that emerged during the Covid-19 emergency;
- Support with the training of talented young people in the digital sector, through the provision of **18 study grants** covering university costs in full during students' involvement in the **two-year dual degree programme at the EIT Digital Master School**, in partnership with EIT Digital, an organisation promoted by the European Commission;

- The cultural patronage project **We Love Art - Vision and creativity made in Italy** in conjunction with the Italian Ministry for Foreign Affairs and International Cooperation (MAECI), the purpose of which is to recount abroad the world of Italian enterprise using the language of art. A travelling group exhibition of 8 works of art by Italian artists under the age of 35 was opened in Seoul, South Korea, on 27 October 2021;
- The organisation of "**Premio d'Arte Contemporanea – Teogonia, Tracce di Futuro**" (Contemporary Art Award - Theogony, Traces of the Future) aimed at young artists under 35, which was the result of a partnership with the Fondazione Giorgio e Isa de Chirico, and designed to encourage and promote the involvement of the younger generations in the world of art and culture.
- The launch of a call for tender entitled "**Intelligenza Artificiale**" (Artificial Intelligence), in **partnership with the Fondazione Compagnia San Paolo**, with the purpose of identifying and supporting innovative projects in this field that may have a material impact on the local area in economic, environmental and social terms.

In July 2021 the first edition of the "You the Future" project was concluded: this project had been launched in partnership with Save the Children in September 2020 with the aim of tackling educational poverty and school drop-out rates.

The 2 priorities:



THE TRAINING AND EMPOWERMENT OF TEACHERS, YOUNG PEOPLE AND FAMILIES



THE STRENGTHENING OF DIGITAL EDUCATION

The results achieved:



12 towns and cities in the Centre and South of Italy were involved (Crotone, Palermo, Rome, Praia a Mare/Scalea, Ancona, Potenza, Chieti, Velletri, Perugia, Naples, Avellino)



84 schools were involved (6 in Crotone, 8 in Palermo, 20 in Rome, 8 in Praia a Mare/Scalea, 4 in Ancona, 6 in Potenza, 6 in Chieti, 2 in Velletri, 2 in Perugia, 22 in Naples and 1 in Avellino)



>5.000 pupils participated in activities regarding the digital education and active citizenship fields



485 teachers took part in training and support activities



198 families were involved in programmes providing parental guidance support



1st pilot project "Volontariato di competenza" (Competence-based volunteering)

5.4. DIGITISATION AND INNOVATION

A digitalised, inclusive, safe working environment for everyone guiding the digital transition and technological transformation of local areas, by lending support to Italy's key infrastructure and business system, and to the formation of human capital within the country.

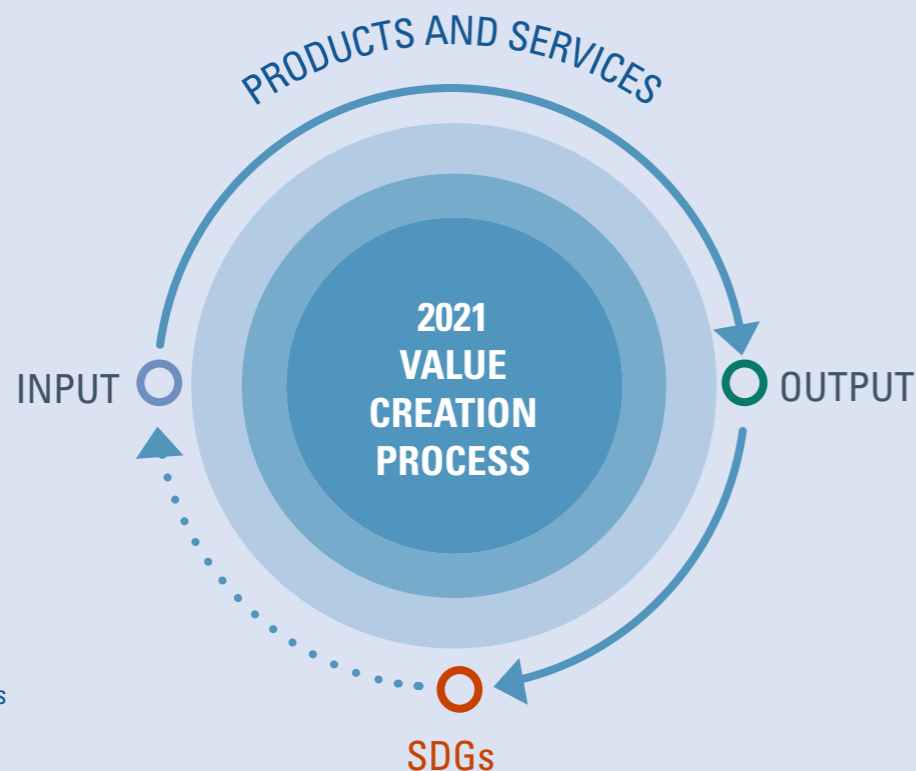
MATERIAL TOPICS



FINANCIAL
• Financial resources

HUMAN
• People that work in the Group

INTELLECTUAL
• Know-how, corporate processes and systems



INTELLECTUAL

- **2** new funds for innovative start-ups and SMEs
- **4** new digital platforms supporting business
- **4** new dematerialised processes

PHYSICAL-PRODUCTIVE

- **>580** companies financed for investment in research, development and innovation
- **100%** barrier-free offices

SOCIAL-RELATIONAL

- **1,200** colleagues involved in the Innova project

5.4.1 SUSTAINING THE DIGITAL TRANSITION AND THE TECHNOLOGICAL TRANSFORMATION

While on the one hand the Covid-19 emergency has speeded up the digitisation process, on the other hand it has laid bare the structural problems of Italy, a country that is struggling to keep pace with the rest of Europe. Despite this, the pandemic situation has led to a greater awareness of the need to speed up the digitisation of Italy's Public Administration, businesses and companies. Consequently, the CDP Group endeavours each day to support the digital transition in its capacity as long-term financier and investor, in an aim to promote projects that introduce new technologies capable of quickly improving the competitiveness of enterprises, infrastructure and local areas. In 2021, the Group concluded 3 investment transactions, through CDP Equity, aimed at providing long-term support to Italy's strategic infrastructure.

Acquisition of a 7.3% equity investment in Euronext, through a specific capital increase for the creation of the first European capital market with a technological infrastructure (625 million euro)

Acquisition of a further 10% equity investment in Open Fiber thus obtaining a 60% majority shareholding in said company, with the aim of bridging the national digital divide and extending the optical fibre network to cover the country's grey areas (530 million euro)

Merger of SIA and Nexi to create an innovative new technological digital payments hub in Europe

Furthermore, in December 2021 CDP Equity, Leonardo, Sogei and TIM jointly submitted, as promoters, a private-public partnership proposal declared of public interest, for the creation of the Polo Strategico Nazionale (PSN, National Strategic Hub), a new IT infrastructure for the cloud-based management of the Public Administration's data and applications, within the context of the general plan for the acceleration of the country's digital transformation as a guarantee of national data security and control. Furthermore, the National Recovery and Resilience Plan (PNRR) makes provision for approx. 2 billion euro of funding to those public administration bodies participating in the PSN, for operations involving and supporting the migration of data to cloud services. The migration of data and services to the PSN involves the key and strategic data and services of those public administration bodies belonging to a category that does not guarantee business continuity (the so-called "PAC B") and of any other Central and Local public administration bodies who decide to make use of the infrastructure.

In order to create the PSN, a public tender procedure was initiated in January 2022 for the assignment of the construction and management of the project. CDP Equity, Leonardo, Sogei and TIM subsequently submitted a bid in March 2022. Should that bid prove successful, a specific company will be set up to implement the project. The new company, also drawing on the expertise of industrial partners, shall provide the Public Administration with:

- infrastructural services comprising the housing/hosting, processing, storage and making safe of data;
- support with migration to the cloud and with the development of applications designed to facilitate the use of cloud technologies;
- professional services to guarantee the optimal efficiency and effectiveness of operations conducted in the cloud (re-platform and re-architect) for a multi-year period;
- all phases prior to, and after, stipulation of the contract, including those concerning personnel training.

In keeping with its mission to promote Italy's sustainable growth, the CDP Group offers a combination of equity instruments, loans and guarantees to support enterprises with their technological and digital development; it helps them achieve their innovation and sustainability goals, such as the development of products and processes, the invention of new business models, and the transformation of business ideas into reality.

Venture capital without doubt represents one of the chief levers of the Group to sustain innovative, high-tech enterprises. With this in mind, the CDP Group, through CDP Equity, has become a majority shareholder of CDP Venture Capital Sgr - Fondo Nazionale Innovazione, which currently manages 9 funds¹. During the course of 2021, CDP Equity subscribed a total of 495 million euro² in shares of funds managed by the SGR, including the following 2 launched during the year in question:

FONDO CORPORATE PARTNERS

MISSION: to support innovative start-ups and SMEs operating in sectors of strategic importance for Italy to promote a Corporate Venture Capital culture by working with Italian companies

SECTORS: energy (EnergyTech), services (ServiceTech), infrastructure (InfraTech), industry (IndustryTech)

COMMITMENT/TARGET: 132³ M euro, 39% Target

CDP COMMITMENT: 120 M euro

¹ Plus a joint investment fund with the Italian Ministry of Economic Development and the Fondo Mobility operating in parallel with the Fondo Acceleratori.
² Includes 120 million euro of commitment to the Fondo Corporate Partners. At 31/12/2021 only the closing of the Industry Tech sub-fund had been completed, of which CDP Equity subscribed 30 million euro.
 • a further 50 million euro committed to the Fondo Acceleratori, decided on in 2021 and subscribed in the first quarter of 2022;
 • 120 million euro of commitment to the Fondo Corporate Partners. At 31/12/2021 only the closing of the Industry Tech sub-fund had been completed, of which CDP Equity subscribed 30 million euro.
³ Together with 60 million euro from the Joint Investment Fund with the Italian Ministry of Economic Development.

FONDO EVOLUZIONE



MISSION:

make direct investments in innovative start-ups and SMEs that have validated their business model on the market, or that find themselves at an advanced phase in their technological development



SECTORS:

general sector, with a focus on DeepTech



COMMITMENT/TARGET:

100 M euro, 67% Target



CDP COMMITMENT:

100 M euro

To date the CDP Group has helped support around 100 **innovative SMEs/Start-ups** by means of funds managed by CDP Venture in which CDP Equity has invested over the years.

CONVIVIT

CDP has supported CDP Venture Capital and Generali Welion's Boost Innovation fund in the promotion of a transaction designed to develop the "senior living" services sector in Italy. Their cooperative endeavours led to the founding, in 2021, of the management company Convivit in which CDP Venture Capital and Generali Welion hold equal shares. Convivit will manage self-contained housing units and innovative care facilities designed to promote the personal wellbeing and the active, independent ageing of self-sufficient elderly people.



PURPOSE:

To create a network of innovative residential facilities for self-sufficient people over the age of 65, within an urban environment and featuring self-contained, fully-fitted residential units of a contemporary design.



TARGET FOR 2030:

Manage 20 residential facilities for 2,500 self-sufficient elderly people, comprising 2,000 flats located nationwide.



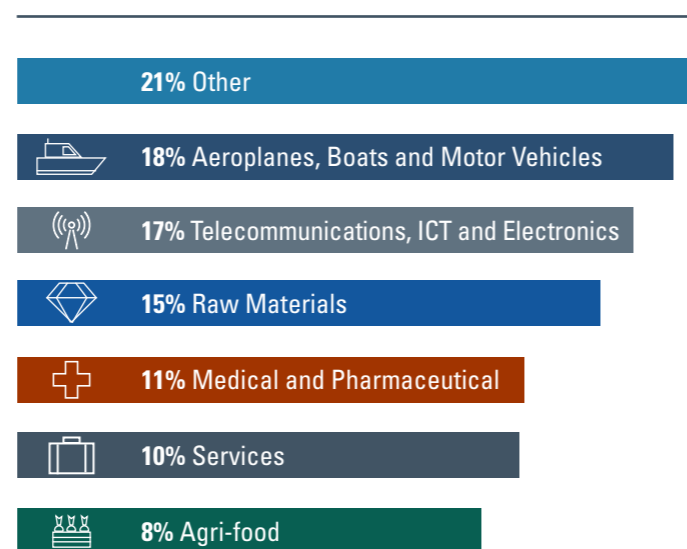
SERVICES PROVIDED:

- residential and hotel facilities also designed with socialisation in mind (e.g. with unlimited Wi-Fi connections, 24/24 reception, health and security services, cultural events, off-site excursions);
- help with daily routines (cleaning, catering, ...);
- complete accessibility of the flats;
- IoT technology platform, with preventive healthcare, assistance and treatment services, available 24/7 (e.g. the provision of telemedicine services, event booking facilities, ...).

In addition to equity instruments, the Group undertakes to promote the technological and digital development of Italy's productive system also by means of **direct and indirect loans** granted through banks.

>900 M euro COMMITTED
>580 ENTERPRISES SUPPORTED (+29% compared to 2020)

Sectoral distribution



As regards direct operations, CDP has supported investments in Research, Development and Innovation for more than 500 million euro for the benefit of 60 enterprises operating in a variety of different high/mid-tech sectors.

As regards its indirect operations, the Group has provided support to over 520 enterprises through 2 specific instruments aimed at the promotion of investment, with a substantial concentration in the research, development and innovation field.



REVOLVING FUND FOR ENTERPRISES

an instrument providing support to investment, research, development and innovation.

316 M euro COMMITTED
221 ENTERPRISES



CAPITAL GOODS FUND

an instrument designed for the funding of projects concerning the acquisition or leasing of company machinery, plant, equipment and capital goods, together with SMEs' investments in hardware, software, digital technologies and waste tracing and weighing systems.

79 M euro COMMITTED
>300 ENTERPRISES

One of the necessary conditions for the country's social and economic development is the availability of qualified "human capital" capable of contributing to the processes of innovation and of managing activities of a more scientific, technological nature.

With this in mind, in 2021, the CDP Group focused on measures designed to favour the formation of human capital, in particular that of the younger generations, in Italy's key sectors and in those of strategic importance for the country's future.

In 2020 Fondazione CDP began working with Generation Italy in response to critical issues concerning youth unemployment that emerged during the Covid-19 emergency, with the aim of developing courses for young people who are NEET (in Italy around 22% of young people aged 15 to 29 are NEET) designed to overcome the mismatch between job demand and supply and counter unemployment, also through possible re-skilling initiatives.

Following an initial phase that ended in March 2021, designed to identify those professions most in demand among companies, the most important geographical areas concerned and the range of possible beneficiaries, in July 2021 a free-of-charge pilot course began which will end in the summer of 2022, and once this course is over, an assessment will be conducted of the possibility of a scale-up of the initiative ("Accademia dei Mestieri").



TARGET:

100 students



PURPOSE:

train them as Microsoft .Net developers



DURATION:

14 weeks



ELIGIBILITY REQUIREMENTS:

having passed the online logical-aptitude test

5.4.2 FOR A SMART, DIGITISED AND INCLUSIVE WORK ENVIRONMENT

Digital transformation represents an enabling factor for the CDP Group for the creation of value, through the transformation of its business models, company processes and relationships with stakeholders.

This is why, given the remote working context characterising 2021 as well, the Group has continued to actively invest in innovation and digitisation through various projects and the introduction of new innovative instruments and processes designed to sustain and accelerate transformation, including by means of emerging technologies and new working modalities.

The Innovation Lab & Digital Transformation Department was set up with the aim of setting up, in the future, an open, distributed hub & spoke model of innovation. The Department is tasked with centralising methods and instruments, coordinating the distributed activities, and lending support to the formulation of transformation plans and the dissemination of a corporate innovation culture.

2021 saw the Group consolidating the process of digital transition based on 5 pillars:



DIGITAL TRANSFORMATION & ADVISORY

supports the digital transformation of business by means of the development of digital instruments, the evolution of "Core" applications, and a new multi-cloud architecture:

2021 RESULTS

- 1** new model of CRM: the new system has resulted in the establishment of a 360° view of customers and prospects in keeping with the transformation of CDP's service model centred on a Single Relationship Manager;
- 4** new digital platforms in support of the Public Administration and of international expansion (Building Bonuses, Business Matching, Fondo Cultura Portal and Patrimonio Rilancio);
- the re-engineering and/or development of **3** systems (CDP-PAY, ONERP for the Group's financial reporting, and Finance and Lending)

SECURITY AND RESILIENCE

guarantees the monitoring of logical and physical IT security controls, and strengthens the operational controls in order to ensure the adequate resilience of technological infrastructure.

2021 RESULTS

- The obsolescence of systems was reduced by updating the Data Center according to a DevOps and Cloud enablement approach;
- Frequent Vulnerability Assessments, Penetration Tests (+10 VA and PT in the last year) and Ethical Phishing activities were carried out;
- The Security Remediation Program was concluded; this Program pointed to technical, organisational and procedural measures capable of raising protective safeguards.

NEW WAY OF WORKING

redefines the way of working, including through the re-organisation of working spaces and the strategic rearrangement of offices.

2021 RESULTS

- 2 digital solutions, service desk platform and chatbox "My CDP", which enabled users' ICT requests to be automated:
 - ~ **1,600 tickets a month** for the automatic handling of requests and the resolution of problems;
 - ~ **150 requests a month** submitted to the conversational artificial intelligence service Microsoft LUIS (Language Understanding Intelligent Service).

OPERATIVE EXCELLENCE

deals with the rationalisation of costs, the streamlining of company operations, and cooperation with the external environment in order to develop innovative solutions.

2021 RESULTS

- The digitisation of the acquisition process was completed;
- A Procurement Monitoring Dashboard was released.

INNOVATION

aims to encourage the adoption and scale-up of innovative technologies throughout the main company processes

2021 RESULTS

- 1 digital platform for the creation and sharing of innovative projects proposed by the Group's employees

THE INNOVA PROJECT

Innova is a new **cooperative** platform allowing all Group employees to make a tangible contribution, within a shared digital space, to meeting the challenges of transformation, by proposing new ideas and proposals, and by voting for the best of them.

Starting with pilot projects, one of which focused on questions of sustainability, circumscribed to individual organisational units, the new scheme was extended to the entire Group in November with the launch of "call4ideas" representing a dual challenge regarding both social innovation and new methods of working, which were assessed by an Innovation Board.

The 8 winning ideas will be transformed into concrete measures.

 **1,200** colleagues involved  **20** selected ideas

 **> 4,000** interactions  **8** winning ideas

 **85** shared ideas  **1** Group award event involving the CEO

Support for the digitisation of the company's main processes was also provided, with a paperless approach, in the form of the dematerialisation of processes/operations requiring printouts and/or paper media, while the constant improvements made also included the fine tuning of processes that had already been digitalised in previous years.

4 new dematerialised processes⁴

- Staff management
- Remote working
- Staff administrative records
- Purchases

>120,000 print outs saved

>550 kg of CO₂ saved⁵

Procurement processes are 100% paper-free with regard to both the supplier qualification process via the Purchasing Portal, and the process of selecting and contracting suppliers right through to the payment of services and supplies provided.

Digitisation through structural changes has broadened the company's boundaries, but has also resulted in increased risk given the development of threats to internal security. For this reason, the CDP Group has adopted increasingly advanced protection systems, and has implemented safeguards designed to mitigate the new threats and the risks of fraud.

- 14,133** security events handled by ICT Security in 2021;
- ~ **270,000** events blocked by the perimeter protection systems
- ~ **9,600** e-mails containing malware blocked;
- ~ **24,000** e-mails blocked (spam/phishing).


THE MANAGEMENT OF DATA SECURITY RISKS


CDP guarantees adequate management of data security risks by means of:


- a specific regulation governing IT risk management
- mandatory courses in data security for all employees, held at least once a year
- structured, continuous risk management activities for outsourced services or for those services provided by third parties
- constant monitoring to promptly detect any possible operating or security incidents having an impact on the company's IT infrastructure
- the due planning of security operations in keeping with the sector's main standards/best practices and regulations
- the effective management of system vulnerability
- the collection and analysis of information for the purpose of promptly identifying any threatening situations

Finally, CDP has included a process for managing incidents, together with the corresponding operating procedures, in its own regulations. More specifically, a special procedure has been established for the management of privacy compliance, including those aspects regarding personal data breaches.

With the aim of promoting a virtuous security culture within the Group, training courses and awareness-raising initiatives for all employees were planned and implemented during the course of the year:

 e-learning course on questions of Security Awareness, including gamification content, designed specifically for all of our people at the CDP Group;

 information sessions entitled Security Awareness - Social Engineering & Persuasion specifically addressed to the CDP Group's Executive Assistants;

 ad hoc events held as part of the "Security Awareness per i più giovani" (Security Awareness for young people) project, organised by the Human Resources and Corporate Security Teams (involving a total of over 330 participants). The first event was designed for employees, and focused on the principal types of computer crime against minors, while the second was designed for employees' children aged 8-11, to raise their awareness of online security issues and of the responsible use of the Internet.

In 2021 the Group continued its efforts to render workplaces more functional and accessible, in keeping with the principles of well-being, inclusion, cooperation and innovation.

In May the "Co-working HUB" project was launched, designed to meet the aforementioned need for innovation during this emergency period. Thanks to this new project, designed by the Human Resources, Property, Facility & HSE Management and ICT Teams, individuals, and in particular those newly hired, were able to utilise the company's workplaces broadly in order to work during the emergency.

Since September 2021 the Smart Office tool has been available to employees, including those working at the Milan offices in Via San Marco, by means of which they can book work stations online; this tool is available through both Microsoft Teams and through the dedicated app "SmartOffice". In November, furthermore, an innovative new co-working space was created at the Rome offices in Via Goito.

 **6** open spaces

 **4** meeting rooms

 **26** workstations

 **1** Phonebooth

With a view to optimising diversity and social inclusion, the Group undertakes to guarantee workplaces that are accessible and inclusive for all employees concerned.

At present, **100%** of the Group's offices are barrier-free, and all technical due diligence on real estate involves a preliminary assessment on removing architectural barriers and compliance with Italian Law 13/89; this is an important aspect of the evaluations made in regard to the opening of new offices.

⁴ The figures refer to the Parent Company.

⁵ The calculation was made using a conversion factor of 919.39628 kgCO₂ and per ton of paper (Source: the UK Department for Environment, Food and Rural Affairs, DEFRA)

5.5. CLIMATE ACTION AND ENVIRONMENTAL PROTECTION

Support for the transition to an economy and a society that pay greater attention to the planet, through the contribution to the fight against climate change and the promotion of the energy transition and through business activities for the promotion of a low-impact work environment.

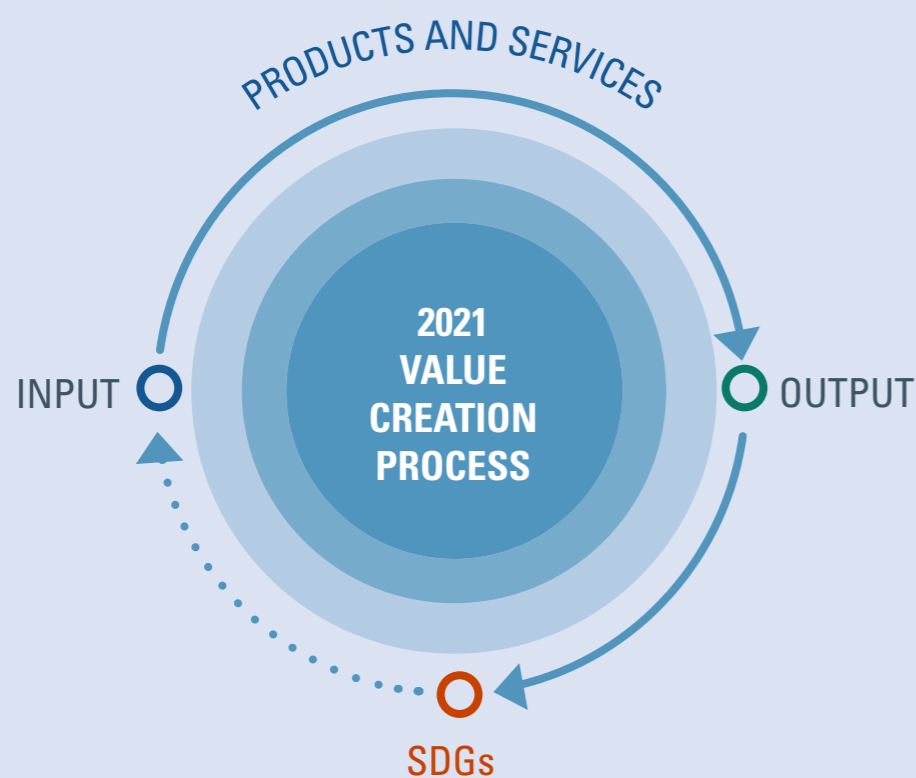


FINANCIAL
• Financial resources

HUMAN
• People that work in the Group

NATURAL
• Natural resources and climate-changing emissions

PHYSICAL-PRODUCTIVE
• Infrastructure and productive system



PHYSICAL-PRODUCTIVE

- **2** new companies operating in the renewables sector
- **5** enterprises financed for renewable energy projects

NATURAL

- **3.3 billion euro** for climate change and energy transition
- **462.2 MW** of installed capacity
- **10** circular economy projects
- **-39%** of total GHG emissions for the Group
- **95%** of energy from renewable sources

HUMAN
• **150** employees involved in sustainable mobility projects

5.5.1 COMBATING CLIMATE CHANGE AND SUPPORTING THE ENERGY TRANSITION

To date, research and data confirm that ongoing climate change dynamics are not showing any signs of abatement. The current geopolitical scenario is characterised by global challenges that can represent significant obstacles to ecological transition programs and low-carbon business models. In particular, the lack of convergent views as with the various national guidelines on nuclear energy and the tightening of political relations (also caused by the outbreak of the Russian-Ukrainian conflict) are impeding the continuation of the path towards achieving sustainable development goals such as combating climate change. With reference to Italy, the Russian-Ukrainian conflict focuses attention on the uncertainty of gas supplies, 46% of which come from Russia¹, and leads to a rethink on how to satisfy our energy requirements.

Together with this, the Covid-19 pandemic has also put some environmental issues up for discussion: if on the one hand the periods of business closures and the lockdown have led to a decrease in environmental impacts, on the other they have placed the emphasis on the need to make growth and the ecological transition inclusive in order not to exclude those sections of the population impoverished by the effects of the pandemic.

In this context, some sectors may represent a response to strengthen the commitment towards combating climate change, and their expansion would lead to economies of scale that would facilitate the accessibility of products and services in favour of a fair and just ecological transition.

In line with its 2022-24 Strategic Plan, the CDP Group has decided to recognize its role and responsibility in combating climate change and promoting the energy transition, contributing towards national expansion for the achievement of the Group's carbon neutrality.

With this in mind, it believes it is important to proactively structure its commitment along all branches of its operations: from direct financing to businesses and the Public Administration to the management of public resources up to the promotion of system initiatives.

The main results of this commitment have allowed CDP to support various projects that contribute towards clean energy and climate action by businesses and local areas. In particular, the Group has contributed towards financing strategic infrastructure to accelerate ecological transition, committing a total of 2 billion

euro in 2021², supporting a series of projects in sectors that can effectively contribute towards the fight against climate change, since they aim to optimise impacts on the climate or represent by definition an alternative response to business models that are not compatible with sustainable development.

PROJECTS*	EURO M
INFRASTRUCTURE FOR ROAD TRANSPORT	542
INFRASTRUCTURE FOR RAILWAY TRANSPORT	1,240
ENERGY PRODUCTION FROM WIND POWER RESOURCES	79
<ul style="list-style-type: none"> • of which for plants under construction • of which for plants in operation • of which for other projects 	25 20 34
ENERGY PRODUCTION FROM PHOTOVOLTAIC RESOURCES	10
<ul style="list-style-type: none"> • upgrading and modernisation of plants 	
COLLECTION, TREATMENT AND SUPPLY OF WATER	38
CIVIL STRUCTURES (TOWERS, PYLONS AND POLES) AND TECHNOLOGICAL PLANTS TO HOUSE TRANSMISSION EQUIPMENT	117
URBAN AND SUBURBAN PASSENGER TRANSPORT	55

* Only loans in the economic sectors included in the Delegated Regulation (EU) 2021/2139 (Climate Delegated Act) of 4 June 2021 were taken into consideration; this Act identifies the economic activities that can contribute to mitigating or adapting to climate change pursuant to the European Taxonomy.

Most of the committed resources were allocated to projects in the public and private transport infrastructure sector, in the belief that overall transport efficiency is a key element in reducing the impacts generated by carbon emissions.

The Group has also contributed towards financing initiatives for the water sector and the telecommunications sector, to help manage the possible physical climate risks that may have an impact on water supplies and on the operation of transmission activities. In addition, with regard to the telecommunications sector, the use of innovative technologies and progressive digitalisation may strengthen the commitment towards reducing carbon emissions in favour of the fight against climate change.

¹ Source: European Union Agency for the Cooperation of Energy Regulators (last available data for 2020).
² The data refers to debt and guarantee transactions in favour of infrastructural counterparties.

Investing in projects related to the development of sectors for the production of renewable energies, in particular photovoltaic systems and wind power, represents the response of the CDP Group for the promotion of alternative production models: promoting the expansion of these sectors is an essential element for the ecological transition since they allow energy requirements to be met, while gradually abandoning the dependence on sources with high carbon emissions and transitioning to sustainable consumption models.

462.2 MW OF INSTALLED CAPACITY

THE GROUP SUPPORTING THE WIND POWER SECTION

In this area, the Group has provided its economic support to projects relating to wind power plants: in particular, it funded the PLT energia Group, which through its subsidiaries is engaged in the development, construction and management of wind, photovoltaic and biomass plants and also in the sale of electricity and gas.

As part of the transaction, the CDP Group contributed to the granting of two loans: the first with Unicredit to re-finance the PLT group companies on the portfolio of 6 wind farms in operation, for a total capacity of 73.6 MW; the second multiline loan, granted with Unicredit and the European Investment Bank (EIB), contributed to the realisation of new projects for 4 greenfield wind farms, for a capacity of 95.2 MW.

Lastly, with reference to one of CDP's key activities, namely the financing of public entities, the Group committed over **1 billion euro**³ in favour of works that would potentially have a positive impact on mitigating and adapting to climate change. Of these, ~400 million euro related to mobility, contributing to road works, physical infrastructure and transport to favour local connections. Over 20 million euro was used in the energy sector, funding works such as co-generation electricity plants, alternative energy farms and lighting systems. Another ~14 million euro was invested in waterworks and water networks, and over 27 million euro in sewage networks and waste disposal plants. Over 4 million euro of funding was channelled into remediation work and the prevention of natural disasters.

In addition to the loans for infrastructure, a portion amounting to over **330 million euro** was granted to companies operating in high-impact sectors to support investments in the environment, energy efficiency and the *green economy*.

THE SUSTAINABLE GROWTH OF VETRERIE MERIDIONALI

Vetrerie Meridionali, a leader in the glass sector and specialised in the production of glass containers for food and beverages, received a loan with a SACE green guarantee of 12 million euro from the CDP Group, which will be used to create a new melting furnace for the production of hollow glass. The intervention will facilitate the growth of know-how of the first glass company to use for melting purposes the hydrogen produced by exploiting combustion fumes, proactively contributing to energy efficiency. In this sense, the loan makes its contribution to virtuous and first-mover approaches that simultaneously promote the growth of the economic system and sustainable development: in fact, Vetrerie Meridionali stands as an absolute innovator in the glass sector, introducing a particularly cutting-edge technology that can be replicated in other areas and will significantly reduce CO₂ emissions.

Companies located throughout Italy and concentrated in various sectors benefited from these loans, including those engaged in manufacturing, medical and pharmaceutical products, agri-food, processing of raw materials and utilities, services, retail, transport, logistics and mechanical industries.

Although Italy is one of the European countries with the highest energy efficiency, in 2021 renewables covered only 36% of the total electricity demand, while the remaining part was satisfied by non-renewable sources produced by thermoelectric power plants.

In this context, considering the expansion of the supply of renewables to be of fundamental importance, the CDP Group also provides its support for energy efficiency in the context of investment activities that aim to support companies capable of increasing their production capacity of alternative energies.

GREENIT

The Group took part in the creation of **GreenIT**, a joint venture for the development, construction and management of plants for the production of electricity from renewable sources, established by Eni (51%) and CDP Equity (49%). The purpose of GreenIT is to produce energy mainly from photovoltaic and wind power plants with the aim of achieving an installed capacity in the long term of about 1,000 MW. The resources will be used across various areas of intervention which include the development and construction of greenfield plants, including through the enhancement of the real estate assets of the CDP Group and the Public Administration, the repowering of plants at the end of their useful life and the construction of authorised projects.



During 2021, through the entry of CDP Equity into the vehicle **Renovit**, controlled by Snam, the Group initiated the development of the new Italian platform, which became a B-Corp in February 2022 to promote the energy efficiency of multi-occupancy buildings, companies and the public administration and promote the sustainable development and energy transition of the country. Renovit is placed as an enabler for further growth in the sector, contributing to the achievement of national energy efficiency objectives by 2030 and the decarbonisation of the economic system.


 **14,000** tonnes of CO₂ avoided


 **2,704** new trees planted


 **40** NetZero accompanying programmes

IDFC STATE OF AMBITION

Aware of the importance of the actions required to combat climate change, the CDP Group, as a member, added its signature to the letter of the International Development Finance Club which formally states the commitment of its members with regard to:

 promoting and financing investments that support countries towards achieving carbon neutrality

 continuing to promote decarbonisation, through sectoral transformation and sectoral decarbonisation

 suspending public funding for the construction of new coal-fired power plants

 promoting new solutions in favour of ecosystems

5.5.2 PROTECTING THE ENVIRONMENT AND NATURAL RESOURCES

Current consumption patterns not only contribute to a significant increase in greenhouse gas emissions, but also have a drastic impact on the consumption of natural resources and the consequent loss of biodiversity. It is estimated that 90%⁴ of this impoverishment arises from the extraction and transformation of natural resources. Protecting the environment, therefore, represents an absolute priority, and also rationalising the use of resources: in 2021, the consumption of resources exceeded the planet's regeneration capacity⁵ as proof of consumption trends that are not compatible with the ecosystem.

To compensate for the lack of resources, there is a need to rethink the logic underlying use and disposal, by introducing circular dynamics that allow the reintroduction into the economic system of what has already been used, for its return to a new life to support the demand for goods and services.

The Group can make an effective contribution to the consolidation of circular economy models, above all through its business activities, supporting initiatives that embrace the logic of reuse and regeneration and supporting companies that are committed to integrating circularity into their business models.

In line with this objective, CDP contributes to the implementation of circular initiatives that promote the reuse of disused and/or underused areas, sites and buildings in Italian cities that, with a view to urban regeneration, are redeveloped and converted to be returned to local communities. The circular economy is closely bound with the areas of the Group's operations and supports local areas and local communities through urban development initiatives in an effort to recover and enhance the value of public and private assets in Italian cities.

Accordingly, the CDP Group pushed forward along the path travelled in recent years through the work of CDP Immobiliare SGR, which targets urban redevelopment and regeneration projects (through FIA), involving initiatives aimed at giving new life to historical areas and abandoned industrial complexes that no longer serve their purpose in Italian cities, with a view to recovering sites, areas, premises and buildings no longer in use, to extend their useful life and, where necessary, change their intended use, with an emphasis on circularity⁶.

 **5** PROJECTS COMPLETED

 **>22,700** OF RE-DEVELOPED LAND

 **413** SOCIAL HOUSING UNITS

 **1,065** BENEFICIARIES

³ Only loans in the economic sectors included in the Delegated Regulation (EU) 2021/2139 (Climate Delegated Act) of 4 June 2021 were taken into consideration; this Act identifies the economic activities that can contribute to mitigating or adapting to climate change pursuant to the European Taxonomy.

⁴ Source: WEF, 2022 (<https://www.weforum.org/agenda/2022/02/double-circular-economy-in-ten-years/>)

⁵ Source: Earth Overshoot day <https://www.overshootday.org/>

⁶ The reported circular economy projects represent a portion of those reported in the chapter "Support for local areas"

With a view to urban regeneration and with the aim of improving the properties belonging to the State, local authorities and the Group, CDP Immobiliare SGR invests through the “Fondo Investimenti per la Valorizzazione” (“FIV”) conducting renovation, restoration and ordinary and extraordinary maintenance works. In 2021, 67% of the projects that were in progress complied with the circular economy criteria set by the European Union⁷.

 **4 PROJECTS UNDER WAY**

 **>62,000 M2 OF LAND TO BE REDEVELOPED**

 **40% OF LAND SAVED**

In relation to the activity of **directly financing enterprises**, in 2021, 5 loans were aimed at supporting the circular economy, including the transaction in favour of Dentis Recycling Italy s.r.l. amounting to 8.75 million euro. The company will allocate these liquid funds to the construction of a new plant for the recycling of PET bottles for food at the plant in Sant’Albano Stura, in the province of Cuneo, alongside the existing production line.

ARBOLIA

CDP launched an initiative with SNAM aimed at creating green spaces in urban and peri-urban areas to contribute effectively to improving air quality and combating climate change, generating opportunities for social and economic development. For this purpose, in 2020 the benefit company Arbolia was established on the initiative of the Fondazione CDP and Snam, which promotes and implements afforestation and reforestation initiatives on land owned by the public administration and local authorities, economically supported by companies and private individuals wishing to compensate for CO₂ emissions, through the sale of planting services. In 2021, more than 30,000 trees were planted in eight Italian regions and several other projects were launched and will be finalised in 2022. Thanks to Arbolia’s initiatives, 3,470 tons of CO₂ emissions will be avoided in the next twenty years together with 22 tons of PM10 per year. The goal is to reach a total of more than 100,000 trees by 2023.

30,000 TREES
8 REGIONS
3,470 T OF EMISSIONS AVOIDED OVER THE NEXT 20 YEARS
22 T OF PM10 EMISSIONS AVOIDED EACH YEAR

5.5.3 FINANCING ECO-SUSTAINABLE ACTIVITIES ACCORDING TO THE EUROPEAN TAXONOMY

As part of the commitment of the European Union, formalised in the “Action Plan: Financing Sustainable Growth”⁸ which pursues the objective of redirecting capital flows towards sustainable investments, integrating sustainability into risk management and promoting transparency and long-term vision, the Regulation (EU) 2020/852 (so-called “Taxonomy”) also has a role to play.

The objective of the Regulation is to provide investors and the market with a common language for eco-sustainable activities that can guarantee the comparability of the environmental performance of investments, reduce the risks of greenwashing and increase the quantity and quality of information on the environmental and social impacts of the business, thus favouring more responsible investment decisions.

According to the Taxonomy, economic activities are defined as eco-sustainable when they contribute substantially to the achievement of at least one of the 6 environmental objectives (see the graph on the next page), provided that they do not cause any significant damage to any of the other environmental objectives and that they are performed in compliance with minimum safeguarding guarantees.

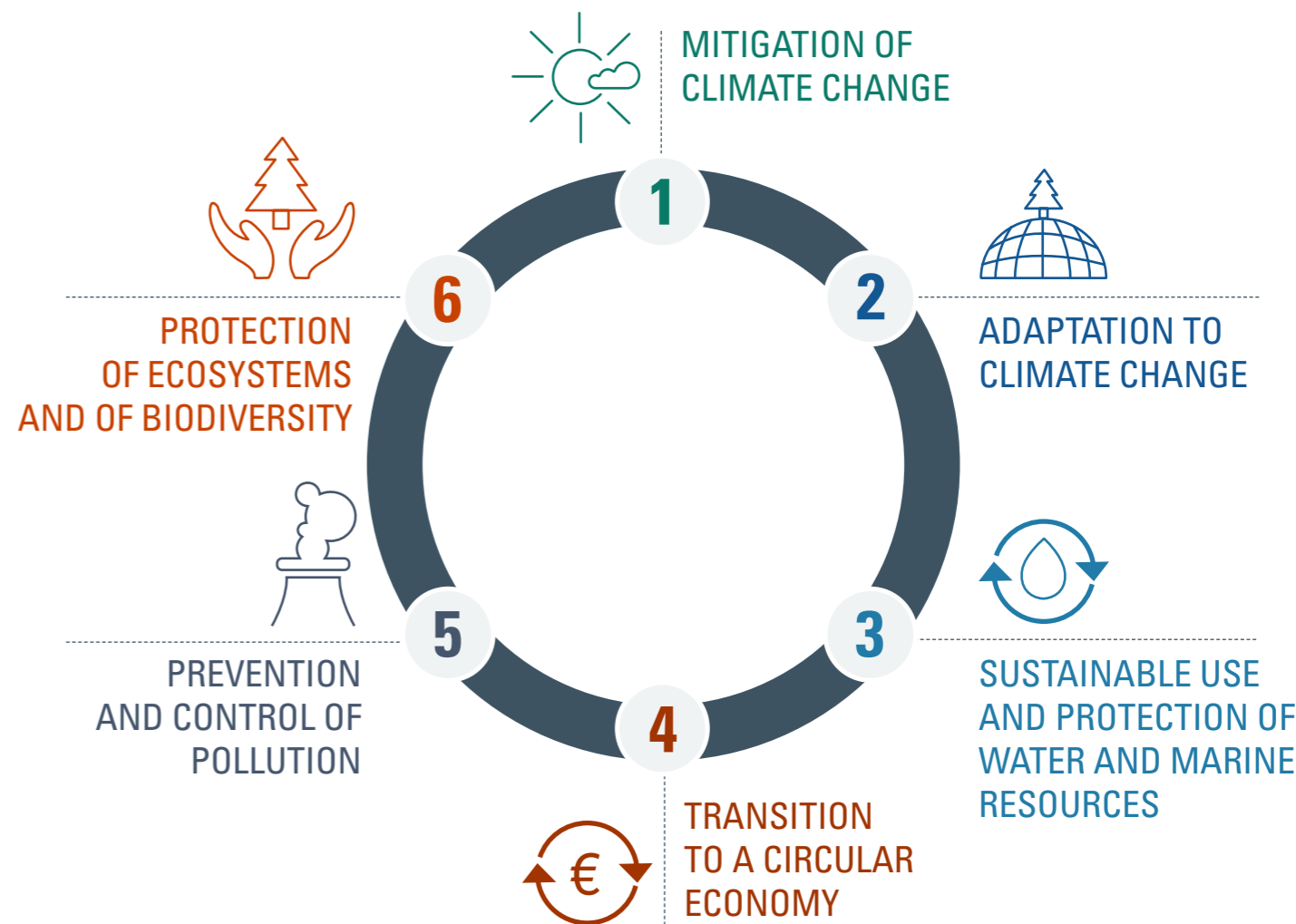
Pursuant to Art. 8 of Regulation (EU) 2020/852, the CDP Group, since it is one of the entities obliged to publish non-financial information (according to Italian Legislative Decree 254/16), is required to disclose to investors, as well as to the wider audience of stakeholders, the extent to which the economic activities carried out, or the activities financed in the context of financial processes, contribute to the achievement of environmental objectives, responding to specific disclosure requirements defined by reason of the financial or non-financial nature of the company that is being financed or invested in⁹.

On the basis of the Taxonomy regulation and the explanations provided by the European Commission within the FAQs, the CDP Group carried out the assessments on the prevailing business of the Group (considering the Parent Company and the companies subject to management and coordination), in light of which it considered appropriate to classify itself as a “credit institution”.



In the first two years of application of the legislation, financial companies are expected to provide limited disclosure content, which considers the asset items in the balance sheet referring to loans, debt and equity instruments. These indicators, limited for this year to the objectives of mitigation of and adaptation to climate change, provide an overview of the potentially “eligible” (i.e. admissible) activities as regards the Taxonomy and are preparatory to the reporting required by the relevant developing legislation.

In addition to these indicators, there are other metrics that aim to provide a summarised representation of the composition of assets of financial companies with respect to certain categories provided for by law.



⁷ The projects have been assessed as circular in light of the criteria set by the European Commission (“CATEGORISATION SYSTEM FOR THE CIRCULAR ECONOMY”).
⁸ Communication of the EU Commission, COM (2018) 97.
⁹ In July 2021, Regulation (EU) 2021/2178 was published which supplements Article 8 of Regulation (EU) 2020/852 to specify the content and presentation of the metrics (so-called “key performance indicators” or “KPIs”) for financial companies as well as the procedures to be complied with for their measurement and the qualitative information that must accompany their reporting. Regulation (EU) 2021/2178 defines financial companies by dividing them up into credit institutions, financial asset managers, investment companies and insurance/reinsurance companies, providing specific metrics and different reporting procedures for each category.

KPI	DESCRIPTION		MANDATORY	VOLONTARIO
	VOLUNTARY	DENOMINATOR		
Portion of exposures in eligible assets	Exposures in eligible assets	Total Covered Asset	0%	20%
Portion of exposures in non-eligible assets	Exposures in non-eligible assets	Total Covered Asset	64%	44%
Portion of exposures in derivatives	Exposures in derivatives	Total Covered Asset	0%	-
Share of exposures to companies not subject to the obligation to publish non-financial information	Exposures to companies not subject to the obligation to publish non-financial information	Total Covered Asset	18%	-
Share of interbank loans on demand	Interbank loans on demand	Total Covered Asset	0%	-
Share of exposures to central governments, central banks and supranational issuers	Exposures to central governments, central banks and supranational issuers	Total Asset	59%	-
Share of trading portfolio	Trading portfolio	Total Asset	0%	-

With regard to the above data, the following should be noted:

- the **portion of exposures in eligible and non-eligible assets** was reported on a voluntary basis as it includes estimates and proxies that became necessary in the absence of certain management data and, above all, public information on the portions of eligibility of financial and non-financial counterparties¹⁰;
- the **"Total Covered Assets"** represent 41% of the Total Assets and were calculated by subtracting from the total assets of the reporting companies exposures to central government entities, central banks and supranational issuers and the trading book¹¹;
- the **"Total Assets"** were used as a denominator for the calculation of the KPIs referring to the trading book and to exposures to central government entities, central banks and supranational issuers as these exposures do not fall within the definition of "Covered assets";
- it was considered appropriate to construct the KPIs using different denominators (Total Covered Assets or Total Assets) in order to provide a better understanding of the composition of the Group's assets, on which the reported metrics depend.

PORTION OF EXPOSURES IN ELIGIBLE ASSETS

The following are the components that contribute to the KPI numerator for the first year of reporting:

- Exposures to Non-Financial Corporations¹²:** exposures to counterparties with eligible NACE codes were considered. Where available, the NACE codes of the economic activity were used for the valuation of exposures with "use of proceeds known" (loans and debt specialised). As required by law, the Italian counterparties¹³ subject to NFRD were identified in a precise manner taking the list published by Consob as a point of reference; the reporting of the eligibility portion, however, extends to all the exposures in the book in order to give a fuller representation of the composition of the Group's assets;
- Exposures to Financial Corporations:** exposures with "use of proceeds known" (loans and debt specialised) with a NACE code of the economic activity eligible for the taxonomy were taken into consideration;
- Exposures to Local Governments:** exposures with "use of proceeds known" (loans and debt specialised) with a NACE code of the economic activity eligible for the taxonomy were taken into consideration;
- Households:** loans secured by mortgages on residential properties were considered.

¹⁰ In particular, it should be noted that to determine eligibility, the NACE code of the counterparties was used in line with the instructions in the FAQs and the corresponding Annex published by the European Commission in December 2021.

¹¹ As clarified in the FAQs published by the European Commission in February 2022 (ref. FAQ 21).

¹² Non Financial Reporting Directive

¹³ It should be noted that the operations of the CDP Group are not significantly impacted by foreign counterparties; for this first year of application, a detailed analysis was carried out on the most important foreign counterparties and the remaining counterparties were prudentially considered ineligible.

5.5.4 AN ENVIRONMENTALLY-FRIENDLY WORKPLACE

The Group is committed to and recognises the **importance of protecting the environment** by adopting the goal of promoting innovative solutions capable of protecting natural capital, through the minimisation of the environmental impacts it produces.

In this context, CDP implements its **Environmental Management System** ("EMS"), by keeping it active and improving it continually in compliance with the requirements in the standard UNI EN ISO 14001:2015¹⁴, establishing the procedures to achieve and meet such requirements in full.

In 2021, there was an **extension** to the scope of EMS certification according to the requirements of standard UNI EN ISO 14001:2015 at the new offices in Ancona and Bari.

To monitor the effective implementation of the EMS, internal audits are carried out periodically and on a sample basis, conducted in accordance with the instructions in the internal procedures and defined in the annual planning.

As regards the EMS certification, certification audits are scheduled and carried out by a third party according to a three-year programme.

With reference to the identified **direct environmental aspects**, specific procedures and operating instructions have been developed in order to ensure that the most critical activities in terms of environmental impacts (such as, for example, waste management, the management of buildings and plants, and the monitoring of consumption) are carried out under controlled conditions and preventively with respect to potential anomalous or emergency situations.

Given the nature of CDP's business, the most significant direct environmental impacts it produces are tied to the **consumption of raw materials** (such as toners and paper products), the **waste it produces**, **energy consumption** (gas and electricity) and **atmospheric emissions**.

Periodically, according to the frequencies indicated within the Environmental Management System, the aforementioned quantities are **measured and monitored** in order to verify the respective trends as well as any discrepancies or anomalies. In addition, **technical-documentary due diligences** are periodically commissioned in the buildings of CDP, with a view to dealing with any non-conformities or critical aspects related to the buildings and connected plants.

¹⁴ CDP SpA and CDP SGR are ISO 14001-certified.

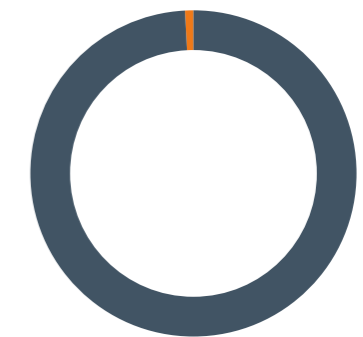
In the area of **consumption of raw materials**, the commitment started by the Group in 2019 continues, with the implementation of the "Zeroplastica" (Zero Plastic) and "Paperless" projects, in reducing consumption and in using eco-sustainable materials for an overall improvement in its environmental performance.

For this reason, the Group undertakes to purchase and use renewable materials which, thanks to the 4% increase recorded in the last year, represent almost all the materials used.

Consumption of materials in the CDP Group

0.8%

NON-RENEWABLE MATERIALS

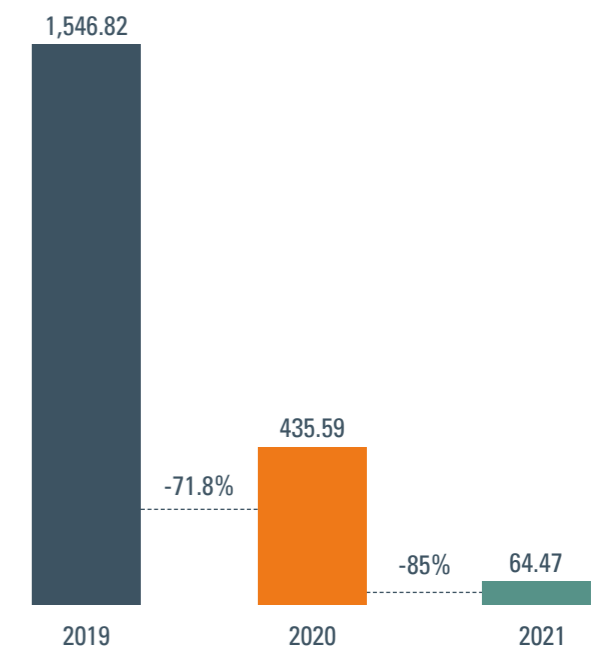


99.2%

RENEWABLE MATERIALS

There is also an **overall decrease in the consumption of raw materials of 6% compared to 2020**, due to a 2% reduction in renewable materials and a simultaneous 85% reduction in non-renewable materials.

Non-renewable materials used by the CDP Group



With regard to **waste management** and **production**, there was a significant reduction in waste produced of **66%** compared to 2020 and an **increase in the share of recovered waste of 12%** (0.4% in 2020) made possible by the introduction, in the case of CDP SpA, of contractual clauses included in the technical specifications for waste disposal contracts.

With reference to **energy consumption**, in 2021 there was a **decrease in the consumption of petrol**, dictated by the reduction of one car in the company fleet (from 13 to 12), the simultaneous replacement with cars with lower consumption⁹ and by the adoption of a new procedure for using the fleet of cars, and of **natural gas** following the total sale of the property in Via Versilia in June 2020, which had a company canteen, and the use of the offices in Via Alessandria and Via Benedetto Croce, which do not require the consumption of gas.



-28% PETROL



-53% NATURAL GAS

With regard to the Group's **electricity consumption**, there was a **7.5%** reduction in the energy purchased from the grid compared to 2020 mainly due to the **conclusion of re-lamping initiatives** on the property in Via Goito and the new organisation of the offices that led in 2021 to the **transfer to the new offices** in Via Alessandria and Via Benedetto Croce that are more energy efficient. In addition, in all locations for which electricity is purchased through Consip, the green option has been activated for the purchase of electricity from renewable sources¹⁵.

VIA ALESSANDRIA LEED CERTIFICATION

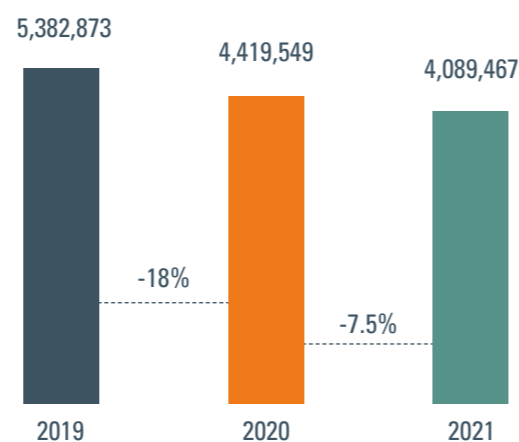
In March 2021, CDP Immobiliare was awarded **LEED GOLD certification** for the headquarters of the CDP Group in Via Alessandria 220, corresponding to a score of 76/110.

During the operating phase and depending on being awarded the certification issued by GBCI (Green Business Certification Inc.), the coordination activities concerned support for the **monitoring of consumption**, and also **ordinary and extraordinary maintenance** work carried out by suppliers managed directly by CDP S.p.A., as the Tenant of the property.

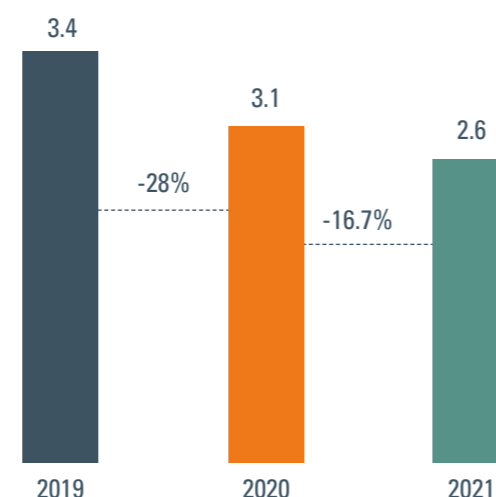
The Leed protocol entails a series of requirements that refer to social and environmental impacts also through the application of systems aimed at water saving and waste management during construction and during the useful life of the building.

Most of the inside areas are open-space and are fitted with cutting-edge technologies aimed at ensuring the best habitability and sustainability of the intervention.

Energy consumption (kWh)¹⁶



Per capita energy intensity ratio (mWh/n)¹⁷



In addition, the **percentage of renewable energy** increased significantly in 2021, from 89% in 2019 to **95%**.



95% OF ENERGY FROM RENEWABLE SOURCES

In March 2021, the **"Relamping LED"** project in the Via Goito offices in Rome was finally completed; the project allowed the replacement of **336** fluorescent lamps with LED lamps and an **energy saving of 12,898 kWh**.



In response to a reduction in fuel consumption and electricity consumption by the Group, in 2021 there was a **39% decrease in emissions** compared to 2020, which affected both direct emissions and indirect emissions:



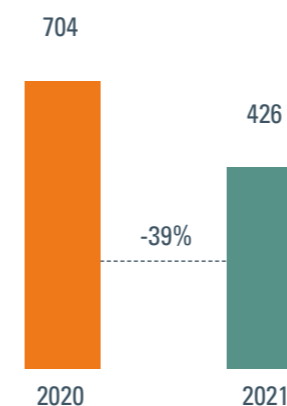
Scope 1: -47%
Scope 2¹⁸: -60.3%
Scope 3: -18%

The reduction in atmospheric emissions had an effect, in continuity with 2020, on all types of scopes. Following reductions in fuel consumption (diesel, petrol and natural gas), the scope 1 direct emissions underwent a sharp decrease, in particular due to a 51% decrease in natural gas.

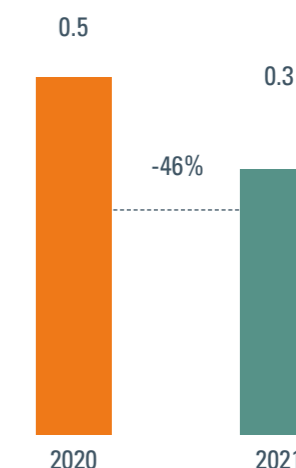
As a result of the reorganisation of buildings and the supply of electricity mainly from renewable sources there was a strong reduction in indirect emissions related to electricity consumption.

Total indirect GHG emissions from work-related travel (Scope 3), including work travel by non-company car, by train and by plane, also posted a mitigation. The adoption of remote working by CDP, the not yet fully operational return to work on-site, the impossibility of moving freely and travelling even for work, are largely the factors that led to the lower overall consumption and a very limited number of trips. Nevertheless, the aforementioned results at the same time express the Group's commitment to the creation of increasingly efficient offices and the promotion of alternative modes of transport for employees.

Total emissions (tCO₂e)¹⁹



Per capita emission intensity (tCO₂e/n)¹³



5.5.5 A CULTURE OF SAVING RESOURCES

Conscious of the importance of raising awareness about environmental culture, the CDP Group continues its commitment to promoting initiatives aimed at strengthening the adoption of virtuous and sustainable behaviours.

In 2021, the Group also joined the Caterpillar and Radio 2 initiative called "Mi illumino di meno" (I light up less), dedicated to energy saving and sustainable lifestyles and from 6 pm to 7 pm on 26 March 2021, the external lights of the offices in Rome (Via Goito, Via Benedetto Croce and Via Alessandria) and Milan were all switched off.

In 2021, during the European Sustainable Mobility Week, CDP launched the 2nd mobility project for employees, involving travel to the office on shared electric scooters, promoting the use of electric vehicles in the Rome and Milan offices so as to commute safely and at the same time reduce CO₂ emissions and reduce noise pollution.

The objectives and programmes to be implemented by 2023 include two initiatives in the field of sustainable mobility: the expansion of bicycle/scooter racks and the feasibility assessment for the installation of charging stations for electric cars at CDP offices.

In addition, the benefit for all employees consisting in a contribution to the annual Local Public Transport pass remains active.

¹⁵ It should be noted that until October 2021, CDP S.p.A. had 2 diesel and 2 petrol company cars; since November 2021 there have been 4 diesel cars.

¹⁶ For the offices in Via Benedetto Croce and in Genoa (used by CDP Immobiliare Sgr) the national energy mix data was used.

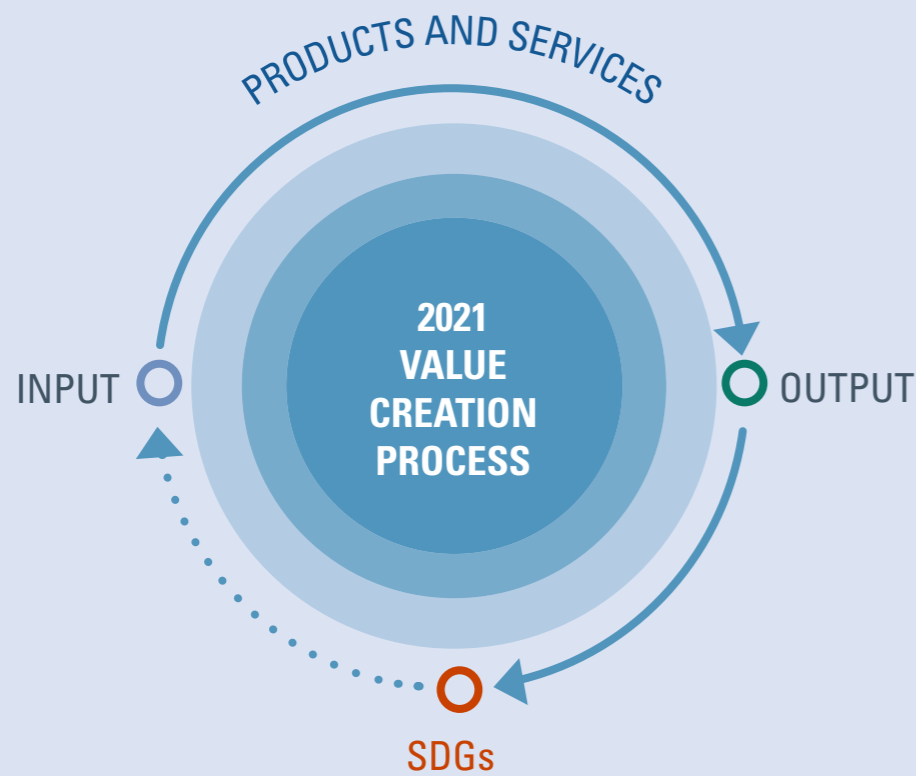
¹⁷ The 2020 and 2019 values do not consider the SACE Group.

¹⁸ The Scope 2 emissions were calculated using the market-based method. See the annex for further information.

¹⁹ The 2020 and 2019 values do not take the SACE Group into consideration.

5.6 BEYOND ITALIAN BORDERS

CDP works beyond Italy's borders to support the international expansion of Italian companies and, as the Italian Financial Institution for International Development Cooperation, to support initiatives with a high socio-economic impact in emerging economies and developing countries, protecting and promoting respect for human rights in favour of sustainable and inclusive growth and development.



PHYSICAL-PRODUCTIVE

- **17** companies assisted in their expansion into foreign markets
- **+400 million euro** to support international expansion

NATURAL

- **14,000** homes in rural areas benefiting from electricity from renewable sources
- **>85 million euro** in two green bond funds

SOCIAL-RELATIONAL

- **>3,800** microloans to support female entrepreneurship
- **>500** public development banks involved (FiCS)



CDP AND FRATELLI COSULICH FOR THE INTERNATIONAL DEVELOPMENT OF SUSTAINABLE INFRASTRUCTURES

CDP, in collaboration with BPER Banca and Banca Popolare di Sondrio and using the SACE Green Guarantee, has supported the Fratelli Cosulich Group, a global leader in shipping and logistics services related to the maritime transport industry, by entering into a loan agreement for a total amount of 31.5 million euro (CDP share equal to 9 million euro), in addition to other non-repayable resources of 4.5 million euro from the European Commission within the scope of the Connecting Europe Facility (CEF).

The resources will be used for the construction of a vessel that will allow the distribution of liquefied natural gas (LNG) in the Mediterranean Sea. The plan provides for the construction of a gas tanker of approximately 5,300 tonnes, powered in turn by LNG, for the transport and gas supply services for large vessels – cruise liners and cargo ships – transiting in the Mediterranean Sea. The vehicle will transport up to 7,500 m3 of gas.

The initiative represents a strategic and cutting-edge project at European level, an important first step towards infrastructural development oriented towards sustainable mobility and low environmental impact, falling squarely within the objectives of the Green New Deal of the European Commission. The transaction confirms the attention to the international growth of Italian companies, especially in a complex historical moment such as the current one.

The promotion of sustainable development by CDP does not end with the activities that the Group performs for the benefit of the Public Administrations and companies in Italy. CDP is in fact also active beyond its national borders, on the one hand, supporting exports and the international expansion of Italian companies and, on the other, participating in initiatives for international cooperation and development financing, adopting a series of safeguards aimed at excluding Human Rights violations within the context of its supported initiatives. In line with its corporate Mission, CDP's international presence allows the Group to play a primary role in promoting sustainable development on a global scale.

5.6.1 CDP FOR MADE IN ITALY MANUFACTURING

In a situation such as the current one, where everything is increasingly interconnected and globalised, companies are increasingly driven to adopt the process of penetration into new foreign markets. CDP actively supports the international expansion of Italian companies, providing the necessary financial support to support initiatives for growth abroad.

To achieve this objective, CDP manages activities related to the granting of loans and commercial guarantees. During 2021, initiatives in this area increased significantly compared to the previous year, both in terms of volumes and number of transactions, as the scope of operations has been expanded, and consequently the interventions carried out, following all the financing operations for the growth of Italian groups abroad.

During the year funding was provided, reaching a total of over 400 million euro (+390 million euro compared to 2020), for the expansion into foreign markets (including United States, China, France, the United Kingdom, Poland, Switzerland, Romania, Spain, Croatia, Slovenia, Bulgaria, Portugal, Germany) of 15 Italian companies and 2 foreign companies controlled by Italian companies belonging to various strategic sectors for Italian industry, including automotive, mechanical components, fashion, packaging, agri-food, shipping and clothing.

>400 million euro to support international expansion

17 enterprises supported

In the field of international infrastructures in Peru, Cassa Depositi e Prestiti, KfW IPEX-Bank, Société Générale, Banco Santander and Instituto de Crédito Oficial E.P.E. – ICO signed a loan agreement for a syndicated loan of 811 million US dollars assisted by the Italian Export Credit Agency SACE SpA, for the securitisation of payment rights, guaranteed by the Peruvian government, known as "RPI-CAO" for the extension of line 2 of the Lima metro. The sponsorship team consists of a consortium which includes Metro de Lima Línea 2 SA, Iridium, Vialia, Cosapi, Webuild and Hitachi Rail Italia.

Line 2 of the metro will provide a connection that includes 13 districts, reducing by 34% the time required for the average user to complete the same trip.

The loan for the construction of Line 2 aims to mitigate the problems created by the uncontrolled growth of the Peruvian capital city and its lack of modern mass transport services. Currently, half of the 22.3 million daily journeys between Lima and Callao are made through a traditional public transport system consisting of low-capacity vehicles. There are about 31,000 buses, minibuses and vans, with an average age from 15 to 20 years, operating in the capital on over 560 routes without dedicated lanes, terminals or adequate stops. These vehicles share the road with a growing number of private vehicles, taxis and motorcycle taxis.

The current system not only creates traffic congestion on the capital's main roads, but also leads to a loss of productivity, especially among the most vulnerable sections of the population, generating high operating costs, pollution and loss of human lives linked to road accidents.

The syndicated loan, which financed the securitisation of RPI-CAO, and which will be used for the development and construction of line 2 of the Lima metro, is the largest RPI-CAO agreement provided through the banking channel.

In the United States of America, CDP and Intesa San Paolo have signed a loan of 350 million euro in favour of MSC Miami Cruise Terminal (company of the MSC Cruises group), with SACE guarantee and with the contribution to the stabilisation of the rate supplied by SIMEST, which will allow Fincantieri Infrastrutture (company of the Fincantieri Group) to realise a new passenger terminal in the port of Miami, in Florida.

Fincantieri, in fact, will design and build a new terminal and the adjacent structures for the pier, offices and car parks in the eastern part of the port located in Biscayne Bay in Miami by the beginning of 2024, which will be managed by MSC Cruises.

The infrastructure will be built following the criteria provided by the Green Building Rating Systems (GBRs) - a rating system for the development of eco-compatible buildings - with a high level of energy efficiency through the use of eco-sustainable materials and innovative design and construction technologies, limiting environmental impact on the one hand, and also the impact on the health and well-being of passengers and at the same time reducing operating costs. The Terminal will allow the simultaneous berthing of three cruise liners of the MSC Group and may also be used by other operators with the goal of handling over 1 million passengers per year.

In addition, in order to support the cruise sector and, as a consequence, the European shipbuilding sector, whose resilience has been severely tested by the current pandemic crisis due to the spread of Covid-19, a moratorium was adopted during the year regarding capital payments on the loans disbursed, and the provision for loan rescheduling.

The initiative, designed to support companies in the sector during the business activity lockdown, helps to protect the stability of the cruise sector, aiming to limit the negative repercussions of the spread of Covid-19 on the shipbuilding sector and its production chain.

CDP's commitment to the development of Italian companies abroad also involved taking part in the "10th Steering Group on International Expansion" in December 2021. The event, co-chaired by the Italian Minister of Foreign Affairs and International Cooperation and the Italian Minister for Economic Development, defines each year the strategic guidelines and actions in the field of promotion abroad and international expansion of the production system.

The initiative included the presentation of the offer by the Italian financial system to support exports and the development of Italian companies abroad. During the meeting, CDP also had the opportunity to highlight and share information about the main activities performed during the year in this area, including the launch of the Business Matching Platform, the new digital tool integrated into the portal Export.gov.it, launched by CDP to encourage the development of commercial relations between Italian and foreign companies with the aim of supporting exports and international expansion, in particular of SMEs, by overcoming the restrictions imposed by the pandemic, especially in the most distant and complex markets.

In order to promote the international expansion of SMEs and Mid-Caps in December 2021 CDP, in partnership with Bpifrance, ELITE – a company of the Euronext Group - and Team France Export¹ launched, as part of the implementation of the "Memorandum of Understanding" signed by CDP and Bpifrance on 26 November 2021, the French-Italian Accelerator, the first joint programme between France and Italy dedicated to the growth of mixed "classes" of Italian and French companies through the planning of training sessions alternating with the organisation of bilateral meetings to increase business opportunities between companies in the two countries.

 TARGET: 40 ENTERPRISES

 DURATION: 12 MONTHS

 BENEFITS:

- Strengthening of the export and international expansion strategy
- Developing business opportunities
- Sharing experiences and best practices
- Benefiting from an exclusive relationship with the main French and Italian institutions.

The programme started with a first group of 40 companies, 20 from Italy and 20 from France, which operate in the manufacturing and services sector and intend to boost exports and international expansion in France/Italy.

The initiative includes six sessions, held alternately in France and Italy.

Each session is divided into two days: a first day dedicated to training with the aim of enhancing specific skills through courses provided by leading Italian and French Business Schools, such as MIP Politecnico and SDA Bocconi school of management in Milan and Sciences Po in Paris, while the second day is dedicated to business matching meetings, with the aim of providing companies with the opportunity to seize potential business opportunities through bilateral meetings and transform them into opportunities for growth, facilitating and strengthening transalpine partnerships and promoting cross-border investments. Furthermore, companies gain access to in-depth contents accessible on e-learning platforms and to digital self-diagnosis tools such as the Digital Compass, designed by ELITE to identify the strengths and weaknesses of each company and to define their growth priorities.

5.6.2 CDP FOR INTERNATIONAL COOPERATION AND DEVELOPMENT FINANCING

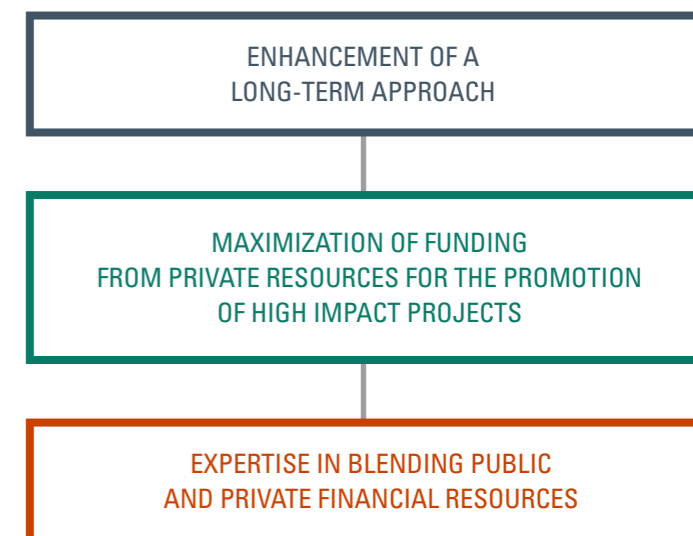
In addition to support for the system of Italian companies in foreign markets, the CDP Group is committed to promoting international economic and social development within the framework of the activities that CDP conducts as a Financial Institution for International Development Cooperation, pursuant to Italian Law 125/2014.

Through "CDP International Cooperation & Development Financing", CDP supports initiatives with a high social-economic impact in emerging economies and developing countries, by granting loans from its own resources and third-party funds (which can also be used in blending) in favour of public and private counterparties.

CDP intervenes in favour of public entities – Governments and Public Bodies of the target countries – by granting loans on particularly favourable terms both directly for the benefit of sovereign counterparties and indirectly through multilateral financial institutions. With regard to the private sector, CDP supports companies that promote high-impact development initiatives in the partner countries either directly or indirectly, through multilateral, regional and local financial institutions active in the target countries or through investment in funds.

The final beneficiaries are represented by the institutions and local communities of the developing countries interested in the initiatives, with the aim of generating significant and lasting effects on the economic, social and environmental system of the target countries, in line with the sustainable development goals of the 2030 Agenda.

The guidelines that steer the activity of CDP as a Financial Institution for International Development Cooperation are attributable to three main levers:



A particularly significant result in 2021, which consolidates the role of CDP as a key player in International Cooperation and in Development Financing, is the establishment of the **Italian Climate Fund**, provided for by Italian Law 234/2021 (Budget Law 2022) which, with a budget of 4.2 billion euro over 5 years, will be managed by CDP with the aim of becoming the main national instrument geared to achieving the commitments undertaken by Italy within the framework of international climate agreements.

Similarly in the field of global climate financing, CDP continued its commitment in 2021, together with leading Development Finance Institutions (DFI), to support green initiatives, through the underwriting of two funds:

- **50 MILLION EURO IN THE REGIO FUND²** the 1st fund in the world dedicated to the investment in green and sustainability bonds of corporate issuers in emerging markets, promoted by the International Finance Corporation (IFC) of the World Bank Group.
- **35 MILLION EURO IN THE AREF II FUND³** dedicated to investments for the development and construction of battery storage platforms and flowing-water hydro-electric, wind power and solar energy production plants.

¹ Team France Export is the public service of the French Government that supports the international expansion of French companies thanks to the action of Business France, Bpifrance and the French International Chamber of Commerce.

² HSBC Real Economy Green Investment Opportunity Gem Bond Fund

³ Africa Renewable Energy Fund II, managed by Berkeley Energy

AREF II OBJECTIVES



750 MW production capacity when fully operating;



>4,000 jobs locally;



~2,000 kilo tonnes of avoided emissions of greenhouse gases on average per year⁴.

CDP also financed, for a total amount of 8 million euro, a rural electrification project in Peru managed by the Italian company Tozzi Green, with the aim of providing electricity to about 14,000 homes.

The project consists of the installation and management of domestic photovoltaic systems that will provide electricity to various locations on the coast, in the mountains and in the Peruvian jungle. The initiative will allow an overall reduction in CO₂ emissions by replacing current high carbon energy sources (wood, manure, hydrocarbons, oil) with solar energy.

A particularly significant aspect, in terms of the structure of the initiative and the use of blended resources, was the first loan, made by CDP in 2021, in favour of Pamecas, a leading Senegalese microfinance institution. The financing makes use, for the first time, of the resources made available by the European Commission's InclusiFi guarantee program, aimed at supporting small businesses affected by the pandemic crisis, facilitating their access to credit through the system of banks in North and Sub-Saharan Africa.

FIRST FINANCING WITH INCLUSIFI (EC) GUARANTEES TO SUPPORT WOMEN'S ENTREPRENEURSHIP IN SENEGAL

CDP, together with Proparco, granted a credit line of 8 million euro to Partenariat pour la Mobilisation de l'Épargne et le Crédit Au Sénégal ("Pamecas"), one of the leading microfinance institutions in Senegal.

With the credit line granted to Pamecas, ECAS, CDP and Proparco launched an important collaboration through the first financing operation in the microfinance sector.

The project is part of the measures with which CDP and Proparco intend to contribute to the mitigation of the effects of the crisis caused by Covid-19 in Africa. For this reason, the operation benefits from resources made available by the European Commission's InclusiFi guarantee program, aimed at supporting small businesses affected by the crisis, facilitating their access to credit through the system of local banks.

The financing operation will support more than **3,800 micro-loans**, mostly for women, contributing to the achievement of the **objectives of the 2X Challenge**, the initiative launched globally by leading financial institutions for development, to mobilise 15 billion dollars in the two-year period 2021-2022 to support investments aimed at promoting women's inclusion.

The importance of international cooperation within the Group is well represented by the joint commitment of CDP together with the other DFIs of the G7 countries to expand the volume of resources invested in high-impact initiatives on issues of planetary importance.



80 billion dollars in investments in Africa over the next 5 years to promote Africa's recovery and sustainable economic growth.



"Climate Adaptation & Resilience", to increase investments in initiatives for adaptation and resilience to climate change in developing countries.



15 billion dollars in 2021-22 to support projects aimed at promoting women's economic and financial inclusion in developing countries, by strengthening the "2X Challenge" partnership.

In a complex context, characterised by the continuation of the pandemic crisis at a global level, in 2021 CDP strengthened relations with national and international counterpart institutions also through the organisation of global events aimed at strengthening the international positioning of CDP and facilitating the development of operations in developing countries.

With the aim of promoting new business opportunities for Italian companies interested in developing sustainable growth projects in high-potential emerging markets, CDP has organised three match-making events in collaboration with leading local financial institutions:

- **"Exploring Opportunities for Italian companies in Latin America"**, in partnership with Corporación Andina de Fomento (CAF), a multilateral bank operating in Latin America, focused on the green and climate change sectors;
- **"Exploring opportunities for Italian companies in Southern Africa in the energy transition and the infrastructure sector"**, in partnership with the Development Bank of Southern Africa (DBSA), a development bank in the South African region, focused on the infrastructure and energy transition sectors;
- **"Clean energy and transport: exploring new opportunities for Italian companies in emerging Asian markets"**, in partnership with the Asian Development Bank (ADB), an Asian development bank, focused on the clean energy and transport sectors.

IN ROME THE SECOND EDITION OF FINANCE IN COMMON SUMMIT ("FICS")

CDP hosted in Rome the second edition of the Finance in Common Summit. The event was organised in partnership with the International Fund for Agricultural Development (IFAD) and with the support of the World Federation of Development Finance Institutions (WFDI), the International Development Finance Club (IDFC), Agence Française de Développement (AFD) and numerous other partners in the Finance in Common Coalition to renew the commitment to pursue the Sustainable Development Goals of the United Nations and strengthen support for international agreements for climate change mitigation and adaptation.



>500 Public Development Banks



>190 speakers from all over the world



21 work sessions

The Finance in Common Summit 2021 was also the opportunity for the signing of:

- a letter of intent between CDP and FAO for a partnership geared to promoting food safety issues and implementing joint project initiatives in support of the agri-food sector in rural areas in developing countries.
- the Joint Declaration on the "European Strategic Cooperation Framework" which involved, in addition to CDP, the French AFD, the German KfW and the Spanish AECID in a joint initiative geared to structuring a co-financing platform.
- the launch of the "PDBs Platform for Green and Inclusive Food Systems" by IFAD, CDP and other Public Development Banks with the support of AFD, to accelerate greener and more inclusive investments in agriculture and in food processing, packaging and transport activities.

5.6.3 PROTECTION OF HUMAN RIGHTS IN INTERNATIONAL COOPERATION PROJECTS

In the development of cooperation projects, the Group is committed to supporting activities designed and implemented in such a way as to promote, protect and satisfy universal respect for and compliance with Human Rights as recognised by the United Nations.

CDP's commitment to the promotion of Human Rights is expressed in four main directions.



CDP supports decent work, fair treatment, non-discrimination and equal opportunities for workers, as established by the fundamental labour standards of the International Labour Organisation (ILO). CDP also promotes the rights of the community, undertaking to preserve indigenous culture and their right to use lands, territories, resources, knowledge systems, means of subsistence and traditional practices, in line with the principles set out in the United Nations Declaration on the Rights of Indigenous Peoples.

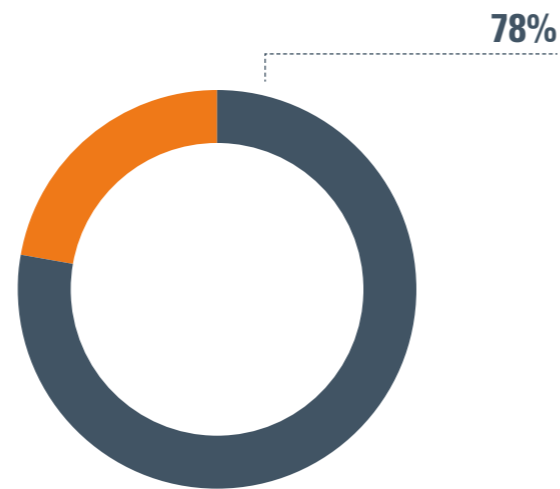
Lastly, the Group undertakes to outline its activities, minimising the impact related to the physical and economic displacement of communities affected by the acquisition of land linked to the project or by restrictions on their use.

In order to maintain its commitment, CDP excludes from its relational network customers, sectors or countries that are not in line with CDP's commitment to respect Human Rights.

Before the start of each project, CDP carries out a screening analysis using a questionnaire with the aim of identifying and assessing the potential environmental and social risks and impacts. This includes the analysis of potential impacts in terms of Human Rights violations, including issues such as working conditions, respect for health and safety standards of communities and workers, land use and forced resettlement of residents, impact on indigenous populations and cultural heritage, risk of forced or child labour.

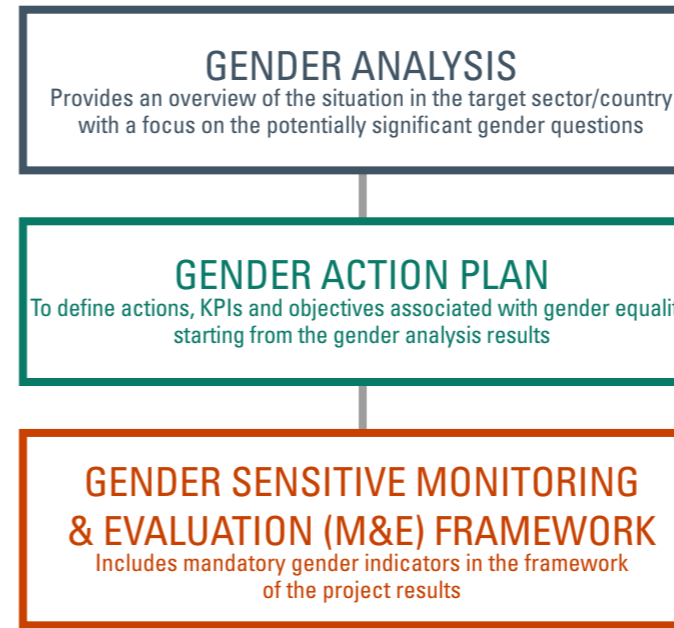
If the results show any critical issues in relation to the management of Human Rights, CDP provides for the application of a due diligence process. The negative impacts identified will then be managed according to the principles of the mitigation hierarchy with a view to avoiding them, minimising them, or mitigating them through remedial and compensation measures.

Activities subjected to screening regarding human rights⁵ (%)



The collection and management of grievances (complaints) relating to Human Rights is currently the responsibility of the "Sustainability and Civil Society" division. With a view to continuous improvement, CDP is committed to creating an independent complaints mechanism specific to International Cooperation and International Financing projects.

For CDP, the protection of Human Rights also includes respect for gender diversity. The Group's approach to gender issues, aimed at promoting gender balance in projects, in terms of beneficiaries and objectives, is based on the adoption of specific procedures for the identification, analysis and control of the impact of projects on gender diversity.



THE FORUM DES CAISSES DE DÉPÔT, A PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT

The Forum des Caisses de Dépôt is a partnership for sustainable development and CDP is one of its co-founders, and since March 2018 it has also held the role of Secretary General (renewed in October 2021 for another two years).

The objective of the Forum is to mobilise and share knowledge, skills, technologies and financial resources, to support the achievement of sustainable development goals in all countries where there is a Depository Fund. It therefore represents a moment of exchange of ideas and know-how, an opportunity to elaborate common reflections and strengthen relations between members and above all to realise joint projects.

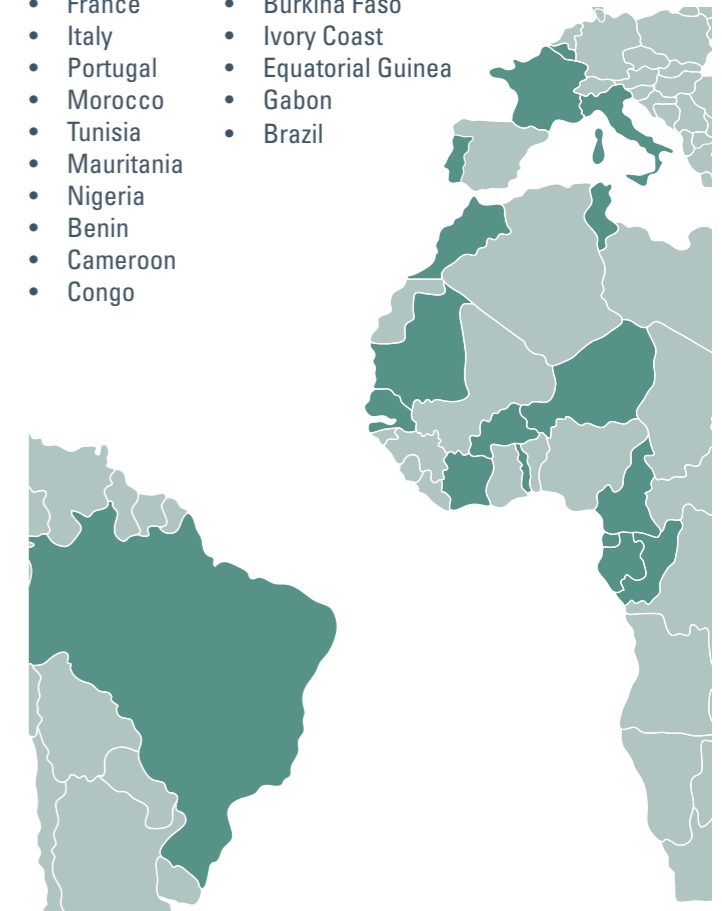
- 3 WORKSHOPS ON THE FOLLOWING TOPICS:
- risks and prudential model;
 - Green Climate Fund;
 - local authorities with the Association of African Cities and Local Communities.

- 16 SEMINARS DEDICATED TO:
- support for local authorities;
 - directions for IT services;
 - presentation of new operating initiatives from the Depository Funds in Morocco, France, Tunisia and Senegal.

2 conferences: 1 on the theme of green finance and 1 presenting the three-year period 2018-21.

Countries involved in the partnership of the Forum des Caisses de Dépôt

- Belgium
- France
- Italy
- Portugal
- Morocco
- Tunisia
- Mauritania
- Nigeria
- Benin
- Cameroon
- Congo
- Senegal
- Burkina Faso
- Ivory Coast
- Equatorial Guinea
- Gabon
- Brazil



CDP AT THE HELM OF THE D20 LONG-TERM INVESTORS CLUB

In 2021, as part of the Italian Presidency of the G20, CDP led the work of the D20-LTIC, the Club currently made up of 23 international financial institutions with the aim of promoting the role of financial institutions with a public and/or development mandate and encouraging, at the international level, a regulatory framework more conducive to long-term investments in infrastructure.

- Organised, together with the Italian Presidency of the G20 and OECD, the first edition of the G20 Infrastructure Investors Dialogue: Financing Sustainable Infrastructure for the Recovery;
- Hosted in Rome, the Steering Committee of the D20-LTIC, coordinating the drafting of the D20 Joint Statement.

⁵ If we consider all business operations of CDP S.p.A., the figure is 52%.

THE CDP GROUP'S CONTRIBUTION TO THE SDGS OF THE 2030 AGENDA



The founding guidelines of CDP's mission and operations comply fully with the UN's Sustainable Development Goals. With the aim of taking part in Italy's commitment towards achieving the SDGs, CDP contributes substantially through all those domains and sectors that are at the centre of its operations, leveraging on its role as sole operator in certain contexts, such as in the financing of public bodies for the development of local areas, and on the additionality of its own contribution, thanks to which it is possible to finalise initiatives that otherwise could not have been implemented.

In this perspective, the reporting activity of the association between the CDP Group's financing and investment operations and their potential contribution to the Goals of 2030 Agenda¹ continued this year.

As can be seen from the above infographic, the contribution towards supporting the economy, business growth, maintenance of employment and infrastructure is confirmed. The most significant volume per single SDG is represented by Goal 9 "Industry, Innovation and Infrastructure", followed by SDG 8 "Decent work and economic growth" and Goal 11 "Sustainable cities and communities". The commitment on the topic of energy transition and combating climate change continues (Goals 7 and 13), as does the commitment on the topics of the support for the most vulnerable areas aimed at reducing inequalities (Goal 1 and Goal 10) and of responsible consumption and production (Goal 12), and the commitment on the subject of education is strengthened (Goal 4, "Quality Education") also with respect to greater investments in school building. Furthermore, CDP's role is further consolidated in International Cooperation and Development Financing (Goal 17) and in supporting water infrastructure (Goal 6) both nationally and internationally.

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INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3, PARAGRAPH 10 OF LEGISLATIVE DECREE No. 254 OF DECEMBER 30, 2016 AND ART. 5 OF CONSOB REGULATION N. 20267 OF JANUARY 2018

To the Board of Directors of
Cassa Depositi e Prestiti S.p.A.

Pursuant to article 3, paragraph 10, of the Legislative Decree no. 254 of December 30, 2016 (hereinafter "Decree") and to article 5 of the CONSOB Regulation n. 20267/2018, we have carried out a limited assurance engagement on the Consolidated Non-Financial Statement of Cassa Depositi e Prestiti Group (hereinafter the "Group") as of December 31, 2021 prepared on the basis of art. 4 of the Decree and approved by the Board of Directors on March 31, 2022 (hereinafter the "NFS").

Our limited assurance engagement does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "Financing eco-sustainable activities according to the European Taxonomy".

Responsibility of the Directors and the Board of Statutory Auditors for the NFS

The Directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and the "Global Reporting Initiative Sustainability Reporting Standards" established by GRI - Global Reporting Initiative (hereinafter "GRI Standards"), which they have identified as reporting framework.

The Directors are also responsible, within the terms established by law, for such internal control as they determine is necessary to enable the preparation of NFS that is free from material misstatement, whether due to fraud or error.

The Directors are moreover responsible for defining the contents of the NFS, within the topics specified in article 3, paragraph 1, of the Decree, taking into account the activities and characteristics of the Group, and to the extent necessary in order to ensure the understanding of the Group's activities, its trends, performance and the related impacts.

Finally, the Directors are responsible for defining the business management model and the organisation of the Group's activities as well as, with reference to the topics detected and reported in the NFS, for the policies pursued by the Group and for identifying and managing the risks generated or undertaken by the Group.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.

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¹ For further information regarding the methods used, see the CDP Group's 2020 Integrated Report (section of the annex).

Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our auditing firm applies the *International Standard on Quality Control 1* (ISQC Italia 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the NFS with the Decree and the GRI Standards. We conducted our work in accordance with the criteria established in the *"International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information"* (hereinafter *"ISAE 3000 Revised"*), issued by the *International Auditing and Assurance Standards Board* (IAASB) for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the NFS is free from material misstatement. Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on NFS are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the NFS, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically we carried out the following procedures:

1. analysis of relevant topics with reference to the Group's activities and characteristics disclosed in the NFS, in order to assess the reasonableness of the selection process in place in light of the provisions of art.3 of the Decree and taking into account the adopted reporting standard;
2. analysis and assessment of the identification criteria of the consolidation area, in order to assess its compliance with the Decree;
3. comparison between the financial data and information included in the NFS with those included in the consolidated financial statements of the Group;

4. understanding of the following matters:

- business management model of the Group's activities, with reference to the management of the topics specified by article 3 of the Decree;
- policies adopted by the entity in connection with the topics specified by article 3 of the Decree, achieved results and related fundamental performance indicators;
- main risks, generated and/or undertaken, in connection with the topics specified by article 3 of the Decree.

Moreover, with reference to these matters, we carried out a comparison with the information contained in the NFS and the verifications described in the subsequent point 5, letter a);

5. understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the NFS.

In particular, we carried out interviews and discussions with the management of Cassa Depositi e Prestiti S.p.A. and we carried out limited documentary verifications, in order to gather information about the processes and procedures which support the collection, aggregation, elaboration and transmittal of non-financial data and information to the department responsible for the preparation of the NFS.

In addition, for material information, taking into consideration the Group's activities and characteristics:

- at Group level:
 - a) with regards to qualitative information included in the NFS, and specifically with reference to the business management model, policies applied and main risks, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
 - b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data;
- for Cassa Depositi e Prestiti S.p.A., Fintecna S.p.A. and CDP Immobiliare S.r.l., which we selected based on their activities, their contribution to the performance indicators at the consolidated level and their location, we carried out remote meetings, during which we have met their management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of Cassa Depositi e Prestiti Group as of December 31, 2021 is not prepared, in all material aspects, in accordance with articles 3 and 4 of the Decree and the GRI Standards.

Our conclusion on the NFS does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "Financing eco-sustainable activities according to the European Taxonomy".

Other matters

The NFS for the year ended December 31, 2019, whose data are presented for comparative purposes, has been subject to a limited assurance engagement by another auditor that on April 20, 2020, expressed unmodified conclusions.

DELOITTE & TOUCHE S.p.A.

Signed by
Franco Amelio
Partner

Milan, Italy
April 20, 2022

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

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**INDEPENDENT AUDITOR'S REPORT
ON THE SECTIONS "THE RISKS ASSOCIATED WITH CLIMATE CHANGE – TCFD"
AND "SASB DISCLOSURE INDEX 2021" OF THE INTEGRATED REPORT**

**To the Board of Directors of
Cassa Depositi e Prestiti S.p.A.**

We have carried out a limited assurance engagement on the sections "The risks associated with climate change – TCFD" (hereinafter "TCFD Section") and "SASB disclosure Index 2021" (hereinafter "SASB Sections" and jointly with the TCFD Section, the "Sections") of the Integrated Report of Cassa Depositi e Prestiti Group (hereinafter the "Group") as of December 31, 2021. The Sections have been prepared on the basis of the criteria illustrated in the same Sections, with reference, respectively, to a selection of the "Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)" defined by the Financial Stability Board (hereinafter "selection of the TCFD recommendations"), and a selection of the "Commercial Banks Sustainability Accounting Standards 2018" and the "Investment Banking Brokerage Sustainability Accounting Standards 2018" defined by SASB – Sustainability Accounting Standards Board (hereinafter "selection of the SASB Standards").

Responsibility of the Directors for the Sections

The Directors of Cassa Depositi e Prestiti S.p.A. are responsible for the preparation of the Sections of the Integrated Report in compliance with the criteria illustrated in the same Sections, with reference, respectively, to a selection of the TCFD recommendations and a selection of the SASB Standards.

The Directors are also responsible, within the terms established by law, for such internal control as they determine is necessary to enable the preparation of the Sections of the Integrated Report that is free from material misstatement, whether due to fraud or error.

Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our auditing firm applies *International Standard on Quality Control 1 (ISQC Italia 1)* and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the Sections of the Integrated Report with the criteria illustrated in the same Sections. We conducted our work in accordance with the criteria established in the “*International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information*” (hereinafter “*ISAE 3000 Revised*”), issued by the *International Auditing and Assurance Standards Board (IAASB)* for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the Sections of the Integrated Report are free from material misstatement. Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on the Sections of the Integrated Report are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the Sections of the Integrated Report, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically we carried out the following procedures:

- analysis of documentation relating to policies, procedures and other corporate documents and carrying out interviews and discussions with Group personnel, in order to obtain an understanding of processes related to governance, strategy, risk management, measurement of related metrics and objectives with reference to the selection of the TCFD recommendations;
- carrying out interviews and discussions with the management of Cassa Depositi e Prestiti S.p.A. and limited documentary verifications in order to gather information about the processes and procedures which support the collection, aggregation, elaboration of data and information presented in the Sections of the Integrated Report;

In addition, for material information, taking into consideration the Group's activities and characteristics:

- with regards to qualitative information included in the Sections of the Integrated Report we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
- with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data;
- examination of the information included in the Sections in order to verify its consistency with the evidence obtained in carrying out the engagement.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe:

- that the section “The risks associated with climate change - TCFD” of the Integrated Report of the Cassa Depositi e Prestiti Group as of December 31, 2021 is not prepared, in all material aspects, in compliance with the criteria illustrated in the same TCFD Section, with reference to a selection of the “Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)” defined by the Financial Stability Board;
- that the section “SASB disclosure Index 2021” of the Integrated Report of the Cassa Depositi e Prestiti Group as of December 31, 2021 is not prepared, in all material aspects, in compliance with the criteria illustrated in the same SASB Section, with reference to a selection of the “Commercial Banks Sustainability Accounting Standards 2018” and the “Investment Banking Brokerage Sustainability Accounting Standards 2018” defined by SASB – Sustainability Accounting Standards Board.

DELOITTE & TOUCHE S.p.A.

Signed by
Franco Amelio
Partner

Milan, Italy
April 20, 2022

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

ANNEX TO THE 2021 INTEGRATED REPORT

1. SCOPE OF REPORTING

In accordance with Italian Legislative Decree 254/16, which requires consistency between the business model, policies, risks connected with significant domains, and the impacts generated on those domains by the companies in the reporting scope, the Integrated Report presents the figures for the Parent Company and companies over which it exercises management and coordination (the "Group").

Specifically, the Parent Company, on behalf of the Group, exercises management and coordination over all the companies directly controlled by it, listed below (the "Group Companies").

- CDP Equity S.p.A. (100% CDP): a holding company that operates by acquiring minority interests in companies of significant national interest that are economically and financially stable and have suitable earnings and growth prospects;
- CDP Immobiliare S.r.l. (100% CDP): a company active in the real estate sector and in maximising the value of its own real estate assets, as well as public real estate assets, which operates through urban development and redevelopment operations, including through joint ventures with other operators;
- CDP Industria S.p.A. (100% CDP): a holding company whose mission is to hold the strategic equity investments of the CDP Group operating in the industrial sector and support their growth according to a long-term industrial approach; it currently manages the equity investments held in SAIPEM S.p.A. (12.55% owned) and FINCANTIERI S.p.A. (71.32% owned);
- CDP Immobiliare SGR S.p.A. (70% CDP, 15% ACRI and 15% ABI): an asset management company that manages real estate investment funds active in social housing, real estate development and enhancement, tourism and smart housing;
- CDP Reti S.p.A. (59.1% CDP, 35% State Grid Europe Limited and 5.9% Italian institutional investors): a holding company whose mission is to manage the equity investments held in SNAM S.p.A. (31.35% owned), ITALGAS S.p.A. (26.04% owned) and TERNA S.p.A. (29.85% owned), as a long-term investor with the objective of supporting the development of transport, regasification, storage and distribution infrastructures for natural gas and electricity transmission;
- Fintecna S.p.A. (100% CDP): a company active in the management of equity investments and liquidation processes;

Compared to 2020, SACE and Simest have been excluded from the scope of reporting, since they are no longer subject to management and coordination following the publication of Italian Decree Law no. 23 of 8/4/2020. More specifically, in order to ensure a better understanding of the business compared to the previous year, the decision was taken to include the Group's 2020 figures leaving out SACE, as duly indicated in the tables.

2. MATERIAL TOPICS: IN-DEPTH ANALYSIS

The updating of the materiality analysis enabled the Group to reorganise the list of economic, governance, social and environmental topics that have the greatest impact on its ability to generate value over time, known as “material topics”.

More specifically, in formulating the new Materiality Matrix, the Group initiated a process of gradual transition towards the framework to be established at European level, with regard to non-financial reporting, under the Corporate Sustainability Reporting Directive (“CSRD”), which specifically introduced the concept of “double materiality”. In line with the new perspec-

tive, CDP has considered both the current or potential significant impacts on people and the environment generated by its activities (“inside-out” perspective) and also the topics that may positively or negatively affect development and performance of the Group in the short, medium or long term (“outside-in” perspective).

In comparison with the analysis conducted in 2020, 3 new topics have emerged: Data security and privacy protection; Diversity and equal opportunity; Protection of human rights.

The results of the analysis of the individual topics identified as material are summarised in the table below.

MATERIAL TOPIC	DESCRIPTION	SCOPE OF IMPACT	TYPE OF IMPACT
Fairness and transparency in governance	Governance that guarantees fair and efficient corporate governance and transparent procedures	<ul style="list-style-type: none"> Shareholders Institutional investors Financial community Institutions Multilateral international bodies Agencies Postal savers 	Directly correlated with Group operations
Business risk management and internal control system	Risk management and internal control aimed at ensuring business continuity, economic and financial soundness and the safeguarding of the Group's reputation.	<ul style="list-style-type: none"> Shareholders Institutional investors Financial community Institutions Multilateral international bodies Agencies Postal savers Employees Suppliers Beneficiary companies 	Directly correlated with Group operations
Data security and privacy protection	Data management that ensures protection of the data of counterparties and employees and privacy protection	<ul style="list-style-type: none"> Shareholders Institutional investors Financial community Institutions Multilateral international bodies Agencies Postal savers 	Directly correlated with Group operations
Stakeholder engagement and support to local areas	Transparent and impartial approach to relations with the territories and all the Group's stakeholders, as well as with public bodies and stakeholder engagement also to foster community development through actions of intervention and cultural stimulus	<ul style="list-style-type: none"> All the Group's stakeholders 	Directly correlated with Group operations
Start-up, growth and consolidation of enterprises	Contribution, by offering integrated tools, to the establishment, growth and consolidation of companies in Italy and abroad, also with operations in the field of International Cooperation & Development Finance, promoting the creation of networks and industrial supply chains and supporting SMEs	<ul style="list-style-type: none"> Institutions Beneficiary companies Society 	Indirectly correlated with Group operations
Innovation, research and digitisation	Innovation, research and digitalisation as competitiveness drivers; technological, process and product up-grading of the production system	<ul style="list-style-type: none"> Private, public and investee companies Universities and research centres Beneficiary companies Society 	Indirectly correlated with Group operations
Availability of infrastructure for sustainable development	Infrastructure projects with greater structural gaps and a high impact on sustainable development	<ul style="list-style-type: none"> Institutions Institutional investors Society 	Indirectly correlated with Group operations

MATERIAL TOPIC	DESCRIPTION	SCOPE OF IMPACT	TYPE OF IMPACT
Creation of value and support for strategic sectors	Creating value for the country in a long-term perspective, protecting the activities of greatest strategic interest in terms of employment effects	<ul style="list-style-type: none"> Beneficiary companies Institutional investors Institutions Associations Society 	Indirectly correlated with Group operations
Redevelopment of local areas and social infrastructure	Redevelopment of urban centres with projects geared to improving the life of local communities; Social and Smart Housing, school building and other social infrastructure projects	<ul style="list-style-type: none"> Shareholders Institutions Institutional investors Society 	Indirectly correlated with Group operations
Social, digital and financial inclusion	Participation of individuals and groups in economic and social processes without discrimination, also through the promotion of interventions for the modernisation of processes and services in the Public Administration	<ul style="list-style-type: none"> Institutions Society 	Indirectly correlated with Group operations
Occupational health and safety and welfare of colleagues	Occupational health and safety and promoting the welfare of employees through dedicated tools and adequate management systems	<ul style="list-style-type: none"> Employees 	Directly correlated with Group operations
Diversity and equal opportunity	Favouring inclusion, protection of diversity and equal opportunities	<ul style="list-style-type: none"> Employees 	Directly correlated with Group operations
Development and training of personnel	Professional development and growth initiatives, enhancing the skills of all employees and rewarding excellence	<ul style="list-style-type: none"> Employees 	Indirectly correlated with Group operations
Protection of human rights	Protection of vulnerable groups and respect and promotion of human rights in the activities carried out	<ul style="list-style-type: none"> All the Group's stakeholders 	Directly correlated with Group operations
Climate change and transition to a green economy	Support for the objectives of mitigation of and adaptation to climate change and control and limitation of the pollution of atmospheric emissions	<ul style="list-style-type: none"> Shareholders Beneficiary companies Institutional investors Financial community Institutions Society 	Indirectly correlated with Group operations
Balanced ecosystem (water, soil, flora and fauna)	Support for the protection of the environment and biodiversity	<ul style="list-style-type: none"> Shareholders Employees Suppliers Society 	Directly correlated with Group operations
Development of the circular economy	Support for circular economy models aimed at preserving the value of goods and services along the entire value chain	<ul style="list-style-type: none"> Private, public and investee companies Beneficiary companies Institutions Associations 	Indirectly correlated with Group operations
Sustainable finance and impact finance	Investments that achieve measurable positive social and environmental impacts, considering the country's priorities, also through dedicated funding tools and the dissemination of sustainable finance	<ul style="list-style-type: none"> Shareholders Beneficiary companies Institutional investors Financial community Institutions Society Multilateral international bodies 	Indirectly correlated with Group operations
Systemic risks and opportunities	Management of the economic, financial and social consequences of extreme events of a social, health-related or natural nature (e.g. ageing of the population, mass migration, natural disasters, pandemics)	<ul style="list-style-type: none"> Shareholders Institutional investors Financial community Institutions Multilateral international bodies Agencies Postal savers Employees Suppliers Beneficiary companies 	Directly correlated with Group operations
Responsible procurement	Procurement practices within the organisation attentive to social and environmental aspects	<ul style="list-style-type: none"> Suppliers 	Directly correlated with Group operations

3. INCLUSION AND WELFARE OF PEOPLE

The CDP Group is more than a major player and promoter for Italy's development, it is also a set of professionals, teams and operational structures that contribute daily to the implementation of important projects for the country. A united team that, through the efforts of all of its personnel and its managers, works daily to achieve the Group's ambitious goals. This section includes the

tables showing data from the Report. Following the exit of the SACE Group from the scope of management and coordination, it should be noted that the tables also show the restated 2020 data to allow a comparison between the 2021 data and the 2020 data with the same scope.

BREAKDOWN OF THE WORKFORCE

GRI 102-8 Breakdown of the workforce by employment contract, category and gender as at 31 December (No.; %)¹

	unit	2021			2020			2020 RESTATEMENT			2019		
		Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Employees	No.	636	862	1,498	1,091	1,289	2,380	583	779	1,362	1,030	1,166	2,196
Contractors	No.	55	44	99	15	19	34	13	19	32	26	24	50
Internships	No.	4	0	4	43	52	95	19	29	48	29	39	68
Total	No.	695	906	1,601	1,149	1,360	2,509	615	827	1,442	1,085	1,229	2,314

Breakdown of the workforce by age and gender as at 31 December (No.)

	2021			2020			2020 RESTATEMENT			2019		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
aged ≤ 29	82	150	232	138	188	326	68	110	178	96	128	224
aged 30-50	390	523	913	662	811	1,473	357	485	842	469	737	1,206
aged ≥ 51	164	189	353	291	290	581	158	184	342	465	301	766
Total employees	636	862	1,498	1,091	1,289	2,380	583	779	1,362	1,030	1,166	2,196

GRI 102-8 Breakdown of the workforce by type of contract and gender as at 31 December (No.)

	2021			2020			2020 RESTATEMENT			2019		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Permanent contracts	605	808	1,413	1,031	1,211	2,242	553	734	1,287	989	1,119	2,018
Fixed-term contracts	31	54	85	60	78	138	30	45	75	41	47	88
Total	636	862	1,498	1,091	1,289	2,380	583	779	1,362	1,030	1,166	2,196

¹ The Annual Financial Report reports a workforce of 1,385 employees working for those companies subject to management and coordination, a difference of 114 employees compared to the figure given in the Integrated Report. This difference is due to the different measurement methodology adopted for the Integrated Report to fully satisfy the reporting requirements of GRI Standard 102-8: "Information on employees and other workers".

The employee numbers shown in the Annual Financial Report are measured on a labour force basis, a rationale that:

- Includes all personnel employed, personnel seconded IN>50%, personnel on maternity and parental leave, and personnel seconded OUT<50% (personnel seconded at exactly 50% are counted as remaining with their company of origin);
- Excludes personnel seconded OUT>50%, seconded IN<50%, interns, contractors, workers on leave and corporate bodies.

In contrast, the calculation for the Integrated Report has been made on an employee basis, i.e. all the present and absent personnel enrolled in the employee register, regardless of the percentage of allocation, have been counted.

GRI 102-8 Breakdown of the workforce by type of contract and geographical area as at 31 December (No.)

	2021				2020				2020 RESTATEMENT				2019			
	Italy	Europe	Rest of the world	Total	Italy	Europe	Rest of the world	Total	Italy	Europe	Rest of the world	Total	Italy	Europe	Rest of the world	Total
Permanent contracts	1,413	0	0	1,413	2,224	5	13	2,242	1,287	0	0	1,287	2,089	3	16	2,108
Fixed-term contracts	85	0	0	85	138	0	0	138	75	0	0	75	88	0	0	88

GRI 102-8 Breakdown of the workforce by employment type and gender as at 31 December (No.)

	2021			2020			2020 RESTATEMENT			2019		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Full-time	624	861	1,485	1,048	1,288	2,336	566	778	1,344	976	1,134	2,110
Part-time	12	1	13	43	1	44	17	1	18	85	1	86
Total	636	862	1,498	1,091	1,289	2,380	583	779	1,362	1,061	1,135	2,196

Breakdown of the workforce by education level and gender as at 31 December (No.)

	2021			2020			2020 RESTATEMENT			2019		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Post-graduate specialisation/Ph.D. ²	87	139	226	30	34	64	30	34	64			
Undergraduate degree	407	598	1,005	812	1,057	1,869	409	621	1,030	739	952	1,691
Upper secondary school	135	103	238	234	176	410	136	102	238	273	186	459
Lower secondary school	7	22	29	14	22	36	7	22	29	17	28	45
Other	0	0	0	1	0	1	1	0	1	1	0	1
Total	636	862	1,498	1,091	1,289	2,380	583	779	1,362	1,030	1,166	2,196

GRI 401-1 New employee hires and employee turnover - 1 January to 31 December (No.)

	2021				2020				2020 RESTATEMENT				2019			
	Men	Women	Total	Rate	Men	Women	Total	Rate	Men	Women	Total	Rate	Men	Women	Total	Rate
NEW HIRES																
aged ≤ 29	65	37	102	44%	106	72	178	54.80%	62	34	96	53.90%	63	59	122	54.50%
aged 30-50	62	44	106	11.60%	108	72	180	12.30%	86	53	139	16.50%	81	66	147	12.2%
aged ≥ 51	6	1	7	2%	6	6	12	2.00%	4	5	9	2.60%	12	3	15	2.00%
Total	133	82	215	14.40%	220	150	370	15.50%	152	92	244	17.90%	156	128	284	12.9%
Rate	15.40%	12.90%	14.40%		17.10%	13.70%	15.50%		19.50%	15.80%	17.90%		13.4%	12.4%	12.9%	

² Measurement process started for the 2020 reporting year.

GRI 401-1 New employee hires and employee turnover - 1 January to 31 December (No.)

	2021				2020				2020 RESTATEMENT				2019			
	Men	Women	Total	Rate	Men	Women	Total	Rate	Men	Women	Total	Rate	Men	Women	Total	Rate
LEAVERS																
AGED ≤ 29	8	10	18	7.8%	18	11	29	8.9%	4	3	7	3.9%	18	20	38	17.0%
AGED 30-50	24	9	33	3.6%	38	24	62	4.2%	18	8	26	3.1%	36	22	58	4.8%
AGED ≥ 51	17	10	27	7.6%	41	52	95	16.2%	29	23	52	15.2%	72	50	122	15.9%
TOTAL	49	29	78	5.2%	97	89	186	7.8%	51	34	85	6.2%	122	96	218	9.9%
RATE	5.7%	4.6%	5.2%		7.5%	8.2%	7.8%		6.5%	5.8%	6.2%		10.8%	8.9%	9.9%	

Reason for leaving

	2021			2020			2020 RESTATEMENT			2019		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Voluntary resignation (excluding retirement)	19	33	52	16	36	52	8	22	30	36	49	85
Retirement	6	4	10	45	32	77	19	20	39	33	49	82
Dismissal	0	0	0		1	1	0	1	1			
Other	4	12	16	28	28	56	7	8	15	23	28	51
Total	29	49	78	89	97	186	34	51	85	92	126	218

TRAINING AND DEVELOPMENT

Hours of personnel training by category (h)

	unit	2021			2020			2020 RESTATEMENT			2019		
		Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior managers	h	1,161.50	3,155	4,316.60	1,553.30	4,079.50	5,632.80	976.5	3,064.50	4,040.80	671.5	2,378	3,049.50
Middle managers	h	11,675.50	18,346.30	30,021.70	14,770.60	22,329.50	37,100.10	8,641.60	14,992.50	23,634.10	11,086.50	16,297	27,383.50
Office workers	h	10,064.80	10,954.20	21,019	14,525.60	12,970.40	27,495.90	8,601.60	9,184.40	17,785.90	12,455.50	12,374	24,829.50
Total	h	22,901.70	32,455.60	55,357.30	30,849.40	39,379.40	70,228.70	18,219.40	27,241.40	45,460.70	24,213.50	31,049	55,262.50

Average hours of personnel training by category (h)

	unit	2021			2020			2020 RESTATEMENT			2019		
		Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior managers	h	36.3	24.5	26.8	33	23	25	31.5	23	24.6	15	15	15
Middle managers	h	36.4	41.3	39.2	29	33	31	29.3	37.9	34.2	23	27	25
Office workers	h	35.6	37.9	36.7	27	30	28	33.5	36.7	35.1	24	31	27
Total	h	36	37.7	37	28	31	30	31.3	35	33.4	24	27	25

Hours of personnel training by category and topic (h)

	2021			2020			2020 RESTATEMENT			2019		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Hours of technical training	12,184.5	15,988	28,172.5	13,243.40	17,880.80	31,124.20	8,269.4	13,373.75	21,643.15	5,329	7,818	13,147
Senior managers	657.5	1,440	2,097.5	382	1,080.00	1,462.00	344.5	927.5	1,272	220	819	1,039
Middle managers	6,986	9,724.5	16,710.5	6,291.50	10,636.80	16,928.20	4,036.45	8,067.75	12,104.2	2,581	3,635	6,216
Office workers	4,541	4,823.5	9,364.5	6,569.90	6,164.00	12,733.90	3,888.45	4,378.5	8,266.95	2,528	3,364	5,892
Broad-based training hours	5,923	9,076.5	14,999.5	11,087.00	12,441.10	23,528.10	4,307	5,612.05	9,919.05	11,578	12,453	24,031
Senior managers	247	769	1,016	759.8	1,657.50	2,417.30	232.75	816.5	1,049.25	306	709	1,015
Middle managers	2,701	5,123	7,824	5,491.30	7,179.60	12,670.80	2,022.25	2,883.55	4,905.8	4,942	7,346	12,288
Office workers	2,975	3,184.5	6,159.5	4,836.00	3,604.00	8,440.00	2,052	1,912	3,964	6,330	4,398	10,728
Training hours on environmental topics	48.5	36	84.5	129.5	170.5	300	48.5	70	118.5	24	48	72
Senior managers	0	0	0	3.5	5	8.5	3.5	5	8.5	0	8	8
Middle managers	12	18	30	26	43	69	8	28	36	8	24	32
Office workers	36.5	18	54.5	100	122.5	222.5	37	37	74	16	16	32
Hours of training on occupational health & safety	3,512	6,070	9,582	2,599.30	4,563.90	7,163.20	2,536.75	4,543.4	7,080.15	4,487	6,077	10,564
Senior managers	198	765	963	235	838	1,073.00	234.5	837	1,071.5	48	324	372
Middle managers	1,409	2,836	4,245	1,118.90	2,071.60	3,190.40	1,075.35	2,052.55	3,127.9	2,136	3,195	5,331
Office workers	1,905	2,469	4,374	1,245.40	1,654.35	2,899.80	1,226.9	1,653.85	2,880.75	2,303	2,558	4,861
Hours of training on sustainability topics	699.6	779.6	1,479.2	550	654.6	1,204.60						
Senior managers	47.4	98.2	145.6	22	79.6	101.6						
Middle managers	338.2	357.6	695.8	254	358	612						
Office workers	314	323.8	637.8	274	217	491						
Training hours on anti-corruption	296.85	238.5	535.35	790.5	768.5	1,559.00	52	68	120	376	387	763
Senior managers	4.6	32.4	37	11.5	45	56.5	0	5	5	2	45	47
Middle managers	147.75	147.45	295.2	374.5	482	856.5	25	44	69	229	228	457
Office workers	144.5	58.65	203.15	404.5	241.5	646	27	19	46	145	114	256
Training hours on other topics	236.25	266.95	503.2	2,164.80	3,098.10	5,262.90	2,164.84	3,098.08	5,262.92	2,413.50	4,272.50	6,686
Senior managers	7	50.5	57.5	27.5	104.1	131.6	27.55	104.05	131.6	95.5	496	591.5
Middle managers	80.5	139.7	220.2	878.8	1,250.10	2,128.80	878.76	1,250.06	2,128.82	1,167.50	1,857	3,024.50
Office workers	148.75	76.75	225.5	1,258.50	1,743.90	3,002.50	1,258.53	1,743.97	3,002.5	1,150.50	1,919.50	3,070

PROTECTING DIVERSITY

GRI 405-1 Breakdown of the workforce by category, age group and gender as at 31 December (No.)

	2021			2020			2020 RESTATEMENT			2019		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior managers	32	129	161	47	180	227	31	133	164	44	161	205
aged ≤ 29	0	0	0	0	0	0	0	0	0			0
aged 30-50	21	74	95	29	99	128	20	77	97			104
aged ≥ 51	11	55	66	18	81	99	11	56	67			101
Middle managers	321	444	765	513	672	1,185	295	396	691	477	608	1,085
aged ≤ 29	3	17	20	1	12	13	1	12	13			8
aged 30-50	230	339	569	354	512	866	212	308	520			769
aged ≥ 51	88	88	176	158	148	306	82	76	158			308
Office workers	283	289	572	531	437	968	257	250	507	509	397	906
aged ≤ 29	79	133	212	137	175	312	67	98	165			216
aged 30-50	139	110	249	278	197	475	125	100	225			473
aged ≥ 51	65	46	111	116	65	181	65	52	117			217

Breakdown of the workforce by category, age group and gender (%)

	2021			2020			2020 RESTATEMENT			2019		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior managers	2.1	8.6	10.7	2	7.5	9.5	2.3	9.8	12	2	7	9
aged ≤ 29	0	0	0	0	0	0	0	0	0			
aged 30-50	1.4	4.9	6.3	1.2	4.2	5.4	1.5	5.7	7.1			
aged ≥ 51	0.7	3.7	4.4	0.8	3.4	4.2	0.8	4.1	4.9			
Middle managers	21.4	29.6	51.1	21.6	28.2	49.8	21.7	29.1	50.7	21	26	47
aged ≤ 29	0.2	1.1	1.3	0.04	0.5	0.5	0.1	0.9	1			
aged 30-50	15.4	22.6	38	14.7	21.5	36.3	15.6	22.6	38.2			
aged ≥ 51	5.9	5.9	11.7	6.6	6.2	12.9	6	5.6	11.6			
Office workers	18.9	19.3	38.2	22.3	18.4	40.7	18.9	18.4	37.2	24	20	44
aged ≤ 29	5.3	8.9	14.2	5.8	7.4	13.1	4.9	7.2	12.1			
aged 30-50	9.3	7.3	16.6	11.7	8.3	20	9.2	7.3	16.5			
aged ≥ 51	4.3	3.1	7.4	4.9	2.7	7.6	4.8	3.8	8.6			

GRI 405-1 Number of disabled employees and protected workers as at 31 December

	unit	2021			2020			2020 RESTATEMENT			2019		
		Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Disabled employees	No.	25	23	48	46	38	84	22	23	45	48	38	86
Protected workers	No.	11	5	16	17	7	24	10	5	15	15	7	22
Total	No.	36	28	64	63	45	108	32	28	60	63	45	108

GRI 405-1 Diversity of governance bodies as at 31 December (No., %)

	2021				2020				2020 RESTATEMENT				2019			
	Men	Wom-en	Total	Rate	Men	Wom-en	Total	Rate	Men	Wom-en	Total	Rate	Men	Wom-en	Total	Rate
NEW HIRES																
aged ≤ 29																
aged 30-50	2		2	14%	1		1	11.1%	3		3	21.4	1		1	11.1%
aged ≥ 51	7	5	12	86%	5	3	8	88.9%	8	3	11	78.6	5	3	8	88.9%
Total	9	5	14	100%	6	3	9	100%	11	3	14	100%	6	3	9	100%
Rate	64%	36%	100%		66.7%	33.3%	100%		78.6%	21.4%	100%		66.7%	33.3%	100%	

Women out of total employees by category (%)

	2021	2020	2020 RESTATEMENT	2019	2018
Women out of total	42.50%	46%	42.80%	47%	47%
Women out of total senior managers	19.90%	21%	18.90%	22%	22%
Women out of total middle managers	42.00%	43%	42.70%	44%	44%
Women out of total office workers	49.50%	55%	50.70%	56%	56%

WELFARE OF OUR PEOPLE

GRI 403-9 Work-related injuries (No.)

	2021	2020	2020 RESTATEMENT	2019
Total number of recordable work-related injuries	6	3	2	29
Number of fatalities as a result of work-related injuries	0	0	0	0
Number of high-consequence work-related injuries (excluding fatalities)	0	0	0	0
TYPES OF INJURIES				
Falls – at work	1	2	0	
Falls – in transit	5	1	2	

GRI 403-9 Work-related injury rates (No.)

	2021	2020	2020 RESTATEMENT	2019
Rate of recordable work-related injuries ³	0.42	0.77	0	8.49
Rate of fatalities as a result of work-related injury	0	0	0	0
Rate of high-consequence work-related injuries	0	0	0	0

Number of hours worked regarding employees

	2021	2020	2020 RESTATEMENT	2019
Number of hours worked	2,392,753.29	3,874,523.6	2,170,304.64	3,416,789

³ Number of injuries resulting in at least one lost day of work divided by the number of hours worked in the year, multiplied by 1,000,000.

4. CLIMATE ACTION AND ENVIRONMENTAL PROTECTION

In 2021 the Group continued its commitment to environmental protection by working to meet the targets it has set for the efficiency of its buildings and operations, with a view to achieving the carbon neutrality of the Group. Details are provided below of the performance achieved during the year, compared with the previous years.

As with the data recorded in the annex section “Inclusion and welfare of people”, following the exit of the SACE Group from the scope of management and coordination, it should be noted that the tables also show the restated 2020 data to allow a comparison between the 2021 data and the 2020 data with the same scope.

301-1 | Materials used by weight and volume Material consumption

	UoM	YEAR				CHANGES	
		2021	2020	2020 Restatement	2019	2020 Restatement - 2021	2019-2020
Total materials used	kg	8,172.04	13,562.50	8,722.20	49,682.60	-6.30%	-72.70%
Total non-renewable materials used	kg	64.7	557.8	435.59	3,576.30	-85.20%	-84.40%
of which:							
Toner	kg	50.5	470.8	435.59	996.1	-88.40%	-52.70%
Plastic goods	kg	9	77		2,557.71		-97%
Other	kg	5	10		22		54.50%
Percentage of non-renewable materials used	%	0.8	4		7	-4.2 pp	-3 pp
Total renewable materials used	kg	8,107.60	13,004.60	8,286.58	46,106.80	-2%	-71.80%
of which:							
Paper (reams)	kg	7,810.95	10,294.70	7,553.91	40,267.80	3%	-74.40%
Paper products (e.g. folders, business cards, envelopes, newspapers and magazines purchased)	kg	174.8	1,562.10	66.06	3,666.50	165%	-57.40%
Other	kg	121.8	1,147.80	666.61	2,172.50	-82%	-47.20%
Percentage of renewable materials used	%	99.20%	96%	95%	93%	4.2 pp	3 pp

GRI 302-1 Total energy consumption in GJ

	UoM	YEAR				CHANGES	
		2021	2020	2020 Restatement	2019	2020 Restatement - 2021	2019-2020
Total energy consumption in GJ	GJ	17,162.82	32,009.4	20,458.87	40,178.9	-16.1%	-20.3%

GRI 302-1 Fuel consumption within the organisation⁴

	UoM	YEAR				CHANGES	
		2021	2020	2020 Restatement	2019	2020 Restatement - 2021	2019-2020
Diesel	GJ	364.4	3,214.2	279.56	5,969.2	30.3%	-46.2%
Petrol	GJ	167.34	664.1	230.78	798.8	-27.5%	-16.9%
Natural gas	GJ	1,909	4,304.9	4,038.15	5,457.9	-52.7%	-21.1%
Total non-renewable fuel consumed	GJ	2,440.74	8,183.3	4,548.49	12,225.9	-46.3%	-33.1%
Total renewable fuel consumed	GJ	0	0	0	0	-	0
Percentage of total fuel consumption from: non-renewable sources	%	14.2%	25.6	22.2%	30.4	-8 pp	-4.8 pp

GRI 302-1 Electricity consumption within the organisation⁵

	UoM	YEAR				CHANGES	
		2021	2020	2020 Restatement	2019	2020 Restatement - 2021	2019-2020
Total electricity purchased from the grid	GJ	14,722.08	23,826.10	15,910.38	27,953.10	-7.50%	-14.80%
Electricity from renewable sources purchased from the grid	GJ	14,027.37	20,930.50	14,185.70		-1.10%	
Percentage of electricity from renewable sources purchased from the grid	%	95.30%	87.80%	89.20%		6.1 pp	
Electricity from non-renewable sources purchased from the grid	GJ	694.71	2,895.60	1,724.68		-59.70%	
Percentage of electricity from non-renewable sources purchased from the grid	%	4.70%	12.20%	10.80%		-6.1 pp	

GRI 302-3 Energy intensity⁶

	UoM	YEAR				CHANGES	
		2021	2020	2020 Restatement	2019	2020 Restatement - 2021	2019-2020
Energy intensity (electricity consumption)	MWh/total workforce	2.6	2.8	3.1	3.4	-16.70%	-16.40%
Energy intensity (total energy consumption)	GJ/total workforce MWh	10.7	13.6	14.2	17.4	-24.50%	-21.90%

⁴ The conversion factors used to calculate energy consumption in GJ were those published by ISPRA updated as at 2021.

⁵ The conversion factors used to calculate consumption in GJ of diesel, petrol and natural gas were those published by ISPRA in its “National Standard Parameters Table” inclusive of figures updated as at 2021.

⁶ The ratio includes energy consumption within the organisation.

GRI 305-1 Direct emissions (Scope 1)⁷

	UoM	YEAR				CHANGES	
		2021	2020	2020 Restatement	2019	2020 Restatement - 2021	2019-2020
Diesel	tCO ₂ eq	25.24	236.5	29.19	439.2	-13.50%	-46.20%
Petrol	tCO ₂ eq	11.44	48.7	18.93	58.6	-39.60%	-16.90%
Natural gas	tCO ₂ eq	109.37	242.19	226.8	305.3	-51.80%	-20.70%
Total direct emissions	tCO₂ eq	146.04	527.3	274.91	803.1	-46.90%	-34.30%

305-2 Location-based indirect emissions (Scope 2)⁸

	UoM	YEAR				CHANGES	
		2021	2020	2020 Restatement	2019	2020 Restatement - 2021	2019-2020
Electricity purchased from the grid	tCO ₂ eq	1,062.44	1,962.30	1,310.40	2,787.50	-18.90%	-29.60%
Total indirect emissions	tCO₂ eq	1,062.44	1,962.30	1,310.40	2,787.50	-18.90%	-29.60%

305-2 Market-based indirect emissions (Scope 2)

	UoM	YEAR				CHANGES	
		2021	2020	2020 Restatement	2019	2020 Restatement - 2021	2019-2020
Electricity purchased from the grid	tCO ₂ eq	88.58	374.81	223.24		-60.30%	
Total indirect emissions	tCO₂ eq	88.58	374.81	223.24		-60.30%	

305-3 Other indirect GHG emissions (Scope 3)

	UoM	YEAR				CHANGES	
		2021	2020	2020 Restatement	2019	2020 Restatement - 2021	2019-2020
Indirect emissions from business travel	tCO ₂ eq	191.45	383.8	232.46	1,905.10	-17.60%	-79.90%
Total other indirect emissions	tCO₂ eq	191.45	383.8	232.46	1,905.10	-17.60%	-79.90%

⁷ The emission factors used to calculate emissions from diesel, petrol and natural gas were those published by DEFRA inclusive of figures updated as at 2021.

⁸ The calculation methods used to calculate Scope 2 emissions, in line with the GRI Sustainability Reporting Standards, were the two methods specified in the standard. The market-based method considers electricity supplies, taking account of the certificates acquired by the Group which certify electricity supplies coming from renewable sources. If the organisation does not fully cover its electricity requirements with these certificates, or if it does not have any, an emission factor associated with the production of electricity from the national grid is used for the remainder. Emissions with the location-based method, on the other hand, are calculated by using the total consumption of electricity used by the organisation, regardless of the source used, multiplying it by the average emission factor associated with the national energy mix. Scope 2 emissions calculated with the location-based and market-based methods are expressed in tonnes of CO₂ and not in CO₂ equivalent, since the percentage of methane and nitrous oxide has a negligible effect on total GHG emissions (CO₂ equivalents) as can be deduced from the relevant technical literature.

Total greenhouse gas emissions

	UoM	YEAR				CHANGES	
		2021	2020	2020 Restatement	2019	2020 Restatement - 2021	2019-2020
GHG emissions - Scopes 1 + 2 + 3 (considering location-based Scope 2 emissions)	tCO ₂ eq	1,399.93	2,873.40	1,790.77	5,495.80	-21.80%	-47.70%
GHG emissions - Scopes 1 + 2 + 3 (considering market-based Scope 2 emissions)	tCO ₂ eq	426.07	1,285.91	703.62		-39.40%	

305-4 Emissions intensity (Scope 1 + Scope 2 + Scope 3)

	UoM	YEAR				CHANGES	
		2021	2020	2020 Restatement	2019	2020 Restatement - 2021	2019-2020
Intensity of greenhouse gas emissions (considering location-based Scope 2 emissions)	tCO ₂ eq/ total work-force	0.87	1.22	1.24	2.38	0.296	-48.70%
Intensity of greenhouse gas emissions (considering market-based Scope 2 emissions)	tCO ₂ eq/ total work-force	0.27	0.51	0.49		-45.50%	

5. INCOME TAXES

Responsible tax management has become a key aspect for the integration of environmental, social and governance factors within companies that adopt a responsible investment approach. Tax leverage has been identified by the EU Commission as one of the tools for implementing the “green transition” strategy for pursuing the objectives of the “European Green Deal”. External stakeholders are increasingly interested in the levels of responsibility adopted by companies in tax matters and are paying increasing attention to the level of economic contribution that the company provides to the society and the local communities in which it actually operates. In response to this increasing attention, sustainability-conscious companies are adopting and developing increasingly transparent and clear tax strategies, in line with their broader environmental, social and governance (ESG) agenda.

The Group’s mission is to promote sustainable development in Italy by using national savings responsibly to promote growth and employment, by supporting innovation, business competitiveness, infrastructure and local development: in keeping with this commitment, the “Sustainability Framework” outlines the strategy and means by which CDP embeds the principles of sustainable development in its actions, both in its business model and business areas. Thus, in line with the Sustainability Framework, and with a view to protecting the interests of its shareholders, its assets, and its transparency towards all its stakeholders, CDP’s handling of tax management is driven by the principles of honesty, fairness and compliance with tax law, adopting a cooperative and transparent approach with tax authorities in order to ensure full compliance with tax and fiscal rules.

Accordingly, CDP has approved a specific “tax compliance management procedure” and a “Group tax policy” providing principles for its management and coordination activities. The principles respect the corporate interests of the subsidiaries, safeguarding their stability and profitability, in accordance with the principles of proper corporate and entrepreneurial management.

More specifically:

- the “tax compliance management procedure” identifies the tasks, checks, information and documentary flows and areas of responsibility of the divisions involved in tax compliance and other tax activities, as well as the operating processes adopted by CDP for tax activities assigned to the Tax divisions;
- the “Group tax policy” sets forth the principles that CDP and all companies subject to its management and coordination are required to follow in order to ensure organic coordination and a uniform approach to tax matters for Group purposes. The policy also envisages the annual mapping of tax risks and compliance measures, requiring adequate control systems to be in place.

The “tax compliance management procedure” and the “Group tax policy” also represent elements of the internal control system for the Organisation, Management and Control Model adopted as per Italian Legislative Decree 231/2001.

Finally, in accordance with article 155(2) of Regulation (EU, Euratom) 2018/1046, CDP as an implementing partner in the management of European funds, is required to:

- refrain from supporting actions that contribute to tax evasion;
- refrain from entering into new or renewed operations with entities incorporated or established in non-cooperative jurisdictions in terms of tax matters, and may derogate from this requirement only if the action is physically implemented in one of those jurisdictions and does not present any indication that the operation may contribute to tax evasion.

Outside the scope of EU funding management and in relation to operations of an international character, in accordance with Council Directive (EU) 2018/822 (“DAC6”), CDP is required to notify the tax authorities of any cross-border mechanisms it participates in which present one or more indicators of potential aggressive tax planning, as defined by the cited EU directive. With reference to the management of the aspects indicated above regarding European funds and DAC6, CDP has adopted the “Tax Integrity Risk Regulation”.

CDP has started up a project for a Tax Control Framework for the management and control of tax risk. The first stage of the project concerned the mapping of tax risks in company processes, with a view to implementing and operating a control system in line with statutory requirements, international standards and best practices concerning tax risk control, taking into consideration existing measures, checkpoints and procedures. The second stage of the project is now being finalised and aims to set up a tax risk management model aligned with market best practices.

CDP has established a relationship with the tax authorities based on maximum collaboration and transparency.

From a collaborative and transparent perspective, CDP:

- formally submits to tax authorities the matters of key interest on major investment operations that raise significant interpretive doubts, in order to clarify how they should be treated for tax purposes;
- participates in working groups with industry associations, through its tax divisions, that study tax matters from a legal and interpretive standpoint.

05

TAX JURISDICTION: ITALY	2021	2020	2019
Number of employees	1,498	2,380	2,196
Revenues from sales to third parties	10,477,331	10,715,368	9,543,488
Revenues from intragroup transactions with other tax jurisdictions			
Pre-tax profit/loss	4,013,267	3,947,245	3,724,475
Property, plant and equipment, excluding cash and cash equivalents	638,016	700,498	707,867
Income tax for the companies, paid on a cash basis	-854,144	-891,833	-1,018,882
Income tax for the companies accruing on profit/loss	-784,030	-754,216	-745,775

6. MEASURING THE AGGREGATE IMPACTS OF THE CDP GROUP

In order to quantify the effectiveness of the Group’s work and provide a more accurate description of the contribution it has made to the country’s growth, for 2021 the Group once again measured the aggregate impacts of its activities.

The estimate of the Group’s activities was carried out starting from an analysis of the individual financial instruments made available to the economic system, with the dual objective of understanding how the actions are conveyed to the real economy and assessing the presence of elements of additionality. The scope of the analysis covered all the Business Units and Group companies (scoped into the Integrated Report) that invested resources in 2021. Moreover, the impact assessment only considered financial resources that have supported aggregate national demand¹ through new investments, exports and consumption, and that at the same time offer elements of additionality.

For each instrument put in place by the various business units and companies of the Group, specific estimates or assumptions were developed to identify the additional demand components generated².

The resources³ made available to the economic system by the Group had a direct impact on the activation of aggregate demand, particularly investments and exports.

Sectoral multipliers derived from a national input/output matrix⁴ were used to quantify these impacts, considering the following effects:

- **direct**⁵: impact on the beneficiaries of the Group’s action;
- **indirect**⁶: impact on the beneficiaries’ subcontracting chains;
- **induced**: impact on consumption via employment created or maintained within the economic system.

The overall results of the estimates made in 2021⁷ indicate:

- about 54 billion euro in turnover: for every euro of resources invested directly in favour of the companies benefiting from the Group’s actions, a total of 2.3 are created in the system;
- 1.57 of GDP;
- 399,000 jobs supported.

¹ The scope of the analysis does not include those activities that have mobilised resources but do not have a direct impact on aggregate national demand (e.g. international cooperation, purchase of real estate, etc.).

² For operations through Financial Institutions (including guarantees and maximum credit limit funding), specific counterfactual analyses were conducted with estimates of propensity score matching on the portfolio of financed companies (for the methodology see M. Caliendo and S. Kopeinig, 2008, “Some practical guidance for the implementation of propensity score matching”, Journal of Economic Surveys, 22(1), p. 31-72). For equity investments (including through funds) the counterfactual method of reference was the one developed by Bronzini, R., G. Caramellino and S. Magri (2017), “Venture capitalists at work: what are the effects on the firm they finance?”, Bank of Italy Working Papers, No. 1131. For all other transactions, specific analyses and assumptions were made based on the characteristics of the instrument and CDP’s penetration of the target market (considering in some cases the market share in the various segments).

³ The value of the resources considered for 2021 was 23,798,588,555 euro.

⁴ The approach is based on the estimate of the Input/Output Matrices (originally developed by Leontieff) increased by the social and environmental dimensions in the so-called “Social Accounting Matrix-SAM” representation. The database is built from the system of I/O tables published by ISTAT which include the breakdown of added value by components (employment income, etc.). The latest version of the tables (issued in 2018) was updated appropriately to allow estimates to be made of the values of the main economic variables in 2020. The matrices used were also linked with labour market information from ISTAT’s Continuous Labour Force Survey (RCFL) and from the environmental variables in the NAMEA and ISPRa tables. The SAM matrices designed in this way are divided into 63 branches of economic activity.

⁵ In terms of direct impacts, the CDP Group’s contribution to national GDP (in terms of added value created through its intermediation activities) is implicitly included by the method in the beneficiaries’ value generation chain.

⁶ Indirect impacts generated by the CDP Group through its subcontracting chain are excluded because they are considered marginal.

⁷ The estimate does not directly take into account the effects produced by new lending in previous years (exclusion of carry-over effects) on the economic system in 2021. At the same time, by construction, the estimate fully attributes to 2021 all impacts generated by new lending during the year which by nature and structure could actually exert their effects over a longer period of time. All other things being equal, the first assumption leads to an underestimation of the Group’s impact on the main economic variables in 2021, while the second leads to an overestimation.

GRI CONTENT INDEX 2021

MATERIAL TOPIC	GRI STANDARD	SECTION	PAGE	NOTES / LIMITATIONS	COMPLIANCE WITH ITALIAN LEGISLATIVE DECREE 254/2016
GRI 102: General disclosures (2016)					
ORGANISATIONAL PROFILE					
N/A	GRI 102-1 Name of the organisation	Guide to interpretation			Company management and organisation model
	GRI 102-2 Activities, brands, products, and services	1.2 The capacity to create shared value over time 1.4 5 business lines: how to optimise the generated impact			
	GRI 102-3 Location of headquarters	Guide to interpretation			
	GRI 102-4 Location of operations	5.2.3 Strong support for local areas			
	GRI 102-5 Ownership and legal form	1.1 The Group's corporate structure and system of values 2.1 The corporate governance model			
	GRI 102-6 Markets served	5.2.3 Strong support for local areas 1.4 5 business lines: how to optimise the generated impact			
	GRI 102-7 Scale of the organisation	5.1 Inclusion and welfare of people			
	GRI 102-8 Information on employees and other workers	5.1 Inclusion and welfare of people Annex - 3. Inclusion and welfare of people			
	GRI 102-9 Supply chain	5.2.4 Transparency and engagement with suppliers			
	GRI 102-10 Significant changes to the organisation and its supply chain	In 2021, no significant changes were noted with regard to the organisation and its supply chain.			
	GRI 102-11 Precautionary principle or approach	3.1 Risk classification and management and corporate compliance			
	GRI 102-12 External initiatives	1.2 The capacity to create shared value over time			
	GRI 102-13 Membership of associations	5.2 Integrity, transparency and engagement with stakeholders			
STRATEGY					
N/A	GRI 102-14 Statement from senior decision-maker	Letter to the shareholders and stakeholders			Company management and organisation model
	GRI 102-15 Key impacts, risks, and opportunities	3. Risk management: to grasp every opportunity			
ETHICS AND INTEGRITY					
N/A	GRI 102-16 Values, principles, standards, and norms of behaviour	1.1 The Group's corporate structure and system of values			Company management and organisation model
	GRI 102-17 Mechanisms for advice and concerns about ethics	3.1 Risk classification and management and corporate compliance			
GOVERNANCE					
N/A	GRI 102-18 Governance structure	2. Governance: a business model aimed at sustainable development			Company management and organisation model
	GRI 102-19 Delegation of authority	2. Governance: a business model aimed at sustainable development			
	GRI 102-20 Executive-level responsibility for economic, environmental, and social topics	2.2 Sustainability governance			
	GRI 102-21 Consulting stakeholders on economic, environmental, and social topics	4.2 The priorities of the Group's stakeholders			
	GRI 102-22 Composition of the highest governance body and its committees	2.1 The corporate governance model			
	GRI 102-23 Chair of the highest governance body	2.1 The corporate governance model			
	GRI 102-24 Nominating and selecting the highest governance body	2.1 The corporate governance model			

MATERIAL TOPIC	GRI STANDARD	SECTION	PAGE	NOTES / LIMITATIONS	COMPLIANCE WITH ITALIAN LEGISLATIVE DECREE 254/2016
GOVERNANCE					
N/A	GRI 102-25 Conflicts of interest	2.1 The corporate governance model			Company management and organisation model
	GRI 102-26 Role of the highest governance body in setting purpose, values and strategy	2.1 The corporate governance model			
	GRI 102-27 Collective knowledge of the highest governance body	2.1 The corporate governance model			
	GRI 102-28 Evaluating the highest governance body's performance	The regulations applicable to CDP do not provide for the company to carry out forms of assessment on the administrative body's performance on economic, environmental and social issues.			
	GRI 102-30 Effectiveness of risk management processes	3.1 Risk classification and management and corporate compliance			
	GRI 102-31 Review of economic, environmental and social topics	2.1 The corporate governance model			
	GRI 102-32 Highest governance body's role in sustainability reporting	Guide to interpretation			
	GRI 102-33 Communicating critical concerns	2.1 The corporate governance model			
	GRI 102-34 Nature and total number of critical concerns	3.6 The interconnection between material topics, risks and mitigation measures			
	GRI 102-35 Remuneration policies	5.1.3 Development, training and management			
	GRI 102-36 Process for determining remuneration	5.1.3 Development, training and management			
	GRI 102-37 Stakeholders' involvement in remuneration	5.1.3 Development, training and management			
STAKEHOLDER ENGAGEMENT					
N/A	GRI 102-40 List of stakeholder groups	5.2 Integrity, transparency and engagement with stakeholders			Company management and organisation model
	GRI 102-41 Collective bargaining agreements	All CDP Group employees are covered by collective bargaining agreements			
	GRI 102-42 Identifying and selecting stakeholders	4.2 The priorities of the Group's stakeholders			
	GRI 102-43 Approach to stakeholder engagement	4.2 The priorities of the Group's stakeholders			
	GRI 102-44 Key topics and concerns raised	4.2 The priorities of the Group's stakeholders			
REPORTING PRACTICES					
N/A	GRI 102-45 Entities included in the consolidated financial statements	Guide to interpretation			Company management and organisation model
	GRI 102-46 Defining report content and topic boundaries	Guide to interpretation Annex - 2. Material topics: in-depth analysis			
	GRI 102-47 List of material topics	4.2 The priorities of the Group's stakeholders			
	GRI 102-48 Restatements of information	There were no restatements of significant information with respect to the previous year of reporting			
	GRI 102-49 Changes in reporting	Guide to interpretation			
	GRI 102-50 Reporting period	Guide to interpretation			
	GRI 102-51 Date of most recent report	Guide to interpretation			
	GRI 102-52 Reporting cycle	Guide to interpretation			
GRI 102-53 Contact point for questions regarding the report	Guide to interpretation				

MATERIAL TOPIC	GRI STANDARD	SECTION	PAGE	NOTES / LIMITATIONS	COMPLIANCE WITH ITALIAN LEGISLATIVE DECREE 254/2016
REPORTING PRACTICES					
N/A	GRI 102-54 Claims of reporting in accordance with the GRI Standards	Guide to interpretation			
	GRI 102-55 GRI content index	GRI Content Index			
Sustainable finance and impact finance	GRI 103 Management approach				Social topics Environmental topics
	GRI 103-1 Explanation of the material topic and its boundary	Annex - 2. Material topics: in-depth analysis			
	GRI 103-2 The management approach and its components	Economic value generated and distributed to stakeholders			
	GRI 103-3 Evaluation of the management approach	Economic value generated and distributed to stakeholders			
	GRI 201-1 Direct economic value generated and distributed	Economic value generated and distributed to stakeholders			
Availability of infrastructure for sustainable development	GRI 103 Management approach				Social topics
	GRI 103-1 Explanation of the material topic and its boundary	Annex - 2. Material topics: in-depth analysis			
	GRI 103-2 The management approach and its components	1.2 The capacity to create shared value over time			
	GRI 103-3 Evaluation of the management approach	1.2 The capacity to create shared value over time			
	GRI 203-1 Infrastructure investments and services supported	1.2 The capacity to create shared value over time 5.3.1 Building infrastructure with high social impact 5.4.1 Sustaining the digital transition and the technological transformation 5.5.1 Combating climate change and supporting the energy transition			
	GRI 203-2 Significant indirect economic impacts	1.2 The capacity to create shared value over time			
		GRI 103 Management approach			
Stakeholder engagement and support to local areas	GRI 103-1 Explanation of the material topic and its boundary	Annex - 2. Material topics: in-depth analysis			Social topics Environmental topics
	GRI 103-2 The management approach and its components	5.2.4 Transparency and engagement with suppliers			
	GRI 103-3 Evaluation of the management approach	5.2.4 Transparency and engagement with suppliers			
	GRI 308-1 New suppliers that were screened using environmental criteria	5.2.4 Transparency and engagement with suppliers			
Fairness and transparency in governance	GRI 103 Management approach				Anti-corruption Social topics
	GRI 103-1 Explanation of the material topic and its boundary	Annex - 2. Material topics: in-depth analysis			
	GRI 103-2 The management approach and its components	3.1 Risk classification and management and corporate compliance			
	GRI 103-3 Evaluation of the management approach	3.1 Risk classification and management and corporate compliance			
	GRI 205-3 Confirmed incidents of corruption and actions taken	No confirmed episodes of corruption were recorded in 2021			
	GRI 206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	During 2021 there were no recorded pending legal actions on anti-competitive behaviour or on infringements of anti-trust law or monopoly practices involving the organisation			
	GRI 207-1	Annex - 4. Income taxes			
	GRI 207-2	Annex - 4. Income taxes			
	GRI 207-3	Annex - 4. Income taxes			
GRI 207-4	Annex - 4. Income taxes				

MATERIAL TOPIC	GRI STANDARD	SECTION	PAGE	NOTES / LIMITATIONS	COMPLIANCE WITH ITALIAN LEGISLATIVE DECREE 254/2016
REPORTING PRACTICES					
Development of the circular economy	GRI 103 Management approach				Environmental topics
	GRI 103-1 Explanation of the material topic and its boundary	Annex - 2. Material topics: in-depth analysis			
	GRI 103-2 The management approach and its components	5.5.4 An environmentally-friendly workplace			
	GRI 103-3 Evaluation of the management approach	5.5.4 An environmentally-friendly workplace			
	GRI 301-1 Materials used by weight or volume	5.5.4 An environmentally-friendly workplace Annex - 4. Climate action and environmental protection			
Climate change and transition to a green economy	GRI 103 Management approach				Environmental topics
	GRI 103-1 Explanation of the material topic and its boundary	Annex - 2. Material topics: in-depth analysis			
	GRI 103-2 The management approach and its components	5.5.4 An environmentally-friendly workplace			
	GRI 103-3 Evaluation of the management approach	5.5.4 An environmentally-friendly workplace			
	GRI 302-1 Energy consumption within the organisation	5.5.4 An environmentally-friendly workplace Annex - 4. The need to guide the ecological transition: the numbers			
	GRI 302-3 Energy intensity	Annex - 4. Climate action and environmental protection			
	GRI 305-1 Direct GHG emissions (Scope 1)	Annex - 4. Climate action and environmental protection			
	GRI 305-2 Indirect GHG emissions from energy consumption (Scope 2)	Annex - 4. Climate action and environmental protection			
GRI 305-3 Other indirect GHG emissions (Scope 3 - business travel)	Annex - 4. Climate action and environmental protection				
	GRI 305-4 GHG emissions intensity (Scope 1 + Scope 2 + Scope 3)	Annex - 4. Climate action and environmental protection			
Business risk management and internal control system	GRI 103 Management approach				Environmental topics Social topics
	GRI 103-1 Explanation of the material topic and its boundary	Annex - 2. Material topics: in-depth analysis			
	GRI 103-2 The management approach and its components	3.1 Risk classification and management and corporate compliance			
	GRI 103-3 Evaluation of the management approach	3.1 Risk classification and management and corporate compliance			
	GRI 307-1 Non-compliance with environmental laws and regulations	During 2021 there were no recorded cases of non-compliance with environmental, social and economic laws and regulations (no fines or non-monetary sanctions were levied and no instances of recourse to alternative dispute mechanisms)			
	GRI 419-1 Non-compliance with laws and regulations in the social and economic area				
Occupational health and safety and welfare of colleagues	GRI 103 Management approach				Personnel-related topics
	GRI 103-1 Explanation of the material topic and its boundary	Annex - 2. Material topics: in-depth analysis			
	GRI 103-2 The management approach and its components	5.1 Inclusion and welfare of people			
	GRI 103-3 Evaluation of the management approach	5.1 Inclusion and welfare of people			
	GRI 401-1 New employee hires and employee turnover	Annex - 3. Inclusion and welfare of people			
	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.1 Inclusion and welfare of people			
	GRI 402-1 Minimum notice periods regarding operational changes	"The notice period and rules for consultations and negotiations on operational changes that potentially may have a significant impact on personnel are governed by laws in force (Italian Law 428/1990) and the provisions of collective bargaining agreements."			

MATERIAL TOPIC	GRI STANDARD	SECTION	PAGE	NOTES / LIMITATIONS	COMPLIANCE WITH ITALIAN LEGISLATIVE DECREE 254/2016
REPORTING PRACTICES					
Occupational health and safety and welfare of colleagues	GRI 403-1 Occupational health and safety management system	5.1.6 Health & safety			
	GRI 403-2 Hazard identification, risk assessment, and incident investigation	5.1.6 Health & safety			
	GRI 403-3 Occupational health services	5.1.6 Health & safety			
	GRI 403-4 Worker participation, consultation, and communication on occupational health and safety	5.1.6 Health & safety			
	GRI 403-5 Worker training on occupational health and safety	5.1 Inclusion and welfare of people			
	GRI 403-6 Promotion of worker health	5.1 Inclusion and welfare of people			
	GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.1 Inclusion and welfare of people			
	403-9 Work-related injuries	Annex - 3. Inclusion and welfare of people			
	GRI 405-1 Diversity of governance bodies and employees	Annex - 3. Inclusion and welfare of people			
	Development and training of personnel	GRI 103 Management approach			
GRI 103-1 Explanation of the material topic and its boundary		Annex - 2. Material topics: in-depth analysis			
GRI 103-2 The management approach and its components		5.1.3 Development, training and management			
GRI 103-3 Evaluation of the management approach		5.1.3 Development, training and management			
GRI 404-1 Average hours of training per year per employee		Annex - 3. Inclusion and welfare of people			
GRI 404-2 Programs for upgrading employee skills and transition assistance programs		5.1.3 Development, training and management			
Diversity and equal opportunity	GRI 103 Management approach				
	GRI 103-1 Explanation of the material topic and its boundary	Annex - 2. Material topics: in-depth analysis			
	GRI 103-2 The management approach and its components	5.1.4 Diversity and equal opportunities			
	GRI 103-3 Evaluation of the management approach	5.1.4 Diversity and equal opportunities			
	GRI 405-1 Diversity of governance bodies and employees	Annex - 3. Inclusion and welfare of people			
Protection of human rights	GRI 103 Management approach	Annex - 2. Material topics: in-depth analysis			Social topics
	GRI 103-1 Explanation of the material topic and its boundary	5.6.3 Protection of human rights in international cooperation projects			
	GRI 103-2 The management approach and its components	5.6.3 Protection of human rights in international cooperation projects			
	GRI 103-3 Evaluation of the management approach	5.6.3 Protection of human rights in international cooperation projects			
	412-1 Activities that have been subject to human rights audits or impact assessments	5.6.3 Protection of human rights in international cooperation projects			

MATERIAL TOPIC	GRI STANDARD	SECTION	PAGE	NOTES / LIMITATIONS	COMPLIANCE WITH ITALIAN LEGISLATIVE DECREE 254/2016
MATERIAL TOPICS REPORTED WITH AD HOC INDICATORS IN THE ABSENCE OF SPECIFIC APPLICABLE GRI KPIS					
Occupational health and safety and welfare of colleagues	GRI 403-1 Occupational health and safety management system	5.1.6 Health & safety			Personnel-related topics
	GRI 103 Management approach				
Innovation, research and digitisation	GRI 103-1 Explanation of the material topic and its boundary	Annex - 2. Material topics: in-depth analysis			Social topics
	GRI 103-2 The management approach and its components	5.4. Digitisation and innovation			
	GRI 103-3 Evaluation of the management approach	5.4. Digitisation and innovation			
Start-up, growth and consolidation of enterprises	GRI 103 Management approach				Social topics
	GRI 103-1 Explanation of the material topic and its boundary	Annex - 2. Material topics: in-depth analysis			
	GRI 103-2 The management approach and its components	5.3.2 Supporting the competitiveness of the productive system			
Creation of value and support for strategic sectors	GRI 103-3 Evaluation of the management approach	5.3.2 Supporting the competitiveness of the productive system			Social topics
	GRI 103 Management approach				
	GRI 103-1 Explanation of the material topic and its boundary	Annex - 2. Material topics: in-depth analysis			
Redevelopment of local areas and social infrastructure	GRI 103-2 The management approach and its components	“5.3.2 Supporting the competitiveness of the productive system 5.6.1 CDP for Made in Italy manufacturing 5.6.2 CDP for international cooperation and development financing 5.4.1 Sustaining the digital transition and the technological transformation”			Social topics
	GRI 103-3 Evaluation of the management approach	“5.3.2 Supporting the competitiveness of the productive system 5.6.1 CDP for Made in Italy manufacturing 5.6.2 CDP for international cooperation and development financing 5.4.1 Sustaining the digital transition and the technological transformation”			
	GRI 103 Management approach				
Social, digital and financial inclusion	GRI 103-1 Explanation of the material topic and its boundary	Annex - 2. Material topics: in-depth analysis			Social topics
	GRI 103-2 The management approach and its components	5.3.1 Building infrastructure with high social impact			
	GRI 103-3 Evaluation of the management approach	5.3.1 Building infrastructure with high social impact			
Risks and opportunities of the system	GRI 103 Management approach				Social topics
	GRI 103-1 Explanation of the material topic and its boundary	Annex - 2. Material topics: in-depth analysis			
	GRI 103-2 The management approach and its components	3.1 Risk classification and management and corporate compliance			
Data security and privacy protection	GRI 103-3 Evaluation of the management approach	3.1 Risk classification and management and corporate compliance			Social topics
	GRI 103 Management approach	Annex - 2. Material topics: in-depth analysis			
	GRI 103-1 Explanation of the material topic and its boundary	5.4.2 For a smart, digitised and inclusive work environment			
	GRI 103-2 The management approach and its components	5.4.2 For a smart, digitised and inclusive work environment			
	GRI 103-3 Evaluation of the management approach	5.4.2 For a smart, digitised and inclusive work environment			

SASB DISCLOSURE INDEX 2021

The Sustainability Accounting Standards Board's standards (SASB) reported in this document refer to the standards of the "Commercial Banks" (SASB code FN-CB) and "Investment Banking & Brokerage" (SASB code FN-IB) sectors. All the indi-

cators included in the aforesaid sectors have been considered and assessed, wherever applicable and significant. The indicators deemed significant for CDP's business and reported in this Report, were shown in the SASB Disclosure Index.

TOPIC	CODE	INDICATOR	REFERENCES	OMISSIONS
SECTOR - COMMERCIAL BANKS				
Data Security	FN-CB-230a.2	Description of the approach to identify and address risks relating to data security	5.4.2 For a smart, digitised and inclusive work environment	
Financial Inclusion & Capacity Building	FN-CB-240a.1	Number and amount of loans geared to promoting the development of small enterprises and the community	1.2 The capacity to create shared value over time 5.3.1 Building infrastructure with high social impact 5.4.1 Sustaining the digital transition and the technological transformation 5.5.1 Combating climate change and supporting the energy transition	
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	FN-CB-410a.2	Description of the approach for the incorporation of environmental, social, and governance (ESG) factors in credit analysis	3.2 The risks associated with climate change - TCFD 3.5 ESG risk assessment	
Business Ethics	FN-CB510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other financial industry laws or regulations	GRI Content Index	
Business Ethics	FN-CB-510a.2	Description of whistleblowing policies and procedures	3.1 Risk classification and management and corporate compliance	
SECTOR – INVESTMENT BANKING & BROKERAGE				
Employee Diversity & Inclusion	FN-IB-330a.1	Percentage of gender and racial/ethnic group representation by category of employees	Annex - 3. Inclusion and welfare of people	
Incorporation of Environmental, Social, and Governance Factors in Investment Banking & Brokerage Activities	FN-IB-410a.3	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment banking and brokerage activities	3.4 Sustainable Development Assessment	
Business Ethics	FN-IB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other financial industry laws or regulations	GRI Content Index	
Business Ethics	FN-IB-510a.2	Description of whistleblowing policies and procedures	3.1 Risk classification and management and corporate compliance	
Professional Integrity	FN-IB-510b.2	Number of mediation and arbitration cases associated with suspected breaches of professional integrity duties, including duty of care, by the parties	In 2021 there were no mediation and arbitration cases associated with suspected breaches of professional integrity duties, including duty of care, by the parties	
Professional Integrity	FN-IB-510b.3	Total amount of monetary losses as a result of legal proceedings associated with suspected breaches of professional integrity duties, including duty of care	In 2021 no monetary losses occurred since there were no legal proceedings associated with suspected breaches of professional integrity duties, including duty of care	
Professional Integrity	FN-IB-510b.4	Description of approach to ensuring professional integrity, including duty of care	1.1 The Group's corporate structure and system of values	



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