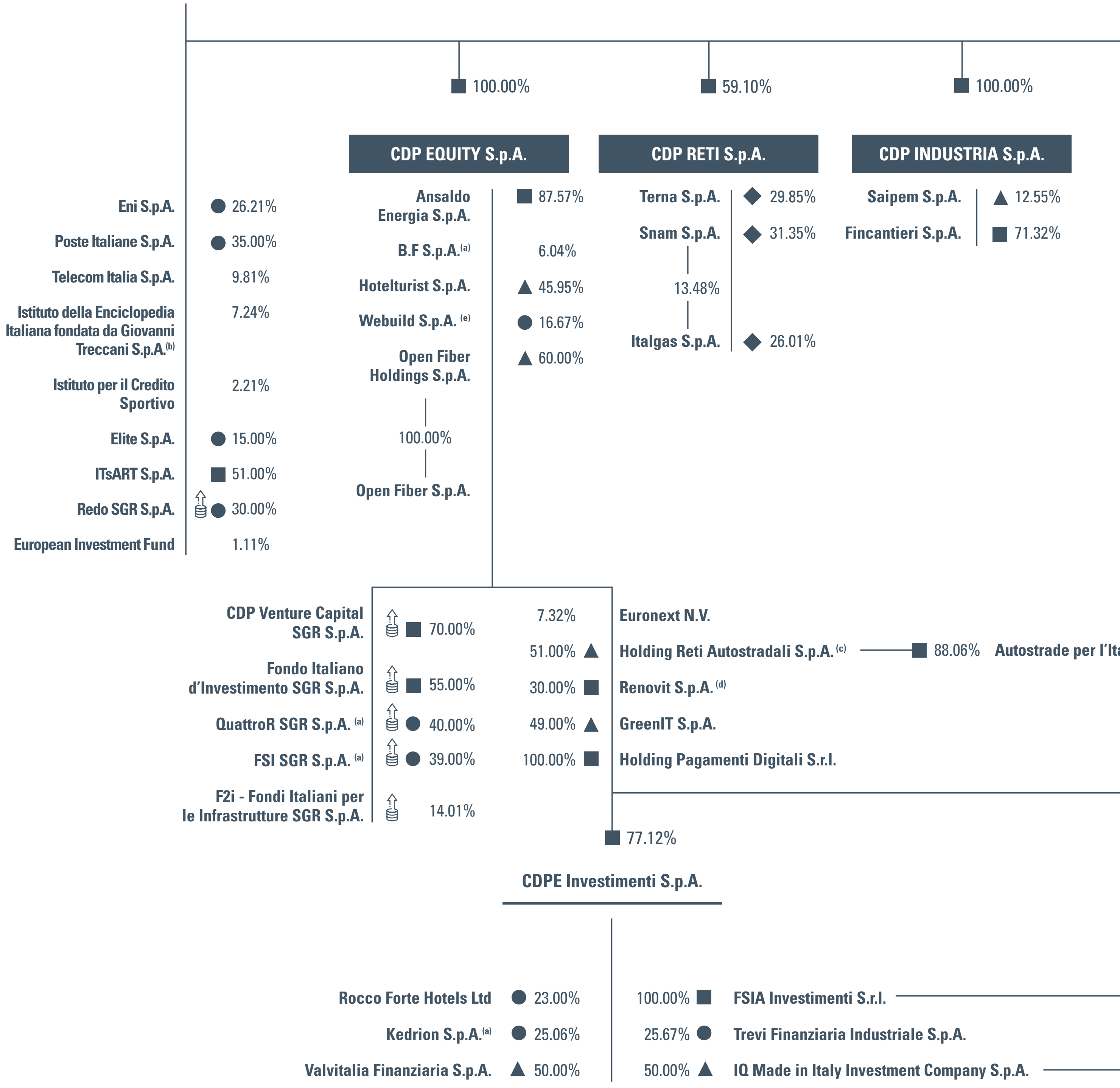
HALF-YEARLY FINANCIAL REPORT
2022

The result
of Cassa Depositi e Prestiti

cdp



■ 100.00%	**CDP EQUITY S.p.A.**
■ 59.10%	**CDP RETI S.p.A.**
■ 100.00%	**CDP INDUSTRIA S.p.A.**

Eni S.p.A.	● 26.21%
Poste Italiane S.p.A.	● 35.00%
Telecom Italia S.p.A.	9.81%
Istituto della Enciclopedia Italiana fondata da Giovanni Treccani S.p.A.[b]	7.24%
Istituto per il Credito Sportivo	2.21%
Elite S.p.A.	● 15.00%
ITsART S.p.A.	■ 51.00%
Redo SGR S.p.A.	⇧ ● 30.00%
European Investment Fund	1.11%

CDP EQUITY S.p.A.

Ansaldo Energia S.p.A.	■ 87.57%
B.F S.p.A.[a]	6.04%
Hotelturist S.p.A.	▲ 45.95%
Webuild S.p.A. [e]	● 16.67%
Open Fiber Holdings S.p.A.	▲ 60.00%

Open Fiber Holdings S.p.A. — 100.00% — **Open Fiber S.p.A.**

CDP Venture Capital SGR S.p.A.	⇧ ■ 70.00%
Fondo Italiano d’Investimento SGR S.p.A.	⇧ ■ 55.00%
QuattroR SGR S.p.A. [a]	⇧ ● 40.00%
FSI SGR S.p.A. [a]	⇧ ● 39.00%
F2i - Fondi Italiani per le Infrastrutture SGR S.p.A.	⇧ 14.01%

7.32%	**Euronext N.V.**
51.00% ▲	**Holding Reti Autostradali S.p.A.** [c] — ■ 88.06% **Autostrade per l’Ita**
30.00% ■	**Renovit S.p.A.** [d]
49.00% ▲	**GreenIT S.p.A.**
100.00% ■	**Holding Pagamenti Digitali S.r.l.**

■ 77.12%

CDPE Investimenti S.p.A.

Rocco Forte Hotels Ltd	● 23.00%
Kedrion S.p.A.[a]	● 25.06%
Valvitalia Finanziaria S.p.A.	▲ 50.00%

100.00% ■	**FSIA Investimenti S.r.l.**
25.67% ●	**Trevi Finanziaria Industriale S.p.A.**
50.00% ▲	**IQ Made in Italy Investment Company S.p.A.**

CDP RETI S.p.A.

Terna S.p.A.	◆ 29.85%
Snam S.p.A.	◆ 31.35%
Italgas S.p.A.	◆ 26.01%

Snam S.p.A. — 13.48% — **Italgas S.p.A.**

CDP INDUSTRIA S.p.A.

Saipem S.p.A.	▲ 12.55%
Fincantieri S.p.A.	■ 71.32%

⇧ **FUND MANAGEMENT RELATIONSHIP**

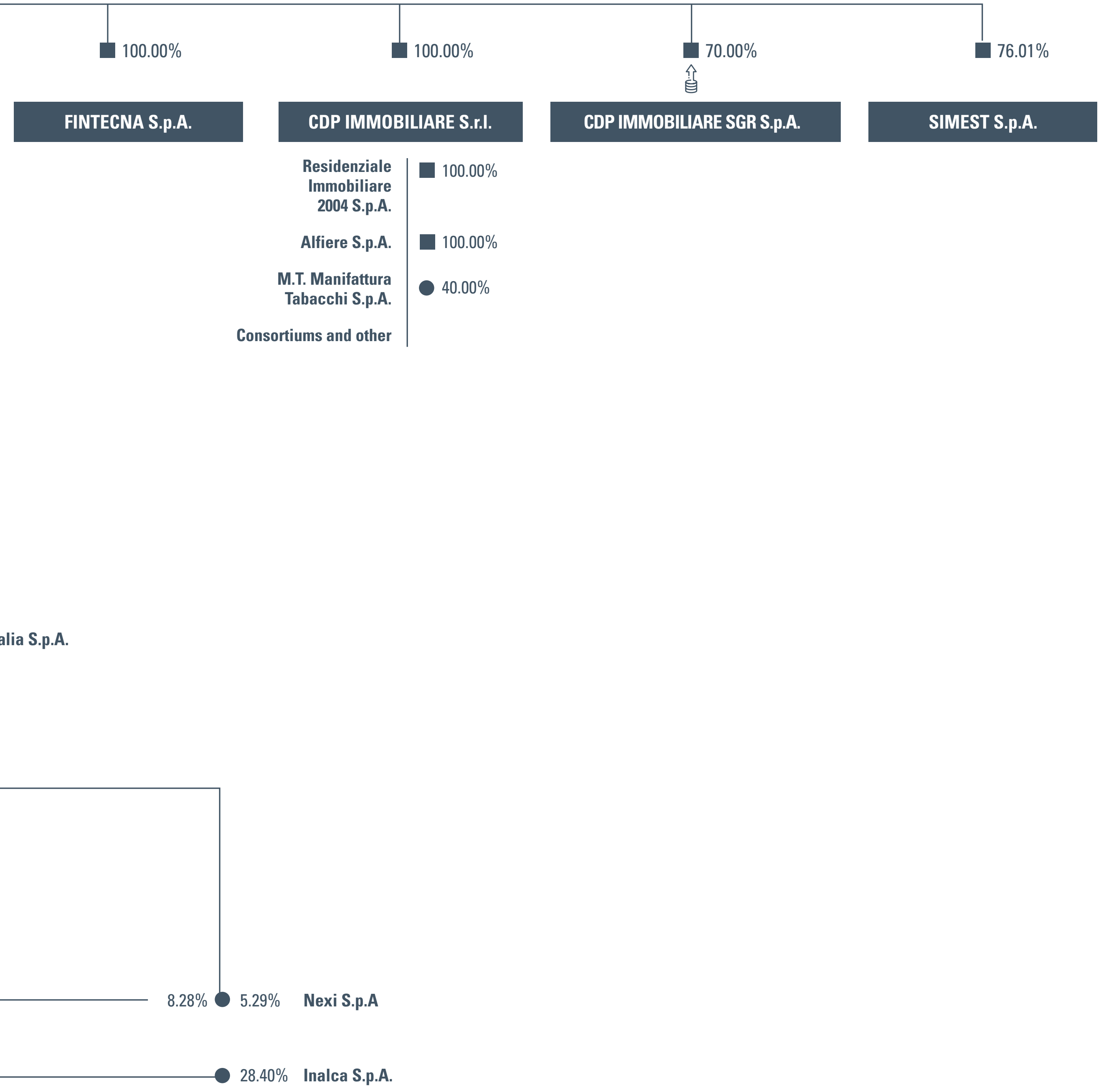
TYPE OF CONTROL / INFLUENCE

■ Control
◆ De facto control
● Significant influence
▲ Joint control

(a) Investment held for sale. The disposal is forecasted by the end of 2022
(b) Snam holds a further 1.26%
(c) Other shareholders: Macquarie (24.5%) and Blackstone (24.5%).
(d) Snam holds 60.05% of the company
(e) Fincantieri holds 0.07%

GROUP STRUCTURE

at 30 June 2022



COMPANIES IN LIQUIDATION:

● **Europrogetti & Finanza S.r.l.** 31.80%
■ **Bonafous S.p.A.** 100.00%
■ **Cinque Cerchi S.p.A.** 100.00%
■ **Pentagramma Romagna S.p.A.** 100.00%
■ **Pentagramma Piemonte S.p.A.** 100.00%
■ **Quadrifoglio Genova S.p.A.** 100.00%
▲ **Quadrifoglio Brescia S.p.A.** 50.00%

A unique Group
at the service
of the Country

GROUP STRUCTURE

at 30 June 2022

INVESTMENT FUNDS

CDP Immobiliare SGR S.p.A. 70.00% ■ Control

100.00%	Fondo Investimento per la Valorizzazione Extra
100.00%	Fondo Investimento per la Valorizzazione Plus
49.31%	Fondo Investimento per l'abitare (FIA)
90.91%	Fondo Nazionale del Turismo - Comparto A
100.00%	FNAS - Fondo Nazionale Abitare Sostenibile

Fondo Italiano d'Investimento SGR S.p.A. 68.00% ■ Control

quote A 66.28% quote B 38.24%	Fondo Italiano Consolidamento e Crescita
quote A 65.15% quote B 39.47%	Fondo Italiano Tecnologia e Crescita
20.83%	FoF Fondo Italiano di Investimento
66.23%	FoF Private Equity Italia
62.50%	FoF Private Debt
73.42%	FoF Private Debt Italia (c)
76.69%	FoF Venture Capital
20.83%	Fondo Italiano di Investimento FII Venture

QuattroR SGR S.p.A. (d) 40.00% ● Significant Influence

quote A 41.96% quote B 0.21%	Fondo QuattroR

FSI SGR S.p.A. (d) 39.00% ● Significant Influence

quote A 35.81% quote B 0.25%	FSI I

F2i - Fondi Italiani per le Infrastrutture SGR S.p.A. 14.01%

quote A 8.05% quote C 0.02%	F2i - Secondo Fondo Italiano per le Infrastrutture
4.17%	F2i - Terzo Fondo per le Infrastrutture
8.09%	F2i - Fondo per le Infrastrutture Sostenibili (c)

CDP Venture Capital SGR S.p.A. 70.00% ■ Control

82.19%	FoF VenturItaly (c)
87.41%	Fondo Acceleratori (c)
100.00%	Fondo Boost Innovation (c)
100.00%	Fondo Evoluzione (c)
96.67%	Fondo Technology Transfer - Comparto diretto (c)
100.00%	Fondo Technology Transfer - Comparto indiretto (c)
66.67%	Fondo Corporate Partners I - Comparto IndustryTech (c)
46.15%	Fondo Corporate Partners I - Comparto EnergyTech (c)
66.67%	Fondo Corporate Partners I - Comparto ServiceTech (c)

Redo SGR S.p.A. 30.00% ● Significant Influence

3.57%	Fondo Immobiliare di Lombardia - Comparto Uno (formerly Abitare Sociale I)

Other funds

25.17%	Fondo AREF
4.70%	Fondo EGO
21.36%	Fondo Opes (b)
9.75%	Fondo Ver Capital
9.10%	Fondo October
11.77%	Fondo Atlante
9.41%	Fondo Regio
12.90%	Italian Recovery Fund
49.50%	Vertis Venture 3 Technology Transfer (a)
36.90%	360 PoliMI TT Fund (a)
48.01%	Progress Tech Transfer SLP-RAIF (a)
18.49%	Sofinnova Telethon SCA (a)
15.96%	Eureka Fund! I - Technology Transfer (a)
14.58%	Fondo PPP Italia
25.14%	Springrowth - Fondi di credito diversificato
21.87%	HI CrescItalia PMI
16.16%	Anthilia BIT III
8.50%	Fondo Africinvest
17.55%	Oltre II SICAF EuVeca S.p.A. (b)
16.63%	Oltre III Italia (b)
35.69%	Muzinich Diversified Enterprises Credit II
33.33%	Fondo Magellano

INVESTMENT VEHICLES

14.08%	2020 European Fund for Energy, Climate and Infrastructure SICAV - FIS S.A. (Fondo Marguerite)
13.42%	Marguerite II SCSp (Fondo Marguerite II)
quote A 38.92% quote B 1.20%	Inframed Infrastructure S.A.S. à capital variable (Fondo Inframed)
0.003%	European Energy Efficiency Fund S.A., SICAV-SIF (Fondo EEEF) (e)
9.01%	Connecting Europe Broadband Fund SICAV RAIF
50.00%	EAF S,C,A, SICAR - Caravella (Fondo Caravella)

LEGEND

(a) Fund launched under the ITAtech investment platform; managed and co-investment agreement signed by CDP and EIF, focused on technology transfer funds.

(b) Fund launched under the Social Impact Italia investment platform; managed and co-investment agreement signed by CDP and EIF, focused on social impact investing.

(c) Underwritten by CDP Equity S.p.A.

(d) Investment held for sale. The disposal is forecasted by the end of 2022.

(e) Percentage calculated as number of share of the Fund held by CDP divided by total number of outstanding shares of the Fund.

HALF-YEARLY FINANCIAL REPORT

2022

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

SUMMARY

FIRST HALF 2022 MAIN INDICATORS

CDP Group

485.4 Total Assets

Bn euro

280.0 Postal Funding(*)

Bn euro

11.5 Resourses Deployed

Bn euro

38.0 Consolidated Net Equity

Bn euro

26.7 Equity Investments

Bn euro

22.1 Group Equity

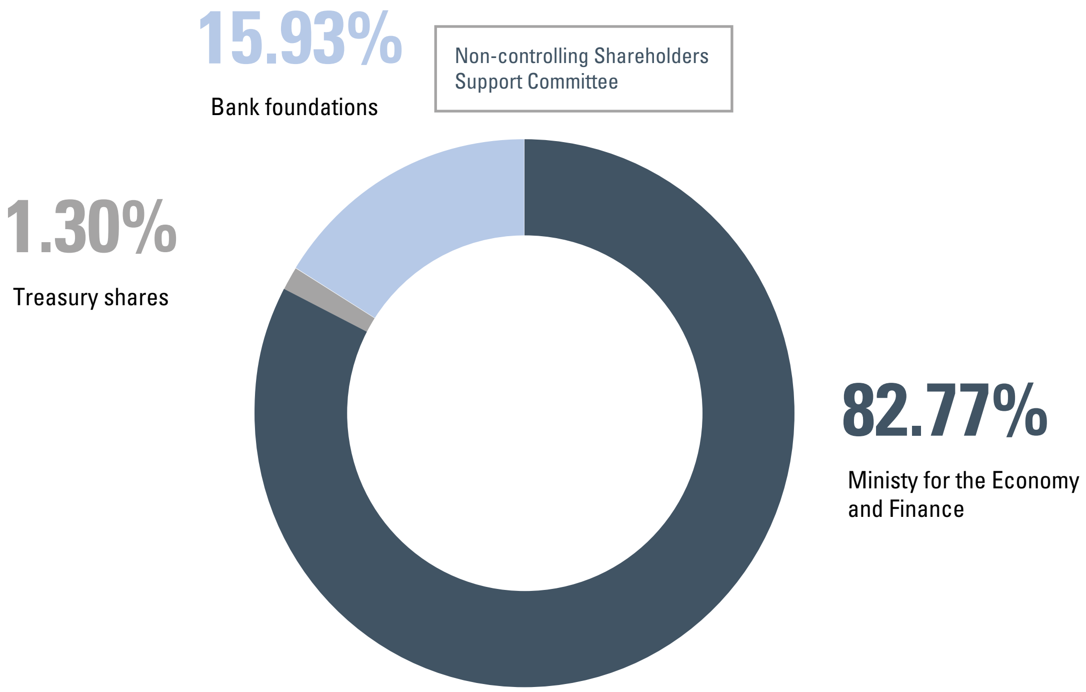
Bn euro

3.7 Consolidated Income

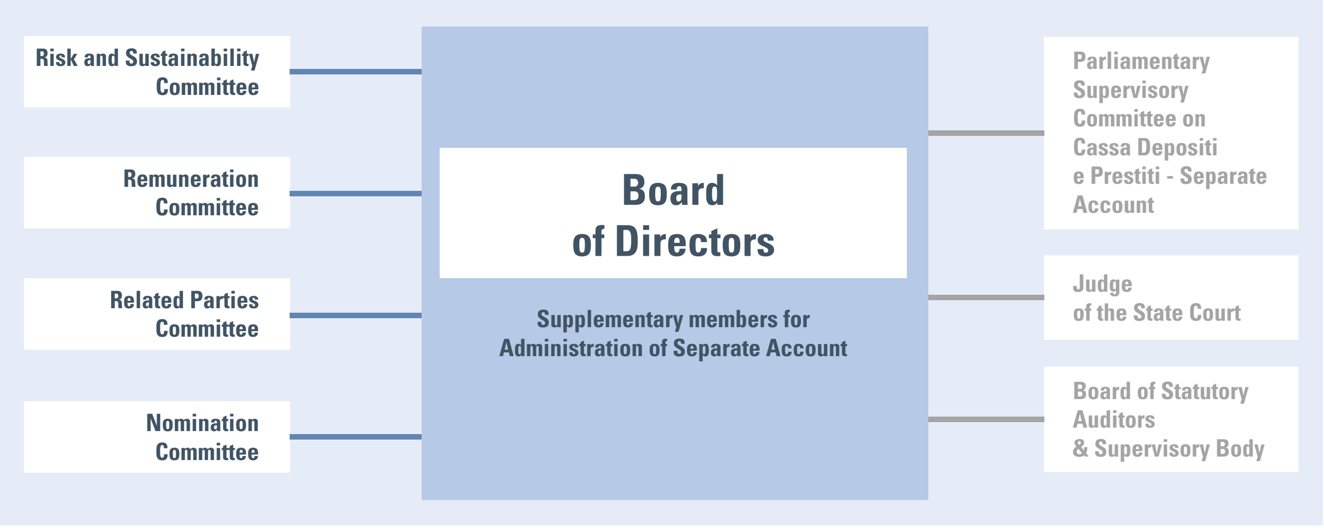
Bn euro

(*) Reclassified figures. See § 4.2

COMPANY BODIES, OFFICERS AND GOVERNANCE



Board of Directors Support Committees



CORPORATE BODIES AT 30 JUNE 2022

Board of Directors

Chairman
Giovanni Gorno Tempini

CEO and General Manager
Dario Scannapieco

Directors
Livia Amidani Aliberti
Anna Girello Garbi
Fabrizia Lapecorella
Fabiana Massa
Matteo Melley
Alessandra Ruzzu
Giorgio Toschi

Board of Statutory Auditors[1]

Chairman
Carlo Corradini

Auditors
Franca Brusco
Mauro D'Amico
Patrizia Graziani
Davide Maggi

Alternate Auditors
Anna Maria Ustino
Giuseppe Zottoli

Supplementary Members for Administration of Separate Account

(Article 5.8, Decree Law 269/2003, ratified with amendments by Law 326/03)

Director General of the Treasury[2]

State Accountant General[3]

Paolo Calvano

Antonio Decaro

Michele de Pascale

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[1] On 25 January 2017, the Board of Directors assigned to the Board of Statutory Auditors the duties of the Supervisory Body (pursuant to Legislative Decree No. 231 of 8 June 2001) starting from 27 February 2017.

[2] Alessandro Rivera.

[3] Pier Paolo Italia, delegate of the State Accountant General.

Manager in charge with preparing the Company's financial reports

Pier Francesco Ragni

Non-controlling Shareholders support Committee

Chairman

Giovanni Quaglia

Members

Konrad Bergmeister
Marcello Bertocchini
Michele Bugliesi
Paolo Cavicchioli
Cristina Colaiacovo
Giovanni Fosti
Rossella Paliotto[4]
Giuseppe Toffoli
Maria Teresa Cucco (Segretario)

Parliamentary Supervisory Committee on Cassa Depositi e Prestiti - Separate Account

Chairman

Sestino Giacomoni
(Member of Parliament)

Vice Chairman

Nunzio Angiola
(Member of Parliament)

Members

Gian Pietro Dal Moro
(Member of Parliament)
Raffaele Trano
(Member of Parliament)
Alberto Bagnai (Senator)
Roberta Ferrero (Senator)
Vincenzo Presutto (Senator)
Cristiano Zuliani (Senator)
Luca Cestaro (Administrative Court)[5]
Carlo Dell'Olio (Administrative Court)
Luigi Massimiliano Tarantino
(Council of State) *Secretary for confidential affairs*
Mauro Orefice (Chairman of chamber State Audit Court)

Judge of the State Audit Court[6]

(Article 5, para 17, D.L. 269/2003)

Holder

Carlo Alberto Manfredi Selvaggi

Alternate

Luigi Caso

Independent Auditors

Deloitte & Touche S.p.A.

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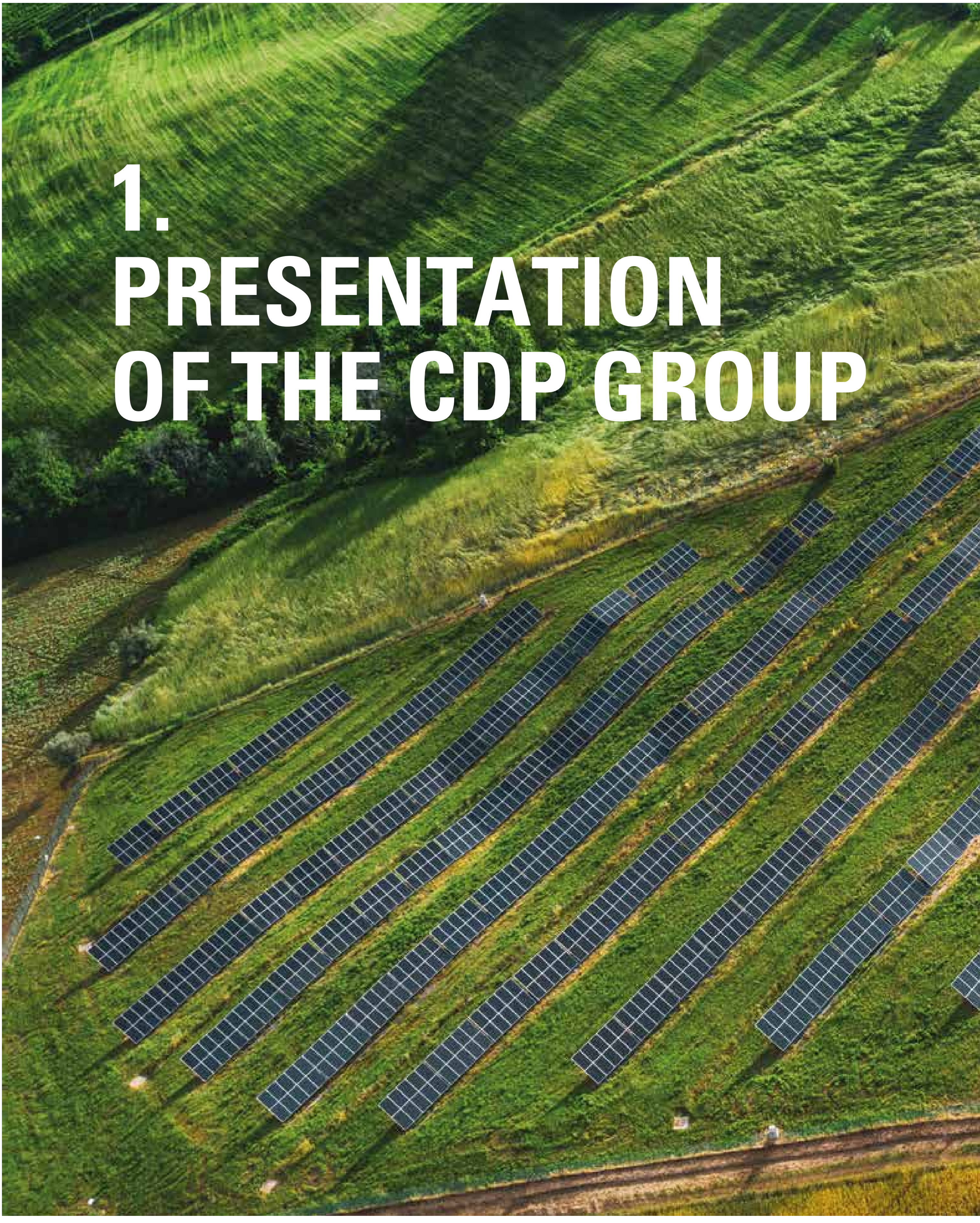
[4] Replaced by Francesco Caia from 6 May 2022.
[5] Appointed on 20 April 2021, in substitution of Vincenzo Blanda.
[6] Art. 5, para. 17, of Decree Law 269/03 – attends meetings of the Board of Directors and the Board of Statutory Auditors.



1.

PRESENTATION OF THE CDP GROUP

ALWAYS CLOSE TO LOCAL COMMUNITIES

Founded in 1850 to collect deposits from Italian savers and to finance the country's infrastructure, the history of Cassa Depositi e Prestiti is deeply rooted in Italy's economic and social development.

Since its foundation, CDP collects the savings of citizens and finances local authorities to build schools, hospitals and infrastructure. Over time, its scope of action has expanded to also support innovation and the growth of businesses in Italy and abroad, international cooperation and the real estate sector.

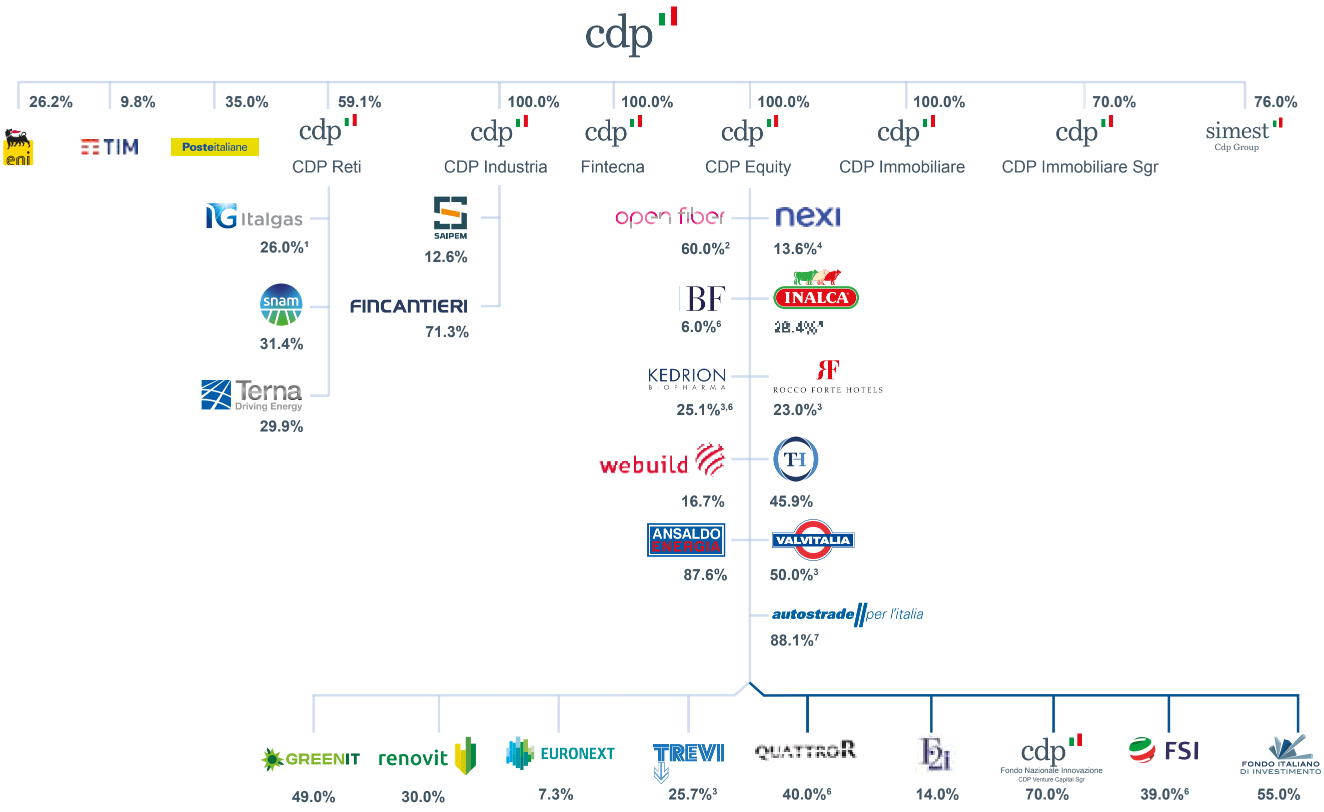
In 2015, CDP became the Italian National Promotional Institution. This role has allowed it to attract financial resources from other public and private entities and strengthen support to public administrations and to the production system.
Today the Group is a unique player on the Italian scene, with the financial capabilities that derive from postal savings combined with the skills and experience of the large industrial groups of which it is a shareholder.

The growing focus on sustainability of the CDP Group's operations is geared towards a single objective, which is to bring progress to local areas and to increase business competitiveness and individual wellbeing.

2.

HALF-YEARLY REPORT ON OPERATIONS

1. CDP GROUP



CDP GROUP INVESTMENTS AT 30.06.2022 (NON-EXHAUSTIVE REPRESENTATION)

1. Snam holds an additional 13.5% in Italgas.
2. CDP Equity holds a 60% stake in the vehicle Open Fiber Holdings, which owns 100% of the share capital of Open Fiber.
3. Participation held through CDPE Investimenti, of which CDP Equity is the 77.1% shareholder.
4. Participation held through FSIA (of which CDPE Investimenti is the 100% shareholder) by 8.3% and further 5.3% held through CDP Equity.
5. Participation held through IQMIIC, of which CDPE Investimenti is the 50% shareholder.
6. Investment held for sale. The disposal is forecasted by the end of 2022.
7. Participation held through Holding Reti Autostradali, held by CDP Equity (51%), Macquarie (24.5%) and Blackstone (24.5%).

#34 enterprises funds

#9 infrastructures and facilities funds

#6 real estate funds

#4 international cooperation funds

SGR ——

1.1 CDP S.P.A.

Established in Turin in 1850 as an institution purposed to receive deposits as a "place of public trust", Cassa Depositi e Prestiti ("CDP") has seen its role change over the years. During the past decade, it has assumed a key role in promoting Italy's development.

From being an institution created to support the public sector through the management of Postal Savings, commitment to public works and financing of the State and public bodies, CDP has gradually expanded its scope of action towards the private sector, while always operating in view of medium-long term development, in a fully complementary role with the market.

More specifically:

- in 2009, the financing of enterprises through the banking system was strengthened to tackle the liquidity crisis in the financial markets;

- Fondo Strategico Italiano - FSI (now CDP Equity), owned by CDP, was established in 2011 in order to acquire equity investments in enterprises of major national interest under a long-term perspective;
- in 2012, after the acquisition of SACE, Simest and Fintecna, the CDP Group was created, with the aim of strengthening the international expansion of Italian enterprises;
- in 2014, the scope of CDP's activities was extended to financing international development cooperation projects designed for public or private-sector entities;
- in 2015, the Italian Government and the European Union designated CDP as a National Promotional Institution;
- in November 2021, the 2022-2024 Strategic Plan was approved, which identified four major challenges to be tackled in order to make a real contribution to relaunching the Italian economy over the next three years: climate change and protection of the ecosystem, inclusive and sustainable growth, rethinking production sectors, digitalisation and innovation.

All CDP's operations are carried out by ensuring the separation of the organisational and accounting activities between Separate Account and Ordinary Account assets, thereby ensuring the Company's long-term economic and financial equilibrium whilst also ensuring returns for shareholders.

In terms of supervision, in accordance with article 5, paragraph 6, of decree law 269/2003, the provisions of Title 5 of the Consolidated Law on Banking concerning the supervision of non-banking financial intermediaries apply to CDP, taking into account the characteristics of the supervised entity and the special regulations applicable to the Separate Account.

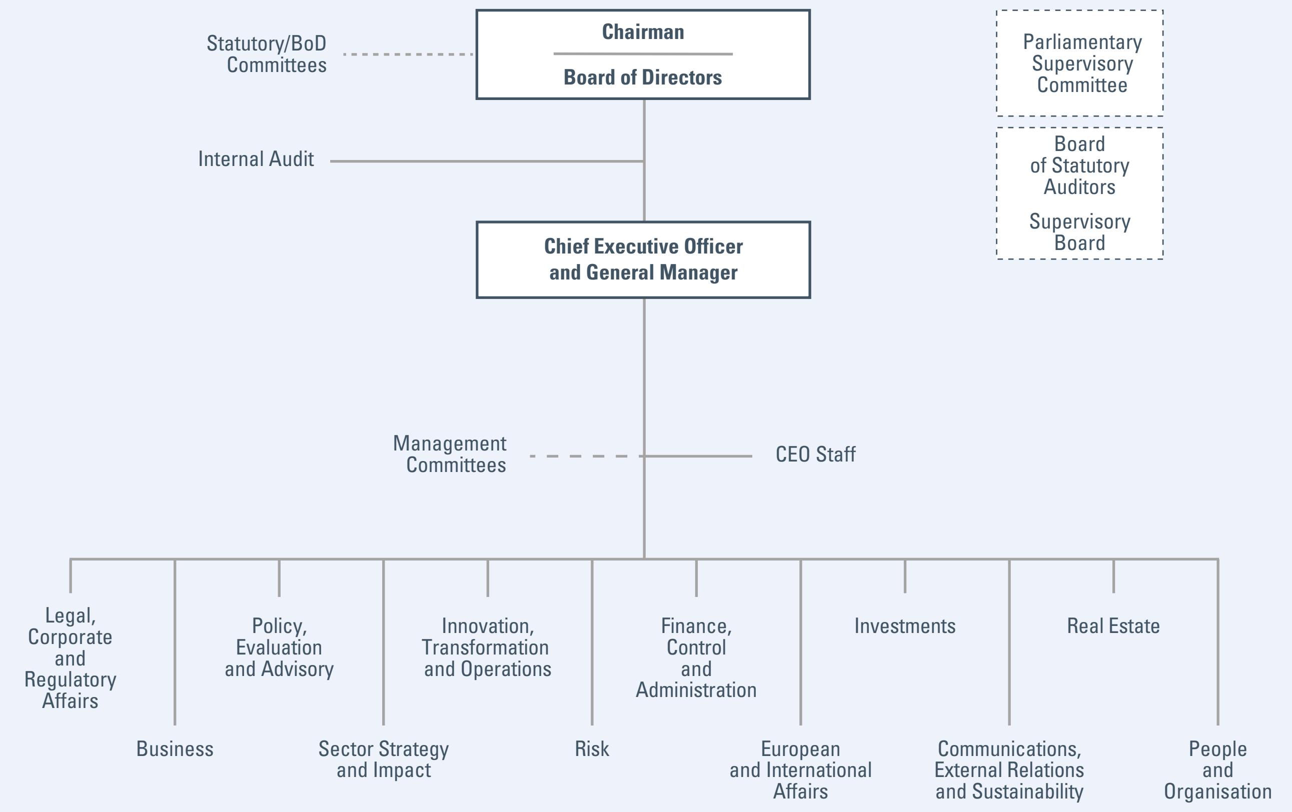
CDP is also subject to oversight by a Parliamentary Supervisory Committee and the Court of Auditors.

At the date of this report, CDP is structured as follows:

The following structures report to the Board of Directors:
- Chief Executive Officer and General Manager;
- Internal Audit.

The following organisational structures report to the Chief Executive Officer and General Manager:
- Legal, Corporate and Regulatory Affairs;
- Business;
- Policy, Evaluation and Advisory;
- Sector Strategy and Impact;
- Innovation, Transformation and Operations;
- Risk;
- Finance,Control and Administration;
- European and International Affairs;
- Investments;
- Communications, External Relations and Sustainability;
- Real Estate;
- People and Organisation;
- CEO Staff.

The CDP organisational chart, as at 30 June 2022, is as follows:



THE NUMBER OF CDP'S EMPLOYEES INCREASED BY 52

As at 30 June 2022, CDP employed 1,166 people, including 109 senior managers, 595 middle managers, 442 office workers and 20 employees seconded from other organisations.

In 2022, CDP employees grew both in terms of number and quality, with 111 new hires against 59 people leaving the organisation.

Compared to last year, the average age of employees remained basically unchanged, around 41 years, while the percentage of employees with a tertiary education (bachelor's or master's degree, doctorate or other post-graduate qualification) increased to 85%.

The subsidiaries subject to management and coordination by CDP, including the Parent Company, employed 1,502 people at 30 June 2022, with an increase of 3%, or 48 people, compared to the figure at 31 December 2021[1].

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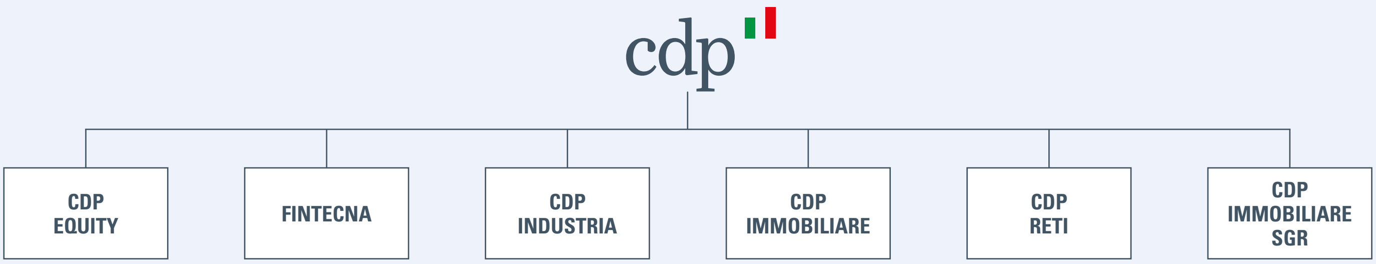
[1] The calculation of resources has been made pro-forma for the whole Group according to the following method: resources included: all the current resources, the resources seconded in the company with a percentage greater than 50%, resources on maternity and parental leave, and the resources seconded out of the company with a percentage lower than 50%. Resources excluded: the resources seconded out of the company with a percentage greater than 50%, the resources seconded in the company with a percentage lower than 50%, interns, collaborators, temporary workers, workers on leave and the corporate bodies.

1.2 GROUP COMPANIES[2]



CDP EQUITY S.P.A.

CDP Equity (previously Fondo Strategico Italiano - FSI) was established in 2011 and is wholly owned by CDP.

CDP Equity usually operates by acquiring non-controlling stakes in companies of major national interest that have a stable economic and financial position and are capable of generating value for investors. During 2019, CDP Equity's operations were further strengthened, by expanding the scope of the investment portfolio also to asset management companies and collective investment undertakings.

At the reporting date, the company operates, directly or indirectly, through the following investment vehicles:
- CDPE Investimenti[3] S.p.A., 77.1% owned by CDP Equity and 22.9% by Kuwait Investment Authority (KIA);
- FSIA Investimenti S.r.l., 100% owned by CDPE Investimenti S.p.A. following the spin-off of the stake in Poste Italiane (previously equal to 30%) completed on 31 December 2021;
- IQ Made in Italy Investment Company S.p.A., 50% owned by CDPE Investimenti S.p.A. and 50% by Qatar Holding LLC;
- Open Fiber Holdings S.p.A., 60% owned by CDP Equity and 40% by Macquarie Infrastructure & Real Assets ("MIRA");
- Holding Reti Autostradali S.p.A., 51% owned by CDP Equity and 24.5% each by Blackstone Infrastructure Partners ("Blackstone") and MIRA.

Note that in July 2022 the simplified merger of FSIA Investimenti into CDPE Investimenti took legal effect, with retroactive accounting and tax effects from 1 January 2022.

Furthermore, at the reporting date, CDP Equity held units of 8 investment funds promoted by 3 asset management companies in the portfolio: 6 venture capital funds promoted by CDP Venture Capital SGR, namely VenturItaly FoF, Acceleratori, Boost Innovation, Technology Transfer (umbrella fund), Evoluzione and Corporate Partners I (umbrella fund), 1 private debt fund promoted by Fondo Italiano d'Investimento SGR, namely Private Debt Italia FoF, and 1 infrastructure fund promoted by F2i SGR, namely Fondo per le Infrastrutture Sostenibili.

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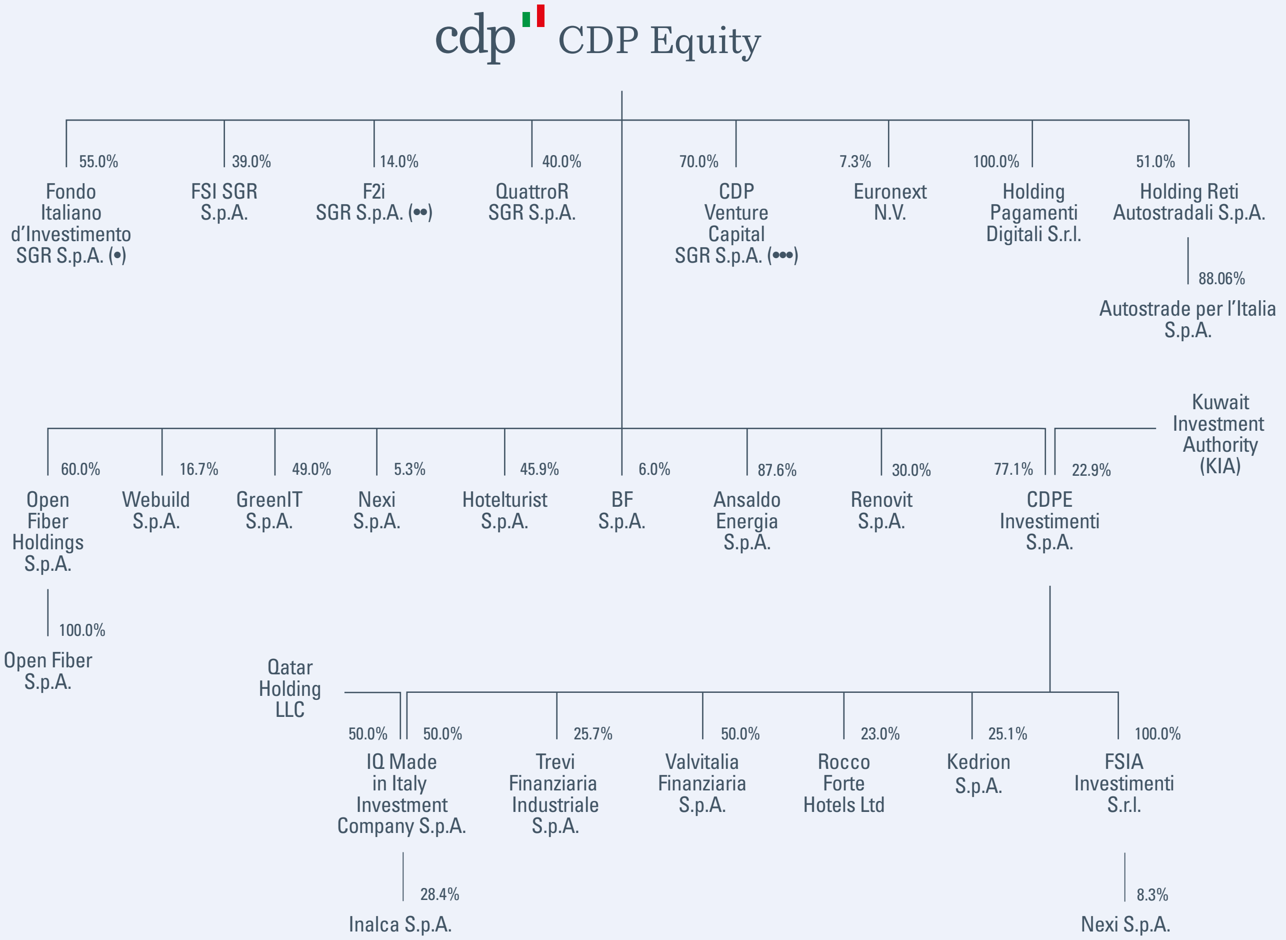
[2] In this context, the CDP Group is represented by the companies subject to management and coordination by CDP S.p.A.
[3] CDPE Investimenti is the new name of FSI Investimenti following the Shareholders' Meeting resolution of 27 April 2022.

Overall, the portfolio of CDP Equity at 30 June 2022 is broken down as follows:



Funds underwritten by CDP Equity:
(•) FoF Private Debt Italia (73.4%)
(••) Fondo per le Infrastrutture Sostenibili (8.1%)
(•••) Fondo Acceleratori (87.4%)
(•••) FoF VenturItaly (82.2%)
(•••) Fondo Boost Innovation (100%)
(•••) Fondo Technology Transfer Direct sector (96.7%)
(•••) Fondo Technology Transfer Indirect sector (100.0%)
(•••) Fondo Evoluzione (100%)
(•••) Fondo Corporate Partners I IndustryTech sector (66.7%)
(•••) Fondo Corporate Partners I ServiceTech sector (66.7%)
(•••) Fondo Corporate Partners I EnergyTech sector (46.2%)

At 30 June 2022, CDP Equity employed a total of 81 people, including secondments, one less than the 82 people employed at 31 December 2021.

FINTECNA S.P.A.

Fintecna was established in 1993 for the specific purpose of restructuring recoverable businesses and performing transitional management activities linked to the liquidation of Iritecna to pave the way for its privatisation. In 2002, IRI (in liquidation) was incorporated into Fintecna together with its residual assets. In 2012, CDP acquired the entire share capital of Fintecna from the MEF.

Currently Fintecna's activities are geared towards: (i) the management of liquidation procedures, (ii) the management of litigation, mainly arising from the incorporated companies, and (iii) other operations, including support initiatives for the communities affected by the earthquakes in central Italy in 2016.

At 30 June 2022, Fintecna employed 100 people, 2 more than at 31 December 2021.

CDP IMMOBILIARE S.R.L.

CDP Immobiliare, set up in 2007 as part of the Fintecna group and becoming CDP's direct equity investment in 2013 following the spin-off of Fintecna's real estate activities, operates throughout the real estate sector, carrying out management, construction and marketing activities, with particular regard to the leveraging of its real estate assets through local urban growth and redevelopment projects.

CDP Immobiliare manages the process of development and disposal of its assets, both directly and through special purpose vehicles set up over time. In particular, at 30 June 2022 CDP Immobiliare held equity investments (subsidiaries and associates) in 9 companies, including Residenziale Immobiliare 2004 S.p.A., owner of the former Istituto Poligrafico e Zecca dello Stato (Rome), and Alfiere S.p.A., the owner of the Torri dell'Eur complex in Rome.

As of 30 June 2022, CDP Immobiliare employed 100 people, 4 less than at 31 December 2021 (due to 8 employees leaving and 4 new hires).

CDP IMMOBILIARE SGR S.P.A.

CDP Immobiliare SGR (CDPI SGR), 70% owned by CDP, was established in 2009 by CDP, Associazione delle Fondazioni Bancarie e Casse di Risparmio (ACRI) and the Italian Banking Association (ABI).

CDPI SGR operates in the real estate investment sector, specifically in the promotion, establishment and management of closed-end funds reserved to qualified investors in specific real estate market segments. At 30 June 2022, CDPI SGR managed the following real estate funds:

- Fondo Investimenti per l'Abitare ("FIA"), focused on the realisation of social housing initiatives, through investments in a network of local real estate funds;
- Fondo Investimenti per la Valorizzazione ("FIV"), a real estate umbrella fund dedicated to the acquisition of real estate with unexpressed potential value that can be leveraged through change in use, upgrading or rental;
- Fondo Nazionale del Turismo ("FNT"), a real estate umbrella fund focused on real estate investments in the tourism, hotel, hospitality and recreational sectors through (i) Fondo Turismo 1 ("FT1") and (ii) Fondo Turismo 2 ("FT2"), both managed by CDPI SGR and specialised in aggregating a diversified portfolio by acquiring real estate assets (with specific characteristics depending on the fund) and renting these out to hotel operators;
- Fondo Nazionale dell'Abitare Sostenibile[4] ("FNAS"), dedicated to real estate investments to support housing and community services, with particular reference to social, student and senior housing initiatives, urban regeneration and redevelopment projects, and spaces to support innovation and education.

As of 30 June 2022, the company employed 53 people, down by 1 unit compared to 31 December 2021 due to 1 employee leaving.

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[4] Following the regulatory amendment of 10 March 2022, the FIA2 Fund was renamed Fondo Nazionale dell'Abitare Sostenibile ("FNAS").

CDP RETI S.P.A.

CDP RETI was set up as an investment vehicle in 2012 to support the development of the infrastructure of natural gas transportation, dispatching, regasification, storage and distribution as well as electricity transmission. It achieves this purpose by acquiring equity investments of systemic importance.

After the share capital was opened to outside investors in November 2014, the company's present shareholders are: CDP (59.1%), State Grid Europe Limited (35.0%) and other institutional Italian investors (with a collective interest of the remaining 5.9%).

At 30 June 2022, the company owned equity investments in Snam (31.35%), Terna (29.85%) and Italgas (26.01%)[5].

At 30 June 2022, CDP RETI had two employees (plus eight under part-time secondment), all on permanent contracts, essentially consistent with 31 December 2021. To conduct its business, the company also relies on the operational support of CDP and CDP Equity, which is provided under service contractual arrangements made at arm's length.

CDP INDUSTRIA S.P.A.

CDP Industria S.p.A. was set up on 26 March 2019 with the aim of holding the strategic equity investments of the CDP Group operating in the industrial sector and supporting their growth according to a long-term industrial approach.

The company is wholly owned by CDP.

The company currently holds equity investments in Fincantieri (71.32%) and Saipem (12.55%), due to the spin-offs of Fintecna's equity investments in Fincantieri and CDP Equity in Saipem in favour of CDP Industria.

At 30 June 2022, the Company had no employees. To conduct its business, CDP Industria relies on the operational support of CDP and CDP Equity, which is provided under service contractual arrangements made at arm's length.

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[5] On 10 March 2022, in implementation of the incentive plan called "2018-2020 Co-Investment Plan" - approved by the Ordinary and Extraordinary Shareholders' Meeting on 19 April 2018 - and the decision of the Board of Directors of Italgas to freely assign a total of 477,364 new ordinary shares of the Company to the beneficiaries of the Plan (the so-called second cycle of the Plan) and launch the execution of the second tranche of the capital increase approved by the aforementioned Shareholders' Meeting, CDP Reti's equity investment in Italgas went from 26.02% to 26.01%.

2. MARKET CONTEXT

2.1 MACROECONOMIC SCENARIO

The marked recovery in global GDP in 2021 (+5.8%, compared to -3.4% in 2020 according to the OECD estimates[6]) lost momentum towards the end of the year due to the combination of three factors: 1) a new pandemic wave — caused by the spread of the Omicron variant — which led many countries to introduce new restrictions; 2) high and rising inflation, which reached multi-year peaks in the United States, Europe and many emerging markets; 3) interruptions along some important international production chains.

THE RUSSIAN-UKRAINIAN CONFLICT STOPS GLOBAL RECOVERY IN 2022

In the first half of this year, global activity continued to slow down, also due to the economic effects resulting from Russia's invasion of Ukraine. The conflict has generated uncertainty, led to further increases in the prices of some energy and food commodities for which the two countries involved are among the main exporters[7] and stifled global trade. Inflation has risen almost everywhere, continuing to reflect the increases in energy prices, supply-side bottlenecks and, particularly in the United States, the recovery in demand. Possible delays in the increase in interest rates by the ECB and fears of recession risks in Europe pushed down the EUR/USD exchange rate to around parity. Compared to what was expected until a few months ago, downside risks for the global economic cycle and upside risks for inflation have increased.

According to the latest OECD forecasts, global economic growth will slow sharply in 2022, with a real GDP rate of change of +3.0%, about half of what was recorded in 2021. This slowdown is attributed to the economic effects of the Russian-Ukrainian conflict, which exacerbated the already existent critical issues: accelerating inflation, higher volatility in the financial markets, further increases in the prices of energy and food commodities, and obstacles to the functioning of value chains, also impacted by the rapid rise in Covid-19 infections in many areas of the world. Growth in almost all economies has weakened sharply. The most affected area is the Eurozone, which is the area with the highest exposure to the war, mainly due to its dependence on Russian gas imports. Growth in the Eurozone is expected to stop at +2.6% this year (compared to +5.3% in 2021), with Germany slowing to +1.9% and France to +2.4%, in line with the expected trend for Italy. The US economy is estimated to grow at a rate of +2.5%, while growth in China is expected to stop at +4.4%, slowed by the lockdowns imposed by the country's "zero-Covid" policy.

ECONOMIC GROWTH REVISED DOWNWARDS IN ITALY AS WELL

In this scenario, Italy's economic outlook has deteriorated significantly compared to the forecasts of just a few months ago. The OECD indicates a real GDP rate of change of +2.5% in 2022, compared to +6.6% in 2021. ISTAT, on the other hand, calls for a slightly higher increase in GDP of +2.8%. Growth is mainly driven by gross fixed capital formation (+8.8%, compared to +17.0% in 2021), supported by incentives in the construction sector and by the implementation of projects planned by the Italian Government through the National Recovery and Resilience Plan. Among the other components of GDP, household consumption will contribute to the recovery of the economy to a lesser extent (+2.3%, compared to +5.2% in 2021), hindered by high inflation and growing uncertainty, which stimulates precautionary savings. Lastly, due to the changing inter-

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[6] OECD World Economic Outlook, June 2022.

[7] Russia and Ukraine are major suppliers of many commodities. Together they account for about 30% of global wheat exports, 20% of corn, mineral fertilisers and natural gas, and 11% of oil.

national scenario, exports are progressing at a slower pace, expected to grow by +6.7% (from +13.3% in 2021)[8].

The economic recovery was reflected in labour market conditions, which progressively improved during 2021. Growth in the number of people employed continued during the initial months of this year as well: +112 thousand between December and May, a trend that led to an almost complete return to pre-crisis levels. The employment rate stood at 59.8% in May, around its highest level since 2004 (the beginning of the time series). The increase in employment was accompanied by a decline in unemployment and inactivity, with the return of the percentage of active population to pre-pandemic levels from last March. According to ISTAT, the unemployment rate, which reached 8.1% in May, will average 8.4% this year[9] (compared to 9.3% in 2021)[10].

With regard to the consumer price trends, in June the Harmonised Index of Consumer Prices (HICP) recorded an 8.5% increase year-on-year[11], predominantly due to the rise in energy prices, robustly growing compared to the average annual change recorded in 2021, equal to +1.9%. On average this year, the inflation rate is expected to be at +5.8%[12].

Public finance balances continue along the path of fiscal expansion taken in 2020 to tackle the serious fallout of the measures to fight the COVID-19 crisis on the economy. According to MEF forecasts, in 2022 net borrowing is expected to reach 5.6% of GDP and the public debt/GDP ratio 147.0% (-3.8 percentage points compared to 2021)[13].

2.2 BANKING SECTOR AND FINANCIAL MARKETS

In the first half of 2022, the world's leading central banks continued a process of gradual normalisation of monetary policy to account for the changing macroeconomic environment and inflationary dynamics, the latter characterised by a sharp increase in prices, which were affected, inter alia, by the impact of the Russian-Ukrainian conflict. In order to ensure a return of inflation towards the 2% target in the medium term, the Governing Council of the ECB reduced the rate of purchases of financial assets in the first half of the year.

IN THE FIRST HALF OF THE YEAR, THE ECB CARRIED OUT A PROCESS OF GRADUAL NORMALISATION OF MONETARY POLICY

In this scenario, the ECB's Asset Purchase Programme (APP) continued in the second quarter of 2022 at a decreasing pace of 40 billion euro in net purchases in April, 30 billion euro in May and 20 billion euro in June, and is expected to end on 1 July 2022. Net purchases of public and private sector securities under the Pandemic Emergency Purchase Programme (PEPP) continued in the first quarter of 2022 at a slower pace than in the previous quarter and then ended at the end of March 2022[14]. In the first half of the year, the Eurosystem's key interest rates have remained unchanged, allowing money market rates to remain at historically very low levels. On average, in the half of the year, the 3-month Euribor stood at -0.44% and the €STR[15] rate at -0.58%.

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[8] ISTAT, The outlook for the Italian economy in 2022-2023, 7 June 2022.

[9] ISTAT, The outlook for the Italian economy in 2022-2023, 7 June 2022.

[10] ISTAT, Employed and Unemployed (provisional data), 30 June 2022.

[11] ISTAT, Consumer prices (provisional data), 1 July 2022.

[12] Ministry of Economy and Finance, 2022 Economic and Financial Document (Policy framework).

[13] Ibidem.

[14] ECB, Press releases.

[15] Since 3 January 2022, the Euro OverNight Index Average (EONIA) has been replaced by the Euro Short-Term Rate (ESTR or €STR).

FINANCIAL MARKETS HAVE UNDERGONE A PERIOD OF HIGH VOLATILITY

In the first half of 2022, international financial markets were affected by the climate of uncertainty linked to the effects of the Russia-Ukraine war and the prospects of a change of pace in monetary policies towards a less expansionary stance. Financial markets have gone through a period of high volatility: in the two weeks following Russia's invasion of Ukraine, the FTSE MIB index fell to levels not seen since the beginning of 2021, and then partially recovered from mid-March and recorded new sharp declines in June. At the end of June, the FTSE MIB stood at approximately 21,300 points (-22% compared to the end of 2021).

Like equity markets, bond markets have also been affected by the climate of uncertainty, stemming mainly from expectations of a faster-than-expected reduction in monetary accommodation. The yield on the benchmark Italian ten-year government bond has risen again, consequently increasing the 10-year BTP-Bund spread, which at the end of the half year was at around 199 basis points (+62.3 basis points compared to the end of 2021). At the same time, the Rendistato general index gradually increased from the beginning of the year, standing at around 2.8% in June (+223.8 basis points compared to the end of 2021)[16].

GROWTH IN LOANS TO THE PRIVATE SECTOR CONTINUED, WHILE THOSE TO PUBLIC ADMINISTRATION WERE DOWN

With regard to bank lending, loans to the private sector[17] were up in May (+3.1% year-on-year, compared to +2.1% recorded in 2021), due to the growth in loans to households (+4.0% year-on-year, compared to +3.7% in 2021), as well as loans to non-financial companies (+2.3% year-on-[18]year, compared to +1.7% in 2021). This is a sign that the mechanism of transmission of the monetary policy to the real economy is working well and that an adverse scenario of a credit crunch will not materialise yet in the first half of 2022, despite a scenario characterised by multiple uncertainty factors. In contrast, bank loans to Public Administration entities were down in May compared to the previous year (-2.5% year-on-year, against +1.5% recorded in 2021). The level of indebtedness of the private sector, as well as the public one, which has already increased during the pandemic crisis and is expected to grow further as a result of the crisis in the supply chains, energy hikes and the overall macroeconomic scenario aggravated by the war, has not yet shown negative repercussions on the stock of gross bad debts in the banking sector, which during the half of the year continued on the downward path started in 2017, standing at around 37 billion euro in May (-16.3% year-on-year).

TOTAL BANK FUNDING SHOWED A LESS ROBUST GROWTH TREND

Regarding bank liabilities, during the first half of 2022, total funding of Italian banks continued to record positive changes, albeit more limited compared to the previous year (+3.7% year-on-year in May, compared to +6.8% recorded in 2021), a sign that the recovery in consumption resulting from the easing of containment measures was offset by a prudent attitude and a renewed preference for liquidity given the situation of uncertainty related to Russia's invasion of Ukraine and the impacts of the recent inflationary dynamics in terms of erosion of purchasing power. In fact, in May deposits of the private sector[19] increased by 4.6% year-on-year (against +6.9% recorded in 2021), while bond funding[20] decreased by 8.0% in the same period (against -5.5% recorded in 2021)[21].

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[16] Refinitiv Datastream and Eikon data.

[17] Net of loans to central counterparties and adjusted to take into account the effects of securitisations and other receivables transferred and derecognised from the banks' financial statements.

[18] Period-end percentage change in stock of loans, not adjusted to take into account the effects of securitisations and other receivables transferred and derecognised from the banks' financial statements.

[19] Net of deposits of central counterparties and adjusted to take into account the effects of securitisations.

[20] Net of bonds repurchased by banks resident in Italy.

[21] Bank of Italy figures.

In the first half of 2022, the stock of financial assets held by Italian households is estimated to fall by 9.2% compared to the end of 2021, against +6.5% recorded in 2021. At the end of June 2022, the volume is expected to amount to about 4.8 thousand billion euro (about -0.5 thousand billion euro compared to the end of 2021)[22].

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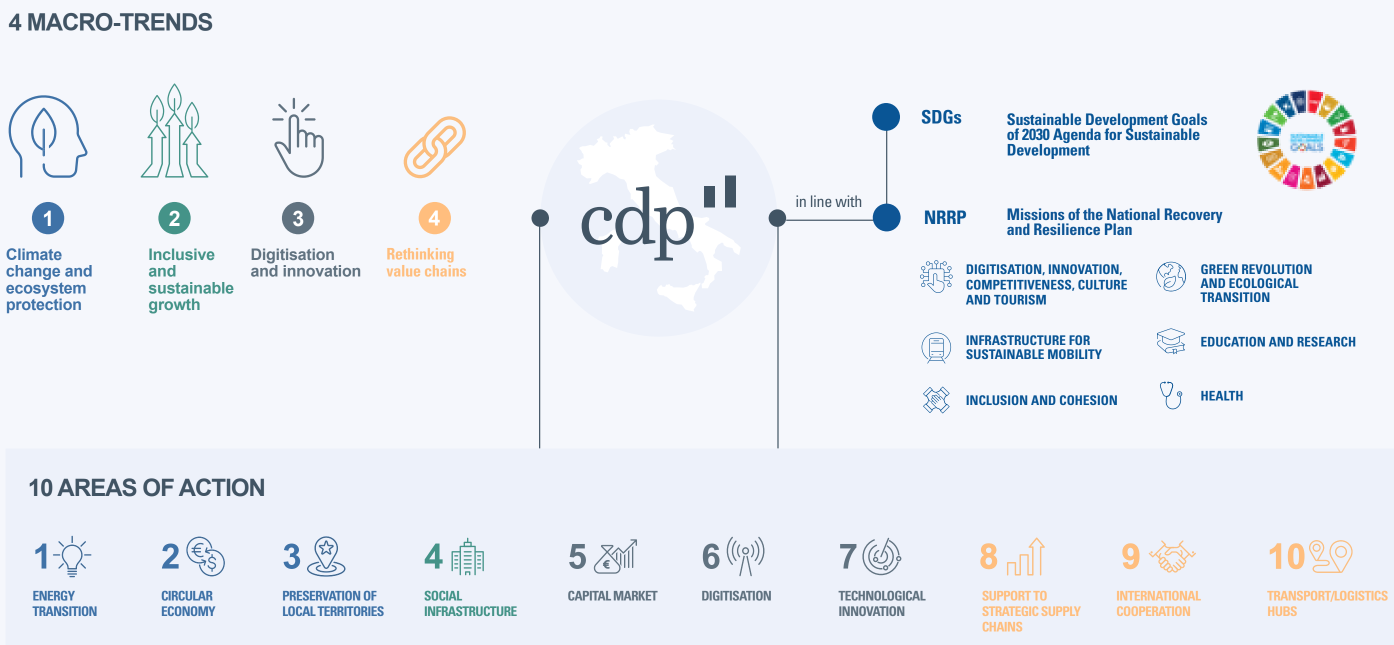
[22] Oxford Economics data via Refinitiv Datastream and Bank of Italy.

3. 2022-2024 STRATEGIC PLAN

In November 2021, the Board of Directors of CDP approved the new Strategic Plan of the CDP Group for the three-year period 2022-2024.

THE BACKGROUND ENVIRONMENT

The Plan defines the Group's strategic guidelines starting from four major global trends: climate change and protection of the ecosystem, inclusive and sustainable growth, digitisation and innovation, and rethinking value chains. These trends correspond to ten areas of action for the Group, as set out in the figure below. In line with its mission, CDP will act in the identified areas of action through debt and equity instruments, the management of public fund mandates, but also, as a novelty, by supporting its counterparties with technical assistance and advisory services. The methods and areas of action identified are fully consistent with the goals of the UN Agenda 2030 for Sustainable Development and the missions of the National Recovery and Resilience Plan (PNRR), for which CDP will provide expertise and financial instruments, with a service approach towards administrations.



3 PILLARS TRANSFORMING THE CDP GROUP'S ACTIVITY

In order to best direct CDP's action with reference to the challenges identified, the strategy underlying the Plan for the next three years is structured around three major transformational pillars, which will transversally affect the CDP Group's activities:

1. Sector impact assessment and analysis, focusing on identifying the gaps to be bridged and on adopting specific financing and investment policies. These policies will provide ex-ante guidance when making decisions and will allow the social, economic and environmental impact of operations to be measured ex-post according to criteria of selectivity of the operations examined, with the objective of directing CDP's resources towards the country's priority areas and bridging the most significant market gaps while preserving the economic and financial sustainability of CDP and of the projects supported. To this end, CDP will strive to reinforce analytical capacities, also by creating Competence Centres that specialise in thematic areas: Urban development and regeneration, Natural resources, energy and environment, Transport, Social infrastructure, Innovation and digitisation.

2. Advisory services and management of public, national and European funds, especially for the benefit of the Public Administration (PA), to support it in overcoming its historical weaknesses and with a view to directing investments towards high-quality projects.

3. Financial instruments available to businesses and public administrations in the capacity as Promotional and Development Institution, to support every phase of the life cycle of a company or project and to take strong action in support of international development cooperation. CDP's action must be supplementary and complementary to other available forms of financing, inclusive and unifying towards the market. Specifically:

- **Loans and guarantees**: the action will be increased to support infrastructure, the PA and companies through a policy that is able to foster virtuous investments, in line with ESG sustainability criteria. For this purpose, CDP will boost its technical assessment capacity and enhance the mechanisms that blend its own and third-party resources. Furthermore, it will support companies in international expansion by ensuring a direct commitment through its own resources and developing non-bank lending instruments. Financial instruments, technical assessment, advisory and blending will also be functional to reinforcing CDP's role in the sector of international cooperation, in partnership with multilateral development banks.
- **Equity**: a new portfolio management approach will be adopted. On one side there are the equity investments considered strategic, where CDP will retain its role as permanent shareholder covering infrastructure, or assets of importance to the country; on the other there are the purposeful interventions, with commitment to growth or the stabilisation of companies in key sectors, though with an exit and capital turnover rationale; finally, there are Private Equity and Venture Capital, where the CDP Group's commitment is expected to grow. In all these cases, operations must be based on the crowding-in principle, i.e. the ability to attract resources from other investors.
- **Real estate**: in addition to continuing its commitment to tourism, CDP will focus on Social, Senior and Student housing, with the aim of having a significant impact on the territory thanks to the partnership with the Bank foundations, with which cooperation may also concern urban regeneration projects, specifically targeting Southern Italy. Overall, the management of the real estate portfolio will follow development criteria or direct sales, according to principles of transparency and value maximisation.

3 TRANSFORMATIONAL PILLARS

Sector analyses and funding and investment policies to guide actions in order to generate impact	POLICIES OPERATING MODEL	Strengthening capacity of sector analyses and impact assessment.
Technical advisory and management of third-party funds (through mandates)	ADVISORY ROLE MANDATE MANAGEMENT	Strengthening technical skills to best direct expenditure towards quality projects.
Financial instruments in support of Italy's strategic sectors	LOANS AND GUARANTEES EQUITY REAL ESTATE	Activation of a broad range of products for PA and Enterprises at every stage of the life cycle.

Over the three-year period 2022-2024, the CDP Group expects to deploy resources for 65 billion euro and attract an additional 63 billion euro of resources from outside investors and co-lenders, by implementing investments totalling 128 billion euro. The CDP Group's commitment will focus on having a strong effect at an economic and social level, with real and tangible positive results for companies, Public Administration and households.

65 BILLION EURO OF RESOURCES DEPLOYED IN THE THREE-YEAR PERIOD

TOTAL RESOURCES AND INVESTMENTS

2022-2024, billion euro*

	RESOURCES DEPLOYED	INVESTMENTS ACTIVATED
INFRASTRUCTURES AND PUBLIC ADMINISTRATION	21	53
LENDING TO ENTERPRISES AND SUPPORT FOR INTL. EXPANSION	34	56
INTERNATIONAL COOPERATION AND FINANCE FOR DEVELOPMENT	2	4
EQUITY	7	13
REAL ESTATE	1	2
TOTAL	**65**	**128**

* Net of intragroup transactions (on deployed resources of 6 billion euro and on investments made of 6 billion euro)

4. CDP GROUP'S ACTIVITIES

4.1 BUSINESS PERFORMANCE

In the first half of 2022, in line with the 2022-2024 Strategic Plan, the CDP Group's[23] activities were structured along three transformational pillars: i) sectoral strategies and lending and investment policies, ii) advisory services and management of third-party funds, and iii) financial instruments in support of the country.

4.1.1 SECTORAL STRATEGIES AND LENDING AND INVESTMENT POLICIES

In the first half of 2022, the CDP Group began work on the definition of sectoral strategic analyses and lending and investment policies that allow it to direct its efforts in the areas with the greatest impact for the country.

SECTORAL STRATEGIES

STRENGTHENED CAPACITY FOR SECTORAL STRATEGIC GUIDANCE

The 2022-2024 Strategic Plan identifies 10 priority areas of action to guide the CDP Group's operations and simultaneously identifies a new approach for the analysis of operations, moving from a risk-return model towards a risk-return-impact model. The change in the approach to operations is motivated by the desire to commit to the country not only in terms of resources deployed, but also in relation to the actual ability to generate benefits for citizens, businesses and local areas.

In this perspective, the activities of the new Sectoral Strategies and Impact Department are performed at the beginning and at the end of the lending/investment process, providing (i) on the one hand, definition of strategic guidance for the different areas of action and assessment of the initiatives in terms of strategic consistency during their selection, and (ii) on the other hand, monitoring and analysis of the impact of the activities carried out.

With regard to the definition of strategic guidance, during the first half of 2022, the drafting of the documents of Sectoral Strategic Guidelines (SSGL) for each of the 10 areas of action began. The documents, starting from the analysis of the reference context and from a benchmarking of Italy's performance aimed at identifying the main market gaps, identify the areas and strategic priorities on which the CDP Group can act, also taking into account potential enabling factors. For each priority, the documents also define the level of additionality of the action and identify a specific performance indicator useful for ex-post monitoring of Group operations, consistent with an impact assessment model. The recommendations contained in the SSGL, summarised in a strategic consistency grid, aim not only to define a scope within which to develop the operations of the CDP Group in a manner consistent with its mission, but also to support the project selection process

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[23] Group means CDP S.p.A. together with CDP Equity, Fintecna, CDP Immobiliare and CDP Immobiliare SGR.

in the pre-assessment phase and to contribute to the broader mechanism of scoring operations during assessment.

The first three Sectoral Strategic Guidelines, relating to the areas of action “Energy Transition”, “Social Infrastructure”, and “Digitisation”, were approved by the Board of Directors in the first half of the year and included in internal regulations. The remaining Sectoral Strategic Guidelines are expected to be approved over the coming months.

START OF THE MONITORING AND IMPACT ANALYSIS ENVISAGED BY THE STRATEGIC PLAN

With reference to the monitoring and impact analysis of the initiatives carried out, the main operations in the half year concerned:

- the publication of the first quarterly monitoring report of the activities of the CDP Group under the PNRR aimed at: i) monitoring the procedural progress of the projects and identifying any bottlenecks; ii) tracking financial resources to check the status of disbursements and investments enabled; iii) enhancing the actions of the CDP Group at the socio-economic level in accordance with the general objectives of the PNRR. In this context, the second report is under preparation, in support of which an IT platform has been created in collaboration with the Innovation, Transformation and Operations Department to allow the streamlining and automation of flows for collecting data and information related to the initiatives within the scope of CDP;
- the preparation of the report on the assessment of the impact generated by the 2021 Social Bond in line with the disclosure obligations regarding the reporting of economic activities considered environmentally sustainable in the non-financial statement (the so-called Taxonomy Regulation), to which CDP has been subject since January 2022. In particular, the document provides an account of the allocation of the funds, one year after the issue, and their impact on the Italian economy;
- the identification of a set of indicators for the monitoring of operations that will be carried out by the Italian Climate Fund, contributing to the definition of the impact framework of the Fund, in collaboration with the International Cooperation and Development Finance Area;
- the commencement of work on the development of an ex-post assessment framework for the economic, environmental and social impact actually generated by the activities of the CDP Group. This analysis will be carried out annually on an aggregate basis and by clusters of projects, i.e. in relation to specific areas of action or geographical areas.

LENDING AND INVESTMENT POLICIES

ESG PLAN AND GENERAL RESPONSIBLE LENDING POLICY DEFINED

The first transformational pillar of the 2022-24 Strategic Plan identifies the policy instrument as an ex-ante guide to the CDP Group’s activities. The objective is to direct the resources of the CDP Group towards the priority areas for the country, strengthening the capacity to evaluate transactions and ensuring the Group’s positioning in terms of sustainability in line with international best practices.

In this context, the Policy, Assessment and Advisory Department was set up in the first half of the year to guide the Group’s activities through: (i) definition of the sustainability strategy, (ii) definition of responsible lending/investment and sustainability policies, both at a general and sectoral level, and (iii) strengthening of the ex-ante assessment of the actions in terms of expected impact, where relevant, also looking at the technical and economic quality of the project supported.

In particular, the main initiatives during the half year regarded:

- approval of the first ESG Plan, setting out sustainability goals and commitments, as already indicated in the 2022-2024 Strategic Plan and in line with the best practices for international financial institutions. In particular, with the approval of the ESG Plan, CDP undertakes to: (i) reduce climate-altering consumption and emissions, and (ii) put people at the heart of the corporate strategy, supporting diversity and inclusion, enhancing training and well-being and ensuring a greater gender balance within the organisation;
- approval of the first General Responsible Lending Policy, which will guide in advance the Group's lending activities, so that they increasingly achieve positive social, economic and environmental impacts. The General Responsible Lending Policy aims to integrate ESG aspects into business processes and, in particular: (i) establish the priority areas of action, (ii) identify systematic exclusions with reference to issues detrimental to human dignity, environmental issues or sectoral issues that will be addressed by future dedicated policies, and (iii) define the methodological approach with which to assess in a structured manner the potential environmental, social and governance impacts of lending transactions, be they positive or negative;
- the creation of specialised Competence Centres by sector, responsible, among other things, for carrying out the ex-ante technical and economic assessments for the Group's lending and investment transactions: (i) Innovation and Digitisation, (ii) Urban Regeneration and Infrastructure, and (iii) Natural Resources, Energy and Environment;
- the launch of a review process for the sustainability impact assessment methodology for lending transactions, known as "Sustainable Development Assessment" (SDA), which will be progressively extended within the scope of application. In particular, the SDA model is being integrated with the technical and economic analyses by the Competence Centres, in the case of transactions for the implementation of specific investment projects, depending on their complexity, relevance and strategic nature.

In addition, the General Responsible Investment Policy and the Group's "Diversity, Fairness and Inclusion" policy are being finalised. The policy is aimed at defining the guiding principles and operating methods to constantly promote the principles of diversity, fairness and inclusion both within the Group's organisational system and externally, covering the entire value chain.

In addition to the above, the Policy, Assessment and Advisory Department contributes to the development of strategic infrastructure and/or innovation projects, relating to the development of national infrastructure and services of public utility, also with the involvement of and/or in partnership with other market operators and in collaboration with other company and Group business functions. In particular, in the first half of 2022, the Policy, Assessment and Advisory Department supported: (i) CDP Equity in signing the Investment Agreement for the acquisition of a stake in GPI S.p.A., (ii) CDP Foundation in becoming a founding partner of the "National Centre on Agricultural Technologies (Agri-Tech)", (iii) CDP Equity in participating in the tender for the construction and management of the National Strategic Hub, and (iv) CDP Venture Capital in structuring the new business plan and in the capital increase in Treccani Futura.

4.1.2 ADVISORY SERVICES AND MANAGEMENT OF THIRD-PARTY FUNDS

In the first half of 2022, the CDP Group further increased its support for the Public Administration, strengthening its advisory activities for the implementation of investments and the management of mandates on public funds.

Advisory

SUPPORT FOR THE PA LAUNCHED FOR THE IMPLEMENTATION OF PNRR INVESTMENTS

Through the Advisory Area[24], the CDP Group supports the implementation of projects of strategic importance, especially of an infrastructural nature, through support and advice to the Public Administration in the planning, design and implementation of investments, with particular reference to those functional to the implementation of the National Recovery and Resilience Plan.

In line with the guidelines of the Strategic Plan, in the first half of the year, Advisory activities focused on supporting public administrations to implement the PNRR investments under the CDP-MEF framework agreement signed on 27 December 2021.

In the first half of the year, six Action Plans were signed to support as many Ministries: the Ministry of Culture, the Ministry of Sustainable Infrastructure and Mobility, the Ministry of Health, the Ministry of Ecological Transition, the Ministry of Technological Innovation and Digital Transition, and the Ministry of the Economy and Finance.

Overall, the support consists of the implementation of 37 PNRR measures for a value of 37.9 billion euro of investments. In addition to the Action Plans already signed with the individual Ministries, further agreements are being drawn up with the other Central Administrations holding the PNRR investments.

With reference to the support already provided in relation to implementation of the PNRR, it is worth noting the contribution to the development of the “Capacity Italy” platform, a support tool that provides the administrations responsible for the relevant projects and the PNRR implementing entities a network of professionals with the aim of ensuring technical and operational support throughout the entire project implementation cycle, from the stage of defining the tenders to the control and reporting stages. The initiative, promoted by the Presidency of the Council of Ministers, MEF, Civil Service Department and Department for Regional Affairs and Autonomies of the Presidency of the Council of Ministers, envisages that technical and operational support to the administrations be provided by Cassa Depositi e Prestiti, Invitalia and Mediocredito Centrale with teams of experts in all the key subject areas for implementation of the PNRR and specific sectoral expertise in the management of tenders and funds, in the implementation of public investments and in the area of subsidies and financing to SMEs. The “Capacity Italy” portal has been online since 20 June 2022 with support already active on various PNRR measures of interest to the Ministry of Health. Support will be gradually extended to the measures of the other Ministries that concern local authorities.

In addition to support at the PNRR level, actions continued to support public entities through technical-administrative and economic-financial advisory services on the basis of implementation protocols already in place with the individual administrations. In this context, at 30 June 2022, there were 127 projects in progress for a total value of works amounting to 9.8 billion euro, mainly in the sectors of school building, healthcare building, public sector construction, port infrastructure, local public transport and road infrastructure.

MANAGEMENT OF THIRD-PARTY FUNDS

In line with the 2022-2024 Strategic Plan, with a view to reinforcing its partnership with the Public Administration, the CDP Group strengthened the management of new mandates on third-party funds.

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[24] Advisory Area included within the Policy, Assessment and Advisory Department.

STRENGTHENED MANAGEMENT OF PUBLIC MANDATES

In particular, mention goes to the main new mandates taken over by the "Public Sector" Area:

- by the Ministry of Culture for a total of 363 million euro, as part of the "Avviso Attrattività dei Borghi" (Notice to Promote the Attractiveness of Hamlets) - Line B (falling within the scope of the PNRR[25]), intended to co-finance 207 projects drawn up (including on an aggregate basis) by 289 Italian municipalities with a population of up to 5,000 inhabitants and aimed at the cultural, social and economic redevelopment of open public spaces and recovery of the historical heritage of small Italian towns, also to promote sustainable tourism;
- by the Ministry of Culture for a total of 190 million euro, as part of the "Avviso Parchi e Giardini storici" (Notice for Historical Parks and Gardens, falling within the scope of the PNRR[26]), intended for the enhancement of 129 historical parks and gardens of cultural interest located in Italy, also in terms of scientific, technical, botanical and environmental knowledge, in order to strengthen the identity of the places, and improve the quality of the landscape and of the life and well-being of citizens;
- by the Ministry of Culture for a total of 49 million euro, from the Culture Fund[27], intended for the promotion of investments proposed by 95 Italian public entities for the protection, conservation, restoration, use, enhancement and digitisation of the country's tangible and intangible cultural heritage;
- by the Ministry of Sustainable Infrastructure and Mobility for a total of 58 million euro, from the Priority Works Planning Fund, intended for the preparation of feasibility projects for infrastructure and priority settlements for the development of the country, as well as for the project review of infrastructure already financed by over 40 Municipal Capitals of Metropolitan Cities, Metropolitan Cities and Municipalities.

Moreover, in addition to the management of the new mandates, the activities related to the mandates already acquired continued. In particular, management of the following mandates is noted:

- by the Ministry of University and Research, with regard to the University Halls of Residence Fund[28], through the conclusion of agreements in favour of the beneficiaries of the Fund's resources, for a total of 163 million euro for the construction of about 39 halls of residence for university students;
- by the Ministry of Ecological Transition, with regard to the Kyoto Fund for the financing of energy efficiency measures for properties in the school and healthcare building sectors, as well as sports facilities.

As part of the mandates managed by the "International Cooperation and Development Finance" Area, activities continued during the first half of the year, aimed at starting operations under the new Italian Climate Fund, established by Law 234/2021 (2022 Budget Law), with the management of its resources being entrusted to CDP. This Fund, with total assets of 4.2 billion euro over a five-year horizon, will become the main national instrument aimed at fulfilling the commitments undertaken by Italy in the context of the international climate agreements.

In addition, the traditional activity of supporting the sovereign entities of developing countries as manager of the resources of the Revolving Fund for Development Cooperation (FRCS) continued. In this context, the following loans are worth mentioning:

- to Tanzania, to support higher technical and vocational education in the country, fostering its link with the world of work and promoting the application of technological innovations to contribute to achieving sustainable development goals;

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[25] Mission 1 Digitisation, innovation, competitiveness, culture and tourism, Component 3 Tourism and culture 4.0, Investment 2.1 Attractiveness of hamlets.

[26] Mission 1 Digitisation, innovation, competitiveness, culture and tourism, Component 3 Tourism and culture 4.0, Investment 2.3 Programmes to enhance the identity of places: historical parks and gardens.

[27] Article 184 of Decree Law of 19/5/2020, converted with amendments by Law no. 77 of 17/7/2020.

[28] Law 338/2000 (Tender I-IV).

- to Senegal, to promote inclusive education, strengthening access to education services, including for students with disabilities;
- to Ethiopia, to support the country's strategic health plan;
- to Kenya, to improve the living conditions of the population of Malindi and Magarini, through the implementation of a series of projects relating to education, the supply of drinking water, the improvement of communication routes and marketing of local resources.

4.1.3 FINANCIAL INSTRUMENTS IN SUPPORT OF THE COUNTRY

During the first half of the year, the CDP Group continued its action in support of the country, also as the National Promotional Institution.

4.1.3.1 LENDING

The lending activity of the CDP Group, in line with the 2022-2024 Strategic Plan, is arranged into five lines of action:
- **Lending to enterprises and support for international expansion**: through the Enterprises and Financial Institutions Area, the CDP Group pursues the mission of ensuring financial support to the national productive fabric, in a complementary role to the banking system;
- **Infrastructures and Public Administration**: through the Public Administration and Infrastructures Areas, the CDP Group operates to support the Public Administration and the development of the national infrastructure;
- **International Cooperation and Development Finance**: through the International Cooperation and Development Finance Area, the CDP Group promotes initiatives capable of generating a high social-economic impact in developing countries;
- **Equity**: through the Investment Department, together with the companies CDP Equity, CDP Reti and CDP Industria, the CDP Group plays a key role in the country's strategic sectors, through direct and indirect initiatives, by using both own capital and third-party capital;
- **Real Estate**: through the Real Estate Department, together with the companies CDP Immobiliare and CDP Immobiliare SGR, the CDP Group supports the real estate market with the aim of promoting social cohesion through sustainable and inclusive urban regeneration initiatives, and providing the resources for growth of the tourism-hotel sector and the leveraging of its real estate assets.

Through these lines of action, in the first six months of the year, the CDP Group[29] deployed 11.5 billion euro in resources, essentially in line with the same period of 2021.

RESOURCES DEPLOYED OF 11.5 BILLION EURO IN 1H 2022

Overall, the Group channelled around 28.5 billion euro's worth of investments into the economy, including third-party funds.

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[29] Group means CDP S.p.A. together with CDP Equity, CDP Immobiliare and CDP Immobiliare SGR.

Resources deployed broken down by lines of action - CDP Group[30]

(millions of euro; %)	30/06/2022	30/06/2021	Change (+/-)	(%) change
Lending to enterprises and support for international expansion	2,500	3,982	(1,482)	-37.2%
Infrastructures and Public Administration	4,121	6,553	(2,431)	-37.1%
International Cooperation and Development Finance	175	58	117	201.2%
Equity	4,629	888	3,741	421.4%
Real Estate	37	77	(40)	-51.6%
TOTAL	**11,462**	**11,557**	**(95)**	**-0.8%**

In the same period, CDP S.p.A. deployed resources amounting to 11.3 billion euro, essentially in line with 2021.

LENDING TO ENTERPRISES AND SUPPORT FOR INTERNATIONAL EXPANSION

Through the Enterprises and Financial Institutions Area, the CDP Group aims to ensure financial support to the national productive and entrepreneurial fabric for development, innovation and growth of enterprises, also at an international level, in a complementary role to the banking system.

In line with the 2022-2024 Strategic Plan, in the first half of the year, operations continued through i) direct support to medium and large enterprises for the domestic market, ii) support for exports and international expansion, iii) indirect support in synergy with the banking channel with a focus on SMEs, iv) development of alternative finance instruments and v) non-financial support, with a focus on SMEs and Mid-caps, to develop human capital and promote growth in the markets.

CONTINUED DIRECT SUPPORT TO MEDIUM AND LARGE ENTERPRISES

With reference to direct support to medium and large enterprises, the granting of loans continued, mainly to support growth and sustainable development initiatives, as well as investments in research, development, innovation and green economy. The main initiatives taken include:

- granting of a syndicated loan to expand the national network of ultra-fast charging stations for electric vehicles by around 1,800 new stations. The transaction, which amounted to a total of 26 million euro, benefited from funding by the European Investment Bank ("EIB") and is backed by the SACE Green Guarantee. The initiative was also supported by the European Commission through the Debt Instrument and Transport Blending Facility with funds from the CEF-Connecting Europe Facility;
- signing of the first direct financing transactions backed by the EIB guarantee, within the framework of the European Guarantee Fund ("EGF"), in order to support access to credit by Italian enterprises that, while showing long-term solidity prospects, have been impacted by the current macroeconomic situation.

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[30] Resources deployed include the management of third-party funds.

With regard to support for exports and international expansion, the main initiatives of the half year include:

- the granting of a medium to long-term loan of up to 40 million euro to support investments in new technologies by a leading Italian air heat exchanger operator in plants located in Poland, the Czech Republic, Sweden, the USA and Finland. This is the first loan finalised by CDP in which a commitment is made by the beneficiary to increase employment levels in Italy, upon achievement of which a benefit will be provided to the company in terms of reducing the cost of financing;
- participation in a medium to long-term syndicated loan for a total amount of up to 1 billion euro, which is the first ESG-linked transaction in the iron and steel sector. CDP's participation in the loan aims to meet the financial requirements to cover the investment expenses incurred in the group's plants located in Poland, Mexico, the United Kingdom, Turkey, Tunisia, Brazil and Italy, in order to implement and streamline the production chain.

With regard to indirect support through the banking channel, with a focus on SMEs, the main initiatives of the half year include:

SYNERGY WITH THE BANKING CHANNEL AND ALTERNATIVE FINANCE INSTRUMENTS STRENGTHENED

- the increase in operations in support of private reconstruction in the areas affected by the 2016 earthquakes, through the Central Italy Earthquake Fund, which recorded significant growth in disbursements compared to the same period of 2021, at over 500 million euro, also due to the simplifications introduced in the processes of granting the subsidies and the increase in value of the multiannual spending authorisation on the government budget;
- granting of a long-term credit facility totalling 250 million euro to a leading Italian banking group to support Italian SMEs and Mid-caps, including on a project finance basis, for the implementation of initiatives in the renewable energy, circular economy, energy efficiency, sustainable mobility and water sectors;
- signing of a new agreement with MCC and the EIF to facilitate access to credit for Italian SMEs, through expansion of the counter-guarantee line in favour of the SME Guarantee Fund signed in September 2021, up to a maximum cumulative value of 10 billion euro, through the use of European resources from the European Guarantee Fund (EGF);
- continuation of the activity of the "Revolving Fund supporting enterprises and investment in research" (FRI) and liquidity instruments supporting enterprises and the granting of residential loans, in which there is increasing diversification in terms of products offered.

With regard to the development of alternative finance instruments, the main initiatives of the half year include:

- finalisation of the fifth closing of the Basket Bond Puglia programme for a total of 15 million euro dedicated to 4 issuing companies. The programme aims to facilitate access to credit for SMEs based in Puglia through the granting of medium/long-term financing to support their growth programmes;
- structuring of new Basket Bond programmes backed by EGF guarantee focused on a specific sector (agri-food) and purpose (ESG), to support business investment plans throughout the country. Following the agreement signed between the EIB and CDP on 20 December 2021, the EGF guarantee aims to facilitate access to credit for enterprises during the Covid-19 pandemic crisis and provides, for Basket Bond programmes, 90% coverage of the first losses of Mini-bonds with a cap set at 35% of the nominal value of the portfolio.

NON-FINANCIAL SUPPORT TO ENTERPRISES EXTENDED

With regard to non-financial support to develop human capital and promote the growth in the markets of SMEs and Mid-caps, the main initiatives of the half year include:

- continuation of the "Acceleratore Imprese" programme, designed to support the growth of Italian SMEs and Mid-caps with high potential by providing access to a dedicated platform of professional services by leading international consultancy firms and Italian universities covering various subject areas, such as: strategic consulting, management recruitment and training, digital transformation, and tax & legal. In this respect, during the first half of 2022, 105 companies were involved (38% in Northern Italy and 62% in Central-Southern Italy), of which approximately 40% identified improvement projects in regard to which discussions with programme partners are on-going, relating to over 60 professional assistance services;
- consolidation of the first joint programme between France and Italy aimed at promoting the international expansion of SMEs and Mid-caps in partnership with Bpifrance, ELITE – a company of the Euronext group – and Team France Export[31]. As part of the initiative, which falls within the scope of the Memorandum of Understanding signed by CDP and Bpifrance at the end of 2021, 4 sessions of the programme had been held as at 30 June 2022, with about 60 hours of training provided and around 300 business matching meetings held by Italian and French companies.

Shown below is the stock of loans of the Enterprises and Financial Institutions Area at 30 June 2022. The stock of outstanding debt amounted to 30.8 billion euro, increasing by 0.9% on the figure recorded at the end of 2021, mainly as a result of the disbursements made during the year, which more than offset redemptions. The total stock of residual debt and commitments amounted to 43.7 billion euro, marking an increase of 0.3% on the figure recorded at the end of 2021.

Enterprises and Financial Institutions - Stock of loans

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
Enterprises	**5,499**	**6,028**	**(529)**	**-8.8%**
Loans	4,219	4,519	(300)	-6.6%
Securities	1,280	1,509	(229)	-15.2%
Alternative financing	**400**	**381**	**19**	**5.0%**
Tax credit	400	381	19	5.0%
Financial Institutions	**14,395**	**14,187**	**208**	**1.5%**
Indirect support to enterprises	1,796	1,966	(169)	-8.6%
Residential Real Estate	552	587	(34)	-5.9%
Natural disasters	7,519	7,085	434	6.1%
Financial institutions loans/securities	3,880	3,907	(27)	-0.7%
Other products	647	643	4	0.7%
Export & International financing	**10,473**	**9,892**	**581**	**5.9%**
Loans	10,378	9,807	571	5.8%
Securities	95	85	10	11.8%
Total outstanding debt	**30,767**	**30,488**	**279**	**0.9%**
Commitments	12,899	13,051	(152)	-1.2%
TOTAL	**43,666**	**43,539**	**127**	**0.3%**

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[31] Team France Export is the French government's public service that supports the international expansion of French companies thanks to the support of Business France, Bpifrance and the French International Chamber of Commerce.

INFRASTRUCTURES AND PUBLIC ADMINISTRATION

Through the Public Administration and Infrastructures Areas, the CDP Group operates to support Public Entities and the development of the national infrastructure.

Public Administration

Through the Public Administration Area, the CDP Group backs the investments of Public Entities through financial support, in accordance with the principles of accessibility, equality of treatment, pre-specification of terms and non-discrimination.

In line with the 2022-2024 Strategic Plan, in the first half of the year, in addition to the continuation of financial support activities for Public Entities, the management of public mandates on behalf of the Public Administration was strengthened.

With regard to financial support activities, CDP has continued lending operations in favour of local authorities, autonomous regions and provinces and other public entities and public-law bodies.

MEASURES IMPLEMENTED TO FREE UP FINANCIAL RESOURCES

In particular, the following is noted in favour of local authorities:

- the management, in the name and on behalf of the Ministry of the Economy and Finance, of the renegotiation of the cash advances granted to local authorities, for the payment of certain, liquid and collectable payables[32]. Over 800 Entities participated in the transaction in relation to approximately 1400 advance contracts for a renegotiated residual debt of approximately 2 billion euro and with total savings of approximately 250 million euro;
- support to the local authorities of the Abruzzo, Lazio, Marche and Umbria Regions, affected by the seismic events in 2016, by postponing payment of loan instalments falling due in 2022, after the repayment due date of each loan, with no additional interest.

In support of the autonomous regions and provinces, the activity of refinancing mortgage loans granted in the past by the Ministry of the Economy and Finance (MEF) to the Regions also for expenses other than investment continued. In particular, two transactions were carried out for a total amount of approximately 2.1 billion euro. The transactions will result in savings for entities of approximately 36 million euro in 2022 and will allow, over the period of the repayment plan, total savings of approximately 390 million euro.

In addition, in favour of the other public-law entities and bodies, 20 loan agreements were entered into, with charges borne entirely by the government budget, in favour of the Institutions of Arts, Music and Dance Higher Education (AFAM) for a total of 64 million euro.

MANDATE MANAGEMENT ACTIVITY ENHANCED

With regard to the management of public mandates, CDP has consolidated its partnership with the Public Administration through support to the Central and Regional Administrations in the management of the different phases of the tenders that govern the allocation of public funds, expanding the scope of the mandates managed, with an increase in the resources subject to these mandates of 0.8 billion euro compared to the same period of the previous year, as described in more detail in paragraph 4.1.2.

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[32] Transaction envisaged by Article 1, paragraphs 597-602, of Law no. 234 of 30 December 2021 and concerning the advances granted pursuant to Decree Law no. 35 of 8 April 2013, and Decree Law no. 102 of 31 August 2013.

Shown below is the stock of loans of the Public Sector Area at 30 June 2022. The stock of outstanding debt amounted to 76.4 billion euro, increasing by 1.3% on the figure recorded at the end of 2021, mainly as a result of the disbursements made during the year, which more than offset redemptions. The total stock of residual debt and commitments amounted to 81.5 billion euro, marking an increase of 0.2% on the figure recorded at the end of 2021.

Public Administration - Stock of loans

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
Local authorities	25,059	25,085	(26)	-0.1%
Regions and autonomous provinces	25,651	23,955	1,696	7.1%
Other public entities and public - law bodies	1,594	1,649	(55)	-3.3%
Government	24,067	24,678	(611)	-2.5%
Total outstanding debt	**76,371**	**75,367**	**1,004**	**1.3%**
Commitments	5,139	5,972	(833)	-13.9%
TOTAL	**81,510**	**81,340**	**171**	**0.2%**

Infrastructures

Through the Infrastructures Area, the CDP Group supports the development of the national infrastructure by granting financial resources.

CONTINUED FINANCIAL SUPPORT TO INFRASTRUCTURE WORKS

In line with the 2022-2024 Strategic Plan, the financial offer to support infrastructure was further strengthened in the first half of the year, based on the principles of additionality and complementarity with the market, increasing the number of transactions concluded and coverage of the infrastructure sectors through project finance, corporate & structured loans and bond issues.

With regard to the project finance activities, the following should be noted: (i) the participation of CDP in a financing transaction to support investments in the telecommunications sector, involving the construction of an optical fibre network infrastructure throughout the country, for a total of over 7 billion euro, and (ii) the granting of a loan to a leading operator in the renewable energy sector, intended to partially cover investment costs for the construction of two new wind farms of a total of 62MW.

With regard to the operations carried out through corporate & structured loans, during the first half of the year, CDP granted loans to support the investment plans of companies operating in the airport, urban redevelopment, local public transport, utilities and energy networks sectors. In particular, mention goes to the participation in a syndicated loan in the airport sector with other banks, intended mainly for making investments planned for the next five years for the airports of Venice and Treviso, which also include the adoption of technologies that will contribute to achievement of the energy transition objectives set by the Group.

Lastly, with regard to bond issues, mention goes to participation in a transaction in the water sector in Veneto. This transaction, which also involved the EIB, will support investments for approximately 350 million euro by six integrated water service operators. In particular, the investments concern the modernisation and efficiency of the Region’s water network, including through the improvement of sewage networks and treatment plants.

Shown below is the stock of loans of the Infrastructures Area at 30 June 2022. The stock of outstanding debt amounted to 8.6 billion euro, increasing by 6.4% on the figure recorded at the end of 2021, mainly as a result of the disbursements made during the year, which more than offset redemptions. The total stock of residual debt and commitments amounted to 14.3 billion euro, marking an increase by 4.2% on the figure recorded at the end of 2021.

Infrastructures - Stock of loans

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
Loans	4,909	4,471	439	9.8%
Securities	3,650	3,575	74	2.1%
Total outstanding debt	**8,559**	**8,046**	**513**	**6.4%**
Commitments	5,721	5,657	63	1.1%
TOTAL	**14,280**	**13,704**	**576**	**4.2%**

INTERNATIONAL COOPERATION AND DEVELOPMENT FINANCE

Through the International Cooperation & Development Finance Area, the CDP Group supports initiatives with a high social-economic impact in emerging economies and developing countries, through a number of financial instruments in favour of public and private counterparties.

In line with the 2022-2024 Strategic Plan, in the first half of the year, operations in the sector were further developed through i) the strengthening of partnerships with the main national and international institutions active in the field of cooperation, ii) the strengthening of support to the private sector and iii) the expansion of transactions with sovereign counterparties, mainly through the management of public resources.

HOSTING OF THE EDFI ANNUAL GENERAL MEETING

With regard to the first point, it should be noted that on 19 and 20 May 2022, CDP and Simest hosted the Annual General Meeting of the Association of European Development Finance Institutions (EDFI) in Rome. The event was attended by management of CDP and of the participating DFIs, as well as senior representatives of government shareholders and other partner institutions. The meeting focused on how to develop and strengthen collaborations between DFIs to address global crisis situations that are affecting the most fragile geographical areas.

EXPANDED SUPPORT TO THE PRIVATE SECTOR

With regard to the promotion of initiatives in support of the private sector, during the first half of the year the following were noted:

- support for sustainable development projects in Africa in the sectors of renewable energy, energy efficiency and infrastructure through the commitment to grant a loan of up to 100 million euro to the multilateral development bank Africa Finance Corporation (AFC), among the main African multilateral development institutions;
- support for the investments of medium-sized enterprises operating in the African continent, with the aim of creating new jobs, making water use more efficient and reducing harmful emissions, through the subscription of shares for 35 million dollars in the AfricInvest IV Fund (total size of over 400 million dollars). CDP's initiative was supported by other DFIs and Public Development Banks, including the EIB, the International Finance Corporation (IFC, World Bank group), the Dutch FMO, the German DEG, the French Proparco and the US DFC;

- support for the investment plans of two Italian enterprises, functional to growth in the emerging markets, through the conclusion of loan agreements for a total of 16 million euro. The resources deployed will contribute to the development of the activities of Italian companies in high-potential markets, generating positive repercussions for local communities from a social and environmental standpoint.

STRENGTHENED OPERATIONS WITH SOVEREIGN ENTITIES THROUGH THE FRCS

Lastly, during the first half of the year, CDP continued to support international cooperation through the granting of loans to sovereign entities as manager of the resources of the Revolving Fund for Development Cooperation (FRCS) through the signing of 4 financial agreements, and continued the activities aimed at starting operations under the new Italian Climate Fund, established by Law 234/2021 (2022 Budget Law), as described in paragraph 4.1.2.

Shown below is the stock of loans of the International Cooperation & Development Finance Area at 30 June 2022. The stock of outstanding debt amounted to 446 million euro, increasing by 0.3% on the figure recorded at the end of 2021, mainly as a result of the disbursements made during the year. The total stock of residual debt and commitments amounted to 448 million euro, marking a decrease of 5.4% on the figure recorded at the end of 2021.

International Cooperation and Development Finance - Stock of loans

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
International Cooperation	20	20		0.0%
Development Financing	426	424	1	0.3%
Total outstanding debt	**446**	**444**	**1**	**0.3%**
Commitments	2	29	(27)	-93.1%
TOTAL	**448**	**474**	**(26)**	**-5.4%**

EQUITY

With reference to equity investments, the CDP Group acts in all phases of the life cycle of enterprises and infrastructure, by using both own capital and third-party capital (crowding-in). In doing so, the CDP Group systematically applies the principle of capital rotation, i.e. investments disposal upon achievement of the set objectives, in order to support new initiatives with the capital thus released.

INVESTOR IN ALL PHASES OF THE LIFE CYCLE OF ENTERPRISES AND INFRASTRUCTURE, BY USING BOTH OWN CAPITAL AND THIRD-PARTY CAPITAL

Specifically, the operations of the CDP Group, through the Investment Department and the Group Companies, include:

- direct investments (i) with the role of stable shareholder in companies functional to the Group's mission and in companies that manage key infrastructure or assets for the country; (ii) with a special purpose, i.e. aimed at the growth and consolidation of companies operating in key sectors that, in any case, are in a stable financial, capital and economic situation and feature adequate earnings prospects;
- indirect investments through mutual funds and investment vehicles supporting the private equity, venture capital and infrastructure markets.

The equity investment portfolio of the CDP Group at 30 June 2022 is broken down as follows:

- Group companies[33], functional to acquire and hold equity investments in the long term (CDP Equity, CDP Reti, CDP Industria) and in carrying out the role of "National Promotional Institution" (Simest and Fintecna);
- Listed and unlisted companies that manage key infrastructure or assets or operate in national strategic sectors (e.g. Eni, Poste Italiane, TIM, Open Fiber);
- Investment funds and investment vehicles operating:
  - in support of enterprises throughout the entire life cycle, from venture capital (managed by CDP Venture Capital) to private equity & private debt (mainly managed by Fondo Italiano d'Investimento) and turnaround (managed by Fondo QuattroR);
  - in the infrastructure sector, to support the creation of new infrastructure and manage existing infrastructure (mainly through European initiatives in partnership with the EIF and with other National Promotional Institutions);
  - in support of International Development Cooperation;
  - in support of the NPL market.

Equity investments and funds - portfolio composition

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
A. Group companies	14,798	14,522	277	1.9%
B. Other equity investments	18,666	18,942	(277)	-1.5%
Listed companies	*18,587*	*18,865*	*(277)*	*-1.5%*
Unlisted companies	*78*	*78*	*1*	*1.1%*
C. Investment funds and investment vehicles	1,987	1,911	76	4.0%
TOTAL	**35,451**	**35,375**	**77**	**0.2%**

In the first half of 2022, the CDP Group continued its activity of managing and enhancing its equity investments portfolio, as well as searching for and evaluating new investment opportunities. In particular, the main transactions completed during the period include:

- the acquisition by Holding Reti Autostradali[34] of 88.06% of Autostrade per l'Italia, with the objectives of (i) contributing to the implementation of an extensive investment plan covering Autostrade per l'Italia entire motorway network, facilitating digitisation and innovation, (ii) improving the efficiency of infrastructure maintenance programmes to ensure the highest standards of performance and safety for motorists, (iii) providing long-term stability to the governance of a key part of Italy's infrastructure for the benefit of communities and the economy;
- the signing of a further investment in Saipem aimed at supporting the measures to strengthen the company's financial and capital structure, approved together with 2022-2025 Strategic Plan update;
- the further investment in GreenIT, which allowed, among other things, the acquisition of four onshore wind farms active in Italy with a total capacity of about 110 MW, in line with the objective of supporting the country's energy transition based on the objectives of the 2030 Integrated National Energy and Climate Plan;
- the signing of an additional commitment in the Fondo Acceleratori, managed by CDP Venture Capital SGR, with the aim of promoting the creation of a network of business accelerators at the national level, in partnership with the main Italian and foreign players;

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[33] Limited to this context, the CDP Group is represented by the companies subject to management and coordination by CDP S.p.A. and by Simest.

[34] Investment vehicle owned by CDP Equity (51%) together with Blackstone Infrastructure Partners (24.5%) and Macquarie Asset Management (24.5%).

- the disposals (i) of 11.5% of BF[35] and (ii) of 13% of Fondo Italiano d'Investimento SGR, with the aim of expanding the shareholder base to include institutional entities able to contribute to raising resources for the creation and development of new funds.

Moreover, the investment activity of the equity funds in which the CDP Group has invested over time also continued in 2022.

REAL ESTATE

Through the Real Estate Department and the Group Companies operating in the sector, and in line with its role of National Promotional Institution, CDP operates in support of the real estate sector. Its objectives include support for social cohesion, mainly through sustainable and inclusive urban regeneration and social housing initiatives, support for growth of the hospitality sector and the development of its real estate assets.

The real estate portfolio of the CDP Group at 30 June 2022 is broken down as follows:
- direct investments in the capital of companies functional to the Group's mission (CDP Immobiliare, CDP Immobiliare SGR) or companies that manage real estate assets in line with the objectives of the CDP Group;
- indirect investments, through investment funds, in support of projects for urban redevelopment, social housing and renovation of tourist facilities (mainly managed by CDP Immobiliare SGR), thus facilitating the involvement of third-party institutional investors, with the aim of increasing support for the economy through the so-called "multiplier effect".

Equity investments and funds - Real Estate portfolio composition

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
A. Group companies	486	486		0.0%
B. Other equity investments	5	5		0.0%
C. Investment funds and investment vehicles	1,556	1,542	14	0.9%
TOTAL	**2,047**	**2,033**	**14**	**0.7%**

During 2022, the main initiatives of the CDP Group in the real estate sector include:
- the approval, in line with the guidelines of the 2022-2024 Strategic Plan, of the reorganisation of the Real Estate area of the CDP Group, with the aim of strengthening its role in the sector through allocation of the real estate portfolio and activities by dedicated entity;
- renaming of the FIA2 Fund into Fondo Nazionale dell'Abitare Sostenibile ("FNAS"), a fund that aims to promote social cohesion through urban regeneration and the implementation of community welfare and sustainable housing initiatives, seeking to reach even the most critical areas of the country.

Moreover, ordinary investment activities also continued during the period, in particular:
- redevelopment works on larger owned properties, characterised by complex urban planning procedures and with a high social impact. Specifically, re-purposing works continued on the former Istituto Poligrafico dello Stato, on Torri dell'Eur and on the former Manifattura Tabacchi in Florence, while the plans for the redevelopment of the former Manifattura Tabacchi in

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[35] Under the agreement for full disposal of the equity investment in BF, the remaining 6.0% held by CDP Equity at 30 June 2022 will be sold by the end of the year.

Naples and Modena are in progress;
- developments works through the FIV fund, mainly relating to the former Istituto Geologico in Rome and the former Services Centre in Scandicci, the latter destined to become a logistics hub of the Yves Saint Laurent group;
- support in the social housing sector carrying on continuation of the activities of the FIA fund.

4.1.3.2 FINANCE AND FUNDING ACTIVITIES

With regard to Finance activities, the following table shows the aggregates for cash and cash equivalents and other treasury investments and debt securities.

Stock of finance investment instruments

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
Cash and other treasury investments	178,165	184,801	(6,636)	-3.6%
Debt securities	71,201	67,650	3,551	5.2%
TOTAL	**249,366**	**252,451**	**(3,085)**	**-1.2%**

The aggregate of cash and cash equivalents and other treasury investments amounted to 178 billion euro at 30 June 2022, down 3.6% from the year-end figure in 2021, mainly due to the elimination of the SACE deposit following the transfer of the equity investment held in SACE by CDP to the MEF. This aggregate includes the balance on the current account held with the Central State Treasury, which CDP uses to deposit funding in excess of investments made in the Separate Account, which stood at 154.2 billion euro, decreasing slightly on the figures recorded at the end of 2021.

The securities portfolio at 30 June 2022 amounted to 71 billion euro, marking an increase on the figure at the end of 2021 (+5.2%) due to growth of the Held to Collect ("HTC") portfolio. The increase is attributable to purchases made during the first half year, in view of the significant increase in market rates, and to government bonds received from the MEF in return for the transfer of the equity investment in SACE. With regard to securities classified under the Held to Collect and Sell ("HTCS") portfolio, activities on European government securities and corporate securities continued, with a view to diversifying the portfolio and optimising returns. Overall, the portfolio mainly consists of Italian government securities and is held for investment purposes and to stabilise CDP's gross income.

POSTAL FUNDING

CDP POSTAL FUNDING AT 280 BILLION EURO

Postal savings constitute a major component of household savings, representing approximately 7% of the total financial assets of Italian households at the end of the first quarter of 2022.

At 30 June 2022, CDP postal funding totalled 280 billion euro, marking a 0.5% decrease on the figure at the end of 2021. Specifically, CDP's stock of postal savings bonds, measured at amortised cost, was 186,925 million euro (+2.6% compared to the end of 2021), while the stock of passbook savings accounts was 93,071 million euro (-6.2% compared to the end of 2021). The negative result of passbook savings accounts was also due to the lower number of pension credits compared to the previous year, attributable to a return to the usual pension payment methods following the end of the pandemic containment measures.

CDP stock of postal savings

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
Postal savings bonds	186,925	182,205	4,720	2.6%
Passbook accounts	93,071	99,255	(6,184)	-6.2%
TOTAL	**279,996**	**281,460**	**(1,464)**	**-0.5%**

With regard to funding volume, CDP net funding at 30 June 2022 amounted to -3,258 million euro, down compared to the first half of 2021 (+2,946 million euro).

In detail, net funding from CDP postal savings bonds came to +2,938 million euro, down 1,100 million euro compared to the same period in 2021, with subscriptions concentrated predominantly on 3x4 bonds (5,603 million euro), ordinary bonds (3,554 million euro) and 4x4 bonds (3,140 million euro). It should be noted that during the first half of the year, to expand the investment time horizons available with the product range (3x4 bond, 4x4 bond, ordinary bond, bond for Minors, 4-Years Simple Saving Postal bond), the new 5x5 bond (25-year maturity) was introduced and the 3x2 bond was reintroduced.

Net funding from passbook savings accounts amounted to -6,196 million euro, down sharply compared to last year (-1,092 million euro) also due, as mentioned above, to the lower number of pension credits compared to the prior year. To support the interest of savers in the passbook savings accounts segment, it should be noted that in March-April and May-June, two Supersmart Premium 150-day offers were made available for new funding.

Postal savings bonds and passbook savings accounts - CDP net funding

(millions of euro)	Subscriptions/ Deposits	Redemptions/ Withdrawals	Net funding in IH 2022	Net funding in IH 2021	Change (+/-)
Postal savings bonds	14,824	(11,886)	2,938	4,038	(1,100)
Passbook accounts	40,448	(46,644)	(6,196)	(1,092)	(5,104)
TOTAL	**55,272**	**(58,530)**	**(3,258)**	**2,946**	**(6,204)**

Note: the deposits and withdrawals not include transfers between passbook accounts.

Postal savings bonds and passbook savings accounts - changes in CDP stock

(millions of euro)	31/12/2021	Net funding	Interest	Withholding tax	Transaction costs	30/06/2022
Postal savings bonds	182,205	2,938	2,204	(245)	(177)	**186,925**
Passbook accounts	99,255	(6,196)	12	(0)		**93,071**
TOTAL	**281,460**	**(3,258)**	**2,217**	**(246)**	**(177)**	**279,996**

Note: the item "transaction costs" includes the distribution fee on the subscriptions of Ordinary Postal bonds, 5x5 Postal bonds, 4x4 Postal bonds, 3x4 Postal bonds, 3x2 Postal bonds, 4 Years Simple Savings Postal bonds and the prepayment of the fee for the years 2007-2010.

With reference to postal savings bonds pertaining to the MEF, redemptions in the first half of 2022 totalled -4,009 million euro, down from -5,613 million euro last year, also a result of lower maturities, particularly on ordinary MEF postal savings bonds with a twenty-year maturity.

In the first half of 2022, total net funding (CDP + MEF) from postal savings bonds and passbook savings accounts stood at -7,267 million euro, down on the first half of 2021 (-2,667 million euro).

Total net postal savings funding (CDP + MEF)

(millions of euro)	Net funding in IH 2022	Net funding in IH 2021	Change (+/-)
Postal savings bonds	**(1,071)**	**(1,575)**	**505**
of which:			
– *pertaining to CDP*	*2,938*	*4,038*	*(1,100)*
– *pertaining to the MEF*	*(4,009)*	*(5,613)*	*1,604*
Passbook accounts	**(6,196)**	**(1,092)**	**(5,104)**
CDP net funding	(3,258)	2,946	(6,204)
MEF net funding	(4,009)	(5,613)	1,604
TOTAL	**(7,267)**	**(2,667)**	**(4,599)**

Initiatives to develop the postal savings service model continued in the first half of 2022, by improving the customer experience in digital channels (for example, the process of opening passbook savings accounts from both the web and the app was simplified) and the services available at the post office (for example, new services were introduced for parents who manage the savings of a minor).

NON-POSTAL FUNDING

In the first half of 2022, CDP continued its activity on capital markets and in other institutional funding channels, with the aim of strengthening the process of diversifying funding sources and supporting business lending.

Stock of funding from banks

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
ECB refinancing	5,092	5,092		n/s
Repurchase agreements and deposits	58,362	52,541	5,821	11.1%
EIB/CEB credit facilities	5,119	5,066	53	1.0%
TOTAL	**68,573**	**62,699**	**5,874**	**9.4%**

With regard to funding from banks, CDP maintained constant use of the ECB institutional funding channel during the first half of 2022 (5.1 billion euro), which corresponds to the maximum amount allowed to participate in the TLTRO-III programme.

Short-term funding on the money market through deposits and repurchase agreements reached 58.4 billion euro at 30 June 2022. The increase compared to the end of 2021 (+5.8 billion euro) is mainly attributable to the growth of the securities portfolio and the reduction of other short-term funding sources and reflects the conditions of the money market, which remain favourable, albeit with rising rates.

OVER 315 MILLION EURO OF NEW EIB/CEB DRAWDOWNS MAINLY TO FINANCE SMES AND POST-EARTHQUAKE RECONSTRUCTION MEASURES

During the first half of 2022, CDP has signed a new funding facility with the Council of Europe Development Bank (CEB) for 150 million euro, to support the Capital Goods Fund, and a new loan agreement with the European Investment Bank (EIB) for 10 million euro, to finance a project aimed at the construction of a network of charging stations for electric vehicles in Italy.

CDP also made new drawdowns on funding facilities granted by the EIB and the CEB for over 315 million euro, to be used mainly to finance small and medium enterprises (through the SME fund) and reconstruction work following the earthquakes that occurred in the regions of Abruzzo, Lazio, Marche and Umbria (through the Central Italy Earthquake Fund).

At 30 June 2022, the stock of credit facilities granted by the EIB and the CEB amounted to 5.1 billion euro, of which 4.7 billion euro relating to the EIB funding and 0.4 billion euro referred to the CEB funding.

Stock of funding from customers (excluding postal funding)

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
OPTES and FATIS deposits (liabilities)	9,769	5,324	4,446	83.5%
Deposits of Group companies	1,948	7,229	(5,282)	-73.1%
Amounts to be disbursed	4,043	3,769	275	7.3%
TOTAL	**15,760**	**16,322**	**(561)**	**-3.4%**

With regard to funding from customers, the OPTES (liquidity management transactions on behalf of the MEF) and FATIS liquidity balance at 30 June 2022 was 9.8 billion euro, up compared to 5.3 billion euro at the end of 2021.

With regard to companies subject to management and coordination, cash pooling with the Parent Company's centralised treasury continued in the first half of 2022, involving irregular deposit arrangements between CDP and its subsidiaries. Centralised treasury deposits stood at 1.9 billion euro at 30 June 2022, marking a decrease on the figure recorded at the end of 2021 (-5.3 billion euro), mainly due to the reorganisation of the SACE group, which was completed in the first quarter of the year.

Finally, amounts to be disbursed constitute the part of loans granted by CDP that have not yet been taken up by the beneficiaries, whose disbursement is subject to progress with the investments financed. Total amounts at 30 June 2022 were approximately 4 billion euro, essentially in line with the figure recorded at the end of 2021.

Stock of bond funding

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
EMTN/DIP programme	11,431	11,691	(260)	-2.2%
Retail bonds	1,468	2,947	(1,479)	-50.2%
"Stand-alone" issues guaranteed by the State	3,000	3,000		n/s
Panda Bond	143	139	5	3.4%
Commercial paper	2,425	3,639	(1,214)	-33.4%
TOTAL	**18,467**	**21,416**	**(2,949)**	**-13.8%**

With regard to medium/long-term funding, during the first half of 2022, a new issue was made under the "Debt Issuance Programme" (DIP) as a private placement, for an amount of 70 million euro.

Moreover, the first retail bond for individuals resident in Italy, issued by CDP in 2015 for 1.5 billion euro, reached maturity in March 2022.

With reference to short-term funding, in line with the objective of optimising the mix of funding and investments, the stock under the "Multi-Currency Commercial Paper Programme" at 30 June 2022 totalled 2.4 billion euro, down compared to the end of 2021 (-1.2 billion euro).

4.2 INCOME STATEMENT AND BALANCE SHEET RESULTS

4.2.1 CDP S.P.A.

In a complex macroeconomic scenario impacted by the Russian-Ukrainian conflict and the downward revision of the economy's growth forecasts in 2022, CDP's economic and financial performance remained solid.

4.2.1.1 RECLASSIFIED INCOME STATEMENT

The economic performance of CDP set out below refers to the income statement layout reclassified on the basis of management criteria.

NET INCOME OF 1.5 BILLION EURO IN 1 HALF OF 2022

A statement of reconciliation between management and accounting schedules (Annex 2.1 to the report on operations) has been appended in the interest of completeness of information and forms an integral part of the report on operations.

Reclassified Income Statement

(millions of euro; %)	30/06/2022	30/06/2021	Change (+/-)	(%) change
Net interest income	**902**	**856**	**47**	**5.4%**
Dividends	870	547	323	59.0%
Other net revenues (costs)	198	478	(279)	-58.5%
Gross income	**1,971**	**1,881**	**90**	**4.8%**
Write-downs	29	24	5	21.3%
Staff costs and other administrative expenses	(120)	(107)	(13)	12.4%
Amortisation and other operating expenses and income	(8)	(5)	(3)	71.3%
Operating income	**1,872**	**1,793**	**79**	**4.4%**
Provisions for risks and charges		(1)	1	n/s
Income taxes	(386)	(427)	42	-9.8%
NET INCOME FOR THE PERIOD	**1,487**	**1,365**	**122**	**8.9%**

Net interest income amounted to 902 million euro, marking an increase on the first half of 2021 (+47 million euro).

Dividends totalled 870 million euro, up compared with the same period in 2021 (+323 million euro), mainly due to the higher contribution of Eni and CDP Equity.

The item “Other net revenues” amounted to 198 million euro, marking a decrease compared to the first half of 2021 (-279 million euro), reflecting lower income from the management of the securities portfolio.

The cost of risk was positive at +29 million euro, slightly improving compared to the same period in 2021 (+5 million euro). The figure for the first half of 2022 is attributable to the combined effect of (i) net recoveries on the loan portfolio of +95 million euro, in particular on a significant credit exposure, (ii) reversals of impairment of provisions for +28 million euro and (iii) impairment of equity investments for -93 million euro.

Staff costs and administrative expenses amounted to 120 million euro, up compared to the first half of 2021 (+13 million euro) mainly due to the planned growth of the workforce and the implementation of actions aimed at promoting the digitisation of business products, the resilience of ICT systems and the automation of internal processes.

Income tax for the period amounted to 386 million euro and mainly referred to (i) current taxes for the year and (ii) the change in deferred tax assets and liabilities.

Lastly, net income for the period was 1,487 million euro, up from the first half of 2021, mainly as a consequence of the trends described above.

4.2.1.2 RECLASSIFIED BALANCE SHEET

RECLASSIFIED BALANCE SHEET

The reclassified balance sheet of CDP at 30 June 2022 is presented below.

Assets

Assets in CDP's reclassified balance sheet at 30 June 2022 included the following items:

Reclassified balance sheet - Assets

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
Cash and cash equivalents and other treasury investments	178,165	184,801	(6,636)	-3.6%
Loans	116,014	114,226	1,788	1.6%
Debt securities	71,201	67,650	3,551	5.2%
Equity investments and funds	37,498	37,408	90	0.2%
Assets held for trading and hedging derivatives	3,397	508	2,889	n,s,
Property, plant and equipment and intangible assets	427	431	(3)	-0.8%
Accrued income, prepaid expenses and other non-interest-bearing assets	3,667	6,851	(3,184)	-46.5%
Other assets	996	1,085	(89)	-8.2%
TOTAL ASSETS	**411,366**	**412,959**	**(1,593)**	**-0.4%**

Total assets amounted to 411 billion euro, essentially in line with the figure at the end of 2021.

Cash and cash equivalents and other treasury investments amounted to 178 billion euro, down compared to the figure recorded at the end of the previous year (-4%), mainly due to the elimination of the SACE deposit following the transfer of the equity investment held in the company to the MEF.

Loans, which amounted to 116 billion euro, increased with respect to the balance at the end of 2021 (+1.6%), mainly due to the volumes of loans to Public Entities.

Debt securities came to 71 billion euro, up from the year-end 2021 figure (+5%), for purchases made during the half year and government bonds received from the MEF in return for the transfer of the equity investment in SACE.

The stock of equity investments and funds, totalling 37 billion euro, was essentially in line with 2021 (+0.5%). The impact of the transfer of SACE to the MEF was essentially offset by the acquisition of the equity investment in Autostrade per l'Italia by CDP Equity (through Holding Reti Autostradali).

The item "Assets held for trading and hedging derivatives" includes the fair value (where positive) of hedging derivative instruments, including operational hedges that do not qualify as hedges for accounting purposes. The figure at 30 June 2022 amounted to 3.4 billion euro, a considerable increase compared to the end of 2021 (0.5 billion euro), attributable to the significant hike in interest rates recorded in the first half of the year.

The item "Property, plant and equipment and intangible assets" amounted to 427 million euro, of which 371 million euro relating to property, plant and equipment and the remainder to intangible assets.

The item "Accrued income, prepaid expenses and other non-interest bearing assets" amounted to 3.7 billion euro, down compared to the value at the end of 2021, equal to 6.9 billion euro.

Lastly, the item "Other assets", which includes current and deferred tax assets, payments on account for withholding tax on passbook savings accounts and other residual assets, equal to 1.0 billion euro, was essentially in line with the figure at the end of 2021.

Liabilities

At 30 June 2022, the liabilities in CDP's reclassified balance sheet were as follows:

Reclassified balance sheet - Liabilities and equity

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
Funding	382,797	381,896	900	0.2%
of which :				
– *postal funding*	*279,996*	*281,460*	*(1,464)*	*-0.5%*
– *funding from banks*	*68,573*	*62,699*	*5,874*	*9.4%*
– *funding from customers*	*15,760*	*16,322*	*(561)*	*-3.4%*
– *bond funding*	*18,467*	*21,416*	*(2,949)*	*-13.8%*
Liabilities held for trading and hedging derivatives	1,392	3,325	(1,933)	*-58.1%*
Accrued expenses, deferred income and other non-interest-bearing liabilities	479	665	(186)	-27.9%
Other liabilities	630	994	(364)	-36.6%
Provisions for contingencies, taxes and staff severance pay	1,096	771	326	42.3%
Equity	24,972	25,309	(337)	-1.3%
TOTAL LIABILITIES AND EQUITY	**411,366**	**412,959**	**(1,593)**	**-0.4%**

Total funding at 30 June 2022 was 383 billion euro, essentially in line with the figure at the end of 2021.

Postal funding, equal to 280 billion euro, shows a decrease of 0.5% from year-end 2021, due to negative net CDP funding of 3.3 billion euro, partly offset by accrued interest income pertaining to postal savers.

Funding from banks amounted to 69 billion euro, up compared to the figure recorded at the end of the previous year (+9%), mainly due to the growth in short-term funding on the money market.

Funding from customers amounted to 16 billion euro, essentially in line with the figure at the end of 2021.

Bond funding, equal to 18 billion euro, decreased compared to 2021 (-14%) due to bond maturities recorded in the half year and the decrease in commercial papers issued.

The item "Liabilities held for trading and hedging derivatives" includes the fair value (where negative) of hedging derivative instruments, including operational hedges that do not qualify as hedges for accounting purposes. The figure at 30 June 2022 amounted to 1.4 billion euro, down compared to the end of 2021 (3.3 billion euro), attributable to the significant hike in interest rates recorded in the first half of the year.

The item "Accrued expenses, deferred income and other non-interest-bearing liabilities" was 479 million euro, down from 665 million euro at the end of 2021.

With regard to other significant items, there was (i) a decrease in the balance of Other liabilities, equal to 630 million euro at 30 June 2022 (-37% compared to the end of 2020), and (ii) an increase in the balance of Provisions for contingencies, taxes and staff severance pay, equal to 1,096 million euro (771 million euro at the end of 2021).

Finally, equity amounted to 25 billion euro, down slightly from the end of 2021 (-1%) as a result of dividends distributed and the reduction in valuation reserves relating to financial assets measured at fair value, mainly attributable to the new interest rate scenario, partially offset by income accrued in the half year.

4.2.1.3 INDICATORS

Main indicators (reclassified figures)

PROFITABILITY AND CREDIT QUALITY STABLE AT HIGH LEVELS

(%)	30/06/2022	31/12/2021
Structure ratios (%)		
Funding/Total liabilities	93%	92%
Equity/Total liabilities	6%	6%
Postal Savings/Total funding	73%	74%
Performance ratios (%) (1)		
Spread on interest-bearing assets and liabilities	0.6%	0.5%
Cost/income ratio	6%	6%
Net income/Opening equity (ROE)	12%	11%
RISK RATIOS (%)		
Coverage of bad loans (2)	47%	47%
Net non-performing loans/Net loans to customers and banks (3) (4)	0.11%	0.10%
Net adjustments to loans/Net exposure (3) (4)	n,s,	0.005%

(1) For the year 2021, figures refer to 30/06/2021.
(2) Provision bad loans / Gross exposure to bad loans.
(3) Exposure includes Loans to banks and customers, Disbursement commitments, cash & cash equivalents & bonds.
(4) Net exposure is calculated net of the provision for non-performing loans.

Structure ratios related to liabilities were substantially in line with 2021, with postal funding weighing heavily, though dropping slightly, on total funding by around 73%.

With regard to performance ratios, please note (i) growth in the spread between interest-bearing assets and liabilities, (ii) a still very low cost/income ratio (6%), and (iii) a 12% return on equity (ROE).

The creditworthiness of the CDP loan portfolio remained very high, with a moderate risk profile, as highlighted by its excellent risk indicators.

4.2.1.4 MANAGEMENT IMPACTS OF THE COVID-19 HEALTH EMERGENCY AND OUTLOOK OF OPERATIONS.

During 2020, the new COVID-19 virus, originating in China, progressively spread to many countries around the world, with the World Health Organization consequently defining the epidemic as a "pandemic situation".

The health emergency has had profoundly negative repercussions on the national and world economy. Since 2021, there has been a general improvement of economic activities and prospects, after the generalised downturn caused by the COVID-19 health emergency, in part due to the spread of the vaccination campaigns.

With specific reference to CDP, the health crisis had an impact in terms of business, economic and financial performance and operating model.

In line with ESMA's indications in Recommendations for 2020, it should be noted that, with regard to the business activities of the CDP Group, in 2022 a series of extraordinary measures launched in 2020 were continued to support businesses and local areas in the context of the health emergency. In this scenario, particular mention goes to financing dedicated to companies to meet temporary liquidity needs and support working capital.

In addition, CDP and Group companies have assumed a key role in implementing the measures issued by the Italian government to mitigate the impacts of COVID-19 and to support the economy. To be noted in this context, for example, is the continuation of operations of the "Patrimonio Rilancio" under Decree-Law 34 of 19 May 2020, set up with resources contributed by the MEF and managed by CDP, intended to implement measures and operations to support and relaunch the Italian economic and production system as a result of the epidemiological emergency.

With reference to the economic-financial performance, the results for the first half of 2022 remain solid despite the uncertainty that is still hanging over the evolution of the health emergency, subject to constant monitoring.

Finally, in terms of the operating model, right from the start of the lockdown, CDP has guaranteed full operational continuity thanks to the extension of the remote working mode to the entire staff, as illustrated in more detail in the paragraph 'Disclosure of COVID-19 impacts' included in the section Other Issues.

4.2.2 GROUP COMPANIES

The accounting situation of the CDP Group companies as at 30 June 2022 is presented below from a management accounting standpoint. For detailed information concerning balance sheet and income statement performance, refer to the half-yearly condensed financial statements of the Group's companies (if drawn up / published), which contain full accounting information and analyses of the companies' operating performances.

The contribution of the entities sold in 2022, with reference both to the balance sheet figures at 31 December 2021 and to the income statement figures for the period ended 30 June 2022, namely SACE, SACE BT, SACE FCT, SACE SRV and FSE, has been shown, in line with IFRS 5, in aggregate form, respectively, in the reclassified balance sheet items Other assets and Other liabilities, and in the item Other of the reclassified income statement.

A statement of reconciliation between management and accounting schedules (Annex 2.2 to the half-yearly condensed consolidated financial statements) has also been appended in the interest of completeness of information.

4.2.2.1 RECLASSIFIED CONSOLIDATED INCOME STATEMENT

The Group's reclassified consolidated income statement, with a comparison to the previous period, is presented below.

NET INCOME
OF 3.7 BILLION EURO

Reclassified Income Statement

(millions of euro; %)	30/06/2022	30/06/2021	Change (+/-)	(%) change
Net interest income	**786**	**723**	**63**	**8.7%**
Gains (losses) on equity investments	2,558	419	2,139	n/s
Net commission income (expense)	64	52	12	23.1%
Other net revenues (costs)	188	446	(258)	-57.8%
Gross income	**3,596**	**1,640**	**1,956**	**n/s**
Profit (loss) on insurance business				n/s
Profit (loss) on banking and insurance operations	**3,596**	**1,640**	**1,956**	**n/s**
Net recoveries (impairment)	79	(10)	89	n/s
Administrative expenses	(5,759)	(5,374)	(385)	7.2%
Other net operating income (costs)	8,343	8,150	193	2.4%
Operating income	**6,259**	**4,406**	**1,853**	**42.1%**
Net provisions for risks and charges	(65)	(5)	(60)	n/s
Net adjustments to PPE and intangible assets	(1,714)	(1,351)	(363)	26.9%
Goodwill impairment	(47)		(47)	n/s
Other	3	(1,162)	1,165	n/s
Income taxes	(718)	(532)	(186)	35.0%
Net income (loss) for the period	**3,718**	**1,356**	**2,362**	**n/s**
Net income (loss) for the period pertaining to non-controlling interests	894	1,090	(196)	-18.0%
NET INCOME (LOSS) FOR THE PERIOD PERTAINING TO THE PARENT COMPANY	**2,824**	**266**	**2,558**	**n/s**

Net income pertaining to the Parent Company for the period ended 30 June 2022 was equal to 2,824 million euro, compared to net income of 266 million euro in the first half of 2021.

(millions of euro; %)	30/06/2022	30/06/2021	Change (+/-)	(%) change
Interest and commission expense on payables to customers	(2,759)	(2,838)	79	-2.8%
Interest expense on payables to banks	(122)	(115)	(7)	6.1%
Interest expense on securities issued	(291)	(288)	(3)	1.0%
Interest income on debt securities	735	679	56	8.2%
Interest income on financing	3,210	3,273	(63)	-1.9%
Interest on hedging derivatives	(125)	(104)	(21)	20.2%
Other net interest	138	116	22	19.0%
NET INTEREST INCOME	**786**	**723**	**63**	**8.7%**

Net interest income was 786 million euro, an increase on the comparison period due to the gradual increase in market rates recorded during the half year. The balance of the item relates mainly to the Parent Company, whose positive balance was partly offset by the expenses connected with the debt of the industrial companies.

The result of the measurement according to the equity method of investee companies over which the Group has significant influence or which are subject to joint control, included under Gains (losses) on equity investments, led to a gain of 2,558 million euro, against the balance of 419 million euro reported in the first half of 2021. This value mainly reflects the result of the measurement with the equity method of:

- Eni (+1,970 million euro, compared to +232 million euro in the first half of 2021);
- Poste Italiane (+297 million euro, compared to +193 million euro in the first half of 2021);
- SAIPEM (-17 million euro, compared to -99 million euro in the first half of 2021).
- Holding Reti Autostradali, which has control of Autostrade per l'Italia, which contributed positively for +84 million euro, whose entry into the scope of consolidation of the CDP Group — as a joint controlling interest measured using the equity method — took place from May 2022 following completion of the purchase of the equity investment.

Net commission income, amounting to 64 million euro, is up by 23.1% on the comparative period, mainly due to the increase in the Parent Company's commission margin.

(millions of euro; %)	30/06/2022	30/06/2021	Change (+/-)	(%) change
Net gain (loss) on trading activities	87	39	48	n/s
Net gain (loss) on hedging activities	65	(13)	78	n/s
Gains (losses) on disposal or repurchase financial transactions	51	440	(389)	-88.4%
Net gain (loss) on financial assets and liabilities carried at fair value	(15)	(20)	5	-25.0%
OTHER NET REVENUES (COSTS)	**188**	**446**	**(258)**	**-57.8%**

Other net revenues/costs were down by about 258 million euro, mainly as a result of the lower gains on disposal realised on the portfolio at the amortised cost referred to the Parent Company.

Overall, the banking and insurance components resulted in a positive margin amounting to 3,596 million euro, compared to 1,640 million euro in the comparison period.

(millions of euro; %)	30/06/2022	30/06/2021	Change (+/-)	(%) change
Profit (loss) on banking and insurance operations	**3,596**	**1,640**	**1,956**	**n/s**
Net recoveries (impairment)	79	(10)	89	n/s
Administrative expenses	(5,759)	(5,374)	(385)	7.2%
Other net operating income (costs)	8,343	8,150	193	2.4%
Operating income before adjustments to PPE and intangible assets	**6,259**	**4,406**	**1,853**	**42.1%**
Net adjustments to PPE, intangible assets	(1,714)	(1,351)	(363)	26.9%
OPERATING INCOME AFTER ADJUSTMENTS TO PPE AND INTANGIBLE ASSETS	**4,545**	**3,055**	**1,490**	**48.8%**

Administrative expenses increased to 5,759 million euro, mainly due to the higher costs recorded by the companies of the Fincantieri group (+382 million euro).

There was an increase in net adjustments to property, plant and equipment and intangible assets, mainly attributable to the Snam, Terna, Fincantieri, Italgas and Ansaldo Energia groups. With particular reference to the latter, the item includes the impact of the adjustment of intangible assets to their recoverable amount for 376 million euro.

The item Other, which in the prior half year mainly included the effect of the fair value adjustment, set equal to the sale price established in the agreements entered into with the purchaser (Ministry of the Economy and Finance) of the net assets referred to the disposal companies SACE, SACE FCT, SACE BT, SACE SRV and FSE, had a balance of 3 million euro at 30 June 2022 and mainly included the effect of the fair value adjustment of disposal equity investments (FSI SGR and QuattroR SGR), negative at approximately 4 million euro.

4.2.2.2 RECLASSIFIED CONSOLIDATED BALANCE SHEET

CONSOLIDATED ASSETS

The asset side of the reclassified consolidated balance sheet at 30 June 2022 is presented below, in comparison with the figures at the end of 2021:

Reclassified consolidated assets

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
Assets				
Cash and cash equivalents and other treasury investments	179,440	186,219	(6,779)	-3.6%
Loans	119,409	117,806	1,603	1.4%
Debt securities, equity securities and units in collective investment undertakings	83,571	81,310	2,261	2.8%
Equity investments	26,718	20,830	5,888	28.3%
Trading and hedging derivatives	3,601	366	3,235	n/s
Property, plant and equipment and intangible assets	53,586	53,659	(73)	-0.1%
Reinsurers' share of technical reserves				n/s
Other assets	19,026	56,904	(37,878)	-66.6%
TOTAL ASSETS	**485,351**	**517,094**	**(31,743)**	**-6.1%**

Group assets totalled around 485 billion euro, down by 6.1% (32 billion euro) compared to 31 December 2021, mainly due to the deconsolidation of the SACE group.

The changes in financial assets represented by cash and cash equivalents, loans and securities were primarily attributable to the performance of the Parent Company's portfolios.

Debt and equity securities and units in collective investment undertakings increased mainly due to the trends relating to the financial assets classified in the HTC portfolio.

The equity investments item, which stood at 26.7 billion euro, increased by 5.9 billion euro, mainly for the following reasons:

- Eni - the increase deriving from net income for the period pertaining to the Group (including the effect of consolidation entries), equal to +1,970 million euro, and the change in valuation reserves, equal to +493 million euro. Added to these effects is the impact of the reversal of the dividend and other changes for a total negative value of -419 million euro;
- Poste Italiane - the positive contribution (including consolidation adjustments) in the amount of 297 million euro, deriving from net income for the period, as well as the effect of the change in valuation reserves, the reversal of the dividend and other changes for a total negative amount of 847 million euro;
- Saipem - a decrease of 24 million euro in the first half of the year, of which 17 million euro represented by the net income for the period pertaining to the Group;

- purchase, through CDP Equity, of 51% of Holding Reti Autostradali, the parent company of Autostrade per l'Italia, for a value of approximately 4,202 million euro. Between the equity investment acquisition date and 30 June 2022, the measurement using the equity method of Holding Reti Autostradali resulted in income of 84 million euro and an increase in the value of the equity investment of 32 million euro attributable to changes in valuation reserves.

Assets held for trading and hedging derivatives increased by 3.2 billion euro compared to 31 December 2021, standing at 3,601 million euro to reflect the upward trend in interest rates. This item includes the fair value (where positive) of hedging derivative instruments, including operational hedges that do not qualify as hedges for accounting purposes.

Property, plant and equipment and intangible assets totalled 53.6 billion euro, unchanged on the comparison period.

Other assets, amounting to 19 billion euro, decreased by 38 billion euro on the comparison period mainly due to the sale of the equity investment in SACE and its subsidiaries classified among assets held for sale at 31 December 2021.

Net of the impacts of this extraordinary transaction, the item mainly includes the contribution of Fincantieri (6.1 billion euro), Snam (5.7 billion euro), CDP (-0.7 billion euro, negative due to the adjustment of the value of financial assets subject to macrohedging, which at 30 June 2022 had a balance of -2 billion euro), Terna (4.6 billion euro), Italgas (1.3 billion euro) and the Ansaldo Energia group, which contributed to the overall balance for 1.4 billion euro.

CONSOLIDATED LIABILITIES

The liability side of the reclassified consolidated balance sheet at 30 June 2022 is presented below, in comparison with the figures at the end of 2021:

GROWTH IN FUNDING (+1%)

Reclassified consolidated liabilities

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
Liabilities and equity				
Funding	419,733	415,493	4,240	1.0%
of which:				
– *postal funding*	*279,996*	*281,460*	*(1,464)*	*-0.5%*
– *funding from banks*	*83,948*	*79,221*	*4,727*	*6.0%*
– *funding from customers*	*15,857*	*10,781*	*5,076*	*47.1%*
– *bond funding*	*39,932*	*44,031*	*(4,099)*	*-9.3%*
Liabilities held for trading and hedging derivatives	1,679	3,279	(1,600)	-48.8%
Technical reserves				n/s
Other liabilities	20,071	57,141	(37,070)	-64.9%
Provisions for contingencies, taxes and staff severance pay	5,854	5,739	115	2.0%
Total equity	38,014	35,442	2,572	7.3%
TOTAL LIABILITIES AND EQUITY	**485,351**	**517,094**	**(31,743)**	**-6.1%**

The CDP Group's total funding stood at 420 billion euro at 30 June 2022, up by 1.0% on the end of 2021.

Postal funding refers exclusively to the Parent Company. Please refer to the specific section for the related comments.

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
Due to central banks	**5,079**	**5,096**	**(17)**	**-0.3%**
Due to banks	**78,869**	**74,125**	**4,744**	**6.4%**
Current accounts and demand deposits	23	27	(4)	-14.8%
Fixed-term deposits	1,647	1,910	(263)	-13.8%
Repurchase agreements	55,920	52,297	3,623	6.9%
Other loans	18,111	17,837	274	1.5%
Other payables	3,168	2,054	1,114	54.2%
FUNDING FROM BANKS	**83,948**	**79,221**	**4,727**	**6.0%**

The following components contributed to funding levels:

- funding from banks, up by 4.7 billion euro compared to 31 December 2021, mainly due to the growth in short-term funding on the money market by the Parent Company;
- funding from customers, the increase of which was mainly due to Parent Company dynamics;
- bond funding, down by 4.1 billion euro, was mainly affected by the bond maturities recorded and the decrease in the Parent Company's commercial papers issued, which led to a decrease in the item of 2.9 billion euro.

Liabilities held for trading and hedging derivatives totalled 1.7 billion euro, down by 1.6 billion euro on the comparison period. The change is attributable to the lower negative value of the hedging derivatives subscribed by the Parent Company.

Other liabilities, which totalled approximately 20.1 billion euro, down by 37.1 billion euro on 31 December 2021, were affected by the impact of the sale and consequent deconsolidation of SACE, its investee companies SACE FCT, SACE BT, SACE SRV and the vehicle Fondo Sviluppo Export for 40.5 billion euro.

The item, in addition to the other liabilities of the Parent Company, also includes significant balances relating to other Group companies, such as total trade payables (9.4 billion euro) and contract work in progress (2.1 billion euro) for which the advances received from customers exceed the production to date.

Provisions for contingencies, taxes and staff severance pay stood at approximately 5.9 billion euro at 30 June 2022, essentially unchanged compared to the end of the prior year.

Equity amounted to approximately 38.0 billion euro at 30 June 2022 and is presented below in comparison with the previous financial period. The increase of 2.6 billion euro is due to:

- the net income for the period;
- the placement by Terna of hybrid instruments for 1 billion euro;
- dynamics linked to the payment of dividends.

(millions of euro; %)	30/06/2022	31/12/2021	Change (+/-)	(%) change
Group's Equity	22,140	21,163	977	4.6%
Non-controlling interests	15,874	14,279	1,595	11.2%
TOTAL EQUITY	**38,014**	**35,442**	**2,572**	**7.3%**

4.2.2.3 CONTRIBUTION OF THE BUSINESS SEGMENTS TO THE GROUP'S RESULTS

For the contribution of the business segments to the Group's financial performance at the level of the reclassified income statement and main items of the reclassified balance sheet, reference is made to the paragraph "Consolidated information on operating segments" included in the half-yearly condensed consolidated financial statements.

4.2.2.4 CONSOLIDATED STATEMENT OF RECONCILIATION

Finally, the statement of reconciliation between equity and net income for the period at the level of the Parent Company and at the consolidated level of the CDP Group is provided below.

Reconciliation between equity and net income of the Parent Company and consolidated equity and net income

(millions of euro)	Net income for the period	Share capital and reserves	Total
Parent Company's financial data	**1,487**	**23,485**	**24,972**
Balance from financial statements of fully consolidated companies	587	35,969	36,556
Consolidation adjustments:			
Carrying amount of directly consolidated equity investments		(24,336)	(24,336)
Differences of purchase price allocation	(116)	5,646	5,530
Dividends from fully consolidated companies	(626)	626	
Measurement of equity investments accounted for with the equity method	2,313	7,858	10,171
Dividends of companies measured with the equity method	(598)	(13,399)	(13,997)
Elimination of intercompany transactions	8	(365)	(357)
Reversal of measurements in the separate financial statements	598	1,179	1,777
Value adjustements		(32)	(32)
Deferred tax assets and liabilities	88	(1,782)	(1,694)
Other adjustments	(23)	(553)	(576)
Non-controlling interests	(894)	(14,980)	(15,874)
GROUP'S FINANCIAL DATA	**2,824**	**19,316**	**22,140**

3.
HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

Consolidated financial statements at 30 June 2022

Notes to the consolidated financial statements

Annexes

Independent Auditor’s Report

Certification of the half-yearly condensed consolidated financial statements pursuant to Article 154-*bis* of Legislative Decree 58/98

FORM AND CONTENT OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

The half-yearly condensed consolidated financial statements at 30 June 2022 have been prepared in compliance with applicable regulations and consist of:

- Consolidated balance sheet;
- Consolidated income statement;
- Consolidated statement of comprehensive income;
- Statement of changes in consolidated equity;
- Consolidated statement of cash flows;
- Notes to the consolidated financial statements.

The Notes to the Consolidated Financial Statements are composed of:

- Introduction;
- Accounting policies;
- Information on the consolidated balance sheet;
- Information on the consolidated income statement;
- Risk monitoring;
- Business combinations;
- Transactions with related parties;
- Share-based payments;
- Information on operating segments.

The following are also included:

- Annexes
- Independent Auditor’s Report;
- Certification pursuant to Article 154-*bis* of Legislative Decree no. 58/98.

In the “Annexes” section, paragraph 1.1 “Scope of consolidation” has been added and forms an integral part of the half-yearly condensed consolidated financial statements (Annex 1.1).

CONTENTS OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022

CONSOLIDATED BALANCE SHEET

Assets (thousands of euro)		30/06/2022	31/12/2021
10.	Cash and cash equivalents	4,387,337	5,234,932
20.	Financial assets measured at fair value through profit or loss:	3,564,375	3,567,508
	a) financial assets held for trading	268,834	68,248
	b) financial assets designated at fair value	221,792	456,966
	c) other financial assets mandatorily measured at fair value	3,073,749	3,042,294
30.	Financial assets measured at fair value through other comprehensive income	13,084,234	15,768,288
40.	Financial assets measured at amortised cost:	361,653,271	360,831,187
	a) loans to banks	33,233,980	39,777,904
	b) loans to customers	328,419,291	321,053,283
50.	Hedging derivatives	3,331,810	298,125
60.	Fair value change of financial assets in hedged portfolios (+/-)	(1,999,927)	1,267,985
70.	Equity investments	26,718,077	20,830,618
80.	Reinsurers' share of technical reserves		
90.	Property, plant and equipment	41,583,238	41,108,394
100.	Intangible assets	12,003,046	12,551,033
	- *of which: goodwill*	*1,056,980*	*1,095,724*
110.	Tax assets:	2,082,180	1,974,745
	a) current tax assets	123,087	179,732
	b) deferred tax assets	1,959,093	1,795,013
120.	Non-current assets and disposal groups held for sale	928,215	38,653,095
130.	Other assets	18,015,579	15,008,330
	TOTAL ASSETS	**485,351,435**	**517,094,240**

Liabilities and equity (thousands of euro)	30/06/2022	31/12/2021
10. Financial liabilities measured at amortised cost:	419,696,265	415,458,134
a) due to banks	54,857,631	49,726,217
b) due to customers	324,906,900	321,700,769
c) securities issued	39,931,734	44,031,148
20. Financial liabilities held for trading	414,139	135,199
30. Financial liabilities designated at fair value	36,543	34,383
40. Hedging derivatives	1,264,670	3,143,800
50. Fair value change of financial liabilities in hedged portfolios (+/-)	909	2,067
60. Tax liabilities:	2,801,497	2,789,088
a) current tax liabilities	144,363	124,538
b) deferred tax liabilities	2,657,134	2,664,550
70. Liabilities associated with non-current assets and disposal groups held for sale	293,520	40,707,805
80. Other liabilities	19,777,116	16,432,044
90. Staff severance pay	190,681	208,817
100. Provisions for risks and charges:	2,862,188	2,741,140
a) guarantees issued and commitments	665,687	450,288
b) pensions and other post-retirement benefit obligations		
c) other provisions	2,196,501	2,290,852
110. Technical reserves		
120. Valuation reserves	(127,579)	455,643
130. Redeemable shares		
140. Equity instruments		
145. Interim dividends		
150. Reserves	13,336,292	11,619,920
160. Share premium reserve	2,378,517	2,378,517
170. Share capital	4,051,143	4,051,143
180. Treasury shares (-)	(322,220)	(322,220)
190. Non-controlling interests (+/-)	15,873,861	14,279,211
200. Net income (loss) for the period (+/-)	2,823,893	2,979,549
TOTAL LIABILITIES AND EQUITY	**485,351,435**	**517,094,240**

CONSOLIDATED INCOME STATEMENT

Items (thousands of euro)		1st half of 2022	1st half of 2021
10.	Interest income and similar income	3,971,312	3,947,477
	- *of which: interest income calculated using the effective interest rate method*	*4,101,374*	*4,069,245*
20.	Interest expense and similar expense	(2,618,480)	(2,534,728)
30.	**Net interest income**	**1,352,832**	**1,412,749**
40.	Commission income	233,051	102,277
50.	Commission expense	(735,987)	(739,007)
60.	**Net commission income (expense)**	**(502,936)**	**(636,730)**
70.	Dividends and similar revenues	24,774	37,751
80.	Profits (losses) on trading activities	87,586	38,904
90.	Net gains (losses) on hedge accounting	65,222	(12,869)
100.	Gains (losses) on disposal or repurchase of:	50,664	440,014
	a) financial assets measured at amortised cost	33,215	340,140
	b) financial assets at fair value through other comprehensive income	31,764	99,874
	c) financial liabilities	(14,315)	
110.	Net gains (losses) on other financial assets/liabilities at fair value through profit or loss:	(15,276)	(20,319)
	a) financial assets and liabilities designated at fair value	1,920	611
	b) other financial assets mandatorily at fair value	(17,196)	(20,930)
120.	**Gross income**	**1,062,866**	**1,259,500**
130.	Net adjustments/recoveries for credit risk relating to:	16,798	(14,578)
	a) financial assets measured at amortised cost	15,926	(16,774)
	b) financial assets at fair value through other comprehensive income	872	2,196
140.	Gains/losses from changes in contracts without derecognition	(39)	(377)
150.	**Financial income (expense), net**	**1,079,625**	**1,244,545**
160.	Net premium income		
170.	Net other income (expense) from insurance operations		
180.	**Net income from financial and insurance operations**	**1,079,625**	**1,244,545**
190.	Administrative expenses:	(5,759,279)	(5,373,956)
	a) staff costs	(1,289,649)	(1,292,434)
	b) other administrative expenses	(4,469,630)	(4,081,522)
200.	Net accruals to the provisions for risks and charges:	(2,940)	(530)
	a) guarantees issued and commitments	61,947	4,409
	b) other net accrual	(64,887)	(4,939)
210.	Net adjustments to/recoveries on property, plant and equipment	(893,888)	(889,353)
220.	Net adjustments to/recoveries on intangible assets	(820,031)	(462,186)
230.	Other operating income (costs)	8,342,884	8,150,503
240.	**Operating costs**	**866,746**	**1,424,478**
250.	Gains (losses) on equity investments	2,532,900	380,689
260.	Net gains (losses) on property, plant and equipment and intangible assets measured at fair value		
270.	Goodwill impairment	(47,023)	
280.	Gains (losses) on disposal of investments	8,257	1,655
290.	**Income (loss) before tax from continuing operations**	**4,440,505**	**3,051,367**
300.	Income tax for the period on continuing operations	(717,969)	(531,419)
310.	**Income (loss) after tax on continuing operations**	**3,722,536**	**2,519,948**
320.	Income (loss) after tax on discontinued operations	(4,734)	(1,163,994)
330.	**Net income (loss) for the period**	**3,717,802**	**1,355,954**
340.	Net income (loss) for the period pertaining to non-controlling interests	893,909	1,089,577
350.	**Net income (loss) for the period pertaining to shareholders of the Parent Company**	**2,823,893**	**266,377**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Items (thousands of euro)		1st half of 2022	1st half of 2021
10.	**Net income (loss) for the period**	**3,717,802**	**1,355,954**
	Other comprehensive income (net of tax) not transferred to income statement	**(411,864)**	**152,632**
20.	Equity securities designated at fair value through other comprehensive income	(399,869)	145,332
30.	Financial liabilities designated at fair value through profit or loss (change in the entity's own credit risk)		
40.	Hedging of equity securities designated at fair value through other comprehensive income		
50.	Property, plant and equipment		
60.	Intangible assets		
70.	Defined benefit	16,901	4,812
80.	Non-current assets and disposal groups held for sale		
90.	Share of valuation reserves of equity investments accounted for using equity method	(28,896)	2,488
	Other comprehensive income (net of tax) transferred to income statement	**23,700**	**107,680**
100.	Hedging of foreign investments		
110.	Exchange rate differences	51,255	24,842
120.	Cash flow hedges	342,338	(17,523)
130.	Hedging instruments (elements not designated)		
140.	Financial assets (other than equity securities) measured at fair value through other comprehensive income	(418,271)	(101,586)
150.	Non-current assets and disposal groups held for sale		
160.	Share of valuation reserves of equity investments accounted for using equity method	48,378	201,947
170.	**Total other comprehensive income (net of tax)**	**(388,164)**	**260,312**
180.	**Comprehensive income (items 10+170)**	**3,329,638**	**1,616,266**
190.	Consolidated comprehensive income pertaining to non-controlling interests	1,100,217	1,146,412
200.	**Consolidated comprehensive income pertaining to shareholders of the Parent Company**	**2,229,421**	**469,854**

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY AT 30 JUNE 2022

				Allocation of net income for previous year		Changes for the period		
							Equity transactions	
(thousands of euro)	Balance at 31/12/2021	Changes in opening balance	Balance at 01/01/2022	Reserves	Dividends and other allocations (*)	Changes in reserves	Issues of new shares	Purchase of own shares
Share capital:								
a) ordinary shares	7,366,942		7,366,942				358	
b) preference shares	1,350		1,350					
Share premium reserve	3,942,201		3,942,201	(13,626)			1,253	
Reserves:								
a) income	18,867,888		18,867,888	2,529,919		241,122	(1,205)	
b) other	756,883		756,883			4,574		
Valuation reserves	257,909		257,909			9,863		
Equity instruments								
Interim dividends	(498,192)		(498,192)	498,192				
Treasury shares	(576,883)		(576,883)					207,717
Net income (loss) for the period	5,323,665		5,323,665	(3,014,485)	(2,309,180)			
Total Equity	**35,441,763**		**35,441,763**		**(2,309,180)**	**255,559**	**406**	**207,717**
Equity Group	**21,162,552**		**21,162,552**		**(1,284,323)**	**21,292**		
Equity Non-controlling interests	**14,279,211**		**14,279,211**		**(1,024,857)**	**234,267**	**406**	**207,717**

(*) Dividend per share distributed by the Parent Company equal to 3.8 euro as an ordinary dividend.

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY AT 30 JUNE 2021

				Allocation of net income for previous year		Changes for the period		
							Equity transactions	
(thousands of euro)	Balance at 31/12/2020	Changes in opening balance	Balance at 01/01/2021	Reserves	Dividends and other allocations (*)	Changes in reserves	Issues of new shares	Purchase of own shares
Share capital:								
a) ordinary shares	7,211,883		7,211,883			1,055		
b) preference shares	1,350		1,350					
Share premium reserve	3,919,731		3,919,731			1,359		
Reserves:								
a) income	21,406,431	(5,242)	21,401,189		(2,459,528)	88,726		
b) other	836,830		836,830			3,063		
Valuation reserves	201,415		201,415			(4,042)		
Equity instruments								
Interim dividends	(466,177)		(466,177)	466,177				
Treasury shares	(575,139)		(575,139)					(7,015)
Net income (loss) for the period	1,163,066	1,623	1,164,689	(466,177)	(698,512)			
Total Equity	**33,699,390**	**(3,619)**	**33,695,771**		**(3,158,040)**	**90,161**		**(7,015)**
Equity Group	**20,436,830**	**(623)**	**20,436,207**		**(2,220,527)**	**(8,014)**		
Equity Non-controlling interests	**13,262,560**	**(2,996)**	**13,259,564**		**(937,513)**	**98,175**		**(7,015)**

(*) Dividend per share distributed by the Parent Company equal to 6.57 euro as an ordinary dividend.

Changes for the period									
Equity transactions									
Interim dividends	Special dividend distribution	Changes in equity instruments	Derivatives on own shares	Stock options	Change in equity interests	Comprehensive income for 30/06/2022	Shareholders' Equity at 30/06/2022	Group's Equity at 30/06/2022	Equity Non-controlling interests at 30/06/2022
					24,036		7,391,336	4,051,143	3,340,193
							1,350		1,350
					23,311		3,953,139	2,378,517	1,574,622
					47,256		21,684,980	13,359,220	8,325,760
				3,584	101		765,142	(22,928)	788,070
					581	(388,164)	(119,811)	(127,579)	7,768
		989,135					989,135		989,135
							(369,166)	(322,220)	(46,946)
						3,717,802	3,717,802	2,823,893	893,909
		989,135		**3,584**	**95,285**	**3,329,638**	**38,013,907**	**22,140,046**	**15,873,861**
					11,104	**2,229,421**	**22,140,046**	**22,140,046**	
		989,135		**3,584**	**84,181**	**1,100,217**	**15,873,861**		**15,873,861**

Changes for the period									
Equity transactions									
Interim dividends	Special dividend distribution	Changes in equity instruments	Derivatives on own shares	Stock options	Change in equity interests	Comprehensive income for 30/06/2021	Shareholders' Equity at 30/06/2021	Group's Equity at 30/06/2021	Equity Non-controlling interests at 30/06/2021
					29,909		7,242,847	4,051,143	3,191,704
							1,350		1,350
					21,883		3,942,973	2,378,517	1,564,456
	(19,500)				23,730		19,034,617	11,619,693	7,414,924
				434			840,327	(23,170)	863,497
					(54)	260,312	457,631	710,442	(252,811)
							(582,154)	(322,220)	(259,934)
						1,355,954	1,355,954	266,377	1,089,577
	(19,500)			**434**	**75,468**	**1,616,266**	**32,293,545**	**18,680,782**	**13,612,763**
					3,262	**469,854**	**18,680,782**	**18,680,782**	
	(19,500)			**434**	**72,206**	**1,146,412**	**13,612,763**		**13,612,763**

CONSOLIDATED STATEMENT OF CASH FLOWS (INDIRECT METHOD)

(thousands of euro)	1st half of 2022	1st half of 2021
A. OPERATING ACTIVITIES		
1. Operations	**(5,296,124)**	**4,187,211**
Net income for the period (+/-)	3,717,802	1,355,954
Gains (losses) on financial assets held for trading and other financial assets/liabilities measured at fair value through profit or loss (-/+)	(7,484)	20,818
Gains (losses) on hedging activities (-/+)	38,910	12,592
Net impairment adjustments (+/-)	(78,745)	24,688
Net value adjustments to property, plant and equipment and intangible assets (+/-)	1,760,942	1,353,413
Net provisions and other costs/revenues (+/-)	64,887	2,968
Net premiums not received (-)	(19,072)	(17,615)
Other insurance income not received/paid (-/+)	(25,167)	34,096
Unpaid charges, taxes and tax credits (+/-)	(262,795)	(473,130)
Writedowns/writebacks of equity investments (+/-)	(2,459,267)	(381,231)
Income (loss) after tax on discontinued operations (+/-)	7,675	1,241,321
Other adjustments (+/-)	(8,033,810)	1,013,337
2. Cash generated by/used in financial assets	**(2,464,898)**	**2,126,124**
Financial assets held for trading	(194,130)	444,867
Financial assets designated at fair value	237,093	
Other financial assets mandatorily measured at fair value	(9,839)	34,170
Financial assets measured at fair value through other comprehensive income	1,784,862	(682,019)
Financial assets measured at amortised cost	3,102,216	2,687,550
Other assets	(7,385,100)	(358,444)
3. Cash generated by/used in financial liabilities	**(18,022,031)**	**3,749,711**
Financial liabilities measured at amortised cost	4,212,748	5,378,652
Financial liabilities held for trading	288,997	(70,524)
Financial liabilities designated at fair value	699	(2,132)
Other liabilities	(22,524,475)	(1,556,285)
Cash generated by/used in operating activities	**(25,783,053)**	**10,063,046**
B. INVESTMENT ACTIVITIES		
1. Cash generated by	**910,953**	**566,839**
Sale of equity investments	221,873	26,903
Dividends from equity investments	623,427	453,210
Sale of property plant and equipment	44,765	86,144
Sale of intangibles	1,134	582
Sales of subsidiaries and business units	19,754	
2. Cash used in	**(6,201,577)**	**(2,161,617)**
Purchase of equity investments	(4,204,567)	(417,426)
Purchase of property, plant and equipment	(1,389,572)	(1,199,252)
Purchase of intangible assets	(555,385)	(544,939)
Purchases of subsidiaries and business units	(52,053)	
Cash generated by/used in investing activities	**(5,290,624)**	**(1,594,778)**
C. FINANCING ACTIVITIES		
Issue/purchase of treasury shares	(11,168)	(10,025)
Issue/purchase of equity instruments	989,135	
Dividend distribution and other allocations	(2,309,180)	(3,177,540)
Sale/purchase of third-party control	2,860	
Cash generated by/used in financing activities	**(1,328,353)**	**(3,187,565)**
CASH GENERATED/USED DURING THE PERIOD	**(32,402,030)**	**5,280,703**

Key: (+) generated (-) used

RECONCILIATION

Items (*)	1st half of 2022	1st half of 2021
Cash and cash equivalents at beginning of the period	**194,060,741**	**195,350,385**
Total cash generated/used during the period	(32,402,030)	5,280,703
Cash and cash equivalents: foreign exchange effect	6,678	7,682
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**161,665,389**	**200,638,770**

(*) The cash and cash equivalents reported in the cash flow statement comprise the balance of item 10 "Cash and cash equivalents" (Euro/000 4,837,337 vs Euro/000 6,000,140 as of 30/06/2021), the balance on the current account held with the Central Treasury (Euro/000 157,237,638 vs Euro/000 163,406,607 as of 30/06/2021), and the balance of the cash and cash equivalents reported under item 120 "Non-current assets and disposal groups held for sale" (Euro/000 63,421 vs Euro/000 31,337,576 as of 30/06/2021), net of current accounts with a negative balance reported under item 10 "Financial liabilities measured at amortised cost" under liabilities (Euro/000 23,007 vs Euro/000 105,553 as of 30/06/2021).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

INTRODUCTION

FORM AND CONTENT OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The half-yearly condensed consolidated financial statements of the Cassa Depositi e Prestiti Group (“CDP Group” or “Group”) have been prepared in accordance with the international financial reporting standards, and in particular IAS 34, which sets out the minimum content and the basis of preparation for half-yearly financial reports.

The half-yearly condensed consolidated financial statements at 30 June 2022 clearly present, and give a true and fair view of, the Group’s financial performance and results of operations for the period. The figures shown in these statements correspond with the company accounting records and fully reflect the transactions conducted during the half-year period.

The half-yearly condensed consolidated financial statements use the same consolidation principles and measurement criteria as those described in the last Annual Financial Report, to which reference should be made for more details.

BASIS OF PRESENTATION

The consolidated financial statements and the tables of the notes to the consolidated financial statements are expressed in thousands of euros, unless otherwise specified.

In the income statement, income is indicated as positive numbers, while expenses are shown in brackets.

The figures of the items, sub-items, and the “of which” specifications in the consolidated financial statements and in the tables of the notes to the financial statements have been rounded as appropriate, while ignoring the fractions of amounts equal to or less than 500 euro and raising fractions greater than 500 euro to the next highest thousand. The rounded amounts for the various items are the sum of the rounded balances of sub-items.

The cash and cash equivalents reported in the Statement of cash flows comprise the balance of item 10 “Cash and cash equivalents”, inclusive of the positive balance of bank current accounts on demand, the balance on the current account held with the Central State Treasury reported under item 40 b “Loans to customers”, the balance of the cash and cash equivalents reported under item 120 “Non-current assets and disposal groups held for sale”, net of current accounts with a negative balance reported under item 10 a “Due to banks” of liabilities.

With reference to the requirements set out in paragraph 33 of IFRS 5, note that the contribution of discontinued operations (represented by SACE, SACE BT, SACE FCT, SACE SRV and the investment entity FSE) to the cash generated by operating activities amounts to 691 million euro (1,893 million euro in the first half of 2021), while that used in investing activities amounts to 0.4 million euro (cash used of 1.3 million euro in the first half of 2021). With specific reference to the SACE group companies sold in March, the cash attributable to them at the deconsolidation date amounted to 32,297 million euro.

COMPARISON AND DISCLOSURE

As detailed below, the notes to the financial statements provide all information required by law, as well as any supplemental information deemed necessary in order to give a true and fair view of the company’s financial performance and standing.

These financial statements comply with the requirements of Bank of Italy circular No. 262/2005, updated as at 29 October 2021, and include, in accordance with IAS 34, accounting data as at 30 June 2022 as well as the following comparative data:

- Consolidated balance sheet at 31 December 2021;
- Consolidated income statement for the period ended 30 June 2021;
- Consolidated statement of comprehensive income at 30 June 2021;
- Statement of changes in consolidated equity at 30 June 2021;
- Consolidated statement of cash flows at 30 June 2021.

The statement of cash flows, prepared using the indirect method and in accordance with the format set out in the above-mentioned Bank of Italy circular No. 262/2005, includes, under cash generated by/used in financial liabilities, the changes in liabilities arising from financing activities, as provided by par. 44 B of IAS 7.

With regard to the requirements of the afore-mentioned Circular 262/2005 on presentation of data and information for the scope of “prudential consolidation”, we note that, in line with the Italian and EU regulatory framework, the CDP Group is not subject to prudential supervision on a consolidated basis. Therefore, the Parent Company CDP S.p.A. and the following companies, subject to supervision on an individual basis, were included where reference is made to the scope of “prudential consolidation”: CDP Immobiliare SGR, CDP Venture Capital SGR and Fondo Italiano di Investimento SGR.

Where significant, detailed information has been provided distinguishing between “prudential consolidation” (which can be referred to alternatively as “banking group”), and “other companies”.

All fully consolidated subsidiaries, other than those already included in the scope of the “prudential consolidation”, or “banking group”, are included in the “other companies” scope.

LIMITED REVIEW OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The half-yearly condensed consolidated financial statements of the CDP Group are subject to limited review by the independent auditing firm Deloitte & Touche S.p.A., following award of the audit engagement for the 2020-2028 period by the Shareholders’ Meeting of CDP S.p.A., held in ordinary session on 19 March 2019.

ANNEXES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Annex 1.1 “Scope of consolidation” is attached to the consolidated financial statements.

ACCOUNTING POLICIES

GENERAL INFORMATION

SECTION 1 - DECLARATION OF COMPLIANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS

These half-yearly condensed consolidated financial statements as of and for the six months ended 30 June 2022 have been prepared, with regard to the recognition, classification and subsequent measurement criteria, in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), including the SIC and IFRIC interpretations, in force at 30 June 2022 and endorsed by the European Commission, as provided by Regulation (EC) 1606 of 19 July 2002, published in the Official Journal L 243 on 11 September 2002.

In particular, the content of these half-yearly condensed consolidated financial statements complies with IAS 34, which sets out the minimum content and the basis of preparation for interim financial reports. The CDP Group has exercised the option to prepare the half-yearly financial report in the condensed format as opposed to the full disclosure envisaged for the consolidated annual report.

In addition, these half-yearly condensed consolidated financial statements have been prepared, as applicable, in accordance with Bank of Italy Circular no. 262 issued on 22 December 2005, in the version updated on 29 October 2021, on the “Bank financial statements: presentation formats and rules”, which regulates the preparation of the financial statements of banks according to the IFRS.

SECTION 2 - GENERAL PREPARATION PRINCIPLES

The half-yearly condensed consolidated financial statements include the consolidated balance sheet, the consolidated income statement, the consolidated statement of comprehensive income, the statement of changes in consolidated equity, the consolidated statement of cash flows (prepared according to the “indirect method”), and these notes, as well as the Board of Directors’ interim report on operations of the Group.

The consolidated financial statements and tables in the notes to the financial statements present not only the amounts related to the current financial period but also the corresponding comparative values.

The consolidated balance sheet does not contain those items having a zero amount as of 30 June 2022 and 31 December 2021. The consolidated income statement and the consolidated statement of comprehensive income do not contain items that have a zero amount in the reporting and comparative period.

In the consolidated income statement, in the consolidated statement of comprehensive income, and in the tables in the notes to the consolidated financial statements, revenues are shown as positive, while costs are shown as negative in brackets, when presented in tables in combination with revenues.

For the purposes of interpretation and to provide support in applying the financial reporting standards, the following documents have also been considered, although they have not been endorsed by the European Commission:

- Conceptual framework for financial reporting;
- Implementation Guidance and Basis for Conclusions;
- SIC/IFRIC interpretations;
- Interpretative documents on the application of the IFRS in Italy, prepared by the Organismo Italiano di Contabilità (Italian Accounting Board, OIC) and the Italian Banking Association (ABI);
- Documents issued by the EBA, ESMA and Consob concerning the application of specific IFRS rules;

- Documents issued by ESMA, IOSCO and Consob with regard to assessments and disclosures required in respect of the impacts arising from: (i) the Covid-19 outbreak; (ii) issues related to climate change; (iii) Russia's invasion of Ukraine[36].

Where the information required by the IFRS and the regulations of the Bank of Italy is deemed to be inadequate in presenting the company's financial standing in a true and fair manner, the notes to the consolidated financial statements, also provide supplemental information for such purpose.

These half-yearly condensed consolidated financial statements have been prepared in accordance with the following provisions of IAS 1 - "Presentation of Financial Statements":
- Going concern basis: pursuant to the provisions of the joint document no. 2 of 6 February 2009 issued by Bank of Italy/Consob/Isvap concerning disclosures on the going concern basis, in compliance with the requirements on the same issue contained in IAS 1 revised and in accordance with the recommendations provided by ESMA, the CDP Group has performed an assessment of its ability to continue to operate as a going concern, considering all available information over a medium-term time horizon. Based on an analysis of the information and the results achieved in previous years, CDP deems appropriate to prepare its consolidated financial statements on a going concern basis;
- Accruals basis: operations are recognised in the accounting records and in the consolidated financial statements of the CDP Group (except for the disclosure about cash flows) when they accrue, regardless of the payment or collection date. Costs and revenues are recognised in profit or loss in accordance with the matching principle;
- Materiality and aggregation: all items containing assets, liabilities, revenues and expenses of a similar nature and with similar characteristics are presented separately in the financial statements, unless they are immaterial;
- Offsetting: no assets have been offset with liabilities, nor income with expenses, unless expressly required or allowed by the instructions of the Bank of Italy or by an accounting standard or a related interpretation;
- Frequency of reporting: the CDP Group has prepared these half-yearly condensed consolidated financial statements, presenting the related disclosures, on an annual basis. No changes occurred with respect to the interim reporting date, which remains at 30 June of each year;
- Comparative information: comparative information is disclosed in respect of the previous financial period. This comparative information, which for the balance sheet refers to the reporting date of the previous financial year and for the income statement refers to the first half of the previous year, is provided for each document comprising the financial statements, including the notes thereto.

USE OF ESTIMATES

The application of International Financial Reporting Standards in preparing the half-yearly condensed consolidated financial statements requires the CDP Group to make accounting estimates that are considered reasonable and realistic according to the informa-

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[36] These references are:
- ESMA Communication dated 25 March 2020 "Public Statement. Accounting implications of the Covid 19 outbreak on the calculation of expected credit losses in accordance with IFRS 9";
- Document of the IFRS Foundation dated 27 March 2020 "IFRS 9 and Covid-19 - Accounting for expected credit losses applying IFRS 9 Financial Instruments in the light of current uncertainty resulting from the Covid-19 pandemic";
- ECB Letter dated 1 April 2020 "IFRS 9 in the context of the coronavirus (Covid-19) pandemic" addressed to all significant entities;
- Consob warning notice no. 6/20 of April 2020, 'Covid-19 - Drawing attention to financial reporting';
- ESMA Communication dated 20 May 2020 "Implications of the Covid-19 outbreak on the half-yearly financial reports";
- Consob warning notice no. 8/20 dated July 2020, 'Covid-19 - Drawing attention to financial reporting';
- ESMA statement dated 28 October 2020 'European common enforcement priorities for 2020 annual financial reports';
- Consob warning notice no. 1/21 dated February 2021, 'Covid-19 – Measures on support for the economy – Reporting to be provided';
- ESMA statement dated 29 October 2021 'European common enforcement priorities for 2021 annual financial reports';
- Bank of Italy, Consob, IVASS and FIU Communication of 7 March 2022 "Reminder regarding compliance with the restrictive measures adopted by the EU in response to the Russian military aggression in Ukraine";
- Consob warning notice of 18 March 2022 "Consob draws the attention of supervised issuers to the impact of the war in Ukraine on inside information and financial reporting";
- ESMA Public Statement of 13 May 2022 "Implications of Russia's invasion of Ukraine on half-yearly financial reports" relating to the effects of the invasion of Ukraine by Russia on 2022 half-yearly financial reports prepared in accordance with IAS 34 "Interim financial reporting";
- Consob warning notice no. 3/22 of 19 May 2022 on the conflict in Ukraine – Warning notice to supervised issuers on financial reporting and the obligations related to compliance with the restrictive measures adopted by the European Union against Russia.

tion available at the time the estimate is made. Such estimates impact the carrying amount of the assets and liabilities, costs, revenues, and the disclosures on contingent assets and liabilities as of the reporting date, as well as the amounts reported for revenues and costs for the reference period.

Changes in the conditions underlying the judgements, assumptions and estimates used could also have an impact on the consolidated financial statement items and earnings result in the future periods.

RELEVANT ACCOUNTING POLICIES AND UNCERTAINTIES ABOUT THE USE OF ESTIMATES IN THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (IN ACCORDANCE WITH IAS 1 AND THE RECOMMENDATIONS CONTAINED IN BANK OF ITALY/CONSOB/ISVAP DOCUMENTS NO. 2 OF 6 FEBRUARY 2009 AND NO. 4 OF 3 MARCH 2010)

The application of certain accounting standards necessarily involves the use of estimates and assumptions that have an effect on the values of assets, liabilities, costs and revenues recognised in the financial statements and on the reporting on potential assets and liabilities.

The underlying assumptions of the estimates take into account all the information available at the date of preparation of the consolidated financial statements, as well as hypothesis considered reasonable, also in light of historical experience. Because of their nature, it cannot therefore be excluded that the assumptions made, however reasonable, may not be confirmed in the future scenarios the CDP Group will operate in. The results that will be achieved in the future may therefore differ from the estimates made for the purposes of preparing the half-yearly condensed consolidated financial statements and it may therefore be necessary to make adjustments that cannot be foreseen or estimated to date with respect to the carrying value of the assets and liabilities recognised in the financial statements. In this respect, it should be noted that adjustments to the estimates may be necessary as a result of changes in the circumstances on which the estimates were based, as a result of new information or increased experience.

The main areas in which management is required to make subjective assessments are:

- the calculation of impairment losses on loans, equity investments and, in general, other financial assets subject to impairment;
- the use of measurement techniques to determine the fair value of financial instruments not listed on an active market;
- the calculation of employee benefits and provisions for risks and charges;
- the estimation of income taxes when preparing the half-yearly condensed consolidated financial statements mainly using the method that calculates the exact amounts for the period, which gives the best estimate of the weighted average tax rate expected for the year;
- the estimates and assumptions used in assessing the recoverability of deferred tax assets and interpretative issues concerning tax treatment;
- the statistical and financial assumptions used in estimating repayment flows on postal savings products;
- the assessment of the recoverability of goodwill and other intangible assets;
- the valuation of work in progress and inventories of raw materials, semi-finished and finished goods.

The description of the accounting policies used for the main items of the half-yearly condensed consolidated financial statements provides details on the main assumptions and assessments used in preparing the half-yearly condensed consolidated financial statements.

The current market context, due to the ongoing effects deriving from the Covid-19 pandemic as well as the evolution of the Russian-Ukrainian conflict, is still characterised by deep general uncertainty with consequent critical issues in the forecasts relating to the timing of the economic recovery.

For further information, see also the Half-yearly report on operations as well as ‘Section 5 - Other issues’ in the notes to the financial statements.

SECTION 3 - SCOPE AND METHODS OF CONSOLIDATION

Subsidiaries are consolidated on a line-by-line basis, while companies subject to joint control or significant influence are accounted for using the equity method. An exception is made for a number of equity investments in companies in liquidation or subsidiaries in the start-up phase without assets and liabilities or of insignificant value, whose contribution to the consolidated financial statements is immaterial.

The financial statements of the subsidiaries used for line-by-line consolidation are those at 30 June 2022, except as specified below regarding Ficc and its subsidiaries, as approved by competent corporate bodies of consolidated companies, adjusted as necessary to harmonise them with Group accounting policies and reclassified on the basis of the formats established by the Bank of Italy in Circular no. 262 of 22 December 2005, updated to 29 October 2021.

The following statement shows the companies consolidated on a line-by-line basis.

SUBSIDIARIES

Company name	Operational headquarters	Registered office	Type of relationship (1)	Equity investment		% of votes (2)
				Investor	% holding	
1. ACE Marine LLC	Green Bay - WI	Madison, WI	1	Fincantieri Marine Group LLC	100.00%	100.00%
2. Arsenal S.r.l.	Trieste	Trieste	1	Fincantieri Oil & Gas S.p.A.	100.00%	100.00%
3. Asset Company 2 S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Snam S.p.A.	100.00%	100.00%
4. Avvenia the Energy Innovator S.r.l.	Rome	Rome	1	Terna Energy Solutions S.r.l.	100.00%	100.00%
5. Agricola Biometano S.p.A.	Cittadella	Cittadella	1	Iniziative Biometano S.p.A.	100.00%	100.00%
6. Alfiere S.p.A.	Rome	Rome	1	CDP Immobiliare S.r.l.	100.00%	100.00%
7. Alivieri Power Units Maintenance SA	Athens	Athens	1	Ansaldo Energia Switzerland AG	100.00%	100.00%
8. Ansaldo Energia Gulf	Abu Dhabi	Abu Dhabi	1	Ansaldo Energia S.p.A.	100.00%	100.00%
9. Ansaldo Energia IP UK Ltd.	London	London	1	Ansaldo Energia S.p.A.	100.00%	100.00%
10. Ansaldo Energia Iranian LLC	Tehran	Tehran	1	Ansaldo Energia S.p.A.	70.00%	70.00%
				Ansaldo Russia LLC	30.00%	30.00%
11. Ansaldo Energia Muscat LLC	Muscat	Muscat	1	Ansaldo Energia Switzerland AG	50.00%	50.00%
				Ansaldo Energia S.p.A.	50.00%	50.00%
12. Ansaldo Energia Netherlands BV	Breda	Breda	1	Ansaldo Energia Switzerland AG	100.00%	100.00%
13. Ansaldo Energia S.p.A.	Genoa	Genoa	1	CDP Equity S.p.A.	87.57%	87.57%
14. Ansaldo Energia Spain S.L.	Zaragoza	Zaragoza	1	Ansaldo Energia Switzerland AG	100.00%	100.00%
15. Ansaldo Energia Switzerland AG	Baden	Baden	1	Ansaldo Energia S.p.A.	100.00%	100.00%
16. Ansaldo Green Tech S.p.A.	Genoa	Genoa	1	Ansaldo Energia S.p.A.	100.00%	100.00%
17. Ansaldo Nigeria Limited	Lagos	Lagos	1	Ansaldo Energia S.p.A.	60.00%	60.00%
18. Ansaldo Nucleare S.p.A.	Genoa	Genoa	1	Ansaldo Energia S.p.A.	100.00%	100.00%
19. Ansaldo Russia LLC	Moscow	Moscow	1	Ansaldo Energia S.p.A.	100.00%	100.00%
20. Ariano Biometano S.ar.l.	Cittadella	Cittadella	1	Iniziative Biometano S.p.A.	98.00%	98.00%
21. Asia Power Project Private Ltd.	Chennai	Chennai	1	Ansaldo Energia S.p.A.	100.00%	100.00%
22. Asset Company 10 S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Snam S.p.A.	100.00%	100.00%
23. Auto Sport Engineering Limited	United Kingdom	United Kingdom	4	Marval S.r.l.	100.00%	100.00%
24. BOP6 S.c.ar.l.	Trieste	Trieste	1	Fincantieri SI S.p.A.	95.00%	95.00%
				Fincantieri S.p.A.	5.00%	5.00%

Company name	Operational headquarters	Registered office	Type of relation-ship (1)	Equity investment		% of votes (2)
				Investor	% holding	
25. Bacini di Palermo S.p.A.	Palermo	Palermo	1	Fincantieri S.p.A.	100.00%	100.00%
26. Biogas Bruso S.ar.l.	Cittadella	Cittadella	1	Agricola Biometano S.p.A.	99.90%	99.90%
27. Biowaste CH4 Anzio S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Renerwaste S.r.l.	100.00%	100.00%
28. Biowaste CH4 Foligno S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Renerwaste S.r.l.	100.00%	100.00%
29. Biowaste CH4 Group S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Renerwaste S.r.l.	100.00%	100.00%
30. Bludigit S.p.A.	Milan	Milan	1	Italgas S.p.A.	100.00%	100.00%
31. Bonafous S.p.A. in liquidazione	Rome	Rome	1	CDP Immobiliare S.r.l.	100.00%	100.00%
32. Brugg Cables (India) Pvt., Ltd.	Haryana	Haryana	1	Brugg Kabel GmbH	0.26%	0.26%
	Haryana	Haryana		Brugg Kabel AG	99.74%	99.74%
33. Brugg Cables (Shanghai) Co., Ltd.	Shanghai	Shanghai	1	Brugg Kabel AG	100.00%	100.00%
34. Brugg Cables (Suzhou) Co., Ltd.	Suzhou	Suzhou	1	Brugg Cables (Shanghai) Co.. Ltd.	100.00%	100.00%
35. Brugg Cables Italia S.r.l.	Rome	Rome	1	Brugg Kabel Manufacturing AG	100.00%	100.00%
36. Brugg Cables Middle East DMCC	Dubai	Dubai	1	Brugg Kabel AG	100.00%	100.00%
37. Brugg Kabel AG	Brugg	Brugg	1	Brugg Kabel Services AG	90.00%	90.00%
38. Brugg Kabel GmbH	Schwieberdingen	Schwieberdingen	1	Brugg Kabel AG	100.00%	100.00%
39. Brugg Kabel Manufacturing AG	Brugg	Brugg	1	Brugg Kabel Services AG	100.00%	100.00%
40. Brugg Kabel Services AG	Brugg	Brugg	1	Terna Energy Solutions S.r.l.	100.00%	100.00%
41. C.S.I S.r.l.	Follo (La Spezia)	Milan	1	Fincantieri NexTech S.p.A.	75.65%	75.65%
42. C2MAC Group S.p.A.	Montorso Vicentino	Montorso Vicentino	4	Melt 1 S.r.l. a socio unico	57.60%	57.60%
43. CDPE Investimenti S.p.A.	Milan	Milan	1	CDP Equity S.p.A.	77.12%	77.12%
44. CDP Equity S.p.A.	Milan	Milan	1	CDP S.p.A.	100.00%	100.00%
45. CDP Immobiliare S.r.l.	Rome	Rome	1	CDP S.p.A.	100.00%	100.00%
46. CDP Immobiliare SGR S.p.A.	Rome	Rome	1	CDP S.p.A.	70.00%	70.00%
47. CDP Industria S.p.A.	Rome	Rome	1	CDP S.p.A.	100.00%	100.00%
48. CDP Reti S.p.A.	Rome	Rome	1	CDP S.p.A.	59.10%	59.10%
49. CDP Technologies AS	Ålesund	Ålesund	1	Seaonics AS	100.00%	100.00%
50. CDP Technologies Estonia OÜ	Tallinn	Tallinn	1	CDP Technologies AS	100.00%	100.00%
51. CDP Venture Capital SGR S.p.A.	Rome	Rome	1	CDP Equity S.p.A.	70.00%	70.00%
52. Ca' Bianca S.ar.l.	Cittadella	Cittadella	1	Agricola Biometano S.p.A.	70.00%	70.00%
53. Centro per gli Studi di Tecnica Navale - Cetena S.p.A.	Genoa	Genoa	1	Fincantieri NexTech S.p.A.	86.10%	86.10%
54. Changsha Xi Mai Mechanical Construcion Co. Ltd.	China	China	4	Marval S.r.l.	98.78%	98.78%
55. Cinque Cerchi S.p.A. in liquidazione	Rome	Rome	1	CDP Immobiliare S.r.l.	100.00%	100.00%
56. Consorzio Stabile Ansaldo Newclear	Genoa	Genoa	1	Nuclear Engineering Group Limited	10.00%	10.00%
				Ansaldo Nucleare S.p.A.	70.00%	70.00%
				Ansaldo Energia S.p.A.	20.00%	20.00%
57. Constructora Finso Chile S.p.A. (ex Constructora Inso Chile S.p.A.)	Santiago del Cile	Santiago del Cile	1	Fincantieri Infrastrutture Sociali S.p.A.	100.00%	100.00%
58. Cubogas S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Snam 4 Mobility S.p.A.	100.00%	100.00%

Company name	Operational headquarters	Registered office	Type of relationship (1)	Equity investment		% of votes (2)
				Investor	% holding	
59. Difebal S.A.	Montevideo	Montevideo	1	Terna S.p.A.	100.00%	100.00%
60. E-phors S.p.A.	Milan	Milan	1	Fincantieri NexTech S.p.A.	100.00%	100.00%
61. EBS Società Agricola a r.l.	Cittadella	Cittadella	1	Iniziative Biometano S.p.A.	94.53%	94.53%
62. ESPERIA-CC S.r.l.	Rome	Rome	1	Terna S.p.A.	1.00%	1.00%
63. ESSETI Sistemi e Tecnologie S.r.l.	Fiumicino	Milan	1	Fincantieri NexTech S.p.A.	51.00%	51.00%
64. Ecoprogetto Milan S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Renerwaste S.r.l.	45.00%	45.00%
				Renerwaste Lodi S.r.l.	55.00%	55.00%
65. Ecoprogetto Tortona S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Renerwaste S.r.l.	100.00%	100.00%
66. Elettra One S.p.A.	Milan	Milan	4	Fondo Italiano Consolidamento e Crescita (FICC)	90.20%	90.20%
67. Empoli Salute Gestione S.c.ar.l.	Florence	Florence	1	Fincantieri Infrastrutture Sociali S.p.A.	95.00%	95.00%
				SOF S.p.A.	5.00%	5.00%
68. Enersi Sicilia	Caltanissetta	San Donato Milanese (MI)	1	Renerwaste S.r.l.	100.00%	100.00%
69. Ensco 1053 Ltd.	United Kingdom	United Kingdom	4	Marval S.r.l.	100.00%	100.00%
70. Enura S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Snam S.p.A.	55.00%	55.00%
71. Ergon Projects Ltd.	Gzira	Gzira	1	Fincantieri Infrastrutture Sociali S.p.A.	99.00%	99.00%
				SOF S.p.A.	1.00%	1.00%
72. Estaleiro Quissamã Ltda	Rio de Janeiro	Rio de Janeiro	1	Vard Promar SA	49.50%	49.50%
				Vard Group AS	50.50%	50.50%
73. Evolve S.p.A.	Milan	Milan	1	Renovit S.p.A.	100.00%	70.00%
74. Fincantieri Infrastrutture Sociali S.p.A.	Florence	Rome	1	Fincantieri Infrastructure S.p.A.	90.00%	90.00%
75. Fincantieri Marine Group LLC	Washington, DC	Carson City, NV	1	Fincantieri Marine Group Holdings Inc.	100.00%	100.00%
76. Fincantieri Oil & Gas S.p.A.	Trieste	Trieste	1	Fincantieri S.p.A.	100.00%	100.00%
77. FIV Comparto Extra	Rome	Rome	1	CDP S.p.A.	100.00%	100.00%
78. FIV Comparto Plus	Rome	Rome	1	CDP S.p.A.	100.00%	100.00%
79. FMSNA YK	Nagasaki	Nagasaki	1	Fincantieri Marine Systems North America Inc.	100.00%	100.00%
80. FNAS - Fondo Nazionale Abitare Sostenibile	Rome	Rome	1	CDP S.p.A.	100.00%	100.00%
81. FNT Fondo Nazionale per il Turismo - Comparto A	Rome	Rome	1	CDP S.p.A.	78.22%	78.22%
82. FOF Private Debt	Milan	Milan	1	CDP S.p.A.	62.50%	62.50%
83. FSIA Investimenti S.r.l.	Milan	Milan	1	CDPE Investimenti S.p.A.	100.00%	100.00%
84. FT1 Fondo Turismo 1	Rome	Rome	1	FNT Fondo Nazionale per il Turismo	100.00%	100.00%
85. Fincantieri (Shanghai) Trading Co. Ltd.	Shanghai	Shanghai	1	Fincantieri S.p.A.	100.00%	100.00%
86. Fincantieri Australia Pty Ltd	Sydney	Sydney	1	Fincantieri S.p.A.	100.00%	100.00%
87. Fincantieri Dragaggi Ecologici S.p.A.	Rome	Rome	1	Fincantieri S.p.A.	55.00%	55.00%
88. Fincantieri Holding B.V.	Amsterdam	Amsterdam	1	Fincantieri S.p.A.	100.00%	100.00%

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				Investor	% holding	
89. Fincantieri India Private Limited	New Delhi	New Delhi	1	Fincantieri S.p.A.	1.00%	1.00%
				Fincantieri Holding B.V.	99.00%	99.00%
90. Fincantieri Infrastructure Florida Inc	Miami, FL	Miami, Florida	1	Fincantieri Infrastructure USA. Inc.	100.00%	100.00%
91. Fincantieri Infrastructure Opere Marittime S.p.A.	Valeggio sul Mincio (VR)	Trieste	1	Fincantieri Infrastructure S.p.A.	100.00%	100.00%
92. Fincantieri Infrastructure S.p.A.	Verona	Trieste	1	Fincantieri S.p.A.	100.00%	100.00%
93. Fincantieri Infrastructure USA. Inc.	Middletown, Delaware	Middletown, Delaware	1	Fincantieri Infrastructure S.p.A.	100.00%	100.00%
94. Fincantieri Marine Group Holdings Inc.	Washington, DC	Wilmington, DE	1	Fincantieri USA Inc.	87.44%	87.44%
95. Fincantieri Marine Repair LLC	Wilmington, DE	Wilmington, DE	1	Fincantieri Marine Systems North America Inc.	100.00%	100.00%
96. Fincantieri Marine System LLC	Wilmington, DE	Wilmington, DE	1	Fincantieri Marine Systems North America Inc.	100.00%	100.00%
97. Fincantieri Marine Systems North America Inc.	Chesapeake - VI	Wilmington, DE	1	Fincantieri USA Inc.	100.00%	100.00%
98. Fincantieri NexTech S.p.A.	Follo (La Spezia)	Milan	1	Fincantieri S.p.A.	100.00%	100.00%
99. Fincantieri S.p.A.	Trieste	Trieste	1	CDP Industria S.p.A.	71.32%	71.32%
100. Fincantieri SI Impianti S.c.ar.l.	Milan	Milan	1	Fincantieri SI S.p.A.	60.00%	60.00%
101. Fincantieri SI S.p.A.	Trieste	Trieste	1	Società per l'Esercizio di Attività Finanziaria - Seaf S.p.A.	100.00%	100.00%
102. Fincantieri Services Doha LLC	Qatar	Qatar	1	Fincantieri S.p.A.	100.00%	100.00%
103. Fincantieri Services Middle East LLC	Doha (QFC)	Doha (QFC)	1	Fincantieri S.p.A.	100.00%	100.00%
104. Fincantieri Services USA LLC	Miami, FL	Plantation, FL	1	Fincantieri USA Inc.	100.00%	100.00%
105. Fincantieri Sweden AB	Stockholm	Stockholm	1	Fincantieri S.p.A.	100.00%	100.00%
106. Fincantieri USA Holding LLC (3)	Washington, DC	Wilmington, DE	1	Fincantieri S.p.A.	100.00%	100.00%
107. Fincantieri USA Inc.	Washington, DC	Wilmington, DE	1	Fincantieri USA Holding LLC	35.00%	35.00%
				Fincantieri S.p.A.	65.00%	65.00%
108. Fintecna S.p.A.	Rome	Rome	1	CDP S.p.A.	100.00%	100.00%
109. Fly One S.p.A.	Milan	Milan	4	Fondo Italiano Consolidamento e Crescita (FICC)	67.30%	67.30%
110. Flytop S.r.l. in liquidazione	Rome	Rome	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
111. Fondo Italiano Consolidamento e Crescita (FICC)	Milan	Milan	4	CDP S.p.A.	65.99%	65.99%
112. Fondo Italiano di Investimento SGR S.p.A.	Milan	Milan	1	CDP Equity S.p.A.	55.00%	55.00%
113. Fratelli Ceresa S.p.A.	Beinasco	Turin	1	Seaside S.p.A.	100.00%	100.00%
114. GNL Italia S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Snam S.p.A.	100.00%	100.00%
115. Gannouch Maintenance S.ar.l.	Tunis	Tunis	1	Ansaldo Energia Netherlands BV	99.00%	99.00%
				Ansaldo Energia Switzerland AG	1.00%	1.00%
116. Gasrule Insurance D.A.C.	Dublin	Dublin	1	Snam S.p.A.	100.00%	100.00%
117. Gestione Bacini La Spezia S.p.A.	La Spezia	La Spezia	1	Fincantieri S.p.A.	99.89%	99.89%
118. Golar LNG NB13 Corporation	Marshall Islands	Marshall Islands	1	Snam FSRU Italia S.r.l.	100.00%	100.00%
119. HMS IT S.p.A.	Rome	Rome	1	Fincantieri NexTech S.p.A.	60.00%	60.00%
120. Halfbridge Automation S.r.l.	Rome	Rome	1	LT S.r.l.	70.00%	70.00%

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				Investor	% holding	
121. IDS Australasia PTY Ltd.	Brendale	Brendale	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
122. IDS Ingegneria Dei Sistemi (UK) Ltd.	Fareham	Fareham	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
123. IDS Ingegneria Dei Sistemi S.p.A.	Pisa	Pisa	1	Fincantieri NexTech S.p.A.	90.00%	90.00%
124. IDS Korea Co. Ltd.	Daejeon	Daejeon	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
125. IDS North America Ltd.	Ottawa	Ottawa	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
126. IDS Technologies US Inc.	Littleton	Littleton	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
127. IES Biogas S.r.l.	Pordenone	Pordenone	1	Snam 4 Environment S.r.l.	100.00%	100.00%
128. ITsART S.p.A. (4)	Milan	Milan	1	CDP S.p.A.	51.00%	51.00%
129. Immogas S.r.l.	Florence	Florence	1	Toscana Energia S.p.A.	100.00%	100.00%
130. Infrastrutture Trasporto Gas S.p.A.	Milan	San Donato Milanese (MI)	1	Asset Company 2 S.r.l.	100.00%	100.00%
131. Iniziative Biometano S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Snam 4 Environment S.r.l.	51.00%	51.00%
132. Inso Albania S.h.p.k.	Tirana	Tirana	1	Fincantieri Infrastrutture Sociali S.p.A.	100.00%	100.00%
133. Isotta Fraschini Motori S.p.A.	Bari	Bari	1	Fincantieri S.p.A.	100.00%	100.00%
134. Issel Nord S.r.l.	Follo	Follo	1	Fincantieri NexTech S.p.A.	100.00%	100.00%
135. Italgas Acqua S.p.A.	Caserta	Milan	1	Italgas S.p.A.	100.00%	100.00%
136. Italgas Newco S.r.l.	Milan	Milan	1	Italgas S.p.A.	100.00%	100.00%
137. Italgas Reti S.p.A.	Turin	Turin	1	Italgas S.p.A.	100.00%	100.00%
138. Italgas S.p.A.	Milan	Milan	2	Snam S.p.A.	13.48%	13.48%
				CDP Reti S.p.A.	26.01%	26.01%
139. LT S.r.l.	Rome	Rome	1	Terna Energy Solutions S.r.l.	75.00%	75.00%
140. Laser TLC S.r.l.	Rome	Rome	1	Brugg Cables Italia S.r.l.	100.00%	100.00%
141. Marine Interiors Cabins S.p.A.	Pordenone	Trieste	1	Marine Interiors S.p.A.	100.00%	100.00%
142. Marine Project Solutions S.r.l.	Vittorio Veneto (TV)	Vittorio Veneto (TV)	1	MI S.p.A.	100.00%	100.00%
143. MI S.p.A.	Arluno	Trieste	1	Marine Interiors S.p.A.	100.00%	100.00%
144. MZ Biogas S.ar.l.	Cittadella	Cittadella	1	Agricola Biometano S.p.A.	99.90%	99.90%
145. Maiero Energia S.ar.l.	Cittadella	Cittadella	1	Agricola Biometano S.p.A.	100.00%	100.00%
146. Marina Bay S.A.	Luxembourg	Luxembourg	1	Fincantieri NexTech S.p.A.	100.00%	100.00%
147. Marine Interiors S.p.A.	Ronchi dei Legionari (GO)	Trieste	1	Fincantieri S.p.A.	100.00%	100.00%
148. Marinette Marine Corporation	Marinette - WI	Green Bay, WI	1	Fincantieri Marine Group LLC	100.00%	100.00%
149. Marval S.r.l.	Turin	Turin	4	Stark Two S.r.l.	69.47%	69.47%
150. Medea S.p.A.	Sassari	Sassari	1	Italgas Reti S.p.A.	51.85%	51.85%
151. Melt 1 S.r.l. a socio unico	Milan	Milan	4	Fondo Italiano Consolidamento e Crescita (FICC)	100.00%	100.00%
152. Mieci S.p.A.	Milan	Milan	1	Renovit S.p.A.	100.00%	70.00%
153. Motta Energia S.ar.l.	Cittadella	Cittadella	1	Iniziative Biometano S.p.A.	94.80%	94.80%
154. Niehlgas GmbH	Oberursel	Oberursel	1	Ansaldo Energia Switzerland AG	100.00%	100.00%
155. Nuclear Enginnering Group Limited	Warrington/ Egremont	Wolverhampton	1	Ansaldo Nucleare S.p.A.	100.00%	100.00%
156. Nuova Torneria Zanotti S.r.l.	Crevalcore	Crevalcore	4	Melt 1 S.r.l. a socio unico	100.00%	100.00%

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				Investor	% holding	
157. Officina Meccanica Mecaf S.n.c.	Rolo	Rolo	4	C2MAC Group S.p.A.	100.00%	100.00%
158. Pentagramma Piemonte S.p.A. in liquidazione	Rome	Rome	1	CDP Immobiliare S.r.l.	100.00%	100.00%
159. Pentagramma Romegna S.p.A. in liquidazione unipersonale	Rome	Rome	1	CDP Immobiliare S.r.l.	100.00%	100.00%
160. Perucchini S.p.A.	Omegna (VB)	Omegna (VB)	4	C2MAC Group S.p.A.	100.00%	100.00%
161. REICOM S.r.l.	Padua	Milan	1	Fincantieri NexTech S.p.A.	100.00%	100.00%
162. Renerwaste Cupello S.r.l.	Bolzano	San Donato Milanese (MI)	1	Renerwaste S.r.l.	100.00%	85.00%
163. Renerwaste Lodi S.r.l.	Bolzano	San Donato Milanese (MI)	1	Renerwaste S.r.l.	100.00%	100.00%
164. Renerwaste S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Snam 4 Environment S.r.l.	100.00%	100.00%
165. Renovit S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	CDP Equity S.p.A.	30.00%	30.00%
				Snam S.p.A.	60.05%	60.05%
166. Residenziale Immobiliare 2004 S.p.A.	Rome	Rome	1	CDP Immobiliare S.r.l.	100.00%	100.00%
167. Rete S.r.l.	Rome	Rome	1	Terna S.p.A.	100.00%	100.00%
168. Rob.Int S.r.l.	Pisa	Pisa	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
169. S.L.S. - Support Logistic Services S.r.l.	Guidonia Montecelio	Guidonia Montecelio	1	Fincantieri NexTech S.p.A.	60.00%	60.00%
170. Snam Rete Gas S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Snam S.p.A.	100.00%	100.00%
171. Snam S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	2	CDP Reti S.p.A.	31.35%	31.35%
172. SOF S.p.A.	Florence	Florence	1	Fincantieri Infrastrutture Sociali S.p.A.	100.00%	100.00%
173. SPE Santa Lucia Transmissora de Energia S.A.	Rio de Janeiro	Rio de Janeiro	1	Terna Plus S.r.l.	99.99%	99.99%
				Terna Chile S.p.A.	0.01%	0.01%
174. SPE Santa Maria Transmissora de Energia S.A.	Rio de Janeiro	Rio de Janeiro	1	Terna Chile S.p.A.	0.01%	0.01%
				Terna Plus S.r.l.	99.99%	99.99%
175. SPE Transmissora de Energia Linha Verde I S.A.	Belo Horizonte	Belo Horizonte	1	Terna Plus S.r.l.	75.00%	75.00%
176. SPE Transmissora de Energia Linha Verde II S.A.	Belo Horizonte	Belo Horizonte	1	Terna Plus S.r.l.	99.99994%	99.99994%
				Terna Chile S.p.A.	0.00006%	0.00006%
177. Scaranello S.r.l.	Rovigo	Rovigo	4	C2MAC Group S.p.A.	100.00%	100.00%
178. Seanergy a Marine Interiors Company S.r.l.	Cordignano (TV)	Pordenone	1	Marine Interiors Cabins S.p.A.	85.00%	85.00%
179. Seaonics AS	Ålesund	Ålesund	1	Vard Group AS	100.00%	100.00%
180. Seaonics Polska SP.Z O.O.	Gdansk	Gdansk	1	Seaonics AS	100.00%	100.00%
181. Seaside S.p.A.	Casalecchio di Reno	Casalecchio di Reno	1	Italgas S.p.A.	67.22%	67.22%
				Toscana Energia S.p.A.	32.78%	32.78%
182. Simest S.p.A.	Rome	Rome	1	CDP S.p.A.	76.01%	76.01%
183. Skytech Italia S.r.l.	Rome	Rome	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
184. Snam 4 Environment S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Snam S.p.A.	100.00%	100.00%

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185. Snam 4 Mobility S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Snam S.p.A.	100.00%	100.00%
186. Snam FSRU Italia S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Snam S.p.A.	100.00%	100.00%
187. Snam International B.V.	Amsterdam	Amsterdam	1	Snam S.p.A.	100.00%	100.00%
188. Società per l'Esercizio di Attività Finanziaria - Seaf S.p.A.	Trieste	Trieste	1	Fincantieri S.p.A.	100.00%	100.00%
189. Stark Two S.r.l.	Milan	Milan	4	Fondo Italiano Consolidamento e Crescita (FICC)	75.14%	75.14%
190. Stogit S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Snam S.p.A.	100.00%	100.00%
191. Terna Crna Gora d.o.o.	Podgorica	Podgorica	1	Terna S.p.A.	100.00%	100.00%
192. Terna Plus S.r.l.	Rome	Rome	1	Terna S.p.A.	100.00%	100.00%
193. Terna Rete Italia S.p.A.	Rome	Rome	1	Terna S.p.A.	100.00%	100.00%
194. TRS Sistemi S.r.l.	Rome	Rome	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
195. Tamini Transformatori India Private limited	Magarpatta City, Hadapsar, Pune	Magarpatta City, Hadapsar, Pune	1	Tamini Trasformatori S.r.l.	100.00%	100.00%
196. Tamini Transformers USA L.L.C.	Sewickley	Sewickley	1	Tamini Trasformatori S.r.l.	100.00%	100.00%
197. Tamini Trasformatori S.r.l.	Legnano (MI)	Legnano (MI)	1	Terna Energy Solutions S.r.l.	100.00%	100.00%
198. Team Turbo Machines SAS	La Trinité De Thouberville	La Trinité De Thouberville	1	Fincantieri S.p.A.	85.00%	85.00%
199. Tep Energy Solution S.r.l.	Milan	Rome	1	Renovit S.p.A.	100.00%	100.00%
200. Terna 4 Chacas S.A.C.	Lima	Lima	1	Terna Chile S.p.A.	0.01%	0.01%
				Terna Plus S.r.l.	99.99%	99.99%
201. Terna Chile S.p.A.	Santiago del Cile	Santiago del Cile	1	Terna Plus S.r.l.	100.00%	100.00%
202. Terna Energy Solutions S.r.l.	Rome	Rome	1	Terna S.p.A.	100.00%	100.00%
203. Terna Interconnector S.r.l.	Rome	Rome	1	Terna S.p.A.	65.00%	65.00%
				Terna Rete Italia S.p.A.	5.00%	5.00%
204. Terna Peru S.A.C.	Lima	Lima	1	Terna Chile S.p.A.	0.01%	0.01%
				Terna Plus S.r.l.	99.99%	99.99%
205. Terna S.p.A.	Rome	Rome	2	CDP Reti S.p.A.	29.85%	29.85%
206. Tlux S.r.l.	Piancogno (BS)	Piancogno (BS)	1	Mieci S.p.A.	100.00%	85.00%
207. Toscana Energia S.p.A.	Florence	Florence	1	Italgas S.p.A.	50.66%	50.66%
208. Vard Accommodation AS	Tennfjord	Tennfjord	1	Vard Group AS	100.00%	100.00%
209. Vard Accommodation Tulcea S.r.l.	Tulcea	Tulcea	1	Vard Accommodation AS	99.77%	99.77%
				Vard Electro Romenia S.r.l.	0.23%	0.23%
210. Vard Aqua Chile SA	Puerto Montt	Puerto Montt	1	Vard Aqua Sunndal AS	95.00%	95.00%
211. Vard Aqua Scotland Ltd	Lochgilphead	Aberdeen	1	Vard Aqua Sunndal AS	100.00%	100.00%
212. Vard Aqua Sunndal AS	Sunndal	Sunndal	1	Vard Group AS	100.00%	100.00%
213. Vard Braila SA	Braila	Braila	1	Vard RO Holding S.r.l.	94.12%	94.12%
				Vard Group AS	5.88%	5.88%
214. Vard Design AS	Ålesund	Ålesund	1	Vard Group AS	100.00%	100.00%
215. Vard Design Liburna Ltd.	Rijeka	Rijeka	1	Vard Design AS	51.00%	51.00%

Company name	Operational headquarters	Registered office	Type of relationship (1)	Equity investment		% of votes (2)
				Investor	% holding	
216. Vard Electrical Installation and Engineering (India) Private Limited	New Delhi	New Delhi	1	Vard Electro Romenia S.r.l.	0.50%	0.50%
				Vard Electro AS	99.50%	99.50%
217. Vard Electro AS	Tennfjord	Tennfjord	1	Vard Group AS	100.00%	100.00%
218. Vard Electro Brazil (Instalaçoes Eletricas) Ltda	Niteroi	Niteroi	1	Vard Electro AS	99.000%	99.000%
				Vard Group AS	1.000%	1.000%
219. Vard Electro Canada Inc	Vancouver	Vancouver	1	Vard Electro AS	100.00%	100.00%
220. Vard Electro Italy S.r.l.	Trieste	Trieste	1	Vard Electro AS	100.00%	100.00%
221. Vard Electro Romenia S.r.l.	Tulcea	Tulcea	1	Vard Electro AS	100.00%	100.00%
222. Vard Electro US Inc.	Delaware	Delaware	1	Vard Electro Canada Inc	100.00%	100.00%
223. Vard Engineering Brevik AS	Brevik	Brevik	1	Vard Group AS	100.00%	100.00%
224. Vard Engineering Constanta S.r.l.	Constance	Constance	1	Vard RO Holding S.r.l.	70.00%	70.00%
				Vard Braila SA	30.00%	30.00%
225. Vard Engineering Gdansk Sp.zo.o.	Gdansk	Gdansk	1	Vard Engineering Brevik AS	100.00%	100.00%
226. Vard Group AS	Ålesund	Ålesund	1	Vard Holdings Limited	100.00%	100.00%
227. Vard Holdings Limited	Singapore	Singapore	1	Fincantieri Oil & Gas S.p.A.	98.35%	98.35%
228. Vard Infraestrutura Ltda	Ipojuca	Ipojuca	1	Vard Group AS	0.01%	0.01%
				Vard Promar SA	99.99%	99.99%
229. Vard International Services S.r.l.	Constance	Constance	1	Vard Braila SA	100.00%	100.00%
230. Vard Marine Inc.	Vancouver	Vancouver	1	Vard Group AS	100.00%	100.00%
231. Vard Marine US Inc.	Houston	Dallas	1	Vard Marine Inc.	100.00%	100.00%
232. Vard Niteroi RJ S.A.	Rio de Janeiro	Rio de Janeiro	1	Vard Electro Brazil (Instalaçoes Eletricas) Ltda	0.01%	0.01%
				Vard Group AS	99.99%	99.99%
233. Vard Piping AS	Sovik	Sovik	1	Vard Group AS	100.00%	100.00%
234. Vard Promar SA	Ipojuca	Ipojuca	1	Vard Group AS	100.00%	100.00%
235. Vard RO Holding S.r.l.	Tulcea	Tulcea	1	Vard Group AS	100.00%	100.00%
236. Vard Shipholding Singapore Pte Ltd.	Singapore	Singapore	1	Vard Holdings Limited	100.00%	100.00%
237. Vard Singapore Pte. Ltd.	Singapore	Singapore	1	Vard Group AS	100.00%	100.00%
238. Vard Tulcea SA	Tulcea	Tulcea	1	Vard RO Holding S.r.l.	99.996%	99.996%
				Vard Group AS	0.004%	0.004%
239. Vard Vung Tau Ltd.	Vung Tau	Vung Tau	1	Vard Singapore Pte. Ltd.	100.00%	100.00%
240. Yeni Aen Insaat Anonim Sirketi	Istanbul	Istanbul	1	Ansaldo Energia S.p.A.	100.00%	100.00%

Key

(1) Type of relationship:
  1 = majority of voting rights in ordinary shareholders' meeting;
  2 = dominant influence in ordinary shareholders' meeting;
  3 = agreements with other shareholders;
  4 = other form of control;
  5 = unitary management pursuant to Article 26.1 of Legislative Decree 87/92;
  6 = unitary management pursuant to Article 26.2 of Legislative Decree 87/92

(2) Actual percentage of votes in ordinary shareholders' meeting, distinguishing between effective and potential votes.

(3) 49% of the voting rights of Fincantieri USA Holding LLC is held through USA Marine Trust, a legally recognised independent trust based in the state of Delaware (USA).

(4) The effective voting rights in the ITSART shareholders' meeting correspond to 75.74% by virtue of multiple voting rights granted to the type A shares held by the investor CDP S.p.A.

The main changes in the scope of line-by-line consolidation compared with 31 December 2021 are shown below.

The most significant change concerns the definitive exit from the scope, following the completion on 21 March 2022 of the sale to the MEF, as extensively described in the 2021 Annual Financial Report to which reference is made, of the SACE group companies, and the transfer of the company Simest under the direct control of the Parent Company.

During the first half of the year, CDP Venture Capital SGR, the asset management company that is 70% owned by CDP Equity and is engaged, through direct and indirect investments, in managing funds to support start-ups in all phases of their life cycle, was included in the scope of line-by-line consolidation.

The sub-holding company Fly One, which holds a controlling interest in the Macaer Aviation Group, a group active in the aeronautical sector that participates in innovative industrial projects in the context of strategic partnerships with major industrial groups operating in the aerospace and defence sector, joined the scope of Fondo Italiano Consolidamento e Crescita (FICC), managed by the subsidiary Fondo Italiano di Investimento SGR.

FICC and its sub-holding companies have been consolidated using the most recent data available, updated to 31 December 2021.

As regards the Snam group, during the first half of 2022 the following changes occurred in the scope of line-by-line consolidation:
- the subsidiary Renerwaste acquired control of the companies Renerwaste Cupello, Biowaste CH4 Foligno, Biowaste CH4 Anzio and Biowaste Ch4 Group, which are active in developing the business of biomethane production from the organic fraction of municipal waste (FORSU);
- following the exercise of a call option under the contractual agreements between the shareholders, with consequent acquisition of control in place of joint control, the company Iniziative Biometano, together with its subsidiaries, was included in the scope of line-by-line consolidation;
- the subsidiary Snam FSRU Italia S.r.l. acquired 100% of the capital of Golar LNG NB 13 Corporation, a company which owns, as a sole asset, the storage and regasification vessel (FSRU) "Golar Tundra".

The company Immogas, established on 15 April 2022 and wholly-owned by the subsidiary Toscana Energia, was included in the Italgas group's scope of line-by-line consolidation.

Please refer to "Part G - Business combinations" for detailed information regarding the entry of new subsidiaries in the scope of consolidation in the first half of 2022.

SIGNIFICANT ASSESSMENTS AND ASSUMPTIONS TO DETERMINE WHETHER THERE IS CONTROL, JOINT CONTROL OR SIGNIFICANT INFLUENCE

For details of the significant assessments and assumptions to determine whether there is control, joint control or significant influence, see the 2021 Annual Financial Report, Chapter 3, Part A - Accounting Policies, Part A.1 - General Information, Section 3 - Scope and Methods of Consolidation, 2. Significant assessments and assumptions to determine whether there is control, joint control or significant influence.

SECTION 4 - EVENTS SUBSEQUENT TO THE REPORTING DATE OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

No events requiring changes to the figures approved occurred between the reporting date of these half-yearly condensed consolidated financial statements and the date of their approval by the Board of Directors.

SIGNIFICANT EVENTS AFTER 30 JUNE 2022

The significant transactions which occurred after 30 June 2022 are summarised below.

CDP EQUITY

With reference to the sale of the entire equity investment (39%) in FSI SGR, it should be noted that (i) on 7 July the Bank of Italy authorised the sale of 39% of FSI SGR's capital to the same FSI SGR through the purchase of treasury shares, (ii) on 19 July the conditions precedent to the transaction were met, and finally (iii) on 20 July the transaction was closed.

ITALGAS

On 4 July 2022, the annual review of the ESG rating by Moody's Esg Solutions acknowledged Italgas' strong commitment by assigning it an "Advanced" rating resulting from an overall improvement of 10 points compared to the result assigned in September 2021. Progress was mainly due to the actions taken and the further commitments made by the group in the environmental, social and governance fields.

On 20 July 2022, the merger by incorporation of Fratelli Ceresa into Seaside was completed, with accounting and tax effect from 1 January 2022.

FINCANTIERI

On 6 July 2022, Fincantieri and Explora Journeys, luxury travel brand of the MSC group Cruise Division, announced the signing of a memorandum of agreement to build two additional hydrogen-powered luxury cruise ships, thus bringing the total number of the fleet from four to six.

On 7 July 2022, in the presence of the Deputy Prime Minister and Minister of Defence of Qatar H.E. Khalid bin Mohamed Al Attiyah and the Minister of Defence Lorenzo Guerini, the handover of the Offshore Patrol Vessel (OPV) "Sheraouh", the second unit of the class commissioned to Fincantieri by the Ministry of Defence of Qatar, took place at the shipyard in Muggiano (La Spezia). The naval acquisition programme has a total value of almost 4 billion euro and includes, in addition to 2 OPVs, 4 corvettes and 1 LPD (Landing Platform Dock).

On 11 July 2022, Fincantieri announced that it had signed a contract with an international customer to build a new ultra-luxury cruise ship, and two optionally.

SAIPEM

On 15 July, Saipem's capital increase for 1,974,327,430 new shares was concluded. The capital is therefore fully subscribed for a total value of 1,999,993,686.59 euro (of which 41,460,876.03 euro as capital and 1,958,532,810.56 euro as share premium). Therefore, Saipem's new share capital equals 501,669,790.83 euro, divided into 1,995,557,732 ordinary shares and 1,059 savings shares without indication of nominal value.

As a result of this transaction, the CDP Group holds 255,841,764 shares, equal to 12.82% of the share capital of Saipem over which it continues to exercise (through the shareholder CDP Industria S.p.A.) joint control pursuant to and for the purposes of IFRS 11 – Joint arrangements, together with the shareholder Eni S.p.A..

SECTION 5 - OTHER ISSUES

NEW IFRS ENDORSED AT 30 JUNE 2022 AND IN FORCE SINCE 1/1/2022

As required by IAS 8 - "Accounting policies, changes in accounting estimates and errors", details of the new international financial reporting standards, or amendments to standards already in force, whose application became mandatory from 1 January 2022, are provided below.

- Commission Regulation (EU) 2021/1080 of 28 June 2021, published in Official Journal L 234/90 of 2 July 2021, amending Regulation (EC) no. 1126/2008, adopting certain international accounting standards in accordance with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council as regards International Accounting Standards (IAS) 16, 37 and 41 and International Financial Reporting Standards (IFRS) 1, 3 and 9.

NEW ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED AND ENDORSED BY THE EUROPEAN UNION, BUT NOT YET IN FORCE (DATE OF ENTRY INTO EFFECT FOR FINANCIAL YEARS BEGINNING FROM 1 JANUARY 2023)

Listed below are the new standards and interpretations already issued and endorsed, but not yet in force and therefore not applicable to the preparation of the financial statements at 30 June 2022:

- Commission Regulation (EU) 2021/2036 of 19 November 2021 amending Regulation (EC) no. 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council as regards International Financial Reporting Standard 17;
- Commission Regulation (EU) 2022/357 of 2 March 2022 amending Regulation (EC) no. 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council as regards International Accounting Standards 1 and 8.

ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET ENDORSED BY THE EUROPEAN UNION AT 30 JUNE 2022

Certain accounting standards, interpretations and amendments had been issued by the IASB but not yet endorsed by the European Union at the approval date of these half-yearly condensed consolidated financial statements:

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current - Deferral of Effective Date (issued on 23 January 2020 and 15 July 2020 respectively);
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (issued on 7 May 2021);
- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (issued on 9 December 2021).

OTHER INFORMATION

The Board of Directors meeting held on 2 August 2022 approved the consolidated half-yearly financial report of the CDP Group at 30 June 2022, inclusive of the half-yearly condensed consolidated financial statements of the CDP Group, authorising their publication and disclosure in line with the deadlines and methods envisaged by the regulations applicable to CDP.

INTEREST RATE BENCHMARK REFORM

In 2013, the G20 tasked the Financial Stability Board (FSB) with carrying out a comprehensive review of the key benchmark rates of the money market and developing plans for their possible replacement in order to enhance their integrity and representativeness for all market participants. In July 2014, the FSB published its recommendations, which essentially set two basic objectives: (1) reform the IBORs (Interbank Offered Rates) benchmark rates, of which LIBOR is one of the most commonly used, in order to strengthen their existing methodologies and make them more consistent with real transactions; (2) develop more robust alternative benchmark rates.

More specifically, the European Union Benchmarks Regulation (Regulation (EU) 2016/1011), published in 2016 and in force since January 2018, set out the new regulatory framework for EURIBOR, LIBOR and EONIA benchmark rates, bringing market indices and the methodology by which they are calculated in line with international standards, aiming to ensure the integrity of benchmarks used in the Eurozone (including benchmark interest rates), thereby reducing the use of discretion, improving governance controls and tackling conflicts of interest. Furthermore, with regard to "critical benchmarks", that are widely used in the markets, Article 28.2 of the Regulation requires that supervised entities produce robust written plans setting out the actions that they would take in the event that a benchmark materially changes or ceases to be provided, or reflect them in the contractual relationship with the customer.

Recently, Regulation No. 34 "Interest Rate Benchmark Reform", endorsed by the European Commission on 15 January 2020, approved the amendments to IFRS 9, IAS 39 and IFRS 7 issued by the IASB on 26 September 2019 as part of the "Interest Rate Benchmark Reform" project.

This amendment completes the first phase of the IASB's project to find ways to reduce the effects of the interest rate reform on the financial statements, with particular reference to potential impacts before replacing the existing benchmarks. In particular, the IASB has provided for some exceptions to the accounting for hedging relationships, aimed at avoiding the discontinuing effects due to the mere uncertainty of the interest rate reform. Specifically, for the economic relationship to be assessed, the amendments introduced require the entity to assume that the interest rate benchmark for determining the interest rates of the hedged instrument and the hedging instrument has not changed following the rate reform.

With the publication of the "Interest Rate Benchmark Reform - Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16" on 27 August 2020, the IASB officially launched the second phase of the project which aims to address and anticipate the impacts of effectively replacing existing interest rate benchmarks with alternative benchmark rates.

These amendments were approved by the European Commission with Regulation No. 25, endorsed on 13 January 2021, which provides for a specific accounting treatment to spread value changes of financial instruments or lease contracts due to the replacement of the interest rate benchmark over time, which prevents a sudden impact on net income for the period, and prevent unnecessary discontinuations of hedging relationships as a consequence of the replacement of the interest rate benchmark. Applying these amendments is compulsory from 1 January 2021.

In order to assess the significant risks associated with this global reform, and to take appropriate action to ensure an orderly transition to the alternative or reformed benchmark rates, as required by the EU Benchmarks Regulation (BMR), the CDP Group undertook all the initiatives necessary to ensure an orderly transition to the new benchmark rates by managing the prospective termination of the IBORs (Interbank Offered Rates) and the EONIA rate, with regard to both customer relationships and its own organisational and operational structures, and by providing appropriate fallback clauses[37] in contracts.

In detail, the project consists of the following macro-activities:
- market liquidity assessment (calculation of exposure, creation of a monitoring dashboard, definition of a transition strategy);
- new benchmark market analysis (analysis of the product range, analysis of the alternative benchmark rate trend, creation of pricing models, design of pilot products, industrialisation of the new product offering);
- identification of pricing models and risk assessment (identification of pricing models, recognition of market data referring to alternative rates, adaptation of models, identification of valuation models, collection of market data referring to alternative rates, identification of impacts, development of forecasting models, adoption of risk assessment models);
- contract mapping (identification of contracts linked to IBORs, recognition of fallback clauses, identification of "linked" contracts (assets/liabilities and related hedging derivative));
- contract review (assessment and review of fallback clauses);
- modification of systems and processes (assessment of operational and technological impact, impact analysis by business area, development of a change management plan);
- customer relationships (cooperating with industry associations, defining a consistent transition model, managing the transition with a structured plan);
- analysis of accounting, tax and other impacts (assessing the reform's impact on hedge accounting, trading derivatives, credit support annexes, etc., identifying models for hedge valuation, analysis of amortised cost calculation models, tax impact analysis).

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[37] In order to minimise the risk that one or more LIBOR rates or other benchmark rates may be discontinued even though market participants are still exposed to such rate, financial institutions and customers are encouraged to include fallback clauses indicating alternative reference rates (ARRs) to substitute unavailable pre-existing reference rates, or a procedure to be followed to identify one.

The reform's impacts on CDP's operations were identified in relation to the following benchmarks:

- EONIA, discontinued in favour of the new Risk-Free rate €STR: CDP is affected in relation to the measurement of the fair value of derivatives, and the remuneration of derivative collateral and Repos[38];
- EURIBOR, whose calculation methodology was already changed in 2019, with no impact on contracts indexed to it;
- USD LIBOR, to be phased out from June 2023 onwards, in favour of the compounding or Term Secured Overnight Financing Rate (SOFR): CDP is mainly affected in relation to Export Bank financing and the related hedging derivatives (Cross Currency Swaps).

CDP's internal working group has identified two main areas of adjustment:

- Rate switch: to manage the switch from the EONIA benchmark to €STR and from USD LIBOR to "Compounded SOFR" or "Term SOFR";
- adjustment of fallback clauses: this affects all of CDP's contracts indexed to the benchmarks covered by the reform (i.e. EONIA, EURIBOR and USD LIBOR).

DISCLOSURE OF COVID-19 IMPACTS

In preparing the 2022 Half-yearly Financial Report, CDP and the Group companies are required to consider the impacts of the current economic situation (among other things, following the still ongoing Covid-19 pandemic) as well as the related accounting implications with regard to the measurement of assets and liabilities, and the disclosure and assessment on the going concern basis, taking into account also the guidance published by the Bank of Italy, ESMA, IOSCO and Consob, specifically:

- ESMA 32-63-951 statement dated 25 March 2020, 'Accounting implications of the Covid-19 outbreak on the calculation of expected credit losses in accordance with IFRS 9';
- ESMA 32-63-972 statement dated 20 May 2020 'Implications of the Covid-19 outbreak on the half-yearly financial reports';
- IOSCO OR/02/2020 dated 29 May 2020 'Statement on Importance of Disclosure about Covid-19';
- Consob warning notice no. 6/20 dated 9 April 2020, 'Covid-19 - Drawing attention to financial reporting';
- Consob warning notice no. 8/20 dated 16 July 2020, 'Covid-19 - Drawing attention to financial reporting';
- ESMA 32-63-1041 statement dated 28 October 2020 'European common enforcement priorities for 2020 annual financial reports';
- Communication of the Bank of Italy dated 15 December 2020, 'Supplements to the provisions in Circular no. 262 "Bank financial statements: presentation formats and rules"';
- Consob warning notice no. 1/21 dated 16 February 2021, 'Covid-19 – Measures on support for the economy – Drawing attention to reporting that needs to be provided';
- Communication of the Bank of Italy of 21 December 2021 – Updating of the supplements to the provisions of Circular no. 262 "Bank financial statements: presentation formats and rules" (concerning the impacts of Covid-19 and measures to support the economy, and Bank of Italy Measure "The financial statements of IFRS intermediaries other than banking intermediaries");
- ESMA 32-63-1186 statement dated 29 October 2021 'European common enforcement priorities for 2021 annual financial reports'.

Moreover, in 2022 ESMA published the Annual Overview Report on the compliance of the financial and non-financial information contained in the 2021 financial statements with the provisions and requirements ("2021 Corporate reporting enforcement and regulatory activities"), emphasising the need to comply with the priorities highlighted for the 2021 financial statements (including the effects of the Covid-19 pandemic) also for the subsequent periods.

IAS 34 establishes that the extent of the information provided must be proportionate to the objective of providing an adequate update with respect to the information reported in the annual financial statements.

The aim of this paragraph, in view of the ongoing effects of the Covid-19 pandemic, is to illustrate the main areas of focus analysed by the management in order to prepare the consolidated Half-yearly Financial Report at 30 June 2022, in consideration of the current reference context.

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[38] With reference to the transition to the €STR rate, the European Money Market Association (EMMI), which manages the index, amended the calculation methodology to make it an EONIA tracker back in 2019 (EONIA = €STR+8.5 bps). As regards derivative contracts, the market is uniformly moving towards replacing the EONIA rate with the €STR rate without applying spreads, whereas a single position has not yet been taken with regard to Repo contracts.

Detailed information on strategies, objectives and financial performance, the measures adopted to address and mitigate these effects and the business outlook are contained in the "Outlook of operations".

In 2020, 2021 and the first half of 2022, CDP and the Group companies played a key role in implementing the measures issued by the Italian government to mitigate the impacts of the Covid-19 pandemic and support the economy.

Accordingly, the support measures continued for companies financed by CDP affected by liquidity problems caused by the Covid-19 pandemic which, in order to mitigate the impact on business continuity, required CDP to renegotiate certain contractual terms.

As of March 2020, 130 moratoriums on payments have been requested for Italian debtors, mainly pursuant to the "Cura Italia" Decree Law, for an average duration of about 18 months and a moratorium amount of approximately 29 million euro on loans granted of approximately 200 million euro. In addition, 52 suspensions of checks on financial covenants ("Covenant Holiday") have been requested for about 1 year. The sectors most heavily impacted are represented by automotive components, textile production, agri-food, metalworking and tourism.

As part of the measures introduced by the "Liquidity Decree" to support companies affected by the Covid-19 emergency, starting from May 2020 loans totalling 1.6 billion euro were disbursed to 141 companies that benefited from the SACE guarantee and the State counter-guarantee ("Garanzia Italia").

With regard to the portfolio of foreign debtors, the sector most heavily impacted up to 30 June 2022 is the cruise shipbuilding industry. As of March 2020, the main European export credit agencies are offering debtors in the cruise sector a 24-month "Debt Holiday" from principal repayments and a suspension of financial covenants for the same period.

CDP has also joined the "Debt Holiday" initiative launched by the Italian export credit agency (SACE). Consequently, amendments to existing agreements have been signed, thus allowing the suspension of covenants and the deferral of principal repayments due from 1 April 2020 to 31 March 2022 by creating separate tranches to be repaid over the next four years, for a moratorium amount totalling about 790[39] million euro on a loan portfolio of 4.9[40] billion euro. In addition, CDP granted a further extension of the suspension of the covenants to some counterparties that requested it.

Within the Group, the support actions implemented by Simest continued as follows:

- overall, as part of the measures to support the economy, during 2022 the endowment of the Law 394/81 Fund was increased by 1,440 million euro through the: i) 2021 Budget Bill; ii) 2022 Budget Bill. Resources were also allocated for non-repayable co-financing totalling 210 million euro through the i) 2021 Budget Bill; ii) 2022 Budget Bill;
- still in 2022, the subsidised lending operation continued, using the resources of the National Recovery and Resilience Plan (PNRR), which allocated a total of 1,200 million euro (of which 400 million euro for non-repayable co-financing). On 3 May, ahead of the deadline initially set for 10 May, the activity of receiving requests for funding through PNRR resources via the Portal was completed, with the total absorption of the available resources and the "Riserva Sud" (South Reserve) being exceeded;
- finally, with regard to export support products, buyer credit transactions are still influenced, especially for large orders, by the effects of the slowdown in the economy, continuing to show difficulties in recovery. The positive trend of the export contribution on supplier credit transactions is confirmed.

For more details on the initiatives and the role of CDP and the Group companies in the current situation, please refer to the more detailed disclosure in the Half-yearly report on operations.

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[39] At the Eur/USD exchange rate of 30/06/2022.

[40] At the Eur/USD exchange rate of 30/06/2022.

DISCLOSURE ON GOING CONCERN, RISKS, UNCERTAINTIES AND IMPACTS OF THE COVID-19 EPIDEMIC

GOING CONCERN

Based on the operations of CDP and its Group companies and having considered all information available on its capital structure, available liquidity and financial performance over the medium term, even in the context of the ongoing Covid-19 outbreak, there is no evidence of factors that might in any way affect the ability to continue as a going concern.

SIGNIFICANT RISKS AND UNCERTAINTIES

The main risks to which the CDP Group is exposed in conducting its business can be summarised based on the following taxonomy:

- Credit risk: the risk that a debtor will not meet its commitments in relation to a loan or an issued bond;
- Counterparty risk: the risk that a counterparty will not meet its commitments in respect of one or more derivative or treasury transactions;
- Concentration risk: the risk arising from large exposures to individual counterparties, groups of connected counterparties or counterparties carrying out the same activity, belonging to the same economic sector or the same geographical area;
- Liquidity risk: the risk that a financial institution will be unable to meet its commitments due to difficulties in financing itself or in divesting assets, or that it will be unable to monetise assets held in the market without significantly adverse conditions affecting their market price;
- Market risks (interest rate and price risk, exchange rate risk): the risk that negative trends in interest and inflation rates and exchange rates will adversely affect the fair value, earnings or net assets value of a financial institution.
- Equity risk: the risk that negative trends of equity security prices will adversely affect the fair value, earnings or net assets value of a financial institution;
- Reputational risk: the current or prospective risk of a fall in profits, loss of economic value or damage to the institutional role, resulting from a negative perception of the image of CDP and the Group companies by customers, counterparties, shareholders, investors, regulators or other stakeholders;
- Operational risk: the risk that inadequate information systems, operational errors, failures in internal controls or procedures, fraud, lawsuits, judgments or invalid agreements or external events (e.g. earthquakes, epidemics, etc.) may result in losses for a financial institution;
- Country risk: the risk that events occurred in countries other than Italy may result in losses. This does not just refer to the credit risk associated with exposures to the public administration of the foreign country (sovereign risk), but to all exposures regardless of the type of counterparty.

The Covid-19 emergency has not generated risks other than those reported, as these types of events are considered within the risks already assessed and monitored. In particular, the following key risk areas have been identified:

- Equity risks due to a fall in the price of listed equity investments and a possible drop in the value of the overall portfolio, including exposures to the Real Estate sector;
- Credit risks due to a possible rise of debtors in financial distress, both on the loans and guarantees portfolio and on debt securities or for works in progress;
- Operational risks due to partial use of premises, business continuity and the risk of employees on sick leave, as well as the management of liquidation activities and pending litigations;
- Liquidity risks due to more difficult conditions to raise funding and/or dispose assets when required.

In addition to the above, as a result of the specific context/sector which some of the Group companies operate in, it is appropriate to detail the following additional areas:

- Snam, Terna, Italgas: risks related to possible changes in the regulatory environment;
- Fincantieri: risks related to the operational complexity characterising the shipbuilding industry, geographical and product diversification and the inorganic growth strategy;

- Ansaldo Energia: business risks associated with its operations.

The global spread of Covid-19 and the resulting impacts on economic activity have increased the level of uncertainty, hence making it more difficult to make quantitative estimates, for example, with regard to possible future losses on receivables measured at amortised cost or cash flows from equity investments, also due to the increased uncertainty in the assumptions and parameters at the basis of the asset valuation analyses.

For the CDP Group, the areas subject to analysis, due to an increased level of uncertainty, are:

- the changes linked to regulatory measures adopted by the Italian Government to support and relaunch the economic-production system in response to the pandemic, for which CDP and the Group Companies have played a key role in implementing the measures or which led to significant changes to the business model;
- the acceleration in the energy transition dynamics, with effects on the investees operating in the Oil & Gas sector or in directly-related sectors;
- a possible increase in the insolvency risk in the loan portfolio, in terms of both rating transitions and the probability of short-term default that could be estimated at higher values than the historical average.

With regard to the specificities of the CDP Group companies, the following information is provided:

- for CDP Immobiliare SGR, fund development activities have slowed down due to the general suspension of operations at construction sites ordered by the Government in previous years, which has therefore led to a delay in project completion. Operations at construction sites have resumed but there has been an overall increase in commodity prices (so-called expensive materials), which has led to a sharp rise in prices and delays in the supply of many essential materials for the construction sector. Confirming this circumstance and the generalised nature of the situation – substantially affecting all construction sites in progress – the same national legislator intervened with an articulated set of regulations (Support Decree, Ministerial Decree, Circular of the Ministry of Sustainable Infrastructure and Mobility) to allow, with reference to public works, financial compensation in favour of contractors in order to avoid the risk of deadlock in construction sites that have already started or the inability of contractors to submit reasonable offers. Both the evolution of the pandemic and the increase in the cost of materials are closely monitored by the asset management company, also with regard to the potential impacts on the valuation of assets in the short term.
  Moreover, depending on the type of property and the characteristics of the lessees, CDP Immobiliare SGR has granted various facilities such as: i) partial suspension of payments of rents for 2020 and 2021; ii) a discount on the 2020 and 2021 rents; iii) deferred payment of unpaid rents for 2020 and 2021; iv) waiver of enforcement of guarantees and of exercise of the right to terminate contracts until 30 September 2021, with reference to contractual remedies in the event of default by the lessee on payment of the rents for 2020 and 2021.
  With regard to disposals, there is greater uncertainty on the time for completing transactions and a slowdown by the Public Administration in the urban administrative procedures under way to finalise the urban planning, authorisation and agreement signing procedures;

- the following should be noted with regard to CDP Immobiliare:
  - with reference to construction sites in progress, the difficulties of the supply chains and the increase in energy prices have had an impact on construction costs, slowing down progress in some cases (with consequent postponement compared to the current schedules). In particular, in recent months, the construction sector has been subject to a disruption of some logics and dynamics that have resulted in an objective rise in prices.
    There are many factors that have led to an increase in costs, estimated at around 20% compared to the end of 2020, and they are summarised below:
    - increase in general expenses of the company related to implementing anti-Covid protocols;
    - increase in demand due to the development of numerous regeneration Masterplans;
    - increase in commodity prices;
    - problems of availability of subcontractors that prefer contracts linked to the 110% Superbonus.
  - with reference to leases, the current context is characterised by a change in operators' strategies, longer timeframes for finalising agreements, as well as extended absorption times (vacancy times), particularly in the office sector. The market is waiting for the pandemic to begin its downward phase in order to carry out logistical reorganisations and

  to assess the actual consequences of remote working, which could lead to a reduction or change in the office space needed by companies.
  - regarding sales processes, the general market performance, also affected by the Covid-19 pandemic, required a review of the disposal plan in terms both of timing (postponing disposals) and of the casting price, i.e. the price offered on the market and the sales mandates to brokers;

- for Simest, the context of reference and the effects of the pandemic continue to confirm certain potential impacts in terms of: i) credit risk (due to the possible deterioration of creditworthiness - worsening of the rating/growth in expected defaults) and the related provisions; ii) operational risks, cyber risk, organisational impacts, health monitoring, going concern; iii) economic and financial risks (linked to budget reviews, forecasts, new lending, risk provisions, impairment); iv) fraud, anti-money laundering and reputational risks (also linked to the marked increase in the amount of public resources managed); v) climate and ESG risks (with reference to the investment projects supported and the public funds / PNRR resources managed).
  In order to better monitor the risks associated with this context, the control functions, in accordance with a general principle of proportionality, supported the further consolidation of the frameworks of controls and monitoring in all phases of the credit process, in order to more promptly identify any changes in the scenario in terms of credit risk, liquidity risk and other risks, thus ensuring the company's responsiveness and ability to adapt. As a further guarantee and for the effectiveness of the risk management and control system, Simest has integrated the governance of Corporate Committees (technical-advisory collective bodies) into its internal assessment processes, aimed at further strengthening the monitoring of the different phases of the credit process, from preliminary assessment to collection;

- for the Fincantieri group, it should be noted that the efforts already initiated during 2020 and 2021 and aimed at containing the spread of the Covid-19 pandemic continued in the first half of 2022. Updating the protocols and measures adopted has been the subject of constant sharing with the employers of the various sites and of all Italian and foreign subsidiaries, in order to enable a homogeneous application of best practices to contain the pandemic, in line with the provisions issued by the competent authorities. With regard to the cruise business, the entire global fleet is expected to be back in service within the second half of 2022, in line with the resumption of operations already started during 2021. The Fincantieri group expects to maintain full production capacity in the second half of 2022, in the absence of possible developments related to the spread of the Covid-19 virus with currently unforeseeable repercussions.
  The financial capacity of the Fincantieri group at 30 June 2022 makes it possible to support the financial requirements expected for the next 12 months, and the related estimates have been prepared also taking into account the agreements defined to date with the shipowners as a result of the Covid-19 pandemic;

- for Snam, an assessment of the effects of the spread of the pandemic highlighted the limited exposure to the effects of the Covid-19 pandemic, also with reference to the foreign investee companies. Specifically:
  - in the business of designing, building and managing "Biomethane" plants as well as in the Regulated Core Business, there were no significant impacts related to the effects of Covid-19 in the first half of 2022.
  - as part of the "Sustainable Mobility" business, the actions taken by the company during the first half of 2022 partially reduced the indirect impacts of Covid-19 related to the increase in the prices of materials, difficulties in finding them as well as delays in deliveries. With reference to the refuelling station business, during the first half of 2022, national vehicle circulation reached pre-Covid-19 levels. This recovery was not fully reflected in CNG vehicle circulation, which was negatively affected by the significant increase in methane prices. Therefore, in the first half of 2022, there was a limited growth in the volumes delivered by each station, resulting in limited positive impacts on the variable revenues recognised.
  - in the "Energy Efficiency" business, the impacts due to the effects of Covid-19 were limited. In particular, there were no slowdowns in execution of activities, related to the containment measures imposed due to the emergency. Limited indirect impacts due to Covid-19 were recorded in the integrated management of thermal plants business, so-called Energy Service. In particular, the introduction of obligations to ensure frequent airing of rooms has led to greater heat loss with a consequent increase in energy carrier costs, which lasted until the end of winter; however, it should be noted that the consequent impacts are limited. Finally, the easing of the pandemic containment measures provided great impetus and acceleration to the decision-making processes for the residential sector; at the same time, it should be noted that the first half of 2022 was still affected by slowdowns in public administration processes and activities, mainly related to

the permitting phases. However, the group companies have implemented actions to mitigate the indirect impacts due to Covid-19 on the results for 2022. The forecasts for the year 2022 do not currently consider any impact related to the pandemic.

Also concerning the main foreign and Italian subsidiaries of the Snam group, which operate in the regulated segments of natural gas transportation, storage, regasification and distribution, or operate under long-term ship or pay contracts, no significant impacts linked to the Covid-19 emergency are to be reported;

- in recent years (2020-2022), when the socio-economic backdrop has been deeply affected by the spread of the Covid-19 pandemic, the Terna group's business model has proved to be extremely resilient, with a solid financial structure and a significant level of digitisation that capable of enabling to respond to the new challenges imposed by the pandemic. From the outset, it took action to ensure the continuity of the electricity service to the country, securing Transmission System Operator (TSO) activities and related supply chains, while ensuring the health and safety of personnel. The aforementioned initiatives continued also during 2021 and in the first half of 2022, maintaining the highest level of safety despite the progressive reduction of the risk of Covid-19. Therefore, the group continues to focus on delivering on the 2021-2025 "Driving Energy" Business Plan.
  The Terna group also carefully monitored the possible impacts of the Covid-19 pandemic with regard to the individual items in the half-yearly condensed consolidated financial statements, without noting any critical issues, also in consideration of the fact that the expected flows incurred a marginal impact, since most of these flows were related to concessions;

- as regards Italgas, since the beginning of the pandemic crisis, the company has adopted measures and instruments to ensure the continuity of its services, also thanks to the innovative digital tools developed by its digital factory.
  Considering the temporary interruption of some operating activities, mainly regarding worksites or user services, the stability of the regulatory framework meant that the effects on the company's profitability and on the expected cash flows were significantly limited.
  Except for unforeseeable future recurrences of the health emergency, which reasonably should be highly contrasted by the vaccination plans in place, Italgas believes it can confirm its investment plans, having already demonstrated in 2020 and 2021 that it is able, in any case, to compensate for any delays with respect to the original plans for the execution of the works. In particular, investment commitments are confirmed, for the implementation of network digitisation projects, the installation of smart meters and the creation of a natural gas infrastructure in the Sardinia region, in addition to the usual maintenance and development activities of the networks under management. Italgas also confirmed the strategic priorities included in its 2022-2028 Strategic Plan, both with regard to participation in area tenders to award the natural gas distribution service, and to potential acquisitions that will strengthen its geographical presence and enable the scope of activities to grow;

- as regards the Ansaldo Energia group, the business, managed through long-term contracts and mainly related to plant service activities, was only partially affected by the effects of the pandemic, recording no cancellations of orders or decreases in activity by customers. The increase in the costs of transport, logistics and commodities resulting from the economic recovery and aggravated by rising inflation, has strongly impacted the profitability of orders in the portfolio of the New Plants Business Unit.
  During May 2022, the Management presented to the Board of Directors the revised budget for 2022 and 2023, made necessary in view of both the still ongoing pandemic and the new geopolitical scenarios following the Russia-Ukraine conflict.
  In relation to the pandemic, the Ansaldo Energia group had to review and update the risks of possible direct and indirect impacts of Covid-19 by including in its sales order assessments the effects of the aforementioned slowdown in the supply of specific materials, and by updating those deriving from the inflationary dynamics that started to be recorded from the second half of 2021 and increased in the first few months of 2022, also considering their expected further growth and applying them to the entire life of the contracts.
  The Ansaldo Energia group also carried out and formalised an assessment of the main asset and liability items, updated with respect to the new market and business forecasts included in the 2022 revised budget. This analysis, which clearly also focused on the possible risks related to the pandemic, showed significant impacts leading to a reduction in the group's assets.

FINANCIAL INSTRUMENTS AND MEASUREMENT OF EXPECTED CREDIT LOSSES

The assessment of any significant increase in credit risk (SICR) of CDP is based not only on the information relating to the classification of loans pursuant to banking regulations (e.g. "past due", "forborne") but also on the forward-looking information embedded in its own credit risk management systems, in particular in relation to:

- internal ratings, which reflect the forward-looking assessment by CDP analysts of the capacity of each debtor to meet its obligations over the entire life of the financial instruments. Internal ratings holistically incorporate, through an assignment and review process, all available quantitative and qualitative information that is relevant to the assessment, including, for example, up-to-date macroeconomic forecasts, sector dynamics assessments, public ratings issued by the primary agencies, market prices and regulatory measures;
- assigning specific debtors to the different "watchlists", which in some cases may indicate the presence of additional uncertainty factors, typically qualitative, other than the main drivers considered in the internal rating.

Consistent with the characteristics of its loan portfolio, mainly including exposures with public counterparties, banks operating in Italy, large corporations and special-purpose vehicles operating in the infrastructure sector, CDP has noted, as at 30 June 2022, that changes in ratings are overall limited, even including the impacts of the Covid-19 pandemic on a forward-looking basis.

No changes were deemed necessary in the models for the valuation and measurement of financial instruments related to the pandemic crisis. In particular, CDP has not made changes to its methodology for assessing the significant increase in credit risk, either as a result of the Covid-19 pandemic or due to other factors, as it considers this methodology to be adequate in the current context.

In measuring Expected Credit Losses, CDP applies the internally-developed methodology, which takes into account the following elements: (i) the estimate of Through-the-Cycle probability of default and (ii) an internal model for estimating the cyclical component of probability of default. The model applied to estimate the cyclical component is based on the main macroeconomic drivers including GDP and employment rate forecasts, with reference to the European area and the USA. Since 31 December 2021, CDP has defined a management overlay in order to take account of the changing economic circumstances, in particular by incorporating in the quantification of Expected Credit Losses specific prudential criteria deriving from the IFRS 9 models in use, aimed at representing the high degree of uncertainty associated with (*i*) the timing and effects of the removal of the extraordinary support policies implemented by institutions (both fiscal and credit measures and monetary policy measures) and (*ii*) the continuation of measures such as states of emergency and related restrictions, as well as (*iii*) geopolitical developments and (*iv*) the dynamics of energy and commodity prices, the interest rate market and inflation, also in connection with the previous points.

It should be noted that none of the initiatives undertaken and described in the previous paragraphs ("Covenant Holiday" or "Debt Holiday") required CDP to recognise the existence of the conditions for derecognition of the loan agreements or of the related financial instruments in application of the provisions of IFRS 9.

With regard to CDP Group companies, the following should be noted:

- Simest has continued the portfolio valuation and monitoring activities with conservative measurements of provisions on an individual and collective basis.
  With regard to individual impairment, the measurements were conducted at the level of the individual counterparty/transaction on the basis of the expected cash flows, the presence of guarantees and the recovery timing and percentages. These variables, together with general considerations relating to the economic environment including the effects of the Covid-19 pandemic, led to a review of the measurements with an increase in the impairments.
  With regard to provisions made on a collective basis, ECL values were updated for the portfolio classified at amortised cost by including (i) the updating of ratings on "single names" (whose risk profile in some cases deteriorated also as a result of the economic consequences related to the pandemic) carried out as part of the broader performance monitoring activity and (ii) the updating of the Point-in-Time Probability of Default ("PD") matrices provided by the Parent Company after analysis by Simest of the appropriateness of the parameters and (iii) the possible rescheduling of the plans on certain performing counterparties. In particular, the Group's impairment model, incorporating the main macroeconomic drivers, reflects both the effects of the pandemic (highlighting trends that are consistent with a markedly recessionary period) and the mitigating effect deriving from the economic policies adopted.

IMPAIRMENT TEST

EQUITY INVESTMENTS

With reference to the estimated recoverable amount of the equity investments, to be understood as the higher of their fair value less costs to sell and their value in use, CDP has adopted a range of key principles, taking also into account this unique moment in time characterised, among others, by the evolution of Covid-19 and the war in Ukraine, the guidance issued by national and international regulators as well as the guidelines issued by industry bodies.

The key general principles used are as follows:

- a period of analysis of the rates to estimate the risk-free rate in line with a time horizon that allows the relevant market developments to be appreciated (e.g. recent increase in rates)[41];
- use of an Equity Risk Premium "consensus" in line with the average of the latest values available and a period of analysis of the market parameters (e.g. beta) that is such to mitigate and normalise any contingent factors in view of the medium/long-term perspective of the underlying cash flows;
- use of the average of the latest Country Risk Premiums instead of the latest available, only where deemed to be more significant.

In addition, CDP has conducted a sensitivity analysis on each equity investment against the main variables that determine the asset's value, including for example:

- the price of oil (i.e. Brent) for companies operating mainly in the Oil & Gas sector, also in order to take into account any climate risks inherent in the business;
- the cost of capital, the margins and the long-term growth rate, if applicable, based on the value estimation method used.

GOODWILL

Goodwill generated from the acquisition of subsidiaries is allocated to each identified "cash generating unit" (CGU). Within the CDP Group, CGUs correspond to the individual investee companies. Since it is an intangible asset having an indefinite useful life, goodwill is not amortised but tested only for the recoverability of its carrying amount. An impairment test is performed annually on goodwill, or whenever there is evidence of impairment. This involves comparing the carrying amount of the CGU, including goodwill, and the recoverable amount of said CGU. If the value of the CGU is higher than its recoverable amount, the difference is recognised in the income statement first reducing goodwill until it reaches zero.

At each reporting date, the CDP Group conducts an assessment to detect the presence of indicators of impairment under IAS 36 and of any additional indicators, where applicable, also considering the indications of national and international regulators on financial reporting relating to risks, uncertainties, estimates, assumptions and assessments as well as the difficulties related to the long-term impacts linked to the evolution of the health crisis due to the spread of Covid-19 and international tensions fuelled by the recent Russian-Ukrainian conflict. In this regard, the resulting impacts of these events on economic activity increase the level of uncertainty, hence making it more complex to make quantitative estimates, for example, cash flows from the CGUs, also due to the increased uncertainty in the assumptions and parameters at the basis of the CGU analyses.

For further information please refer to the more detailed description in the specific sections of the Notes to the Consolidated financial statements.

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With reference to the foregoing, it should be noted that:

- the estimates also considered stock prices and market parameters which are subject to fluctuation, even significant, due to the ongoing turbulence and volatility of the markets, also linked to the evolution of the Covid-19 pandemic;

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[41] This principle also applies if the country risk has been estimated directly through the yield of the government bond of the country of reference for the company.

- the evaluations were made using forecast data. Such forecasts are, by their nature, random and uncertain in that they are sensitive to changes in macroeconomic variables and to events outside the company's control. They are also based on a set of assumptions linked to future events and actions of management, which may not necessarily happen. In view of the uncertainty surrounding any future event - both as regards the actual occurrence of the event and in terms of when and to what extent it may happen - the differences between actual values and estimated values might be significant, even if the events at the basis of the forecast assumptions were to occur. This limit is even more pronounced in the current situation of uncertainty.

Therefore, there is still a need to constantly monitor the evolution of these elements in the current context.

DISCLOSURE ON THE IMPACTS OF CLIMATE-RELATED MATTERS

In preparing the Half-yearly Financial Report as at 30 June 2022, in line with the 2021 annual financial statements, companies are required to consider what is set out by ESMA in its statement of October 2021[42], which placed particular attention on risks related to climate change, to the extent that the effects of these risks may significantly affect the assets of the companies. With the publication, in March 2022, of the Annual Overview Report on the compliance of the financial and non-financial information contained in the 2021 financial statements with the forecasts and requirements[43], ESMA reiterated the need to comply with the priorities envisaged for the 2021 financial statements (including, among others, the issues related to climate risk), also for the subsequent periods. On the basis of the above, CDP and the Group companies continue to be called upon to strengthen the process for identifying and assessing the possible climate risks to which they may be exposed, taking into account a longer time horizon than that generally considered in assessing financial risks.

It is essential to highlight that the CDP Group, a driving force behind Italy's economic development and in line with the objective of the 2030 manifesto, has decided to recognise its role and responsibility in combating climate change and the energy transition, contributing to national growth towards the achievement of the Group's carbon neutrality.

With this in mind, CDP believes in the importance of being proactive in its commitment in all areas of its operations: from direct lending to enterprises and public sector bodies to the management of public resources and the promotion of system-wide initiatives, such as:

- projects contributing to clean energy and climate action by enterprises and local communities (financing infrastructure to accelerate the ecological transition, through support for sectors that can make a concrete contribution to combating climate change, by mitigating climate impacts or providing an alternative response to business models that are not compatible with sustainable development);
- projects related to public and private transport infrastructure (in the belief that overall transport efficiency is a key element in reducing carbon emission impacts);
- financing initiatives for the water sector (to promote solutions for combating climate change and, in particular, to help manage possible physical climate risks that may affect the water supply);
- financing initiatives for the telecommunications sector (the use of innovative technologies and progressive digitisation can reinforce efforts to reduce carbon emissions and combat climate change);
- projects related to the development of sectors that respond to the need to promote alternative production models, such as the generation of energy from renewable sources, particularly photovoltaic and wind power.

In addition to infrastructure financing, a part of the financing is aimed at companies operating in high-impact sectors to support investments in the environment, energy efficiency and the green economy. The beneficiaries of this financing are companies located throughout Italy in various sectors such as manufacturing, medical and pharmaceutical, agri-food, raw material processing and utilities, services, retail sales, transport, logistics and mechanical engineering.

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

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[42] ESMA statement dated 29 October 2021 'European common enforcement priorities for 2021 annual financial reports'.

[43] ESMA report of 30 March 2022 '2021 Corporate reporting enforcement and regulatory activities'.

the areas and actions of greatest potential impact. Such assessments have become part and parcel of the internal decision-making process, from origination through to approval, alongside the assessment of risk profile, financial conditions and legal and compliance aspects. Impacts are measured using a qualitative/quantitative measurement methodology known as "Sustainable Development Assessment" (SDA). This approach has been confirmed and strengthened in the guidelines of the new Strategic Plan for the three-year period 2022-2024, which includes impact assessment as one of its transformational pillars.

In particular, the Parent Company CDP and the companies subject to its management and coordination[44] have adopted an internal control system consisting of a set of controls, rules, policies, procedures and organisational structures designed to identify, assess, monitor and mitigate the risks identified in the various business segments and customer segments, as well as to ensure full regulatory compliance, observance of corporate strategies and the achievement of set targets.

With specific reference to CDP and the Group companies subject to management and coordination, as well as, where considered significant, to the other companies consolidated on a line-by-line basis (such as, for example, the Terna group, the Fincantieri group, the Snam group, the Italgas group, the Ansaldo Energia group), below is a description of how processes are structured for identifying risks associated with the activities carried out and how the consequent control and monitoring measures are designed and possibly strengthened.

DISCLOSURE ON RISKS, UNCERTAINTIES AND OTHER POTENTIAL IMPACTS OF CLIMATE CHANGE

SIGNIFICANT RISKS AND UNCERTAINTIES

The CDP Group recognises the importance of and closely monitors the emerging risks linked to climate change, in terms of both their potential economic-financial impact and their potential reputational risk. This awareness is confirmed by the commitment to voluntarily report climate-related information in the areas defined by the Climate-related Financial Disclosures Task Force (TCFD): Governance, Strategy, Risk Management, Metrics and Targets.

ESG risks are monitored ex-ante and managed mainly in the context of reputational risks, compliance risks and money laundering and terrorist financing risks.

Climate and environmental risks can be grouped into the following categories:
- physical risk, meaning the risk of direct or indirect financial loss caused by recurring or extreme climate and natural events;
- transition risk, i.e. the business risk linked to global warming mitigation policies with a particular focus on the energy sector; and
- environmental risk, meaning the risk of environmental damage during business activities and the litigation risk connected with infringements of environmental protection regulations, with potential consequences in terms of reputational risk.

The main risks related to "material topics" (Innovation, Research and Digitisation; Data Security and Privacy Protection; Start-up, Growth and Consolidation of Enterprises; Value Creation and Support to Strategic Sectors; Social, Digital and Financial Inclusion), on the other hand, are divided into:
- compliance risk - 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);
- reputational risk - Current or prospective risk of a fall in profits, 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;
- operational risk - Risk of loss resulting from inadequate or malfunctioning internal procedures, people and systems or from external events (including environmental and social events);
- business risk - Risk of the CDP Group's business initiatives not being aligned with the Plan's sustainability guidelines;

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[44] Being companies that share with the Parent Company the business model, policies, models and risk management tools as well as objectives and results produced in the areas relevant to each of them.

- transition risk - Risk related to potential economic losses, direct or indirect, caused by the transition to a low-carbon and more environmentally sustainable economy.

The monitoring of the above-mentioned risks also involves considering their possible impact on the estimates and, in particular, on the assumptions underlying the judgemental evaluations made by management.

On the basis of the specific business areas of the other Group Companies, the following cases are noted.

- CDP RETI, specifically with regard to transition risk, highlights that the risk profiles that may be significant, as an investment vehicle, are essentially of an indirect nature, i.e. risks that may affect the value of the controlling equity investments held in its portfolio. In this regard, all the subsidiaries of CDP RETI are accelerating investments related to energy transition projects in order to meet the emission targets set by the European Union, as summarised below:
- The Snam group has identified the following risks and related mitigation actions:
  - physical risk, which requires continuous monitoring of the integrity of its infrastructure and plants as well as of the condition and conservation status of the areas in which they are located, constantly updating the processes and systems used in order to identify, at an increasingly early stage, any critical issues through the introduction of new technologies also capable of reducing the environmental impact of the activities. These actions allow the company to limit its exposure to the risks associated with chronic natural events; moreover, in order to remedy unforeseeable extreme natural events, Snam has adopted innovative intervention strategies and action plans aimed at ensuring immediate safeguarding and resumption of activities in the shortest possible time. In addition, Snam has specific insurance policies in place to cover some of these risks, in line with industry best practices;
  - transition risks: Snam has started repurposing its infrastructure, has developed its international presence, has entered into a large number of partnerships and has launched numerous energy transition initiatives. Strengthened by the consolidated capabilities in regulated businesses and the skills acquired in green gases and new trends in energy transition, the company is moving towards a concept of “multi-commodity” infrastructure, that is, capable of transporting and storing different types of gas, leveraging and continuing to develop the hydrogen, biomethane, mobility and energy efficiency businesses. As part of the integrated management of enterprise risks, Snam adopts an Enterprise Risk Management (ERM) Model within which the risks related to climate change are also identified and managed after being assessed according to different time horizons and related objectives.
- The Terna group’s risks are mainly related to its role (TSO - Transmission System Operator), with reference to the medium-long term, deriving from the adaptation of the electricity grid in terms of actions to increase the grid’s resilience and allow it to adapt to the new profile and of mix of the energy injected into the grid. With specific reference to the grid and the related transmission service, the actions defined require a commitment to the planning, approval and delivery of investment projects such as, for example, cross-border interconnections and the development of infrastructure to enable the increasing integration of renewable energy sources. As part of the implementation of its Risk Framework, the risk related to the intensification of extreme weather events has been identified with consequent impacts on the continuity and quality of the service provided by the Terna group and/or damage to equipment, machinery, infrastructure and the grid. In response, the group is continuing to carry out new investments designed to increase the resilience of the electricity grid and identify the tools to mitigate those risks. In the 2021 Development Plan (ten-year plan) the Terna group has envisaged two main lines of action: a) investments in digitisation, resilience, inertia and voltage regulation, to strengthen the grid and cross-border interconnections; b) predictive, maintenance and renewal measures.
  In this regard, in addition to the operations included in the group’s “standard maintenance campaign”, the Terna group is increasingly required to carry out work on the grid, for specific components that, regardless of the age of the grid, make it possible to mitigate the intensification of harmful weather events. The company management has assessed that these investments do not reduce or modify the expected economic benefits associated deriving from using the existing grid accounted for in property, plant and equipment. In light of the above, it was not necessary to conduct a critical review of the useful life of non-current assets recognised in the financial statements.
  With reference to non-regulated activities, moreover, the Terna group is committed to developing innovative and digital technological solutions to support the ecological transition, also involving in development of expertise throughout the entire value chain and through services related to Energy Solutions and the connectivity offer, and is investing in digitisation and innovation.
  In conclusion, it is worth noting that the Terna group has ESG-linked financing programmes in place and has launched green bond issues. In both cases there is a link with sustainability objectives and the Terna group considers that there may be a risk connected with the achievement of such objectives whose impact would still not be significant.

- The Italgas group manages and monitors the risks and opportunities connected to its business through its Enterprise Risk Management model, which has been appropriately supplemented following the identification of risks related to climate change, with the following specifications:
  - physical risk: the company has implemented operational countermeasures that assist with the achievement of the objective of reducing net greenhouse gas emissions compared to 2020 by: i) reducing Scope 1&2 emissions by 42% and Scope 3 emissions by 33% by 2030; ii) achieving Net Carbon Zero by 2050. With regard to energy consumption, the company's aim is to achieve a net reduction of 33% compared to 2020 values;
  - transition risk: the main mitigation actions implemented include: i) development, implementation and deployment of digital applications for remote control of network and facility construction, development and maintenance worksite; ii) conversion to methane of distribution networks powered by LPG, with consequent reduction in emissions compared to the current configuration; iii) actions to modernise the network; iv) investments intended to increase the Italgas group's presence in the water and energy efficiency sectors; v) promotion of sustainable mobility; vi) development of power-to-gas technology powered by renewable energy in order to produce renewable gas that can be used in existing networks; vii) network and facility analysis initiatives for the evaluation of their adequacy and of interventions intended to enable the distribution of gas other than methane, such as hydrogen, biomethane and e-gas.
- The Ansaldo Energia group has identified the following among the risks related to climate change issues:
  - difficulties in adapting products to environmental regulations (Energy Transition), related to possible insufficient alignment with existing environmental regulations, in particular with strategic new legislation on the energy transition and CO_2 emission reduction;
  - uncertainty in business development/product diversification in relation to Energy Transition (Gas and Nuclear). The risk represents the possibility of inadequate definition of the strategic objectives in the Business Plan compared to the capabilities and business model of the Ansaldo group in relation to the diversification of the product portfolio and to the associated business;
  - risk related to possible difficulties in accessing credit or critical issues in negotiating favourable conditions for the Ansaldo group's loans.

  To mitigate the risks identified above, the Ansaldo Energia group has set up specific actions for: i) periodically mapping the regulatory impacts on the current product portfolio for CO2 emissions, ii) finalising the technical and economic feasibility analysis on the adjustment of the product portfolio, iii) defining a medium-long term sustainability strategy and iv) possibly searching for alternative credit institutions (insurance market) and defining sustainability plans.

  The commitment of the international community to Energy Transition, with a rapid push towards decarbonisation and the goal of zero emissions in 2050, identifies Natural Gas and Nuclear Power as energy sources to support the transition. These are included in the "green taxonomy" by the European Commission. The products of the Ansaldo Energia group already represent a push towards decarbonisation, guaranteeing a significant contribution to the stability of electricity grids that will be increasingly affected by the unpredictability of electricity generation from renewable sources.
- The Fincantieri group, in order to detect, assess and monitor the main corporate risks (Risk Universe), has incorporated in its Enterprise Risk Management (ERM) processes and systems the specific sustainability risks, covering the group's total exposure to "Climate Related" issues. More specifically:
  - physical risks: the company's business could be negatively impacted or interrupted by acute or chronic events, or indirectly through its supply chain, by delaying the production cycle and changing the allocation of production among the group's shipyards. Fincantieri's operations might also be affected by climate change (e.g. due to extreme weather events). These phenomena, which are no longer isolated events, could compromise the business operations, causing business interruptions and damage to strategic assets (including supply chain activities), affecting the delivery dates of ships and leading to possible penalties for the group.

    In order to mitigate exposure to physical risks, the main mitigation actions include: i) testing once a year the Disaster Recovery infrastructure; ii) identifying new potential and alternative suppliers through periodic direct and indirect scouting activities focused on critical areas; iii) establishing specific internal emergency management rules in the event of adverse weather conditions. Physical risks are also mitigated by the constant monitoring of the management systems at all production sites and in all company units and, with a view to the future, Fincantieri is preparing and implementing specific maintenance activities to limit the damage caused by the impending extraordinary climatic events and to preserve the functionality and efficiency of the various devices;
  - transition risks: the risk that the Fincantieri group might fail to develop products or services capable of mitigating the environ-

mental impact, in line with emerging regulatory requirements and the demands of customers increasingly sensitive to climate change issues, with negative effects on the Company's operations. Moreover, due to the complexity of its business and the various sectors in which it operates, Fincantieri may face significant difficulties in changing its strategy and product/service portfolio or in adapting to new regulations, whose increasing complexity requires the company to take targeted actions across several business areas.

To mitigate transition risks, the Fincantieri group: i) monitors changes in the regulations and standards applicable to the maritime sector by actively participating in national and international fora and monitors the new green technologies appearing on the market and focuses on innovative-technology products and services with low environmental impact; ii) takes part in periodic meetings with Ministries to present its point of view as a shipbuilder on the IMO (International Maritime Organization) regulations specific to its sector; iii) constantly monitors current and future commodity price trends through coordination between order controllers and purchasing departments, to manage risk exposure via increased production efficiency and financial hedging policies; iv) oversees the drafting of the Sustainability Report and the additional disclosures required by rating companies to ensure their transparency and completeness.

- In order to strengthen the risk assessment framework, integrating ESG aspects at all levels and across all business processes and in line with the Group's strategic and operational guidelines, in the first half of 2022 Simest launched specific projects with the aim of:
  - consolidating the internal regulatory framework in line and synergy with the Group's approach (strategic governance framework, operational policies and sectoral policies);
  - further developing models and metrics for assessing the sustainability of projects and counterparties in line with Group and market best practices (EU Taxonomy);
  - addressing and expanding the areas and issues of disclosure and reporting both towards the Group (NFS-Non-Financial Statement) and externally;
  - developing and adopting climate risk assessment approaches and methodologies, in line and synergy with the Group.

  Therefore, Simest plans to integrate climate-related issues as well as the broader ESG analyses of the impact, sustainability and additionality of its actions into business processes in an increasingly strengthened and progressive manner in order to guide the development of businesses and support their competitiveness in international markets.

IMPAIRMENT TEST

Climate risks might potentially impact the useful life of non-current assets and the residual value of properties, and may constitute potential indicators of possible impairment of assets. Companies are, consequently, called upon to consider, where relevant: (i) any evidence that non-financial assets have suffered impairment as a result of climate risk or of measures implementing the Paris Agreement; (ii) using assumptions that reflect climate risks and (iii) including the sensitivity analyses on the effects of climate risk in the assumptions adopted. Changes in the environment in which an entity operates may be potential indicators of possible impairment of an asset.

For this reason, when performing impairment testing, CDP Group takes into account the guidelines of the supervisory authorities on financial reporting aspects relating to risks, uncertainties, estimates, assumptions and valuations, as well as difficulties associated with the possible impact of climate risks on the entities under analysis. Where potentially relevant, factors relating to climate change have been taken into account, mainly through considerations and/or sensitivity analyses on the variables determining the recoverable amount.

With regard to specific features of the CDP Group companies, the following is highlighted:

- The Ansaldo Energia group has carried out impairment tests to verify the existence of any impairment losses on the goodwill associated with the CGU (Energy Sector) and on the recoverability of the development costs incurred for the various technologies included in the group's product portfolio. The flows used to determine the recoverable amount of non-current assets derive from the estimates and assumptions included in the 2023-2027 Business Plan update, with product market views updated to environmental regulations resulting from climate change. The volumes of investment required to upgrade products and the medium- to long-term growth rate reflect the risks associated with market issues relating to climate change. The plan includes specific investments in R&D (Research and Development) to update the product portfolio, to support the estimated volume of orders and maintain the market share. From the analyses carried out, no reductions emerged in the fair value of the assets recognised in the company's financial statements and directly related to climate change issues. However, the results of the impairment tests led to an impairment of the Ansaldo Energia group.

- As part of its equity investment valuation and fund management activities, Simest is gradually developing the ESG aspects to complete and integrate the preliminary analyses. In this sense, the rating modelling used in the counterparty credit rating assessment processes also factors in a check of the counterparty's exposure to climate risks among the qualitative variables, which, in this way, also become relevant at rating level.

With regard to the measurement of the expected credit loss, climate risk is treated by assigning a rating to the creditworthiness of counterparties that considers all relevant information, including forward-looking information on climate risks and the transition process. This includes using the information from the impact assessment carried out using the Sustainable Development Assessment (SDA) tool, so as to formulate appropriately prudential assessments, also in light of CDP's specific role and mission.

CONTINGENT LIABILITIES

In the first half of 2022, there were no events that required CDP Group to set aside provisions for risks and charges, i.e. no current obligations that are likely to result in future cash outflows, attributable to non-compliance with environmental requirements and/or failure to achieve the required climate targets.

In addition, due to the systematic monitoring of assets, and of the areas where they are located, companies are concretely committed to identifying in advance possible situations that could potentially lead to contingent liabilities related to climate risks.

GHG EMISSIONS TRADING SCHEMES

The Group's operating companies periodically report their performance with regard to emissions and the level of achievement of the GHG (Greenhouse Gas) targets.

DISCLOSURE ON ARTICLE 8 OF THE TAXONOMY REGULATION

In relation to the disclosure obligations referred to in Article 8 of the European Taxonomy Regulation, a system set up to classify economic activities as environmentally sustainable on the basis of six environmental objectives, the Group's companies subject to the obligation to disclose non-financial information (according to Legislative Decree 254/16) have carried out assessments and in-depth analyses to establish the level of eligibility of their economic activities to the taxonomy criteria preparatory to the alignment reporting required by legislation.

TAX CREDITS CONNECTED WITH THE "CURA ITALIA" AND "RILANCIO" DECREE LAWS ACQUIRED FOLLOWING THE SALE WITHOUT RECOURSE BY PREVIOUS BUYERS

With reference to the tax credits acquired pursuant to the "Cura Italia" (Decree Law no. 18/2020) and "Relaunch" (Decree Law no. 34/2020) Decree Laws – to which reference is made in detail in the 2021 Annual Financial Report – the following updates are given:

i) the total residual amount accounted for at 30/06/2022 (recognised under the item "Other assets" of the Balance Sheet) is around 369 million euro (against a total residual amount accounted for at 31/12/2021 of around 347.5 million euro);
ii) with reference to the development of the 3 proceedings relating to seizure measures affecting CDP as regards certain tax credits acquired for a total nominal value of about 87.8 million euro, the following is noted:
    - with reference to 2 seizures, the relevant Courts – admitting the applications for review promptly filed by CDP – proceeded to the full release of the sums seized (for a total nominal amount of approximately 83.1 million euro). These decisions were not challenged by the relevant Public Prosecutor's Offices and therefore are final today;

- with reference to 1 seizure, the relevant Court rejected the application for review promptly filed by CDP, confirming the seizure of the credits (for a nominal amount of approximately 4.7 million euro). Therefore, CDP challenged the decision before the Court of Cassation and the proceedings are still pending.

At the date of preparation of these condensed consolidated financial statements at 30/06/2022, the tax credits still subject to seizure amounted to around 4.7 million euro.

DISCLOSURE ON THE IMPACTS OF RUSSIA'S INVASION OF UKRAINE

The context of instability generated as a result of Russia's invasion of Ukraine has required additional disclosure to be provided in the Half-yearly Financial Report as at 30 June 2022, in order to ensure a level of transparency of financial reporting that is in line with the recommendations issued by the various regulators. For this reason, CDP and the Group companies have been called upon to provide all possible information that can adequately reflect the current and, as far as possible, foreseeable impact of Russia's invasion of Ukraine on the financial situation, performance and cash flows, in order to provide detailed disclosure on the process of identifying the main risks and uncertainties to which they are exposed.

In accordance with IAS 34, the disclosure below aims to provide an update, where relevant, with respect to what was previously stated in the last annual financial statements.

GOING CONCERN, SIGNIFICANT RISKS AND UNCERTAINTIES, ITEMS SUBJECT TO ESTIMATION

The uncertainty resulting from Russia's invasion of Ukraine may, in some cases, give rise to doubts about the ability to operate as a going concern. In this regard, it should be noted that the assessments carried out by CDP and the Group companies have not revealed situations in which the Russia-Ukraine conflict has raised doubts about the validity of the going concern basis and the ability of the companies to continue to operate as a going concern.

With regard to any potential uncertainties in the conduct of business, as well as in the assessment of any adjustments to the carrying amounts of assets and liabilities, it should be noted that the companies were required to assess whether it was necessary to update the assessments made at year-end with regard to the significant judgements, the assumptions regarding the future and the sources of estimates, as well as to comply with the requirements of IAS 34 in paragraph 16a (d) in terms of disclosure on the nature and amount of changes in estimates that occurred compared to the previous period.

Russia's military intervention in Ukraine is an unexpected shock that further exacerbates the European economic scenario, already negatively affected by the consequences of the Covid-19 pandemic. In this context, it is important to stress that the considerable uncertainty regarding the duration and continuation of the conflict, the extent of the sanctions, the climate of confidence it will generate and the resulting repercussions on the economic environment, makes it very difficult to predict the effects of the conflict on the macroeconomic scenario in the medium and long term, as well as the related impacts on the operations and future performance of the CDP Group.

Therefore, it will be necessary to constantly monitor the evolution of the situation in consideration of the current context[45].

Sweeping, coordinated sanctions have been imposed on Russia, Belarus, and the areas involved in the conflict not under the Ukrainian government's control. Their aims include: i) eroding the industrial base, ii) preventing the wealth of the Russian elite from being hidden in safe havens in Europe, iii) targeting the oil sector and preventing Russia from upgrading its oil refineries, and iv) cutting off Russia's access to the world's most important financial markets. The two heaviest sanctions are in the financial sector: the ban of some of Russia's most important banks from the SWIFT international payment system and the freezing of the Russian Central Bank's foreign currency reserves, held, for the most part, in China, France, Japan and Germany (exposure to the USA is limited).

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[45] As also envisaged in the Bank of Italy, Consob, IVASS and FIU Communication of 7 March 2022 "Reminder regarding compliance with the restrictive measures adopted by the EU in response to the Russian military aggression in Ukraine".

In general terms, the four main areas in which the economic impacts of the conflict will be felt are: (i) trade relations (excluding energy commodities), (ii) gas and oil supplies, (iii) uncertainty on the financial markets and (iv) geopolitical instability and new balance.

The direct impact on trade relations is relatively limited due to the limited importance of Russia's trade with Italy.

The economic impact relating to gas and oil supplies is significant because it will drive up inflation and because of the consequences of possible supply disruptions: Italy is one of the most vulnerable European countries, as it imports from Russia about 40% of the gas and 10% of the oil it needs to cover domestic demand. With reference to this dependence, European countries, and in particular Italy, have implemented measures aimed at reducing its incidence. In particular, in April the Italian government and the Algerian government signed a cooperation agreement in the energy sector aimed, among other things, at increasing the supply of gas to Italy by 9 billion cubic metres, bringing it to a total of 30 billion by 2024 and making Algeria the main supplier for Italy.

The uncertainty generated by the conflict, together with the latest monetary policy decisions made by the ECB, have led to higher government bond yields, as well as high volatility in financial markets.

In the medium term, geopolitical instability and changing relations between countries may lead to a slowdown in international trade - which would also have a negative impact on Italian exports - a fall in foreign direct investment and an increase in precautionary saving that would dampen the dynamics of consumption.

The supply of energy commodities is clearly Italy's main weak spot in terms of both direct effects, due to dependence on Russian supplies, and indirect effects on prices and inflation. High and rising inflation could produce serious effects, both for businesses, especially energy-intensive ones, whose profit margins would be eroded, and for households, whose purchasing power could be severely impaired since wage trends are not directly related to price trends.

With regard to the Parent Company's loan portfolio, CDP's direct exposure to counterparties in Russia, Belarus, Ukraine or other Eastern European countries potentially affected by the crisis is very small and, where present, largely guaranteed by SACE. Specifically, the proportion of loans granted to Russian or Ukrainian counterparties is less than 0.05% of CDP's assets.

Despite the uncertainty about the evolution of the conflict, it is possible to make some preliminary observations regarding the potential impacts, which are mainly a consequence of supply-related uncertainties. In this regard, the conflict could impact the business of the companies as a result of the volatility in the prices of commodities originating from the countries affected by the emergency, with a possible generalised increase in inflation and specifically in the price of energy commodities (oil, gas and coal), wood and aluminium.

In the medium term, on the other hand, the impact of the current crisis on growth and inflation is likely to have a significant negative fallout on various sectors of the economy, with an adverse impact on both equity and the loan portfolio, across all sectors. However, some sectors will be more severely affected by the consequences of the crisis, in particular those that are "energy-intensive" or otherwise exposed to significant increases in commodity prices.

With regard to the potential impact of the evolution of the sanctions on CDP's operations, a review has been conducted of the risk profiles for CDP associated with the current restrictions, considering the sanctions introduced by both the EU and the US, which could have a significant impact and, in the most serious cases, could prohibit all relations with the sanctioned parties. In view of the rapid changes in the situation, the analyses carried out have highlighted the need to monitor a small number of loan transactions. To date, following discussion and agreement with the pool of lenders, SACE and the external legal advisors, no agreement has been terminated, but all new disbursements have been stopped. However, in view of the rapidly evolving situation, these indications may be modified by subsequent interventions.

The sanctions framework that is emerging involves severe restrictions, which, in some cases, led to the freezing of assets, funds and financial resources and the barring of all business and financial relationships with certain persons that are not subject to specific exemptions. This will affect the possibility (i) of providing financing or support through equity or other financial instruments to Russian counterparties and/or projects and (ii) of importing and exporting goods from and to Russia and Belarus, with consequent limitations on the ability to carry out the work necessary for the execution of the contracts awarded by CDP's investees, as well as the projects financed.

With regard to the above-mentioned exposures in the loan portfolio, in line with CDP's internal policies, the due diligence conducted for the approval of these exposures, with the support of specialist legal advisors, confirmed their general compliance with the sanctions framework in force at the time. In view of the above-mentioned rapid and progressive tightening of the sanctions framework, the legal advisors have been asked to continuously update the due diligence conducted, in order to assess potential current or future risks for the financing agreements and to put in place the most appropriate contractual remedies where the implementation of those agreements ceases to comply with the current sanctions framework.

With regard to the lending operations mentioned above, the changes in the sanctions framework are being constantly monitored, in consideration of: (i) the possibility that the impact of sanctions may also worsen for entities financed directly by CDP; (ii) the involvement, including indirect, in parallel credit facilities separate from CDP's, of Russian financial institutions subject of the new sanctions; and (iii) the increasing restrictions on obtaining export authorisations and financial assistance.

In general, the agreements for the above transactions, which have been drafted and negotiated with the assistance of leading international legal advisors, include contractual protections that can be activated by CDP and/or the other lenders upon the occurrence of specific events.

With regard to Group companies, the following is highlighted:

- CDP Immobiliare SGR, on the basis of the evidence available at present and the currently configurable scenarios, while highlighting difficulties in finding essential materials to start and continue operations at construction sites, compounded by a significant increase in the price of the materials available, did not record any impact on its economic activity, financial position and earnings. The company is monitoring the situation, not knowing what the future impacts linked to the evolution of the conflict may be.
- CDP Immobiliare S.r.l. is affected by the inflationary trends that are significantly impacting the cost of commodities from Russia (iron, steel, minerals and chemical products, machinery) as well as indirectly affecting the increase in the price of other materials due to the rise in energy costs.
  These impacts have had repercussions on construction sites in progress and yet to be started. In particular, the difficulties of the supply chains and the increase in energy prices have affected construction costs, slowing down progress in some cases (with consequent postponement compared to the current schedules).
  Therefore, the situation is being monitored carefully by the technical structures in charge of the company's existing construction sites.
- In the context of managing the activity of the Efim Separate Asset Pool, Fintecna monitors the inflationary trends related to the conflict, which could possibly lead to an increase in the costs associated with remediation and disposal activities. Any impact related to these trends — currently not quantifiable — will be affected by the possible continuation of the conflict and the effects this will have on the general macroeconomic scenario.
- Since July 2022, in order to support Italian companies exporting to Ukraine, Russia and Belarus, Simest has had a new management product in place drawing on the resources of the Law 394/81 Fund. This measure also provides for a non-repayable share of up to 40% within the Temporary crisis framework and is intended for those companies that have suffered turnover losses and plan to implement actions aimed at recovering market shares to safeguard their competitiveness. From September 2022, a further measure will be implemented, drawing on the resources of the Law 394/81 Fund, to support the Italian exporting companies that procure raw materials, semi-finished products and finished products used in the production cycle from Ukraine, Russia and Belarus, with the aim of dealing with the negative impacts of the conflict. Also in this case, a non-repayable share of up to 40% is envisaged under the Temporary crisis framework.
  With regard to the support to export credit drawing on the resources of the Law 295/73 Fund, the current geopolitical crisis and the sanctions taken against Russia are having an impact on Simest's operations, as a result of the suspension of large orders and, in some cases, of supply difficulties.
  In the context of high uncertainty resulting from the repercussions of the conflict on the performance of the main macroeconomic market variables, Simest has initiated a series of activities to (i) analyse and quantify outstanding exposures, (ii) verify the sanctions and (iii) adjust, from a prudential point of view, underwriting criteria in the origination and monitoring/management phases

in order to assess the potential impacts of the conflict on the counterparties in the portfolio and to manage and mitigate risks. Simest's equity investment portfolio connected with risk areas is marginal.

- CDP RETI, as the holder of significant equity investments, is exposed to the risks typically associated with investee companies. It follows that, given its nature as a financial holding company, the performance and liquidity of the company are conditioned not only by the market values of its investee companies, but also by the ability of the same to pay dividends (and by their dividend policies), which is in turn influenced by financial performance and profit or loss. Any impact on the economic and financial situation of the investee companies resulting from the continuation of the conflict, could, consequently, have negative effects on the financial performance and profit or loss of CDP RETI. As regards the availability of funding sources and the related costs, the continued geopolitical tensions between Russia and Ukraine (and the interest rate fluctuations) led to persistently high market volatility, which meant that the company was unable to issue a new bond loan in the first half of 2022. For this reason, in order to secure the necessary funds to repay the 2015 bond loan (expired in May), a short-term bridge loan agreement was signed in May 2022.
- Being aware of the alarming international geopolitical context, from the earliest phases of the Russian-Ukrainian crisis Terna has promptly taken action to monitor the possible impacts/risks it entails. To this end, specific task forces have been set up in a timely manner to ensure both constant monitoring of sanctioning regulations and the strengthening of due diligence and ordinary controls. The areas of potential impact according to which constant monitoring groups have been activated are:
  - cyber security: with the beginning of the Russian-Ukrainian conflict, there has been an increase in cyber attacks on institutional and corporate websites, including Italian ones. Thanks to continuous Info sharing with Institutional Bodies and to the priority flows activated with Cyber Threat Intelligence providers, rules and digital signatures have been implemented on Terna's cyber protection systems with the aim of preventing any harmful actions. All checks relating to the absence of cyber security products and services linked to the Russian Federation have also been carried out with positive results. In addition, a project has been launched to further raise the level of cyber security relating to the data flow required by Terna and Swissgrid in the ENTSO-E framework for monitoring the defence systems active on the Ukrainian network;
  - economic and financial: on the economic and financial front, the current crisis has led to significant fluctuations in some macroeconomic variables. In particular, the increase in inflation that began at the end of last year due to the impact of the Covid-19 pandemic on the supply of goods and services, has further accelerated since the outbreak of the war in Ukraine, mainly due to the rise in the energy prices. On the other hand, the increase in inflation has meant that the national central banks and, in particular, the European Central Bank, have accelerated their plan for the implementation of a restrictive monetary policy, with the aim of mitigating the price increase, with the effect of a sudden rise in interest rates, which will also have an impact on the Terna's cost of debt in the coming years, although this will not be immediate, in view of the average duration of the existing debt and the current high proportion of fixed rate borrowings. At the same time, it should be noted that a significant change in the macroeconomic parameters to which the Terna group is exposed (interest rates, inflation, yield of Italian government bonds and European cost of debt indices) could led to a change in the allowed cost of capital, that would offset the impacts generated by those variables;
  - electrical system: current evidence shows that this is not impacted. However, the shortfall next winter in the supply of natural gas, which is used to produce about 45% of the power needed, would only partially be offset by maximising production from other energy sources. The Italian Government and the Gas Emergency Committee are considering what steps take in response to a possible significant reduction in Russian gas supplies, through an increase in other imports and the reduction in gas consumption, as well as maximising the production of remaining coal and oil fired power plants;
  - procurement plan: as a result of international sanctions, Terna has suspended the qualification of only one Russian supplier, mitigating the related effects by increasing use of other available suppliers.
- With regard to the Snam group, it should be noted that:
  - as part of the business of designing and building biomethane plants, the conflict is generating difficulties in the procurement of raw materials (in particular construction materials for IES Biogas), with a simultaneous price increase and longer delivery times. On the other hand, biomethane production plants are not recording substantial impacts. However, if the conflict continues in the coming months, further impacts may emerge that cannot be determined at present;
  - with regard to the Sustainable Mobility business, the production and marketing activities of compressors were affected by the Russia-Ukraine conflict as, during the first half of 2022, there were significant difficulties in procuring the main raw materials used in the production phase (mainly stainless steel and components for integrated boards) due to delays in the supply chain;
  - with reference to refuelling station business, the significant increase in natural gas prices has led to a lower growth in con-

sumption and therefore the gas supply by stations, for which volumes, although growing compared to 2021, were impacted by this phenomenon;

- with reference to the Energy Efficiency business, the generalised increase in the costs of raw materials has not led to significant economic effects since, in general, the contracts signed with customers include specific indexation clauses that protect companies from price escalation. There is a slight slowdown in collection times due to the above, albeit with minimal impacts. However, if this situation continues in the coming months, it could lead to more significant indirect effects on companies' working capital and cash flows.

It should be noted that Snam is not active in the Russian market and does not hold any equity investments in Russian companies, not even in joint-ventures. At present, flows from Russia have declined and have experienced some interruptions. Continued uncertainty and fears of further possible implications on the supply side continue to translate into significant growth in gas prices.

With reference to foreign subsidiaries with greater exposure to Russian gas supplies through multi-year contracts for the transportation of gas, at this stage no elements have been found that can significantly influence the companies' results. Impacts, however limited compared to the overall results of the Snam group, could emerge if there were prolonged imports disruptions and/or cancellation of existing multi-year contracts (generally partly covered by bank guarantees).

- Italgas does not have any production activities or employees located in Russia, Ukraine or in countries geo-politically aligned with Russia, nor does it have any commercial and/or financial relationships with these countries. However, in a market already characterised by restrictions and slowdowns in the supply chain, especially regarding components, it cannot be ruled out that the political and economic tension caused by the conflict could exacerbate these difficulties and have implications, in a way that cannot yet be estimated or predicted, on the effectiveness and timeliness of the Italgas group's procurement ability.

  In particular, in March, a first survey was completed (and will be updated periodically) on a significant part of its suppliers, which showed that none of the suppliers surveyed reported any impact with the Russian market (while only one supplier reported sub-supplies of Ukrainian origin for which it implemented initiatives aimed at seeking alternatives).

  At the same time, the survey confirmed the growing critical importance of the supply of electronics and components related to steel, in terms of prices, delivery terms and availability.

  With regard to indirect risks related to sales companies using the networks of the Italgas group, should they suffer, in a deteriorated international scenario, from adverse commodity supply conditions (such as, for example, sharp increases in the prices of gas that cannot be passed on to end customers, leading to a worsening in their financial conditions and relative difficulty in regularly fulfilling their contractual obligations towards the Italgas group), it should be noted that the rules for user access to the gas distribution service are established by ARERA and regulated in the Network Code, which defines the system of financial guarantees in place to protect the distributor.

  Finally, with reference to the risk of lower volumes of gas entering the national infrastructure, the current tariff regulations do not result, as is known, in an exposure for the distributors to changes in the volumes of gas transported.

- The Fincantieri group has no current activities or investments in Russia and Ukraine, nor financing relationship with companies or financial institutions operating in those countries.

  At the start of the conflict, the Fincantieri group had limited business relations with Russian customers for specific niches of services and products. In the first months of the year, these contracts developed business volumes of non-significant amount. Receivables from Russian customers are also limited, also as a result of the impairment recognised. Activities related to these contracts have been suspended and the Fincantieri group continuously monitors the application of international sanctions.

  With reference to the effects of the price increases, the Fincantieri group continues to implement hedging policies on the purchase of copper, gas and electricity, as well as marine fuel, and is constantly implementing the risk mitigation plan, already launched in the early days of the conflict, related to the supply of strategic materials such as steel, in part from Ukraine. The plan includes strategies to diversity suppliers, also by scouting for new international partners. It should be noted that the whole-life cost estimates of the orders in the portfolio have been updated to reflect current expected price levels of raw material.

  With reference to the effects of inflation and the related increase in interest rates, it should be noted that the rise in interest rates recorded in recent months has only marginally affected the cost of new loans thanks to the pre-hedging strategy pursued by the Fincantieri group by negotiating interest rate swaps.

  With reference to cyber risk, from the early stages of the conflict, the Fincantieri group has intensified its already high standards in terms of monitoring and communication with the main national and international authorities, as well as promoting awareness of this risk among its employees.

- Ansaldo Energia is monitoring the potential impacts on the energy market and identifying potential countermeasures, pursuing commercial channels with less impacted areas (e.g. North Africa), possible stepping up of cost containment actions and cash optimisation opportunities. There were no significant direct losses on the activities carried out by the subsidiary Ansaldo Energia Russia operating in the local service market. Supplies for maintenance contracts did not fall under the activities subject to sanctions. The main indirect impacts of the conflict that emerged in the first half of 2022 are as follows:

- availability of materials, delays in deliveries and increase in commodity prices;
- tension in the gas market that slowed down investments in the year for the construction of new plants by customers due to uncertainty surrounding prices and future availability of gas.

As also reported in the disclosure on the impacts related to the Covid-19 pandemic, it should be noted that the Ansaldo group has carried out and formalised an assessment of the main asset and liability items, updated with respect to the new market and business forecasts included in the 2022 revised budget. This analysis, which clearly also focused on the possible risks related to the pandemic, showed significant impacts leading to a reduction in the group's assets.

IMPAIRMENT TEST ON NON-FINANCIAL ASSETS

The determination of the recoverable amount of an asset, in view of the current situation of uncertainty, requires a careful assessment of cash flow projections with the possibility of considering different scenarios, the weighting of which should be calibrated based on reasonable, sustainable and realistic estimates and assumptions.

As stated in the paragraph relating to the disclosure on the impacts of the Covid-19 pandemic, as well as in the specific sections of the Notes to the consolidated financial statements, at 30 June 2022 impairment triggers were activated on some of the key equity investments accounted for using the equity method for the actual results and/or the performance of market prices.

For this reason, taking into account this unique moment in time characterised, among other things, by geopolitical instability, with reference to the estimated recoverable amount of equity investments, CDP has adopted a range of key principles, including:

- a period of analysis of the rates to estimate the risk-free rate in line with a time horizon that allows the relevant market developments to be appreciated (e.g. recent increase in rates)[46];
- use of an Equity Risk Premium "consensus" in line with the average of the latest values available and a period of analysis of the market parameters (e.g. beta) that is such to mitigate and normalise any contingent factors in view of the medium/long-term perspective of the underlying cash flows;
- use of the average of the latest Country Risk Premiums instead of the latest available, only where deemed to be more significant.

In addition, CDP has conducted a sensitivity analysis on each equity investment against the main variables that determine the asset's value.

With regard to the Group companies:

- CDP Equity was indirectly hit by the effects of the Russian-Ukrainian conflict, noting critical situations mainly for investee companies that, by working on a contract basis, have incurred an increase in the costs of production factors, such as commodities and fuels, with a direct impact on margins (in particular the companies operating in the energy sector, and specifically in the gas sector, have recorded a contraction in orders).
  The impairment tests on the equity investments for which indicators were found were carried out considering, among other things, the effects of geopolitical instability by acquiring updated financial information from the investee companies and considering valuation parameters that factored in the consequent macroeconomic effects, and led to adjustments to the carrying amount of some equity investments.
- The Ansaldo group has carried out and formalised an assessment to analyse recoverability, through an impairment test on the other assets. This analysis considered, among other things, economic and financial effects related to the conflict included in the revised 2022 budget and 2023-2027 Business Plan, and highlighted indicators of impairment.

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[46] This principle also applies if the country risk has been estimated directly through the yield of the government bond of the country of reference for the company.

Impairment of financial assets

The assessment of any significant increase in credit risk (SICR) of CDP is based not only on the information relating to the classification of loans pursuant to banking regulations (e.g. "past due", "forborne") but also on the forward-looking information embedded in its own credit risk management systems, in particular in relation to:

- internal ratings, which reflect the forward-looking assessment by CDP analysts of the capacity of each debtor to meet its obligations over the entire life of the financial instruments. Internal ratings holistically incorporate, through an assignment and review process, all available quantitative and qualitative information that is relevant to the assessment, including, for example, up-to-date macroeconomic forecasts, sector dynamics assessments, public ratings issued by the primary agencies, market prices and regulatory measures;
- assigning specific debtors to the different "watchlists", which in some cases may indicate the presence of additional uncertainty factors, typically qualitative, other than the main drivers considered in the internal rating.

Consistent with the characteristics of its loan portfolio, mainly including exposures with public counterparties, banks operating in Italy, large corporations and special-purpose vehicles operating in the infrastructure sector, CDP has noted, as at 30 June 2022, that changes in ratings are overall limited, even including the impacts of the conflict on a forward-looking basis.

No changes were deemed necessary in the models for the valuation and measurement of financial instruments related to the pandemic crisis. In particular, CDP has not made changes to its methodology for assessing the significant increase in credit risk, as it considers this methodology to be adequate in the current context.

In measuring Expected Credit Losses, CDP applies the internally-developed methodology, which takes into account the following elements: (i) the estimate of Through-the-Cycle probability of default and (ii) an internal model for estimating the cyclical component of probability of default. The model applied to estimate the cyclical component is based on the main macroeconomic drivers including GDP and employment rate forecasts, with reference to the European area and the USA. Since 31 December 2021, CDP has defined a management overlay in order to take account of the changing economic circumstances, in particular by incorporating in the quantification of Expected Credit Losses specific prudential criteria deriving from the IFRS 9 models in use, aimed at representing the high degree of uncertainty associated with (i) the timing and effects of the removal of the extraordinary support policies for the effects of the pandemic implemented by institutions (both fiscal and credit measures and monetary policy measures) and (ii) the continuation of measures such as states of emergency and related restrictions, (iii) geopolitical developments and (iv) the dynamics of energy and commodity prices, the interest rate market and inflation, also in connection with the previous points.

No impacts were identified in hedge accounting relationships. The direct impacts on the risk factors to which CDP is exposed are extremely small and limited to the amount of credit exposures to companies in the geographical area concerned, less than 0.05% of CDP's assets.

ADDITIONAL DISCLOSURE APPLICABLE TO THE HALF-YEARLY FINANCIAL REPORT

With regard to the additional areas of focus indicated by ESMA as potentially subject to any impacts related to Russia's invasion of Ukraine (such as deferred tax assets (IAS 12), fair value measurement (IFRS 13), foreign currency transactions (IAS 21), contingent liabilities (IAS 37), insurance contract liabilities (IFRS 17)), there are no critical issues or impacts for CDP and the Group companies, with the exception of some provisions for losses (IAS 37) made by Ansaldo Energia, due to the review of the margins of some projects in the portfolio as a result of delays and cost increases.

It should also be noted that there are no impacts for CDP and the Group companies on their ability to exercise their governance rights and their ability to participate in the decision-making processes of a subsidiary, associate or jointly controlled company, as well as the decision to dispose of an asset or group of assets (with the consequent classification of the same as available for sale).

DISCLOSURE OF TRANSFERS BETWEEN PORTFOLIOS OF FINANCIAL ASSETS

There were no transfers between portfolios of financial assets.

DISCLOSURES ON FAIR VALUE MEASUREMENT

QUALITATIVE DISCLOSURES

As there were no intervening changes to what is set out in the 2021 Annual Report, reference is made to what is stated in the latter under Chapter 3, Part A - Accounting policies, A. 4 - Disclosures on fair value measurement.

QUANTITATIVE DISCLOSURES

HIERARCHY OF FAIR VALUE

ASSETS AND LIABILITIES MEASURED AT FAIR VALUE ON A RECURRING BASIS: BREAKDOWN BY LEVEL OF FAIR VALUE INPUTS

(thousands of euro)	30/06/2022			31/12/2021		
Financial assets/liabilities measured at fair value	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Financial assets designated at fair value through profit or loss:		461,848	3,102,527		281,343	3,286,165
a) financial assets held for trading		268,726	108		68,140	108
b) financial assets designated at fair value			221,792			456,966
c) other financial assets mandatorily at fair value		193,122	2,880,627		213,203	2,829,091
2. Financial assets at fair value through other comprehensive income	12,919,878		164,356	15,625,036		143,252
3. Hedging derivatives		3,331,810			298,125	
4. Property, plant and equipment						
5. Intangible assets						
TOTAL	**12,919,878**	**3,793,658**	**3,266,883**	**15,625,036**	**579,468**	**3,429,417**
1. Financial liabilities held for trading		413,232	907		126,770	8,429
2. Financial liabilities at fair value			36,543			34,383
3. Hedging derivatives		1,264,670			3,143,800	
TOTAL		**1,677,902**	**37,450**		**3,270,570**	**42,812**

CHANGE FOR THE PERIOD IN FINANCIAL ASSETS MEASURED AT FAIR VALUE ON A RECURRING BASIS (LEVEL 3)

	Financial assets measured at fair value through profit or loss				Financial assets measured at fair value through other compre-hensive income	Hedging derivatives	Property, plant and equipment	Intangible assets
(thousands of euro)	Total	of which: a) Financial assets held for trading	of which: b) Financial assets designated at fair value	of which: c) Other financial assets mandatorily measured at fair value				
1. Opening balance	**3,286,165**	**108**	**456,966**	**2,829,091**	**143,252**			
2. Increases	**274,969**		**1,920**	**273,049**	**26,859**			
2.1 Purchases	222,348			222,348	24,930			
2.2 Profits taken to:	44,920		1,920	43,000	1,929			
2.2.1 Income statement	44,920		1,920	43,000				
- *of which: capital gains*	*44,810*		*1,920*	*42,890*				
2.2.2 Equity		X	X	X	1,929			
2.3 Transfers from other levels								
2.4 Other increases	7,701			7,701				
3. Decreases	**458,607**		**237,094**	**221,513**	**5,755**			
3.1 Sales								
3.2 Repayments	154,996			154,996	2,549			
3.3 Losses taken to:	61,237			61,237	3,205			
3.3.1 Income statement	61,237			61,237	555			
- *of which: capital losses*	*61,237*			*61,237*				
3.3.2 Equity		X	X	X	2,650			
3.4 Transfers to other levels								
3.5 Other decreases	242,374		237,094	5,280	1			
4. CLOSING BALANCE	**3,102,527**	**108**	**221,792**	**2,880,627**	**164,356**			

CHANGE FOR THE YEAR IN FINANCIAL LIABILITIES MEASURED AT FAIR VALUE ON A RECURRING BASIS (LEVEL 3)

(thousands of euro)	Financial liabilities held for trading	Financial liabilities at fair value	Hedging derivatives
1. Opening balance	**8,429**	**34,383**	
2. Increases		**2,160**	
2.1 Issues			
2.2 Losses taken to:			
2.2.1 Income statement			
- *of which: capital losses*			
2.2.2 Equity	X		
2.3 Transfers from other levels			
2.4 Other increases		2,160	
3. Decreases	**7,522**		
3.1 Repayments			
3.2 Buybacks			
3.3 Profits taken to:	22		
3.3.1 Income statement	22		
- *of which: capital gains*	*22*		
3.3.2 Equity	X		
3.4 Transfers to other levels			
3.5 Other decreases	7,500		
4. CLOSING BALANCE	**907**	**36,543**	

DISCLOSURE OF “DAY ONE PROFIT/LOSS”

As there were no intervening changes to what is set out in the 2021 Annual Report, reference is made to Chapter 3, Part A - Accounting policies, A. 4 - Disclosures on fair value measurement of the latter document.

INFORMATION ON THE CONSOLIDATED BALANCE SHEET

ASSETS

CASH AND CASH EQUIVALENTS - ITEM 10

CASH AND CASH EQUIVALENTS: BREAKDOWN

(thousands of euro)	30/06/2022	31/12/2021
a) Cash	2,728	2,253
b) Current accounts and demand deposits with Central banks		
c) Bank current accounts and demand deposits	4,384,609	5,232,679
TOTAL	**4,387,337**	**5,234,932**

FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS - ITEM 20

FINANCIAL ASSETS HELD FOR TRADING: BREAKDOWN BY TYPE

(thousands of euro) Items/Values	Prudential consolidation	Other entities	30/06/2022	31/12/2021
A. On-balance-sheet assets				
1. Debt securities		102	102	102
1.1 Structured securities				
1.2 Other debt securities		102	102	102
2. Equity securities				
3. Units in collective investment undertakings				
4. Loans		6	6	6
Total A		**108**	**108**	**108**
B. Derivatives				
1. Financial derivatives	221,870	46,856	268,726	68,140
1.1 Trading	221,870	46,856	268,726	68,140
1.2 Associated with fair value option				
1.3 Other				
2. Credit derivatives				
Total B	**221,870**	**46,856**	**268,726**	**68,140**
TOTAL (A + B)	**221,870**	**46,964**	**268,834**	**68,248**

Financial derivatives, which totalled 268.8 million euro at 30 June 2022, are attributable to:

- with regard to the Prudential consolidation, the Parent Company, and include the positive fair value of interest rate derivatives;
- with regard to the Other companies, the contribution of Fincantieri and Terna.

FINANCIAL ASSETS DESIGNATED AT FAIR VALUE: BREAKDOWN BY TYPE

The item, equal to 221.8 million euro, includes the value of the separate assets incorporated into Fintecna following the merger of Ligestra Due in 2020.

OTHER FINANCIAL ASSETS MANDATORILY MEASURED AT FAIR VALUE: BREAKDOWN BY TYPE

(thousands of euro) Items/Values	Prudential consolidation	Other entities	30/06/2022	31/12/2021
1. Debt securities		364	364	42,249
1.1 Structured securities				
1.2 Other debt securities		364	364	42,249
2. Equity securities		23,887	23,887	13,975
3. Units in collective investment undertakings	2,512,689	403,481	2,916,170	2,823,017
4. Loans		133,328	133,328	163,053
4.1 Repurchase agreements				
4.2 Other		133,328	133,328	163,053
TOTAL	**2,512,689**	**561,060**	**3,073,749**	**3,042,294**

Financial assets mandatorily measured at fair value are essentially represented by units of UCIs attributable predominantly to the Parent Company's portfolio.

Loans reported under Other companies mainly refer to receivables owed by the subsidiary Simest to its partners in connection with investment transactions in investee companies, which must be measured at fair value in accordance with IFRS 9 since they do not pass the SPPI test[47].

FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - ITEM 30

FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: BREAKDOWN BY TYPE

(thousands of euro) Items/Values	Prudential consolidation	Other entities	30/06/2022	31/12/2021
1. Debt securities	11,517,739	367,639	11,885,378	14,175,245
1.1 Structured securities				
1.2 Other debt securities	11,517,739	367,639	11,885,378	14,175,245
2. Equity securities	445,944	752,912	1,198,856	1,593,043
3. Loans				
TOTAL	**11,963,683**	**1,120,551**	**13,084,234**	**15,768,288**

Financial assets measured at fair value through other comprehensive income mainly derive from the contribution of the Prudential consolidation, and include:

- debt securities with a value of 11,517.7 million euro, which includes Italian government securities with a value of approximately 9,574 million euro held by the Parent Company;
- investments in equity securities mainly attributable to the interest in TIM S.p.A., for a value at the end of the period of around 445.9 million euro and whose change compared to the end of the previous year (around -276.1 million euro) is due to the effects of the fair value measurement recognised at the respective reporting dates.

With regard to equity securities reported under Other companies, CDP Equity acquired a 7.3% equity investment in Euronext, amounting to 610.7 million euro at 30 June 2022.

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[47] The SPPI (Solely Payment of Principal and Interest) test is a qualitative, and in some cases quantitative, analysis of the cash flows generated by the financial asset aimed at verifying whether or not they consist exclusively in payments of capital and interests accrued on the amount of the principal to be repaid and are compatible with a credit lending arrangement (IFRS 9 § 4.1.2 and 4.1.2 A (lett. b), 4.1.3 and § B4.1.7 – B4.1.9E).

FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: GROSS VALUE AND ACCUMULATED IMPAIRMENT

	Gross value					Accumulated impairment				
(thousands of euro)	Stage 1	of which: Instru-ments with low credit risk	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Accumu-lated partial write-off (*)
Debt securities	11,530,787		367,639			(13,048)				
Loans										
TOTAL 30/06/2022	**11,530,787**		**367,639**			**(13,048)**				
TOTAL 31/12/2021	**13,183,985**		**1,005,181**			**(13,640)**	**(281)**			

(*) Value to be shown for information purposes.

There are no loans measured at fair value through other comprehensive income subject to Covid-19 support measures.

FINANCIAL ASSETS MEASURED AT AMORTISED COST - ITEM 40

FINANCIAL ASSETS MEASURED AT AMORTISED COST: BREAKDOWN BY TYPE OF LOANS TO BANKS

(thousands of euro) Type of transactions/values	Prudential consolidation	Other entities	30/06/2022	31/12/2021
A. Loans to Central banks	**14,888,984**		**14,888,984**	**21,670,403**
1. Time deposits				
2. Reserve requirement	14,874,532		14,874,532	21,656,136
3. Repurchase agreements				
4. Other	14,452		14,452	14,267
B. Loans to banks	**15,754,130**	**2,590,866**	**18,344,996**	**18,107,501**
1. Loans	12,757,091	2,590,712	15,347,803	15,166,117
1.1 Current deposit		37,322	37,322	37,322
1.2 Time deposits		2,553,390	2,553,390	1,939,365
1.3 Other financing:	12,757,091		12,757,091	13,189,430
– repurchase agreements				
– finance lease				
– other	12,757,091		12,757,091	13,189,430
2. Debt securities	2,997,039	154	2,997,193	2,941,384
2.1 Structured				
2.2 Other debt securities	2,997,039	154	2,997,193	2,941,384
TOTAL	**30,643,114**	**2,590,866**	**33,233,980**	**39,777,904**

Loans to banks are primarily composed of:

- the Parent Company’s balance on the management account of the reserve requirement, which amounted to 14,874.5 million euro (around -6,781.6 million euro on the figure recorded at 31 December 2021);
- other loans of approximately 12,757.1 million euro, mostly attributable to loans granted by the Parent Company to the banking system;

- term deposits of approximately 2,553.4 million euro, mainly resulting from the contributions of Terna and Snam;
- debt securities of the Parent Company of 2,997 million euro.

FINANCIAL ASSETS MEASURED AT AMORTISED COST: BREAKDOWN BY TYPE OF LOANS TO CUSTOMERS

(thousands of euro)

Type of transactions/values	30/06/2022	31/12/2021
1. Loans	**263,870,077**	**261,332,363**
1.1 Current accounts	7,779	21,163
1.1.1 Cash and cash equivalents held with Central State Treasury	157,237,638	157,207,306
1.2 Repurchase agreements	342,308	122,286
1.3 Loans	97,608,073	98,409,817
1.4 Credit cards, personal loans and loans repaid by automatic deductions from wages	235	230
1.5 Finance lease	126,399	127,092
1.6 Factoring		
1.7 Other	8,547,645	5,444,469
2. Debt securities	**64,549,214**	**59,720,920**
2.1 Structured securities		
2.2 Other debt securities	64,549,214	59,720,920
TOTAL	**328,419,291**	**321,053,283**

Loans to customers, which essentially include the contribution of the Parent Company, mainly relate to:

- lending operations under the Separate Account and Ordinary Account;
- cash and cash equivalents held with Central State Treasury;
- investments in debt securities under the Held to collect business model.

The table above provides a breakdown of these positions by technical form.

With respect to the cash and cash equivalents held with the Central State Treasury, account no. 29814, called "Cassa DP S.p.A. - Gestione Separata", which comprises the liquidity generated by Separate Account transactions of CDP, the Ministry of the Economy and Finance pays CDP interest based on a rate equal to the lower between:

- the cost of Postal Savings incurred by CDP;
- the average cost of the stock (balance) of national government securities[48].

The volume of mortgage loans and other financing amounted to a total of approximately 106,155.7 million euro (+2,301.4 million euro compared to the end of 2021).

The volume of debt securities recognised in this item amounted to approximately 64,549.2 million euro, up by 4,828.3 million euro with respect to the end of 2021, and largely related to the Parent Company's investments in Italian government securities (approximately 59,111 million euro).

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[48] The method for calculating interest for the years 2021-2022 is governed by a specific Ministerial Decree of 16 July 2021 signed by the Minister of the Economy and Finance. The average cost of the stock (balance) of government securities and the cost of Postal Savings are determined as a forecast for the first half of the year and definitively, possibly adjusted for any difference, for the whole of the year.

FINANCIAL ASSETS MEASURED AT AMORTISED COST: GROSS VALUE AND ACCUMULATED IMPAIRMENT

	Gross value					Accumulated impairment				
(thousands of euro)	Stage 1	of which: Instru-ments with low credit risk	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Accumu-lated partial write-offs (*)
Debt securities	67,087,271		672,253			(84,727)	(128,390)			
Loans	282,671,297		11,791,988	570,560		(267,042)	(516 ,560)	(143,379)		
TOTAL 30/06/2022	**349,758,568**		**12,464,241**	**570,560**		**(351,769)**	**(644,950)**	**(143,379)**		
TOTAL 31/12/2021	**347,896,787**		**13,554,718**	**546,872**		**(341,567)**	**(684,455)**	**(141,168)**		

(*) Value to be shown for information purposes.

LOANS MEASURED AT AMORTISED COST SUBJECT TO COVID-19 SUPPORT MEASURES: GROSS VALUE AND ACCUMULATED IMPAIRMENT

	Gross value					Accumulated impairment				
(thousands of euro)	Stage 1	of which: Instru-ments with low credit risk	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Accumu-lated partial write-offs (*)
1. Loans subject to moratoria compliant with the GL										
2. Loans subject to existing moratorium measures no longer conforming to the GLs and not considered forborne										
3. Loans subject to forbearance measures										
4. New loans	1,311,795		17,717	25,181		(4,572)	(59)	(1,712)		
TOTAL 30/06/2022	**1,311,795**		**17,717**	**25,181**		**(4,572)**	**(59)**	**(1,712)**		
TOTAL 31/12/2021	**6,044,712**		**40,002**	**15,069**		**(9,568)**	**(173)**	**(1,025)**		

(*) Value to be shown for information purposes.

This table shows the loans, with details of gross amount and accumulated impairment, broken down by risk status, subject to Covid-19 support measures. The line “New loans” reports the loans which represent new liquidity backed by public guarantees.

HEDGING DERIVATIVES - ITEM 50

HEDGING DERIVATIVES: BREAKDOWN BY TYPE OF HEDGE

(thousands of euro)	30/06/2022	31/12/2021
A. Financial derivatives:	**3,331,810**	**298,125**
1) Fair value	3,138,780	281,824
2) Cash flow	191,587	16,301
3) Investment in foreign operation	1,443	
B. Credit derivatives		
TOTAL	**3,331,810**	**298,125**

The item, which at 30 June 2022 totalled 3,331.8 million euro, derives mainly from the contribution of the Parent Company, and essentially refers to fair value macro-hedging derivatives and, on a residual basis, to fair value and cash flow micro-hedging derivatives.

FAIR VALUE CHANGE OF FINANCIAL ASSETS IN HEDGED PORTFOLIOS - ITEM 60

FAIR VALUE CHANGE OF HEDGED ASSETS: BREAKDOWN BY HEDGED PORTFOLIO

(thousands of euro) Fair value change of financial assets in hedged portfolios/Values	30/06/2022	31/12/2021
1. Positive fair value change		**1,347,532**
1.1 of specific portfolios:		1,347,532
a) financial assets measured at amortised cost		1,347,532
2. Negative fair value change	**(1,999,927)**	**(79,547)**
2.1 of specific portfolios:	(1,999,927)	(79,547)
a) financial assets measured at amortised cost	(1,999,927)	(79,547)
TOTAL	**(1,999,927)**	**1,267,985**

EQUITY INVESTMENTS - ITEM 70

INFORMATION ON EQUITY INVESTMENTS

Company name	Registered office	Operational headquarters	Type of relationship (1)	Investor	% holding	% of votes (2)
A. Companies subject to joint control						
1. 4B3 S.c.ar.l.	Trieste	Trieste	7	Fincantieri SI S.p.A.	52.50%	52.50%
				Fincantieri S.p.A.	2.50%	2.50%
2. 4TB13 S.c.ar.l.	Trieste	Trieste	7	Fincantieri SI S.p.A.	55.00%	55.00%
3. 4TCC1 S.c.ar.l.	Trieste	Trieste	7	Fincantieri SI S.p.A.	75.00%	75.00%
				Fincantieri S.p.A.	5.00%	5.00%
4. AS Gasinfrastruktur Beteiligung GmbH	Vienna	Vienna	7	Snam S.p.A.	40.00%	40.00%
5. Ansaldo Gas Turbine Technology Co. Ltd. (JVA)	Shanghai	Shanghai	7	Ansaldo Energia S.p.A.	60.00%	60.00%
6. BUSBAR4F S.c.ar.l.	Trieste	Trieste	7	Fincantieri S.p.A.	10.00%	10.00%
				Fincantieri SI S.p.A.	50.00%	50.00%
7. Consorzio F.S.B.	Marghera (VE)	Marghera (VE)	7	Fincantieri S.p.A.	58.36%	58.36%
8. CSSC - Fincantieri Cruise Industry Development Ltd.	Hong Kong	Hong Kong	7	Fincantieri S.p.A.	40.00%	40.00%
9. Darsena Europa S.c.ar.l.	Rome	Rome	7	Fincantieri Infrastructure Opere Marittime S.p.A.	26.00%	26.00%
10. ELMED Etudes S.ar.l.	Tunis	Tunis	7	Terna S.p.A.	50.00%	50.00%
11. ERSMA 2026 - Società Consortile a Responsabilità Limitata	Rome	Rome	7	Fincantieri SI S.p.A.	20.00%	20.00%
12. Etihad Ship Building LLC	Abu Dhabi	Abu Dhabi	7	Fincantieri S.p.A.	35.00%	35.00%
13. FINMESA S.c.ar.l.	Milan	Milan	7	Fincantieri SI S.p.A.	50.00%	50.00%
14. Fincantieri Clea Buildings S.c.ar.l.	Verona	Verona	7	Fincantieri Infrastructure S.p.A.	51.00%	51.00%
15. Florence InvestCo S.r.l.	Milan	Milan	7	Fondo Italiano Consolidamento e Crescita (FICC)	41.00%	41.00%
16. Greenit S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	7	CDP Equity S.p.A.	49.00%	49.00%
17. Holding Reti Autostradali S.p.A.	Rome	Rome	7	CDP Equity S.p.A.	51.00%	51.00%
18. Hotelturist S.p.A.	Padua	Padua	7	CDP Equity S.p.A.	45.95%	45.95%
19. IQ Made in Italy Investment Company S.p.A.	Milan	Milan	7	CDPE Investimenti S.p.A.	50.00%	50.00%
20. Issel Middle East Information Technology Consultancy LLC	Abu Dhabi	Abu Dhabi	7	Issel Nord S.r.l.	49.00%	49.00%
21. Metano S. Angelo Lodigiano S.p.A.	Sant'Angelo Lodigiano	Sant'Angelo Lodigiano	7	Italgas S.p.A.	50.00%	50.00%
22. Naviris S.p.A.	Genoa	Genoa	7	Fincantieri S.p.A.	50.00%	50.00%
23. Nuovo Santa Chiara Hospital S.c.ar.l.	Florence	Pisa	7	Fincantieri Infrastrutture Sociali S.p.A.	50.00%	50.00%
24. OLT Offshore LNG Toscana S.p.A.	Milan	Livorno	7	Snam S.p.A.	49.07%	49.07%
25. Open Fiber Holding S.p.A.	Milan	Milan	7	CDP Equity S.p.A.	60.00%	60.00%
26. Orizzonte Sistemi Navali S.p.A.	Genoa	Genoa	7	Fincantieri S.p.A.	51.00%	51.00%
27. Pergenova S.c.p.a.	Genoa	Genoa	7	Fincantieri Infrastructure S.p.A.	50.00%	50.00%
28. Power4Future S.p.A.	Calderara di Reno (BO)	Calderara di Reno (BO)	7	Fincantieri SI S.p.A.	52.00%	52.00%
29. Southeast Electricity Network Coordination Center S.A.	Thessaloniki	Thessaloniki	7	Terna S.p.A.	25.00%	25.00%
30. Saipem S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	7	CDP Industria S.p.A.	12.55%	12.55%
31. Shanghai Electric Gas Turbine Co. Ltd. (JVS)	Shanghai	Shanghai	7	Ansaldo Energia S.p.A.	40.00%	40.00%
32. Terega Holding S.A.S.	Pau	Pau	7	Snam S.p.A.	40.50%	40.50%
33. Trans Austria Gasleitung GmbH (5)	Vienna	Vienna	7	Snam S.p.A.	84.47%	84.47%
34. Umbria Distribuzione Gas S.p.A.	Terni	Terni	7	Italgas S.p.A.	45.00%	45.00%
35. Valvitalia Finanziaria S.p.A.	Milan	Milan	7	CDPE Investimenti S.p.A.	50.00%	50.00%

Company name	Registered office	Operational headquarters	Type of relation-ship (1)	Investor	% holding	% of votes (2)
36. Vimercate Salute Gestioni S.c.ar.l.	Milan	Vimercate (MB)	7	SOF S.p.A.	3.65%	3.65%
				Fincantieri Infrastrutture Sociali S.p.A.	49.10%	49.10%
B. Companies subject to significant influence						
1. 2F Per Vado - S.c.ar.l.	Genoa	Genoa	4	Fincantieri Infrastructure S.p.A.	49.00%	49.00%
2. A-U Finance Holdings Bv	Amsterdam	Amsterdam	4	Ansaldo Energia S.p.A.	40.00%	40.00%
3. Ansaldo Algierse S.àr.l.	Algiers	Algiers	4	Ansaldo Energia S.p.A.	49.00%	49.00%
4. Bioteca soc. cons. a r.l.	Carpi (MO)	Santorso (VI)	4	SOF S.p.A.	33.00%	33.00%
5. Brevik Technology AS	Brevik	Brevik	4	Vard Group AS	34.00%	34.00%
6. CESI S.p.A.	Milan	Milan	4	Terna S.p.A.	42.70%	42.70%
7. CGES A.D.	Podgorica	Podgorica	4	Terna S.p.A.	22.09%	22.09%
8. Coreso S.A.	Brussels	Brussels	4	Terna S.p.A.	15.84%	15.84%
9. CSS Design Limited	British Virgin Islands (UK)	British Virgin Islands (UK)	4	Vard Marine Inc.	31.00%	31.00%
10. Castor Drilling Solution AS	Kristiansand (S)	Kristiansand (S)	4	Seaonics AS	34.13%	34.13%
11. Centro Servizi Navali S.p.A.	San Giorgio di Nogaro (UD)	San Giorgio di Nogaro (UD)	4	Fincantieri S.p.A.	10.93%	10.93%
12. Cisar Costruzioni S.c.ar.l.	Milan	Rome	4	Fincantieri Infrastrutture Sociali S.p.A.	30.00%	30.00%
13. Città Salute Ricerca Milan S.p.A	Milan	Rome	4	Fincantieri Infrastrutture Sociali S.p.A.	30.00%	30.00%
14. dCarbonX Ltd.	London	London	4	Snam International B.V.	12.50%	12.50%
15. Decomar S.p.A.	Massa (MS)	Massa (MS)	4	Fincantieri S.p.A.	20.00%	20.00%
16. DIDO S.r.l.	Milan	Milan	4	Fincantieri S.p.A.	30.00%	30.00%
17. Dynamic	Saint-Paul-lès-Durance	Saint-Paul-lès-Durance	4	Ansaldo Energia S.p.A.	10.00%	10.00%
				Ansaldo Nucleare S.p.A.	15.00%	15.00%
18. EUR-Europrogetti & Finanza S.r.l. in liquidazione	Rome	Rome	4	CDP S.p.A.	31.80%	31.80%
19. East Mediterranean Gas Company S.a.e.	Cairo	Cairo	4	Snam International B.V.	25.00%	25.00%
20. Elite S.p.A.	Milan	Milan	4	CDP S.p.A.	15.00%	15.00%
21. Energetika S.c.ar.l.	Florence	Florence	4	SOF S.p.A.	40.00%	40.00%
22. Enerpaper S.r.l.	Turin	Turin	4	Seaside S.p.A.	18.18%	18.18%
23. Eni S.p.A.	Rome	Rome	4	CDP S.p.A.	26.21%	26.21%
24. Equigy B.V.	Arnhem	Arnhem	4	Terna S.p.A.	20.00%	20.00%
25. Galaxy Pipeline Assets Holdco Limited	Jersey	Jersey	4	Snam S.p.A.	12.33%	12.33%
26. Gaxa S.p.A	Cagliari	Cagliari	4	Italgas S.p.A.	15.56%	15.56%
27. Gesam Reti S.p.A.	Lucca	Lucca	4	Toscana Energia S.p.A.	42.96%	42.96%
28. Gruppo PSC S.p.A.	Maratea (PZ)	Rome	4	Fincantieri S.p.A.	10.00%	10.00%
29. Hospital Building Technologies S.c.ar.l.	Florence	Florence	4	SOF S.p.A.	20.00%	20.00%
30. ITS Integrated Tech System S.r.l.	La Spezia	La Spezia	4	Rob.Int. S.r.l.	51.00%	51.00%
31. Industrie De Nora S.p.A.	Milan	Milan	4	Asset Company 10 S.r.l.	25.88%	25.88%
32. Interconnector Ltd	London	London	4	Snam International B.V.	23.68%	23.68%
33. Interconnector Zeebrugge Terminal B.V.	Brussels	Brussels	4	Snam International B.V.	25.00%	25.00%
34. Island Diligence AS	Stålhaugen	Stålhaugen	4	Vard Group AS	39.38%	39.38%
35. Island Discoverer AS	Ulsteinvik	Ulsteinvik	4	Vard Group AS	46.90%	46.90%
36. Island Offshore XII Ship AS	Ulsteinvik	Ulsteinvik	4	Vard Group AS	46.90%	46.90%
37. Leonardo Sistemi Integrati S.r.l.	Genoa	Genoa	4	Fincantieri NexTech S.p.A.	14.58%	14.58%
38. M.T. Manifattura Tabacchi S.p.A.	Rome	Rome	4	CDP Immobiliare S.r.l.	40.00%	40.00%
39. MC4COM - Mission critical for communication S.c.ar.l.	Milan	Milan	4	HMS IT S.p.A.	50.00%	50.00%
40. Maticmind S.p.A.	Vimodrone	Vimodrone	4	Elettra One S.p.A.	42.42%	42.42%
41. Nexi S.p.A.	Milan	Milan	4	CDP Equity S.p.A.	5.29%	5.29%
				FSIA Investimenti S.r.l.	8.28%	8.28%
42. Nord Ovest Toscana Energia S.r.l	Vicopisano (PI)	Vicopisano (PI)	4	SOF S.p.A.	34.00%	34.00%
43. Norwind Shipholding AS	Ålesund	Ålesund	4	Vard Shipholding Singapore Pte Ltd.	15.54%	15.54%
44. Note Gestione S.c.ar.l.	Reggio Emilia	Reggio Emilia	4	SOF S.p.A.	34.00%	34.00%
45. Olympic Green Energy KS	Fosnavag	Fosnavag	4	Vard Group AS	29.50%	29.50%
46. Polaris Anserv S.r.l.	Bucarest	Bucarest	4	Ansaldo Nucleare S.p.A.	20.00%	20.00%

Company name	Registered office	Operational headquarters	Type of relationship (1)	Investor	% holding	% of votes (2)
47. Poste Italiane S.p.A.	Rome	Rome	4	CDP S.p.A.	35.00%	35.00%
48. Prelios Solutions & Technologies S.r.l.	Milan	Milan	4	Fincantieri NexTech S.p.A.	49.00%	49.00%
49. Rocco Forte Hotels Limited	London	London	4	CDPE Investimenti S.p.A.	23.00%	23.00%
50. S.Ene.Ca Gestioni S.c.ar.l.	Florence	Florence	4	SOF S.p.A.	49.00%	49.00%
51. STARS Railway Systems	Rome	Rome	4	TRS Sistemi S.r.l.	2.00%	2.00%
				IDS Ingegneria Dei Sistemi S.p.A.	48.00%	48.00%
52. Senfluga energy infrastructure holdings S.A. (6)	Athens	Athens	4	Snam S.p.A.	60.00%	60.00%
53. Sicilian Biogas Refinery S.r.l.	Catania	Cittadella	4	Iniziative Biometano S.p.A.	32.00%	32.00%
54. Solstad Supply AS (ex Rem Supply AS)	Ålesund	Ålesund	4	Vard Group AS	26.66%	26.66%
55. Sviluppo Biometano Sicilia S.r.l.	Cittadella	Cittadella	4	Iniziative Biometano S.p.A.	50.00%	50.00%
56. Trans Adriatic Pipeline AG	Baar	Baar	4	Snam International B.V.	20.00%	20.00%
57. Trevi Finanziaria Industriale S.p.A.	Cesena	Cesena	4	CDPE Investimenti S.p.A.	25.67%	25.67%
58. Unifer Navale S.r.l. in liquidazione	Finale Emilia (MO)	Finale Emilia (MO)	4	Società per l'Esercizio di Attività Finanziaria - Seaf S.p.A.	20.00%	20.00%
59. Webuild S.p.A.	Milan	Milan	4	Fincantieri S.p.A.	0.07%	0.07%
				CDP Equity S.p.A.	16.67%	16.67%
C. Unconsolidated subsidiaries (3)						
1. Asset Company 7 B.V.	Amsterdam	Amsterdam	1	Snam S.p.A.	100.00%	100.00%
2. Arbolia S.p.A. Società Benefit	Milan	Milan	1	Snam S.p.A.	51.00%	51.00%
3. Asset Company 4 S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Snam S.p.A.	100.00%	100.00%
4. Asset Company 9 S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Snam S.p.A.	100.00%	100.00%
5. Cagliari 89 S.c.ar.l. in liquidazione	Monastir (CA)	Monastir (CA)	1	Fintecna S.p.A.	51.00%	51.00%
6. Cogen Est S.r.l.	Padua	Cittadella	1	Iniziative Biometano S.p.A.	98.00%	98.00%
7. Consorzio Bancario Sir S.p.A. in liquidazione	Rome	Rome	1	Fintecna S.p.A.	100.00%	100.00%
8. Consorzio Codelsa in liquidazione	Rome	Rome	1	Fintecna S.p.A.	100.00%	100.00%
9. Consorzio IMAFID in liquidazione	Naples	Naples	1	Fintecna S.p.A.	56.85%	56.85%
10. Consorzio MED.IN. in liquidazione	Rome	Rome	1	Fintecna S.p.A.	85.00%	85.00%
11. FOF Private Equity Italia (4)	Milan	Milan	1	CDP S.p.A.	66.23%	66.23%
12. FT2 Fondo Turismo 2 (4)	Rome	Rome	1	FNT Fondo Nazionale per il Turismo	100.00%	100.00%
13. FoF Private Debt Italia (4)	Milan	Milan	1	CDP Equity S.p.A.	73.42%	73.42%
14. FoF Venture Capital (4)	Milan	Milan	1	CDP S.p.A.	76.69%	76.69%
15. Fondmatic Hydraulic Machining S.r.l.	Bologna	Bologna	1	C2MAC Group S.p.A.	100.00%	100.00%
16. Fondo Boost Innovation (4)	Rome	Rome	1	CDP Equity S.p.A.	100.00%	100.00%
17. Fondo Corporate Partners I - comparto EnergyTech (4)	Rome	Rome	1	Italgas S.p.A.	7.69%	7.69%
				CDP Equity S.p.A.	46.15%	46.15%
				Snam S.p.A.	15.39%	15.39%
18. Fondo Corporate Partners I - comparto IndustryTech (4)	Rome	Rome	1	CDP Equity S.p.A.	66.67%	66.67%
19. Fondo Corporate Partners I - comparto ServiceTech (4)	Rome	Rome	1	CDP Equity S.p.A.	66.67%	66.67%
20. Fondo Evoluzione (4)	Rome	Rome	1	CDP Equity S.p.A.	100.00%	100.00%
21. Fondo Italiano Tecnologia e Crescita (FITEC) (4)	Milan	Milan	1	CDP S.p.A.	64.89%	64.89%
22. Fondo acceleratori (4)	Rome	Rome	1	CDP Equity S.p.A.	87.41%	87.41%
23. Fondo di fondi Venturitaly (4)	Rome	Rome	1	CDP Equity S.p.A.	82.19%	82.19%
24. Fondo Technology Transfer - direct sector (4)	Rome	Rome	1	CDP Equity S.p.A.	96.67%	96.67%
25. Fondo Technology Transfer - indirect sector (4)	Rome	Rome	1	CDP Equity S.p.A.	100.00%	100.00%
26. Holding Pagamenti Digitali S.r.l.	Milan	Milan	1	CDP Equity S.p.A.	100.00%	100.00%
27. IES Biogas S.r.l. (Argentina)	Buenos Aires	Buenos Aires	1	IES Biogas S.r.l.	95.00%	95.00%
				Snam 4 Environment S.r.l.	5.00%	5.00%
28. Isola Biometano S.a.r.l	Cittadella	Cittadella	1	Iniziative Biometano S.p.A.	70.00%	70.00%
29. Macaer Aviation Group S.p.A.	Rome	Rome	1	Fly One S.p.A.	75.80%	75.80%
30. Piazzola Nuove Energie S.a.r.l	Cittadella	Cittadella	1	Iniziative Biometano S.p.A.	100.00%	100.00%

Company name	Registered office	Operational headquarters	Type of relationship (1)	Investor	% holding	% of votes (2)
31. Quadrifoglio Genoa S.p.A. in liquidazione	Rome	Rome	1	CDP Immobiliare S.r.l.	100.00%	100.00%
32. Società Agricola Astico Biometano S.r.l.	Cittadella	Cittadella	1	Iniziative Biometano S.p.A.	100.00%	100.00%
33. Snam Gas & Energy Services (Beijing) Co. Ltd.	Beijing	Beijing	1	Snam International B.V.	100.00%	100.00%
34. Snam International UK Limited	Maidenhead	London	1	Snam International B.V.	100.00%	100.00%
35. Snam Middle East BV BS Co.	Riyadh	Riyadh	1	Snam International B.V.	100.00%	100.00%
36. Snam North America LLC	Wilmington	New York	1	Snam International B.V.	100.00%	100.00%
37. Tea Innovazione Due S.r.l.	Brescia	Brescia	1	Tep Energy Solution S.r.l.	100.00%	100.00%
D. Unconsolidated associates (3)						
1. Albanian Gas Service Company Sh.a.	Tirana	Tirana	4	Snam S.p.A.	25.00%	25.00%
2. Altiforni e Ferriere di Servola S.p.A.	Udine	Udine	4	Fintecna S.p.A.	24.10%	24.10%
3. Consorzio INCOMIR in liquidazione	Mercogliano (AV)	Mercogliano (AV)	4	Fintecna S.p.A.	45.46%	45.46%
4. Energy Investment Solution S.r.l.	Milan	Brescia	4	Tep Energy Solution S.r.l.	40.00%	40.00%
5. Latina Biometano S.r.l.	Rome	Latina	4	IES Biogas S.r.l.	32.50%	32.50%
6. Quadrifoglio Brescia S.p.A. in liquidazione	Rome	Rome	7	CDP Immobiliare S.r.l.	50.00%	50.00%
7. Redo SGR S.p.A.	Milan	Milan	4	CDP S.p.A.	30.00%	30.00%

Key
(1) Type of relationship:
1 = majority of voting rights in ordinary shareholders' meeting;
2 = dominant influence in ordinary shareholders' meeting;
3 = agreements with other shareholders;
4 = entity subject to significant influence;
5 = unitary management pursuant to Article 26.1 of Legislative Decree 87/92;
6 = unitary management pursuant to Article 26.2 of Legislative Decree 87/92;
7 = joint control;
8 = other form of control.

(2) Actual percentage of votes in ordinary shareholders' meeting, distinguishing between effective and potential votes.

(3) This classification includes companies in liquidation or subsidiaries in the start-up phase without assets and liabilities, or associates excluded from the scope of consolidation in view of the overall value of equity.

(4) Companies/Investment funds over which CDP has acquired control and which, in accordance with the practice adopted for the purpose of defining the scope of consolidation on a line-by-line basis, are excluded from consolidation in view of the overall value of assets.

(5) Participation in financial rights is equal to 89.2%.

(6) Participation in financial rights is equal to 54%.

The value of equity investments at 30 June 2022 was 26,718.1 million euro compared to 20,830.6 million euro at 31 December 2021.

The increase of 5,887.5 million euro is mainly attributable to the following aspects:

- Eni - the increase deriving from net income for the period pertaining to the Group (including the effect of consolidation entries), equal to +1,970.5 million euro, and the change in valuation reserves, equal to +492.5 million euro. Added to these effects is the impact of the reversal of the dividend and other changes for a total value of -418.8 million euro;
- Poste Italiane - the decrease deriving from the change in valuation reserves, the reversal of the dividend and other changes for a total amount of -846.9 million euro, partially offset by net income for the period pertaining to the Group, amounting to 296.9 million euro (including the effect of consolidation entries);
- inclusion in the scope of consolidation of Holding Reti Autostradali (HRA), which became part of the Group's equity investment portfolio on 8 June 2021 for the 51% interest held by CDP Equity, but with reference to which the acquisition of the controlling interest in Autostrade per l'Italia S.p.A. (ASPI) was completed only in the first half of 2022. At 30 June 2022, the equity investment in HRA was recorded under assets for a value of 4,319.1 million euro and qualified as a joint controlling interest.

IMPAIRMENT TESTING OF EQUITY INVESTMENTS

The CDP Group's equity investment portfolio includes listed and unlisted companies of major national interest, which are also pivotal in the promotional activity of supporting the growth and international expansion of businesses and the development of infrastructure. In its capacity as a National Promotional Institution, CDP invests in companies' share capital, mainly over a long-term horizon.

At each reporting date, the CDP Group conducts an assessment to detect the presence of indicators of impairment under IAS 36 and of any additional indicators, where applicable, also considering the indications of national and international regulators on financial reporting relating to risks, uncertainties, estimates, assumptions and assessments as well as the difficulties related to the long-term impacts linked to the evolution of the health crisis due to the spread of Covid-19 and international tensions fuelled by the recent Russian-Ukrainian conflict. In this regard, the resulting impacts of these events on economic activity have increased the level of uncertainty, hence making it more complex to make quantitative estimates, for example, cash flows from equity investments, also due to the increased uncertainty in the assumptions and parameters at the basis of the asset valuation analyses.

Specifically, in light of the above, note that:

- the estimates have been made also considering stock prices and market parameters which are subject to fluctuation, even significant, due to the ongoing turbulence and volatility of the markets, also linked to the evolution of the Covid-19 pandemic and the tensions in the international geo-political arena fuelled by the recent Russian-Ukrainian conflict;
- the evaluations were also made using forecast data. Such forecasts are, by their nature, random and uncertain in that they are sensitive to changes in macroeconomic variables and to events outside the company's control. They are also based on a set of assumptions linked to future events and actions of management, which may not necessarily happen. In view of the uncertainty surrounding any future event - both as regards the actual occurrence of the event and in terms of when and to what extent it may happen - the differences between actual values and estimated values might be significant, even if the events at the basis of the forecast assumptions were to occur. This limit is even more pronounced in the current situation of uncertainty linked to the future effects of the evolution of the Covid-19 pandemic and the tensions in the international geo-political arena fuelled by the recent Russian-Ukrainian conflict.

Therefore, there is still a need to constantly monitor the evolution of these elements in the current context.

Moreover, when performing impairment testing, CDP takes into account the guidelines of the supervisory authorities on financial reporting aspects relating to risks, uncertainties, estimates, assumptions and valuations, as well as difficulties associated with the possible impact of climate risks on the entities under analysis. Where relevant, these factors are taken into account, mainly through considerations and/or sensitivity analyses on the variables determining recoverable amount.

For more details, please refer to Section 5 - Other issues of these notes.

The indicators of impairment (so-called triggers) and objective evidence of impairment are assessed on the basis of information taken from public sources or of any additional information received by the investees.

Specifically, at 30 June 2022, impairment triggers were activated on some of the key equity investments accounted for using the equity method (Eni, Nexi, Open Fiber Holdings, Webuild and Saipem), essentially for the actual results and/or the performance of market prices.

With reference to the estimated recoverable amount of the equity investments, to be understood as the higher of their fair value less costs to sell and their value in use, CDP has adopted a range of key principles, taking also into account this unique moment in time characterised, among others, by the evolution of Covid-19 and the war in Ukraine, the guidance issued by national and international regulators as well as the guidelines issued by industry bodies. The key general principles used are as follows:

- a period of analysis of the rates to estimate the risk-free rate in line with a time horizon that allows the relevant market developments to be appreciated (e.g. recent increase in rates)[49];
- use of an Equity Risk Premium "consensus" in line with the average of the latest values available and a period of analysis of the market parameters (e.g. beta) that is such to mitigate and normalise any contingent factors in view of the medium/long-term perspective of the underlying cash flows;
- use of the average of the latest Country Risk Premiums instead of the latest available, only where deemed to be more significant.

In addition, CDP has conducted a sensitivity analysis on each equity investment against the main variables that determine the asset's value, including for example:

- the price of oil (i.e. Brent) for companies operating mainly in the Oil & Gas sector, also in order to take into account any climate risks inherent in the business;
- the cost of capital, the margins and the long-term growth rate, if applicable, based on the value estimation method used.

The following summary table lists the main equity investments recognised at consolidated level and accounted for using the equity method, with indication of the carrying value at consolidated level and the methods used to calculate the recoverable amount for the purpose of the impairment test.

Note that equity investments accounted for using the equity method were measured using the "closed box" method, which measures the equity investment as a whole in accordance with the IAS 28 Standard.

(millions of euro) Equity investment	Consolidated carrying amount	Recoverable amount	Methodology used
Eni	12,101	Value in use	Sum of the parts (e.g. DCF for the main business unit E&P)
Nexi	2,490	Value in use	DCF
Open Fiber Holdings	1,389	Fair Value	Transaction made
Webuild	275	Value in use	DDM
Saipem	18	Value in use	DCF

Eni

The recoverable amount of the equity investment in Eni was measured at value in use based on the discounted cash flow method for the main business unit (Exploration & Production - E&P) and taking into account the value of the other residual business units, so as to reflect the specificity of the different business segments it operates in. More specifically:

- for the Exploration & Production sector, the largest, the discounted cash flow (unlevered DCF) method was used, based on a closed portfolio model which develops and measures the entirety of the group's oil and natural gas reserves until stocks are exhausted over a specific multi-stage forecast period that extends until 2050 (without components of value in perpetuity):
  - production volumes were calculated starting from current proven reserves communicated by Eni and on the assumption that by 2035 about 80% of the proven and unproven reserves (i.e. possible and probable, adequately risked) will be produced, in line with what was declared by Eni. While production volumes after 2035 have been calculated on the assumption that proven and unproven reserves will be exhausted in 2050;

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[49] This principle also applies if the country risk has been estimated directly through the yield of the government bond of the country of reference for the company.

  - sales prices of oil and gas were calculated on the basis of the geographical macro-area the mineral reserves belong to, applying the spreads between the average historical prices and the average sales prices actually charged by Eni to the expected values of oil and gas. These values are in line with the current market estimates and aligned in the medium/long term to the forecasts contained in Eni's 2022-2025 Plan, which show a Brent price of 70 $/bbl and a VTP price of 293 €/kmc for 2025. In the short term, the values have been prudentially normalised to take into account the currently high volatility;
  - unit operating costs were also estimated by geographical macro-area of mineral reserves;
  - investments were estimated in a differentiated manner for proven reserves and possible/probable reserves by referring to the current expenditure per barrel produced – including development costs – that Eni incurs in areas where it has historically been present;
  - WACC was estimated: (i) applying the Capital Asset Pricing Model for the cost of equity, and (ii) by analysing the structure of sources of financing of a number of companies operating in the sector for the cost of indebtedness and the ratio of equity to debt.
- mainly considering the limited contribution to the overall value in use of the equity investment and the significant sensitivity of the results to long-term forecasts in the current context of uncertainty connected with the expected energy transition process, for sectors other than "Exploration & Production", net invested capital was used as the best estimate of recoverable amount, except for the Retail area of Plenitude, for which the multiples method of a panel of comparable listed companies (EV/EBITDA multiple) was used.

The impairment test found that the recoverable amount was much higher than the carrying value of the equity investment in the half-yearly condensed consolidated financial statements, and consequently its carrying amount was confirmed. Sensitivity analyses were performed on the main assumptions and variables used in estimating the value in use, with particular reference to the oil prices as well as the WACC and EBITDA discount rate, which show that any non-marginal negative changes in the main assumptions at the basis of test could result in a recoverable amount lower than what was identified at the reporting date but still higher than the carrying value of the equity investment.

In this regard, it should be noted that the expectations regarding the results of the Eni group are directly and indirectly linked to those regarding the trend of oil and gas prices at a global level: these are complex scenarios, which concern very dynamic and discontinuous markets, on whose future developments, especially in the medium/long term, the expectations of operators and analysts may also differ significantly. The growing tensions in the international geopolitical context fuelled by the conflict between Russia and Ukraine, which have also led to sanctions being applied by Western countries against Russia, with relevant impacts on the economy and the oil sector, have introduced further elements of complexity, widening, for many commodities, the divergence between current market prices and prices expected in the medium/long term.

Nexi

The recoverable amount of the equity investment held in Nexi was measured at value in use, estimated using the discounted cash flow method (unlevered DCF) based on a two-stage model, with (i) a clearly stated forecast of future cash flows for the years 2022-2025 and (ii) the calculation of the terminal value using the algorithm of cash flows in perpetuity. Note that the information needed to estimate the cash flows and the other information needed to calculate the value in use was taken from public sources.

Specifically:
- the values in the specific period 2022-2025 are based on the estimates prepared by a selected group of financial analysts;
- the terminal value was calculated using the perpetuity growth model, estimating the cash flows of Nexi with a medium/long-term view;
- WACC was estimated: (i) applying the Capital Asset Pricing Model for the cost of equity, and (ii) by analysing the structure of sources of financing of the main companies operating in the sector for the cost of indebtedness and the ratio of equity to debt.

The impairment test found that the recoverable amount was higher than the carrying value of the equity investment in the consolidated financial statements, and consequently the carrying amount of the equity investment was confirmed.

Sensitivity analyses were performed on the main assumptions and variables used in estimating the value in use, with particular reference to the WACC discount rate and terminal growth rate in the long term, which show that any non-marginal negative changes in the main assumptions at the basis of test could result in a recoverable amount lower than what was identified but essentially in line with the carrying value of the equity investment.

Open Fiber Holdings

The recoverable amount for Open Fiber Holdings was estimated as its fair value, taking as a reference the value of the recent transactions executed on the asset.

The impairment test found that the recoverable amount was much higher than the carrying value of the equity investment in the half-yearly condensed consolidated financial statements, and consequently the carrying amount of the equity investment was confirmed.

Webuild

The recoverable amount of the equity investment in Webuild was measured at value in use, which was determined using the Dividend Discount Model (DDM Method) based on a two-stage model, with: (i) a clearly stated forecast of future cash flows for the years 2022-2024 and (ii) the calculation of the terminal value using the algorithm of cash flows in perpetuity. The discount rate is equal to the estimated cost of equity, based on specific parameters derived from a panel of comparable listed companies, while the long-term growth rate in terminal value was estimated based on the geographic areas the company operates in. The economic-financial projections were taken from the guidance given by the management and from the estimates prepared by the financial analysts.

The impairment test found that the recoverable amount was higher than the carrying value of the equity investment and, consequently, the carrying amount of the equity investment was confirmed.

Saipem

The recoverable amount of the equity investment held in Saipem was measured at value in use, estimated using the discounted cash flow method (unlevered DCF) based on a two-stage model, with (i) a clearly stated forecast of future cash flows for the years 2022-2024 and (ii) the calculation of the terminal value using the algorithm of cash flows in perpetuity. Note that the information needed to estimate the cash flows and the other information needed to calculate the value in use was taken from public sources.

Specifically:
- the values in the specific period 2022-2024 are based on the estimates prepared by a selected group of financial analysts and obtained from a data provider;
- the terminal value was calculated using the perpetuity growth model, estimating the cash flows achievable from the asset portfolio of the Saipem group, considered on an indivisible basis;
- WACC was estimated: (i) applying the Capital Asset Pricing Model for the cost of equity, and (ii) by analysing the structure of sources of financing of a number of listed companies operating in the sector for the cost of indebtedness and the ratio of equity to debt.

The impairment test found that the recoverable amount was higher than the carrying value of the equity investment in the half-yearly condensed consolidated financial statements and, consequently, the carrying amount of the equity investment was confirmed. Note that any negative changes in the main assumptions at the basis of the test would result in a recoverable amount lower than that identified at the reporting date but in any case higher than the carrying value of the equity investment.

PROPERTY, PLANT AND EQUIPMENT - ITEM 90

OPERATING PROPERTY, PLANT AND EQUIPMENT: BREAKDOWN OF ASSETS MEASURED AT COST

(thousands of euro) Items/Values	Prudential consolidation	Other entities	30/06/2022	31/12/2021
1. Owned	**107,208**	**39,544,983**	**39,652,191**	**39,191,961**
a) land	62,276	539,238	601,514	580,630
b) buildings	34,596	2,802,499	2,837,095	2,844,254
c) furniture	3,368	7,754	11,122	10,975
d) electrical plant	3,081	633,653	636,734	675,070
e) other	3,887	35,561,839	35,565,726	35,081,032
2. Right of use acquired under leases	**20,941**	**360,110**	**381,051**	**341,905**
a) land		9,281	9,281	8,633
b) buildings	20,035	235,937	255,972	227,955
c) furniture				
d) electrical plant	62	20,925	20,987	15,175
e) other	844	93,967	94,811	90,142
TOTAL	**128,149**	**39,905,093**	**40,033,242**	**39,533,866**
- *of which: obtained via the enforcement of the guarantees received*				

Other property, plant and equipment refer primarily to the investments by Terna and Snam in plants instrumental for the performance of their business activity. In detail, the item includes mainly:

- investments by Terna for approximately 15.1 billion euro, referring to power lines for 7.2 billion euro and transformation stations for 4.7 billion euro;
- investments by Snam for approximately 19.7 billion euro, including transmission lines for 14.1 billion euro (gas pipelines, gas reduction and regulation stations and plants), storage for 2.9 billion euro (wells, pipelines, and processing and compression stations) and regasification;
- assets under construction and advances for 4.6 billion euro, of which 2.5 billion euro ascribable to Terna, 1.8 billion euro to Snam and 0.3 billion euro to Fincantieri.

INVESTMENT PROPERTY: BREAKDOWN OF ASSETS MEASURED AT COST

(thousands of euro) Items/Values	Prudential consolidation	Other entities	30/06/2022	31/12/2021
1. Owned	**217,353**	**584,805**	**802,158**	**775,851**
a) land	55,130		**55,130**	55,130
b) buildings	162,223	584,805	**747,028**	720,721
2. Right of use acquired under leases	**3,376**		**3,376**	**3,458**
a) land				
b) buildings	3,376		**3,376**	3,458
TOTAL	**220,729**	**584,805**	**805,534**	**779,309**
- *of which: obtained via the enforcement of the guarantees received*				

OPERATING PROPERTY, PLANT AND EQUIPMENT: BREAKDOWN OF REVALUED ASSETS

This item has a nil balance.

INVESTMENT PROPERTY: BREAKDOWN OF ASSETS MEASURED AT FAIR VALUE

This item has a nil balance.

INVENTORIES OF PROPERTY, PLANT AND EQUIPMENT GOVERNED BY IAS 2: BREAKDOWN

(thousands of euro) Items/Values	Total 30/06/2022	Total 31/12/2021
1. Inventories of property, plant and equipment from enforcement of the guarantees received		
2. Other inventories of property, plant and equipment	744,462	795,219
TOTAL	**744,462**	**795,219**
- *of which measured at fair value, less costs of disposal*		

Inventories of property, plant and equipment comprise property owned by CDP Immobiliare and its subsidiaries for 192.8 million euro and the mutual funds included in the scope of consolidation for 551.7 million euro.

INTANGIBLE ASSETS - ITEM 100

INTANGIBLE ASSETS: BREAKDOWN BY CATEGORY

(thousands of euro)	30/06/2022		31/12/2021	
Items/Values	Definite life	Indefinite life	Definite life	Indefinite life
A.1 Goodwill	**X**	**1,056,980**	**X**	**1,095,724**
A.1.1 Pertaining to Group	X	1,056,980	X	1,095,724
A.1.2 Non-controlling interests	X		X	
A.2 Other intangible assets	**10,927,255**	**18,811**	**11,438,975**	**16,334**
- *of which: software*	*540,080*		*570,669*	
A.2.1 Assets carried at cost:	10,927,255	18,811	11,438,975	16,334
a) internally-generated intangible assets	254,696		318,206	
b) other assets	10,672,559	18,811	11,120,769	16,334
A.2.2 Assets carried at fair value				
a) internally-generated intangible assets				
b) other assets				
TOTAL	**10,927,255**	**1,075,791**	**11,438,975**	**1,112,058**

Other intangible assets include the recognition of intangible assets resulting from business combinations involving the various companies of the Group.

They mainly regard:

- infrastructure rights worth 8,037.4 million euro, of which 7,905.6 million euro relating to Italgas, and the remainder to Snam and Terna. The item includes the value of the public-private service concession agreements relating to the development, maintenance and operation of infrastructure under concession arrangements. Under the terms of the agreements, the operator holds the right to use the infrastructure in order to provide the public service;
- concessions and licences worth 1,056.4 million euro, which mainly include the value of concessions for the storage of natural gas;
- customer contracts, trademarks, technological know-how and software licences worth a total of 1,578.8 million euro.

IMPAIRMENT TESTING OF GOODWILL

Goodwill generated from the acquisition of subsidiaries is allocated to each identified "cash generating unit" (CGU). Within the CDP Group, CGUs correspond to the individual investee companies. Since it is an intangible asset having an indefinite useful life, goodwill is not amortised but tested only for the recoverability of its carrying amount. An impairment test is performed annually on goodwill, or whenever there is evidence of impairment. This involves comparing the carrying amount of the CGU, including goodwill, and the recoverable amount of said CGU. If the value of the CGU is higher than its recoverable amount, the difference is recognised in the income statement first reducing goodwill until it reaches zero.

At each reporting date, the CDP Group conducts an assessment to detect the presence of indicators of impairment under IAS 36 and of any additional indicators, where applicable, also considering the indications of national and international regulators on financial reporting relating to risks, uncertainties, estimates, assumptions and assessments as well as the difficulties related to the long-term impacts linked to the evolution of the health crisis due to the spread of Covid-19 and international tensions fuelled by the recent Russian-Ukrainian conflict. In this regard, the resulting impacts of these events on economic activity have increased the level of uncertainty, hence making it more complex to make quantitative estimates, for example, cash flows from the CGUs, also due to the increased uncertainty in the assumptions and parameters at the basis of the CGU analyses.

Specifically, in light of the above, note that:

- the estimates have been made also considering stock prices and market parameters which are subject to fluctuation, even significant, due to the ongoing turbulence and volatility of the markets, also linked to the evolution of the Covid-19 pandemic and the tensions in the international geo-political arena fuelled by the recent Russian-Ukrainian conflict;
- the evaluations were also made using forecast data. Such forecasts are, by their nature, random and uncertain in that they are sensitive to changes in macroeconomic variables and to events outside the company's control. They are also based on a set of assumptions linked to future events and actions of management, which may not necessarily happen. In view of the uncertainty surrounding any future event - both as regards the actual occurrence of the event and in terms of when and to what extent it may happen - the differences between actual values and estimated values might be significant, even if the events at the basis of the forecast assumptions were to occur. This limit is even more pronounced in the current situation of uncertainty linked to the future effects of the evolution of the Covid-19 pandemic and the tensions in the international geo-political arena fuelled by the recent Russian-Ukrainian conflict.

Therefore, there is still a need to constantly monitor the evolution of these elements in the current context.

Moreover, when performing impairment testing, CDP takes into account the guidelines of the supervisory authorities on financial reporting aspects relating to risks, uncertainties, estimates, assumptions and valuations, as well as difficulties associated with the possible impact of climate risks on the entities under analysis. Where relevant, these factors are taken into account, mainly through considerations and/or sensitivity analyses on the variables determining recoverable amount.

For more details, please refer to Section 5 - Other issues of these notes.

In relation to Snam, Terna, Italgas, Ansaldo Energia, Stark Two and CDP Venture Capital SGR, the CGUs to which goodwill was allocated coincide with the individual sub-consolidated entities. With reference to Fincantieri and Melt 1, note that the amount of goodwill recognised in the consolidated financial statements of CDP refers respectively to the companies headed by the Vard group and the C2MAC group, in relation to which goodwill of 95 million euro and 17 million euro was respectively recognised directly by the subsidiaries.

Specifically, at 30 June 2022 impairment triggers were activated with reference to Ansaldo Energia, Fincantieri and Melt 1. The following summary table lists the goodwill amounts recognised at consolidated level, with indication of the carrying value and the methods used to calculate the recoverable amount determined for the purpose of the impairment test.

(millions of euro)

CGU	Goodwill amount	Recoverable amount	Methodology
AEN	360	Value in use	DDM
Snam	251	n.a.	n.a.
Terna	220	n.a.	n.a.
Fincantieri	95	Fair value	Stock market price
Italgas	75	n.a.	n.a.
Stark Two	36	n.a.	n.a.
Melt 1	17	Fair value	Stock multiples
CDP Venture Capital SGR	3	n.a.	n.a.

In relation to Ansaldo Energia, the CGU to which goodwill was allocated coincides with the individual investee company, and the recoverable amount was identified in the value in use measured using the Dividend Discount Model (DDM Method) based on a two-stage model, with (i) a clearly stated forecast of future cash flows for the years 2022-2026 and (ii) the calculation of the terminal value using the algorithm of cash flows in perpetuity. The discount rate is equal to the estimated cost of equity, based on specific parameters derived from a panel of comparable listed companies, while the long-term growth rate in terminal value was estimated based on the industrial sector and the geographic areas the company operates in. The economic-financial forecasts for the specific period are based on the 2022-2026 projections made by the company's management, while the Terminal Value was determined on the basis of normalised forecasts of the income statement. Note that any non-marginal negative changes in the main assumptions at the basis of the test could result in a recoverable amount lower than that identified at the reporting date but still higher than the carrying value.

In relation to Fincantieri, goodwill is the amount recognised in the consolidated financial statements of the same CGU following the acquisition of the Vard group and is reflected in the consolidated financial statements of CDP given that the equity investment is consolidated on a line-by-line basis. In any event, note that the fair value, measured on the basis of the stock prices of the equity investment, was found to be higher than the value of net assets inclusive of goodwill.

With regard to Melt 1, goodwill is the amount recognised in the consolidated financial statements of that CGU following the acquisitions made during 2021 by the subsidiary C2MAC Group and reflected in CDP's consolidated financial statements as a result of the line-by-line consolidation of the equity investment. As a result, the recoverable amount of Melt 1 was estimated based on that of the equity investment in C2MAC Group, which is essentially the only asset held by Melt 1. To this end, the market multiples method was applied (specifically, reference was made to the EV/EBITDA multiple) by selecting a panel of comparable listed companies.

The impairment tests found that the recoverable amounts were higher than the carrying value of the net assets of the CGUs to which goodwill is allocated, and consequently no change in value was required.

NON-CURRENT ASSETS AND DISPOSAL GROUPS HELD FOR SALE AND ASSOCIATED LIABILITIES - ITEM 120 OF THE ASSETS AND ITEM 70 OF THE LIABILITIES

NON-CURRENT ASSETS AND DISPOSAL GROUPS HELD FOR SALE: BREAKDOWN BY CATEGORY

(thousands of euro)	30/06/2022	31/12/2021
A. Assets held for sale		
A.1 Financial assets		
A.2 Equity investments	165,375	
A.3 Property, plant and equipment	1,830	
- *of which: obtained via the enforcement of the guarantees received*		
A.4 Intangible assets	37,377	
A.5 Other non-current assets		
Total (A)	**204,582**	
B. Groups of assets (discontinued operations)		
B.1 Financial assets measured at fair value through profit or loss		567,462
- financial assets held for trading		362,393
- financial assets designated at fair value		
- other financial assets mandatorily measured at fair value		205,069
B.2 Financial assets measured at fair value through other comprehensive income		24,255
B.3 Financial assets measured at amortised cost	264,980	35,846,382
B.4 Equity investments		23,775
B.5 Property, plant and equipment	249,304	89,602
- *of which: obtained via the enforcement of the guarantees received*		
B.6 Intangible assets	16,413	25,544
B.7 Other assets	192,936	3,364,638
B.8 Adjustment of net assets to transfer price		(1,288,563)
Total (B)	**723,633**	**38,653,095**
C. Liabilities associated with individual assets held for sale		
C.1 Payables		
C.2 Securities		
C.3 Other liabilities	13,071	
Total (C)	**13,071**	
D. Liabilities associated with disposal groups held for sale		
D.1 Financial liabilities measured at amortised cost	218,721	4,176,568
D.2 Financial liabilities held for trading		15,888
D.3 Financial liabilities designated at fair value		1,379
D.4 Provisions		150,947
D.5 Other liabilities	61,728	36,363,023
Total (D)	**280,449**	**40,707,805**

The item includes the assets and associated liabilities accounted for among discontinued operations and among assets held for sale by Terna, Italgas, CDP Equity and CDPE Investimenti.

In particular, the accounting balances relating to the following equity investments, which at 31 December 2021 were consolidated with the equity method, were reclassified in this item.

	Company name	Registered office	Operational headquarters	Investor	% holding
1.	B.F. S.p.A.	Jolanda di Savoia (FE)	Jolanda di Savoia (FE)	CDP Equity S.p.A.	6.04%
2.	FSI SGR S.p.A.	Milan	Milan	CDP Equity S.p.A.	39.00%
3.	Kedrion S.p.A.	Castelvecchio Pascoli (LU)	Castelvecchio Pascoli (LU)	CDPE Investimenti S.p.A.	25.06%
4.	QuattroR SGR S.p.A.	Milan	Milan	CDP Equity S.p.A.	40.00%

OTHER ASSETS - ITEM 130

OTHER ASSETS: BREAKDOWN

(thousands of euro)	Prudential consolidation	Other entities	30/06/2022	31/12/2021
Payments on account for withholding tax on postal passbooks	65,080		65,080	65,525
Other tax receivables	31	549,501	549,532	361,546
Leasehold improvements	2,282	7,879	10,161	9,644
Receivables due from investees	345	80,225	80,570	85,557
Trade receivables and advances to public entities	142,625	128,049	270,674	382,815
Construction contracts		3,837,862	3,837,862	2,911,842
Advances to suppliers	555	500,902	501,457	490,166
Inventories		3,113,855	3,113,855	1,627,325
Advances to personnel	165	28,908	29,073	24,980
Other trade receivables	6,386	7,722,529	7,728,915	7,284,289
Accrued income and prepaid expenses	10,974	311,389	322,363	322,664
Other items	16,385	1,120,703	1,137,088	1,094,429
Ecobonus tax credits	368,949		368,949	347,548
TOTAL	**613,777**	**17,401,802**	**18,015,579**	**15,008,330**

The item includes assets that are not classified under the previous items.

With regard to trade receivables – detailed in Trade receivables and advances to public entities and in Other trade receivables in the table above – for a total of 7,999.6 million euro (7,667.1 million euro as at 31 December 2021), the information relating to gross values and accumulated impairment referring to each of the three stages in which receivables were classified according to the associated credit risk as required by IFRS 9 is shown below.

	Gross value			Accumulated impairment		
(thousands of euro)	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
TOTAL TRADE RECEIVABLES AT 30/06/2022	**4,301,690**	**3,631,521**	**411,782**	**(18,536)**	**(9,872)**	**(316,996)**
TOTAL TRADE RECEIVABLES AT 31/12/2021	**4,827,605**	**2,768,342**	**416,356**	**(17,776)**	**(42,596)**	**(284,827)**

As regards in particular Other trade receivables deriving from the contribution of Other entities, their total refers mainly to Snam for 2,137.7 million euro (2,729 million euro as at 31 December 2021), Terna for 3,629.1 million euro (2,690 million euro as at 31 December 2021), Italgas for 393.4 million euro (572 million euro as at 31 December 2021), Fincantieri for 1,099.8 million euro (855 million euro as at 31 December 2021) and Ansaldo Energia for 356.4 million euro (333 million euro as at 31 December 2021).

Contract work in progress, equal to 3,837.9 million euro (2,912 million euro as at 31 December 2021) refers predominantly to the activities deriving from the Fincantieri group business, for a total of 3,496.2 million euro (2,639 million euro as at 31 December 2021) and includes orders whose progress has a higher value than what was invoiced to the customer. The relative progress is determined by the costs incurred added to the margins recognised and net of any expected losses. The net assets for contract work in progress of the Fincantieri group, totalling 2,115.7 million euro (1,277 million euro as at 31 December 2021), are calculated considering also what is represented in item 80 Other liabilities for orders whose progress has a value lower than what was invoiced to the customer.

Inventories of semi-finished goods and work in progress in the amount of 3,113.9 million euro include:
- mandatory gas reserves, kept at its storage sites by the subsidiary Stogit;
- raw materials, supplies and consumables of the Ansaldo Energia group, amounting to about 538.1 million euro;
- semi-finished products of the Fincantieri group, amounting to about 470.7 million euro.

LIABILITIES

FINANCIAL LIABILITIES MEASURED AT AMORTISED COST - ITEM 10

FINANCIAL LIABILITIES MEASURED AT AMORTISED COST: BREAKDOWN BY TYPE OF AMOUNTS DUE TO BANKS

(thousands of euro)

Type of securities/Values	30/06/2022	31/12/2021
1. Due to central banks	**5,078,846**	**5,095,654**
2. Due to banks	**49,778,785**	**44,630,563**
2.1 Current accounts and demand deposits	23,007	27,022
2.2 Time deposits	3,144,952	3,380,784
2.3 Loans	43,443,301	39,169,091
2.3.1 Repurchase agreements	25,332,442	21,332,226
2.3.2 Other	18,110,859	17,836,865
2.4 Liabilities in respect of commitments to repurchase own equity instruments		
2.5 Lease liabilities		
2.6 Other payables	3,167,525	2,053,666
TOTAL	**54,857,631**	**49,726,217**

“Due to central banks”, equal to approximately 5,078.8 million euro, are essentially in line with the figure at the end of 2021 (-16.8 million euro). CDP has maintained constant use of the ECB institutional funding channel, which corresponds to the maximum amount allowed to participate in the TLTRO-III programme.

Term deposits, amounting to around 3,145 million euro (approximately -235.8 million euro compared to the end of 2021), relate to the balance of the Postal savings bonds and the Passbook savings accounts held by banks.

Recorded among due to banks are repurchase agreements with the bank counterparties, which exclusively refer to the Parent Company, which stand at around 25,332.4 million euro (roughly +4,000.2 million euro compared to 2021).

Other loans payable refer mainly to:

- loans granted to the Parent Company, equal to around 5,120 million euro (+52.7 million euro on 2021), relating to credit lines received mainly from the European Investment Bank (EIB), and to a lesser extent, the Council of Europe Development Bank (CEB);
- loans granted by the banking system to Snam for approximately 2,463 million euro, Fincantieri for approximately 3,473.7 million euro, Italgas for 1,913.1 million euro, CDP Reti for 1,089.3 million euro, and Terna for 2,853.2 million euro (partly related to credit lines received from the European Investment Bank - EIB).

The item “other payables”, equal to around 3,167.5 million euro (approximately +1,113.9 million euro compared to 2021), includes the deposits received by the Parent Company for Credit Support Annex agreements to hedge counterparty risk on derivatives (equal to around 1,927 million euro).

FINANCIAL LIABILITIES MEASURED AT AMORTISED COST: BREAKDOWN BY TYPE OF AMOUNTS DUE TO CUSTOMERS

(thousands of euro) Types of operations/Values	30/06/2022	31/12/2021
1. Current accounts and demand deposits	286	243,703
2. Time deposits	286,607,705	283,381,362
3. Loans	33,083,110	33,557,642
3.1 Repurchase agreements	30,588,085	30,965,016
3.2 Other	2,495,025	2,592,626
4. Liabilities in respect of commitments to repurchase own equity instruments		
5. Lease liabilities	348,006	334,895
6. Other payables	4,867,793	4,183,167
TOTAL	**324,906,900**	**321,700,769**

The amounts due to customers mainly consist of the Parent Company's term deposits, which include the balance of postal savings bonds, equal to approximately 185,427 million euro (+4,693 million euro compared to the end of 2021) and of passbook savings accounts, equal to approximately 91,424 million euro (about -5,921 million euro compared to 2021), net of those held by banks and shown in the previous table.

The balance related to loans, equal to about 33,083.1 million euro at 30 June 2022, essentially refers to the repurchase agreements of the Parent Company, of around 30,558 million euro, down on the 2021 year-end balance (about -377 million euro).

Sub-item "6. Other payables" primarily refers to the amounts not yet disbursed at the end of the period on loans being repaid granted by the Parent Company to public bodies and public-law bodies, equal to around 4,141 million euro (around +294 million euro compared to the end of 2021).

Again with reference to the Parent Company, amounts due to customers include the balance of liquidity management transactions on behalf of the MEF (OPTES) and the Government securities amortisation fund (FATIS) amounting to 9,767 million euro (+4,445 million euro compared to the end of 2021).

Lastly, this item includes around 348 million euro in lease liabilities, whose amount is determined on the basis of the contracts in place at 30 June 2022, in which Group companies act as lessees.

FINANCIAL LIABILITIES MEASURED AT AMORTISED COST: BREAKDOWN BY TYPE OF SECURITIES ISSUED

(thousands of euro) Types of securities/Values	Prudential consolidation	Other entities	30/06/2022	31/12/2021
A. Securities				
1. Bonds	16,026,539	21,479,225	37,505,764	40,386,280
1.1 structured	45,104		45,104	48,081
1.2 other	15,981,435	21,479,225	37,460,660	40,338,199
2. Other securities	2,425,970		2,425,970	3,644,868
2.1 structured				
2.2 other	2,425,970		2,425,970	3,644,868
TOTAL	**18,452,509**	**21,479,225**	**39,931,734**	**44,031,148**

With regard to the Prudential Consolidation, the balance of securities issued at 30 June 2022 entirely refers to the Parent Company and includes:

- bonds issued under the “Euro Medium Term Notes” (EMTN) and “Debt Issuance Programme” (DIP) programmes, for an amount of approximately 11,396 million euro (-487 million euro compared to the end of 2021). During the first half of 2022, a new issue was made under the “Debt Issuance Programme” (DIP) as a private placement, for an amount of 70 million euro;
- a bond reserved for individuals (totalling about 1,477 million euro), with a nominal value of 1,500 million euro, issued in June 2019 and aimed at diversifying the sources of funding of the Separate Account. The first retail bond for individuals resident in Italy, issued by CDP in 2015 for a nominal value of 1.5 billion euro, reached maturity in the first half of 2022;
- 4 bonds guaranteed by the Italian government, entirely subscribed by Poste Italiane, for a total carrying amount of 3,004 million euro (this figure is essentially stable compared to the end of 2021). At 30 June 2022 there are: 2 bonds issued in December 2017 for a total nominal value of 1,000 million euro, and 2 issued in March 2018 for a total nominal value of 2,000 million euro;
- the issue of the first 1 billion Renminbi Panda bond (roughly 149 million euro at the exchange rate at 30 June 2022) to finance, both directly and through Chinese banks or Chinese branches of Italian banks, branches or subsidiaries of Italian companies established in China, to support their growth.

Securities issued by other companies mainly refer to the bond placements by Snam, Terna and Italgas, amounting to around 9,756 million euro, 6,758.3 million euro and 4,464.9 million euro, respectively.

FINANCIAL LIABILITIES HELD FOR TRADING - ITEM 20

FINANCIAL LIABILITIES HELD FOR TRADING: BREAKDOWN BY TYPE

(thousands of euro)

Type of operations/Values	30/06/2022	31/12/2021
A. On-balance-sheet liabilities		
Total A		
B. Derivatives		
1. Financial derivatives	414,139	135,199
1.1 Trading	414,139	135,199
1.2 Associated with fair value option		
1.3 Other		
2. Credit derivatives		
Total B	**414,139**	**135,199**
TOTAL (A + B)	**414,139**	**135,199**

The item includes mainly:

- the negative fair value of interest rate swaps, foreign exchange derivatives and Cross Currency Swaps for the operational hedging of the exchange rate risk of the Parent Company for a value totalling 402.1 million euro;
- the derivatives of Fincantieri for approximately 11.1 million euro.

FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE - ITEM 30

FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE: BREAKDOWN BY TYPE

(thousands of euro) Type of transactions/Values	30/06/2022	31/12/2021
1. Due to banks		
2. Due to customers	**36,543**	**34,383**
2.1 Structured		
2.2 Other	36,543	34,383
3. Debt securities		
3.1 Structured		
3.2 Other		
TOTAL	**36,543**	**34,383**

The balance of the financial liabilities designated at fair value, totalling 36.5 million euro (essentially in line with the end of 2021), is attributable to the contribution of the Fincantieri group.

HEDGING DERIVATIVES - ITEM 40

HEDGING DERIVATIVES: BREAKDOWN BY TYPE OF HEDGE

(thousands of euro)	30/06/2022	31/12/2021
A. Financial derivatives	**1,264,670**	**3,143,800**
1) Fair value	322,683	2,361,895
2) Cash flow	941,987	781,905
3) Investment in foreign operation		
B. Credit derivatives		
TOTAL	**1,264,670**	**3,143,800**

The contribution of this item was mainly attributable to the Parent Company, with reference to which the micro fair value and cash flow hedges, with a negative value at 30 June 2022, amounted to around 939 million euro, while the macro hedges with a negative value, relating to loan portfolios, amounted to around 4 million euro.

FAIR VALUE CHANGE OF FINANCIAL LIABILITIES IN HEDGED PORTFOLIOS - ITEM 50

FAIR VALUE CHANGE OF HEDGED FINANCIAL LIABILITIES

(thousands of euro) Adjustment of hedged liabilities/Components of the Group	30/06/2022	31/12/2021
1. Positive adjustments of financial liabilities	909	2,067
2. Negative adjustments of financial liabilities		
TOTAL	**909**	**2,067**

This item reports the net change in the value of the Postal savings bonds portfolio of the Parent Company subject to macro-hedging against interest rate risk. The hedging relationship was interrupted in 2009 in view of the termination of the derivative hedging instruments. The change in the fair value of the hedged bonds, determined up to the date of validity of the hedging relationship, was subsequently transferred to profit or loss on the basis of the amortised cost of the originally hedged postal savings bonds.

OTHER LIABILITIES - ITEM 80

OTHER LIABILITIES: BREAKDOWN

(thousands of euro) Type of operations/Values	Prudential consolidation	Other entities	30/06/2022	31/12/2021
Items being processed	34,667		34,667	68,739
Amounts due to employees	14,941	156,440	171,381	171,571
Charges for postal funding service	340,990		340,990	387,237
Tax payables	260,778	149,915	410,693	526,048
Construction contracts		2,146,984	2,146,984	2,108,162
Trade payables	27,481	9,409,419	9,436,900	8,336,545
Due to social security institutions	12,727	156,151	168,878	150,166
Accrued expenses and deferred income	91	1,355,560	1,355,651	663,161
Premium deposits				660,871
Equity and net income pertaining to non-controlling interests in funds		178,722	178,722	170,075
Other	29,151	5,503,099	5,532,250	3,189,469
TOTAL	**720,826**	**19,056,290**	**19,777,116**	**16,432,044**

This item reports liabilities not otherwise classified under the previous items and is broken down as follows.

For the Prudential consolidation, the main items under this heading are:
- the payable to Poste Italiane of about 341 million euro, relating to the portion of commissions due in respect of the products of the postal savings funding service not yet paid at 30 June 2022;
- tax payables, totalling around 260.8 million euro, mainly regarding the substitute tax levied on interest paid on postal savings products (roughly 245 million euro).

With regard to Other Group entities, the item mainly regards:
- trade payables of around 9,409.4 million euro, mainly related to Terna (around 4,310 million euro), Fincantieri (around 2,562.1 million euro), Snam (around 1,307.3 million euro), Ansaldo Energia (568.7 million euro) and Italgas (around 496.9 million euro). Trade payables included liabilities arising from reverse factoring operations for a total of 760.5 million euro, relating to trade payables from those suppliers that transferred their credit position to factoring companies. These liabilities are classified among "Trade payables" since they are related to obligations for the supply of goods and services used during the normal operating cycle. The sale is agreed with the supplier and envisages the possibility for the latter to give further extensions for consideration or not;
- contract work in progress of 2,147 million euro, mainly resulting from the activities of Fincantieri (approximately 1,380.4 million euro) whose progress has a value lower than what was invoiced to the customer, and from Ansaldo's operations (approximately 727.9 million euro). With regard to the contribution made by the Fincantieri group, please refer to the comments under item 130 Other assets;
- other items of 5,532.3 million euro, referring in particular to Snam for approximately 4,228.3 million euro, for payables for investing activities and liabilities to "Cassa per i Servizi Energetici e Ambientali". The latter mainly refer to accessory tariff components pertaining to natural gas transportation and distribution activities.

PROVISIONS FOR RISKS AND CHARGES - ITEM 100

PROVISIONS FOR RISKS AND CHARGES: BREAKDOWN

(thousands of euro) Items/Components	Prudential consolidation	Other entities	30/06/2022	31/12/2021
1. Provisions for credit risk relating to commitments and financial guarantees issued	665,687		665,687	450,288
2. Provisions on other guarantees issued and other commitments				
3. Company pensions and other post-retirement benefit obligations				
4. Other provisions	130,052	2,066,449	2,196,501	2,290,852
4.1 Fiscal and legal disputes	73,511	371,084	444,595	466,630
4.2 Staff costs	55,829	123,119	178,948	202,430
4.3 Other	712	1,572,246	1,572,958	1,621,792
TOTAL	**795,739**	**2,066,449**	**2,862,188**	**2,741,140**

The provisions for risks and charges stood at approximately 2,862.2 million euro at 30 June 2022, up by around 121.1 million euro compared to the end of 2021.

Provisions for credit risk from commitments and financial guarantees issued, to the balance of which the Parent Company essentially contributes, were 665.7 million euro, up by 215.4 million euro compared to 31 December 2021 (of which approximately -61 million euro for provisions for impairment and about +277 million euro for the value of financial guarantees issued).

The item 4.3 "Other provisions - other", totalling approximately 1,573 million euro at 30 June 2022, mainly refers:

- for approximately 521.4 million euro to the provisions for the dismantling and reclamation of sites, recognised mainly for liabilities that are likely to be incurred to remove the structures and reclaim the sites mainly of the natural gas storage (435 million euro) and transportation (7 million euro) sector;
- for about 336 million euro to the provisions for the reclamation and preservation of properties, as well as provisions for commitments in respect of contracts. The estimate of the liabilities recognised is based both on technical assessments (relating to the determination of works to be carried out or actions to be taken) and on legal assessments, bearing in mind contractual provisions in force;
- for around 86.3 million euro to liabilities for contractual guarantees issued to customers in line with market practices and conditions.

GROUP EQUITY - ITEMS 120, 130, 140, 150, 160, 170 AND 180

"SHARE CAPITAL" AND "TREASURY SHARES": BREAKDOWN

At 30 June 2022, the fully paid-up share capital of the Parent Company amounts to 4,051,143,264 euro and is composed of 342,430,912 ordinary shares, without par value.

At 30 June 2022, the Parent Company held treasury shares with a value of 322.2 million euro which is unchanged compared to the end of 2021.

SHARE CAPITAL - NUMBER OF SHARES OF THE PARENT COMPANY: CHANGES FOR THE YEAR

Items/Type	Ordinary	Other
A. Shares at start of the year	**342,430,912**	
- fully paid	342,430,912	
- partly paid		
A.1 Treasury shares (-)	(4,451,160)	
A.2 Shares in circulation: opening balance	**337,979,752**	
B. Increases		
B.1 New issues		
- for consideration:		
- business combinations		
- conversion of bonds		
- exercise of warrants		
- other		
- bonus issues:		
- to employees		
- to directors		
- other		
B.2 Sale of treasury shares		
B.3 Other changes		
C. Decreases		
C.1 Cancellation		
C.2 Purchase of own shares		
C.3 Disposal of companies		
C.4 Other changes		
D. Shares in circulation: closing balance	**337,979,752**	
D.1 Treasury shares (+)	4,451,160	
D.2 Shares at end of the year	342,430,912	
- fully paid	342,430,912	
- partly paid		

INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

INTEREST - ITEMS 10 AND 20

INTEREST INCOME AND SIMILAR INCOME: BREAKDOWN

(thousands of euro)

Items/Technical forms	Debt securities	Loans	Other	1st half of 2022	1st half of 2021
1. Financial assets measured at fair value through profit or loss	**962**	**3,510**		**4,472**	**6,298**
1.1 Financial assets held for trading					
1.2 Financial assets designated at fair value					
1.3 Other financial assets mandatorily measured at fair value	962	3,510		4,472	6,298
2. Financial assets measured at fair value thorough other comprehensive income	**33,234**	**33**	**X**	**33,267**	**32,721**
3. Financial assets measured at amortised cost	**700,608**	**3,206,332**		**3,906,940**	**3,915,240**
3.1 Loans to banks	12,347	113,021	X	125,368	134,315
3.2 Loans to customers	688,261	3,093,311	X	3,781,572	3,780,925
4. Hedging derivatives	**X**	**X**	**(153,646)**	**(153,646)**	**(145,955)**
5. Other assets	**X**	**X**	**26,981**	**26,981**	**10,218**
6. Financial liabilities	**X**	**X**	**X**	**153,298**	**128,955**
TOTAL	**734,804**	**3,209,875**	**(126,665)**	**3,971,312**	**3,947,477**
of which: interest income on non-performing assets		*7,951*		*7,951*	*1,682*
of which: interest income on finance lease	*X*	*5,209*	*X*	*5,209*	

Interest income accrued during the first half of 2022 amounted to 3,971.3 million euro, slightly up compared to the same period of 2021. It essentially derives from the Parent Company's contribution and mainly consists of:

- interest income on loans to banks and customers, classified as assets measured at amortised cost, totalling 3,906.9 million euro (-8.3 million euro compared to the first half of 2021) of which 3,206.3 million euro deriving from loans and 700.6 million euro from debt securities;
- interest income on financial assets measured at fair value through other comprehensive income, of around 33.3 million euro (a substantially unchanged figure compared to the first half of 2021);
- interest income on financial assets measured at fair value through profit or loss, of around 4.5 million euro (6.3 million euro in the first half of 2021).

Sub-item "4. Hedging derivatives" includes the (positive or negative) amount of differentials or margins accrued on interest rate risk hedging derivatives that adjusts the interest income recognised on the hedged financial instruments. As at 30 June 2022, this amount is negative for around 153.6 million euro.

Sub-item "6. Financial liabilities" includes interest accrued on financial liabilities that, due to negative remuneration, have resulted in a component with opposite sign (interest income), amounting to about 153.3 million euro (around +24.3 million euro compared to 30 June 2021). This is in line with the EBA's instructions that indicate that the sign of the economic component prevails over the nature of the balance sheet item.

The item includes interest income on impaired financial assets of approximately 8 million euro.

INTEREST EXPENSE AND SIMILAR EXPENSE: BREAKDOWN

(thousands of euro)

Items/Technical forms	Debt securities	Securities	Other	1st half of 2022	1st half of 2021
1. Financial liabilities measured at amortised cost	**(2,314,326)**	**(290,790)**		**(2,605,116)**	**(2,550,762)**
1.1 Due to central banks		X	X		
1.2 Due to banks	**(122,457)**	X	X	(122,457)	(114,245)
1.3 Due to customers	**(2,191,869)**	X	X	(2,191,869)	(2,148,109)
1.4 Securities issued	X	(290,790)	X	(290,790)	(288,408)
2. Financial liabilities held for trading					
3. Financial liabilities designated at fair value	**(2,873)**			**(2,873)**	**(2,737)**
4. Other liabilities and provisions	**X**	**X**	**(10,057)**	**(10,057)**	**(7,999)**
5. Hedging derivatives	**X**	**X**	**28,175**	**28,175**	**41,068**
6. Financial assets	**X**	**X**	**X**	**(28,609)**	**(14,298)**
TOTAL	**(2,317,199)**	**(290,790)**	**18,118**	**(2,618,480)**	**(2,534,728)**
of which: interest expense on finance lease	*(3,365)*	*X*	*X*	*(3,365)*	*(4,364)*

Interest expense in the first half of 2022 amounts to 2,618.5 million euro (+83.8 million euro on the comparison period), and is mainly attributable to:

- remuneration of the Parent Company's postal funding, amounting to approximately 2,218 million euro (approximately -45 million euro compared to 30 June 2021);
- interest expense accrued on securities issued by the Parent Company of approximately 152 million euro and by the industrial companies of approximately 135 million euro.

Sub-item "5. Hedging derivatives" includes the (positive or negative) amount of differentials or margins accrued on interest rate risk hedging derivatives that adjusts the interest expense recognised on the hedged financial instruments. As at 30 June 2022, this amount is positive for around 28.2 million euro.

Item "6. Financial assets" includes interest accrued on financial assets that, due to negative remuneration, have resulted in a component with opposite sign (interest expense), amounting to about 28.6 million euro (-14.3 million euro compared to 30 June 2021).

The item also includes financial expenses accrued on lease liabilities recognised as a consequence of applying IFRS 16, equal to about 3.4 million euro, relating to contracts in which the Group act as a lessee.

COMMISSIONS - ITEMS 40 AND 50

COMMISSION INCOME: BREAKDOWN

(thousands of euro) Type of services/Amounts	1st half of 2022	1st half of 2021
a) Financial instruments		
b) Corporate Finance		
c) Advice on investments		
d) Offsetting and settlement	**93**	
e) Management of collective portfolios	**23,917**	**15,988**
f) Custody and administration		
g) Central administrative services to manage collective portfolios		
h) Fiduciary activities		
i) Payment services		**25,511**
5. Other commissions connected to payment services		25,511
j) Distribution of third party services		
k) Structured finance	**18**	**79**
l) Servicing activities for securitisations		
m) Commitments to disburse funds	**27,135**	**23,990**
n) Financial guarantees issued	**11,221**	**10,407**
of which: credit derivatives		
o) Financing transactions	**20,642**	**8,387**
of which: factoring		
p) Trading of currencies		
q) Commodities		
r) Other commission income	**150,025**	**17,915**
TOTAL	**233,051**	**102,277**

At 30 June 2022, commission income stood at approximately 233.1 million euro, up by 130.8 million euro compared to the previous half-year.

At 30 June 2022, this item includes commission income of the Parent Company relating to:

- agreements signed with the Italian Ministry of the Economy and Finance for the management of the assets and liabilities of the MEF for approximately 130 million euro, of which 129 million euro relating to the management of the MEF's postal savings bonds. The latter did not contribute to the balance of the item in the same period of 2021, since at 30 June 2021, an agreement covering the remuneration for managing the MEF's postal savings bonds had not yet been signed;
- commitments to disburse funds amounting to around 27 million euro;
- loan structuring for around 20.6 million euro;
- financial guarantees issued of around 11 million euro.

Still referring to the Parent Company, the residual contribution to the balance of the item includes commissions earned for the management of the Revolving Fund supporting enterprises and investment in research (FRI), and other services rendered.

COMMISSION EXPENSE: BREAKDOWN

(thousands of euro) Type of services/Amounts	1st half of 2022	1st half of 2021
a) Financial instruments	**703,841**	**695,805**
of which: trading of financial instruments	*1,514*	*1,139*
of which: placement of financial instruments	*698,752*	*694,666*
of which: management of individual portfolios	*14*	
- own	14	
- delegated to third parties		
b) Offsetting and settlement	**366**	**202**
c) Management of collective portfolios	**3,687**	
1. Own	3,687	
2. Delegated to third parties		
d) Custody and administration	**615**	**694**
e) Collection and payment services	**10,496**	**8,066**
of which: credit cards, debit cards and other payment cards	*5*	*3*
f) Servicing activities for securitisations		
g) Commitments to receive funds	**7,965**	**1,654**
h) Financial guarantees received	**8,017**	**17,997**
of which: credit derivatives		
i) Door-to-door selling of financial instruments, products and services		**8,356**
j) Trading of currencies		
k) Other commission expense	**1,000**	**6,233**
TOTAL	**735,987**	**739,007**

Commission expense is primarily attributable to the Parent Company and is mainly related to the amount for the first half of 2022 of the remuneration paid to Poste Italiane S.p.A. for the postal savings service, equal to approximately 696 million euro (+6 million euro compared to 30 June 2021), other than the expense similar to transaction costs and consequently included in the carrying amount of the postal savings products. The commission expense for the postal savings service recognised during the period accrued under the agreement signed between CDP and Poste Italiane S.p.A., for the four-year period 2021-2024.

DIVIDENDS AND SIMILAR REVENUES - ITEM 70

The balance of this item at 30 June 2022, of around 24.8 million euro (37.8 million euro at 30 June 2021) is mainly attributable to the dividends earned by the Parent Company and the investee CDP Equity from equity securities measured at fair value through other comprehensive income.

PROFITS (LOSSES) ON TRADING ACTIVITIES - ITEM 80

Profits (losses) on trading activities, showing an overall profit of about 87.6 million euro at 30 June 2022 (profit of 38.9 million euro at 30 June 2021), derive mainly from the result of the Terna and Fincantieri groups, with particular reference to the profit on derivative transactions (amounting to approximately 60.9 million euro and 15.5 million euro, respectively) and exchange rate differences (amounting to approximately 3.9 million euro and 10.1 million euro, respectively).

FAIR VALUE ADJUSTMENTS IN HEDGE ACCOUNTING - ITEM 90

The fair value adjustments in hedge accounting at 30 June 2022 showed a positive amount of 65.2 million euro (negative amount of 12.9 million euro at 30 June 2021) and were largely attributable to the contribution of the Parent Company.

GAINS (LOSSES) ON DISPOSAL OR REPURCHASE - ITEM 100

The balance of the item was positive for approximately 50.7 million euro (440.0 million euro at 30 June 2021) and is affected by the smaller contribution of the Parent Company relating to income from the sale of debt securities in the portfolio of financial assets measured at amortised cost equal to 33.2 million euro (340.1 million euro at 30 June 2021) and in the portfolio of financial assets measured at fair value through other comprehensive income equal to 31.8 million euro (99.9 million euro at 30 June 2021).

PROFITS (LOSSES) ON FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS - ITEM 110

The profits (losses) on financial assets and liabilities measured at fair value through profit or loss show a net loss at 30 June 2022, equal to 15.3 million euro (net loss of 20.3 million euro at 30 June 2021), attributable almost exclusively to the other financial assets mandatorily measured at fair value.

In particular, contributing to the result were the effects of the other financial assets mandatorily measured at fair value relating to the net negative valuations of debt securities, amounting to 19.1 million euro and mainly attributable to the Valvitalia issue, partially offset by the net result attributable to units of UCIs.

NET ADJUSTMENTS/RECOVERIES FOR CREDIT RISK - ITEM 130

This item shows a gain of around 16.8 million euro and relates to the net balance between adjustments and recoveries for credit risk calculated on an individual and collective basis and almost exclusively related to financial assets measured at amortised cost.

NET ADJUSTMENTS FOR CREDIT RISK RELATING TO FINANCIAL ASSETS MEASURED AT AMORTISED COST: BREAKDOWN

	Writedowns						Writebacks					
			Stage 3		Purchased or originated credit impaired financial assets							
(thousands of euro) Type of operations/ P&L Items	Stage 1	Stage 2	Write-off	Other	Write-off	Other	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	1st half of 2022	1st half of 2021
A. Loans to banks	**(2,268)**						**3,806**	**295**			**1,833**	**2,941**
Loans	(2,104)						3,582	295			1,773	5,745
Debt securities	(164)						224				60	(2,804)
B. Loans to customers	**(33,709)**	**(66,705)**		**(10,509)**			**19,801**	**95,405**	**9,810**		**14,093**	**(19,715)**
Loans	(21,841)	(66,705)		(10,497)			14,007	89,936	9,810		14,710	(16,577)
Debt securities	(11,868)			(12)			5,794	5,469			(617)	(3,138)
TOTAL	**(35,977)**	**(66,705)**		**(10,509)**			**23,607**	**95,700**	**9,810**		**15,926**	**(16,774)**

NET ADJUSTMENTS FOR CREDIT RISK RELATING TO LOANS MEASURED AT AMORTISED COST SUBJECT TO COVID-19 SUPPORT MEASURES: BREAKDOWN

	Net impairment adjustment							
			Stage 3		Purchased or originated credit impaired financial assets			
(thousands of euro) Type of operations/P&L Items	Stage 1	Stage 2	Write-off	Other	Write-off	Other	1st half of 2022	1st half of 2021
1. Loans subject to moratoria compliant with the GL								154
2. Loans subject to existing moratorium measures no longer conforming to the GLs and not considered forborne								
3. Loans subject to forbearance measures								
4. New loans	(132)	114		(688)			(706)	(816)
1ST HALF OF 2022	**(132)**	**114**		**(688)**			**(706)**	
1ST HALF OF 2021	**(666)**			**4**				**(662)**

The table shows the net adjustments for credit risk recognised on loans subject to Covid-19 support measures. The line “New loans” reports the net adjustments recognised on loans which represent new liquidity backed by public guarantees.

NET ADJUSTMENTS FOR CREDIT RISK RELATING TO FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: BREAKDOWN

(thousands of euro)	Writedowns						Writebacks					
			Stage 3		Purchased or originated credit impaired financial assets							
Type of operations/ P&L Items	Stage 1	Stage 2	Write-off	Other	Write-off	Other	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	1st half of 2022	1st half of 2021
A. Debt securities	**(3,432)**						**4,024**		**280**		**872**	**2,196**
B. Loans												
TOTAL	**(3,432)**						**4,024**		**280**		**872**	**2,196**

There are no loans measured at fair value through other comprehensive income subject to Covid-19 support measures.

ADMINISTRATIVE EXPENSES - ITEM 190

STAFF COSTS: BREAKDOWN

(thousands of euro) Type of expenses/Sectors	Prudential consolidation	Other entities	1st half of 2022	1st half of 2021
1) Employees	**102,150**	**1,162,339**	**1,264,489**	**1,274,867**
a) wages and salaries	69,223	823,520	892,743	898,940
b) social security costs	2,099	20,380	22,479	15,238
c) staff severance pay	353	19,764	20,117	17,860
d) pension costs	13,166	223,514	236,680	245,479
e) allocation to staff severance pay	169	4,768	4,937	5,595
f) allocation to provision for post-employment benefits				
g) payments to external supplementary pensions funds:	5,287	34,559	39,846	39,136
- defined contribution	5,287	32,711	37,998	37,470
- defined benefit		1,848	1,848	1,666
h) costs arising from share-based payment arrangements		2,846	2,846	2,456
i) other employee benefits	11,853	32,988	44,841	50,163
2) Other personnel in service	**337**	**6,575**	**6,912**	**5,376**
3) Board of Directors and Board of Auditors	**1,652**	**16,596**	**18,248**	**12,191**
4) Retired personnel				
TOTAL	**104,139**	**1,185,510**	**1,289,649**	**1,292,434**

OTHER ADMINISTRATIVE EXPENSES: BREAKDOWN

(thousands of euro) Type of expenses/Values	Prudential consolidation	Other entities	1st half of 2022	1st half of 2021
IT costs	24,521	58,979	83,500	103,212
General services	3,770	3,726,536	3,730,306	3,316,726
Professional and financial services	8,129	427,822	435,951	461,731
Publicity and marketing expenses	1,136	16,297	17,433	14,085
Other personnel-related expenses	1,508	28,326	29,834	19,382
Utilities, duties and other expenses	3,691	166,300	169,991	162,816
Information resources and databases	2,051	4	2,055	3,237
Corporate bodies	361	199	560	333
TOTAL	**45,167**	**4,424,463**	**4,469,630**	**4,081,522**

General services mainly include the expenses of industrial companies relating to subcontracting and the purchase of raw materials.

NET ACCRUALS TO THE PROVISIONS FOR RISKS AND CHARGES - ITEM 200

NET ACCRUALS TO THE PROVISIONS FOR CREDIT RISK RELATING TO COMMITMENTS TO DISBURSE FUNDS AND FINANCIAL GUARANTEES ISSUED

Net provisions for credit risk relating to commitments to disburse funds and financial guarantees issued showed a positive balance at 30 June 2022 equal to 61.9 million euro (positive balance of 4.4 million euro at 30 June 2021) and are almost exclusively attributable to the Parent Company’s contribution.

NET ACCRUALS TO THE PROVISIONS FOR OTHER COMMITMENTS AND OTHER GUARANTEES ISSUED: BREAKDOWN

During the period, no accruals for other commitments and guarantees were made.

NET ACCRUALS TO THE PROVISIONS FOR OTHER RISKS AND CHARGES: BREAKDOWN

(thousands of euro) Type of transactions/Values	Accruals	Reversal of excess	1st half of 2022
Net provisions for legal and fiscal disputes	(3,375)	5,552	2,177
Net provisions for sundry expenses for personnel		309	309
Net sundry provisions	(87,053)	19,680	(67,373)
TOTAL	**(90,428)**	**25,541**	**(64,887)**

The balance of this item, negative for 64.9 million euro (negative for 4.9 million euro at 30 June 2021), refers to the net balance of provisions and the reversal of excess provisions for risks and charges, mainly attributable to Fincantieri (-56.1 million euro) and Snam (-8.5 million euro).

NET ADJUSTMENTS TO/RECOVERIES ON PROPERTY, PLANT AND EQUIPMENT - ITEM 210

NET ADJUSTMENTS TO PROPERTY, PLANT AND EQUIPMENT: BREAKDOWN

(thousands of euro) Assets/P&L items	Prudential consolidation	Other entities	1st half of 2022
A. Property, plant and equipment			
1. Operating	(3,793)	(905,290)	(909,083)
- Owned	(2,232)	(865,345)	(867,577)
- Right of use acquired under leases	(1,561)	(39,945)	(41,506)
2. Investment	(3,167)	10,380	7,213
- Owned	(2,928)	10,380	7,452
- Right of use acquired under leases	(239)		(239)
3. Inventories		7,982	7,982
TOTAL	**(6,960)**	**(886,928)**	**(893,888)**

NET ADJUSTMENTS TO/RECOVERIES ON INTANGIBLE ASSETS - ITEM 220

NET ADJUSTMENTS TO INTANGIBLE ASSETS: BREAKDOWN

(thousands of euro) Assets/P&L items	Prudential consolidation	Other entities	1st half of 2022
A. Intangible assets			
of which: software	*(8,264)*	*(10,745)*	*(19,009)*
A.1 Owned	(8,327)	(811,704)	(820,031)
- internally generated by the company		(107,144)	(107,144)
- other	(8,327)	(704,560)	(712,887)
A.2 Acquired under finance leases			
TOTAL	**(8,327)**	**(811,704)**	**(820,031)**

Net adjustments relating to Other companies include an impairment of 376 million euro of intangible assets (mainly value of technologies and backlog) attributable to the Ansaldo Energia group.

OTHER OPERATING INCOME (COSTS) - ITEM 230

OTHER OPERATING COSTS: BREAKDOWN

(thousands of euro) Type of costs/Figures	Prudential consolidation	Other entities	1st half of 2022	1st half of 2021
Depreciation of leasehold improvements	202	529	731	595
Other	2,571	145,528	148,099	63,025
TOTAL	**2,773**	**146,057**	**148,830**	**63,620**

OTHER OPERATING INCOME: BREAKDOWN

(thousands of euro) Type of costs/Figures	Prudential consolidation	Other entities	1st half of 2022	1st half of 2021
Income for company engagements to employees	585	11	596	388
Recovery of expenses	4,463	13,980	18,443	9,637
Rental income and other income from property management	6,355	81,480	87,835	43,965
Revenues from industrial management		8,275,959	8,275,959	8,057,565
Other	1,332	107,549	108,881	102,568
TOTAL	**12,735**	**8,478,979**	**8,491,714**	**8,214,123**

Other operating income, equal to 8,491.7 million euro as at 30 June 2022 (8,214.1 million euro as at 30 June 2021), includes income that is not attributable to the other items of the bank financial statements and consists almost entirely of revenues from the industrial operations of (the figure for the first half of last year is in brackets):

- Fincantieri, in the amount of 3,463.1 million euro (3,212.8 million euro);
- Snam, in the amount of 1,676.5 million euro (1,523.9 million euro);
- Terna, in the amount of 1,334.9 million euro (1,229.1 million euro);
- Italgas, in the amount of 1,055.6 million euro (1,044.3 million euro);
- Ansaldo Energia, in the amount of 596.1 million euro (679.1 million euro).

GAINS (LOSSES) ON EQUITY INVESTMENTS - ITEM 250

Net gains on equity investments, of 2,532.9 million euro (net gains of 380.7 million euro in the first half of last year), comprise the results of the measurement at equity of investments subject to significant influence or joint control included in the scope of consolidation, and are mainly due to the positive impact of the measurement of the following investee companies: Eni (+1,970.5 million euro), Poste (+296.9 million euro) and Autostrade per l'Italia (+84.4 million euro, limited to the months of May and June), only partly offset by the negative effects recorded in the period concerning the investee companies Saipem (-16.7 million euro) and Open Fiber Holdings (-25.1 million euro).

GAINS (LOSSES) ON PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS MEASURED AT FAIR VALUE - ITEM 260

This item has a nil balance.

GOODWILL IMPAIRMENT - ITEM 270

This item, amounting to 47.0 million euro at 30 June 2022 (not recognised at 30 June 2021), derives from the recognition of losses on goodwill of the Fincantieri group.

GAINS (LOSSES) ON DISPOSAL OF INVESTMENTS - ITEM 280

This item shows gains of 8.3 million euro (1.7 million euro at 30 June 2021) and mainly consists of gains on the disposal of operating property and other assets.

INCOME TAX FOR THE PERIOD ON CONTINUING OPERATIONS - ITEM 300

The CDP Group operates in various countries (both European and non-European) that have autonomous tax systems where the determination of the taxable base, the level of tax rates, the nature, type and timing of formal obligations differ from one another.

CDP and some Italian Group companies have adopted the so-called "national fiscal consolidation" under which it is possible to algebraically offset the income and losses of companies belonging to the same scope of consolidation.

With regard to tax rates, in Italy corporate income tax (IRES) is 24%, to which an additional 3.5% applicable exclusively to banks and other financial intermediaries should be added. In addition to IRES, the Regional Tax on Productive Activities (IRAP) must be added, whose nominal rate is 4.65% for the banking sector and to which each Region can autonomously add a surcharge. IRAP applies to a taxable income that is marginally different from the one used by IRES.

INCOME (LOSS) AFTER TAX ON DISCONTINUED OPERATIONS - ITEM 320

This item is a loss equal to -4.7 million euro (-1,164.0 million euro at 30 June 2021), and primarily reflects the effect of applying the provisions of paragraph 32 of IFRS 5 on the presentation of income or loss on discontinued operations, which include SACE, SACE BT, SACE FCT, SACE SRV and the investment entity FSE, consolidated until 31 March 2022. This item also includes the negative impact of the measurement of disposal equity investments at 30 June 2022 represented by FSI SGR (3.8 million euro) and QuattroR SGR (0.1 million euro).

For further details, reference should be made to Section 3 - Scope and methods of consolidation in Part A - Accounting policies of these notes to the financial statements.

RISK MONITORING

To ensure an efficient risk management system, the Parent Company and the companies belonging to the prudential consolidation perimeter have set up rules, procedures, resources (human, technological, and organisational), and control activities to identify, measure or evaluate, monitor, prevent or mitigate, and communicate to the appropriate reporting structures all the risks - assumed or that can be assumed - in the different segments.

The risk management system takes into account the specific characteristics of the activity carried out by each entity of the Group; it is implemented in compliance with the requirements established by the laws and regulations applicable to each company.

Within the organisational structure of the Parent Company, the Chief of the Risk Department, who reports directly to the Chief Executive Officer (CEO), is responsible for the management of all types of risk and for the clear representation of the overall risk profile and solidity of CDP to the Board of Directors. As part of this mandate, the Chief of the Risk Department coordinates the activities of the Risk Management (RM), Risk Advisory & Policies, Compliance and Anti-Money Laundering, and Credit Assessment and Monitoring Functions. RM is responsible for supporting the Chief of the Risk Department with the management and monitoring of all types of risk, providing a clear representation about the overall risk profile and capital requirements associated with each category of risk.

All the relevant types of risk are defined by the current Risk Policy, initially approved by the Board of Directors in 2010 and subsequently updated as necessary. The risks can be divided into market risks (which include equity risk, interest rate risk, inflation risk, and exchange rate risk), liquidity risks, credit risks (which include concentration and counterparty risks), operational risks, and reputational risks. As a rule, the Risk Policy is updated semi-annually and is made up by a main document (the Risk Regulation Policy) and a set of related annexes, each focusing on a specific category of risk (e.g. interest rate risk) or on an area exposed to those risks (e.g. treasury operations and investment in securities). The Risk Policy is the key tool used by the Board of Directors to define the risk appetite of CDP, the tolerance thresholds, risk limits, risk management policies and the framework of the corresponding organisational processes.

The guidelines for the risk management of the Parent Company are expressed in the Risk Policy and set out provisions about:
- the separation of roles and responsibilities in the assumption and control of risks;
- the organisational independence of risk control from the operational management of risks;
- rigorous risk measurement and control systems.

The structure of the statutory, board and management committees is established at both company and Group level. This includes the committees responsible for risk, whose respective responsibilities are assigned in compliance with the principles adopted.

Within the Board of Directors is established the Risk and Sustainability Committee, whose composition is governed by the Articles of Association and whose operation and organisation are set out in a specific Regulation, updated during the first half of 2022. The Committee carries out control and guidance functions in the field of risk management and prior assessment of new products, and supports advice in support of the Board on matters relating to risk appetite, capital allocation, capital adequacy assessments and the assessment of sustainability policies.

Two technical and advisory committees, the Risk Governance Committee and the Risk Assessment Committee, act as a support to management and to the decision-making bodies. The Risk Governance Committee is responsible, by way of non-exhaustive example, for (i) aspects related to defining and controlling CDP's overall risk profile, (ii) compliance of new products with that risk profile and (iii) relevant aspects for the management of "liquidity contingency" situations. The Risk Assessment Committee, on the other hand, is responsible for (i) assessing financing transactions and activities, also in terms of concentration, economic and financial sustainability as well as the associated risks, (ii) assessing proposals to manage specific non-performing loans and credit disputes, (iii) assessing proposals for impairment of loans or equity investments and (iv) periodically reviewing the risk profile of counterparties in the portfolio.

RM verifies compliance with the limits set by the Board of Directors and the operating limits established by the Chief Executive Officer, recommending corrective measures to the Risk Governance Committee or the Risk Assessment Committee, according to their responsibilities, that might be necessary to ensure compliance with the Risk Policy and the risk profile chosen by CDP, monitoring the use of economic capital with respect to capital requirements and contributing to capital management activities.

Within the companies pertaining to the prudential consolidation perimeter, the risk control and management systems include, in addition to the top management, the second-level control functions (Risk Management, Compliance, Anti-Money Laundering) and third-level control functions (Internal Auditing).

1. CREDIT RISK

The principles followed by CDP in its lending activities involving the assumption of credit risk are set out in the Credit Risk Policy, which also regulates the lending process and the roles of the units involved.

The Credit Assessment and Monitoring Unit assesses the proposals formulated by the CDP business units, as well as the most significant transactions submitted for a governance opinion by the subsidiaries which belong to a pre-specified perimeter; it is also responsible for issuing – and updating- internal ratings and for the estimation of the Loss Given Default of a given transaction. These parameters are used for management and accounting purposes and are determined in accordance with the Risk Policy and the Rating and Recovery Rate Policy. This latter document provides the details on the methods adopted by CDP for the assignment of internal ratings to the various classes of counterparties and in formulating internal estimates of the recovery rate for individual financing transactions. Credit Assessment and Monitoring is also responsible for the periodic review of the loan portfolio, regarding the evolution of the counterparty's financial situation and developments in their industry/sector, performance monitoring for the purposes of internal or regulatory classification, as well as the management of non-performing loans when required.

The Risk Advisory & Policies Unit has the task of providing risk advisory support to CDP's business units and to Group companies in the phase of definition of the contents of business solutions and the most significant transactions. It carries out risk assessments regarding equity and real estate transactions that require a governance opinion. It also assists the Chief of the Risk Department in the definition and update of the guidelines related to Group-level risk policies.

The Risk Management Unit is responsible for the methodologies used to determine the risk-adjusted pricing, for the monitoring of the use of economic capital with respect to capital requirements, and for the measurement of portfolio concentration. RM regularly monitors the overall performance of loan portfolio risk, also to identify corrective measures designed to optimise the risk/return profile.

With regard to credit risk, the responsibilities of Risk Management also include:
- performing specific second-level controls to ensure that the performance of individual exposures is monitored correctly, especially the non-performing ones, that the classifications are consistent, that provisioning is adequate and that the recovery process is appropriate;
- formulating opinions on specific loan transactions, including an evaluation of their consistency with the Risk Policy and capital requirements, in the specific cases detailed in the policies in force from time to time;
- defining, selecting and implementing models, methodologies and instruments (including those relating to the internal rating system).

With regard to non-performing counterparties, the Credit Assessment and Monitoring Unit reviews any restructuring proposals — where necessary with the support of other Units for more complex cases — while Risk Management performs a second-level control. Contractual amendment requests for performing loans ("waivers") are managed instead by middle office structures of the business units, where necessary with the support of other Units for more complex cases.

In order to monitor the risks at Group level, a specific governance process is foreseen for the most significant transactions in terms of risk. In these cases, a non-binding opinion must be obtained from the Parent Company. In particular, during the semester, a further implementation of the governance and coordination guidelines at a Group level has been carried out by the Risk Advisory and Policies Unit, whereas the Group Risk Governance Committee has provided its opinions on the Group's risk monitoring and assessment systems, and on risk policies and Group transactions with a significant impact.

The Group as a whole adopts procedures for the credit risk management and measurement aimed at assessing the quality of credit assets. This is done both when the loan is first granted/approved and through the lifetime of the loan, by monitoring the performance of performing portfolio positions. In particular, the system in place ensures, through an early warning system, the prompt identification of credit events that indicate potential problems (based on information from both internal and external sources), and assigns the counterparty a specific internal operational Watch List class depending on the level of importance of the signals identified. In addition, this system, based on specific indicators, processes proposals for the regulatory classification, in particular as Unlikely To Pay.

With regard to the credit risk management and control policies of the Separate Account, the Parent Company has adopted a system for approving loans to local entities. This system is used to classify each loan in homogeneous risk categories, by adequately defining the risk level associated with the individual entities, with the aid of quantitative parameters that are differentiated by type and size of entity. This loan approval system uses qualitative and quantitative criteria to identify the cases where the debtor's creditworthiness requires further analysis.

CDP uses a validated proprietary model to calculate credit risk at portfolio level for the Ordinary Account and for loans to private-sector parties under the Separate Account portfolio. CDP also uses this model to compute the economic capital associated with the entire loan portfolio, with the sole exception of exposures, direct or indirect, to the State.

The Risk Management Unit monitors compliance with the system of limits and the guidelines for composition of the loan portfolio, which are an integral part of the Risk Policy. The limits are set according to the credit rating of each counterparty and become stricter as the rating and recovery rate decrease, according to proportions in line with the economic capital. Specific country risk limits are also established.

Risk Management also conducts stress tests on the level of risk in the loan portfolio, based on assumptions of generalised deterioration in the portfolio's creditworthiness, increased probability of default, decreased recovery rates and increased correlation parameters.

The methods adopted for the assignment of internal ratings aim to ensure compliance with an adequate level of transparency and consistency, including auditability of the process of evaluation.

In the internal rating assignment process, CDP uses specific benchmark tools, developed internally or by specialised providers, specific for the classes of CDP counterparties, including their size, legal form, and sector of activity.

In line with the practice of the rating agencies, the rating scale adopted by CDP is divided into 21 classes, 10 of which are for "investment grade" positions and 11 for "speculative grade". A class is also used for counterparties in default. Given the limited number of historical defaults in the CDP portfolio, also considering the type of borrowers, default probabilities are calibrated on the basis of long-term default rates (through the cycle) calculated using data acquired from a specialised provider.

Since 2018, as part of the implementation of IFRS 9, CDP defined a methodology to calculate point-in-time default probabilities.

CDP adopted the new definition of default in accordance with the supervisory regulations for banks issued by the Bank of Italy, effective from the beginning of 2021 and implementing the related EBA Guidelines.

The internal estimates of Loss Given Default take into account the different types of guarantees, as well as recovery times, and are differentiated by category of customer.

The rating system is used in the loan approval process (for private entities also for risk-adjusted pricing), to monitor the performance of the loan portfolio; to calculate provisions; for the limits framework and to measure the absorption of economic capital. The risk assessment assigned to the counterparty is updated at least annually. However, it is reviewed at any time during the year whenever events occur, or information is acquired, that have the potential to significantly affect the credit rating.

2. COUNTERPARTY RISK

Pursuant to the executed ISDA agreements, netting is used in hedge transactions with the bank counterparties of the Company to reduce exposure. All the contracts are based on the 2002 ISDA agreement. In addition, with the aim of further reducing counterparty risk, CDP has the possibility to operate through clearing houses.

Credit Support Annexes, which involve the periodic exchange of collateral, are also systematically used to strengthen CDP counterparty risk mitigation.

The arrangement is based on the standard format recommended by the ISDA.

Securities financing transactions utilise GMRAs (Global Master Repurchase Agreement, according to the ISMA 2000 format and, in some cases, the ISMA 2011 format). In addition, CDP has long since joined the Cassa di Compensazione e Garanzia (Central Clearing House), through which it transacts in repo agreements while benefiting from robust protections against counterparty risk.

CDP Immobiliare SGR is exposed to counterparty risk, in connection with the fees received as fund manager. The exposure exists with respect to managed funds and, indirectly, their subscribers, who might be unable to comply with subscriptions (i.e. fully/partially unable to deposit funds for the subscribed investments). In this respect, it shall be noticed that the funds currently managed are mainly subscribed by the Parent Company.

As far as Fondo Italiano d'Investimento SGR S.p.A. is concerned, the exposure to credit risk is intended as the exposure to counterparty risk in relation to the management fees received by the managed funds. However, this exposure is limited due to both the diversification of the funds and the investors and to their credit standing. Moreover, the assets of the managed funds are mainly subscribed by the Parent Company.

3. INTEREST RATE RISK

As a result of its operations, the Parent Company is exposed to interest rate risk under all its forms: repricing, yield curve, basis and option risk. Inflation risk is also monitored within the same conceptual and analytical framework as interest rate risk in the banking book. These risks can affect both the earnings and the economic value of the Group.

CDP faces a substantial level of interest rate risk due to the presence of large unhedged volumes of assets and liabilities pre-existing before its transformation into a joint-stock company and to its balance sheet structure: a considerable portion of CDP's liabilities consists of Ordinary fixed-rate Postal Bonds with an early redemption option, while the asset side mainly comprises fixed-rate loans. Other types of Postal Savings Bonds also embed an early redemption option, whose value is significantly affected by interest rates and inflation changes.

The basic approach taken by CDP to measuring and managing interest rate risk is an "economic value" perspective, which complements the "earnings-based" perspective. The economic value perspective corresponds to the long-term representation of the earnings-based perspective, as the economic value of the firm is essentially equal to the discounted flows of future net interest income.

From this perspective, CDP analyses its exposure and risk profile by assessing balance sheet items that are sensitive to interest rates, quantifying their reaction to small changes (sensitivity analysis) and to major shocks (stress testing) to the risk factors. The transition from exposure metrics (derived from the sensitivity analyses and stress testing) to risk metrics is carried out by assigning a probability to possible market scenarios. This gives a statistical distribution of the value of the balance sheet items and complex indicators representing the economic capital needed given its risk profile.

This monitoring approach is translated into the calculation of value at risk (VaR), which CDP measures using historical simulations methods.

To quantify and monitor the interest rate risk in the banking book, CDP measures VaR both over short time horizons — such as over one day or ten days — and annually, which is more suited to the internal capital adequacy assessment process with regard to risks in the banking book. The short-term and annual measures of VaR share the same combination of models for valuing balance sheet items and measuring sensitivity, and they use the same input data. The daily VaR is then used for backtesting, thanks to its larger sample dataset available over that interval.

VaR summarises in a single figure the results of the simulation of many scenarios generated in accordance with the statistical characteristics of the risk factors.

CDP's Risk Policy sets specific limits to manage the exposure to interest rate and inflation risks. More specifically, limits have been established on the impact on the economic value of parallel shifts (+/- 100 basis points) in the yield curve and the inflation curve. Furthermore, more granular limits set by the Chief Executive Officer are in place.

CDP also assesses the impact of interest rate risk on earnings for shorter horizons using the internal ALM system, specifically quantifying the impact of parallel shifts in the yield curve on net interest income.

CDP's ALM approach seeks to limit the volume of hedging derivatives by exploiting "natural hedges" between fixed-rate assets and liabilities. Hedging therefore regards subsets of those items, depending on the sign of the net exposure, with a view to containing the overall risk exposure.

Operational responsibility for managing interest rate risk lies with the Finance Organisational Unit.

The measurement and the monitoring of interest rate risk are performed by the Market & Liquidity Risk Unit, within Risk Management, and discussed within the Finance Committee. The Board of Directors approves risk management policies and the associated monitoring methodology and receives periodic reporting on the results achieved.

CDP Immobiliare SGR has no direct (i.e. resulting from its primary activity) exposure to interest rate risk and inflation risk; an exposure is detected in connection with investments of the available liquidity (mainly, fixed-rate securities issued by the Italian Government and postal savings bonds guaranteed by the Parent Company).

As a closed-end fund manager, Fondo Italiano d'Investimento SGR S.p.A. is not directly exposed to interest rate risk. The liquidity stock during the first half of 2022 was deposited in current accounts.

In the first half of 2022, CDPI SGR and FII SGR had not set up any interest-rate-hedging strategy.

4. LIQUIDITY RISK

Liquidity risk arises in the form of "asset liquidity risk" and "funding liquidity risk".

Since the Parent Company and CDP Immobiliare SGR do not engage in trading activities, the exposure to liquidity risk in the sense of asset liquidity risk[50] is limited.

In view of the dominant weight of demand deposits (savings accounts) and of bonds redeemable on demand (postal savings bonds) on the liability side of the Separate Account, for the Parent Company liquidity risk becomes significant mainly in the form of funding liquidity risk[51].

In order to ensure that any uncontrolled run-off scenario remains remote, CDP benefits from the mitigating effect of the state guarantee on postal savings. In addition to the key function of that guarantee, the ability of CDP to ensure that such a scenario does in fact remain remote is based on its capital strength, on the protection and promotion of postal savings reputation with the public, on safeguarding CDP's reputation in the market and on liquidity management. With regard to the latter, CDP adopts a series of specific measures to prevent the emergence of unexpected funding requirements and to be able to meet them if it should prove necessary.

To this end, Risk Management monitors a lower limit on the stock of liquid assets together with a number of aggregates that represent the capacity of CDP to cope with potential crisis. As an operational protection measure for liquidity risk, CDP has adopted a Contingency Funding Plan (CFP). The CFP sets out the processes and strategies used by CDP to manage possible liquidity crises, whether of systemic origin – caused by an unexpected deterioration in monetary and financial market conditions – or due to idiosyncratic difficulties at CDP itself.

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[50] Asset liquidity risk means the impossibility, for a financial institution or a generic investor, of selling assets on the market without significantly reducing their price.

[51] Funding liquidity risk means the impossibility, for a financial institution, to meet its obligations by collecting liquidity at non-penalising conditions or selling assets held.

As regards the Ordinary Account, CDP raises funds through the market or the European Investment Bank (EIB), adopting approaches, opportunities and constraints more similar to those of ordinary banks.

CDP prevents the emergence of unexpected liquidity requirements by developing effective loan disbursement forecasting systems, setting structural limits on maturity transformation, monitoring the short-term liquidity position - carried out on a continuous basis by the Finance Organisational Unit - and monitoring medium and long-term liquidity gaps, which is performed by the Market & Liquidity Risk Unit.

Management of treasury activities by the Finance department enables CDP to raise funds using repos, for both the Separate and Ordinary Accounts.

CDP can also take part in European Central Bank refinancing operations, as it holds a significant stock of eligible negotiable and non-negotiable assets.

As a further control, for both the Separate and the Ordinary Account, Risk Management monitors the incremental liquidity available in a stress scenario through transactions with the European Central Bank and by refinancing liquid assets with market counterparts.

In addition to the monitoring tools described, RM performs a stress test to assess the potential effects of an extremely unfavourable scenario on the liquidity position.

As far as liquidity risk is concerned, CDPI SGR is potentially exposed to a cash shortfall risk, caused by, among others, lower management fees due to fluctuations in values of the real estate Alternative Investment Fund (AIF) units and/or real estate direct assets held by the portfolios it manages, as management fees are calculated as a percentage of either the Net Asset Value or the Gross Asset Value.

Any value fluctuation for the real estate funds and/or assets held in their portfolios might consequently affect the management fees.

From an operational point of view, liquidity risk is monitored through a careful planning of Company cash flows (“financial forecast”), prepared by the “Administration, Planning and Control” Area and updated on a monthly basis.

The same risk of potential cash shortfalls, in relation to lower management fees dependent on assets valuation, applies to FII SGR. However, the greatest exposure to liquidity risk is related to asset liquidity risk. The asset management company manages closed-end funds with underlyings characterized by a limited level of liquidity and a long-term time horizon. The potential need, which is currently very unlikely, to rapidly liquidate the assets could significantly affect the prices of those assets.

In terms of funding risk, FII SGR has limited exposure due to the type and standing of its counterparties, which are periodically monitored, and the operating procedures of the individual funds (in addition to the possibility of using funding facilities in its operations).

5. OPERATIONAL RISKS

CDP has adopted the guidelines established by the Basel Committee for the banking industry and incorporated by the Bank of Italy in Circular no. 285 of 17 December 2013 as the benchmark for managing operational risk.

Operational risk means the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Such risk includes, among others, losses resulting from internal or external fraud, human error, business disruption, system unavailability, breach of contract and natural disasters.

Operational risk includes legal risk but not strategic or reputational risk.

The “legal risk” is the risk of incurring losses resulting from violations of laws or regulations, from contractual or tortious liability or from other disputes. The operational risk management system is a set of structured processes, functions and resources for identifying, assessing and controlling the above-mentioned risks. Its main objective is to ensure effective prevention and mitigation of such risks.

As part of the operational risk management system implemented at CDP, the ICT risk assessment methodology was defined. ICT risk is the risk of (current or potential) financial, reputational and market share losses in relation to using information and communication technology (ICT) due to events that are likely to compromise the Availability, Integrity and Confidentiality of technical infrastructures and data. In this context, the Operational and ICT Risk Unit has defined a quarterly dashboard of risk indicators for the monitoring of cyber risk, i.e. the risk associated with any intentional and malicious act on the information system caused by internal, external or third parties. The aim of the dashboard is to monitor abnormal events that can lead to the occurrence of cyber threats.

Apart from adopting best practice in the banking sector as a reference, CDP pays particular attention to industrial sector benchmarks for the management of operational risks. The methodological and organisational framework implemented aims to capture the company’s actual risk profile, similarly to what occurs in the most advanced corporates, which actively manage operational risks even though they are not subject to capital requirements.

The objective is to improve corporate processes and the Internal Control System, so as to lay the foundations for the most appropriate mitigation actions and to make a more accurate quantification of the associated economic capital, currently estimated using the Basic Indicator Approach.

The Operational and ICT Risk Unit, operating within Risk Management, is the Unit responsible for designing, implementing and monitoring the methodological and organisational framework for the assessment of the exposure to operational and ICT risks, the provision of remediation measures — in agreement with the Units involved — and the preparation of reporting to the Top Management.

The framework adopted for managing operational risks involves the inclusion of information on operational losses classified according to specified Loss Event Types (i.e. a Model of loss events), Loss Effect Types (i.e. a Model of types of losses) and Risk Factors (i.e. a Model for the classification of risk factors). With particular reference to ICT risk, CDP defined specific libraries of threats and security countermeasures which CDP applies to protect its ICT assets.

Based on the findings from the Risk Assessment and Loss Data Collection activities, a mitigation process is activated in order to reduce the Company’s exposure to the most significant operational risks - in terms of likelihood of occurrence and/or impact - through the identification and adoption of appropriate corrective measures.

The Operational and ICT Risk Unit monitors the status of the mitigation actions initiated by periodically checking their progress with the individuals responsible for the actions taken and/or to be taken.

The results of the activities performed are shared and disseminated through dedicated reports, which detail operational risk exposures and detected losses. In this way, information on operational risks is provided to the Top Management and the managers of the business units involved, in order to enable the implementation of the most appropriate mitigation actions.

In line with the mission of the Operational and ICT Risk Unit, which is to develop and disseminate awareness of operational risks within the Company, training initiatives addressed to all the staff involved in the analyses were organised.

Other periodical actions organised by the Operational and ICT Risk Unit for the staff concerned include training, also in the form of on-the-job training. These actions ensure that the contact persons have appropriate knowledge of the process and of its attendant responsibilities, so as to make the best use of support tools.

In addition to the above, the Operational and ICT Risk Organisational Unit supports the Corporate Security Organisational Unit in organising cybersecurity training. The aim is to put in place a coordinated approach at all levels within the Company, which can be achieved by wide dissemination of operational risk awareness.

CDPI SGR adopts the Group's operational risk management framework, with the purpose of strengthening risk controls and improving the overall process effectiveness and efficiency, to reduce the variability of operating profits and protect its assets. In particular, a map of the Company potential exposure to operational risks is depicted via the "Risk Self-Assessment" exercise. A loss data collection process is also in place.

FII SGR has set up a proprietary operational risk management system covering (i) risks associated with human error (i.e. errors, unintentional damage and/or fraudulent situations carried out by internal and external operators that may be detrimental to the company), (ii) technology-related risks (i.e., IT procedures and intentional or unintentional damage to company hardware and software), (iii) process-related risks (i.e., missing or incomplete internal procedures or breaches), and (iv) risks related to external factors (i.e., events external to the company). FII SGR's overall exposure to operational risks is limited and is mainly focused on the area of internal processes, regulatory compliance and employment relationships.

6. MONEY LAUNDERING AND TERRORIST FINANCING RISK

Group-level strategic decisions about managing money laundering and terrorist financing risk are the responsibility of the Parent Company's corporate bodies, which set out counterparty acceptance policies, introducing the obligation to refrain from establishing any type of relationship under certain conditions which may expose the company to an unacceptable level of risk. In this respect, the Parent Company involves the subsidiaries' control departments in the decisions about the relevant risk management policies and procedures, in the manners that it deems most appropriate.

The Parent Company's Anti-Money Laundering Function promotes Group-level coordination of the assessment methodologies and procedures to supervise the operating activities related to the management of money laundering and terrorist financing risk. Where applicable, a specific Anti-Money Laundering Function was established in each subsidiary which, by closely operating with the specific function of the Parent Company, monitors the effectiveness of the processes related to the anti-money laundering legislation in the relevant company.

Each Group company entrusted the anti-money laundering managers with the power to report suspicious transactions to the UIF (Financial Intelligence Unit). The information obtained as part of these activities is shared among the Anti-Money Laundering Functions and becomes common information capital, ensuring effective collaboration within the entire Group.

7. EQUITY RISKS

CDP holds a significant portfolio of equity investments (listed and unlisted) and of fund units. The measurement and management criteria applied to the risk associated with equity investments and fund units are set out in the Risk Policy and include also specific stress tests, designed on the basis of relevant scenarios, in particular in respect of the most significant equity investments (in quantitative terms) in listed companies.

Price risk regards the possibility that the net economic value, profitability or the book equity of CDP could be adversely affected by variables associated with equities, in particular the market prices of such securities and related derivatives, or changes in the current and future profitability of the investment in such instruments.

In order to monitor and manage equity risks, CDP also considers investments in units of investment funds, including real estate funds, as equity investments.

In line with the net economic value approach, equity risk is quantified in terms of VaR (with a one-year time horizon). The VaR provides a proxy of the risk that the listed and liquid securities — even when they are not recognised at their current fair value — do not recover any potential loss over time. It is calculated based on hypotheses about the statistical distribution of the prices of shares, the related derivatives (where present) and the fair value of unlisted securities. Risk is quantified by assuming continuity in the business model of CDP, which expects to hold most of its stock investments in the long term.

8. COMPLIANCE RISK

The Compliance function operates using a risk-based approach applied to the entire company operations ensuring, above all, effective preventive controls, with a view to pro-active and dynamic risk management.

In this respect, it: i) ensures constant monitoring of the new national and international legislation, assessing any impact on the company's processes; ii) provides advice and support, for matters where compliance risk has a significant role (e.g. conflicts of interest, international sanctions, market abuse); iii) validates beforehand company procedures to ensure their compliance with applicable regulations; and iv) participates in internal committees. This function also carries out ex post controls, assessing the adequacy of the organisational measures in place and the correct application of the compliance risk prevention procedures, while identifying the related corrective actions and monitoring their implementation over time.

With respect to management and coordination, the Compliance function regularly coordinates all the CDP Group's Compliance units, issuing guidelines, providing consultancy, ensuring operational and methodological support, sharing work tools, while receiving periodic information flows. Finally, the Compliance function has direct responsibility for the compliance activities related to some CDP Group companies, in accordance with specific outsourcing agreements.

9. REPUTATIONAL RISK

In light of CDP's peculiar nature, the ex-ante management of the reputational risk is given the utmost importance. The Compliance and Anti-Money Laundering Area applies an internally developed methodology to assess the reputational risk related to operations, based on specific "risk indicators" (Country Risk, Counterparty Risk, Economic Sector Risk).

The outcome of the assessed operations supplements the preliminary documentation supporting advisory or decision-making bodies.

10. LEGAL DISPUTES

CIVIL AND ADMINISTRATIVE DISPUTES

With reference to the Parent Company CDP, at 30 June 2022, there are 115 pending disputes in civil and administrative matters in which CDP is a defendant, for a total amount of approximately 214 million euro.

With reference to the above-mentioned disputes, there are 29 disputes with a risk of a ruling against the company estimated to be probable. Of these: i) 19 refer to positions relating to Postal Savings products amounting to approximately 118 thousand euro; ii) 6 refer to credit positions amounting to approximately 173.7 million euro; iii) 4 refer to other civil and administrative law issues amounting to approximately 90 thousand euro.

There are also 48 disputes with a risk of a ruling against the company estimated to be possible. Of these: i) 18 refer to issues relating to Postal Savings products amounting to approximately 150 thousand euro; ii) 16 refer to credit positions amounting to approximately 31.3 million euro; iii) 14 refer to other civil and administrative law issues amounting to approximately 1.3 million euro.

With reference to ongoing disputes, at 30 June 2022, a provision for risks and charges was set up amounting to approximately 66.7 million euro.

LABOUR LAW DISPUTES

With reference to the Parent Company CDP, at 30 June 2022, there are 20 pending disputes in labour matters in which CDP is a defendant, in respect of which total provisions were made for approximately 4.5 million euro.

11. OTHER MATERIAL RISKS

As part of its activities, CDP is exposed to other market risks, in addition to the equity risks related to its investment portfolio and the interest rate and inflation risks related to the banking books.

Some of CDP's activities, normally associated with the issue of bonds denominated in foreign currencies, the purchase of bonds denominated in foreign currencies, and the granting of loans denominated in currencies other than the Euro under the "Export Bank" system, may give rise to exchange rate risk.

CDP undertakes such activities only if covered by appropriate exchange rate hedges. Hedges usually consist of the signing of Cross Currency Swaps (CCSs) which exchange foreign currency cash flows for Euro cash flows. Alternatively, long positions may be refinanced with funding in the same currency, within a strategy that minimises existing risks.

12. MONITORING THE RISKS OF COMPANIES SUBJECT TO MANAGEMENT AND COORDINATION

The Risk Department of the Parent Company supervises the activities of risk managements and monitoring carried out by the subsidiaries, in compliance with the own risk policies and the group risk policies. In accordance with the General Principles on exercising Management and Coordination activities, the Parent Company defines:

In accordance with the General Principles on exercising Management and Coordination activities, the Parent Company defines:
- the principles and guidelines of material risks (credit, market, operational, etc.), and the risk processes, systems and models, in accordance with the mandatory requirements applicable to Supervised Companies;
- the risk appetite framework;
- risk identification and control guidelines, checking the adequacy of the related procedures;
- the monitoring of the evolution of corporate risks and the compliance with operational limits.

In accordance with the Management and Coordination Principles, the subsidiaries also:
- discuss risk-assumption rules with the Parent Company prior to their approval or change;
- prepare, at a frequency adequate to the type of risk, the periodic reporting required, ensuring compliance with the Parent Company's functional requirements;
- regularly describe the main risk profiles and their evolution.

Group regulations also envisage specific escalation processes for extraordinary transactions and for the most significant transactions in terms of risk, according to the types and limits outlined in the issued policies, based on which the subsidiaries shall consult the Parent Company in advance regarding transactions/initiatives identified, before they are submitted to the Board of Directors or other decision-making body for approval.

BUSINESS COMBINATIONS

TRANSACTIONS IN THE PERIOD

BUSINESS COMBINATIONS

(thousands of euro) Company name	Date of transaction	(1)	(2)	(3)	(4)
Renerwaste Cupello S.r.l.	28/02/2022	8,952	100%	9	(40)
Biowaste CH4 Foligno S.r.l.	03/03/2022	13,833	100%	2,456	(66)
Biowaste CH4 Anzio S.r.l.	03/03/2022	13,066	100%	1,708	(340)
Biowaste CH4 Group S.r.l.	03/03/2022	10	100%	1	(1)
Iniziative Biometano S.p.A.	11/04/2022	15,470	51%	7,790	(13)
Immogas S.r.l.	15/04/2022	5,437	51%		

Key:
(1) = Cost of transaction
(2) = Percentage of voting rights in the Ordinary Shareholder's Meeting
(3) = Total Group revenues
(4) = Group net Profit (Loss)

Acquisition of Renerwaste Cupello S.r.l.

On 28 February 2022, Renerwaste S.r.l. (a company in the Snam group) finalised the acquisition of 85% of the capital of Renerwaste Cupello S.r.l., a company engaged in the development and subsequent operation of a plant for the production of biomethane from the organic fraction of municipal waste (FORSU). The consideration paid was approximately 8 million euro and due to a symmetrical put and call option included in the contract, Snam considers that the remaining 15% stake has already been acquired by the group, since the economic benefits and risks connected with the actual ownership of the quotas are not held by non-controlling quotaholders. Therefore, the corresponding payable (redemption liability) was recognised, equal to approximately 1 million euro, while non-controlling interests were not recognised in the consolidated financial statements.

The table below shows the consideration paid for the acquisition of the company, and gives a breakdown of the assets acquired and liabilities assumed at the date of the transaction (amounts in thousands of euro).

Assets	Book value	Adjustment	Fair value
10. Cash and cash equivalents	4		4
90. Property, plant and equipment	1,745		1,745
100. Intangible assets		8,339	8,339
130. Other assets	634		634
TOTAL ACQUIRED ASSETS	**2,383**	**8,339**	**10,722**
Liabilities			
60. Tax liabilities		2,174	2,174
80. Other liabilities	1,923		1,923
200. Net income (loss) for the period			
TOTAL LIABILITIES ASSUMED	**1,923**	**2,174**	**4,097**
Net acquired assets	**460**	**6,165**	**6,625**
Goodwill		2,327	2,327
Cost of business combination	**460**	**8,492**	**8,952**

Acquisition of Biowaste CH4 Foligno S.r.l., Biowaste CH4 Anzio S.r.l. and Biowaste CH4 Group S.r.l.

On 3 March 2022, following agreements signed in December 2021 for the acquisition by Asja Ambiente Italia S.p.A. of a portfolio of plants and development projects in the sector of the treatment of FORSU (Organic Fraction of Municipal Waste) and production of biomethane, through the subsidiary Renerwaste S.r.l., the Snam group completed the acquisition of 100% of the capital of Biowaste CH4 Foligno S.r.l. and Biowaste CH4 Anzio S.r.l., owners of two plants for the production of biomethane from FORSU, as well as of Biowaste CH4 Group S.r.l., engaged in providing services to the companies that own the plants.

The consideration paid totalled approximately 27 million euro, of which 14 million euro relating to Biowaste CH4 Foligno S.r.l. and 13 million euro relating to Biowaste CH4 Anzio S.r.l.

The contractual agreements governing the acquisition include, among other things, earn-out clauses in favour of Asja Ambiente Italia S.p.A., and the estimate of the present value of the payments due for this purpose was included in the determination of the consideration for the business combination for a total of 3 million euro.

The following tables show the consideration paid for the acquisition of the companies, and give a breakdown of the assets acquired and liabilities assumed at the date of the transaction (amounts in thousands of euro).

Biowaste CH4 Foligno S.r.l.

Assets	Book value	Adjustment	Fair value
10. Cash and cash equivalents	110		110
90. Property, plant and equipment	19,611		19,611
100. Intangible assets		2,585	2,585
110. Tax assets	54		54
130. Other assets	5,298		5,298
TOTAL ACQUIRED ASSETS	**25,073**	**2,585**	**27,658**
Liabilities			
10. Financial liabilities at amortised cost	13,419		13,419
60. Tax liabilities		746	746
80. Other liabilities	7,347		7,347
90. Staff severance pay	26		26
TOTAL LIABILITIES ASSUMED	**20,792**	**746**	**21,538**
Net acquired assets	4,281	1,839	**6,120**
Goodwill		7,713	7,713
Cost of business combination	4,281	**9,552**	**13,833**

Biowaste CH4 Anzio S.r.l.

Assets	Book value	Adjustment	Fair value
10. Cash and cash equivalents	2,559		2,559
90. Property, plant and equipment	25,060		25,060
100. Intangible assets	2,441	8,773	11,214
110. Tax assets	642	964	1,606
130. Other assets	4,975		4,975
TOTAL ACQUIRED ASSETS	**35,677**	**9,737**	**45,414**
Liabilities			
10. Financial liabilities at amortised cost	32,432		32,432
60. Tax liabilities		2,563	2,563
80. Other liabilities	3,754		3,754
90. Staff severance pay	26		26
TOTAL LIABILITIES ASSUMED	**36,212**	**2,563**	**38,775**
Net acquired assets	**(535)**	**7,174**	**6,639**
Goodwill		6,427	6,427
Cost of business combination	**(535)**	**13,601**	**13,066**

Biowaste CH4 Group S.r.l.

Assets	Book value	Adjustment	Fair value
10. Cash and cash equivalents	40		40
100. Intangible assets	9		9
110. Tax assets		83	83
130. Other assets	11		11
TOTAL ACQUIRED ASSETS	**60**	**83**	**143**
Liabilities			
80. Other liabilities	478		478
90. Staff severance pay	48		48
TOTAL LIABILITIES ASSUMED	**526**		**526**
Net acquired assets	**(466)**	**83**	**(383)**
Goodwill		393	393
Cost of business combination	**(466)**	**476**	**10**

Acquisition of Iniziative Biometano S.p.A.

On 11 April 2022, following the exercise by Snam 4 Environment S.r.l. of a call option under the contractual agreements with the shareholder Femo Gas S.p.A., the acquisition of an additional 1% of the capital of Iniziative Biometano S.p.A. was completed with the consequent acquisition of control in place of joint control. The consideration paid totalled approximately 0.3 million euro and took the equity investment held by Snam 4 Environment S.r.l. from 50% to 51%.

The table below shows the consideration paid for the acquisition of the companies, and gives a breakdown of the assets acquired and liabilities assumed at the date of the transaction (amounts in thousands of euro).

Assets	Book value	Adjustment	Fair value
10. Cash and cash equivalents	1,994		1,994
40. Financial assets measured at amortised cost	2,299		2,299
70. Equity investments	991		991
90. Property, plant and equipment	37,149		37,149
100. Intangible assets	3,176	23,789	26,965
110. Tax assets	1,264		1,264
130. Other assets	10,985		10,985
TOTAL ACQUIRED ASSETS	**57,858**	**23,789**	**81,647**
Liabilities			
10. Financial liabilities at amortised cost	17,657		17,657
60. Tax liabilities	292	7,474	7,766
80. Other liabilities	26,001		26,001
90. Staff severance pay	119		119
100. Provisions for risks and charges	3,751		3,751
190. Non-controlling interests (+/-)	13,583		13,583
TOTAL LIABILITIES ASSUMED	**61,403**	**7,474**	**68,877**
Net acquired assets	**(3,545)**	**16,315**	**12,770**
Goodwill		2,700	2,700
Cost of business combination	**(3,545)**	**19,015**	**15,470**

Acquisition of Immogas S.r.l.

On 15 April 2022, Immogas S.r.l. was established, a company 100% owned by Toscana Energia S.p.A., a company in the Italgas group, as a result of the partial, non-proportional and asymmetrical spin-off of Valdarno S.r.l.

The table below shows the consideration paid for the acquisition of the companies, and gives a breakdown of the assets acquired and liabilities assumed at the date of the transaction (amounts in thousands of euro).

Assets	Book value	Adjustment	Fair value
10. Cash and cash equivalents	8		8
90. Property, plant and equipment	5,977		5,977
130. Other assets	212		212
TOTAL ACQUIRED ASSETS	**6,197**		**6,197**
Liabilities			
60. Tax liabilities	760		760
TOTAL LIABILITIES ASSUMED	**760**		**760**
Net acquired assets	**5,437**		**5,437**
Cost of business combination	**5,437**		**5,437**

BUSINESS COMBINATIONS CARRIED OUT AFTER THE REPORTING DATE

In the period running from the reporting date of the half-yearly condensed consolidated financial statements to the date of their approval by the Board of Directors, no business combinations were completed.

TRANSACTIONS WITH RELATED PARTIES

1. INFORMATION ON THE REMUNERATION OF KEY MANAGEMENT PERSONNEL

The following table shows the remuneration paid in the first half of 2022 to members of the management and control bodies and key management personnel of the Parent Company and of wholly-owned subsidiaries.

DIRECTORS' AND STATUTORY AUDITORS' REMUNERATION

(thousands of euro)	Directors	Board of Auditors	Key management personnel
a) Short-term benefits	9,478	1,778	18,353
b) Post-employment benefits	190		825
c) Other long-term benefits	265		2,175
d) Severance benefits	5,565		3
e) Share-based payments	1,154		680
TOTAL	**16,652**	**1,778**	**22,036**

REMUNERATION PAID TO THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS OF THE PARENT COMPANY

(thousands of euro)

Name and surname	Position		Period in office	End of term (*)	Compensation and bonuses	
Directors						
Giovanni Gorno Tempini	Chairman		01/01/2022-30/06/2022	2023	148	
Dario Scannapieco	Chief Executive Officer		01/01/2022-30/06/2022	2023	92	(note 5)
Fabrizia Lapecorella	Director		01/01/2022-30/06/2022	2023	(**)	
Fabiana Massa Felsani	Director		01/01/2022-30/06/2022	2023	23	
Anna Girello Garbi	Director		01/01/2022-30/06/2022	2023	14	(note 6)
Giorgio Toschi	Director		01/01/2022-30/06/2022	2023	23	
Livia Amidani Aliberti	Director		01/01/2022-30/06/2022	2023	46	(note 7)
Matteo Melley	Director		01/01/2022-30/06/2022	2023	23	
Alessandra Ruzzu	Director		01/01/2022-30/06/2022	2023	23	
Supplementary members for administration of Separate Account (Article 5.8, Decree Law 269/2003)						
Pier Paolo Italia	Director	(note 1)	01/01/2022-30/06/2022	2023	(**)	
Alessandro Rivera	Director	(note 2)	01/01/2022-30/06/2022	2023	(**)	
Paolo Calvano	Director		01/01/2022-30/06/2022	2023	23	
Antonio Decaro	Director		01/01/2022-30/06/2022	2023	23	
De Pascale Michele	Director		01/01/2022-30/06/2022	2023	23	
Statutory Auditors in office at 30 June 2022						
Carlo Corradini	Chairman	(note 3)	01/01/2022-30/06/2022	2024	25	
Franca Brusco	Auditor	(note 3)	01/01/2022-30/06/2022	2024	24	(note 8)
Mauro D'Amico	Auditor	(note 4)	17/05/2022-30/06/2022	2024	(**)	
Patrizia Graziani	Auditor	(note 4)	17/05/2022-30/06/2022	2024	5	
Davide Maggi	Auditor	(note 4)	17/05/2022-30/06/2022	2024		(note 9)
Statutory Auditors with office ceased in 2022						
Enrica Salvatore	Auditor		01/01/2022-17/05/2022		24	(note 10)
Mario Romano Negri	Auditor		01/01/2022-17/05/2022		15	
Giovanni Battista Lo Prejato	Auditor		01/01/2022-17/05/2022		(**)	

(*) Date of Shareholders' Meeting called to approve financial statements for the year.

(**) The remuneration is paid to the Ministry for the Economy and Finance.

(1) Delegate of the State Accountant General.

(2) Director General of the Treasury.

(3) Statutory Auditors confirmed in office by the CDP Shareholders' Meeting of 17/05/2022, which appointed the new Board of Statutory Auditors, expiring on the date of approval of the financial statements as of 31/12/2024. The compensation refers to the entire first half of 2022.

(4) Statutory Auditors appointed in office by the CDP Shareholders' Meeting of 17/05/2022, which appointed the new Board of Statutory Auditors, expiring on the date of approval of the financial statements as of 31/12/2024. The indicated compensation refers to the period from 17/05 to 30/06/2022.

(5) The remuneration shown includes MBO for the year 2021.

(6) The indicated compensation of approximately 14 thousand euros including VAT is for the period from 01/01/2022 to 31/03/2022. The remaining compensation for the period from 01/04/2022 to 30/06/2022 amounting to approximately 14 thousand euros including VAT, has not yet been paid as of 30/06/2022.

(7) The compensation shown, amounting to approximately 46 thousand euros including VAT, includes the compensation for 2021 paid in the current fiscal year and the portion for the first quarter of 2022. As of 30/06/2022, the fee related to the second quarter of 2022, amounting to approximately 14 thousand euros including VAT, has not yet been paid.

(8) The remuneration indicated, amounting to approximately 24 thousand euros including VAT, relates to the period from 01/10/2021 to 31/03/2022. The remaining compensation for the period from 01/04/2022 to 30/06/2022, amounting to approximately 12 thousand euros including VAT, has not yet been paid as of 30/06/2022.

(9) The compensation accrued from 17/05/2022, date of appointment, to 30/06/2022, amounting to approximately 6 thousand euros including VAT, is still unpaid as of 30/06/2022.

(10) The compensation shown, amounting to approximately 24 thousand euros including VAT, is for the period from 01/07/2021 to 31/12/2021. The compensation accrued for the period from 01/01/2022 to 17/05/2022, amounting to approximately 19 thousand euros including VAT, has not yet been paid as of 30/06/2022.

2. INFORMATION ON TRANSACTIONS WITH RELATED PARTIES

Certain transactions among the CDP Group and related parties, notably those with the Ministry of the Economy and Finance and Poste Italiane S.p.A., arise as a result of legislative provisions.

In any event, it should be noted that CDP did not carry out any atypical or unusual transactions with related parties whose size could have an impact on the assets and liabilities or performance of the company. All transactions with related parties were carried out on an arm's length basis and form part of the Group's ordinary operations.

The following table shows assets, liabilities, revenues and costs in respect of the CDP Group's transactions in the first half of 2022 with:

- companies subject to significant influence or joint control;
- the Ministry of the Economy and Finance;
- the subsidiaries and direct and indirect affiliates of the Ministry of the Economy and Finance;
- other counterparties (mainly post-employment benefit plans for employees of the CDP Group).

(thousands of euro) Items/Related parties	Ministry of Economy and Finance (MEF)	Associates and joint operations of the CDP Group	Direct and indirect MEF subsidiaries and associates	Others	Total transactions with related parties
Assets					
Financial assets measured at fair value through profit and loss	-	472	-	-	472
Financial assets measured at fair value through other comprehensive income	9,574,348	7,140	132,095	-	9,713,583
Financial assets measured at amortised cost					-
– *loans to banks*	-	-	*1,738,150*	-	*1,738,150*
– *loans to customers*	*241,503,416*	*1,181,600*	*3,759,871*	-	*246,444,887*
Other assets	517,714	340,338	188,610	456	1,047,118
Liabilities					-
Financial liabilities measured at amortised cost:					-
– *due to banks*	-	*1*	*2,825*	-	*2,826*
– *due to customers*	*11,132,474*	*137,624*	*159,284*	*1,961*	*11,431,343*
– *securities issued*	-	*3,011,705*	-	-	*3,011,705*
Other liabilities	18,522	648,851	722,859	8,608	1,398,840
Off-balance sheet	**3,791,087**	**7,799,848**	**1,136,449**	**-**	**12,727,384**
Income statements					-
Interest income and similar income	2,780,480	6,199	34,714	-	2,821,393
Interest expense and similar expense	(8,135)	(33,707)	(19)	-	(41,861)
Commission income	140,499	9,832	984	-	151,315
Commission expense	(2,435)	(696,117)	-	-	(698,552)
Profits (losses) on trading activities	5,812	22	(58,768)	-	(52,934)
Gains (losses) on disposal or repurchase	(2)	(3,396)	-	-	(3,398)
Net adjustments/recoveries for credit risk	(2,720)	56,508	1,972	-	55,760
Administrative expenses	(249)	(42,439)	(1,476,244)	(3,463)	(1,522,395)
Other operating income (costs)	6,261	830,808	996,075	(838)	1,832,306

With regard to securities issued included in amounts due to customers, it should be noted that only securities issued by the Parent Company held by associates or companies jointly controlled by the CDP Group are reported. In particular, they include bonds issued by CDP and guaranteed by the Italian government, subscribed by Poste Italiane S.p.A. for a total nominal value of 3.0 billion euro.

SHARE-BASED PAYMENTS

MEDIUM/LONG-TERM INCENTIVE PLANS OF FINCANTIERI

2016-2018 PERFORMANCE SHARE PLAN

On 19 May 2017, the Shareholders' Meeting of Fincantieri S.p.A. approved the medium-/long-term management share-based incentive plan called 2016-2018 Performance Share Plan (the "Plan") for management, as well as the related Regulation. The project was approved by the Board of Directors on 10 November 2016.

The Plan is divided into three cycles, each having a duration of three years, and provides for the free assignment of shares to the beneficiaries identified by the Board of Directors, up to a maximum number of 50,000,000 Fincantieri S.p.A. ordinary shares with no par value, provided that the foregoing beneficiaries meet the specific performance targets established in relation to 2016-2018 (first cycle), 2017-2019 (second cycle) and 2018-2020 (third cycle). The targets identified for all three cycles are Total Shareholder Return ("TSR") and EBITDA, which provide objective criteria for measuring value creation by the Company over the long term.

The vesting period for all beneficiaries will be three years, from the date the rights are granted to the date the shares are assigned to the beneficiaries. Therefore, on meeting the performance targets and satisfying the other conditions set out in the Plan Regulation, the shares accrued in relation to the first and second cycles were vested and assigned to the beneficiaries by 31 July 2019 and 31 July 2020, respectively, while those accrued in relation to the third cycle will be vested and assigned by 31 July 2021.

The Plan also contemplates a lock-up period in relation to a portion of the shares assigned to the company's board members or key management personnel.

In the first cycle of the Plan, 9,101,544 Fincantieri S.p.A. ordinary shares were assigned to the beneficiaries identified by the Board of Directors on 15 December 2016; in the second cycle of the Plan, 4,170,706 Fincantieri S.p.A. shares were assigned to the beneficiaries identified by the Board of Directors on 25 July 2017; and, in the third and last cycle of the Plan, 3,604,691 shares of Fincantieri S.p.A. were assigned to the beneficiaries identified by the Board of Directors on 22 June 2018.

The business and financial performance targets consist of two components:

a) a "market based" component (equal to 30% of the total rights assigned) linked to Fincantieri's performance in terms of the TSR associated with the FTSE Italy All Share Index and the Peer group identified by the company;
b) a "non-market based" component (equal to 70% of the total rights assigned) linked to the achievement of group EBITDA targets measured against pre-established targets.

The "market based" component was calculated according to the Monte Carlo method, under which appropriate assumptions can be applied to define a significant number of alternative scenarios within a given time period. Unlike the "market based" performance target, the "non-market based" component (EBITDA) is immaterial in terms of the fair value estimate but is updated quarterly to take into account expectations in terms of the number of rights accruable based on EBITDA performance measured against the targets established in the Plan.

The table below shows the amount, for each cycle of the Plan, of the fair value determined at the grant date of the rights to the beneficiaries.

	Grant date	No. of shares assigned	Fair value (euro)
First cycle of the Plan	19/05/2017	9,101,544	6,866,205
Second cycle of the Plan	25/07/2017	4,170,706	3,672,432
Third cycle of the Plan	22/06/2018	3,604,691	3,963,754

With reference to the 2016-2018 Performance Share Plan, please note that: i) the BoD meeting on 27 June 2019 resolved on the closure of the 1st cycle of the “2016-2018 Performance Share Plan”, assigning, free of charge to the beneficiaries, 10,104,787 ordinary shares of Fincantieri through the use of 2,572,497 treasury shares in the portfolio and issuing 7,532,290 new shares, always without nominal value. The shares were issued and delivered on 31 July 2019; ii) the BoD meeting on 10 June 2020 resolved on the closure of the 2nd cycle of the “2016-2018 Performance Share Plan”, assigning, free of charge to the beneficiaries, 4,822,542 ordinary shares of Fincantieri through the use of treasury shares in the portfolio. The net shares actually assigned amounted to 2,685,862 shares (net of those withheld to meet the tax obligations of the beneficiaries). The shares were delivered on 3 July 2020; iii) the BoD meeting on 10 June 2021 resolved on the closure of the 3rd cycle of the “2016-2018 Performance Share Plan”, assigning, free of charge to the beneficiaries, 2,787,276 ordinary shares of Fincantieri. The shares were assigned on 2 July 2021 exclusively using the treasury shares in the portfolio.

The features of the Plan, as described above, are described in further detail in the information document prepared by the Company pursuant to Article 84-bis of Regulation no. 11971 issued by Consob on 14 May 1999. The information document has been published on the website “www.fincantieri.it” in the section “Ethics and Governance - Shareholders’ Meetings - Shareholders’ Meeting 2017”.

2019-2021 PERFORMANCE SHARE PLAN

On 11 May 2018, the Shareholders’ Meeting of Fincantieri S.p.A. approved the new 2019-2021 Performance Share Plan (the “Plan”) for management and the related Regulation, the structure of which was defined by the Board of Directors at the meeting held on 27 March 2018.

The Plan is divided into three cycles, each having a duration of three years, and provides for the free assignment of shares to the beneficiaries identified by the Board of Directors, up to a maximum number of 25,000,000 Fincantieri S.p.A. ordinary shares with no par value, provided that the foregoing beneficiaries meet the specific performance targets established in relation to 2019-2021 (first cycle), 2020-2022 (second cycle) and 2021-2023 (third cycle).

The vesting period for all beneficiaries will be three years, from the date the rights are granted to the date the shares are assigned to the beneficiaries. Therefore, on meeting the performance targets and satisfying the other conditions set out in the Plan Regulation, the shares accrued in relation to the first cycle will be vested and assigned to the beneficiaries by 31 July 2022, while those accrued in relation to the second and third cycles will be vested and assigned respectively by 31 July 2023 and 31 July 2024.

The Plan also contemplates a lock-up period in relation to a portion of the shares assigned to the company’s board members or key management personnel. The free assignment of the number of rights is delegated to the Board of Directors, which also has the power to identify the number and names of the beneficiaries.

In the first cycle of the Plan, 6,842,940 Fincantieri S.p.A. ordinary shares were assigned to the beneficiaries identified by the Board of Directors on 24 July 2019.

In addition to the EBITDA and TSR parameters, already included in the 2016-2018 Performance Share Plan, the group has also introduced among the Plan's targets a further parameter, the sustainability index, which measures the achievement of the sustainability targets the group has set to align itself with European best practices and the financial community's increasing expectations regarding sustainable development.

The references for testing the achievement of the sustainability target consist of market parameters such as the Carbon Disclosure Project (CDP) and a second rating by an additional agency that assesses the entire basket of sustainability aspects.

The table below shows the amount, for each cycle of the Plan, of the fair value determined at the grant date of the rights to the beneficiaries.

	Grant date	No. of shares assigned	Fair value (euro)
First cycle of the Plan	24/07/2019	6,842,940	6,668,616
Second cycle of the Plan	30/07/2020	11,133,829	5,958,937
Third cycle of the Plan	10/06/2021	9,796,047	7,416,783

The features of the Plan, as described above, are described in further detail in the information document prepared by Fincantieri S.p.A. pursuant to Article 84-bis of Regulation no. 11971 issued by Consob on 14 May 1999. The information document has been published on the website "www.fincantieri.it" in the section "Ethics and Governance - Shareholders' Meetings - Shareholders' Meeting 2017 and 2018".

2022-2024 PERFORMANCE SHARE PLAN

On 8 April 2021, the Shareholders' Meeting of Fincantieri S.p.A. approved the new medium-/long-term management share-based incentive plan called 2022-2024 Performance Share Plan (the "Plan"), as well as the related Regulation, the structure of which was defined and approved by the Board of Directors at the meeting held on 25 February 2021.

The Plan, in keeping with the previous 2019-2021 incentive plan, is divided into three cycles, each having a duration of three years, and provides for the free assignment of shares to the beneficiaries identified by the Board of Directors, up to a maximum number of 64,000,000 Fincantieri S.p.A. ordinary shares with no par value, provided that the foregoing beneficiaries meet the specific performance targets established in relation to 2022-2024 (first cycle), 2023-2025 (second cycle) and 2024-2026 (third cycle).

The vesting period for all beneficiaries will be three years, from the date the rights are granted to the date the shares are assigned to the beneficiaries. Therefore, on meeting the performance targets and satisfying the other conditions set out in the Plan Regulation, the shares accrued in relation to the first cycle will be vested and assigned to the beneficiaries by 31 July 2025, while those accrued in relation to the second and third cycles will be vested and assigned respectively by 31 July 2026 and 31 July 2027.

In particular, the Beneficiaries for the 1st Cycle will be identified by the Grant Date for the 1st Cycle, i.e. by 31 July 2022; the Beneficiaries for the 2nd Cycle will be identified by the Grant Date for the 2nd Cycle, i.e. by 31 July 2023; the Beneficiaries for the 3rd Cycle will be identified by the Grant Date for the 3rd Cycle, i.e. by 31 July 2024.

In addition to the EBITDA and TSR parameters, the group has established an additional parameter, the sustainability index, among the Plan's targets, for the time being in particular with regard to the 1st cycle, as was already envisaged in the 2019-2021 Performance Share Plan. This parameter is intended to measure the achievement of the sustainability targets the group has set itself to align it with European best practices and the growing expectations of the financial community regarding sustainable development.

The references for testing the achievement of the sustainability target are based on the percentage of achievement of the Sustainability Plan's targets that the company has set for itself over the relevant time period. An access gate was also introduced, the achievement of which is required for receiving the bonus. The access gate is linked to the following rating targets that the Company has set itself: obtaining at least a B rating in the “Carbon Disclosure Project” (CDP) index and inclusion in the highest level (Advanced) of the “Vigeo Eiris” index.

The Plan also contemplates a lock-up period in relation to a portion of the shares assigned to the company’s board members or key management personnel.

The features of the Plan, as described above, are described in further detail in the information document prepared by the parent company pursuant to Article 84-bis of Regulation no. 11971 issued by Consob on 14 May 1999. The information document has been published on the website “www.fincantieri.it” in the section “Ethics and Governance - Shareholders’ Meetings - Shareholders’ Meeting 2021”.

INCENTIVE PLANS FOR EXECUTIVES BASED ON SNAM SHARES

2017-2019 LONG-TERM PERFORMANCE SHARE PLAN

The Plan applies to the Chief Executive Officer and to Snam executives who hold offices that have the greatest impact on the company’s financial performance or who are strategically important in terms of achieving Snam’s multi-year objectives. The plan provides for three cycles of annual assignment of three-yearly targets (so-called Rolling Plan) for the years 2017, 2018 and 2019.

At the end of the three-year performance period, beneficiaries will be entitled to the free assignment of company shares if the conditions underlying the Plan are satisfied.

The maximum number of shares backing the plan is 3,500,000 shares for each year of the Plan. The Plan will end in 2022, that is, on expiry of the three-year vesting period linked to the last assignment of shares (2019).

The number of shares vested is subject to meeting the performance targets, which are measured as the average yearly performance against the parameters established for the three-year vesting period, with impact on EBITDA, adjusted net income and sustainability.

2017 award	Vesting period and performance			2020 free share award
	2017	2018	2019	

2018 award	Vesting period and performance			2021 free share award
	2018	2019	2020	

2019 award	Vesting period and performance			2022 free share award
	2019	2020	2021	

At the end of the Plan’s vesting period, the beneficiaries will also receive a Dividend Equivalent, consisting in a number of additional shares equivalent to the ordinary and extraordinary dividends distributed by Snam in the vesting period, which would have accrued on the number of shares effectively assigned to the beneficiaries on the basis of their performance and in accordance with the terms and conditions set out in the Plan. The Chief Executive Officer and the other eligible executives will be subject to a lock-up period of two years on 20% of the shares assigned, as recommended in the Corporate Governance Code.

With reference to the 2017-2019 long-term performance share plan, as approved by the Shareholders’ Meeting of Snam on 11 April 2017, a total of 5,385,372 shares have been assigned, of which 1,368,397 shares in relation to 2017 (1,511,461 shares were assigned in July 2020 at the end of the vesting period), 2,324,413 shares in relation to 2018 (2,441,742 shares were assigned in July 2021 at the end of the vesting period) and 1,692,562 shares in relation to 2019.

With respect to the assignments still outstanding, the costs recognised in the first half of 2022 as a component of labour cost against a corresponding equity reserve, amounted to around 1 million euro.

2020-2022 LONG-TERM PERFORMANCE SHARE PLAN

On 18 June 2020, the shareholders' meeting of Snam, in the ordinary session, approved the 2020-2022 Long-term Performance Share Plan, giving the powers necessary to implement the Plan to the board of directors.

The Plan provides for three annual awards over the period 2020-2022. Each award is subject to a three-year vesting period. As a result, the shares, if any, are granted between 2023 and 2025, as shown below.

2020 award	Vesting period and performance			2023 free share award
	2020	2021	2022	

2021 award	Vesting period and performance			2024 free share award
	2021	2022	2023	

2022 award	Vesting period and performance			2025 free share award
	2022	2023	2024	

The Plan applies to the Chief Executive Officer and to Snam executives who hold offices that have the greatest impact on the company's financial performance or who are strategically important in terms of achieving Snam's multi-year objectives, as well as any additional positions identified in relation to the performance achieved, the available skills or with a view to retention, up to a maximum of 100 beneficiaries.

The board of directors set the maximum number of shares backing each three-year period of the Plan to 3,500,000. The Plan will end in 2025, that is, on expiry of the vesting period of the last assignment set for 2022.

The Plan includes free shares granted in variable numbers in relation to the individual assignment and the degree to which the performance targets of the Plan are met. The number of shares vested is subject to meeting the performance targets, verified for all the beneficiaries at the end of each three-year vesting period, upon completion, by the Remuneration Committee, of a thorough process of assessment of the results achieved.

The Plan's performance targets, measured according to a linear interpolation criterion among the minimum, target and maximum values, are linked to the following parameters:
- accumulated adjusted net income in the three-year period corresponding to the Performance Period, with a weight of 50%;
- added value which reflects the value generation of the regulated business, calculated as a change in the RAB in the three-year period corresponding to the Performance Period, added to the dividends distributed, the treasury shares repurchased and reduced by the change in net debt;
- ESG Metric, with a weight of 20%, measured through the results achieved with regard to 2 indicators, aiming to:
  1. reduce natural gas emissions in the three-year period corresponding to the Performance Period (weight of 10%);
  2. ensure fair representation of the least present gender in Snam's management team (weight of 10%), in terms of percentage of senior and middle manager positions of the least represented gender on the total of senior and middle manager positions of the group.

An additional number of shares is also envisaged - defined as dividend equivalent - to be allocated based on the shares actually granted at the end of the vesting period. The number of additional shares to be assigned is determined by dividing the sum of the dividends distributed during the vesting period by the average share price recorded in the month preceding the allocation. For the

Chief Executive Officer and the other beneficiaries of the Plan, 20% of the granted shares, gross of those necessary to comply with the tax expense, will be subject to a lock-up period.

For more information see the “2020-2022 Long-term Performance Share Plan Information Document” prepared pursuant to article 84-bis of the Issuers’ Regulation, available on Snam’s website.

A total of 1,277,996 shares have been assigned under the Plan in relation to 2020, and 1,245,854 in relation to 2021.

The costs for the first half of 2022, equal to the sum of the number of shares expected to vest at maturity multiplied by their fair value at the grant date, were recognised as a component of labour cost against a corresponding equity reserve, and amounted to 3 million euro.

INCENTIVE PLANS FOR EXECUTIVES BASED ON TERNA SHARES

2022-2026 LONG-TERM PERFORMANCE SHARE PLAN

On 15 June 2022, the Board of Directors approved the Regulation concerning the 2022-2026 Performance Share Plan, implementing the terms set by the Ordinary Shareholders’ Meeting on 29 April 2022.

For more information, see the 2022-2026 Performance Share Plan Information Document, published on the company’s website (www.terna.it).

The ESG-linked treasury shares buy-back programme (to service the 2022-2026 Performance Share Plan) was completed on 13 June 2022. Terna therefore purchased about 1.3 million treasury shares (0.064% of share capital) under the programme, for a total value of approximately 10 million euro. The purchased shares are in addition to the approximately 3.1 million treasury shares already purchased by the company in 2020 and 2021. In line with Terna’s commitment to sustainability and social and environmental issues, the programme includes a penalty mechanism in the event of the company failing to meet specific environmental, social and governance (ESG) targets.

INCENTIVE PLANS FOR EXECUTIVES BASED ON ITALGAS SHARES

LONG-TERM PERFORMANCE SHARE PLANS

On 9 March 2022, in implementation of the 2018-2020 Co-Investment Plan approved by the Ordinary and Extraordinary Shareholders’ Meeting on 19 April 2018, the Board resolved on the free assignment of a total of 477,364 new ordinary shares of the company to the beneficiaries of the Plan (so-called second cycle of the Plan) and initiated the execution of the second tranche of the capital increase approved by the same Shareholders’ Meeting, for a nominal amount of 591,931.36 euro withdrawned from the retained earnings reserve.

CONSOLIDATED INFORMATION ON OPERATING SEGMENTS

OPERATING SEGMENTS

This section of the Notes to the consolidated financial statements has been prepared in compliance with IFRS 8 - Operating Segments.

Consolidated operating segment disclosures are presented by showing separately the contribution given by four sectors to the consolidated Group's results:

- Support for the economy: represented by the Parent Company's financial data;
- Companies subject to management and coordination: represented by the financial data of the Companies subject to management and coordination and without their equity investments, which are reported under the heading "Companies not subject to management and coordination". The segment therefore includes CDP Reti, Fintecna, CDP Equity, CDPE Investimenti, CDP Immobiliare SGR, CDP Industria, FSIA Investimenti, the funds FIV Plus, FIV Extra, FNT, FT1 and FNAS, CDP Immobiliare and its subsidiaries;
- International expansion: represented by the financial data of Simest (and the SACE group until March 2022);
- Other segments: represented by the financial data of the companies consolidated line by line (Snam, Terna, Italgas, Fincantieri, Ansaldo Energia, CDP Venture Capital SGR, Fondo Italiano di Investimento SGR, ItsArt, FoF Private Debt, Fondo Italiano Consolidamento e Crescita and its subsidiaries) and by the financial data deriving from consolidation with the equity method of Eni, Poste Italiane, Nexi, Saipem, Open Fiber Holdings, Holding Reti Autostradali, Webuild, Kedrion, IQ Made in Italy, Valvitalia Finanziaria, Trevi Finanziaria Industriale, Rocco Forte Hotels, BF, Hotelturist, and the other associates or companies subject to joint control.

The reported financial data were prepared considering the contribution of the four segments already net of the effects of consolidation entries, but without the elimination of dividends, which has instead been performed in the column aggregating the two segments "Support for the economy" and "Companies subject to management and coordination".

Thus, the contribution of the two segments taken together, for which profit before tax amounts to 1.1 billion euro, is represented by the Parent Company and the Companies subject to management and coordination.

This aggregate figure is impacted significantly by the weight of the financial data of the "Support for the economy" segment in terms of Net interest income.

The Companies not subject to management and coordination included in the segments "International expansion" and "Other sectors" reported a profit before tax of 3.4 billion euro. With regard to gross income, there was an increase in Net interest income, although the most significant increase comes from Income from equity investments, mainly due to the effect of accounting for Eni using the equity method (+2 billion euro compared to 0.2 billion euro in the first half of 2021). The negative result of Saipem and OFH and the positive result of Poste Italiane and HRA also contributed to the item.

Profit before tax benefits from a significant contribution from the core earnings of the industrial companies recorded under Other net operating income, which offset administrative expenses of 5.8 billion euro and amortisation/depreciation charges for the period of 1.6 billion euro, related to technical investments and to the effects of the purchase price allocations on those assets.

Balance sheet figures too show the significant weight of the "Support for the economy" segment, in particular under property, plant and equipment and in funding for Companies not subject to management and coordination.

The reclassified income statement figures and the main reclassified balance sheet figures, for the first half of 2022 and for the comparison year, shown below, are attributable to the Group as a whole. The item "Property, plant and equipment/technical investments" corresponds to item 90 "Property, plant and equipment" of the consolidated financial statements, while the item "Other assets (including inventories)" corresponds to item 130 "Other assets" of the consolidated financial statements. For the reconciliation of the other items with those of the consolidated financial statements, see Annex 2.2 "Reconciliation between the reclassified income statement and balance sheet and the financial statements – CDP Group".

Reclassified consolidated balance sheet at 30/06/2022

(thousands of euro)	Support for the economy	Companies subject to management and coordination	Total	Companies not subject to management and coordination		Total
				International expansion	Other segments	
Loans and cash and cash equivalents	290,572,853	1,072,396	291,645,249	495,205	6,708,873	298,849,327
Equity investments		35,762	35,762		26,682,315	26,718,077
Debt and equity securities and units in collective investment undertakings	82,022,469	827,382	82,849,851	5,165	716,148	83,571,164
Property, plant and equipment/technical investments	345,650	1,399,863	1,745,513	3,401	39,834,324	41,583,238
Other assets (including Inventories)	604,601	73,471	678,072	30,189	17,307,318	18,015,579
Funding	381,139,072	1,513,237	382,652,309	164,353	36,916,146	419,732,808
- *of which bonds*	*18,452,509*		*18,452,509*		*21,479,225*	*39,931,734*

Reclassified consolidated balance sheet at 31/12/2021

(thousands of euro)	Support for the economy	Companies subject to management and coordination	Total	Companies not subject to management and coordination		Total
				International expansion	Other segments	
Loans and cash and cash equivalents	295,244,426	1,397,817	296,642,243	506,644	6,874,947	304,023,834
Equity investments		37,846	37,846		20,792,772	20,830,618
Debt and equity securities and units in collective investment undertakings	79,040,977	899,388	79,940,365	5,165	1,364,411	81,309,941
Property, plant and equipment/technical investments	342,925	1,421,671	1,764,596	3,892	39,339,906	41,108,394
Other assets (including Inventories)	715,182	88,647	803,829	17,562	14,186,939	15,008,330
Funding	375,077,485	1,551,639	376,629,124	150,257	38,713,136	415,492,517
- *of which bonds*	*21,370,928*	*416,954*	*21,787,882*		*22,243,266*	*44,031,148*

Reclassified consolidated income statement for the period ended 30/06/2022

				Companies not subject to management and coordination		
(thousands of euro)	Support for the economy	Companies subject to management and coordination	Total (*)	International expansion	Other segments	Total
Net interest income	**908,763**	**(272)**	**908,491**	11,888	(134,664)	**785,715**
Dividends	870,185	375,748	23,182		1,592	24,774
Gains (losses) on equity investments		(4,813)	(4,813)		2,537,713	2,532,900
Net commission income (expense)	59,796	3,631	63,427	13,569	(12,815)	64,181
Other net revenues (costs)	144,516	(17,297)	127,219	(2,746)	63,723	188,196
Gross income	**1,983,260**	**356,997**	**1,117,506**	**22,711**	**2,455,549**	**3,595,766**
Profit (loss) on insurance business						
Profit (loss) on banking and insurance operations	**1,983,260**	**356,997**	**1,117,506**	**22,711**	**2,455,549**	**3,595,766**
Net recoveries (impairment)	94,851	1,452	96,303	(786)	(16,811)	78,706
Administrative expenses	(128,748)	(47,389)	(176,137)	(16,693)	(5,566,449)	(5,759,279)
Other net operating income (costs)	10,260	45,205	55,465	(395)	8,287,814	8,342,884
Operating income	**1,959,623**	**356,265**	**1,093,137**	**4,837**	**5,160,103**	**6,258,077**
Net Provisions for risks and charges	151	3,919	4,070		(68,957)	(64,887)
Net adjustment to property, plant and equipment and intangible assets	(14,975)	16,311	1,336	(1,020)	(1,714,235)	(1,713,919)
Goodwill impairment					(47,023)	(47,023)
Other	(4)	(3,745)	(3,749)	(831)	8,103	3,523
Income (loss) for the period before tax	**1,944,795**	**372,750**	**1,094,794**	**2,986**	**3,337,991**	**4,435,771**
Income taxes						(717,969)
Income (loss) for the period						**3,717,802**

(*) Total of the segments "Support for the economy" and "Companies subject to management and coordination ", net of elimination of dividends.

Reclassified consolidated income statement for the period ended 30/06/2021

(thousands of euro)	Support for the economy	Companies subject to management and coordination	Total (*)	Companies not subject to management and coordination		Total
				International expansion	Other segments	
Net interest income	**860,701**	**2,720**	**863,421**	**11,457**	**(151,746)**	**723,132**
Dividends	547,268	347,605	34,965		2,786	37,751
Gains (losses) on equity investments		(2,803)	(2,803)		383,492	380,689
Net commission income (expense)	40,770	3,505	44,275	12,228	(3,616)	52,887
Other net revenues (costs)	459,014	(51,662)	407,352	11	38,367	445,730
Gross income	**1,907,753**	**299,365**	**1,347,210**	**23,696**	**269,283**	**1,640,189**
Profit (loss) on insurance business						
Profit (loss) on banking and insurance operations	**1,907,753**	**299,365**	**1,347,210**	**23,696**	**269,283**	**1,640,189**
Net recoveries (impairment)	3,197	(91)	3,106	(52)	(13,600)	(10,546)
Administrative expenses	(111,152)	(42,551)	(153,703)	(12,921)	(5,207,332)	(5,373,956)
Other net operating income (costs)	6,978	8,689	15,667	12	8,134,824	8,150,503
Operating income	**1,806,776**	**265,412**	**1,212,280**	**10,735**	**3,183,175**	**4,406,190**
Net Provisions for risks and charges	(772)	43,331	42,559		(47,498)	(4,939)
Net adjustment to property, plant and equipment and intangible assets	(12,302)	(11,144)	(23,446)	(1,007)	(1,327,086)	(1,351,539)
Other	(74)	(1)	(75)	(1,166,500)	4,236	(1,162,339)
Income (loss) for the period before tax	**1,793,628**	**297,598**	**1,231,318**	**(1,156,772)**	**1,812,827**	**1,887,373**
Income taxes						(531,419)
Income (loss) for the period						**1,355,954**

(*) Total of the segments "Support for the economy" and "Companies subject to management and coordination ", net of elimination of dividends.

ANNEXES

1. ANNEXES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1.1 SCOPE OF CONSOLIDATION

Company name	Registered office	Investor	% holding	Consolidation method
Parent Company				
Cassa Depositi e Prestiti S.p.A.	Rome			
Consolidated companies				
2F Per Vado - S.c.ar.l.	Genoa	Fincantieri Infrastructure S.p.A.	49.00%	Equity method
4B3 S.c.ar.l.	Trieste	Fincantieri S.p.A.	2.50%	Equity method
		Fincantieri SI S.p.A.	52.50%	Equity method
4TB13 S.c.ar.l.	Trieste	Fincantieri SI S.p.A.	55.00%	Equity method
4TCC1 S.c.ar.l.	Trieste	Fincantieri S.p.A.	5.00%	Equity method
		Fincantieri SI S.p.A.	75.00%	Equity method
A-U Finance Holdings BV	Amsterdam	Ansaldo Energia S.p.A.	40.00%	Equity method
ACE Marine LLC	Madison, WI	Fincantieri Marine Group LLC	100.00%	Line-by-line
Arsenal S.r.l.	Trieste	Fincantieri Oil & Gas S.p.A.	100.00%	Line-by-line
AS Gasinfrastruktur Beteiligung GmbH	Wien	Snam S.p.A.	40.00%	Equity method
Asset Company 2 S.r.l.	San Donato Milanese (MI)	Snam S.p.A.	100.00%	Line-by-line
Asset Company 7 B.V.	Amsterdam	Snam S.p.A.	100.00%	At cost
Avvenia The Energy Innovator S.r.l.	Rome	Terna Energy Solutions S.r.l.	100.00%	Line-by-line
Agricola Biometano S.p.A.	Cittadella	Iniziative Biometano S.p.A.	100.00%	Line-by-line
Albanian Gas Service Company Sh.a.	Tirana	Snam S.p.A.	25.00%	At cost
Alfiere S.p.A.	Rome	CDP Immobiliare S.r.l.	100.00%	Line-by-line
Alivieri Power Units Maintenance SA	Athens	Ansaldo Energia Switzerland AG	100.00%	Line-by-line
Altiforni e Ferriere di Servola S.p.A.	Udine	Fintecna S.p.A.	24.10%	At cost
Ansaldo Algerie S.àr.l.	Algiers	Ansaldo Energia S.p.A.	49.00%	Equity method
Ansaldo Energia Gulf	Abu Dhabi	Ansaldo Energia S.p.A.	100.00%	Line-by-line
Ansaldo Energia IP UK Ltd	London	Ansaldo Energia S.p.A.	100.00%	Line-by-line
Ansaldo Energia Iranian LLC	Tehran	Ansaldo Energia S.p.A.	70.00%	Line-by-line
		Ansaldo Russia LLC	30.00%	Line-by-line
Ansaldo Energia Muscat LLC	Muscat	Ansaldo Energia Switzerland AG	50.00%	Line-by-line
		Ansaldo Energia S.p.A.	50.00%	Line-by-line
Ansaldo Energia Netherlands BV	Breda	Ansaldo Energia Switzerland AG	100.00%	Line-by-line
Ansaldo Energia S.p.A.	Genoa	CDP Equity S.p.A.	87.57%	Line-by-line
Ansaldo Energia Spain S.L.	Zaragoza	Ansaldo Energia Switzerland AG	100.00%	Line-by-line
Ansaldo Energia Switzerland AG	Baden	Ansaldo Energia S.p.A.	100.00%	Line-by-line
Ansaldo Gas Turbine Technology Co. Ltd. (JVA)	Shanghai	Ansaldo Energia S.p.A.	60.00%	Equity method
Ansaldo Green Tech S.p.A.	Genoa	Ansaldo Energia S.p.A.	100.00%	Line-by-line
Ansaldo Nigeria Limited	Lagos	Ansaldo Energia S.p.A.	60.00%	Line-by-line
Ansaldo Nucleare S.p.A.	Genoa	Ansaldo Energia S.p.A.	100.00%	Line-by-line
Ansaldo Russia LLC	Moscow	Ansaldo Energia S.p.A.	100.00%	Line-by-line
Arbolia S.p.A. Società Benefit	Milan	Snam S.p.A.	51.00%	At cost
Ariano Biometano S.ar.l.	Cittadella	Iniziative Biometano S.p.A.	98.00%	Line-by-line
Asia Power Project Private Ltd	Chennai	Ansaldo Energia S.p.A.	100.00%	Line-by-line

Company name	Registered office	Investor	% holding	Consolidation method
Asset Company 10 S.r.l.	San Donato Milanese (MI)	Snam S.p.A.	100.00%	Line-by-line
Asset Company 4 S.r.l.	San Donato Milanese (MI)	Snam S.p.A.	100.00%	At cost
Asset Company 9 S.r.l.	San Donato Milanese (MI)	Snam S.p.A.	100.00%	At cost
Auto Sport Engineering Limited	Regno Unito	Marval S.r.l.	100.00%	Line-by-line
B.F. S.p.A.	Jolanda di Savoia (FE)	CDP Equity S.p.A.	6.04%	IFRS 5
BOP6 S.c.ar.l.	Trieste	Fincantieri SI S.p.A.	95.00%	Line-by-line
		Fincantieri S.p.A.	5.00%	Line-by-line
BUSBAR4F S.c.ar.l.	Trieste	Fincantieri SI S.p.A.	50.00%	Equity method
		Fincantieri S.p.A.	10.00%	Equity method
Bacini di Palermo S.p.A.	Palermo	Fincantieri S.p.A.	100.00%	Line-by-line
Biogas Bruso S.ar.l.	Cittadella	Agricola Biometano S.p.A.	99.90%	Line-by-line
Bioteca soc. cons. a r.l.	Carpi (MO)	SOF S.p.A.	33.00%	Equity method
Biowaste CH4 Anzio S.r.l.	San Donato Milanese (MI)	Renerwaste S.r.l.	100.00%	Line-by-line
Biowaste CH4 Foligno S.r.l.	San Donato Milanese (MI)	Renerwaste S.r.l.	100.00%	Line-by-line
Biowaste CH4 Group S.r.l.	San Donato Milanese (MI)	Renerwaste S.r.l.	100.00%	Line-by-line
Bludigit S.p.A.	Milan	Italgas S.p.A.	100.00%	Line-by-line
Bonafous S.p.A. in liquidazione	Rome	CDP Immobiliare S.r.l.	100.00%	Line-by-line
Brevik Technology AS	Brevik	Vard Group AS	34.00%	Equity method
Brugg Cables (India) Pvt.. Ltd.	Haryana	Brugg Kabel GmbH	0.26%	Line-by-line
		Brugg Kabel AG	99.74%	Line-by-line
Brugg Cables (Shanghai) Co.. Ltd.	Shanghai	Brugg Kabel AG	100.00%	Line-by-line
Brugg Cables (Suzhou) Co.. Ltd.	Suzhou	Brugg Cables (Shanghai) Co.. Ltd.	100.00%	Line-by-line
Brugg Cables Italia S.r.l.	Rome	Brugg Kabel Manufacturing AG	100.00%	Line-by-line
Brugg Cables Middle East DMCC	Dubai	Brugg Kabel AG	100.00%	Line-by-line
Brugg Kabel AG	Brugg	Brugg Kabel Services AG	90.00%	Line-by-line
Brugg Kabel GmbH	Schwieberdingen	Brugg Kabel AG	100.00%	Line-by-line
Brugg Kabel Manufacturing AG	Brugg	Brugg Kabel Services AG	100.00%	Line-by-line
Brugg Kabel Services AG	Brugg	Terna Energy Solutions S.r.l.	100.00%	Line-by-line
C.S.I S.r.l.	Milan	Fincantieri NexTech S.p.A.	75.65%	Line-by-line
C2MAC Group S.p.A.	Montorso Vicentino	Melt 1 S.r.l. a socio unico	57.60%	Line-by-line
CDPE Investimenti S.p.A.	Milan	CDP Equity S.p.A.	77.12%	Line-by-line
CDP Equity S.p.A.	Milan	CDP S.p.A.	100.00%	Line-by-line
CDP Immobiliare S.r.l.	Rome	CDP S.p.A.	100.00%	Line-by-line
CDP Immobiliare SGR S.p.A.	Rome	CDP S.p.A.	70.00%	Line-by-line
CDP Industria S.p.A.	Rome	CDP S.p.A.	100.00%	Line-by-line
CDP Reti S.p.A.	Rome	CDP S.p.A.	59.10%	Line-by-line
CDP Technologies AS	Ålesund	Seaonics AS	100.00%	Line-by-line
CDP Technologies Estonia OÜ	Tallinn	CDP Technologies AS	100.00%	Line-by-line
CDP Venture Capital SGR S.p.A.	Rome	CDP Equity S.p.A.	70.00%	Line-by-line
CESI S.p.A.	Milan	Terna S.p.A.	42.70%	Equity method
CGES A.D.	Podgorica	Terna S.p.A.	22.09%	Equity method

Company name	Registered office	Investor	% holding	Consolidation method
Consorzio F.S.B.	Marghera (VE)	Fincantieri S.p.A.	58.36%	Equity method
Coreso S.A.	Brussels	Terna S.p.A.	15.84%	Equity method
CSS Design Limited	British Virgin Islands (GB)	Vard Marine Inc.	31.00%	Equity method
CSSC - Fincantieri Cruise Industry Development Ltd.	Hong Kong	Fincantieri S.p.A.	40.00%	Equity method
Cagliari 89 S.c.ar.l. in liquidazione	Monastir (CA)	Fintecna S.p.A.	51.00%	At cost
Castor Drilling Solution AS	Kristiansand, S	Seaonics AS	34.13%	Equity method
Ca' Bianca S.ar.l.	Cittadella	Agricola Biometano S.p.A.	70.00%	Line-by-line
Centro Servizi Navali S.p.A.	San Giorgio di Nogaro (UD)	Fincantieri S.p.A.	10.93%	Equity method
Centro per gli Studi di Tecnica Navale - Cetena S.p.A.	Genoa	Fincantieri NexTech S.p.A.	86.10%	Line-by-line
Changsha Xi Mai Mechanical Construcion Co. Ltd.	China	Marval S.r.l.	98.78%	Line-by-line
Cinque Cerchi S.p.A. in liquidazione	Rome	CDP Immobiliare S.r.l.	100.00%	Line-by-line
Cisar Costruzioni S.c.ar.l.	Milan	Fincantieri Infrastrutture Sociali S.p.A.	30.00%	Equity method
Città Salute Ricerca Milano S.p.A	Milan	Fincantieri Infrastrutture Sociali S.p.A.	30.00%	Equity method
Cogen Est S.r.l.	Cittadella	Iniziative Biometano S.p.A.	98.00%	At cost
Consorzio Bancario Sir S.p.A. in liquidazione	Rome	Fintecna S.p.A.	100.00%	At cost
Consorzio Codelsa in liquidazione	Rome	Fintecna S.p.A.	100.00%	At cost
Consorzio IMAFID in liquidazione	Naples	Fintecna S.p.A.	56.85%	At cost
Consorzio INCOMIR in liquidazione	Mercogliano (AV)	Fintecna S.p.A.	45.46%	At cost
Consorzio MED.IN. in liquidazione	Rome	Fintecna S.p.A.	85.00%	At cost
Consorzio Stabile Ansaldo Newclear	Genoa	Nuclear Engineering Group Limited	10.00%	Line-by-line
		Ansaldo Nucleare S.p.A.	70.00%	Line-by-line
		Ansaldo Energia S.p.A.	20.00%	Line-by-line
Constructora Finso Chile S.p.A. (ex Constructora Inso Chile S.p.A.)	Santiago del Cile	Fincantieri Infrastrutture Sociali S.p.A.	100.00%	Line-by-line
Cubogas S.r.l.	San Donato Milanese (MI)	Snam 4 Mobility S.p.A.	100.00%	Line-by-line
dCarbonX Ltd.	London	Snam International B.V.	12.50%	Equity method
Decomar S.p.A.	Massa (MS)	Fincantieri S.p.A.	20.00%	Equity method
DIDO S.r.l.	Milan	Fincantieri S.p.A.	30.00%	Equity method
Darsena Europa S.c.ar.l.	Rome	Fincantieri Infrastructure Opere Marittime S.p.A.	26.00%	Equity method
Difebal S.A.	Montevideo	Terna S.p.A.	100.00%	Line-by-line
Dynamic	Saint-Paul-lès-Durance	Ansaldo Nucleare S.p.A.	15.00%	Equity method
		Ansaldo Energia S.p.A.	10.00%	Equity method
E-phors S.p.A.	Milan	Fincantieri NexTech S.p.A.	100.00%	Line-by-line
EBS Società Agricola ar.l.	Cittadella	Iniziative Biometano S.p.A.	94.53%	Line-by-line
ELMED Etudes S.àr.l.	Tunis	Terna S.p.A.	50.00%	Equity method
ERSMA 2026 - Società Consortile a Responsabilità Limitata	Rome	Fincantieri SI S.p.A.	20.00%	Equity method
ESPERIA-CC S.r.l.	Rome	Terna S.p.A.	1.00%	Line-by-line
ESSETI Sistemi e Tecnologie S.r.l.	Milan	Fincantieri NexTech S.p.A.	51.00%	Line-by-line
ETIHAD SHIP Building LLC	Abu Dhabi	Fincantieri S.p.A.	35.00%	Equity method
EUR-Europrogetti & Finanza S.r.l. in liquidazione	Rome	CDP S.p.A.	31.80%	Equity method
East Mediterranean Gas Company S.a.e.	Cairo	Snam International B.V.	25.00%	Equity method

Company name	Registered office	Investor	% holding	Consolidation method
Ecoprogetto Milano S.r.l.	San Donato Milanese (MI)	Renerwaste S.r.l.	45.00%	Line-by-line
		Renerwaste Lodi S.r.l.	55.00%	Line-by-line
Ecoprogetto Tortona S.r.l.	San Donato Milanese (MI)	Renerwaste S.r.l.	100.00%	Line-by-line
Elettra One S.p.A.	Milan	Fondo Italiano Consolidamento e Crescita (FICC)	90.20%	Line-by-line
Elite S.p.A.	Milan	CDP S.p.A.	15.00%	Equity method
Empoli Salute Gestione S.c.ar.l.	Florence	Fincantieri Infrastrutture Sociali S.p.A.	95.00%	Line-by-line
		SOF S.p.A.	5.00%	Line-by-line
Energetika S.c.ar.l.	Florence	SOF S.p.A.	40.00%	Equity method
Energy Investment Solution S.r.l.	Milan	Tep Energy Solution S.r.l.	40.00%	At cost
Enerpaper S.r.l.	Turin	Seaside S.p.A.	18.18%	Equity method
Enersi Sicilia	San Donato Milanese (MI)	Renerwaste S.r.l.	100.00%	Line-by-line
Eni S.p.A.	Rome	CDP S.p.A.	26.21%	Equity method
Ensco 1053 Ltd	United Kingdom	Marval S.r.l.	100.00%	Line-by-line
Enura S.p.A.	San Donato Milanese (MI)	Snam S.p.A.	55.00%	Line-by-line
Equigy B.V.	Arnhem	Terna S.p.A.	20.00%	Equity method
Ergon Projects ltd	Gzira	Fincantieri Infrastrutture Sociali S.p.A.	99.00%	Line-by-line
		SOF S.p.A.	1.00%	Line-by-line
Estaleiro Quissamã Ltda	Rio de Janeiro	Vard Promar SA	49.50%	Line-by-line
		Vard Group AS	50.50%	Line-by-line
Evolve S.p.A.	Milan	Renovit S.p.A.	100.00%	Line-by-line
Fincantieri Infrastrutture Sociali S.p.A.	Rome	Fincantieri Infrastructure S.p.A.	90.00%	Line-by-line
Fincantieri Marine Group LLC	Carson City, NV	Fincantieri Marine Group Holdings Inc.	100.00%	Line-by-line
Fincantieri Oil & Gas S.p.A.	Trieste	Fincantieri S.p.A.	100.00%	Line-by-line
FINMESA S.c.ar.l.	Milan	Fincantieri SI S.p.A.	50.00%	Equity method
FIV Comparto Extra	Rome	CDP S.p.A.	100.00%	Line-by-line
FIV Comparto Plus	Rome	CDP S.p.A.	100.00%	Line-by-line
FMSNA YK	Nagasaki	Fincantieri Marine Systems North America Inc.	100.00%	Line-by-line
FNAS Fondo Nazionale Abitare Sostenibile	Rome	CDP S.p.A.	100.00%	Line-by-line
FNT Fondo Nazionale per il Turismo - Comparto A	Rome	CDP S.p.A.	78.22%	Line-by-line
FOF Private Equity Italia	Milan	CDP S.p.A.	66.23%	Fair value
FOF Private Debt	Milan	CDP S.p.A.	62.50%	Line-by-line
FSI SGR S.p.A.	Milan	CDP Equity S.p.A.	39.00%	IFRS5
FSIA Investimenti S.r.l.	Milan	CDPE Investimenti S.p.A.	100.00%	Line-by-line
FT1 Fondo Turismo 1	Rome	FNT Fondo Nazionale per il Turismo	100.00%	Line-by-line
FT2 Fondo Turismo 2	Rome	FNT Fondo Nazionale per il Turismo	100.00%	Fair value
Fincantieri (Shanghai) Trading Co. Ltd	Shanghai	Fincantieri S.p.A.	100.00%	Line-by-line
Fincantieri Australia Pty Ltd	Sydney	Fincantieri S.p.A.	100.00%	Line-by-line
Fincantieri Clea Buildings S.c.ar.l.	Verona	Fincantieri Infrastructure S.p.A.	51.00%	Equity method
Fincantieri Dragaggi Ecologici S.p.A.	Rome	Fincantieri S.p.A.	55.00%	Line-by-line
Fincantieri Holding B.V.	Amsterdam	Fincantieri S.p.A.	100.00%	Line-by-line
Fincantieri India Private Limited	New Delhi	Fincantieri S.p.A.	1.00%	Line-by-line

Company name	Registered office	Investor	% holding	Consolidation method
		Fincantieri Holding B.V.	99.00%	Line-by-line
Fincantieri Infrastructure Florida Inc	Miami, Florida	Fincantieri Infrastructure USA. Inc.	100.00%	Line-by-line
Fincantieri Infrastructure Opere Marittime S.p.A.	Trieste	Fincantieri Infrastructure S.p.A.	100.00%	Line-by-line
Fincantieri Infrastructure S.p.A.	Trieste	Fincantieri S.p.A.	100.00%	Line-by-line
Fincantieri Infrastructure USA. Inc.	Middletown, Delaware	Fincantieri Infrastructure S.p.A.	100.00%	Line-by-line
Fincantieri Marine Group Holdings Inc.	Wilmington, DE	Fincantieri USA Inc.	87.44%	Line-by-line
Fincantieri Marine Repair LLC	Wilmington, DE	Fincantieri Marine Systems North America Inc.	100.00%	Line-by-line
Fincantieri Marine System LLC	Wilmington, DE	Fincantieri Marine Systems North America Inc.	100.00%	Line-by-line
Fincantieri Marine Systems North America Inc.	Wilmington, DE	Fincantieri USA Inc.	100.00%	Line-by-line
Fincantieri NexTech S.p.A.	Milan	Fincantieri S.p.A.	100.00%	Line-by-line
Fincantieri S.p.A.	Trieste	CDP Industria S.p.A.	71.32%	Line-by-line
Fincantieri SI Impianti S.c.ar.l.	Milan	Fincantieri SI S.p.A.	60.00%	Line-by-line
Fincantieri SI S.p.A.	Trieste	Società per l'Esercizio di Attività Finanziaria - Seaf S.p.A.	100.00%	Line-by-line
Fincantieri Services Doha LLC	Qatar	Fincantieri S.p.A.	100.00%	Line-by-line
Fincantieri Services Middle East LLC	Doha (QFC)	Fincantieri S.p.A.	100.00%	Line-by-line
Fincantieri Services USA LLC	Plantation, FL	Fincantieri USA Inc.	100.00%	Line-by-line
Fincantieri Sweden AB	Stockholm	Fincantieri S.p.A.	100.00%	Line-by-line
Fincantieri USA Holding LLC	Wilmington, DE	Fincantieri S.p.A.	100.00%	Line-by-line
Fincantieri USA Inc.	Wilmington, DE	Fincantieri USA Holding LLC	35.00%	Line-by-line
		Fincantieri S.p.A.	65.00%	Line-by-line
Fintecna S.p.A.	Rome	CDP S.p.A.	100.00%	Line-by-line
Florence InvestCo S.r.l.	Milan	Fondo Italiano Consolidamento e Crescita (FICC)	41.00%	Equity method
Fly One S.p.A.	Milan	Fondo Italiano Consolidamento e Crescita (FICC)	67.30%	Line-by-line
Flytop S.r.l. in liquidazione	Rome	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	Line-by-line
FoF Private Debt Italia	Milan	CDP Equity S.p.A.	73.42%	Fair value
FoF Venture Capital	Milan	CDP S.p.A.	76.69%	Fair value
Fondmatic Hydraulic Machining S.r.l.	Bologna	C2MAC Group S.p.A.	100.00%	At cost
Fondo Boost Innovation	Rome	CDP Equity S.p.A.	100.00%	Fair value
Fondo Corporate Partners I - comparto EnergyTech	Rome	Italgas S.p.A.	7.69%	Fair value
		CDP Equity S.p.A.	46.15%	Fair value
		Snam S.p.A.	15.39%	Fair value
Fondo Corporate Partners I - IndustryTech Sector	Rome	CDP Equity S.p.A.	66.67%	Fair value
Fondo Corporate Partners I - ServiceTech Sector	Rome	CDP Equity S.p.A.	66.67%	Fair value
Fondo Evoluzione	Rome	CDP Equity S.p.A.	100.00%	Fair value
Fondo Italiano Consolidamento e Crescita (FICC)	Milan	CDP S.p.A.	65.99%	Line-by-line
Fondo Italiano Tecnologia e Crescita (FITEC)	Milan	CDP S.p.A.	64.89%	Fair value
Fondo Italiano di Investimento SGR S.p.A.	Milan	CDP Equity S.p.A.	55.00%	Line-by-line
Fondo acceleratori	Rome	CDP Equity S.p.A.	87.41%	Fair value
Fondo di fondi Venturitaly	Rome	CDP Equity S.p.A.	82.19%	Fair value
Fondo Technology Transfer - Direct Sector	Rome	CDP Equity S.p.A.	96.67%	Fair value
Fondo Technology Transfer - Indirect Sector	Rome	CDP Equity S.p.A.	100.00%	Fair value

Company name	Registered office	Investor	% holding	Consolidation method
Fratelli Ceresa S.p.A.	Turin	Seaside S.p.A.	100.00%	Line-by-line
GNL Italia S.p.A.	San Donato Milanese (MI)	Snam S.p.A.	100.00%	Line-by-line
Galaxy Pipeline Assets Holdco Limited	Jersey	Snam S.p.A.	12.33%	Equity method
Gannouch Maintenance S.àr.l.	Tunis	Ansaldo Energia Netherlands BV	99.00%	Line-by-line
		Ansaldo Energia Switzerland AG	1.00%	Line-by-line
Gasrule Insurance D.A.C.	Dublin	Snam S.p.A.	100.00%	Line-by-line
Gaxa S.p.A	Cagliari	Italgas S.p.A.	15.56%	Equity method
Gesam Reti S.p.A.	Lucca	Toscana Energia S.p.A.	42.96%	Equity method
Gestione Bacini La Spezia S.p.A.	La Spezia	Fincantieri S.p.A.	99.89%	Line-by-line
Golar LNG NB13 Corporation	Marshall Islands	Snam FSRU Italia S.r.l.	100.00%	Line-by-line
Greenit S.p.A.	San Donato Milanese (MI)	CDP Equity S.p.A.	49.00%	Equity method
Gruppo PSC S.p.A.	Maratea (PZ)	Fincantieri S.p.A.	10.00%	Equity method
HMS IT S.p.A.	Rome	Fincantieri NexTech S.p.A.	60.00%	Line-by-line
Halfbridge Automation S.r.l.	Rome	LT S.r.l.	70.00%	Line-by-line
Holding Pagamenti Digitali S.r.l.	Milan	CDP Equity S.p.A.	100.00%	At cost
Holding Reti Autostradali S.p.A.	Rome	CDP Equity S.p.A.	51.00%	Equity method
Hospital Building Technologies S.c.ar.l.	Florence	SOF S.p.A.	20.00%	Equity method
Hotelturist S.p.A.	Padua	CDP Equity S.p.A.	45.95%	Equity method
IDS Australasia PTY Ltd	Brendale	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	Line-by-line
IDS Ingegneria Dei Sistemi (UK) Ltd	Fareham	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	Line-by-line
IDS Ingegneria Dei Sistemi S.p.A.	Pisa	Fincantieri NexTech S.p.A.	90.00%	Line-by-line
IDS Korea Co. Ltd	Daejeon	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	Line-by-line
IDS North America Ltd	Ottawa	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	Line-by-line
IDS Technologies US Inc.	Littleton	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	Line-by-line
IES Biogas S.r.l.	Pordenone	Snam 4 Environment S.r.l.	100.00%	Line-by-line
IES Biogas S.r.l. (Argentina)	Buenos Aires	IES Biogas S.r.l.	95.00%	At cost
		Snam 4 Environment S.r.l.	5.00%	At cost
IQ Made in Italy Investment Company S.p.A.	Milan	CDPE Investimenti S.p.A.	50.00%	Equity method
ITS Integrated Tech System S.r.l.	La Spezia	Rob.Int. S.r.l.	51.00%	Equity method
ITsART S.p.A.	Milan	CDP S.p.A.	51.00%	Line-by-line
Immogas S.r.l.	Florence	Toscana Energia S.p.A.	100.00%	Line-by-line
Industrie De Nora S.p.A.	Milan	Asset Company 10 S.r.l.	25.88%	Equity method
Infrastrutture Trasporto Gas S.p.A.	San Donato Milanese (MI)	Asset Company 2 S.r.l.	100.00%	Line-by-line
Iniziative Biometano S.p.A.	San Donato Milanese (MI)	Snam 4 Environment S.r.l.	51.00%	Line-by-line
Inso Albania S.h.p.k.	Tirana	Fincantieri Infrastrutture Sociali S.p.A.	100.00%	Line-by-line
Interconnector Ltd.	London	Snam International B.V.	23.68%	Equity method
Interconnector Zeebrugge Terminal B.V.	Brussels	Snam International B.V.	25.00%	Equity method
Island Diligence AS	Stålhaugen	Vard Group AS	39.38%	Equity method
Island Discoverer AS	Ulsteinvik	Vard Group AS	46.90%	Equity method
Island Offshore XII Ship AS	Ulsteinvik	Vard Group AS	46.90%	Equity method
Isola Biometano S.a.r.l	Cittadella	Iniziative Biometano S.p.A.	70.00%	At cost
Isotta Fraschini Motori S.p.A.	Bari	Fincantieri S.p.A.	100.00%	Line-by-line
Issel Middle East Information Technology Consultancy LLC	Abu Dhabi	Issel Nord S.r.l.	49.00%	Equity method

Company name	Registered office	Investor	% holding	Consolidation method
Issel Nord S.r.l.	Follo	Fincantieri NexTech S.p.A.	100.00%	Line-by-line
Italgas Acqua S.p.A.	Milan	Italgas S.p.A.	100.00%	Line-by-line
Italgas Newco S.r.l.	Milan	Italgas S.p.A.	100.00%	Line-by-line
Italgas Reti S.p.A.	Turin	Italgas S.p.A.	100.00%	Line-by-line
Italgas S.p.A.	Milan	Snam S.p.A.	13.48%	Line-by-line
		CDP Reti S.p.A.	26.01%	Line-by-line
Kedrion S.p.A.	Castelvecchio Pascoli (LU)	CDPE Investimenti S.p.A.	25.06%	IFRS5
LT S.r.l.	Rome	Terna Energy Solutions S.r.l.	75.00%	Line-by-line
Laser TLC S.r.l.	Rome	Brugg Cables Italia S.r.l.	100.00%	Line-by-line
Latina Biometano S.r.l.	Rome	IES Biogas S.r.l.	32.50%	At cost
Leonardo Sistemi Integrati S.r.l.	Genoa	Fincantieri NexTech S.p.A.	14.58%	Equity method
M.T. Manifattura Tabacchi S.p.A.	Rome	CDP Immobiliare S.r.l.	40.00%	Equity method
Marine Interiors Cabins S.p.A.	Trieste	Marine Interiors S.p.A.	100.00%	Line-by-line
Marine Project Solutions S.r.l.	Vittorio Veneto (TV)	MI S.p.A.	100.00%	Line-by-line
MC4COM - Mission critical for communication S.c.ar.l.	Milan	HMS IT S.p.A.	50.00%	Equity method
MI S.p.A.	Trieste	Marine Interiors S.p.A.	100.00%	Line-by-line
MZ Biogas S.ar.l.	Cittadella	Agricola Biometano S.p.A.	99.90%	Line-by-line
Macaer Aviation Group S.p.A.	Rome	Fly One S.p.A.	75.80%	At cost
Maiero Energia S.ar.l.	Cittadella	Agricola Biometano S.p.A.	100.00%	Line-by-line
Marina Bay S.A.	Luxembourg	Fincantieri NexTech S.p.A.	100.00%	Line-by-line
Marine Interiors S.p.A.	Trieste	Fincantieri S.p.A.	100.00%	Line-by-line
Marinette Marine Corporation	Green Bay, WI	Fincantieri Marine Group LLC	100.00%	Line-by-line
Marval S.r.l.	Turin	Stark Two S.r.l.	69.47%	Line-by-line
Maticmind S.p.A.	Vimodrone	Elettra One S.p.A.	42.42%	Equity method
Medea S.p.A.	Sassari	Italgas Reti S.p.A.	51.85%	Line-by-line
Melt 1 S.r.l. a socio unico	Milan	Fondo Italiano Consolidamento e Crescita (FICC)	100.00%	Line-by-line
Metano S. Angelo Lodigiano S.p.A.	Sant'Angelo Lodigiano	Italgas S.p.A.	50.00%	Equity method
Mieci S.p.A.	Milan	Renovit S.p.A.	100.00%	Line-by-line
Motta Energia S.ar.l.	Cittadella	Iniziative Biometano S.p.A.	94.80%	Line-by-line
Naviris S.p.A.	Genoa	Fincantieri S.p.A.	50.00%	Equity method
Nexi S.p.A.	Milan	FSIA Investimenti S.r.l.	8.28%	Equity method
		CDP Equity S.p.A.	5.29%	Equity method
Niehlgas GmbH	Oberursel	Ansaldo Energia Switzerland AG	100.00%	Line-by-line
Nord Ovest Toscana Energia S.r.l	Vicopisano (PI)	SOF S.p.A.	34.00%	Equity method
Norwind Shipholding AS	Ålesund	Vard Shipholding Singapore Pte Ltd.	15.54%	Equity method
Note Gestione S.c.ar.l.	Reggio Emilia	SOF S.p.A.	34.00%	Equity method
Nuclear Enginnering Group Limited	Wolverhampton	Ansaldo Nucleare S.p.A.	100.00%	Line-by-line
Nuova Torneria Zanotti S.r.l.	Crevalcore	Melt 1 S.r.l. a socio unico	100.00%	Line-by-line
Nuovo Santa Chiara Hospital S.c.ar.l.	Florence	Fincantieri Infrastrutture Sociali S.p.A.	50.00%	Equity method
OLT Offshore LNG Toscana S.p.A.	Milan	Snam S.p.A.	49.07%	Equity method
Officina Meccanica Mecaf Snc	Rolo	C2MAC Group S.p.A.	100.00%	Line-by-line
Olympic Green Energy KS	Fosnavag	Vard Group AS	29.50%	Equity method
Open Fiber Holding S.p.A.	Milan	CDP Equity S.p.A.	60.00%	Equity method

Company name	Registered office	Investor	% holding	Consolidation method
Orizzonte Sistemi Navali S.p.A.	Genoa	Fincantieri S.p.A.	51.00%	Equity method
Pergenova S.c.p.A.	Genoa	Fincantieri Infrastructure S.p.A.	50.00%	Equity method
Pentagramma Piemonte S.p.A. in liquidazione	Rome	CDP Immobiliare S.r.l.	100.00%	Line-by-line
Pentagramma Romagna S.p.A. in liquidazione unipersonale	Rome	CDP Immobiliare S.r.l.	100.00%	Line-by-line
Perucchini S.p.A.	Omegna (VB)	C2MAC Group S.p.A.	100.00%	Line-by-line
Piazzola Nuove Energie S.ar.l	Cittadella	Iniziative Biometano S.p.A.	100.00%	At cost
Polaris Anserv S.r.l.	Bucarest	Ansaldo Nucleare S.p.A.	20.00%	Equity method
Poste Italiane S.p.A.	Rome	CDP S.p.A.	35.00%	Equity method
Power4Future S.p.A.	Calderara di Reno (BO)	Fincantieri SI S.p.A.	52.00%	Equity method
Prelios Solutions & Technologies S.r.l.	Milan	Fincantieri NexTech S.p.A.	49.00%	Equity method
Quadrifoglio Brescia S.p.A. in liquidazione	Rome	CDP Immobiliare S.r.l.	50.00%	At cost
Quadrifoglio Genova S.p.A. in liquidazione	Rome	CDP Immobiliare S.r.l.	100.00%	At cost
QuattroR SGR S.p.A.	Milan	CDP Equity S.p.A.	40.00%	IFRS5
REICOM S.r.l.	Milan	Fincantieri NexTech S.p.A.	100.00%	Line-by-line
Redo SGR S.p.A.	Milan	CDP S.p.A.	30.00%	At cost
Renerwaste Cupello S.r.l.	San Donato Milanese (MI)	Renerwaste S.r.l.	100.00%	Line-by-line
Renerwaste Lodi S.r.l.	San Donato Milanese (MI)	Renerwaste S.r.l.	100.00%	Line-by-line
Renerwaste S.r.l.	San Donato Milanese (MI)	Snam 4 Environment S.r.l.	100.00%	Line-by-line
Renovit S.p.A.	San Donato Milanese (MI)	CDP Equity S.p.A.	30.00%	Line-by-line
		Snam S.p.A.	60.05%	Line-by-line
Residenziale Immobiliare 2004 S.p.A.	Rome	CDP Immobiliare S.r.l.	100.00%	Line-by-line
Rete S.r.l.	Rome	Terna S.p.A.	100.00%	Line-by-line
Rob.Int S.r.l.	Pisa	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	Line-by-line
Rocco Forte Hotels Limited	London	CDPE Investimenti S.p.A.	23.00%	Equity method
S.Ene.Ca Gestioni S.c.ar.l.	Florence	SOF S.p.A.	49.00%	Equity method
S.L.S. - Support Logistic Services S.r.l.	Guidonia Montecelio	Fincantieri NexTech S.p.A.	60.00%	Line-by-line
Società Agricola Astico Biometano S.r.l.	Cittadella	Iniziative Biometano S.p.A.	100.00%	At cost
Snam Rete Gas S.p.A.	San Donato Milanese (MI)	Snam S.p.A.	100.00%	Line-by-line
Snam S.p.A.	San Donato Milanese (MI)	CDP Reti S.p.A.	31.35%	Line-by-line
SOF S.p.A.	Florence	Fincantieri Infrastrutture Sociali S.p.A.	100.00%	Line-by-line
Southeast Electricity Network Coordination Center S.A.	Thessaloniki	Terna S.p.A.	25.00%	Equity method
SPE Santa Lucia Transmissora de Energia S.A.	Rio de Janeiro	Terna Plus S.r.l.	99.99%	Line-by-line
		Terna Chile S.p.A.	0.01%	Line-by-line
SPE Santa Maria Transmissora de Energia S.A.	Rio de Janeiro	Terna Chile S.p.A.	0.01%	Line-by-line
		Terna Plus S.r.l.	99.99%	Line-by-line
SPE Transmissora De Energia Linha Verde I S.A.	Belo Horizonte	Terna Plus S.r.l.	75.00%	Line-by-line
SPE Transmissora De Energia Linha Verde II S.A.	Belo Horizonte	Terna Plus S.r.l.	99.99994%	Line-by-line
		Terna Chile S.p.A.	0.00006%	Line-by-line
STARS Railway Systems	Rome	IDS Ingegneria Dei Sistemi S.p.A.	48.00%	Equity method
		TRS Sistemi S.r.l.	2.00%	Equity method

Company name	Registered office	Investor	% holding	Consolidation method
Saipem S.p.A.	San Donato Milanese (MI)	CDP Industria S.p.A.	12.55%	Equity method
Scaranello S.r.l.	Rovigo	C2MAC Group S.p.A.	100.00%	Line-by-line
Seanergy a Marine Interiors Company S.r.l.	Pordenone	Marine Interiors Cabins S.p.A.	85.00%	Line-by-line
Seaonics AS	Ålesund	Vard Group AS	100.00%	Line-by-line
Seaonics Polska Sp.zo.o.	Gdansk	Seaonics AS	100.00%	Line-by-line
Seaside S.p.A.	Casalecchio di Reno	Italgas S.p.A.	67.22%	Line-by-line
		Toscana Energia S.p.A.	32.78%	Line-by-line
Senfluga energy infrastructure holdings S.A.	Athens	Snam S.p.A.	60.00%	Equity method
Shanghai Electric Gas Turbine Co. Ltd. (JVS)	Shanghai	Ansaldo Energia S.p.A.	40.00%	Equity method
Sicilian Biogas Refinery S.r.l.	Catania	Iniziative Biometano S.p.A.	32.00%	Equity method
Simest S.p.A.	Rome	CDP S.p.A.	76.01%	Line-by-line
Skytech Italia S.r.l.	Rome	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	Line-by-line
Snam 4 Environment S.r.l.	San Donato Milanese (MI)	Snam S.p.A.	100.00%	Line-by-line
Snam 4 Mobility S.p.A.	San Donato Milanese (MI)	Snam S.p.A.	100.00%	Line-by-line
Snam FSRU Italia S.r.l.	San Donato Milanese (MI)	Snam S.p.A.	100.00%	Line-by-line
Snam Gas & Energy Services (Beijing) Co. Ltd.	Beijing	Snam International B.V.	100.00%	At cost
Snam International B.V.	Amsterdam	Snam S.p.A.	100.00%	Line-by-line
Snam International UK Limited	Maidenhead	Snam International B.V.	100.00%	At cost
Snam Middle East BV BS Co.	Riyadh	Snam International B.V.	100.00%	At cost
Snam North America LLC	New York	Snam International B.V.	100.00%	At cost
Società per l'Esercizio di Attività Finanziaria - Seaf S.p.A.	Trieste	Fincantieri S.p.A.	100.00%	Line-by-line
Solstad Supply AS (ex Rem Supply AS)	Ålesund	Vard Group AS	26.66%	Equity method
Stark Two S.r.l.	Milan	Fondo Italiano Consolidamento e Crescita (FICC)	75.14%	Line-by-line
Stogit S.p.A.	San Donato Milanese (MI)	Snam S.p.A.	100.00%	Line-by-line
Sviluppo Biometano Sicilia S.r.l.	Cittadella	Iniziative Biometano S.p.A.	50.00%	Equity method
Terna Crna Gora d.o.o.	Podgorica	Terna S.p.A.	100.00%	Line-by-line
Terna Plus S.r.l.	Rome	Terna S.p.A.	100.00%	Line-by-line
Terna Rete Italia S.p.A.	Rome	Terna S.p.A.	100.00%	Line-by-line
TRS Sistemi S.r.l.	Rome	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	Line-by-line
Tamini Transformatori India Private limited	Magarpatta City, Hadapsar, Pune	Tamini Trasformatori S.r.l.	100.00%	Line-by-line
Tamini Transformers USA L.L.C.	Sewickley	Tamini Trasformatori S.r.l.	100.00%	Line-by-line
Tamini Trasformatori S.r.l.	Legnano (MI)	Terna Energy Solutions S.r.l.	100.00%	Line-by-line
Tea Innovazione Due S.r.l.	Brescia	Tep Energy Solution S.r.l.	100.00%	At cost
Team Turbo Machines SAS	La Trinité De Thouberville	Fincantieri S.p.A.	85.00%	Line-by-line
Tep Energy Solution S.r.l.	Rome	Renovit S.p.A.	100.00%	Line-by-line
Terega Holding S.A.S.	Pau	Snam S.p.A.	40.50%	Equity method
Terna 4 Chacas S.A.C.	Lima	Terna Chile S.p.A.	0.01%	Line-by-line
		Terna Plus S.r.l.	99.99%	Line-by-line

Company name	Registered office	Investor	% holding	Consolidation method
Terna Chile S.p.A.	Santiago del Cile	Terna Plus S.r.l.	100.00%	Line-by-line
Terna Energy Solutions S.r.l.	Rome	Terna S.p.A.	100.00%	Line-by-line
Terna Interconnector S.r.l.	Rome	Terna S.p.A.	65.00%	Line-by-line
		Terna Rete Italia S.p.A.	5.00%	Line-by-line
Terna Peru S.A.C.	Lima	Terna Chile S.p.A.	0.01%	Line-by-line
		Terna Plus S.r.l.	99.99%	Line-by-line
Terna S.p.A.	Rome	CDP Reti S.p.A.	29.85%	Line-by-line
Tlux S.r.l.	Piancogno (BS)	Mieci S.p.A.	100.00%	Line-by-line
Toscana Energia S.p.A.	Florence	Italgas S.p.A.	50.66%	Line-by-line
Trans Adriatic Pipeline AG	Baar	Snam International B.V.	20.00%	Equity method
Trans Austria Gasleitung GmbH	Wien	Snam S.p.A.	84.47%	Equity method
Trevi Finanziaria Industriale S.p.A	Cesena	CDPE Investimenti S.p.A.	25.67%	Equity method
Umbria Distribuzione Gas S.p.A.	Terni	Italgas S.p.A.	45.00%	Equity method
Unifer Navale S.r.l. in liquidazione	Finale Emilia (MO)	Società per l'Esercizio di Attività Finanziaria - Seaf S.p.A.	20.00%	Equity method
Valvitalia Finanziaria S.p.A.	Milan	CDPE Investimenti S.p.A.	50.00%	Equity method
Vard Accommodation AS	Tennfjord	Vard Group AS	100.00%	Line-by-line
Vard Accommodation Tulcea S.r.l.	Tulcea	Vard Accommodation AS	99.77%	Line-by-line
		Vard Electro Romania S.r.l.	0.23%	Line-by-line
Vard Aqua Chile SA	Puerto Montt	Vard Aqua Sunndal AS	95.00%	Line-by-line
Vard Aqua Scotland Ltd.	Aberdeen	Vard Aqua Sunndal AS	100.00%	Line-by-line
Vard Aqua Sunndal AS	Sunndal	Vard Group AS	100.00%	Line-by-line
Vard Braila SA	Braila	Vard RO Holding S.r.l.	94.12%	Line-by-line
		Vard Group AS	5.88%	Line-by-line
Vard Design AS	Ålesund	Vard Group AS	100.00%	Line-by-line
Vard Design Liburna Ltd.	Rijeka	Vard Design AS	51.00%	Line-by-line
Vard Electrical Installation and Engineering (India) Private Limited	New Delhi	Vard Electro Romania S.r.l.	0.50%	Line-by-line
		Vard Electro AS	99.50%	Line-by-line
Vard Electro AS	Tennfjord	Vard Group AS	100.00%	Line-by-line
Vard Electro Brazil (Instalacoes Eletricas) Ltda	Niteroi	Vard Electro AS	99.00%	Line-by-line
		Vard Group AS	1.00%	Line-by-line
Vard Electro Canada Inc	Vancouver	Vard Electro AS	100.00%	Line-by-line
Vard Electro Italy S.r.l.	Trieste	Vard Electro AS	100.000%	Line-by-line
Vard Electro Romania S.r.l.	Tulcea	Vard Electro AS	100.000%	Line-by-line
Vard Electro US Inc.	Delaware	Vard Electro Canada Inc.	100.00%	Line-by-line
Vard Engineering Brevik AS	Brevik	Vard Group AS	100.00%	Line-by-line
Vard Engineering Constanta S.r.l.	Costance	Vard RO Holding S.r.l.	70.00%	Line-by-line
		Vard Braila SA	30.000%	Line-by-line
Vard Engineering Gdansk Sp.zo.o.	Gdansk	Vard Engineering Brevik AS	100.0000%	Line-by-line
Vard Group AS	Ålesund	Vard Holdings Limited	100.00%	Line-by-line
Vard Holdings Limited	Singapore	Fincantieri Oil & Gas S.p.A.	98.35%	Line-by-line
Vard Infraestrutura Ltda	Ipojuca	Vard Group AS	0.01%	Line-by-line
		Vard Promar SA	99.99%	Line-by-line
Vard International Services S.r.l.	Constance	Vard Braila SA	100.00%	Line-by-line
Vard Marine Inc.	Vancouver	Vard Group AS	100.00%	Line-by-line
Vard Marine US Inc.	Dallas	Vard Marine Inc.	100.00%	Line-by-line

Company name	Registered office	Investor	% holding	Consolidation method
Vard Niteroi RJ S.A.	Rio de Janeiro	Vard Electro Brazil (Instalaçoes Eletricas) Ltda	0.01%	Line-by-line
		Vard Group AS	99.99%	Line-by-line
Vard Piping AS	Sovik	Vard Group AS	100.00%	Line-by-line
Vard Promar SA	Ipojuca	Vard Group AS	100.00%	Line-by-line
Vard RO Holding S.r.l.	Tulcea	Vard Group AS	100.00%	Line-by-line
Vard Shipholding Singapore Pte Ltd.	Singapore	Vard Holdings Limited	100.00%	Line-by-line
Vard Singapore Pte. Ltd.	Singapore	Vard Group AS	100.00%	Line-by-line
Vard Tulcea SA	Tulcea	Vard RO Holding S.r.l.	99.996%	Line-by-line
		Vard Group AS	0.004%	Line-by-line
Vard Vung Tau Ltd.	Vung Tau	Vard Singapore Pte. Ltd.	100.00%	Line-by-line
Vimercate Salute Gestioni S.c.ar.l.	Milan	SOF S.p.A.	3.65%	Equity method
		Fincantieri Infrastrutture Sociali S.p.A.	49.10%	Equity method
Webuild S.p.A.	Milan	Fincantieri S.p.A.	0.07%	Equity method
		CDP Equity S.p.A.	16.67%	Equity method
Yeni Aen Insaat Anonim Sirketi	Istanbul	Ansaldo Energia S.p.A.	100.00%	Line-by-line

2. ANNEXES TO THE REPORT ON OPERATIONS

2.1 RECONCILIATION BETWEEN THE RECLASSIFIED INCOME STATEMENT AND BALANCE SHEET AND THE FINANCIAL STATEMENTS - CDP S.P.A.

The following table provides a reconciliation of the financial statements prepared in accordance with Bank of Italy circular no. 262/2005, as amended, and the aggregates as reclassified on an operational basis.

These reclassifications mainly concerned:
- the allocation to specific and distinct items of interest-bearing amounts and non-interest-bearing amounts;
- the revision of portfolios for IAS/IFRS purposes with their reclassification into uniform aggregates in relation to both products and business lines.

Balance sheet - Assets

(millions of euro) ASSETS - Balance sheet items	30/06/2022	Cash and cash equivalents and other treasury investments	Loans	Debt securities, equity securities	Equity investments	Assets held for trading and hedging derivatives	Property, plant and equipment and intangible assets	Accrued income, prepaid expenses and other non-interest bearing assets	Other assets
10. Cash and cash equivalents	308	308							
20. Financial assets measured at fair value through profit or loss	3,800				3,543	257			
30. Financial assets measured at fair value through other comprehensive income	11,964			11,499	446			19	
40. Financial assets measured at amortised cost									
a) Loans to banks	30,643	17,148	13,485					11	
b) Loans to customers	328,209	160,710	102,160	59,703				5,637	
50. Hedging derivatives	3,141					3,141			
60. Fair value change of financial assets in hedged portfolios (+/-)	(2,000)							(2,000)	
70. Equity investments	33,509				33,509				
80. Property, plant and equipment	371						371		
90. Intangible assets	56						56		
100. Tax assets	735								735
110. Non-current assets and disposal groups held for sale									
120. Other assets	630		369						261
TOTAL ASSETS	**411,366**	**178,165**	**116,014**	**71,201**	**37,498**	**3,397**	**427**	**3,667**	**996**

Balance sheet - Liabilities and equity

(millions of euro) LIABILITIES AND EQUITY - Balance sheet items			Funding detail								
	30/06/2022	Funding	Postal Funding	Funding from banks	Funding from customers	Bond Funding	Liabilities held for trading and hedging derivatives	Accrued expenses, deferred income and other non-interest bearing assets	Other liabilities	Provisions for contin-gencies, taxes and staff severance pay	Total equity
10. Financial liabilities measured at amortised cost											
a) Due to banks	40,603	40,625	3,145	37,480				(22)			
b) Due to customers	324,059	323,704	276,851	31,093	15,760			355			
c) Securities issued	18,453	18,467				18,467		(15)			
20. Financial liabilities held for trading	449						449				
30. Financial liabilities designated at fair value											
40. Hedging derivatives	943						943				
50. Fair value change of financial liabilities in hedged portfolios	1							1			
60. Tax liabilities	300									300	
70. Liabilities associated with non-current assets and disposal groups held for sale											
80. Other liabilities	791							161	630		
90. Staff severance pay	1									1	
100. Provisions for risks and charges	795									795	
110. Valuation reserves	(224)										(224)
120. Redeemable shares											
130. Equity instruments											
140. Reserves	17,602										17,602
150. Share premium reserve	2,379										2,379
160. Share capital	4,051										4,051
170. Treasury shares	(322)										(322)
180. Net income (loss) for the year	1,487										1,487
TOTAL LIABILITIES AND EQUITY	**411,366**	**382,797**	**279,996**	**68,573**	**15,760**	**18,467**	**1,392**	**479**	**630**	**1,096**	**24,972**

Income statement

(millions of euro) INCOME STATEMENT - Financial statement items	1st half of 2022	Net interest income	Dividends	Other net revenues costs)
10. Interest income and similar income	3,883	3,883		
20. Interest expense and similar expense	(2,414)	(2,414)		
40. Commission income	199	129		70
50. Commission expense	(703)	(696)		(7)
70. Dividends and similar revenues	870		870	0
80. Profits (losses) on trading activities	(15)			(15)
90. Net gain (loss) on hedging activities	84			84
100. Gains (losses) on disposal or repurchase	65			65
110. Profits (losses) on financial assets and liabilities measured at fair value through profit or loss	28			0
130. Net adjustments/recoveries for credit risk	34			
140. Gains/losses from changes in contracts without derecognition				
160. Administrative expenses	(125)			
170. Net accruals to the provisions for risks and charges	61			
180. Net adjustments to/recoveries on property, plant and equipment	(8)			
190. Net adjustments to/recoveries on intangible assets	(8)			
200. Other operating income (costs)	13			
220. Gains (losses) on equity investments	(93)			
230. Gains (Losses) on tangible and intangible assets measured at fair value				
240. Goodwill impairment				
250. Gains (losses) on disposal of investments				
270. Income tax for the year on continuing operations	(386)			
280. Income (loss) after tax on discontinued operations				
TOTAL INCOME STATEMENT	**1,487**	**902**	**870**	**198**

Gross income	Write-downs	Operating costs	Operating income	Net provisions for risks and charges	Income taxes	Net income (loss) for the period
3,883			3,883			3,883
(2,414)			(2,414)			(2,414)
199			199			199
(703)			(703)			(703)
870			870			870
(15)			(15)			(15)
84			84			84
65			65			65
0	28		28			28
	34		34			34
		(125)	(125)			(125)
	61		61	0		61
		(8)	(8)			(8)
		(8)	(8)			(8)
		13	13			13
	(93)		(93)			(93)
						0
						0
					(386)	(386)
						0
1,971	**29**	**(128)**	**1,872**	**0**	**(386)**	**1,487**

2.2 RECONCILIATION BETWEEN THE RECLASSIFIED INCOME STATEMENT AND BALANCE SHEET AND THE FINANCIAL STATEMENTS - CDP GROUP

In order to ensure consistency between the consolidated financial statements, prepared on an accounting basis and the aggregates presented on an operational basis, the balance sheet and income statement reconciliation statements are shown below.

These reclassifications mainly concerned: the allocation of interest-bearing amounts and non-interest-bearing amounts to specific and distinct items; the revision of portfolios for IAS/IFRS purposes with their reclassification into uniform aggregates in relation to both products and business lines.

Reclassified consolidated balance sheet – Assets

(millions of euro) ASSETS - Balance sheet items	30/06/2022	Cash and cash equivalents and other treasury investments	Loans	Debt securities, equity securities and units in collective investment undertakings	Equity investments	Trading and hedging derivatives	Property, plant and equipment and intangible assets	Other assets
10. Cash and cash equivalents	4,387	4,387						
20. Financial assets measured at fair value through profit or loss	3,565							
a) Financial assets held for trading	269					269		
b) Financial assets designated at fair value	222		222					
c) Other financial assets mandatorily measured at fair value	3,074		133	2,941				
30. Financial assets measured at fair value through other comprehensive income	13,084			13,084				
40. Financial assets measured at amortised cost	361,653							
a) Loans to banks	33,234	17,465	12,772	2,997				
b) Loans to customers	328,419	157,588	106,282	64,549				
50. Hedging derivatives	3,332					3,332		
60. Fair value change of financial assets in hedged portfolios (+/-)	(2,000)							(2,000)
70. Equity investments	26,718				26,718			
80. Reinsurers' share of technical reserves								
90. Property, plant and equipment	41,583						41,583	
100. Intangible assets	12,003						12,003	
110. Tax assets	2,082							2,082
120. Non-current assets and disposal groups held for sale	928							928
130. Other assets	18,016							18,016
TOTAL ASSETS	**485,351**	**179,440**	**119,409**	**83,571**	**26,718**	**3,601**	**53,586**	**19,026**

Reclassified consolidated balance sheet – Liabilities and equity

(millions of euro) LIABILITIES AND EQUITY - Balance sheet items			Funding detail							
		30/06/2022	Funding	Postal Funding	Funding from banks	Funding from customers	Bond Funding	Liabilities held for trading and hedging derivatives	Other liabilities	Provisions for contingencies, taxes and staff severance pay	Total equity
10.	Financial liabilities measured at amortised cost	419,697									
	a) Due to banks	54,858	54,858	1,498	53,360						
	b) Due to customers	324,907	324,907	278,498	30,588	15,821					
	c) Securities issued	39,932	39,932				39,932				
20.	Financial liabilities held for trading	414						414			
30.	Financial liabilities designated at fair value	36	36			36					
40.	Hedging derivatives	1,265						1,265			
50.	Fair value change of financial liabilities in hedged portfolios	1							1		
60.	Tax liabilities	2,801								2,801	
70.	Liabilities associated with non-current assets and disposal groups held for sale	293							293		
80.	Other liabilities	19,777							19,777		
90.	Staff severance pay	191								191	
100.	Provisions for risks and charges	2,862								2,862	
110.	Technical reserves										
120.	Valuation reserves	(128)									(128)
150.	Reserves	13,336									13,336
160.	Share premium reserve	2,379									2,379
170.	Share capital	4,051									4,051
180.	Treasury shares	(322)									(322)
190.	Non-controlling interests	15,874									15,874
200.	Net income (loss) for the period	2,824									2,824
TOTAL LIABILITIES AND EQUITY		**485,351**	**419,733**	**279,996**	**83,948**	**15,857**	**39,932**	**1,679**	**20,071**	**5,854**	**38,014**

Reclassified consolidated income statement

(millions of euro) INCOME STATEMENT - Financial statement items	1st half of 2022	Net interest income	Gains (losses) on equity investments	Net commission income (expense)	Other net revenues (costs)	Gross Income	Profit (loss) on insurance business
10. Interest income and similar income	3,971	3,971				3,971	
20. Interest expense and similar expense	(2,618)	(2,618)				(2,618)	
40. Commission income	233	129		104		233	
50. Commission expense	(736)	(696)		(40)		(736)	
70. Dividends and similar revenues	25		25			25	
80. Profits (losses) on trading activities	87				87	87	
90. Net gain (loss) on hedging activities	65				65	65	
100. Gains (losses) on disposal or repurchase	51				51	51	
110. Net gains (losses) on other financial assets/ liabilities at fair value through profit or loss	(15)				(15)	(15)	
130. Net adjustments/recoveries for credit risk	17						
140. Gains/losses from changes in contracts without derecognition							
160. Net premium income							
170. Net other income (expense) from insurance operations							
190. Administrative expenses	(5,759)						
200. Net accruals to the provisions for risks and charges	(3)						
210. Net adjustments to/recoveries on property, plant and equipment	(894)						
220. Net adjustments to/recoveries on intangible assets	(820)						
230. Other operating income (costs)	8,343						
250. Gains (losses) on equity investments	2,533		2,533			2,533	
270. Goodwill impairment	(47)						
280. Gains (losses) on disposal of investments	8						
300. Income tax for the period on continuing operations	(718)						
320. Income (loss) after tax on discontinued operations	(5)						
330. Net income (loss) for the period	**3,718**	**786**	**2,558**	**64**	**188**	**3,596**	
340. Net income (loss) for the period pertaining to non-controlling interests	894						
350. Net income (loss) for the period pertaining to shareholders of the Parent Company	**2,824**						

Profit (loss) on banking and insurance operations	Net recoveries (impairment)	Administrative expenses	Other net operating income (costs)	Operating income	Net provisions for risks and charges	Net adjustments on PPE and intangible assets	Goodwill impairment	Other	Income taxes	Net income (loss) for the period
3,971				3,971						3,971
(2,618)				(2,618)						(2,618)
233				233						233
(736)				(736)						(736)
25				25						25
87				87						87
65				65						65
51				51						51
(15)				(15)						(15)
	17			17						17
		(5,759)		(5,759)						(5,759)
	62			62	(65)					(3)
						(894)				(894)
						(820)				(820)
			8,343	8,343						8,343
2,533				2,533						2,533
							(47)			(47)
								8		8
									(718)	(718)
								(5)		(5)
3,596	**79**	**(5,759)**	**8,343**	**6,259**	**(65)**	**(1,714)**	**(47)**	**3**	**(718)**	**3,718**
										894
										2,824

2.3 DETAILS OF ALTERNATIVE PERFORMANCE INDICATORS - CDP S.P.A.

In support of the comments on the results for the period, paragraph 4.2.1 of the Report on operations also presents and illustrates the reclassified income statement and balance sheet of CDP S.p.A. A reconciliation between the latter and the Parent Company's financial statements at 30 June 2022 is provided in Annex 2.1, as required in Consob Communication no. 6064293 of 28 July 2006. With a view to providing further information on the Parent Company's performance, the Report on operations contains financial information and a number of alternative performance indicators, including, for example, the Cost/Income ratio and Net impaired loans/net loans to customers and banks. In accordance with the guidelines published on 5 October 2015 by the European Securities and Markets Authority (ESMA/2015/1415), details of the calculation method and the content of the aforementioned measures are provided below.

STRUCTURE RATIOS

Funding/Total liabilities: it measures Total Funding, as shown in the aggregate account (Annex 2.1), against total liabilities, as shown in the financial statements.

Postal Funding/Total Funding: it measures Postal Funding, inclusive of the nominal value of Savings Bonds and Passbook Savings Accounts, interest accrued and premiums on the related options, against Total Funding, as shown in the aggregate account (Annex 2.1).

PROFITABILITY RATIOS

Spread on interest-bearing assets and liabilities: it measures the difference between the return on assets (measured as the ratio of interest income to average interest-bearing assets) and the cost of liabilities (measured as the ratio of interest expense to average interest-bearing liabilities).

Average interest-bearing assets are measured as the average of the end-of-month balances for the reporting period of Cash and Cash Equivalents, Loans to customers and banks and Debt securities, as shown in the aggregate account (Annex 2.1).

Average interest-bearing liabilities are measured as the average of the end-of-month balances for the reporting period of Funding, as shown in the aggregate account (Annex 2.1).

Cost/Income Ratio: it measures the ratio of Operating Costs (sum of staff costs, administrative expenses, depreciation and amortisation, and other operating income and costs) to Gross Income, net of the cost of risk, as respectively shown in the aggregate account (Annex 2.1).

INDEPENDENT AUDITOR'S REPORT

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REPORT ON REVIEW OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Cassa Depositi e Prestiti S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of Cassa Depositi e Prestiti S.p.A. and subsidiaries (the "Cassa Depositi e Prestiti Group"), which comprise the consolidated balance sheet as of June 30, 2022 and the consolidated income statement, consolidated statement of comprehensive income, statement of changes in consolidated equity, consolidated statement of cash flow for the six month period then ended, and the related notes. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of Cassa Depositi e Prestiti Group as at June 30, 2022 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Enrico Pietrarelli
Partner

Rome, Italy
August 5, 2022

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

CERTIFICATION OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

PURSUANT TO ARTICLE 154-*BIS* OF LEGISLATIVE DECREE 58/98

1. The undersigned Dario Scannapieco, in his capacity as Chief Executive Officer, and Pier Francesco Ragni, in his capacity as Manager in charge with preparing the company's financial reports of Cassa Depositi e Prestiti S.p.A., hereby certify, taking into account the provisions of article 154-bis, paragraphs 3 and 4, of legislative decree no. 58 of 24 February 1998:
   - the appropriateness with respect to the characteristics of the company; and
   - the actual application of the administrative and accounting procedures for the preparation of the half-yearly condensed consolidated financial statements at 30 June 2022, during the first half of 2022.

2. The assessment of the appropriateness of the administrative and accounting procedures adopted in preparing the half-yearly condensed consolidated financial statements at 30 June 2022 was based on a process developed by Cassa Depositi e Prestiti S.p.A in line with the CoSO model and CoBIT model (for the IT component), which make up the generally-accepted internal control framework at international level.

3. In addition, it is hereby certified that:
   - 3.1 the half-yearly condensed consolidated financial statements at 30 June 2022:
     - a. have been prepared in compliance with the applicable international accounting standards endorsed by the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
     - b. correspond to the information in the books and other accounting records;
     - c. give a true and fair view of the performance and financial position of the issuer and of the companies included in the scope of consolidation;
   - 3.2 the half-yearly report on operations includes a reliable analysis of the important events which occurred during the first half of the year and their impact on the half-yearly condensed consolidated financial statements, together with a description of the main risks and uncertainties for the remaining six months of the year.

Rome, 5 August 2022

The Chief Executive Officer

Dario Scannapieco

The Manager in charge with
preparing the company's financial reports
Pier Francesco Ragni

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