

# HALF-YEARLY FINANCIAL REPORT 2023

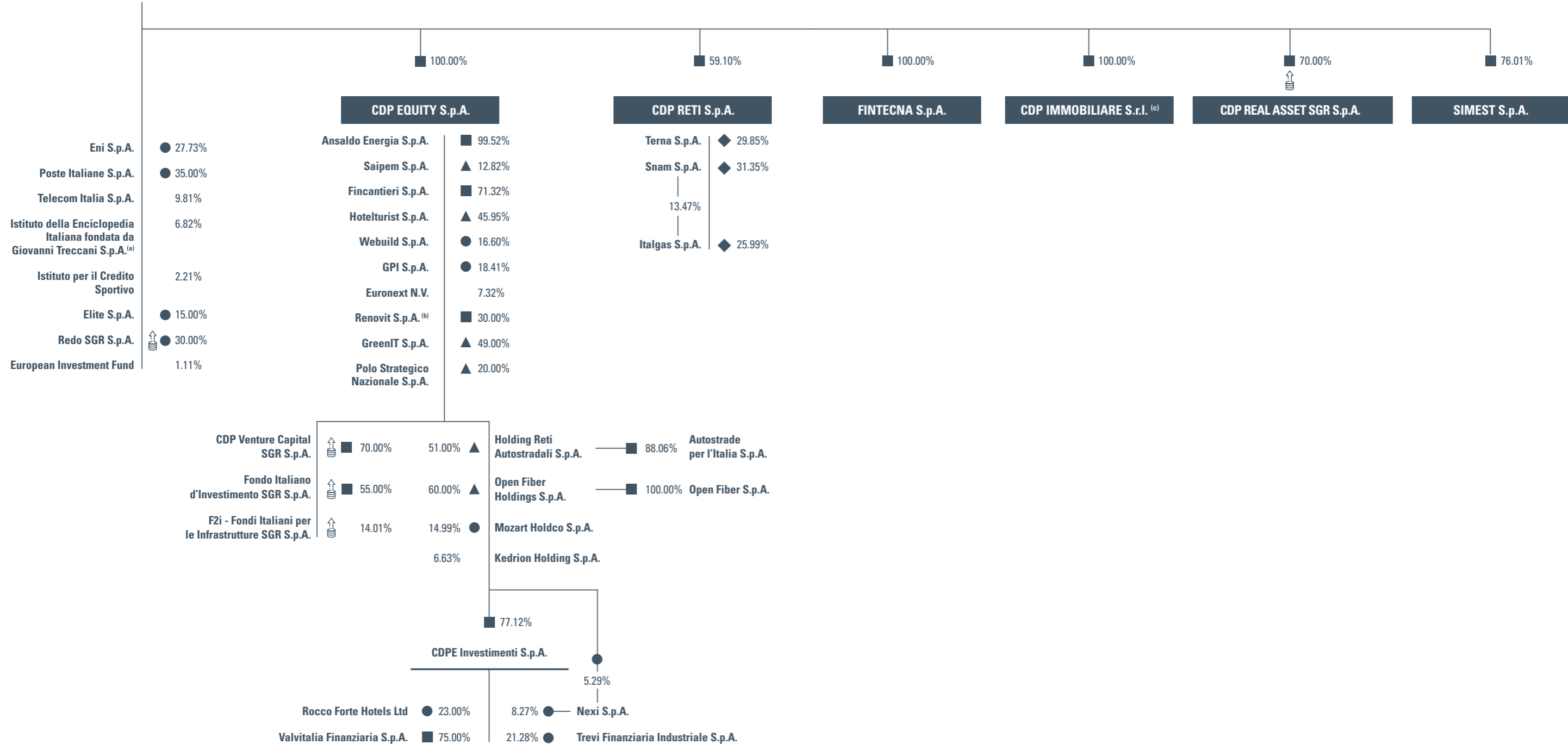
The result  
of Cassa Depositi e Prestiti



A unique Group  
at the service  
of the Country

# GROUP STRUCTURE

at 30 June 2023



## TYPE OF CONTROL / INFLUENCE

- Control
- Significant influence
- ◆ De facto control
- ▲ Joint control

(a) Snam holds a further 1.26%.  
 (b) Snam holds 60.05% of the company.  
 (c) in liquidation.

## FUND MANAGEMENT RELATIONSHIP



## COMPANIES IN LIQUIDATION:

- EPF - Europrogetti & Finanza S.r.l. 31.80%
- Bonafous S.p.A. 100.00%
- Cinque Cerchi S.p.A. 100.00%
- ▲ Quadrifoglio Brescia S.p.A. 50.00%
- ITsART S.p.A. 51.00%
- Pentagramma Romagna S.p.A. 100.00%
- Pentagramma Piemonte S.p.A. 100.00%
- Quadrifoglio Genova S.p.A. 100.00%
- ▲ IQ Made in Italy Investment Company S.p.A. 50.00%

# GROUP STRUCTURE

at 30 June 2023

## INVESTMENT FUNDS

 <b>CDP Venture Capital SGR S.p.A.</b>	70.00% ■ Control	 <b>CDP Real Asset SGR S.p.A.</b>	70.00% ■ Control
82.19% FoF VenturItaly (a) 82.24% Fondo Acceleratori (a) 66.67% Fondo Boost Innovation (a) 100.00% Fondo Evoluzione (a) 92.06% Fondo Technology Transfer - Direct sector (a) 100.00% Fondo Technology Transfer - Indirect sector (a) 66.67% Fondo Corporate Partners I - IndustryTech sector (a) 35.29% Fondo Corporate Partners I - EnergyTech sector (a) 66.67% Fondo Corporate Partners I - ServiceTech sector (a) 60.00% Fondo Corporate Partners I - InfraTech sector (a) 50.00% Fondo Large Ventures (a) 50.00% Fondo di Fondi Internazionale (a)		100.00% Fondo Investimento per la Valorizzazione Extra 100.00% Fondo Investimento per la Valorizzazione Plus 49.32% Fondo Investimento per l'Abitare (FIA) 86.17% Fondo Nazionale del Turismo - Comparto A 100.00% FNAS - Fondo Nazionale Abitare Sociale 100.00% Fondo Sviluppo Comparto A 100.00% Fondo di Fondi Infrastrutture (a)	
 <b>Fondo Italiano d'Investimento SGR S.p.A.</b>	55.00% ■ Control	<b>Other funds</b>	
quote A 66.28% Fondo Italiano Consolidamento e Crescita quote B 38.24% quote A 65.15% Fondo Italiano Tecnologia e Crescita quote B 39.47% quote A 60.42% FoF Private Equity Italia quote C 50.13% 20.83% FoF Fondo Italiano di Investimento 62.50% FoF Private Debt 73.35% FoF Private Debt Italia (a) 76.69% FoF Venture Capital 20.83% Fondo Italiano di Investimento FII Venture 29.63% Fondo Italiano Agritech & Food - FIAF (a) 100.00% FoF Impact Investing (a)		24.93% Fondo AREF II (d) 4.81% Fondo EGO (e) 21.42% Fondo Opes (b) 9.75% Ver Capital Credit Partners SMEs VII 9.10% Fondo October SME IV 20.53% Fondo October SME V 11.77% Fondo Atlante 9.44% Fondo Regio 12.90% Italian Recovery Fund 49.50% Vertis Venture 3 Technology Transfer (c) 36.90% 360 PoliMI TT Fund (c) 48.01% Progress Tech Transfer SLP-RAIF (c) 18.49% Sofinnova Telethon SCA (c) 15.96% Eureka Fund! I - Technology Transfer (c) 14.58% Fondo PPP Italia 32.92% Anima Alternative 2 21.87% HI CresclItalia PMI 16.16% Anthilia BIT III 8.71% Fondo Africinvest IV (d) 17.55% Oltre II SICAF EuVeca S.p.A. (b)	
 <b>Redo SGR S.p.A.</b>	30.00% ● Significant Influence	class A 13.00% Oltre III Italia (b)	
3.62% Fondo Immobiliare di Lombardia - Comparto Uno (formerly Abitare Sociale I)		25.14% Muzinich Diversified Enterprises (f)	
 <b>F2i - Fondi Italiani per le Infrastrutture SGR S.p.A.</b>	14.01%	31.35% Muzinich Diversified Enterprises Credit II SCSp	
quote A 8.05% F2i - Secondo Fondo Italiano per le Infrastrutture quote C 0.02% quote A 4.17% F2i - Terzo Fondo per le Infrastrutture 6.73% F2i - Fondo per le Infrastrutture Sostenibili (a)		33.33% Fondo Magellano	
		33.33% Fondo ENEF II	
		quote A 41.96% Fondo QuattroR	
		quote B 0.21%	
		quote A 35.81% FSI I	
		quote B 0.25%	

## INVESTMENT VEHICLES

14.08%	2020 European Fund for Energy, Climate and Infrastructure SICAV - FIS S.A. (Fondo Marguerite)
9.60%	Marguerite II SCSp (Fondo Marguerite II)
9.99%	Fondo Marguerite III SCSp (a)
quote A 38.92%	Infrared Infrastructure S.A.S. à capital variable (Fondo Infrared)
quote B 1.20%	
9.01%	Connecting Europe Broadband Fund SICAV RAIF
50.00%	EAF S.C.A. SICAR - Caravella (Fondo Caravella)

### NOTES

- (a) Underwritten by CDP Equity S.p.A.
- (b) Fund launched under the Social Impact Italia investment platform; managed and co-investment agreement signed by CDP and EIF, focused on social impact.
- (c) Fund launched under the ITAtch investment platform; managed and co-investment agreement signed by CDP and EIF, focused on technology transfer funds.
- (d) Figures at 31.03.2023.
- (e) Figures at 31.05.2023.
- (f) Previously Springrowth - Fondo di credito diversificato.



Company with fund relationship management.



HALF-YEARLY  
FINANCIAL  
REPORT  
**2023**



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# 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.



# 2023 MAIN INDICATORS

## CDP Group

TOTAL ASSETS

**468.8**  
bn euro

POSTAL FUNDING (\*)

**281.7**  
bn euro

RESOURCES DEPLOYED

**11.5**  
bn euro

CONSOLIDATED NET EQUITY

**40.2**  
bn euro

EQUITY INVESTMENTS

**27.4**  
bn euro

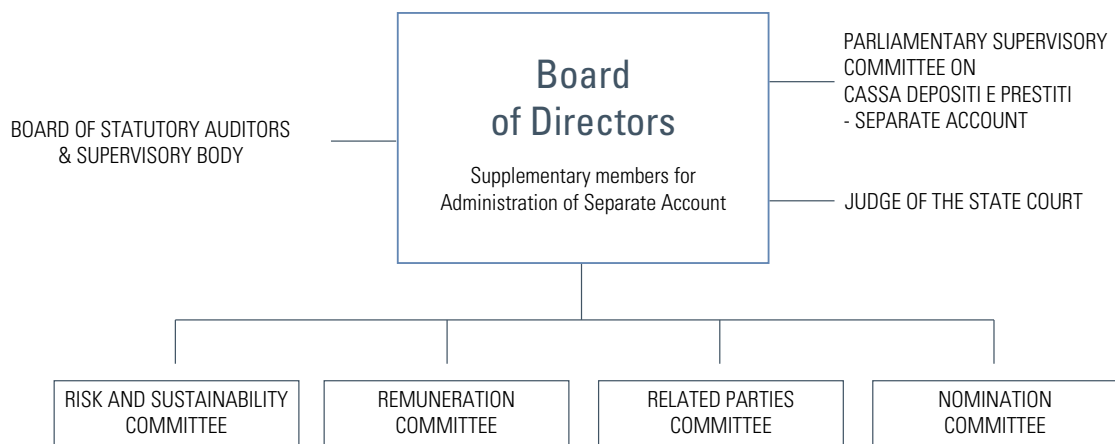
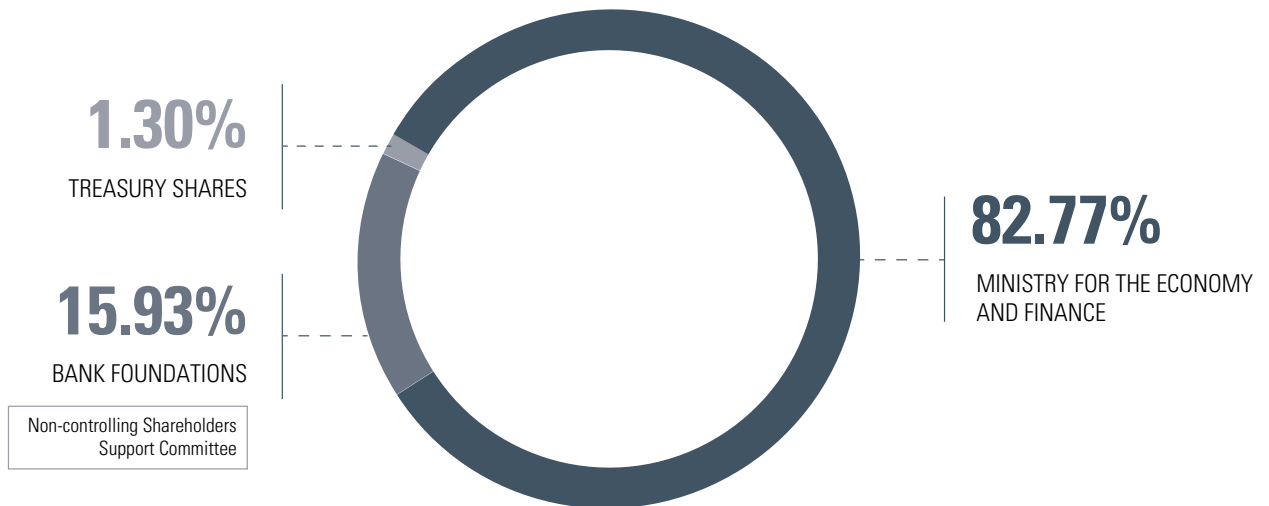
GROUP EQUITY

**24.2**  
bn euro

CONSOLIDATED NET INCOME

**2.8**  
bn euro

# COMPANY BODIES, OFFICERS AND GOVERNANCE





# CORPORATE BODIES AT 30 JUNE 2023

## BOARD OF DIRECTORS

### Chairman

Giovanni Gorno Tempini

### CEO and General Manager

Dario Scannapieco

### Directors

Livia Amidani Aliberti  
 Francesco Di Ciommo<sup>(1)</sup>  
 Anna Girello Garbi  
 Fabiana Massa Felsani  
 Giorgio Righetti<sup>(2)</sup>  
 Alessandra Ruzzu  
 Giorgio Toschi

## BOARD OF STATUTORY AUDITORS<sup>(3)</sup>

### Chairman

Carlo Corradini

### Auditors

Franca Brusco  
 Mauro D'Amico  
 Patrizia Graziani  
 Davide Maggi

### Alternate Auditors

Anna Maria Ustino  
 Giuseppe Zottoli

## PARLIAMENTARY SUPERVISORY COMMITTEE ON CASSA DEPOSITI E PRESTITI - SEPARATE ACCOUNT<sup>(4)</sup>

### Chairman

Sestino Giacomoni<sup>(5)</sup>

### Members

Nunzio Angiola<sup>(6)</sup>  
 Gian Pietro Dal Moro  
 Raffaele Trano  
 Alberto Bagnai  
 Roberta Ferrero  
 Vincenzo Presutto  
 Cristiano Zuliani  
 Luca Cestaro (Administrative Court)  
 Carlo Dell'Olio (Administrative Court)  
 Luigi Massimiliano Tarantino (Council of State)  
 Mauro Orefice (Italian Court of Audit)

<sup>(1)</sup> Appointed on office on 21 April 2023 in substitution of Fabrizia Lapecorella, ceased from office on 3 Aprile 2023.

<sup>(2)</sup> Appointed on office on 15 February 2023 in substitution of Matteo Melley, ceased from office on 1 December 2023.

<sup>(3)</sup> 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.

<sup>(4)</sup> *In prorogatio*, until the appointment will be made by the XIX<sup>th</sup> legislature.

<sup>(5)</sup> Resigned on 16 January 2023.

<sup>(6)</sup> Resigned on 22 December 2022.

**NON-CONTROLLING SHAREHOLDERS  
SUPPORT COMMITTEE****Chairman**

Giovanni Quaglia

**Members**

Konrad Bergmeister  
 Marcello Bertocchini  
 Michele Bugliesi  
 Francesco Caia  
 Paolo Cavicchioli<sup>(7)</sup>  
 Cristina Colaiacovo  
 Giovanni Fosti<sup>(8)</sup>  
 Giuseppe Toffoli  
 Maria Teresa Cucco (Secretary)

**INDEPENDENT  
AUDITORS**

Deloitte &amp; Touche S.p.A.

**SUPPLEMENTARY MEMBERS  
FOR ADMINISTRATION  
OF SEPARATE ACCOUNT**

*(Art. 5.8, Decree Law 269/2003 and art. 7, para 1, letters  
 c), d) and f) of Law 13 May 1983, no. 197)*

Director General of the Treasury<sup>(9)</sup>  
 State Accountant General<sup>(10)</sup>  
 Paolo Calvano  
 Antonio Decaro  
 Michele de Pascale

**MANAGER IN CHARGE  
WITH PREPARING THE COMPANY'S  
FINANCIAL REPORTS**

Fabio Massoli

**JUDGE OF THE ITALIAN  
COURT OF AUDIT<sup>(11)</sup>**

*(Art. 5, para 17, Decree Law 269/2003)*

**Holder**Carlo Alberto Manfredi Selvaggi<sup>(12)</sup>**Alternate**

Luigi Caso

<sup>(7)</sup> Resigned from office on 25 May 2023.

<sup>(8)</sup> Resigned from office on 9 May 2023.

<sup>(9)</sup> Riccardo Barbieri Hermitte appointed on office on 23 January, in substitution of Alessandro Rivera.

<sup>(10)</sup> Pier Paolo Italia, delegate of the State Accountant General.

<sup>(11)</sup> Attends meetings of the Board of Directors and the Board of Statutory Auditors.

<sup>(12)</sup> Resigned from office on 4 May 2023.

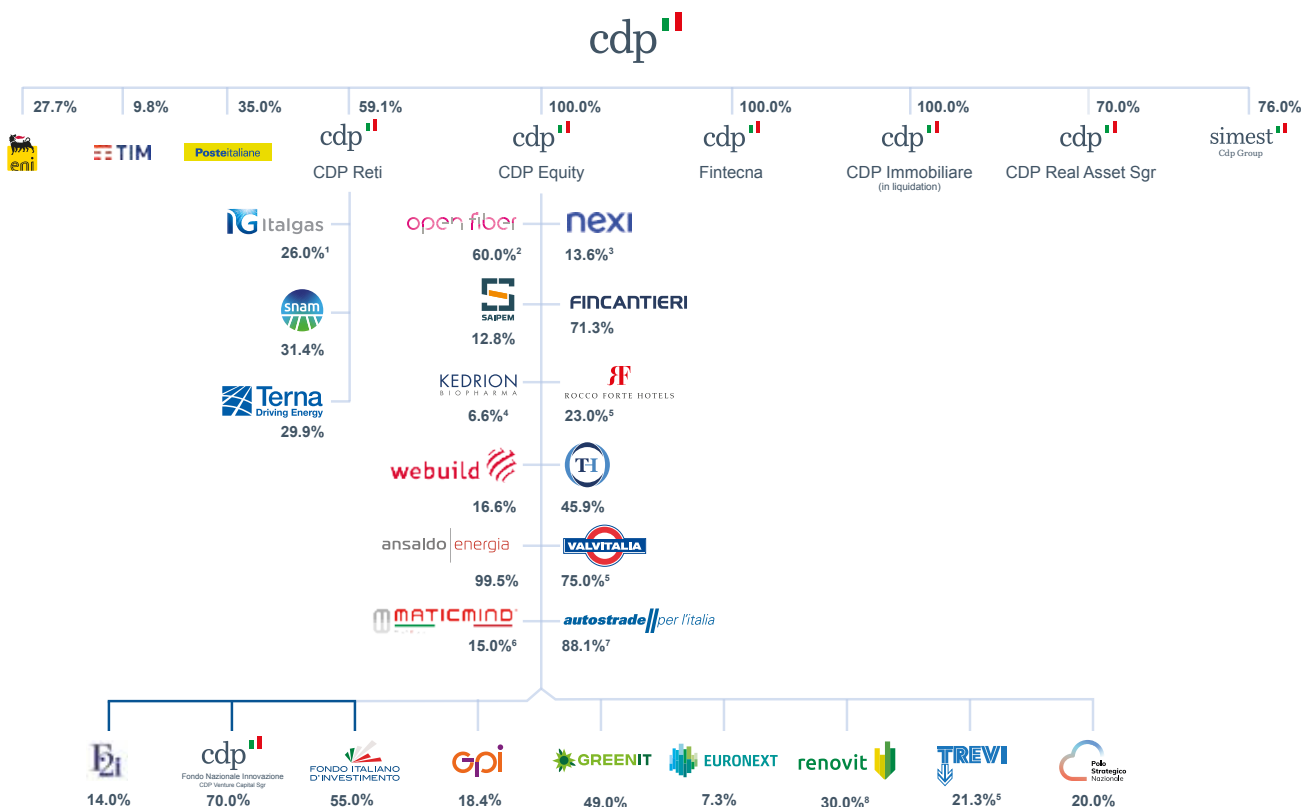
# 1 HALF-YEARLY REPORT ON OPERATIONS

- 1. CDP Group*
- 2. Market context*
- 3. The 2022-2024 Strategic Plan*
- 4. CDP Group's activities*
- 5. Disclosure on the half-yearly non-financial report of the CDP Group*





# 1. CDP GROUP



## CDP GROUP INVESTMENTS AT 30.06.2023 (NON-EXHAUSTIVE REPRESENTATION)

- Snam holds an additional 13.5% in Italgas.
- CDP Equity holds a 60% stake in the vehicle Open Fiber Holdings, which owns 100% of the share capital of Open Fiber.
- Participation held through CDPE Investimenti by 8.3% and further 5.3% held through CDP Equity.
- CDP Equity holds a 6.6% stake in Kedrion Holding, which indirectly holds 100% of Kedrion's share capital, Parent company of the Paneuropean group following the acquisition of Bio Products Laboratory.
- Participation held through CDPE Investimenti, of which CDP Equity is the 77.1% shareholder.
- CDP Equity holds a 15% stake in SPV Mozart HoldCo, which holds 100% of Maticmind's share capital, through the company Mozart Bidco.
- Participation held through Holding Reti Autostradali, held by CDP Equity at 51%.
- Snam holds 60.05% of the company.

- #40 enterprises funds
- #9 infrastructures and facilities funds
- #7 real estate funds
- #5 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 (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. As a result, CDP became:
  - the entry point for funding under the Juncker Plan for Italy;
  - the financial advisor to the Public Administration for a more effective use of domestic and European funds;
- 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:

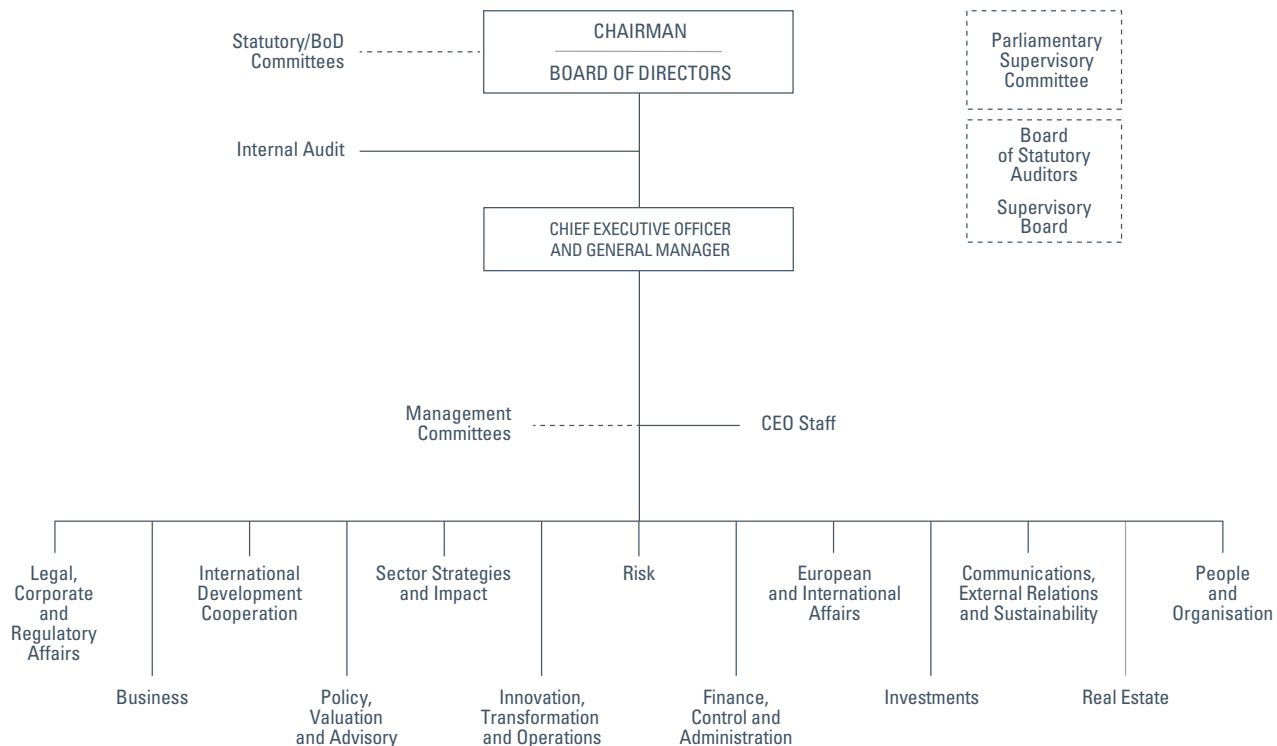
- Chief Executive Officer and General Manager;
- Internal Audit.

The following organisational structures report to the Chief Executive Officer and General Manager:

- Legal, Corporate and Regulatory Affairs;
- Business;
- International Development Cooperation;
- Policy, Valuation & Advisory;
- Sector Strategies & 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 2023, is as follows:



As at 30 June 2023, CDP employed 1,313 people, including 111 senior managers, 701 middle managers, 492 office workers and 9 employees seconded from other organisations.

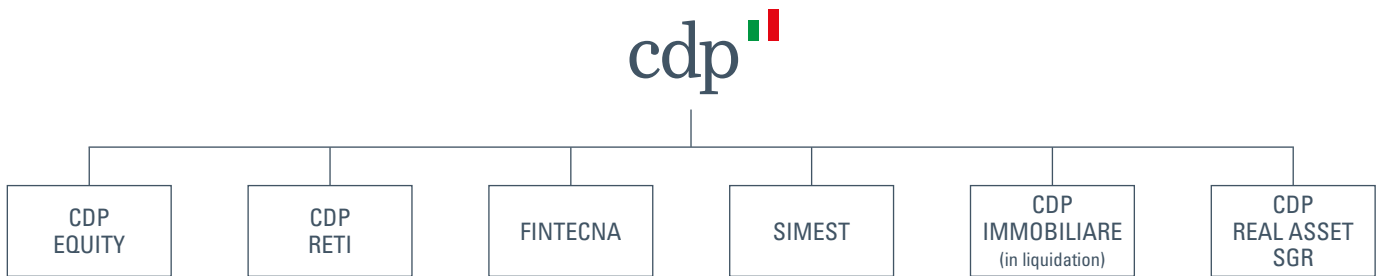
In 2023, CDP employees grew both in terms of number and quality, with 134 new hires against 43 people leaving the organisation.

Compared to 31 December 2022, the average age of employees remained basically unchanged, around 41 years, just as the percentage of employees with a tertiary education (bachelor's or master's degree, doctorate or other post-graduate qualification), which stands at 88%.

The subsidiaries subject to management and coordination by CDP, including the Parent Company, employed 1,861 people at 30 June 2023, with an increase of 6%, or 107 people, compared to the figure at 31 December 2022<sup>1</sup>.

<sup>1</sup> 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 or general 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



### CDP EQUITY S.P.A.

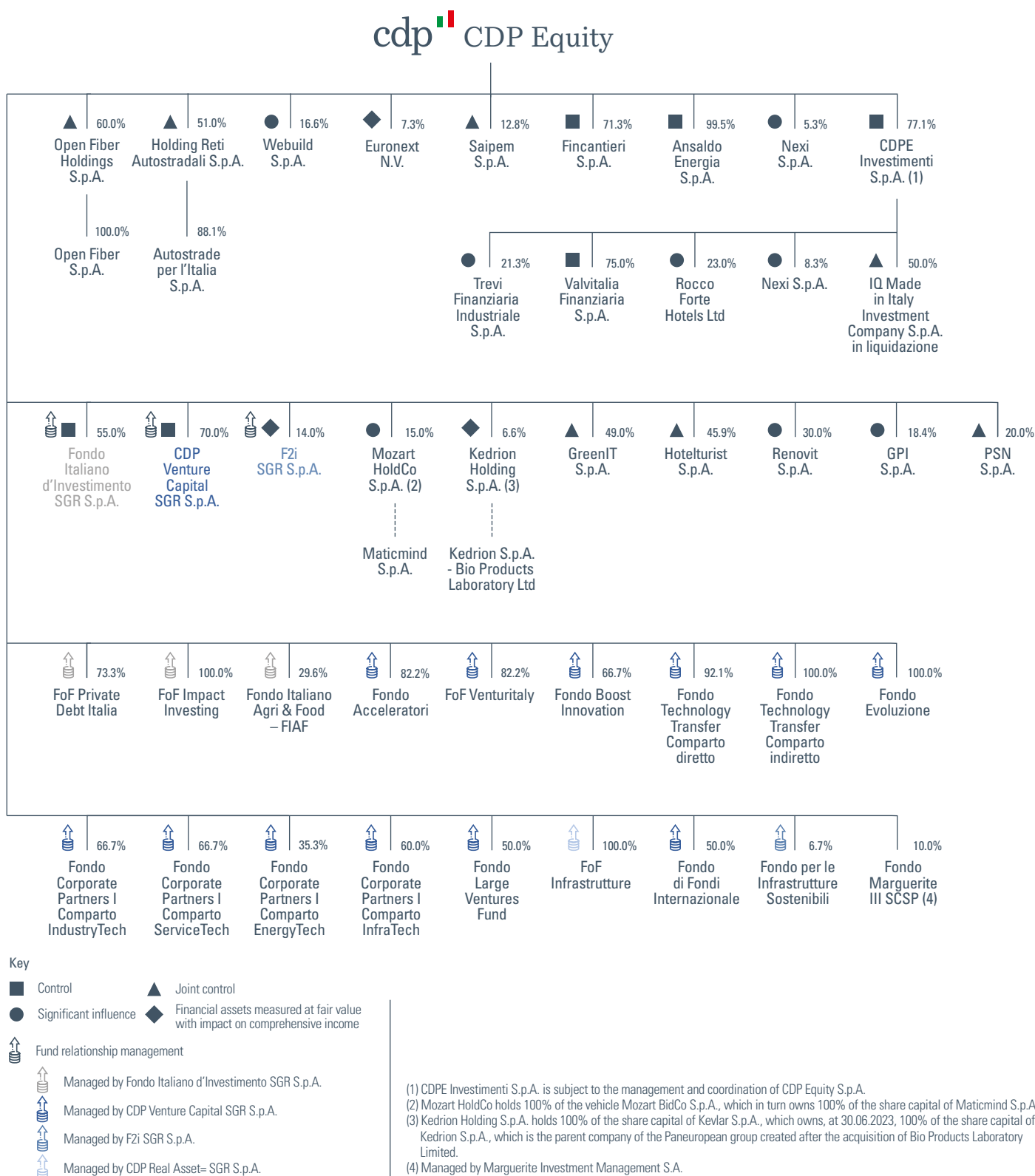
CDP Equity is the company name adopted as of 31 March 2016 by Fondo Strategico Italiano S.p.A., an investment fund established on 2 August 2011 under paragraph 8-bis of Article 5 of Decree-Law 269 of 2003, converted into Law 326 of 24 November 2003, and wholly-owned by CDP.

CDP Equity is engaged in the acquisition of equity investments in “companies of major national interest”, characterised by a stable financial position and sound performance, with adequate profit-generating prospects and significant growth prospects, able to generate value for investors, in accordance with the market economy investor principle.

In 2019, CDP Equity’s operations were further strengthened, by expanding the scope of the investment portfolio also to asset management companies and investment funds. As such, CDP Equity today invests both directly in companies and indirectly through the subscription of funds.



The following chart shows the corporate structure of CDP Equity and its portfolio of investments at 30 June 2023:



At 30 June 2023, CDP Equity employed a total of 86 people, including secondments, 7 people more than the 79 people employed at 31 December 2022.

## 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, (iii) the provision of real estate services to Group Companies following the implementation of the Reorganisation Plan of the Real Estate Area, and (iv) other operations, including support initiatives for the communities affected by the earthquakes in central Italy in 2016.

At 30 June 2023, Fintecna employed 165 people, 72 more than at 31 December 2022, mainly as a result of the transfer of personnel from CDP Immobiliare S.r.l.

## CDP IMMOBILIARE S.R.L. IN LIQUIDATION

Established in 2007 within the Fintecna group, CDP Immobiliare became a direct equity investment of CDP in 2013 as a result of the spin-off of Fintecna's real estate activities. In May 2023, in line with the provisions of the Reorganisation Plan, the liquidation of the company with the concurrent appointment of Fintecna as liquidator took effect. Until the liquidation, the company operated 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 has managed the process of development and disposal of its assets, both directly and through special purpose vehicles set up over time, and to date holds equity investments (subsidiaries and associates) in 6 companies in liquidation.

At 30 June 2023, the company had no personnel as a result of the transfer of resources to CDP Real Asset Sgr and Fintecna.

## CDP REAL ASSET SGR S.P.A.

CDP Real Asset 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).

CDP Real Asset SGR operates in the real estate and securities investment sector, specifically in the promotion, establishment and management of closed-end funds reserved to qualified investors in specific real estate and infrastructure market segments. At 30 June 2023, CDP Real Asset SGR managed the following 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 - Sub-fund A ("FNT - Sub-fund A"), focused on real estate investments in tourism, hotel, hospitality and recreational sectors through (i) Fondo Turismo 1 ("FT1") and (ii) Fondo Turismo 2 ("FT2"), both managed by CDP Real Asset 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 del Turismo – Sub-Fund B (“FNT – Sub-Fund B”), focused on the investment of NRRP resources received from the Ministry of Tourism for tourist sector initiatives of high impact for the local area, through Fondo Turismo 3 (“FT3”);
- Fondo Nazionale dell’Abitare Sociale (“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;
- Fondo Sviluppo, an umbrella fund focused on the purchase and development of real estate assets, also for the purpose of renting out the properties and raising their value through their renovation, restoration and ordinary or extraordinary maintenance, or through their transformation and redevelopment;
- FoF Infrastrutture (“FoF IS”), established in the early months of 2023, with the aim of supporting the development of the Italian infrastructure market through investments in specialist funds with greenfield/revamping components and an ESG focus, favouring the attraction of institutional capital.

At 30 June 2023, the company employed 82 people, 27 more than at 31 December 2022, mainly due to the transfer of resources by CDP Immobiliare S.r.l.

## 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, and 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 2023, the company owned equity investments in SNAM (31.35%), Terna (29.85%) and Italgas (25.99%)<sup>2</sup>.

At 30 June 2023, in line with 31 December 2022, CDP RETI employed 3 people, plus 8 people under part-time secondment from the Parent Company. Moreover, in pursuing its business, the company relies on the operational support of the parent company CDP S.p.A. and of CDP Equity S.p.A. based on service agreements that provide the company with all the skills and services that are necessary for its operations.

## SIMEST S.P.A.

SIMEST is a joint-stock company established in 1991 to promote investments abroad by Italian businesses and provide them with technical and financial support.

As a result of the corporate reorganisation involving CDP and the SACE group, on 21 March 2022 CDP acquired from SACE a 76.005% equity interest in SIMEST, with the remaining share capital distributed across a number of minority shareholders, consisting mainly of banking institutions and investors from the Confindustria system.

The main activities of the company concern:

- Transactions pursuant to Law 100/1990 (equity loan): SIMEST acquires, on market terms and conditions and drawing on its own funding, temporary minority equity investments in companies promoted or invested in by Italian companies, also with the possibility of providing shareholder loans;

<sup>2</sup> On 9 March 2023, 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 499,502 new ordinary shares of the company to the beneficiaries of the Plan (the so-called third cycle of the Plan) and launch the execution of the third tranche of the capital increase approved by the aforementioned Shareholders’ Meeting, CDP RETI’s equity investment in ITALGAS went from 26.01% to 25.99%.



- Public funds<sup>3</sup>: SIMEST manages the following public funds under the specific provisions of laws and agreements signed with the MAECI:
  - Fund 295/73 to support export finance initiatives and the international expansion of Italian business;
  - Fund 394/81 to provide subsidised loans for the international expansion of Italian companies<sup>4</sup>, also within the scope of the National Recovery and Resilience Plan (NRRP);
  - Venture Capital Fund (i) to promote international expansion initiatives by Italian companies through co-investments with SIMEST for the acquisition of equity investments and the provision of shareholder loans, and (ii) to support the international expansion of innovative start-ups and SMEs.

At 30 June 2023, the company employed 212 people, 4 more than at 31 December 2022.

<sup>3</sup> The funds are recognised as off-balance sheet operations of the Italian State and are treated as segregated assets, distinct from the assets of SIMEST.

<sup>4</sup> SIMEST also manages i) a share of the Fondo per la Promozione Integrata, which provides grants as part of the financing package arranged by Fund 394/81 through its subsidised loans, and ii) a share of the Fondo per la Crescita Sostenibile.



## 2. MARKET CONTEXT

### 2.1 MACROECONOMIC SCENARIO

In the first months of 2023, global economic activity showed a gradual improvement compared to the end of 2022, with mixed evidence across geographical areas. Despite the uncertainty linked to the Russian-Ukrainian conflict, commodity prices continued on the downward path that began at the end of the past summer and the interruptions in the value chains eased significantly, as shown by the drop in maritime freight prices. Nevertheless, inflation is proving more persistent than expected, particularly in the core component. This led central banks to further tighten monetary policy and keep policy rates high for longer. Therefore, the global economic outlook for 2023 appears to be deteriorating. According to the latest OECD forecasts<sup>5</sup>, economic growth will reach 2.8% in 2023, slowing from 3.3% in 2022, squeezed by the expected recessionary effects of monetary policies between the second half of the year and the beginning of 2024.

The slowdown in the growth rate will mainly affect the Eurozone (0.9% this year, from 3.5% in 2022), where the erosion of purchasing power caused by inflation and lower imports from the rest of the world, especially from China, are impacting industrial production and will result in a downturn for services. In the US, despite signs of recession (i.e. the inversion in the yield curve for government bonds), GDP continued to grow in the first quarter and the latest data indicate a strong labour market, thus leading towards a soft landing: according to the OECD, US GDP would grow by 1.6% this year (2.1% in 2022). In China, domestic consumption supported the economy at the beginning of the year, but more recent indicators point to a weaker recovery than expected. However, the OECD estimates an annual GDP growth of 5.4%, in line with the government target and higher than 2022 (3.0%).

For Italy, the OECD estimates a GDP growth equal to 1.2% in 2023, revised upwards after the positive performance of the first few months of the year and in line with ISTAT (1.2%)<sup>6</sup> and Bank of Italy (1.3%)<sup>7</sup> forecasts. GDP would be supported by investments that, although far from the growth rates of past years and affected by tight financial conditions, will benefit from implementing the National Recovery and Resilience Plan (NRRP). A modest but positive contribution to growth would come both from private consumption, which, however, is already suffering from weak economic conditions, and from net exports, which, after the negative balance of 2022, would benefit from the increase in exports and lower domestic demand for imports. Risks are tilted to the downside and mostly related to the uncertainty linked to the timing and outcome of the Russian-Ukrainian conflict, as well as the consequences of restrictive monetary policies on the real economy.

The recent liveliness of the Italian economy is reflected in its strong labour market. In the first five months of 2023, growth in employment continued, recording +184 thousand jobs between December and May, with a strong increase in workers with a permanent contract (+187 thousand) and self-employed workers (+54 thousand) and a decrease in fixed-term contracts (-57 thousand). The employment rate and the activity rate, respectively 61.2% and 66.3% in May, are at their highest since 2004, when the survey began, while the unemployment rate (7.6%) is at its lowest since 2009. On the one hand, these numbers confirm the good health of the Italian economy but, on the other, are a consequence of the decline in the working-age population due to demographic trends.

As regards prices, the inflation rate is decreasing in Italy, following a downward trend which began at the end of 2022, driven by lower energy prices. In June 2023, the Harmonised Index of Consumer Prices (HICP) recorded an increase of 6.7% on an annual basis<sup>8</sup>, as a result of changes in the prices of food and household goods and the most recent increases in hospitality and recreation services. Core inflation (i.e. adjusted for energy and fresh food), which central banks are most interested in, is equal to 6.0%, showing

<sup>5</sup> OECD Economic Outlook, June 2023.

<sup>6</sup> ISTAT, The outlook for the Italian economy in 2023-2024, 6 June 2023.

<sup>7</sup> Bank of Italy, Proiezioni macroeconomiche per l'economia italiana (Macroeconomic projections for the Italian economy), 16 June 2023.

<sup>8</sup> ISTAT, Consumer prices (provisional data), 28 June 2023.



a certain persistence that could last for the rest of the year due to continued price increases in the services sector and the possible second-round effects due to wages acceleration.

As regards public finance, the MEF has set a deficit target of 4.5% of GDP for 2023, while the public debt is expected to drop to 142.1% from 144.7% in 2022. In the current context of rising debt costs and, due to inflation, of other items of expenditure (intermediate consumption, pensions, etc.), these targets would be achievable thanks to a better-than-expected macroeconomic framework, the gradual removal of measures to face high energy prices and the contribution of inflation to nominal GDP. However, since General Government borrowing requirement for the first half of 2023 has grown considerably compared to last year, less positive results for Italian public finances cannot be excluded.

## 2.2 BANKING SECTOR AND FINANCIAL MARKETS

In the first half of 2023, the central banks continued the rate hike cycle started in 2022 to bring consumer prices back to the targets. The slow decline in inflation, combined with the need to preserve credibility and keep expectations anchored on prices, is leading to a tighter squeeze than originally expected, with the complication for central banks of having to reconcile the goal of containing inflation with that of safeguarding the stability of the financial system. Significant banking crises (SVB, Credit Suisse, First Republic), though originating in unique situations and managed without consequences on the system, have shone the spotlight on the possible consequences of restrictive monetary policies on banks' financial statements.

Since the beginning of the year, over 70% of central banks have raised the cost of credit. The ECB is among the most active ones, with increases totalling 150 bps in 2023 and 400 bps since the start of the cycle in July 2022. As a result, the 3-month Euribor rate stood at 3.6% at the end of June, from 2.2% at the beginning of the year and -0.2% a year earlier. To strengthen the transmission of the monetary policy to the real economy, the ECB is also draining the broad liquidity injected into the system. Since March, every month about 15 billion securities purchased under the Asset Purchase Programme are not being reinvested, and from July reinvestments will be completely discontinued<sup>9</sup>. In addition, due to both less favourable conditions and the occurrence of the expiry dates, European banks are repaying the funds received in recent years from the ECB in the form of TLTROs.

After 2022, affected by the war in Ukraine and the change in monetary policies, 2023 is marking a decisive recovery in stock prices, in line with what was observed at the end of the previous year. The normalisation of the energy markets and the increased resilience of economies to monetary tightening are boosting investor confidence. At the end of June, the FTSE MIB index showed an increase by about 19% compared to the beginning of the year (-13% in 2022), thus returning to the levels recorded at the beginning of 2022. The S&P500 also recovered (+16% from the beginning of the year) after the significant decline in 2022 (-20%), even though it is slowed down by the banking sector and, in particular, by regional banks. On the other hand, bond markets, which also dropped sharply in 2022, continue to feel the effects of the new rate hikes, especially on the shorter part of the yield curve, which is more sensitive to monetary policy changes. A positive surprise was the Italian 10-year government bond, which, unlike the other 10-year bonds, recorded a yield in line with the levels of the beginning of the year, at around 4%, with a BTP-Bund spread of around 160 bps at the end of June compared to 200 bps at the beginning of the year.

The rate hikes decided by the ECB have important implications for the banking system, which is the main channel for the transmission of monetary policy to the real economy. On the asset side, the increase in borrowing costs, associated with further stricter conditions applied by banks, is having a significant impact on lending. As of April 2023, outstanding loans to the private sector<sup>10</sup> were down 0.5% year-on-year, due to a significant decline in loans to non-financial corporations (-1.9%) and a slowdown in loans to households (+1.4% compared to +4.1% in September 2022). Bank loans to the Public Administration recorded an even greater decline (-5.5% in April compared to a year before). The worsening macroeconomic context, in addition to the difficulties that have arisen in recent years with the pandemic and the energy crisis, has led to a slight increase in net non-performing loans in recent months. They amounted to 15.2 billion euro in April 2023, about 1 billion euro more than at the end of 2022, but far from the peak of November 2015 (88.8 billion euro).

<sup>9</sup> Maturing securities purchased under the PEPP pandemic programme will be reinvested until the end of 2024.

<sup>10</sup> 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.



In terms of bank liabilities, the erosion of deposits due to inflation and their shift to more profitable assets are contributing to the decline in bank deposits (-5.1% in April 2023 compared to 12 months earlier), which are also affected by the liquidity reimbursed by banks to the ECB. The increase in bond issuances (+9.4% on an annual basis in April 2023), after years of strong reduction, is only partially offsetting the decrease in other funding sources and is leading to a rise in the overall cost of funding<sup>11</sup>.

Lastly, in the first half of 2023 the stock of financial assets held by Italian households is estimated<sup>12</sup> to have increased by 7.4% compared to the end of 2022 and amounted to almost 5.3 trillion euro (+0.4 trillion compared to the end of 2022 and above the levels of the end of 2021). The recovery — as for the decline observed in 2022 — is mostly driven by stock prices, while in terms of composition there is a shift in deposits towards bonds and assets under management.

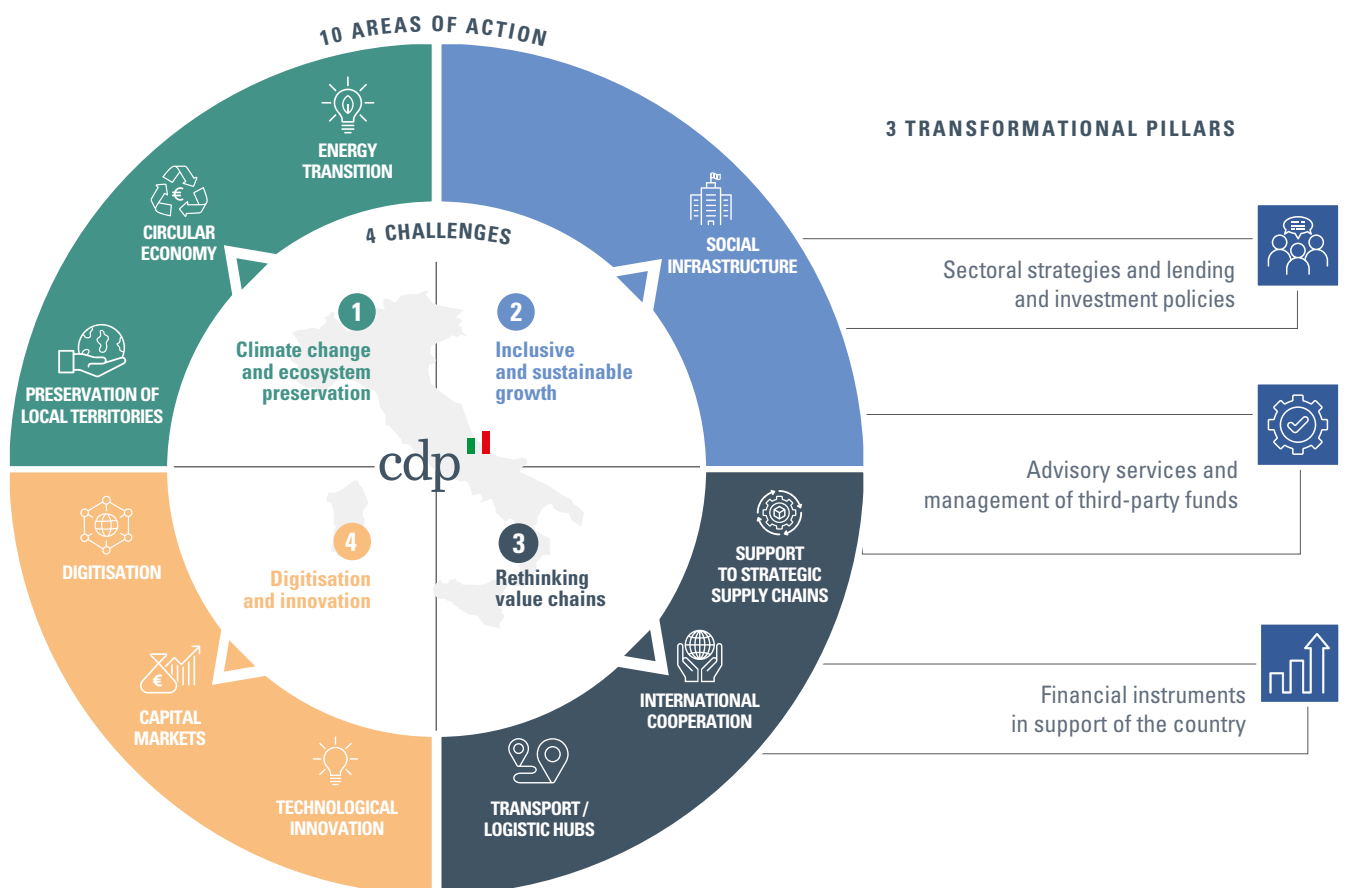
<sup>11</sup> Bank of Italy figures.

<sup>12</sup> Oxford Economics Estimate, second release June 2023.

## 3. THE 2022-2024 STRATEGIC PLAN

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

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 acts 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 (NRRP), for which CDP will provide expertise and financial instruments, with a service approach towards administrations.



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

**1. Sector analysis and impact assessment**, focusing on identifying the gaps to be bridged and on adopting specific financing and investment policies. These strategies and policies provide ex-ante guidance when making decisions and 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. Accordingly, the Plan provides that CDP lending and investment processes will be evolved, integrating the current analysis with engineering, economic and sustainability expertise provided by the “competence centres”, new CDP structures specialised by areas: Urban regeneration and infrastructures, Natural resources, energy and environment, Innovation and digitisation.

**2. Advisory and the management of public national and European funds**, especially for the benefit of the public administration (PA), to facilitate the utilisation of funding 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:** expanding efforts 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 has boosted its technical assessment capacity and enhanced the mechanisms that blend its own and third-party funds. Furthermore, CDP supports companies in international expansion by ensuring a direct commitment through its own funds and developing non-bank lending instruments. Financial instruments, technical assessment, advisory and blending are also functional to reinforcing CDP’s role in the international cooperation sector, in partnership with multilateral development banks.
- **Equity:** adopting a new portfolio management approach. On one side there are the equity investments considered strategic, where CDP retains 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 are based on a crowding-in principle, i.e. the ability to attract resources from other investors.
- **Real estate:** in addition to continuing its commitment to tourism, CDP is focusing on Social, Senior and Student housing, with the aim of generating a significant impact on the territory, also thanks to its partnership with banking foundations. Overall, the management of the real estate portfolio will be based on urban regeneration operations, particularly in Southern Italy, development or direct sales, with principles of transparency and value maximization. Furthermore, the Real Estate area aims to strengthen CDP’s role in the sector, also through a clear distribution of skills and a more rational allocation of the real estate portfolio.

Over the three-year period, 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.

In the last months of 2022, due to the changed geopolitical and macroeconomic context determined in particular by the Russian-Ukrainian conflict, CDP conducted an update of the Strategic Plan with the aim of analyzing the possible implications on CDP's operations, starting from the results achieved in the first twelve months. From the analyses conducted, the overall strategic framework of the Plan, its challenges and objectives, including the target of deployed resources and investments activated, were confirmed, with the identification of some areas to be updated and in some cases new initiatives, in line with the overall framework.

## TOTAL RESOURCES AND INVESTMENTS

2022-2024, billion euro (\*)

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

\* Net of intragroup transactions



## 4. CDP GROUP'S ACTIVITIES

### 4.1 BUSINESS PERFORMANCE

During the first half of 2023, in line with the 2022-2024 Strategic Plan, the CDP Group's operations<sup>13</sup> were structured along three transformational pillars: (i) Sector analysis and impact assessment, (ii) Advisory services and management of public funds and (iii) Financial instruments available to businesses and public administrations in the capacity as Promotional and Development Institution.

#### 4.1.1 SECTOR ANALYSIS AND IMPACT ASSESSMENT

In the first half of 2023, the CDP Group continued along the pathway aimed at defining 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

In the first six months of 2023, the Sector Strategy and Impact Department continued to define and implement the processes necessary for the strategic framework of business initiatives and the monitoring and impact assessment of the actions taken.

In particular, with regard to the financing activity, the work for defining the new processes was completed. All transactions within scope are framed according to the areas of action and the priorities set in the Strategic Plan. In addition, for particularly relevant initiatives, the Strategic Consistency Report is drawn up, containing a specific assessment of the transaction regarding the additional and complementary role played by CDP with respect to the market.

In particular, with regard to the integration of the new transaction assessment processes into the CDP operating model, it is worth noting:

- the activity of framing transactions with respect to the Sectoral Strategic Guidelines across the entire scope of direct loans, including vis-à-vis the Public Administration, defined in line with the CDP Strategic Plan;
- the start of the collection of the expected values of the physical performance indicators concerning financing to the Public Administration;
- the integration within the SDA 2.0 indicator (see next chapter) of the strategic consistency rewarding factor of the financed transactions in order to evaluate the transactions also with a view to compliance with the CDP strategy.

At the same time, the extension of these activities to other relevant scopes of operation such as investments and indirect financing is in the process of being launched and is expected to be completed by 2023.

From the point of view of monitoring and impact analysis, two operational tools have been defined: (i) a set of questionnaires to be administered to counterparties for transactions outside the scope of standard processes (indirect and funds) and (ii) a set of macro-regional input/output tables for macro-economic impact assessments. In addition, a dashboard has been prepared that allows the graphical and summary representation of the monitoring results.

<sup>13</sup> Group means CDP S.p.A. together with CDP Equity, Fintecna, CDP Immobiliare and CDP Real Asset SGR.

During the first half of the year, the Department also collaborated with the other CDP Departments. These include, in particular:

- European and Institutional Affairs, leading the conceptual scoping and the organisation of the “European Young Leaders” Programme; supporting the selection of criteria for the identification of target countries for the opening of CDP’s foreign offices; supporting the approval of the ten-year strategic guidelines of the European Long-Term Investors Association (ELTI); supporting the review of CDP activities as part of the NRRP on some regional territories; participating, through the Department’s actions, in two joint CDP-CEPS events;
- Communications, External Relations and Sustainability, through support for the preparation of the financial statements, dealing with the estimate of the overall impact of CDP’s action for 2022 and the related chapter in the 2022 Integrated Report;
- Policy, Evaluation and Advisory, within the framework of some Action Plans relating to the NRRP, contributing to the implementation of strategic analyses.

In addition, the Department’s publishing and reporting activities continued. More specifically, the following were prepared:

- 5 Briefs on “Waste and Territorial Gaps”, “Critical Raw Materials for the Double Transition”, “Deglobalisation and the Mediterranean”, “Water Availability and Energy Transition”, “Demographic Trends and Workforce: what are the challenges for Italy today and tomorrow?”;
- Report for the impact assessment of the Green Bond issued by the MEF;
- Strategic monitoring report on CDP activities for 2022;
- first 2023 Monitoring Report on CDP activities as part of the NRRP, which contains a section dedicated to the progress of the national NRRP.

Finally, the Department continued to support CDP’s outreach activities, actively participating as a speaker at various events (e.g., the “CDP Roadshow” at the local offices, “Public Administration Roadshow”).

## LENDING AND INVESTMENT POLICIES

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 channel CDP Group funds towards worthy areas, 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, during the first half of 2023 the Policy, Evaluation and Advisory Department (hereinafter “PEA”) continued to guide the Group’s activities in the field of sustainability through (i) the development of the sustainability strategy, (ii) the definition of sustainability policies, and (iii) the strengthening of the evaluation of the actions in terms of ex-ante expected impact, also looking, where relevant, at the technical and economic quality of the supported project.

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

- the approval by the Board of Directors of the first target for reducing the carbon footprint related to the portfolio of direct loans to the private sector, in collaboration with the Business and Finance, Control and Administration Departments. The emission intensity reduction target complements the ESG Plan approved in 2022, representing a further step to effectively promote the green transition;
- the approval of another two steering policies, in line with the objective of identifying CDP as a policy-driven organisation and with the commitments undertaken in the ESG Plan. The CDP policy-making process involved all the internal people of reference for each topic, as well as formal talks organised with sustainability experts and representatives of civil society, with a view to ensuring transparency and ongoing stakeholder engagement. The Sustainability Framework, which represents the reference framework for the integration and management of sustainability within the CDP Group along the entire value chain, was also updated. In particular, the Board of Directors approved:
  - the Transport Sector Policy, which identifies the focus areas, limitations and exclusions for CDP lending and investment operations relating to road transport, rail transport and fixed installations, transport by sea and inland waterways and air transport, differentiating between the areas relating to (i) the building of infrastructure; (ii) the construction of vehicles (excluding the production of components); and (iii) the provision of transport services;



- the Stakeholder Grievance Mechanism Policy, which aims to define and communicate the criteria for dealing with any grievances from civil society, relating to the current or potential negative environmental and social impacts, produced by the projects financed by CDP within the International Cooperation and Development Finance Area, thereby improving the impact of the transactions for which CDP's financial support is required, reducing the related risks and promoting the accountability of CDP's action.
- the updating of the Sustainable Development Assessment (SDA) rules for assessing the sustainability impact of lending operations, whose roll-out was started up in January 2023 and will be progressively extended to the full scope of application, with the objective of improving CDP's decision-making process by meeting market needs, in addition to encouraging the construction of a portfolio that delivers both financial returns and high positive ESG impacts;
- the start of the technical-economic assessments of the projects that can be financed by CDP on the basis of the SDA Model, including the contribution of the Competence Centres for specific thematic areas.

In addition to the above, the Policy, Evaluation and Advisory Department contributes to the development of strategic infrastructure, energy, digitalisation and 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.

Finally, with the aim of managing the activities aimed at creating an ecosystem for the exchange of best practices on sustainability issues for the Group and promoting their leveraging at company level, the PEA Department, in coordination with the other Departments, took care of the participation in numerous ESG-related working groups at international, European and national levels. Among the most important working groups is the "Platform on Sustainable Finance" of the Directorate-General for Financial Stability, Financial Services and Capital Markets Union (DG FISMA) of the European Commission, in which the PEA Department participates, as an Observer, in collaboration with the European and International Affairs Department. CDP is the only National Promotional Institution to participate in this Platform, which has 57 members and involves important European institutions, such as the EIB.

#### 4.1.2 ADVISORY SERVICES AND MANAGEMENT OF PUBLIC FUNDS

In the first half of 2023, the CDP Group continued its advisory work for the implementation of investments and the management of mandates on public funds.

##### ADVISORY

Led by the Advisory structures, sector-specific Competence Centres<sup>14</sup> and other support units, in the first half of 2023 the CDP Group continued its support to the roll-out of programmes and projects of strategic importance, especially in the infrastructure sector, by providing advisory services to the Public Administration for the planning, engineering and implementation of public investments.

In line with the guidelines of the Strategic Plan and within the regulatory framework set out by the CDP-MEF Framework Agreement signed on 27 December 2021, advisory operations in the first half of 2023 focused on assisting general government entities in planning, identifying, implementing and monitoring NRRP initiatives.

In this context, at 30 June 2023, CDP had signed 14 Action Plans for the current year in support of as many central administrations responsible for investments under the NRRP, all of which were rolled out in the half-year and aimed at supporting the implementation of over 90 measures.

In the first half of 2023, the support action for public bodies in the implementation of investments, mainly concerning infrastructure, outside the framework of the NRRP, continued through technical, administrative, economic and financial advisory services, now also extended to Public-Private Partnerships. At 30 June 2023, more than 100 advisory projects were underway, mainly in the sectors of

<sup>14</sup> The Advisory Area and the competence centres are organisational units within the CDP Policy, Evaluation and Advisory Department.



school building, healthcare building, public sector construction, port infrastructure, local public transport (LPT), road infrastructure and urban regeneration.

The latter scope of activity was mainly part of the agreement signed in July 2022 between CDP, the first national promotional institution in Europe to become a Partner of the Advisory Hub of the InvestEU programme, and the European Commission, which provides for the disbursement of an economic contribution by the Commission for the costs incurred by CDP on projects. Under this agreement, CDP can offer advisory services to contribute to the planning and implementation of major investments in public and social infrastructure and sustainable development for promoters of projects of public interest and strategic relevance.

## MANAGEMENT OF PUBLIC FUNDS

In line with the 2022-2024 Strategic Plan, with a view to reinforcing its partnership with the Public Administration, in the first half of the year, the CDP Group continued the management of public mandates on third-party funds.

In particular, the Public Administration Area carried out the activities related to the management of the following mandates:

- from the Ministry of University and Research the mandates relating to: (i) the Notice for Student Housing - NRRP<sup>15</sup> for the creation of beds for university students and (ii) the University Halls of Residence Fund<sup>16</sup> for the construction of halls of residence for university students, in relation to which resources of approximately 21 million euro were earmarked in the half-year;
- from the Ministry of Culture the mandates relating to: (i) the Notice for the Enhancement of Rural Architecture – NRRP<sup>17</sup> for the protection and enhancement of architecture and the rural landscape, through the conservation of tangible and intangible heritage assets and the promotion of sustainable heritage-tourism initiatives that value local traditions and heritage, in relation to which about 33 million euro were allocated in the half-year, and (ii) the Culture Fund<sup>18</sup> for the promotion of investments for the protection, conservation, restoration, use, enhancement and digitisation of the country's tangible and intangible cultural heritage;
- from the Ministry of Infrastructure and Transport, the mandates relating to: (i) the Local Authority Planning Fund<sup>19</sup> earmarked for around 17 million euro in the half-year for the preparation of projects for the seismic safety, adaptation and/or improvement of public buildings and facilities, and (ii) the Priority Works Planning Fund<sup>20</sup> earmarked for the preparation of feasibility studies of priority infrastructure and installations for the development of the country;
- from the Ministry for the Environment and Energy Security, the mandate relating 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, in relation to which resources amounting to around 12 million euro were earmarked in the half-year.

With regard to mandates for the management of third-party funds assigned to the International Cooperation & Development Finance Department, activities during the first half of the year continued on (i) the set-up of new public funding instruments and (ii) the management of funding under the Revolving Fund for Development Cooperation.

In relation to the set-up of new public funding instruments, activities continued for the launch of the Italian Climate Fund, established by Law 234/2021 (2022 Budget Law), whose funding operations were tasked to CDP under a specific agreement signed with the Ministry for the Environment and Energy Security (MASE), with the preparation of the documentation relating to the Fund's set-up operations required by the reference regulatory framework. The Fund, which has the objective of contributing to the achievement of the targets established in international climate agreements, has total assets of 4.2 billion euro over a five-year horizon and will support, in particular, climate mitigation and adaptation initiatives in the cooperation partner countries, through a plurality of actions: (i) the assumption of venture capital through investment in funds, (ii) the granting of financing directly or indirectly through financial institutions and (iii) the issue of guarantees.

<sup>15</sup> Mission 4 – Component 1 – Reform 1.7 “Reform of student housing legislation and investments in student housing”.

<sup>16</sup> Law 338/2000 (Tender I-IV).

<sup>17</sup> Mission 1 – Component 3 – Investment 2.2 “Protection and enhancement of architecture and the rural landscape”.

<sup>18</sup> Article 184 of Decree Law of 19/5/2020, converted with amendments by Law no. 77 of 17/7/2020.

<sup>19</sup> Article 1, paragraph 1079, of Law No. 205 of 27 December 2017.

<sup>20</sup> Article 202, paragraph 1, point a) of the Italian Code of Public Contracts, pursuant to Legislative Decree no. 50 of 18 April 2016.



In relation to the management of Revolving Fund for Development Cooperation resources, CDP continued the traditional activity of supporting sovereign entities and other public entities of the cooperation partner countries. In this regard, loans totalling 68 million euro were granted to:

- Ethiopia, for support to key sectors of the country, including the agro-industrial (for the development of four agro-industrial parks), water (for the improvement of integrated water management and soil management and support to pastoral and agro-pastoral communities) and coffee sectors;
- Bolivia, for the development of initiatives in the sustainable tourism sector, with positive impacts on reducing poverty indices and improving the living conditions of the local population.

With reference to the Revolving Fund for Development Cooperation, it is also worth noting the definition of the regulatory framework necessary to expand the scope of the Fund to include initiatives to support the venture capital of companies operating in partner countries, with the aim of generating positive repercussions on the economic, social and environmental fabric (see Article 27, paragraph 3, point a of Law no. 125 of 2014).

### 4.1.3 FINANCIAL INSTRUMENTS AVAILABLE TO BUSINESSES AND PUBLIC ADMINISTRATIONS

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

#### 4.1.3.1 LENDING

The lending activity of the CDP Group, in line with the 2022–2024 Strategic Plan, is arranged into six operational lines:

- **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;
- **Public Administration:** through the Public Administration Area, the CDP Group supports public investing activities across the country;
- **Infrastructures:** through the Infrastructures Area, the CDP Group works to support the development of the country's infrastructures;
- **International Cooperation and Development Finance:** through the International Cooperation & Development Finance Department, the CDP Group promotes initiatives capable of generating positive impacts in the cooperation partner countries;
- **Equity:** through the Investment Department, together with the companies CDP Equity and CDP RETI, the CDP Group plays a key role in the country's strategic sectors, through direct and indirect initiatives;
- **Real Estate:** through the Real Estate Department, together with the companies CDP Immobiliare S.r.l. in liquidation and CDP Real Asset SGR, the CDP Group supports the real estate sector with the aim of promoting social cohesion through sustainable and inclusive urban regeneration initiatives, supporting the tourism-hotel sector and creating value from its assets.

Overall, in the first half of 2023, the CDP Group deployed resources amounting to 11.5 billion euro, in line with 2022, which included one-off transactions for a significant amount<sup>21</sup>. In the same period, CDP S.p.A. deployed resources amounting to 11.0 billion euro.

#### Resources deployed broken down by lines of action - CDP Group<sup>22</sup>

(millions of euro; %)	30/06/2023	30/06/2022	Change (+/-)	Change (%)
Lending to enterprises and support for international. expansion	7,078	2,500	4,578	183.1%
Public Administration	740	3,190	(2,450)	-76.8%
Infrastructures	2,760	932	1,829	196.3%
International Cooperation and Development Finance	87	175	(87)	-50.1%
Equity	738	4,629	(3,891)	-84.1%
Real Estate	87	37	50	133.5%
<b>TOTAL</b>	<b>11,490</b>	<b>11,462</b>	<b>28</b>	<b>0.2%</b>

Taking into account the channelling of third-party funding, in the first half of the year, the CDP Group unlocked around 32.4 billion euro of investments in the economy.

#### 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 2023 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 markets.

With reference to direct support to medium and large enterprises, lending activities continued mainly in support of growth initiatives, as well as investments in research, development, innovation and the green economy, also with a view to generating a positive social and environmental impact through the offer of financial solutions tied to ESG values. The main initiatives taken include:

- the granting of a 60 million euro loan to an Italian group, among the global leaders in the supply of solutions for the pharmaceutical sector, to support investments in Italy aimed at creating an innovative production plant, with positive impacts on the environment and employment. The transaction is also linked to the achievement of specific ESG objectives to reduce the environmental impact;
- participation, with a 100 million euro investment, in the subscription of a sustainability-linked bond issued by a leading Italian group operating in the manufacturing industry;
- signing of new direct loans backed by SACE guarantees (“Green Guarantee” and “Garanzia SupportItalia”), 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 or are active in the development of green investment projects.

<sup>21</sup> Resources deployed in the first half of 2022 included, inter alia, 4.2 billion euro for the equity investment in Aspi and 2.1 billion euro for the refinancing of MEF loans to regions.

<sup>22</sup> Resources deployed include the management of third-party funds.



With reference to support for exports and international expansion, the initiatives for the first half of 2023 include:

- participation in a medium/long-term syndicated loan for a total amount of up to 34 million euro, mainly intended to support the construction of a new production site in Canada. The structure of the loan is connected to the achievement of specific ESG performance targets, with reward mechanisms if the expected targets are reached;
- the granting, together with other lending banks, of a loan totalling 345 million euro to a leading operator in the wine-growing sector, aimed at acquiring a majority interest in a US company;
- the granting of loans to foreign counterparties, to support exports of goods and services of Italian enterprises to foreign markets and the related supply chains, which play a strategic role for the Italian economy and are recognised as an excellence of Made in Italy products in the world.

Overall, these operational lines allowed a 30% growth in transactions carried out compared to the first half of 2022, with resources deployed of approximately 3.3 billion euro.

With regard to indirect support through the banking channel, with a focus on SMEs, the main initiatives in first half of 2023 include:

- the operational consolidation of liquidity funds reserved to financial intermediaries intended for SMEs and Mid-Caps, with the pledging of loans, for a total of 1,131 million euro, in particular thanks to funding provided to the banking sector through the Enterprise Platform Fund;
- operations in support of private reconstruction in the areas affected by the 2016 earthquakes, through the Central Italy Earthquake Fund for approximately 611 million euro, up compared to the same period in 2022;
- the resumption of operations involving structured finance initiatives through the finalisation of 3 “Covered Bond” transactions under the Covered Bank Bond Purchase Programme - RMBS for 350 million euro and the subscription of a portion of the senior tranche of an ABS in relation to the SME ABS Purchase Programme for 260 million euro;
- the start of fundraising operations for the SME Guarantee Fund (SME Fund) through the activation of the CDP Special Section and, in particular, operations for 11 Special Sub-sections: 4 relating to credit consortia (Confidi) and 7 to social security funds for professionals and private social security institutions;
- the consolidation of the bilateral activity of bond issue subscriptions and granting of secured loans to leading banking groups and financial intermediaries to support Italian SMEs and Mid-Caps, for a total amount of 1,200 million euro;
- the continuation of the operations of the “Revolving Fund supporting enterprises and investment in research” (FRI), for which, in addition to signing 61 loan agreements for approximately 32 million euro, the approval activity continued, mainly in relation to the measure supporting the Supply Chain Contracts activated in collaboration with the Italian Ministry of Agriculture and Food Sovereignty.

Overall, resources of approximately 3.8 billion euro were deployed through these operations in the first half of the year.

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

- the finalisation of closings for 2 Basket Bond programmes: i) the seventh closing of the Basket Bond Puglia programme, for a total of 7 million euro for the benefit of 3 issuing companies, which aims to facilitate access to credit for SMEs based in Puglia through the granting of medium/long-term financing to support their growth plans and ii) the third closing of the Basket Bond Sella programme, for a total of 3 million euro for the benefit of one issuing company, which supports the investment plans of enterprises located throughout the country originated by Banca Sella;
- the participation of CDP in the new issue programmes called Garanzia Campania Bond II and Basket Bond Lazio to support the growth plans of SMEs in Campania and Lazio through the granting of medium/long-term financing;
- the participation of CDP in a new Basket Bond programme backed by the guarantee issued by the SME Fund to support the investment plans of Italian SMEs and Mid-Caps;
- the subscription, alongside the EIF, of commitments for a total of 65 million euro in 2 Funds: i) 40 million euro in the Anima Alternative 2 Fund, which aims to support SMEs and Mid-Caps through the granting of long-term financing and ii) 25 million euro in the October SME V Fund which, through its digital lending platform, will grant financing to SMEs and Small Mid-Caps with registered offices and/or operational headquarters in Italy, as well as in other EU countries.

With regard to non-financial support to develop human capital and promote the growth of SMEs and Mid-Caps on markets, the main initiatives of the year include the development of the first CDP-ELITE Lounge, a programme developed with Euronext group ELITE I to guide the growth of Italian SMEs. Participation in the initiative will allow companies to (i) develop new skills through training and mentoring activities for top management, (ii) receive support in defining strategic priorities, (iii) access finance tools that are alternative and complementary to traditional ones, and (iv) expand relationships and business opportunities with other companies, advisors and investors, becoming part of the ELITE ecosystem<sup>23</sup>. The programme will be open to 15-30 Italian enterprises selected by CDP and ELITE and will start in December 2023.

Shown below is the stock of loans of the Enterprises and Financial Institutions Area at 30 June 2023. The stock of outstanding debt amounted to 36.4 billion euro, increasing by 5.0% on the figure recorded at the end of 2022, 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 50.3 billion euro, marking an increase by 5.2% on the figure recorded at the end of 2022.

### Enterprises and Financial Institutions – Stock of loans

(millions of euro; %)	30/06/2023	31/12/2022	Change (+/-)	Change (%)
<b>Enterprises</b>	<b>5,844</b>	<b>5,422</b>	<b>422</b>	<b>7.8%</b>
Loans	4,746	4,379	368	8.4%
Securities	1,098	1,044	54	5.2%
<b>Alternative financing</b>	<b>659</b>	<b>733</b>	<b>(74)</b>	<b>-10.1%</b>
Tax credit	291	346	(55)	-15.9%
Basket Bond	368	387	(19)	-5.0%
<b>Financial Institutions</b>	<b>17,809</b>	<b>16,716</b>	<b>1,093</b>	<b>6.5%</b>
Indirect support to enterprises	3,093	2,483	609	24.5%
Residential Real Estate	502	525	(23)	-4.4%
Natural disasters	8,328	7,864	464	5.9%
Financial institutions loans/securities	5,272	5,198	74	1.4%
Other products	614	645	(32)	-4.9%
<b>Export &amp; International financing</b>	<b>12,056</b>	<b>11,770</b>	<b>286</b>	<b>2.4%</b>
Loans	11,942	11,665	277	2.4%
Securities	114	105	9	8.6%
<b>Total outstanding debt</b>	<b>36,368</b>	<b>34,642</b>	<b>1,726</b>	<b>5.0%</b>
Commitments	13,911	13,161	749	5.7%
<b>TOTAL</b>	<b>50,278</b>	<b>47,803</b>	<b>2,475</b>	<b>5.2%</b>

### Public Administration

Through the Public Administration Area, the CDP Group backs public investments 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 2023 financial support activities for Public Entities and the management of public mandates on behalf of the Public Administration continued.

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 through a series of initiatives.

<sup>23</sup> To date, the ELITE ecosystem comprises over 1,400 companies from 23 countries and more than 30 sectors.



In particular, please note the following initiatives for local authorities that involved a total of over 1,000 beneficiaries:

- support to the local authorities of the Emilia-Romagna Region, affected by flooding in May 2023, by postponing payment of loan instalments falling due in 2023, after the repayment due date of each loan, with no additional interest<sup>24</sup>;
- support to local authorities affected by the earthquakes that occurred in the Emilia-Romagna, Lombardy and Veneto Regions in May 2012 and in central Italy in 2016-2017, by postponing payment of loan instalments falling due in 2023, with no additional interest and with the same procedures envisaged for the similar initiative of the Ministry of the Economy and Finance referred to in Article 1, paragraphs 767 and 745, of Law no. 197 of 29 December 2022;
- the renegotiation of loans granted to Municipalities, Provinces and Metropolitan Cities aimed at financially supporting the entities and allowing the release of resources useful to face the current economic emergency following the significant increase in energy and commodity prices. More specifically, approximately 30,000 loans, for a total outstanding debt of approximately 7.3 billion euro, were renegotiated with around 800 local authorities, enabling them to save approximately 320 million euro in the period 2023-2024.

In support of other public-law entities and bodies, it is worth noting, in particular, the granting of loans (i) in the healthcare sector to the Rizzoli Orthopaedic Institute of Bologna and the Local Health Unit of Piacenza, (ii) in the transport sector to Strutture Trasporto Alto Adige and (iii) in the port and (iv) water sectors to Consorzio dei Comuni del bacino Imbrifero Montano della Dora Baltea.

In addition, during the first half of 2023, the partnership with the European Investment Bank continued with a view to maximising access to European funding and stimulating public and private investment, with close attention placed on achieving ESG goals. More specifically:

- CDP and the EIB group entered into a 50 million euro funding agreement aimed at granting a loan to Autorità di Sistema Portuale del Mar Tirreno Centro Settentrionale for the extension of the breakwater, the dredging of new basins and the improvement of rail access to the port of Civitavecchia and the start of the construction of the new commercial port of Fiumicino;
- CDP launched a new product (Prestito Investimenti Green BEI) dedicated to local authorities, public entities and public-law bodies to support green investments aimed at promoting sustainable mobility, improving energy efficiency in buildings, protecting the environment against future climate shocks and renovating and improving the management of plants in the water sector. The new product involves total funds for 200 million euro and relies on a specific 100 million euro funding agreement with the EIB group.

With reference to the management of public mandates, CDP continued to support Central and Regional Administrations in the management of the different phases of the tenders that govern the allocation of public funds, also as part of the NRRP, deploying over 200 million euro in relation to five funds managed by CDP, as described in more detail in paragraph 4.1.2.

Shown below is the stock of loans of the Public Administration Area at 30 June 2023. The stock of outstanding debt amounted to 74.7 billion euro, down by 0.9% on the figure recorded at the end of 2022. The total stock of residual debt and commitments amounted to 79.7 billion euro, showing a decline of 1.7% on the figure recorded at the end of 2022.

<sup>24</sup> The transaction followed up on a similar initiative by the Ministry of the Economy and Finance, in accordance with Law-Decree no. 61 of 1 June 2023.

**Public Administration – Stock of loans**

(millions of euro; %)	30/06/2023	31/12/2022	Change (+/-)	Change (%)
Local authorities	25,112	24,705	407	1.6%
Regions and autonomous provinces	25,260	25,663	(403)	-1.6%
Other public entities and public - law bodies	1,629	1,655	(26)	-1.6%
Government	22,653	23,305	(652)	-2.8%
<b>Total outstanding debt</b>	<b>74,655</b>	<b>75,328</b>	<b>(673)</b>	<b>-0.9%</b>
Commitments	5,015	5,691	(677)	-11.9%
<b>TOTAL</b>	<b>79,669</b>	<b>81,019</b>	<b>(1,350)</b>	<b>-1.7%</b>

**Infrastructures**

Through the Infrastructures Area, the CDP Group supports the development of national infrastructure by channelling funding to operators in the sector.

In line with the 2022-2024 Strategic Plan, during the first half of 2023, support for infrastructures was further stepped up, targeting in particular the motorway, rail and energy sectors, increasing, compared to the same period of the previous year, both the volumes and the number of deals concluded through project finance & structured loan transactions, corporate loans, subscription of bonds and the issue of contractual guarantees, in compliance with the principles of additionality and complementarity with the market.

With reference to project finance & structured loan transactions, these included: (i) the participation of CDP in a transaction with the EIB and SACE in the motorway sector for a total amount of 750 million euro, through a 375 million euro loan to a concession holder operating in the north-east of the country for the expansion of a strategic motorway artery for connections with continental and eastern Europe and (ii) the granting of a 500 million euro loan, in partnership with SACE, aimed at supporting the implementation of an investment plan of almost 1 billion euro on the motorway sections managed in the north-west of the country by the new concession holder.

With reference to the transactions carried out through corporate loan instruments, CDP granted loans to support the investment plans of companies operating in the electricity and gas production and distribution and local public transport sectors. In particular, these included: (i) the granting of a 300 million euro project-specific loan intended to support investments for the construction of a new gas pipeline that will increase gas transmission capacity throughout the country, (ii) the granting of a 100 million euro loan for the benefit of a company operating in the production of energy, for investments related to the development of new renewable wind and photovoltaic capacity and (iii) the granting of a 50 million euro loan, within the European Connecting Europe Facility programme, aimed at the construction of a network of charging stations for electric vehicles.

Transactions carried out through bond subscriptions included the participation in a public issue aimed at supporting the investment plan of a leading railway operator.

Finally, with reference to transactions involving the issue of contractual guarantees, CDP issued, in the interest of construction consortia owned by leading Italian contractors, approximately 890 million euro of advance guarantees to a leading railway operator for contracts for the construction of railway lines, mainly High Speed/High Capacity, included in the National Recovery and Resilience Plan.

Shown below is the stock of loans of the Infrastructures Area at 30 June 2023. The stock of outstanding debt amounted to 9.9 billion euro, increasing by 1.2% on the figure recorded at the end of 2022, 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 16.4 billion euro, marking an



increase by 9.5% on the figure recorded at the end of 2022.

### Infrastructures – Stock of loans

(millions of euro; %)	30/06/2023	31/12/2022	Change (+/-)	Change (%)
Loans	5,832	5,900	(69)	-1.2%
Securities	4,021	3,832	189	4.9%
<b>Total outstanding debt</b>	<b>9,852</b>	<b>9,732</b>	<b>120</b>	<b>1.2%</b>
Commitments	6,524	5,227	1,297	24.8%
<b>TOTAL</b>	<b>16,377</b>	<b>14,960</b>	<b>1,417</b>	<b>9.5%</b>

## INTERNATIONAL COOPERATION AND DEVELOPMENT FINANCE

Through the International Cooperation & Development Finance Department, the CDP Group supports initiatives with a positive impact in target countries, with the aim of promoting their long-term economic and social growth through a broad range of financial instruments in favour of public and private counterparties, drawing on both the Group's funds and third-party funding.

During the first half of 2023, CDP continued its cooperation support in line with the objectives of the 2022-2024 Strategic Plan, also by strengthening the International Cooperation & Development Finance Department. In particular, the main activities concerned: (i) the promotion of initiatives drawing on own funding, (ii) closer partnerships with major national, European and international institutions and (iii) the expansion of the management of third-party funding.

The promotion of initiatives drawing on own funding included:

- support for the investment plans of Italian enterprises, through the signing of a loan agreement aimed at supporting new investments, mainly in Turkey, Mexico and India, for innovation, increasing production capacity and protecting the environment. These investments will have positive impacts in employment and social terms, thanks to the new hires expected along the entire production chain;
- continued support to enterprises operating in Africa and the Western Balkans, through the progressive implementation of the investments made by the equity funds subscribed in previous years (i.e., AfricInvest IV, AREF II and ENEF II). In addition, during the first half of the year, two new investments in private equity funds were approved to support enterprises operating in cooperation partner countries.

Closer partnerships with national, European and international institutions involved:

- the approval within the Western Balkans Investment Framework (WBIF) of the Sustainable Access to Finance for Entrepreneurship (SAFE) initiative, aimed at supporting the financial inclusion of enterprises operating in the Western Balkans together with Banca Etica, followed by the start of negotiations on the contribution agreement under which funds will be transferred from the European Commission to CDP for the implementation of the initiative. In addition, negotiations on the Green Finance for Inclusion (GF4I) initiative continued in this context, with CDP obtaining European grants to promote financial and sustainable inclusion in the Western Balkans;
- the signing of a Memorandum of Understanding (MoU) with the Ministries of Finance of Serbia and Angola, to promote the international expansion of Italian enterprises in the key sectors of the partner countries (e.g., renewable energy, transport infrastructure, agriculture and sustainable manufacturing);
- the signing of a Co-financing Framework Agreement within the Joint European Financiers for International Cooperation (JEFIC), to strengthen synergistic action between the main European public development institutions (i.e., AECID, AFD, BGK and KfW);
- the conclusion of the activities of the European blending project "*Projet de contraste à la migration illégale à travers l'appui au Secteur Privé et à la création d'emplois au Sénégal*" (PASPED), in partnership with the Dakar office of the Italian Agency for Development Cooperation, aimed at facilitating access to credit for local micro, small and medium-sized enterprises and supporting youth entrepreneurship in Senegal. In particular, CDP was the technical-financial advisor to the Senegalese Fund for Priority Investments (FONGIP) in order to improve its risk system and, ultimately, strengthen its key role in the Senegalese



economy;

- the progress of the “Archipelagos” programme, launched in September 2022 and promoted by the EC as part of the External Investment Plan (“EIP”), aimed at promoting access to the capital market by the most dynamic African small and medium-sized enterprises through business training initiatives (to be carried out through a digital platform), networking, and fundraising tools that are alternative to traditional bank financing. The IT architecture of the platform and its training content are being completed and will be made available to users following a dedicated promotional campaign;
- the continuation of negotiations on the three initiatives<sup>25</sup> approved under the EU programme European Fund for Sustainable Development plus (EFSD+), aimed at supporting high-impact initiatives in the areas of renewable energy, sustainable agriculture and financial inclusion.

Finally, during the first half of the year CDP stepped up its role as Italy’s development cooperation institution through (i) the expansion of its work in managing third-party funds, pushing forward with the set-up of the new Italian Climate Fund, established by Law 234/2021 (2022 Budget Law), (ii) the continuation of lending activities drawing on the Revolving Fund for Development Cooperation in favour of sovereign entities, and (iii) the completion of the reference regulatory framework for the new product for the private sector, drawing on the resources of the Revolving Fund for Development Cooperation, provided for by Article 27, paragraph 3, letter a), of Law no. 125 of 2014.

For more details on the management of third-party funds, see the description provided in paragraph 4.1.2.

Shown below is the stock of loans of the International Cooperation & Development Finance Area at 30 June 2023. The stock of outstanding debt amounted to 631 million euro, increasing by 22.8% on the figure recorded at the end of 2022, mainly as a result of the disbursements made during the year. The total stock of residual debt and commitments amounted to 631 million euro, marking a decrease of 5.7% on the figure recorded at the end of 2022.

#### International Cooperation and Development Finance – Stock of loans

(millions of euro; %)	30/06/2023	31/12/2022	Change (+/-)	Change (%)
Loans	631	514	117	22.8%
<b>Total outstanding debt</b>	<b>631</b>	<b>514</b>	<b>117</b>	<b>22.8%</b>
Commitments	0	155	(155)	-100.0%
<b>TOTAL</b>	<b>631</b>	<b>669</b>	<b>(38)</b>	<b>-5.7%</b>

#### EQUITY

In the area of equity investments, CDP Group acts as an investor 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, thus exiting from investments once the set objectives have been achieved, in order to support new initiatives with the capital released.

Specifically, the operations of the CDP Group, through the Investment Department and the Group Companies operating in the sector, 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 specific purpose, which is 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, private debt, venture capital and infrastructure markets.

The equity portfolio of the CDP Group at 30 June 2023 is broken down as follows:

- **Group companies**, functional to acquire and hold equity investments (CDP Equity and CDP RETI) and in carrying out the role of

<sup>25</sup> The Global Green Bonds Initiative (GGBI), Renewable Infrastructure & Sustainable Energy Africa-EU partnership (RISE) and Transforming and Empowering Resilient and Responsible Agriculture (TERA).



“National Promotional Institution” (SIMEST and Fintecna);

- listed and unlisted companies that manage key infrastructure or assets or that operate in strategic sectors for the country (e.g., Eni S.p.A., Poste Italiane S.p.A., TIM S.p.A., Open Fiber S.p.A., Saipem S.p.A., SNAM S.p.A., Terna S.p.A., Nexi S.p.A., Autostrade per l’Italia S.p.A.<sup>26</sup>);
- investment funds and investment vehicles operating:
  - in support of enterprises throughout their entire life cycle, from venture capital (mainly managed by CDP Venture Capital SGR) to private equity and private debt (mainly managed by Fondo Italiano d’Investimento SGR), as well as alternative financing;
  - in the infrastructure sector, to support the creation of new infrastructure and manage existing infrastructure (through CDP Real Asset SGR and European initiatives in partnership with the EIF and with other National Promotional Institutions);
  - in support of International Cooperation and Development Finance;
  - in support of the NPL market.

### Equity investments and funds – Portfolio composition

(millions of euro; %)	30/06/2023	31/12/2022	Change (+/-)	Change (%)
<b>A. Group companies</b>	<b>15,123</b>	<b>14,978</b>	<b>144</b>	<b>1.0%</b>
<b>B. Other equity investments</b>	<b>18,674</b>	<b>18,608</b>	<b>66</b>	<b>0.4%</b>
Listed companies	18,600	18,537	62	0.3%
Unlisted companies	74	71	3	4.5%
<b>C. Investment funds and investment vehicles</b>	<b>2,126</b>	<b>1,993</b>	<b>134</b>	<b>6.7%</b>
<b>TOTAL</b>	<b>35,923</b>	<b>35,579</b>	<b>344</b>	<b>1.0%</b>

In the first half of 2023, CDP Group kept working on managing and improving the performance of its equity investments portfolio, as well as searching for, developing and evaluating new investment opportunities. In particular, the main transactions completed during the period include:

- support to the existing equity investments portfolio, through further investments in Ansaldo Energia S.p.A. (to support the strengthening of the asset structure and financial position), Valvitalia group (to support the strengthening of the asset structure), Trevi Finanziaria Industriale S.p.A. (to support the strengthening of the company’s asset structure and debt restructuring), GreenIT S.p.A. (to support the company’s growth plan, following the objective of fostering the energy transition of the country, in line with the targets of the 2030 Integrated National Energy and Climate Plan) and PSN S.p.A. (to support the comprehensive plan for accelerating the digital transformation of the country, in order to guarantee the security and reliability of data and provide innovative services for the community and businesses);
- the subscription, within the infrastructure market segment, of commitments in the Infrastructure FoF, with the aim of fostering the development of projects with environmental and social purposes (energy and digital transition, circular economy and renewable energy) by catalysing institutional investor funding;
- the subscription, within the venture capital market segment, of commitments in the Large Ventures Fund (in addition to existing commitments) and in the International Fund of Funds, with the objectives of creating a sustainable national venture capital ecosystem and attracting both national and international third-party investments for the progressive development of new segments;
- support to funds in the field of alternative financing and International Development Cooperation, for which reference is made to the relevant paragraphs (i.e., Lending to enterprises and support for international expansion and International Cooperation and Development Finance).

Moreover, the investment activity of the equity funds in which the CDP Group has invested over time also continued in 2023, mainly in support of the private equity, private debt, venture capital and infrastructure markets, as well as International Cooperation and Development Finance.

<sup>26</sup> Investment made through Holding Reti Autostradali S.p.A., an investment vehicle owned by CDP Equity (51%) together with Blackstone Infrastructure Partners (24.5%) and Macquarie Asset Management (24.5%).

## REAL ESTATE

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

The real estate portfolio of the CDP Group at 30 June 2023 is broken down as follows:

- direct equity investments in companies either functional to the Group's mission (mainly CDP Immobiliare S.r.l. in liquidation and CDP Real Asset SGR S.p.A.) or that manage real estate assets in line with the objectives of the CDP Group;
- indirect investments, through investment funds (mainly managed by CDP Real Asset SGR), in support of projects for urban redevelopment, social housing and renovation of tourist facilities, 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; %)	30/06/2023	31/12/2022	Change (+/-)	Change (%)
<b>A. Group companies</b>	<b>245</b>	<b>526</b>	<b>(281)</b>	<b>-53.4%</b>
<b>B. Other equity investments</b>	<b>4</b>	<b>4</b>		<b>0.0%</b>
<b>C. Investment funds and investment vehicles</b>	<b>1,988</b>	<b>1,571</b>	<b>417</b>	<b>26.5%</b>
<b>TOTAL</b>	<b>2,237</b>	<b>2,101</b>	<b>136</b>	<b>6.5%</b>

During the first half of 2023, the main initiatives of the CDP Group in the real estate sector include:

- the continuation of the activities envisaged in the Reorganisation Plan of the Real Estate department of the CDP Group, in line with the guidelines of the 2022-2024 Strategic Plan, with the aim of strengthening its role in the sector through the allocation of the real estate portfolio and activities by dedicated entity (CDP Real Asset SGR for asset and fund management operations and Fintecna for the provision of real estate services and the management of sales processes for non-strategic assets). During the period, among other things, certain assets were transferred from CDP Immobiliare to Fondo Sviluppo and FIV Plus (managed by CDP Real Asset SGR) and the shares thus subscribed in the Funds were distributed to CDP SpA. The business unit of CDP Immobiliare called "Ramo Servizi" (Services Branch), responsible for the provision of real estate services to the other companies of the Group, was then acquired by Fintecna, and the shareholders' meeting of CDP Immobiliare resolved on the liquidation of the company with the consequent appointment of Fintecna as liquidator<sup>27</sup>;
- the conclusion of the market solicitation procedure that led to the identification of a first set of initiatives representing potential investment opportunities for FNAS for the implementation of real estate projects in the field of social housing and infrastructure for education;
- the subscription by FNAS of the iGeneration fund, a national platform that aims to create about 1,800 beds in innovative university residences throughout Italy.

Investing activities continued over the year, with around 86 million euro of investments, alongside the marketing and sale of assets. Among the others we report:

- the activity in support of the hospitality industry through the initiatives and operations carried out by the FT1 and FT2 funds, aimed at the growth and consolidation of operators, through the acquisition of new assets and the continuation of investments in the existing portfolio;
- investments in larger assets characterised by complex urban planning procedures and with a high social impact, including the former Poligrafico dello Stato, Torri dell'Eur and the former Manifattura Tabacchi in Florence, for which the respective redevelopment works continued;
- developments works through the FIV fund, including the substantial completion of the construction site of the former Services Centre in Scandicci, destined to become a logistics hub of the Yves Saint Laurent group;

<sup>27</sup> Liquidation took effect from the date of registration of the resolution in the Companies' Register on 24 May 2023.



- the continuation of the FIA fund's investing activities in support of social housing, through the building of over 600 new social housing units and beds.

#### 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; %)	30/06/2023	31/12/2022	Change (+/-)	Change %
Cash and other treasury investments	152,277	167,266	(14,989)	-9.0%
Debt securities	75,019	66,975	8,044	12.0%
<b>TOTAL</b>	<b>227,296</b>	<b>234,240</b>	<b>(6,945)</b>	<b>-3.0%</b>

The aggregate of cash and cash equivalents and other treasury investments amounted to 152 billion euro at 30 June 2023, down (-9%) on the year-end figure for 2022. 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 141.8 billion euro. The reduction compared to the previous year was mainly due to (i) the financing of CDP's business operations, (ii) the continued reduction in the stock of short-term investments and funding implemented in response to the new interest rate scenario and (iii) the increase in the investment securities (HTC) portfolio in order to support future earnings, while maintaining a form of assets that can be easily liquidated and used as collateral for repurchase agreement transactions.

The securities portfolio at 30 June 2023 amounted to 75 billion euro, marking an increase on the figure at the end of 2022 (+12%) due to growth of the Held to Collect ("HTC") portfolio. This trend was the result of the purchases made in the half-year in the light of the aforementioned portfolio strategy, with a view to investing and stabilising CDP's gross income. Overall, the portfolio continues to be mainly composed of Italian government securities.

#### POSTAL FUNDING

Postal savings constitute a major component of household savings, representing approximately 6% of the total financial assets of Italian households at the end of the first quarter of 2023.

##### CDP stock of postal savings

(millions of euro; %)	30/06/2023	31/12/2022	Change (+/-)	Change %
Postal savings bonds	191,522	190,164	1,359	0.7%
Passbook accounts	90,160	90,854	(693)	-0.8%
<b>TOTAL</b>	<b>281,683</b>	<b>281,018</b>	<b>665</b>	<b>0.2%</b>

##### Postal savings bonds and passbook savings accounts – Changes in CDP stock

(millions of euro)	31/12/2022	Net funding	Interest	Withholding tax	Transaction costs	Premiums accrued on postal bonds	30/06/2023
Postal savings bonds	190,164	(157)	2,243	(494)	(225)	(8)	191,522
Passbook accounts	90,854	(777)	85	(2)	(0)		90,160
<b>TOTAL</b>	<b>281,018</b>	<b>(934)</b>	<b>2,328</b>	<b>(496)</b>	<b>(225)</b>	<b>(8)</b>	<b>281,683</b>

Note: the item "transaction costs" includes the distribution fee on the subscriptions of Buono Ordinario, Buono 4x4, Buono 3x4, Buono 3x2, Buono a 4 Anni Risparmio Semplice, Buono 3 Anni Plus, Buono Rinnova, Buono Soluzione Eredità e Buono Risparmio Sostenibile and the prepayment of the fee for the years 2007-2010. The item "Premiums accrued on postal bonds" includes the separate value of embedded options in bonds indexed to equity indices (Buono Risparmio Sostenibile).

At 30 June 2023, CDP's stock of postal savings totalled 282 billion euro, essentially in line with the end of 2022. Specifically, CDP's stock of postal savings bonds, measured at amortised cost, was 191,522 million euro (+0.7% compared to the end of 2022), while the stock of passbook savings accounts was 90,160 million euro (-0.8% compared to the end of 2022).

### Postal savings bonds and passbook savings accounts – CDP net funding

(millions of euro)	Subscriptions/ Deposits	Redemptions/ Withdrawals	Net funding in 1H 2023	Net funding in 1H 2022	Change (+/-)
Postal savings bonds	22,961	(23,118)	(157)	2,938	(3,095)
Passbook accounts	56,377	(57,153)	(777)	(6,196)	5,419
<b>TOTAL</b>	<b>79,337</b>	<b>(80,271)</b>	<b>(934)</b>	<b>(3,258)</b>	<b>2,324</b>

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

With regard to volumes, CDP net funding at 30 June 2023 stood at -934 million euro, improving compared to the first half of 2022 (+2,324 million euro), mainly as a result of the higher number of pension credits compared to the previous year (since the usual payment method was restored in April 2022, the month of March 2022 had no pension inflows) and of the initiatives launched in the half-year to collect new passbook savings.

Specifically, net funding from CDP postal savings bonds amounted to -157 million euro, down compared to the same period in 2022 (2,938 million euro), with subscriptions concentrated predominantly on Buono 3 Anni Plus (5,073 million euro, 22% of the total), Buono 3x2 (4,025 million euro, 18%), Buono Rinnova (3,925 million euro, 17%) and Buono Ordinario (3,102 million euro, 14%). During the first half of the year, in order to support the placement of the bonds, the placement of the Buono 4x4 was suspended and at the same time the yields of the most successful bonds among customers (3 Anni Plus, 3x2, 3x4 and Buono Ordinario) were increased.

Net funding from passbook savings accounts amounted to -777 million euro, significantly improving compared with last year's figure (-6,196 million euro). The achievement of this result was influenced by the greater number of pension credits, as mentioned above, and the provision of three editions of Supersmart Premium offers to savers, aimed at collecting new savings, which raised a total of 3.4 billion euro.

Initiatives to develop the Postal Savings service model continued in the first half of 2023, by improving the customer experience (e.g., through a new process for booking and managing appointments at the post office) and proposing products dedicated to Postal Savings in digital channels (e.g., through the publication of commercial cards to promote in-app offers).

### Total net postal savings funding (CDP + MEF)

(millions of euro)	Net funding in 1H 2023	Net funding in 1H 2022	Change (+/-)
Postal savings bonds	(4,863)	(1,071)	(3,793)
<i>of which:</i>			
– pertaining to CDP	(157)	2,938	(3,095)
– pertaining to the MEF	(4,706)	(4,009)	(697)
<b>Passbook accounts</b>	<b>(777)</b>	<b>(6,196)</b>	<b>5,419</b>
CDP net funding	(934)	(3,258)	2,324
MEF net funding	(4,706)	(4,009)	(697)
<b>Total</b>	<b>(5,640)</b>	<b>(7,267)</b>	<b>1,627</b>

With reference to postal savings bonds pertaining to the MEF, redemptions in the first half of 2023 totalled 4,706 million euro, an increase compared with last year's figure (4,009 million euro).



In the first half of 2023, total net funding (CDP + MEF) from postal savings bonds and passbook savings accounts was therefore negative at -5,640 million euro, though improving by approximately 1,600 million euro on the first half of 2022 (-7,267 million euro).

## NON-POSTAL FUNDING

In the first half of 2023, CDP continued its activity on capital markets and in other institutional funding channels, with the aim of ensuring the diversification of funding sources and supporting business lending.

### Stock of funding from banks

(millions of euro; %)	30/06/2023	31/12/2022	Change (+/-)	Change %
ECB refinancing	5,092	5,092		n/s
Repurchase agreements and deposits	45,359	54,393	(9,034)	-16.6%
EIB/CEB credit facilities	5,282	5,308	(26)	-0.5%
<b>TOTAL</b>	<b>55,733</b>	<b>64,793</b>	<b>(9,060)</b>	<b>-14.0%</b>

With regard to funding from banks, CDP maintained constant use of the ECB institutional funding channel during the first half of 2023 (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 45.4 billion euro at 30 June 2023, down compared to the end of 2022 (-9 billion euro), in line with the already mentioned trend in treasury investments. In this regard, two new 8-year Repo transactions were negotiated in the half-year, for a total of 2.5 billion euro, with leading bank counterparties.

With reference to medium/long-term funding, during the first half of the year, CDP signed two new funding agreements for the financing of the Central Italy Earthquake Fund for a total of 600 million euro, of which 350 million euro with the Council of Europe Development Bank (CEB) and 250 million euro with the European Investment Bank (EIB). In addition, a new loan agreement was signed with the EIB, for 50 million euro, for the financing of an investment plan in the ports of Civitavecchia and Fiumicino.

With regard to the new drawdowns on the funding facilities in place with the EIB and the CEB, during the first half of the year disbursements of over 440 million euro were completed, primarily to finance reconstruction work following the earthquake that hit the territories of the Abruzzo, Latium, Marche and Umbria regions (through the Central Italy Earthquake Fund), for the financing of small and medium-sized enterprises and Mid-Caps (through the Enterprise Platform Fund) and for school building projects.

At 30 June 2023, the stock of credit facilities granted by the EIB and the CEB amounted to 5.3 billion euro, of which 4.9 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; %)	30/06/2023	31/12/2022	Change (+/-)	Change %
Money market deposit with the Treasury (ex OPTES) and FATIS deposits (liabilities)	2,007	2,249	(242)	-10.8%
Deposits of Group companies	1,745	1,958	(213)	-10.9%
Amounts to be disbursed	4,275	3,832	443	11.6%
<b>TOTAL</b>	<b>8,027</b>	<b>8,039</b>	<b>(12)</b>	<b>-0.2%</b>

With regard to funding from customers, the balance of the Money Market deposits with the Treasury (liquidity management transactions on behalf of the MEF, formerly OPTES) and FATIS at 30 June 2023 was 2.0 billion euro, slightly down compared to 2.2 billion euro at the end of 2022.

With regard to companies subject to management and coordination, cash pooling with the Parent Company's centralised treasury continued in the first half of 2023, involving irregular deposit arrangements between CDP and its subsidiaries. Centralised treasury deposits stood at 1.7 billion euro at 30 June 2023, slightly down on the figure recorded at the end of 2022 (-0.2 billion euro).

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 2023 were 4.3 billion euro, up compared to the figure recorded at the end of 2022 (+0.4 billion euro).

### Stock of bond funding

(millions of euro; %)	30/06/2023	31/12/2022	Change (+/-)	Change %
EMTN/DIP programme	11,349	11,437	(89)	-0.8%
Retail bonds	1,471	1,470	1	0.1%
"Stand-alone" issues guaranteed by the State	3,000	3,000		n/s
Yankee Bond	904		904	n/s
Commercial paper	1,060	1,350	(290)	-21.5%
<b>TOTAL</b>	<b>17,784</b>	<b>17,257</b>	<b>527</b>	<b>3.1%</b>

With reference to medium/long-term funding, in the first half of 2023 new bond issues were completed under the "Debt Issuance Programme" (DIP), totalling 825 million euro. These include the inaugural issue, for an amount of 500 million euro, of a Green Bond, aimed at supporting initiatives with positive environmental impacts. In addition, two bond issues were made in the form of private placement, amounting to 150 million euro and 175 million euro, respectively.

At the end of April 2023, CDP's first dollar-denominated bond issue, "Yankee Bond", was also launched for an amount of 1 billion dollars. Through this transaction, CDP is continuing its strategy of diversifying its funding sources and strengthening its activity of supporting the exports of Italian companies.

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 2023 totalled 1.1 billion euro, down compared to the end of 2022 (-0.3 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 compared to 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.

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; %)	30/06/2023	31/12/2022	Change (+/-)	Change (%)
<b>Net interest income</b>	<b>1,145</b>	<b>902</b>	<b>242</b>	<b>26.8%</b>
Dividends	1,171	870	301	34.6%
Other net revenues (costs)	90	198	(109)	-54.8%
<b>Gross income</b>	<b>2,405</b>	<b>1,971</b>	<b>434</b>	<b>22.0%</b>
Write-downs	63	29	34	114.7%
Staff costs and other administrative expenses	(132)	(120)	(13)	10.4%
Amortisation and other operating expenses and income	(8)	(8)	0	-4.3%
<b>Operating income</b>	<b>2,328</b>	<b>1,872</b>	<b>456</b>	<b>24.4%</b>
Provisions for risks and charges	(0)	0	(1)	n/s
Income taxes	(425)	(386)	(39)	10.2%
<b>NET INCOME FOR THE PERIOD</b>	<b>1,903</b>	<b>1,487</b>	<b>416</b>	<b>28.0%</b>

Net interest income, amounting to 1,145 billion euro, was up compared to the first half of 2022 (+242 million euro), due to the improvement in the spread between interest-bearing assets and liabilities, also thanks to the alignment of the return on liquidity with changed market conditions and the asset-liability management actions undertaken.

Dividends totalled 1,171 million euro, up compared with the same period in 2022 (+301 million euro), mainly due to the higher contribution of Fintecna and CDP Equity.

The item "Other net revenues", equal to 90 million euro, recorded a decrease compared to the first half of 2022 (-109 million euro), mainly due to the impact of the trend of interest rates on profits (losses) on trading and hedging activities.

The cost of risk amounted to +63 million euro, improving compared to the same period in 2022 (+34 million euro). The figure for the first half of 2023 is attributable to the combined effect of (i) essentially no net impairment on the loan portfolio (-0.3 million euro), (ii) reversals of impairment of provisions for +75 million euro and (iii) impairment of equity investments for -12 million euro.

Staff costs and administrative expenses amounted to 132 million euro, up compared to the first half of 2022 (+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 425 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 1,903 million euro, up from the first half of 2022 (+416 million euro), 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 2023 is presented below.

##### Assets

Assets in CDP's reclassified balance sheet at 30 June 2023 included the following items:

##### Reclassified balance sheet – Assets

(millions of euro; %)	30/06/2023	31/12/2022	Change (+/-)	Change (%)
Cash and cash equivalents and other treasury investments	152,277	167,266	(14,989)	-9.0%
Loans	121,157	119,886	1,271	1.1%
Debt securities	75,019	66,975	8,044	12.0%
Equity investments and funds	38,160	37,680	480	1.3%
Assets held for trading and hedging derivatives	4,568	4,699	(131)	-2.8%
Property, plant and equipment and intangible assets	412	431	(20)	-4.6%
Accrued income, prepaid expenses and other non-interest-bearing assets	1,362	2,284	(922)	-40.4%
Other assets	1,147	1,470	(323)	-22.0%
<b>TOTAL ASSETS</b>	<b>394,101</b>	<b>400,690</b>	<b>(6,589)</b>	<b>-1.6%</b>

Total assets amounted to 394 billion euro, down 1.6% compared to the figure at the end of 2022.

Cash and cash equivalents and other treasury investments amounted to 152 billion euro, a decrease compared to the end of the previous year (-9%) given the increase in the securities portfolio and the reduction in short-term funding, implemented with an asset-liability management logic given the new interest rate scenario.

Loans, which amounted to 121 billion euro, increased with respect to the balance at the end of 2022 (+1.1%), mainly due to direct and indirect loans to businesses.

Debt securities came to 75 billion euro, up from the year-end 2022 figure (+12%), for purchases of government bonds made during the half-year.

The stock of equity investments and funds amounted to 38 billion euro, a slight increase compared to 2022 (+1.3%) mainly due to the drawdowns of investment funds.

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 2023 stood at 4.6 billion euro, a slight reduction compared to the year-end 2022 figure, equal to 4.7 billion euro.

The item "Property, plant and equipment and intangible assets" amounted to 412 million euro, of which 347 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 1.4 billion euro, down compared to the value at the end of 2022, equal to 2.3 billion euro.



Lastly, the item “Other assets”, which includes current and deferred tax assets, payments on account for withholding tax on pass-book savings accounts and other residual assets, equal to 1.1 billion euro, was down compared to the figure at the end of 2022.

## Liabilities

At 30 June 2023, the liabilities in CDP’s reclassified balance sheet were as follows:

### Reclassified balance sheet – Liabilities and equity

(millions of euro; %)	31/12/2023	31/12/2022	Change (+/-)	Change (%)
Funding	363,227	371,107	(7,880)	-2.1%
<i>of which:</i>				
– <i>postal funding</i>	281,683	281,018	665	0.2%
– <i>funding from banks</i>	55,733	64,793	(9,060)	-14.0%
– <i>funding from customers</i>	8,027	8,039	(12)	-0.2%
– <i>bond funding</i>	17,784	17,257	527	3.1%
Liabilities held for trading and hedging derivatives	1,584	1,492	92	6.2%
Accrued expenses, deferred income and other non-interest-bearing liabilities	770	230	540	235.0%
Other liabilities	955	1,017	(62)	-6.1%
Provisions for contingencies, taxes and staff severance pay	1,103	1,095	8	0.7%
Equity	26,461	25,749	712	2.8%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>394,101</b>	<b>400,690</b>	<b>(6,589)</b>	<b>-1.6%</b>

Total funding at 30 June 2023 was 363 billion euro, down from the figure recorded at the end of 2022.

Postal funding amounted to 282 billion euro, essentially in line with the end of 2022 (+0.2%), due to the combined effect of the net CDP funding recorded in the half-year, negative by 0.9 billion euro, and accrued interest income pertaining to postal savers.

Funding from banks, amounting to 56 billion euro, was down compared to the end of the previous year (-14%), mainly due to the reduction in short-term funding on the money market, implemented with an asset-liability management logic given the new interest rate scenario.

Funding from customers amounted to 8 billion euro, essentially in line with the figure at the end of 2022 (-0.2%).

Bond funding, equal to 18 billion euro, increased compared to 2022 (+3%) due to the new bond issues in the half-year, including the first Green Bond issued by CDP, totalling 500 million euro, and CDP’s first issue in dollars (Yankee Bond), which raised 1 billion dollars.

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 2023 amounted to 1.6 billion euro, a slight increase compared to the end of 2022 (+0.1 billion euro).

The item “Accrued expenses, deferred income and other non-interest-bearing liabilities” was 770 million euro, up from 230 million euro at the end of 2022.

With regard to other significant items, there was (i) a decrease in the balance of Other liabilities, equal to 955 million euro at 30 June 2023 (-6.1% compared to the end of 2022), and (ii) a stable balance of Provisions for contingencies, taxes and staff severance pay, equal to 1,103 million euro (1,095 million euro at the end of 2022).

Equity, amounting to 26.5 billion euro, increased compared to the end of 2022 (+3%) mainly due to the net income accrued in the half-year, partially offset by the dividends distributed.

#### 4.2.1.3 INDICATORS

##### Main indicators (reclassified figures)

(%)	30/06/2023	31/12/2022
<b>STRUCTURE RATIOS (%)</b>		
Funding/Total liabilities	92%	93%
Equity/Total liabilities	7%	6%
Postal Savings/Total funding	78%	76%
<b>PERFORMANCE RATIOS (%) <sup>(1)</sup></b>		
Spread on interest-bearing assets and liabilities	0.7%	0.6%
Cost/income ratio <sup>(2)</sup>	6%	6%
Net income/Opening equity (ROE)	15%	12%
<b>RISK RATIOS (%)</b>		
Coverage of bad loans <sup>(3)</sup>	45%	46%
Net non-performing loans/Net loans to customers and banks <sup>(4) (5)</sup>	0.10%	0.12%
Net adjustments to loans/Net exposure <sup>(4) (5)</sup>	0.00%	0.02%

(1) For the year 2022, figures refer to 30/06/2022.

(2) Ratio of operating costs (staff expenses, other administrative expenses, other operating expenses and income and depreciation and amortization) and financial operating surplus (interim margin and cost of risk). Other operating income and expenses do not include payments to the CDP Foundation.

(3) Provision bad loans / Gross exposure to bad loans.

(4) Exposure includes Loans to banks and customers, Disbursement commitments, cash & cash equivalents & bonds.

(5) Net exposure is calculated net of the provision for non-performing loans.

Structure ratios related to liabilities were substantially in line with 2022, with postal funding weighing heavily on total funding by 78%.

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) an increase in return on equity (ROE) to 15%.

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 REFERENCE CONTEXT 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, as lockdown restrictions were progressively lifted, in part due to the spread of vaccination campaigns, there has been a general improvement of economic activities and prospects, after the generalised downturn in 2020 caused by the health emergency.

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, 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 in the first half of 2023 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.

In February 2022, as the economic scenario was showing signs of recovery, in part due to the spread of vaccination campaigns, the outbreak of war between Russia and Ukraine, still raging today, sent shock waves through the world economy. In particular, the war has had a major impact on trade relations and on energy supply chains and has fuelled uncertainty on financial markets, while driving inflation, on the rise since the end of 2021, up to levels not witnessed in decades.

The continuation of the conflict and the great uncertainty surrounding its duration and the geopolitical and economic world order make it especially complex to foresee the medium- and long-term effects on the macroeconomic scenario and the relative impacts on the business and future performance of the CDP Group. Indeed, the long-term repercussions of the crisis for growth and inflation could adversely impact various economic sectors in a major way, especially energy-intensive industries or those most exposed to rising commodity prices. As such, although 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, these trends are being constantly monitored.

#### 4.2.2 GROUP COMPANIES

The accounting situation of the CDP Group companies as at 30 June 2023 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 CDP Group's companies (if drawn up and published), which contain full accounting information and analyses of the companies' operating performances.

When considering the main economic and financial dynamics described in the paragraphs below, it is necessary to bear in mind that:

- the data relating to the comparative period have been restated, as detailed in section 5 - Other issues to incorporate the effects resulting from the introduction, as of 1 January 2023, of IFRS 17 Insurance Contracts, which led to the change in the income statement and balance sheet results, with reference to both 30 June 2022 and 31 December 2022, of the Poste Italiane group;
- only the contribution to the balance sheet values of the Valvitalia Finanziaria group at 31 March 2023 was consolidated, as it was the date of entry into the scope of the fully consolidated subsidiaries and the reporting date of the reporting package prepared by the company for the half-yearly condensed consolidated financial statements of the CDP Group.

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

##### Reclassified Income Statement

(millions of euro; %)	30/06/2023	30/06/2022	Change (+/-)	Change (%)
<b>Net interest income</b>	<b>900</b>	<b>786</b>	<b>114</b>	<b>14.5%</b>
Gains (losses) on equity investments	1,233	2,565	(1,332)	-51.9%
Net commission income (expense)	94	64	30	46.9%
Other net revenues (costs)	93	188	(95)	-50.5%
<b>Gross income</b>	<b>2,320</b>	<b>3,603</b>	<b>(1,283)</b>	<b>-35.6%</b>
Net recoveries (impairment)	(2)	79	(81)	n/s
Administrative expenses	(6,454)	(5,759)	(695)	12.1%
Other net operating income (costs)	9,230	8,343	887	10.6%
<b>Operating income</b>	<b>5,094</b>	<b>6,266</b>	<b>(1,172)</b>	<b>-18.7%</b>
Net provisions for risks and charges	(82)	(65)	(17)	26.2%
Net adjustments to PPE and intangible assets	(1,439)	(1,714)	275	-16.0%
Goodwill impairment		(47)	47	n/s
Other	11	3	8	n/s
Income taxes	(783)	(718)	(65)	9.1%
<b>Net income (loss) for the period</b>	<b>2,801</b>	<b>3,725</b>	<b>(924)</b>	<b>-24.8%</b>
Net income (loss) for the period pertaining to non-controlling interests	984	894	90	10.1%
<b>NET INCOME (LOSS) FOR THE PERIOD PERTAINING TO THE PARENT COMPANY</b>	<b>1,817</b>	<b>2,831</b>	<b>(1,014)</b>	<b>-35.8%</b>

Net income pertaining to the Parent Company for the period ended 30 June 2023 was equal to 1,817 million euro, compared to net income of 2,831 million euro in the first half of 2022.

(millions of euro; %)	30/06/2023	30/06/2022	Change (+/-)	Change (%)
Interest and commission expense on payables to customers	(3,268)	(2,759)	(509)	18.4%
Interest expense on payables to banks	(691)	(122)	(569)	n/s
Interest expense on securities issued	(381)	(291)	(90)	30.9%
Interest income on debt securities	1,029	735	294	40.0%
Interest income on financing	4,055	3,210	845	26.3%
Interest on hedging derivatives	210	(125)	335	n/s
Other net interest	(54)	138	(192)	n/s
<b>Net interest income</b>	<b>900</b>	<b>786</b>	<b>114</b>	<b>14.5%</b>

Net interest income amounted to 900 million euro, an increase compared to the comparative period thanks to the significant increase in the contribution of the Parent Company, whose positive balance was partly offset by the expenses related to the debt of 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 1,233 million euro, against the balance of 2,565 million euro reported in the first half of 2022. This value mainly reflects the result of the measurement with the equity method of:

- Eni (+643 million euro, compared to +1,970 million euro in the first half of 2022);



- Poste Italiane (+372 million euro, compared to +304 million euro in the first half of 2022);
- SAIPEM (+5 million euro, compared to -17 million euro in the first half of 2022);
- Holding Reti Autostradali (+56 million euro, compared to +84 million euro in the first half of 2022).

The item also includes income of approximately 76 million euro from the sale by SNAM of shares of Industrie De Nora S.p.A., a transaction after which the investee company holds 21.59% of the share capital of the company (25.79% before the sale).

Net commission income, amounting to 94 million euro, is up by 46.9% on the comparative period, mainly due to the increase in the Parent Company's commission margin.

(millions of euro; %)	30/06/2023	30/06/2022	Change (+/-)	Change (%)
Net gain (loss) on trading activities	(57)	87	(144)	n/s
Net gain (loss) on hedging activities	(6)	65	(71)	n/s
Gains (losses) on disposal or repurchase of financial assets and liabilities	55	51	4	7.8%
Net gain (loss) on financial assets and liabilities carried at fair value	101	(15)	116	n/s
<b>OTHER NET REVENUES (COSTS)</b>	<b>93</b>	<b>188</b>	<b>(95)</b>	<b>-50.5%</b>

Other net revenues/costs were down by about 95 million euro mainly due to:

- the Parent Company's lower contribution to this aggregate for approximately 45 million euro, as a result of the worsening of the profits on trading and hedging activities partially offset by the higher profits on the sale of the securities portfolio at amortised cost and by the greater contribution deriving from the measurement of financial assets at fair value;
- the lower contribution for about 72 million euro of the profits on Terna's trading activities.

Gross income amounted to 2,320 million euro compared to 3,603 million euro in the comparative period.

(millions of euro; %)	30/06/2023	30/06/2022	Change (+/-)	Change (%)
<b>Gross income</b>	<b>2,320</b>	<b>3,603</b>	<b>(1,283)</b>	<b>-35.6%</b>
Net recoveries (impairment)	(2)	79	(81)	n/s
Administrative expenses	(6,454)	(5,759)	(695)	12.1%
Other net operating income (costs)	9,230	8,343	887	10.6%
<b>Operating income before adjustments to PPE and intangible assets</b>	<b>5,094</b>	<b>6,266</b>	<b>(1,172)</b>	<b>-18.7%</b>
Net adjustments to PPE, intangible assets	(1,439)	(1,714)	275	-16.0%
<b>OPERATING INCOME AFTER ADJUSTMENTS TO PPE AND INTANGIBLE ASSETS</b>	<b>3,655</b>	<b>4,552</b>	<b>(897)</b>	<b>-19.7%</b>

The increase in administrative expenses, amounting to 6,454 million euro, was mainly due to the higher costs recorded by the companies of the SNAM (-324 million euro), Italgas (-121 million euro), Fly One (-82 million euro) and Stark Two (-48 million euro) groups.

The increase in Other net operating income (costs) mainly benefited from the higher turnover generated by the SNAM (+398 million euro), Terna (+143 million euro), Fincantieri (+124 million euro) and Italgas (+230 million euro) groups.

There was a decrease in net adjustments to property, plant and equipment and intangible assets, mainly attributable to the SNAM, Terna, Fincantieri, Italgas and Ansaldo Energia groups. The item, in the six-month comparative period, included the effect of the adjustment (impairment) of the intangible assets of the Ansaldo Energia group to their recoverable amount for 376 million euro.

#### 4.2.2 RECLASSIFIED CONSOLIDATED BALANCE SHEET

##### Consolidated assets

The asset side of the reclassified consolidated balance sheet at 30 June 2023 is presented below, in comparison with the figures at the end of 2022:

##### Reclassified consolidated assets

(millions of euro; %)	30/06/2023	31/12/2022	Change (+/-)	Change (%)
<b>Assets</b>				
Cash and cash equivalents and other treasury investments	154,328	168,940	(14,612)	-8.6%
Loans	118,376	120,589	(2,213)	-1.8%
Debt securities, equity securities and units in collective investment undertakings	89,565	80,762	8,803	10.9%
Equity investments	27,429	26,736	693	2.6%
Trading and hedging derivatives	4,827	4,951	(124)	-2.5%
Property, plant and equipment and intangible assets	56,668	55,915	753	1.3%
Other assets	17,564	19,834	(2,270)	-11.4%
<b>TOTAL ASSETS</b>	<b>468,757</b>	<b>477,727</b>	<b>(8,970)</b>	<b>-1.9%</b>

Group assets totalled around 469 billion euro, down by 1.9% (9 billion euro).

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 (government securities purchased by the Parent Company).

The equity investments item, which stood at 27.4 billion euro, increased by 0.7 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 +643 million euro, and the change in valuation reserves, equal to -119 million euro. Added to these effects is the impact of the reversal of the dividend and other changes for a total negative value of -407 million euro;
- Poste Italiane — the positive contribution (including consolidation adjustments) in the amount of 372 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 positive amount of 158 million euro;
- decrease, as a result of the measurement according to the equity method, in the value of the equity investment in Holding Reti Autostradali of 373 million euro;
- purchase by SNAM of the equity investment in the SeaCorridor joint venture.

Property, plant and equipment and intangible assets totalled 56.7 billion euro, up 0.8 billion euro due to the net investments of the Terna (395 million euro), SNAM (265 million euro) and Italgas (210 million euro) groups.

Other assets totalled 18 billion euro, down by 2.3 billion euro on the comparative period. The item mainly included the contribution of the Fincantieri group for 5.8 billion euro, of the SNAM group for 7.5 billion euro, of CDP for 1.6 billion euro, of the Terna group for 2 billion euro, of the Italgas group for 1.5 billion euro and of the Ansaldo Energia group for 1.3 billion euro.



## Consolidated liabilities

The liability side of the reclassified consolidated balance sheet at 30 June 2023 is presented below, in comparison with the figures at the end of 2022:

### Reclassified consolidated liabilities

(millions of euro; %)	30/06/2023	31/12/2022	Change (+/-)	Change (%)
<b>Liabilities and equity</b>				
Funding	401,180	406,266	(5,086)	-1.3%
<i>of which:</i>				
– postal funding	281,683	281,018	665	0.2%
– funding from banks	69,605	78,092	(8,487)	-10.9%
– funding from customers	9,838	8,300	1,538	18.5%
– bond funding	40,054	38,856	1,198	3.1%
Liabilities held for trading and hedging derivatives	1,833	1,699	134	7.9%
Other liabilities	19,771	24,612	(4,841)	-19.7%
Provisions for contingencies, taxes and staff severance pay	5,768	5,784	(16)	-0.3%
Total equity	40,205	39,366	839	2.1%
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>468,757</b>	<b>477,727</b>	<b>(8,970)</b>	<b>-1.9%</b>

The CDP Group's total funding stood at 401 billion euro at 30 June 2023, down by 1.3% on the end of 2022.

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

(millions of euro; %)	30/06/2023	31/12/2022	Change (+/-)	Change (%)
<b>Due to central banks</b>	<b>5,179</b>	<b>5,099</b>	<b>80</b>	<b>1.6%</b>
<b>Due to banks</b>	<b>64,426</b>	<b>72,993</b>	<b>(8,567)</b>	<b>-11.7%</b>
Current accounts and demand deposits	28	12	16	n/s
Fixed-term deposits	137	219	(82)	-37.4%
Repurchase agreements	42,389	50,986	(8,597)	-16.9%
Other loans	18,738	18,405	333	1.8%
Other payables	3,134	3,371	(237)	-7.0%
<b>FUNDING FROM BANKS</b>	<b>69,605</b>	<b>78,092</b>	<b>(8,487)</b>	<b>-10.9%</b>

The following components contributed to funding levels:

- funding from banks, down by 8.5 billion euro compared to 31 December 2022 mainly due to the reduction in short-term funding by the Parent Company on the money market, implemented with an asset-liability management logic, given the new interest rate scenario;
- funding from customers, the increase of which was mainly due to the greater use by SNAM of this form of funding for 1.2 billion euro;
- bond funding, up 1.2 billion euro, was mainly affected by the bond maturities recorded, benefiting, on the other hand, from the placements made by CDP including the first Green Bond, for an amount of 500 million euro, and the first issue in dollars (Yankee Bond), which raised 1 billion dollars.

Other liabilities, which totalled approximately 19.8 billion euro, down 4.8 billion euro compared to 31 December 2022, include significant balances relating to other Group companies, such as total trade payables (7.4 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 5.8 billion euro at 30 June 2023, essentially unchanged compared to the end of the prior year.

Equity amounted to approximately 40.2 billion euro at 30 June 2023 and is presented below in comparison with the previous financial period. The increase of 0.8 billion euro was mainly due to:

- the net income for the period;
- dynamics linked to the payment of dividends.

(millions of euro; %)	30/06/2023	31/12/2022	Change (+/-)	Change (%)
Group's Equity	24,184	23,398	786	3.4%
Non-controlling interests	16,021	15,968	53	0.3%
<b>TOTAL EQUITY</b>	<b>40,205</b>	<b>39,366</b>	<b>839</b>	<b>2.1%</b>

#### 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
<b>Parent Company's financial data</b>	<b>1,903</b>	<b>24,558</b>	<b>26,461</b>
Balance from financial statements of fully consolidated companies	2,078	35,113	37,191
<b>Consolidation adjustments</b>			
Carrying amount of directly consolidated equity investments		(25,422)	(25,422)
Differences of purchase price allocation	(144)	5,411	5,267
Dividends from fully consolidated companies	(1,188)	1,188	
Measurement of equity investments accounted for with the equity method	963	11,513	12,476
Dividends of companies measured with the equity method	(934)	(14,486)	(15,420)
Elimination of intercompany transactions	52	(237)	(185)
Reversal of measurements in the separate financial statements	64	2,223	2,287
Value adjustments		(222)	(222)
Deferred tax assets and liabilities	2	(1,644)	(1,642)
Other adjustments	5	(591)	(586)
Non-controlling interests	(984)	(15,037)	(16,021)
<b>GROUP'S FINANCIAL DATA</b>	<b>1,817</b>	<b>22,367</b>	<b>24,184</b>



## 5. DISCLOSURE ON THE HALF-YEARLY NON-FINANCIAL REPORT OF THE CDP GROUP

As regards information on the main sustainability performance and initiatives, please refer to the separate document “CDP Group Half-Yearly Non-Financial Report”, prepared on a voluntary basis and subject to separate approval by the Board of Directors and published together with this CDP Group Half-Yearly Financial Report (“CDP Group Half-Yearly Financial Report”).

### STRATEGY, METRICS AND OBJECTIVES

Given the important role played by climate-related matters in the current scenario, it was necessary to reflect on the risks and opportunities arising from those matters in assessments and estimates and to reconsider the strategy, plans, objectives and current performance from a climate-related perspective, in terms of both financial reporting (for details reference is made to the specific disclosure in the “Other issues” section of the Notes to the CDP Group Half-Yearly Financial Report) and non-financial reporting (for which reference is made to the “CDP Group Half-Yearly Non-Financial Report”).

With the new 2022-2024 Strategic Plan, the CDP Group has set itself to adopt sectoral policies based on selectivity and compliance with ESG criteria. To this end, with the ESG Plan (approved in June 2022 by the Board of Directors), CDP started integrating sustainability into its organisational and operational system. In June 2023, the Board of Directors approved the first greenhouse gas emission reduction target, the so-called carbon footprint, of CDP’s portfolio relating to direct loans to the private sector.

In addition, the first green bond was also issued for a total amount of 500 million euro, the proceeds of which are intended to support green initiatives with positive environmental impacts. In particular, these include infrastructure investments in the renewable energy, energy and water efficiency and sustainable mobility sectors.

The methodology used within the risk control structures for the assessment of climate-related and environmental risks places particular emphasis on the climate change aspects and is structured on a numerical score, in turn based on a mix of quantitative and qualitative information.

In order to estimate the potential positive and negative ESG impacts of CDP-financed transactions, the qualitative-quantitative Sustainable Development Assessment (SDA) model is used. This model, introduced in 2020 and strengthened on an annual basis, is incorporated into the internal decision-making process from the origination phase to the approval phase, integrating the assessment of risk profiles with financial terms and conditions and with legal and compliance aspects.

In line with the evolution of international benchmarks, the SDA model has recently been updated to respond to the guidelines of the Plan by integrating, for the most complex projects, the evaluation of strategic consistency with the guidelines, the technical-economic assessment carried out by the dedicated Competence Centres and the guidelines of the European Taxonomy.

The Climate Change and Ecosystem Protection issues contained in the Group’s Strategic Guidelines are central to the 2022-2024 Strategic Plan, and are structured in three main areas of operation:

- energy transition;
- circular economy;
- safeguarding the territory.



In the first half of the year, over 1.6 billion euro were granted to combat climate change and protect the ecosystem, mainly through projects dedicated to the energy transition of companies and local authorities. The initiatives include, by way of example, the 50 million euro loan to Eni Plenitude for the construction of recharging stations for electric cars and 30 million euro to the BIM Consortium to modernise and streamline the water service in Valle d'Aosta.

# 2 HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2023

*Consolidated financial statements at 30 June 2023*

*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 2023

The half-yearly condensed consolidated financial statements at 30 June 2023 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).



# INDICE BILANCIO CONSOLIDATO SEMESTRALE ABBREVIATO

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# CONSOLIDATED FINANCIAL STATEMENTS

## AT 30 JUNE 2023

### CONSOLIDATED BALANCE SHEET

(thousands of euro)

Assets	30/06/2023	31/12/2022
10. Cash and cash equivalents	4,006,419	6,502,515
20. Financial assets measured at fair value through profit or loss:	3,947,251	3,679,559
a) financial assets held for trading	341,250	356,244
b) financial assets designated at fair value	194,939	194,962
c) other financial assets mandatorily measured at fair value	3,411,062	3,128,353
30. Financial assets measured at fair value through other comprehensive income	12,041,719	12,029,385
40. Financial assets measured at amortised cost:	342,614,477	348,435,188
a) loans to banks	23,886,932	23,207,230
b) loans to customers	318,727,545	325,227,958
50. Hedging derivatives	4,485,691	4,595,099
60. Fair value change of financial assets in hedged portfolios (+/-)	(2,736,527)	(2,986,650)
70. Equity investments	27,428,957	26,736,106
80. Insurance assets:		
a) insurance contracts issued that are assets		
b) reinsurance contracts held that are assets		
90. Property, plant and equipment	43,205,289	42,556,001
100. Intangible assets	13,462,395	13,358,680
<i>of which:</i>		
– <i>goodwill</i>	1,197,058	1,201,633
110. Tax assets:	2,207,832	2,579,168
a) current tax assets	238,978	502,449
b) deferred tax assets	1,968,854	2,076,719
120. Non-current assets and disposal groups held for sale	301,773	155,645
130. Other assets	17,791,736	20,086,227
<b>TOTAL ASSETS</b>	<b>468,757,012</b>	<b>477,726,923</b>

The data referring to 31 December 2022 have been restated as described in the accounting policies, "Other issues" section.



(thousands of euro)		
Liabilities and equity	30/06/2023	31/12/2022
10. Financial liabilities measured at amortised cost:	401,161,935	406,248,889
a) due to banks	50,632,105	50,398,306
b) due to customers	310,475,469	316,994,542
c) securities issued	40,054,361	38,856,041
20. Financial liabilities held for trading	320,824	330,856
30. Financial liabilities designated at fair value	17,596	16,627
40. Hedging derivatives	1,511,851	1,367,670
50. Fair value change of financial liabilities in hedged portfolios (+/-)		
60. Tax liabilities:	2,773,003	2,796,659
a) current tax liabilities	222,532	117,927
b) deferred tax liabilities	2,550,471	2,678,732
70. Liabilities associated with non-current assets and disposal groups held for sale	49,542	26,828
80. Other liabilities	19,721,699	24,584,948
90. Staff severance pay	173,634	172,566
100. Provisions for risks and charges:	2,821,475	2,815,373
a) guarantees issued and commitments	687,042	698,370
b) pensions and other post-retirement benefit obligations		
c) other provisions	2,134,433	2,117,003
110. Insurance liabilities:		
a) insurance contracts issued that are liabilities		
b) reinsurance contracts held that are liabilities		
120. Valuation reserves	(675,033)	(1,028,538)
130. Redeemable shares		
140. Equity instruments		
150. Reserves	16,934,580	12,876,684
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 (+/-)	16,021,150	15,968,043
200. Net income (loss) for the period (+/-)	1,817,316	5,442,878
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>468,757,012</b>	<b>477,726,923</b>

The data referring to 31 December 2022 have been restated as described in the accounting policies, "Other issues" section.



## CONSOLIDATED INCOME STATEMENT

(thousands of euro)

Items	1 <sup>st</sup> half of 2023	1 <sup>st</sup> half of 2022
10. Interest income and similar income	5,294,826	3,971,312
– of which: interest income calculated using the effective interest rate method	5,089,596	4,101,374
20. Interest expense and similar expense	(3,819,318)	(2,618,480)
<b>30. Net interest income</b>	<b>1,475,508</b>	<b>1,352,832</b>
40. Commission income	268,731	233,051
50. Commission expense	(749,899)	(735,987)
<b>60. Net commission income (expense)</b>	<b>(481,168)</b>	<b>(502,936)</b>
70. Dividends and similar revenues	40,963	24,774
80. Profits (losses) on trading activities	(57,629)	87,586
90. Net gains (losses) on hedge accounting	(6,195)	65,222
100. Gains (losses) on disposal or repurchase of:	55,309	50,664
a) financial assets measured at amortised cost	83,259	33,215
b) financial assets at fair value through other comprehensive income	(27,950)	31,764
c) financial liabilities		(14,315)
110. Net gains (losses) on other financial assets/liabilities at fair value through profit or loss:	101,272	(15,276)
a) financial assets and liabilities designated at fair value	137	1,920
b) other financial assets mandatorily at fair value	101,135	(17,196)
<b>120. Gross income</b>	<b>1,128,060</b>	<b>1,062,866</b>
130. Net adjustments/recoveries for credit risk relating to:	3,507	16,798
a) financial assets measured at amortised cost	3,403	15,926
b) financial assets at fair value through other comprehensive income	104	872
140. Gains/losses from changes in contracts without derecognition		(39)
<b>150. Financial income (expense), net</b>	<b>1,131,567</b>	<b>1,079,625</b>
160. Insurance service result:		
a) insurance revenue from insurance contracts issued		
b) insurance service expenses arising from insurance contracts issued		
c) insurance revenue arising from reinsurance contracts		
d) insurance service expenses arising from reinsurance contracts		
170. Balance of financial income/expenses relating to insurance business:		
a) net financial expenses/income relating to insurance contracts issued		
b) net financial income/expenses relating to reinsurance contracts held		
<b>180. Net income from financial and insurance operations</b>	<b>1,131,567</b>	<b>1,079,625</b>
190. Administrative expenses:	(6,454,057)	(5,759,279)
a) staff costs	(1,337,456)	(1,289,649)
b) other administrative expenses	(5,116,601)	(4,469,630)
200. Net accruals to the provisions for risks and charges:	(87,784)	(2,940)
a) guarantees issued and commitments	(5,691)	61,947
b) other net accrual	(82,093)	(64,887)
210. Net adjustments to/recoveries on property, plant and equipment	(972,698)	(893,888)
220. Net adjustments to/recoveries on intangible assets	(466,396)	(820,031)
230. Other operating income (costs)	9,230,121	8,342,884
<b>240. Operating costs</b>	<b>1,249,186</b>	<b>866,746</b>
250. Gains (losses) on equity investments	1,191,723	2,540,347
260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value		
270. Goodwill impairment	(44)	(47,023)
280. Gains (losses) on disposal of investments	11,197	8,257
<b>290. Income (loss) before tax from continuing operations</b>	<b>3,583,629</b>	<b>4,447,952</b>
300. Income tax for the period on continuing operations	(782,785)	(717,969)
<b>310. Income (loss) after tax on continuing operations</b>	<b>2,800,844</b>	<b>3,729,983</b>
320. Income (loss) after tax on discontinued operations		(4,734)
<b>330. Net income (loss) for the period</b>	<b>2,800,844</b>	<b>3,725,249</b>
340. Net income (loss) for the period pertaining to non-controlling interests	983,528	893,909
<b>350. NET INCOME (LOSS) FOR THE PERIOD PERTAINING TO SHAREHOLDERS OF THE PARENT COMPANY</b>	<b>1,817,316</b>	<b>2,831,340</b>

The data referring to 1st half 2022 have been restated as described in the accounting policies, "Other issues" section.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(thousands of euro) Items	1 <sup>st</sup> half of 2023	1 <sup>st</sup> half of 2022
<b>10. Net income (loss) for the period</b>	<b>2,800,844</b>	<b>3,725,249</b>
<b>Other comprehensive income (net of tax) not transferred to income statement</b>	<b>25,817</b>	<b>(411,864)</b>
20. Equity securities designated at fair value through other comprehensive income	24,049	(399,869)
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	(411)	16,901
80. Non-current assets and disposal groups held for sale		
90. Share of valuation reserves of equity investments accounted for using equity method	2,179	(28,896)
100. Financial income or expenses relating to insurance contracts issued		
<b>Other comprehensive income (net of tax) transferred to income statement</b>	<b>318,658</b>	<b>(17,592)</b>
110. Hedging of foreign investments		
120. Exchange rate differences	(4,566)	51,255
130. Cash flow hedges	(51,290)	342,338
140. Hedging instruments (elements not designated)		
150. Financial assets (other than equity securities) measured at fair value through other comprehensive income	157,735	(418,271)
160. Non-current assets and disposal groups held for sale		
170. Share of valuation reserves of equity investments accounted for using equity method	216,779	7,086
180. Financial income or expenses relating to insurance contracts issued		
190. Financial income or expenses relating to reinsurance contracts held		
<b>200. Total other comprehensive income (net of tax)</b>	<b>344,475</b>	<b>(429,456)</b>
<b>210. Comprehensive income (items 10 + 200)</b>	<b>3,145,319</b>	<b>3,295,793</b>
220. Consolidated comprehensive income pertaining to non-controlling interests	974,423	1,100,217
<b>230. CONSOLIDATED COMPREHENSIVE INCOME PERTAINING TO SHAREHOLDERS OF THE PARENT COMPANY</b>	<b>2,170,896</b>	<b>2,195,576</b>

The data referring to 1st half 2022 have been restated as described in the accounting policies, "Other issues" section.



## STATEMENT OF CHANGES IN CONSOLIDATED EQUITY AT 30 JUNE 2023

(thousands of euro)	Balance at 31/12/2022	Changes in opening balance	Balance at 01/01/2023	Allocation of net income for previous year		Changes for the period		
				Reserves	Dividends and other allocations (*)	Changes in reserves	Equity transactions	
							Issues of new shares	Purchase of own shares
Share capital:								
a) ordinary shares	7,421,437		7,421,437	(2,910)			1,881	
b) other shares	4,532		4,532					
Share premium reserve	3,953,177		3,953,177	(2,316)			1,848	
Reserves:								
a) income	21,591,554	(342,853)	21,248,701	3,836,755		170,623	426	
b) other	763,936		763,936			1,054	(11)	
Valuation reserves	(882,777)	(55,425)	(938,202)			(1,769)		
Equity instruments	989,037		989,037					
Interim dividends	(538,091)		(538,091)	538,091				
Treasury shares	(365,936)		(365,936)				1,838	(1,572)
Net income (loss) for the period	6,802,495	25,421	6,827,916	(4,369,620)	(2,458,296)			
<b>TOTAL EQUITY</b>	<b>39,739,364</b>	<b>(372,857)</b>	<b>39,366,507</b>		<b>(2,458,296)</b>	<b>169,908</b>	<b>5,982</b>	<b>(1,572)</b>
<b>Equity Group</b>	<b>23,771,321</b>	<b>(372,857)</b>	<b>23,398,464</b>		<b>(1,368,818)</b>	<b>(8,504)</b>		
<b>Equity Non-controlling interests</b>	<b>15,968,043</b>		<b>15,968,043</b>		<b>(1,089,478)</b>	<b>178,412</b>	<b>5,982</b>	<b>(1,572)</b>

(\*) Dividend per share distributed by the Parent Company equal to 4.05 euro as an ordinary dividend

The data referring to 31 December 2022 have been restated as described in the accounting policies, "Other issues" section.

## STATEMENT OF CHANGES IN CONSOLIDATED EQUITY AT 30 JUNE 2022

(thousands of euro)	Balance at 31/12/2021	Changes in opening balance	Balance at 01/01/2022	Allocation of net income for previous year		Changes for the period		
				Reserves	Dividends and other allocations (*)	Changes in reserves	Equity transactions	
							Issues of new shares	Purchase of own shares
Share capital:								
a) ordinary shares	7,366,942		7,366,942				358	
b) other shares	1,350		1,350					
Share premium reserve	3,942,201		3,942,201	(13,626)			1,253	
Reserves:								
a) income	18,867,888	(342,246)	18,525,642	2,529,919		241,122	(1,205)	
b) other	756,883		756,883			4,574		
Valuation reserves	257,909	27,040	284,949			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)			
<b>TOTAL EQUITY</b>	<b>35,441,763</b>	<b>(315,206)</b>	<b>35,126,557</b>		<b>(2,309,180)</b>	<b>255,559</b>	<b>406</b>	<b>207,717</b>
<b>Equity Group</b>	<b>21,162,552</b>	<b>(315,206)</b>	<b>20,847,346</b>		<b>(1,284,323)</b>	<b>21,292</b>		
<b>Equity Non-controlling interests</b>	<b>14,279,211</b>		<b>14,279,211</b>		<b>(1,024,857)</b>	<b>234,267</b>	<b>406</b>	<b>207,717</b>

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

The data referring to 30 June 2022 have been restated as described in the accounting policies, "Other issues" section.



Changes for the period										
Equity transactions						Compre-hensive income for 30/06/2023	Share-holders' Equity at 30/06/2023	Group's Equity at 30/06/2023	Equity Non-controlling interests at 30/06/2023	
Interim dividends	Special dividend distribution	Changes in equity instruments	Derivatives on own shares	Stock options	Change in equity interests					
					(75,328)		7,345,080	4,051,143	3,293,937	
					(55,772)		4,532		4,532	
							3,896,937	2,378,517	1,518,420	
	(66,938)				138,821		25,328,388	16,958,264	8,370,124	
				(1,132)	706		764,553	(23,684)	788,237	
					5,746	344,475	(589,750)	(675,033)	85,283	
					31,502		1,020,539		1,020,539	
							(365,670)	(322,220)	(43,450)	
							2,800,844	2,800,844	983,528	
							2,800,844	1,817,316		
		(66,938)			(1,132)	45,675	3,145,319	40,205,453	24,184,303	16,021,150
		(66,938)			(1,132)	(7,735)	2,170,896	24,184,303	24,184,303	16,021,150
						53,410	974,423	16,021,150		16,021,150

Changes for the period									
Equity transactions						Compre-hensive income for 30/06/2022	Share-holders' Equity at 30/06/2022	Group's Equity at 30/06/2022	Equity Non-controlling interests at 30/06/2022
Interim dividends	Special dividend distribution	Changes in equity instruments	Derivatives on own shares	Stock options	Change in equity interests				
					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
					46,649		21,342,127	13,016,367	8,325,760
				3,584	101		765,142	(22,928)	788,070
					629	(429,456)	(134,015)	(141,783)	7,768
		989,135					989,135		989,135
							(369,166)	(322,220)	(46,946)
							3,725,249	3,725,249	893,909
		989,135		3,584	94,726	3,295,793	37,664,297	21,790,436	15,873,861
		989,135		3,584	10,545	2,195,576	21,790,436	21,790,436	15,873,861
					84,181	1,100,217	15,873,861		15,873,861



## CONSOLIDATED STATEMENT OF CASH FLOWS (INDIRECT METHOD)

(thousands of euro)	1 <sup>st</sup> half of 2023	1 <sup>st</sup> half of 2022
<b>A. OPERATING ACTIVITIES</b>		
<b>1. Operations</b>	<b>1,413,895</b>	<b>(5,296,124)</b>
Net income for the period (+/-)	2,800,844	3,725,249
Gains (losses) on financial assets held for trading and other financial assets/liabilities measured at fair value through profit or loss (-/+)	(103,772)	(7,484)
Gains (losses) on hedging activities (-/+)	(7,470)	38,910
Net impairment adjustments (+/-)	2,184	(78,745)
Net value adjustments to property, plant and equipment and intangible assets (+/-)	1,439,138	1,760,942
Net provisions and other costs/revenues (+/-)	82,093	64,887
Net revenue and expenses of insurance contracts issued and reinsurance contracts held (-/+)		
Unpaid charges, taxes and tax credits (+/-)	(20,396)	(262,795)
Writedowns/writebacks of equity investments (+/-)	(1,119,732)	(2,466,714)
Income (loss) after tax on discontinued operations (+/-)		7,675
Other adjustments (+/-)	(1,658,994)	(8,078,049)
<b>2. Cash generated by/used in financial assets</b>	<b>(4,580,321)</b>	<b>(2,464,898)</b>
Financial assets held for trading	23,686	(194,130)
Financial assets designated at fair value		237,093
Other financial assets mandatorily measured at fair value	(185,460)	(9,839)
Financial assets measured at fair value through other comprehensive income	189,187	1,784,862
Financial assets measured at amortised cost	(7,519,626)	3,102,216
Other assets	2,911,892	(7,385,100)
<b>3. Cash generated by/used in financial liabilities</b>	<b>(8,956,172)</b>	<b>(18,022,031)</b>
Financial liabilities measured at amortised cost	(3,448,864)	4,212,748
Financial liabilities held for trading	(10,032)	288,997
Financial liabilities designated at fair value	1,128	699
Other liabilities	(5,498,404)	(22,524,475)
<b>4. Cash flows generated by/used in insurance contracts issued and reinsurance contracts held</b>		
Insurance contracts issued that are liabilities/assets (+/-)		
Reinsurance contracts held that are liabilities/assets (+/-)		
<b>Cash generated by/used in operating activities</b>	<b>(12,122,598)</b>	<b>(25,783,053)</b>
<b>B. INVESTMENT ACTIVITIES</b>		
<b>1. Cash generated by</b>	<b>1,394,236</b>	<b>910,953</b>
Sale of equity investments	347,463	221,873
Dividends from equity investments	1,025,606	623,427
Sale of property plant and equipment	19,543	44,765
Sale of intangibles	1,221	1,134
Sales of subsidiaries and business units	403	19,754
<b>2. Cash used in</b>	<b>(2,552,298)</b>	<b>(6,201,577)</b>
Purchase of equity investments	(513,582)	(4,204,567)
Purchase of property, plant and equipment	(1,451,892)	(1,389,572)
Purchase of intangible assets	(551,320)	(555,385)
Purchases of subsidiaries and business units	(35,504)	(52,053)
<b>Cash generated by/used in investing activities</b>	<b>(1,158,062)</b>	<b>(5,290,624)</b>
<b>C. FINANCING ACTIVITIES</b>		
Issue/purchase of treasury shares	(3,077)	(11,168)
Issue/purchase of equity instruments		989,135
Dividend distribution and other allocations	(2,525,234)	(2,309,180)
Sale/purchase of third-party control		2,860
<b>Cash generated by/used in financing activities</b>	<b>(2,528,311)</b>	<b>(1,328,353)</b>
<b>CASH GENERATED/USED DURING THE PERIOD</b>	<b>(15,808,971)</b>	<b>(32,402,030)</b>

Key:  
 (+) generated  
 (-) used





## RECONCILIATION

Items (*)	1st half of 2023	1st half of 2022
<b>Cash and cash equivalents at beginning of the period</b>	<b>163,352,511</b>	<b>194,060,741</b>
Total cash generated/used during the period	(15,808,971)	(32,402,030)
Cash and cash equivalents: foreign exchange effect	9,926	6,678
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>147,553,466</b>	<b>161,665,389</b>

The data referring to 1st half 2022 have been restated as described in the accounting policies, "Other issues" section.

(\*) The cash and cash equivalents reported in the Cash flow statement comprise the balance of item 10 "Cash and cash equivalents" (Euro/000 4,006,419 vs Euro/000 6,502,515 as of 31/12/2022), the balance on the current account held with the Central Treasury (Euro/000 143,560,118 vs Euro/000 156,842,624 as of 31/12/2022), and the balance of the cash and cash equivalents reported under item 120 "Non-current assets and disposal groups held for sale" (Euro/000 14,872 vs Euro/000 19,325 as of 31/12/2022), net of current accounts with a negative balance reported under item 10 "Financial liabilities measured at amortised cost" under liabilities (Euro/000 27,943 vs Euro/000 11,953 as of 31/12/2022).



# 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 2023 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.

### 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 17 November 2022, and include, in accordance with IAS 34, accounting data as at 30 June 2023 as well as the following comparative data:

- Consolidated balance sheet at 31 December 2022;
- Consolidated income statement for the period ended 30 June 2022;

- Consolidated statement of comprehensive income at 30 June 2022;
- Statement of changes in consolidated equity at 30 June 2022;
- Consolidated statement of cash flows at 30 June 2022.

The comparative data were restated for the reasons and with the effects indicated in the section “Other information” below.

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 Real Asset 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 2023 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 2023 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 17 November 2022, 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 2023 and 31 December 2022. 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 of: (i) the COVID-19 outbreak; (ii) climate-related matters; (iii) Russia's invasion of Ukraine; and (iv) macroeconomic environment.

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 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 in the priorities for annual financial reports for 2020 (Public Statement 71-99-1290 of 11 March 2020 and of 28 October 2020), for 2021 (Public Statement of 29 October 2021) and for 2022 (Public Statement 32-63-1320 of 28 October 2022), 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 information 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 derivatives and 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 environment, characterised by uncertainty arising from the residual impacts of the COVID-19 pandemic, the impacts of the Russian-Ukrainian conflict, rising inflation and interest rates and the general deterioration of the macroeconomic environment, requires making in-depth forecasts on the timing and magnitude of the economic recovery that could occur in the coming years.

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 liquidazione 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 2023, except for the following companies or sub-holdings whose data refer to 31 December 2022 (FICC, Melt 1 S.r.l. single-quotaholder company, Stark Two S.r.l., Florence One S.p.A.) and 31 March 2023 (Valvitalia Finanziaria S.p.A. and Fly One S.p.A.).

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

## SUBSIDIARIES

Company name	Operational headquarters	Registered office	Type of relationship <sup>(1)</sup>	Equity investment		% of votes <sup>(2)</sup>
				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 Energyinnovator S.r.l.	Rome	Rome	1	Terna Energy Solutions S.r.l.	100.00%	100.00%
5. Agriwatt Castel Goffredo Società Agricola a r.l.	Como	Como	1	Bioenerys Agri S.r.l.	100.00%	100.00%
6. Alfiere S.p.A.	Rome	Rome	1	Fondo Sviluppo Comparto A	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	Teheran	Teheran	1	Ansaldo Energia S.p.A.	70.00%	70.00%
			1	Ansaldo Russia LLC	30.00%	30.00%
11. Ansaldo Energia Netherlands BV	Breda	Breda	1	Ansaldo Energia Switzerland AG	100.00%	100.00%
12. Ansaldo Energia S.p.A.	Genoa	Genoa	1	CDP Equity S.p.A.	99.52%	99.52%
13. Ansaldo Energia Spain S.L.	Zaragoza	Zaragoza	1	Ansaldo Energia Switzerland AG	100.00%	100.00%
14. Ansaldo Energia Switzerland AG	Baden	Baden	1	Ansaldo Energia S.p.A.	100.00%	100.00%
15. Ansaldo Green Tech S.p.A.	Genoa	Genoa	1	Ansaldo Energia S.p.A.	100.00%	100.00%
16. Ansaldo Nigeria Limited	Lagos	Lagos	1	Ansaldo Energia S.p.A.	60.00%	60.00%
17. Ansaldo Nucleare S.p.A.	Genoa	Genoa	1	Ansaldo Energia S.p.A.	100.00%	100.00%
18. Ansaldo Russia LLC	Moscow	Moscow	1	Ansaldo Energia S.p.A.	100.00%	100.00%
19. Ariano Biometano S.a.r.l.	Cittadella	Cittadella	1	Iniziativa Biometano S.p.A.	98.00%	98.00%
20. Asia Power Project Private Ltd	Chennai	Chennai	1	Ansaldo Energia S.p.A.	100.00%	100.00%
21. Asset Company 10 S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	SNAM S.p.A.	100.00%	100.00%
22. Auto Sport Engineering Limited	United Kingdom	United Kingdom	4	Marval S.r.l.	100.00%	100.00%
23. BOP6 S.c.ar.l.	Trieste	Trieste	1	Fincantieri SI S.p.A.	95.00%	95.00%
			1	Fincantieri S.p.A.	5.00%	5.00%
24. Bacini di Palermo S.p.A.	Palermo	Palermo	1	Fincantieri S.p.A.	100.00%	100.00%
25. Bioenerys Ambiente S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Bioenerys S.r.l.	100.00%	100.00%
26. Bioenerys S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	SNAM S.p.A.	100.00%	100.00%
27. Biogas Brusio S.r.l.	Cittadella	Cittadella	1	Iniziativa Biometano S.p.A.	99.90%	99.90%
28. Biowaste CH4 Anzio S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Bioenerys Ambiente S.r.l.	100.00%	100.00%
29. Biowaste CH4 Foligno S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Bioenerys Ambiente S.r.l.	100.00%	100.00%
30. Biowaste CH4 Group S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Bioenerys Ambiente S.r.l.	100.00%	100.00%
31. Biowaste CH4 Tuscania S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Bioenerys Ambiente S.r.l.	100.00%	100.00%
32. Biowaste CH4 Genova S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Bioenerys Ambiente S.r.l.	100.00%	100.00%
33. Bludigit S.p.A.	Milan	Milan	1	Italgas S.p.A.	100.00%	100.00%
34. Bonafous S.p.A. in liquidazione	Rome	Rome	1	CDP Immobiliare S.r.l. in liquidazione	100.00%	100.00%
35. Broady Flow Control Ltd.	Kingston Upon Hull	Kingston Upon Hull	1	Valvitalia S.p.A.	100.00%	100.00%



Company name	Operational headquarters	Registered office	Type of relationship <sup>(1)</sup>	Equity investment		% of votes <sup>(2)</sup>
				Investor	% holding	
36. Brugg Cables (India) Pvt., Ltd.	Haryana	Haryana	1	Brugg Kabel GmbH	0.26%	0.26%
				Brugg Kabel AG	99.74%	99.74%
37. Brugg Cables (Shanghai) Co., Ltd.	Shanghai	Shanghai	1	Brugg Kabel AG	100.00%	100.00%
38. Brugg Cables (Suzhou) Co., Ltd.	Suzhou	Suzhou	1	Brugg Cables (Shanghai) Co. Ltd.	100.00%	100.00%
39. Brugg Cables Company	Riyadh	Riyadh	1	Brugg Kabel AG	100.00%	100.00%
40. Brugg Cables Italia S.r.l.	Milan	Milan	1	Brugg Kabel Manufacturing AG	100.00%	100.00%
41. Brugg Cables Middle East DMCC	Dubai	Dubai	1	Brugg Kabel AG	100.00%	100.00%
42. Brugg Cables Middles East Contracting LLC	Dubai	Dubai	1	Brugg Kabel AG	100.00%	100.00%
43. Brugg Cables. Inc.	Chicago	Chicago	1	Brugg Kabel AG	100.00%	100.00%
44. Brugg Kabel AG	Brugg	Brugg	1	Brugg Kabel Services AG	90.00%	90.00%
45. Brugg Kabel GmbH	Schwieberdingen	Schwieberdingen	1	Brugg Kabel AG	100.00%	100.00%
46. Brugg Kabel Manufacturing AG	Brugg	Brugg	1	Brugg Kabel Services AG	100.00%	100.00%
47. Brugg Kabel Services AG	Brugg	Brugg	1	Terna Energy Solutions S.r.l.	100.00%	100.00%
48. C.S.I. S.r.l.	Follo (La Spezia)	Milan	1	Fincantieri NexTech S.p.A.	75.65%	75.65%
49. C2MAC Group S.p.A.	Montorso Vicentino	Montorso Vicentino	4	Melt 1 S.r.l. a socio unico	57.00%	57.00%
50. C2Mac - North America	Menomonee Falls, WI	Menomonee Falls, WI	4	C2MAC Group S.p.A.	100.00%	100.00%
51. CDP Equity S.p.A.	Milan	Milan	1	CDP S.p.A.	100.00%	100.00%
52. CDP Immobiliare S.r.l. in liquidazione	Rome	Rome	1	CDP S.p.A.	100.00%	100.00%
53. CDP Real Asset SGR S.p.A.	Rome	Rome	1	CDP S.p.A.	70.00%	70.00%
54. CDP Reti S.p.A.	Rome	Rome	1	CDP S.p.A.	59.10%	59.10%
55. CDP Technologies AS	Alesund	Alesund	1	Seaonics AS	100.00%	100.00%
56. CDP Technologies Estonia OÜ	Tallinn	Tallinn	1	CDP Technologies AS	100.00%	100.00%
57. CDP Venture Capital SGR S.p.A.	Rome	Rome	1	CDP Equity S.p.A.	70.00%	70.00%
58. CDPE Investimenti S.p.A.	Milan	Milan	1	CDP Equity S.p.A.	77.12%	77.12%
59. Ca' Bianca S.a.r.l.	Cittadella	Cittadella	1	Iniziativa Biometano S.p.A.	70.00%	70.00%
60. Centro per gli Studi di Tecnica Navale - Cetena S.p.A.	Genoa	Genoa	1	Fincantieri NexTech S.p.A.	86.10%	86.10%
61. Changsha Xi Mai Mechanical Construcion Co. Ltd.	China	China	4	Marval S.r.l.	98.78%	98.78%
62. Cinque Cerchi S.p.A. in liquidazione	Rome	Rome	1	CDP Immobiliare S.r.l. in liquidazione	100.00%	100.00%
63. Consorzio Stabile Ansaldo Newclear	Genoa	Genoa	1	Nuclear Engineering Group Limited	10.00%	10.00%
				Ansaldo Energia S.p.A.	20.00%	20.00%
				Ansaldo Nucleare S.p.A.	70.00%	70.00%
64. Constructora Finso Chile S.p.A.	Santiago de Chile	Santiago de Chile	1	Fincantieri Infrastrutture Sociali S.p.A.	100.00%	100.00%
65. Cubogas S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Greenture S.p.A.	100.00%	100.00%
66. DEDA S.A.	Athens	Athens	1	DEPA Infrastructure S.A.	100.00%	100.00%
67. DEPA Infrastructure S.A.	Athens	Athens	1	Italgas Newco S.p.A.	100.00%	100.00%
68. E-phors S.p.A.	Milan	Milan	1	Fincantieri NexTech S.p.A.	100.00%	100.00%
69. Ebs Società Agricola a r.l.	Cittadella	Cittadella	1	Iniziativa Biometano S.p.A.	94.53%	94.53%
70. EDA Attikis S.A.	Lykovrisi	Lykovrisi	1	DEPA Infrastructure S.A.	100.00%	100.00%
71. EDA Thess S.A.	Menemeni	Menemeni	1	DEPA Infrastructure S.A.	100.00%	100.00%
72. Esperia-CC S.r.l.	Rome	Rome	1	Terna S.p.A.	1.00%	1.00%
73. Ecoprogetto Milano S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Bioenergys Ambiente S.r.l.	45.00%	45.00%
				Renewaste Lodi S.r.l.	55.00%	55.00%
74. Ecoprogetto Tortona S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Bioenergys Ambiente S.r.l.	100.00%	100.00%
75. Emiliana Agroenergia Società Agricola S.r.l.	Piacenza	Piacenza	1	Bioenergys Agri S.r.l.	100.00%	100.00%
76. Empoli Salute Gestione S.c.ar.l.	Florence	Florence	1	Fincantieri Infrastrutture Sociali S.p.A.	95.00%	95.00%
				SOF S.p.A.	4.50%	4.50%





Company name	Operational headquarters	Registered office	Type of relationship <sup>(1)</sup>	Equity investment		% of votes <sup>(2)</sup>
				Investor	% holding	
77. Enersi Sicilia	Caltanissetta	San Donato Milanese (MI)	1	Bioenerys Ambiente S.r.l.	100.00%	100.00%
78. Ensco 1053 Ltd	United Kingdom	United Kingdom	4	Marval S.r.l.	100.00%	100.00%
79. Enura S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	SNAM S.p.A.	55.00%	55.00%
80. Ergon Projects Ltd	Gzira	Gzira	1	SOF S.p.A.	1.00%	1.00%
81. Estaleiro Quissamã Ltda	Rio de Janeiro	Rio de Janeiro	1	Fincantieri Infrastrutture Sociali S.p.A.	99.00%	99.00%
			1	Vard Promar SA	49.50%	49.50%
			1	Vard Group AS	50.50%	50.50%
82. Euroavia S.r.l.	Reggio Emilia	Reggio Emilia	4	Mecaer Aviation Group S.p.A.	100.00%	100.00%
83. Eusebi Impianti - Russia	Moscow	Moscow	1	Valvitalia S.p.A.	100.00%	100.00%
84. Eusebi Impianti Kazakhstan	Aktau	Aktau	1	Valvitalia S.p.A.	75.00%	75.00%
85. Eusebi Impianti Nigeria Limited	Lagos	Lagos	1	Valvitalia S.p.A.	60.00%	60.00%
86. Eusebi Impianti Polska	Bielsko	Bielsko	1	Valvitalia S.p.A.	100.00%	100.00%
87. Evolve S.p.A.	Milan	Milan	1	Renovit S.p.A.	100.00%	70.00%
88. Fincantieri Infrastrutture Sociali S.p.A.	Florence	Rome	1	Fincantieri Infrastructure S.p.A.	90.00%	90.00%
89. Fincantieri Marine Group LLC	Washington, DC	Carson City, NV	1	Fincantieri Marine Group Holdings Inc.	100.00%	100.00%
90. Fincantieri Oil & Gas S.p.A.	Trieste	Trieste	1	Fincantieri S.p.A.	100.00%	100.00%
91. FIV Comparto Extra	Rome	Rome	1	CDP S.p.A.	100.00%	100.00%
92. FIV Comparto Plus	Rome	Rome	1	CDP S.p.A.	100.00%	100.00%
93. FMSNA YK	Nagasaki	Nagasaki	1	Fincantieri Marine Systems North America Inc.	100.00%	100.00%
94. FNAS - Fondo Nazionale Abitare Sociale	Rome	Rome	1	CDP S.p.A.	100.00%	100.00%
95. FNT Fondo Nazionale per il Turismo - Comparto A	Rome	Rome	1	CDP S.p.A.	86.17%	86.17%
96. FOF Private Debt	Milan	Milan	4	CDP S.p.A.	62.50%	62.50%
97. FT1 Fondo Turismo 1	Rome	Rome	1	FNT Fondo Nazionale per il Turismo - Comparto A	100.00%	100.00%
98. Fincantieri (Shanghai) Trading Co. Ltd	Shanghai	Shanghai	1	Fincantieri S.p.A.	100.00%	100.00%
99. Fincantieri Australia Pty Ltd	Sydney	Sydney	1	Fincantieri S.p.A.	100.00%	100.00%
100. Fincantieri Dragaggi Ecologici S.p.A.	Rome	Rome	1	Fincantieri S.p.A.	55.00%	55.00%
101. Fincantieri Holding B.V.	Amsterdam	Amsterdam	1	Fincantieri S.p.A.	100.00%	100.00%
102. Fincantieri India Private Limited	New Delhi	New Delhi	1	Fincantieri S.p.A.	1.00%	1.00%
			1	Fincantieri Holding B.V.	99.00%	99.00%
103. Fincantieri Infrastructure Florida Inc.	Miami, FL	Miami, FL	1	Fincantieri Infrastructure USA, Inc.	100.00%	100.00%
104. Fincantieri Infrastructure Opere Marittime S.p.A.	Rome	Trieste	1	Fincantieri Infrastructure S.p.A.	100.00%	100.00%
105. Fincantieri Infrastructure S.p.A.	Verona	Trieste	1	Fincantieri S.p.A.	100.00%	100.00%
106. Fincantieri Infrastructure USA, Inc.	Middletown, Delaware	Middletown, Delaware	1	Fincantieri Infrastructure S.p.A.	100.00%	100.00%
107. Fincantieri Marine Group Holdings Inc.	Washington, DC	Wilmington, DE	1	Fincantieri USA Inc.	87.44%	87.44%
108. Fincantieri Marine Repair LLC	Wilmington, DE	Wilmington, DE	1	Fincantieri Marine Systems North America Inc.	100.00%	100.00%
109. Fincantieri Marine System LLC	Wilmington, DE	Wilmington, DE	1	Fincantieri Marine Systems North America Inc.	100.00%	100.00%
110. Fincantieri Marine Systems North America Inc.	Chesapeake, VI	Wilmington, DE	1	Fincantieri USA Inc.	100.00%	100.00%
111. Fincantieri NexTech S.p.A.	Follo (La Spezia)	Milan	1	Fincantieri S.p.A.	100.00%	100.00%
112. Fincantieri S.p.A.	Trieste	Trieste	1	CDP Equity S.p.A.	71.32%	71.32%
113. Fincantieri SI Impianti S.c.ar.l.	Milan	Milan	1	Fincantieri SI S.p.A.	60.00%	60.00%
114. Fincantieri SI S.p.A.	Trieste	Trieste	1	Società per l'Esercizio di Attività Finanziaria - Seaf S.p.A.	100.00%	100.00%
115. Fincantieri Services Doha LLC	Qatar	Qatar	1	Fincantieri S.p.A.	100.00%	100.00%



Company name	Operational headquarters	Registered office	Type of relationship <sup>(1)</sup>	Equity investment		% of votes <sup>(2)</sup>
				Investor	% holding	
116. Fincantieri Services Middle East LLC	Doha (QFC)	Doha (QFC)	1	Fincantieri S.p.A.	100.00%	100.00%
117. Fincantieri Services USA LLC	Miami, FL	Plantation, FL	1	Fincantieri USA Inc.	100.00%	100.00%
118. Fincantieri USA Holding LLC <sup>(3)</sup>	Washington, DC	Wilmington, DE	1	Fincantieri S.p.A.	100.00%	100.00%
119. Fincantieri USA Inc.	Washington, DC	Wilmington, DE	1	Fincantieri S.p.A.	65.00%	65.00%
				Fincantieri USA Holding LLC	35.00%	35.00%
120. Finso Albania S.h.p.k.	Tirana	Tirana	1	Fincantieri Infrastrutture Sociali S.p.A.	100.00%	100.00%
121. Fintecna S.p.A.	Rome	Rome	1	CDP S.p.A.	100.00%	100.00%
122. Florence One S.p.A.	Milan	Milan	4	Fondo Italiano Consolidamento e Crescita (FICC)	100.00%	100.00%
123. Fly One S.p.A.	Milan	Milan	4	Fondo Italiano Consolidamento e Crescita (FICC)	67.30%	67.30%
124. Flytop S.r.l. in liquidazione	Rome	Rome	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
125. Fondmatic Hydraulic Machining S.r.l.	Crevalcore	Crevalcore	4	C2MAC Group S.p.A.	100.00%	100.00%
126. Fondo Italiano Consolidamento e Crescita (FICC)	Milan	Milan	4	CDP S.p.A.	65.99%	65.99%
127. Fondo Italiano d'Investimento SGR S.p.A.	Milan	Milan	1	CDP Equity S.p.A.	55.00%	55.00%
128. Fondo Sviluppo Comparto A	Rome	Rome	1	CDP S.p.A.	100.00%	100.00%
129. GNL Italia S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	SNAM S.p.A.	100.00%	100.00%
130. Gannouch Maintenance S.à.r.l.	Tunis	Tunis	1	Ansaldo Energia Switzerland AG	1.00%	1.00%
				Ansaldo Energia Netherlands BV	99.00%	99.00%
131. Gasrule Insurance D.A.C.	Dublin	Dublin	1	SNAM S.p.A.	100.00%	100.00%
132. Geoside S.p.A.	Casalecchio di Reno	Casalecchio di Reno	1	Toscana Energia S.p.A.	32.78%	32.78%
				Italgas S.p.A.	67.22%	67.22%
133. Gestione Bacini La Spezia S.p.A.	La Spezia	La Spezia	1	Fincantieri S.p.A.	99.89%	99.89%
134. Grandry Technicast	Sable-sur-Sarthe	Sable-sur-Sarthe	4	C2MAC Group S.p.A.	100.00%	100.00%
135. Greenture S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	SNAM S.p.A.	100.00%	100.00%
136. HMS IT S.p.A.	Rome	Rome	1	Fincantieri NexTech S.p.A.	60.00%	60.00%
137. Halfbridge Automation S.r.l.	Rome	Rome	1	LT S.r.l.	70.00%	70.00%
138. IDS Australasia PTY Ltd	Brendale	Hendra	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
139. IDS Ingegneria dei Sistemi (UK) Ltd	Fareham	Fareham	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
140. IDS Ingegneria dei Sistemi S.p.A.	Pisa	Pisa	1	Fincantieri NexTech S.p.A.	100.00%	100.00%
141. IDS Korea Co. Ltd	Daejeon	Daejeon	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
142. IDS North America Ltd	Ottawa	Ottawa	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
143. IDS Technologies US Inc.	Littleton	Littleton	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
144. Bioenergys Agri S.r.l.	Pordenone	Pordenone	1	Bioenergys S.r.l.	100.00%	100.00%
145. Immogas S.r.l.	Florence	Florence	1	Toscana Energia S.p.A.	100.00%	100.00%
146. Infrastrutture Trasporto Gas S.p.A.	Milan	San Donato Milanese (MI)	1	Asset Company 2 S.r.l.	100.00%	100.00%
147. Iniziative Biometano S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Bioenergys S.r.l.	51.00%	51.00%
148. Isotta Fraschini Motori S.p.A.	Bari	Bari	1	Fincantieri S.p.A.	100.00%	100.00%
149. Issel Nord S.r.l.	Follo	Follo	1	Fincantieri NexTech S.p.A.	100.00%	100.00%
150. Italgas Acqua S.p.A.	Caserta	Milan	1	Italgas S.p.A.	100.00%	100.00%
151. Italgas Newco S.p.A.	Milan	Milan	1	Italgas S.p.A.	90.00%	90.00%
152. Italgas Reti S.p.A.	Turin	Turin	1	Italgas S.p.A.	100.00%	100.00%
153. Italgas S.p.A.	Milan	Milan	2	CDP Reti S.p.A.	25.99%	25.99%
				SNAM S.p.A.	13.47%	13.47%
154. Janagas S.r.l.	Rome	Rome	1	Medea S.p.A.	100.00%	100.00%
155. LT S.r.l.	Rome	Rome	1	Terna Energy Solutions S.r.l.	75.00%	75.00%



Company name	Operational headquarters	Registered office	Type of relationship <sup>(1)</sup>	Equity investment		% of votes <sup>(2)</sup>
				Investor	% holding	
156. Marine Interiors Cabins S.p.A.	Pordenone	Trieste	1	Marine Interiors S.p.A.	100.00%	100.00%
157. MI S.p.A.	Arluno	Trieste	1	Marine Interiors S.p.A.	100.00%	100.00%
158. MTM S.c.ar.l.	Venice	Venice	1	Fincantieri S.p.A.	41.00%	41.00%
159. MZ Biogas S.a.r.l.	Cittadella	Cittadella	1	Iniziative Biometano S.p.A.	99.90%	99.90%
160. Maiero Energia S.a.r.l.	Cittadella	Cittadella	1	Iniziative Biometano S.p.A.	100.00%	100.00%
161. Marina Bay S.A.	Luxembourg	Luxembourg	1	Fincantieri NexTech S.p.A.	100.00%	100.00%
162. Marine Interiors S.p.A.	Ronchi dei Legionari (GO)	Trieste	1	Fincantieri S.p.A.	100.00%	100.00%
163. Marinette Marine Corporation	Marinette, WI	Green Bay, WI	1	Fincantieri Marine Group LLC	100.00%	100.00%
164. Marval S.r.l.	Turin	Turin	4	Stark Two S.r.l.	69.47%	69.47%
165. Mecaer America Inc.	Montreal	Montreal	4	Mecaer Aviation Group S.p.A.	100.00%	100.00%
166. Mecaer Aviation Group Inc.	Philadelphia	Philadelphia	4	Mecaer Aviation Group S.p.A.	100.00%	100.00%
167. Mecaer Aviation Group S.p.A.	Borgomanero (NO)	Borgomanero (NO)	4	Fly One S.p.A.	75.77%	75.77%
168. Medea S.p.A.	Sassari	Sassari	1	Italgas Reti S.p.A.	51.85%	51.85%
169. Melt 1 S.r.l. a socio unico	Milan	Milan	4	Fondo Italiano Consolidamento e Crescita (FICC)	100.00%	100.00%
170. Miecì S.p.A.	Milan	Milan	1	Renovit S.p.A.	100.00%	70.00%
171. Motta Energia S.a.r.l.	Cittadella	Cittadella	1	Iniziative Biometano S.p.A.	94.80%	94.80%
172. Niehlgas GmbH	Oberursel	Oberursel	1	Ansaldo Energia Switzerland AG	100.00%	100.00%
173. Nuclear Engineering Group Limited	Warrington/ Egremont	Wolverhampton	1	Ansaldo Nucleare S.p.A.	100.00%	100.00%
174. Nuova Giungas S.r.l.	Castel San Giovanni (PC)	Castel San Giovanni (PC)	1	Valvitalia S.p.A.	100.00%	100.00%
175. Nuova Torneria Zanotti S.r.l.	Castel San Pietro Terme (BO)	Crevalcore	4	C2MAC Group S.p.A.	100.00%	100.00%
176. OPERAE a Marine Interiors Company S.r.l.	Treviso	Trieste	1	Marine Interiors S.p.A.	85.00%	85.00%
177. Omnia S.r.l.	Rome	Rome	1	LT S.r.l.	100.00%	100.00%
178. Pentagramma Piemonte S.p.A. in liquidazione	Rome	Rome	1	CDP Immobiliare S.r.l. in liquidazione	100.00%	100.00%
179. Pentagramma Romagna S.p.A. in liquidazione unipersonale	Rome	Rome	1	CDP Immobiliare S.r.l. in liquidazione	100.00%	100.00%
180. Perucchini S.p.A.	Omegna (VB)	Omegna (VB)	4	C2MAC Group S.p.A.	100.00%	100.00%
181. Piacentina Agroenergia Società Agricola S.r.l.	Piacenza	Piacenza	1	Bioenerys Agri S.r.l.	100.00%	100.00%
182. Power4Future S.p.A.	Calderara di Reno (BO)	Calderara di Reno (BO)	1	Fincantieri SI S.p.A.	52.00%	52.00%
183. Reicom S.r.l.	Padova	Milan	1	Fincantieri NexTech S.p.A.	100.00%	100.00%
184. Ravenna LNG Terminal S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	SNAM Fsrui Italia S.r.l.	100.00%	100.00%
185. Renerwaste Cupello S.r.L.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Bioenerys Ambiente S.r.l.	100.00%	85.00%
186. Renerwaste Lodi S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	Bioenerys Ambiente S.r.l.	100.00%	100.00%
187. Renovit S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	CDP Equity S.p.A.	30.00%	30.00%
			1	SNAM S.p.A.	60.05%	60.05%
188. Residenziale Immobiliare 2004 S.p.A.	Rome	Rome	1	Fondo Sviluppo Comparto A	100.00%	100.00%
189. Rete Nord S.r.l.	Rome	Rome	1	Terna S.p.A.	100.00%	100.00%
190. Rete S.r.l.	Rome	Rome	1	Terna S.p.A.	100.00%	100.00%
191. Rob.Int S.r.l.	Pisa	Pisa	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
192. S.L.S. - Support Logistic Services S.r.l.	Guidonia Montecelio	Guidonia Montecelio	1	Fincantieri NexTech S.p.A.	100.00%	100.00%
193. SNAM Rete Gas S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	SNAM S.p.A.	100.00%	100.00%



Company name	Operational headquarters	Registered office	Type of relationship <sup>(1)</sup>	Equity investment		% of votes <sup>(2)</sup>
				Investor	% holding	
194. SNAM S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	2	CDP Reti S.p.A.	31.35%	31.35%
195. SOF S.p.A.	Florence	Florence	1	Fincantieri Infrastrutture Sociali S.p.A.	100.00%	100.00%
196. SPE Transmissora de Energia Linha Verde I S.A.	Belo Horizonte	Belo Horizonte	1	Terna Plus S.r.l.	75.00%	75.00%
197. Scaranello S.r.l.	Rovigo	Rovigo	4	C2MAC Group S.p.A.	100.00%	100.00%
198. Seanergy a Marine Interiors Company S.r.l.	Cordignano (TV)	Pordenone	1	Marine Interiors Cabins S.p.A.	80.00%	80.00%
199. Seaonics AS	Alesund	Alesund	1	Vard Group AS	100.00%	100.00%
200. Seaonics Polska Sp.zo.o.	Gdansk	Gdansk	1	Seaonics AS	100.00%	100.00%
201. SIMEST S.p.A.	Rome	Rome	1	CDP S.p.A.	76.01%	76.01%
202. Skytech Italia S.r.l.	Rome	Rome	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
203. SNAM FSRU Italia S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	SNAM S.p.A.	100.00%	100.00%
204. SNAM International B.V.	Amsterdam	Amsterdam	1	SNAM S.p.A.	100.00%	100.00%
205. Società Agricola Agrimetano S.r.l.	Faenza (RA)	Faenza (RA)	1	Bioenerys Agri S.r.l.	100.00%	100.00%
206. Società Agricola Agrimezzana Biogas S.r.l.	San Rocco al Porto (LO)	San Rocco al Porto (LO)	1	Bioenerys Agri S.r.l.	100.00%	100.00%
207. Società Agricola Asola Energie Biogas S.r.l.	Asola (MN)	Asola (MN)	1	Bioenerys Agri S.r.l.	100.00%	100.00%
208. Società Agricola Biostellato 1 S.r.l.	Pordenone	Pordenone	1	Bioenerys Agri S.r.l.	100.00%	100.00%
209. Società Agricola Biostellato 2 S.r.l.	Pordenone	Pordenone	1	Bioenerys Agri S.r.l.	100.00%	100.00%
210. Società Agricola Biostellato 3 S.r.l.	Pordenone	Pordenone	1	Bioenerys Agri S.r.l.	100.00%	100.00%
211. Società Agricola Biostellato 4 S.r.l.	Pordenone	Pordenone	1	Bioenerys Agri S.r.l.	100.00%	100.00%
212. Società Agricola Carignano Biogas S.r.l.	Bologna	Bologna	1	Bioenerys Agri S.r.l.	100.00%	100.00%
213. Società Agricola G.B.E. Gruppo Bio Energie S.r.l.	Pordenone	Pordenone	1	Società Agricola Sangiovanni S.r.l.	100.00%	100.00%
214. Società Agricola La Valle Green Energy S.r.l.	Cerea (VR)	Cerea (VR)	1	Bioenerys Agri S.r.l.	100.00%	100.00%
215. Società Agricola SQ Energy S.r.l.	Pordenone	Pordenone	1	Bioenerys Agri S.r.l.	100.00%	100.00%
216. Società Agricola San Giuseppe Agroenergia S.r.l.	Bologna	Bologna	1	Bioenerys Agri S.r.l.	100.00%	100.00%
217. Società Agricola Sangiovanni S.r.l.	Pordenone	Pordenone	1	Società Agricola SQ Energy S.r.l.	50.00%	50.00%
				Bioenerys Agri S.r.l.	50.00%	50.00%
218. Società Agricola Santo Stefano Energia S.r.l.	Casalmoro (MN)	Casalmoro (MN)	1	Bioenerys Agri S.r.l.	100.00%	100.00%
219. Società Agricola T4 Energy S.r.l.	Pordenone	Pordenone	1	Bioenerys Agri S.r.l.	100.00%	100.00%
220. Società Agricola Tessagli Agroenergia S.r.l.	Commessaggio (MN)	Commessaggio (MN)	1	Bioenerys Agri S.r.l.	100.00%	100.00%
221. Società Agricola Zoppola Biogas S.r.l.	Pordenone	Pordenone	1	Società Agricola Sangiovanni S.r.l.	100.00%	100.00%
222. Società per l'Esercizio di Attività Finanziaria - Seaf S.p.A.	Trieste	Trieste	1	Fincantieri S.p.A.	100.00%	100.00%
223. Soragna Agroenergie Società Agricola S.r.l.	Sorbolo Mezzani (PR)	Sorbolo Mezzani (PR)	1	Bioenerys Agri S.r.l.	100.00%	100.00%
224. Stark Two S.r.l.	Milan	Milan	4	Fondo Italiano Consolidamento e Crescita (FICC)	75.14%	75.14%
225. Stogit S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	SNAM S.p.A.	100.00%	100.00%
226. Terna Crna Gora d.o.o.	Podgorica	Podgorica	1	Terna S.p.A.	100.00%	100.00%
227. Terna Plus S.r.l.	Rome	Rome	1	Terna S.p.A.	100.00%	100.00%
228. Terna Rete Italia S.p.A.	Rome	Rome	1	Terna S.p.A.	100.00%	100.00%
229. TRS Sistemi S.r.l.	Rome	Rome	1	IDS Ingegneria Dei Sistemi S.p.A.	100.00%	100.00%
230. Tamini Trasformatori India Private limited	Magarpatta City. Hadapsar. Pune	Magarpatta City. Hadapsar. Pune	1	Tamini Trasformatori S.r.l.	100.00%	100.00%
231. Tamini Transformers USA L.L.C.	Sewickley	Sewickley	1	Tamini Trasformatori S.r.l.	100.00%	100.00%
232. Tamini Trasformatori S.r.l.	Legnano (MI)	Legnano (MI)	1	Terna Energy Solutions S.r.l.	100.00%	100.00%
233. Team Turbo Machines SAS	La Trinité De Thouberville	La Trinité De Thouberville	1	Fincantieri S.p.A.	85.00%	85.00%
234. Tep Energy Solution S.r.l.	Milan	Rome	1	Renovit S.p.A.	100.00%	100.00%



Company name	Operational headquarters	Registered office	Type of relationship <sup>(1)</sup>	Equity investment		% of votes <sup>(2)</sup>
				Investor	% holding	
235. Terna 4 Chacas S.A.C.	Lima	Lima	1	Terna Plus S.r.l.	99.99%	99.99%
			1	Terna Chile S.p.A.	0.01%	0.01%
236. Terna Chile S.p.A.	Santiago de Chile	Santiago de Chile	1	Terna Plus S.r.l.	100.00%	100.00%
237. Terna Energy Solutions S.r.l.	Rome	Rome	1	Terna S.p.A.	100.00%	100.00%
238. Terna Forward S.r.l.	Rome	Rome	1	Terna S.p.A.	100.00%	100.00%
239. Terna Interconnector S.r.l.	Rome	Rome	1	Terna Rete Italia S.p.A.	5.00%	5.00%
			1	Terna S.p.A.	65.00%	65.00%
240. Terna Peru S.A.C.	Lima	Lima	1	Terna Plus S.r.l.	99.99%	99.99%
			1	Terna Chile S.p.A.	0.01%	0.01%
241. Terna S.p.A.	Rome	Rome	2	CDP Reti S.p.A.	29.85%	29.85%
242. Terna USA LLC	New York	New York	1	Terna Plus S.r.l.	100.00%	100.00%
243. Tlux S.r.l.	Piancogno (BS)	Piancogno (BS)	1	Mieci S.p.A.	100.00%	85.00%
244. Toscana Energia S.p.A.	Florence	Florence	1	Italgas S.p.A.	50.66%	50.66%
245. Vard Marine Gdansk Sp.zo.o.	Gdansk	Gdansk	1	Vard Engineering Brevik AS	100.00%	100.00%
246. Valvitalia (Suzhou) Valves Co., Ltd.	Suzhou	Suzhou	1	Valvitalia S.p.A.	100.00%	100.00%
247. Valvitalia Algeria EURL	Algiers	Algiers	1	Valvitalia S.p.A.	100.00%	100.00%
248. Valvitalia Canada Ltd.	Edmonton (Alberta)	Edmonton (Alberta)	1	Valvitalia S.p.A.	100.00%	100.00%
249. Valvitalia Finanziaria S.p.A.	Milan	Milan	1	CDPE Investimenti S.p.A.	75.00%	75.00%
250. Valvitalia S.p.A.	Milan	Milan	1	Valvitalia Finanziaria S.p.A.	100.00%	100.00%
251. Valvitalia USA Inc.	Houston - Texas	Houston - Texas	1	Valvitalia S.p.A.	100.00%	100.00%
252. Vard Accommodation AS	Tennfjord	Tennfjord	1	Vard Group AS	100.00%	100.00%
253. Vard Accommodation Tulcea S.r.l.	Tulcea	Tulcea	1	Vard Electro Romania S.r.l.	0.23%	0.23%
			1	Vard Accommodation AS	99.77%	99.77%
254. Vard Braila SA	Braila	Braila	1	Vard RO Holding S.r.l.	94.12%	94.12%
			1	Vard Group AS	5.88%	5.88%
255. Vard Design AS	Alesund	Alesund	1	Vard Group AS	100.00%	100.00%
256. Vard Design Liburna Ltd.	Rijeka	Rijeka	1	Vard Design AS	51.00%	51.00%
257. Vard Electrical Installation and Engineering (India) Private Limited	New Delhi	New Delhi	1	Vard Electro AS	99.50%	99.50%
			1	Vard Electro Romania S.r.l.	0.50%	0.50%
258. Vard Electro AS	Tennfjord	Tennfjord	1	Vard Group AS	100.00%	100.00%
259. Vard Electro Brazil (Instalações Eletricas) Ltda	Niteroi	Niteroi	1	Vard Electro AS	99.00%	99.00%
			1	Vard Group AS	1.00%	1.00%
260. Vard Electro Canada Inc	Vancouver	Vancouver	1	Vard Electro AS	100.00%	100.00%
261. Vard Electro Italy S.r.l.	Trieste	Trieste	1	Vard Electro AS	100.00%	100.00%
262. Vard Electro Romania S.r.l.	Tulcea	Tulcea	1	Vard Electro AS	100.00%	100.00%
263. Vard Electro US Inc.	Delaware	Delaware	1	Vard Electro Canada Inc	100.00%	100.00%
264. Vard Engineering Brevik AS	Brevik	Brevik	1	Vard Group AS	100.00%	100.00%
265. Vard Engineering Constanta S.r.l.	Konstanz	Konstanz	1	Vard RO Holding S.r.l.	70.00%	70.00%
			1	Vard Braila SA	30.00%	30.00%
266. Vard Group AS	Alesund	Alesund	1	Vard Holdings Limited	100.00%	100.00%
267. Vard Holdings Limited	Singapore	Singapore	1	Fincantieri Oil & Gas S.p.A.	98.37%	98.37%
268. Vard Infrastruttura Ltda	Ipojuca	Ipojuca	1	Vard Group AS	0.01%	0.01%
			1	Vard Promar SA	99.99%	99.99%
269. Vard International Services S.r.l.	Konstanz	Konstanz	1	Vard Braila SA	100.00%	100.00%
270. Vard Marine Inc.	Vancouver	Vancouver	1	Vard Group AS	100.00%	100.00%
271. Vard Marine US Inc.	Houston	Dallas	1	Vard Marine Inc.	100.00%	100.00%
272. Vard Niteroi RJ S.A.	Rio de Janeiro	Rio de Janeiro	1	Vard Group AS	99.99%	99.99%
			1	Vard Electro Brazil (Instalações Eletricas) Ltda	0.01%	0.01%



Company name	Operational headquarters	Registered office	Type of relationship <sup>(1)</sup>	Equity investment		% of votes <sup>(2)</sup>
				Investor	% holding	
273. Vard Promar SA	Ipojuca	Ipojuca	1	Vard Electro Brazil (Instalações Elétricas) Ltda	0.001%	0.001%
				Vard Group AS	99.999%	99.999%
274. Vard RO Holding S.r.l.	Tulcea	Tulcea	1	Vard Group AS	100.00%	100.00%
275. Vard Shipholding Singapore Pte Ltd.	Singapore	Singapore	1	Vard Holdings Limited	100.00%	100.00%
276. Vard Singapore Pte. Ltd.	Singapore	Singapore	1	Vard Group AS	100.00%	100.00%
277. Vard Tulcea SA	Tulcea	Tulcea	1	Vard Group AS	0.004%	0.004%
				Vard RO Holding S.r.l.	99.996%	99.996%
278. Vard Vung Tau Ltd.	Vung Tau	Vung Tau	1	Vard Singapore Pte. Ltd.	100.00%	100.00%
279. Yeni Aen Insaat Anonim Sirketi	Istanbul	Istanbul	1	Ansaldo Energia S.p.A.	100.00%	100.00%
280. Zibello Agroenergie Società Agricola S.r.l.	Sorbolo Mezzani (PR)	Sorbolo Mezzani (PR)	1	Bioenerys Agri S.r.l.	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 (Article 2359 of Civil Code);
- 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).

The main change that occurred during the first half of 2023 in the Group's scope of line-by-line consolidation is that deriving from the participation by CDP Equity, through its subsidiary CDPE Investimenti, in the strengthening of the asset structure and financial position of the Valvitalia group, aimed at restoring the balance of its financial structure. The overall operation, which ended on 31 March 2023, envisaged:

- the granting, by CDPE Investimenti, of loans totalling 70 million euro to Valvitalia S.p.A. to (i) meet its cash needs, (ii) strengthen its asset structure and (iii) allow it to achieve the objectives of the new business plan;
- the full conversion by CDPE Investimenti of the outstanding Convertible Bond (CB) issued by Valvitalia Finanziaria S.p.A.;
- the involvement of the bank lenders of Valvitalia S.p.A. by issuing cash and unsecured credit lines, as well as Patrimonio Rilancio (established by CDP S.p.A. pursuant to Article 27 of Decree Law No. 34/2020, converted, with amendments, by Law No. 77/2020);
- the review of the governance of Valvitalia S.p.A. and Valvitalia Finanziaria S.p.A.

Following the full conversion by CDPE Investimenti of the CB, completed on 31 March 2023, CDPE Investimenti's equity investment in Valvitalia Finanziaria S.p.A. increased from 50% to 75%, going from a joint control structure to an exclusive control structure.

Compared to the situation at 31 December 2022, there was also an increase from 88.3% to 99.5% of the equity investment in Ansaldo Energia (AEN) held by CDP Equity, which during the first half of 2023 participated in the strengthening of the asset structure and financial position of AEN through: (i) the disbursement to AEN in two tranches at 31 January 2023 and 13 February 2023, respectively, of the portion of equity commitments, in line with what was already approved by the Board of Directors of CDP Equity as part of the increase in the capital held by CDP Equity in AEN in April 2020, and (ii) the disbursement of the additional equity commitments totalling 455 million euro, of which 230 million euro paid on 1 June 2023 and 225 million euro paid on 28 June 2023, in line with what was approved by the Board of Directors of CDP Equity on 31 March 2023. This operation also provided for the deferral of the maturity of the shareholder loan granted in 2019 by CDP Equity to AEN totalling 200 million euro, from 30 June 2026 to 30 June 2029, with all other terms and conditions of the instrument unchanged.

With reference to the Terna group, the changes in the scope of consolidation concern:

- on 29 March 2023, the completion of the full acquisition of Omnia S.r.l., a company operating in the photovoltaic system O&M sector through the subsidiary LT S.r.l. The acquisition was another step in consolidating the LT group's position as a leading domestic market player in the construction and management of photovoltaic systems;
- the inclusion in the scope of the company Rete Nord S.r.l.

As part of the investments in the biogas/biomethane business, the SNAM group expanded its scope of consolidation through the acquisition during the first half of 2023 of the companies Agriwatt Castel Goffredo Società Agricola a r.l., Zibello Agroenergie Società Agricola S.r.l. and Soragna Agroenergie Società Agricola S.r.l.

Please refer to "Part G - Business combinations" for detailed information regarding the entry of new subsidiaries in the scope of consolidation during the first half of 2023.

### **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 2022 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 2023**

The significant transactions which occurred after 30 June 2023 are summarised below.

#### **TERNA**

On 17 July 2023, Terna issued a single tranche of fixed-rate green bonds in euro under the Euro Medium Term Notes (EMTN) programme, for a nominal amount of 650 million euro. The 10-year green bonds mature on 24 July 2033, paying an annual coupon of 3.875%, and were issued at a price of 99.107%, with a spread of 90 basis points compared to midswap.

On 10 July 2023, notice was given of the purchase of 379,784 ordinary shares (equal to 0.019% of the share capital) on the Euronext Milan market, at a weighted average price of 7.6223 euro per share, for a total value of 2,894,829.97 euro, under the authorisation to purchase treasury shares approved by the Shareholders' Meeting of 9 May 2023, valid for the period from 03/07/2023 to 06/07/2023.



## ITALGAS

On 13 July 2023 Italgas notified that the RAEWW, the Greek Regulatory Authority for Energy, Waste and Water, announced the return (WACC – Weighted Average Cost of Capital) on the RAB (Regulated Asset Base) for 2023 for EDA Thess, EDA Attikis and DEDA, the DSOs of the Italgas group in Greece, setting it at 8.57% (compared to 7.03% in 2022).

With effect from 10 July 2023, Janagas S.r.l., holder of LPG distribution concessions in Olbia and 11 other municipalities of Sardinia, was merged by incorporation into Medea S.p.A.

## SECTION 5 - OTHER ISSUES

### NEW IFRS ENDORSED AT 30 JUNE 2023 AND IN FORCE SINCE 1/1/2023

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 2023, are provided below.

- 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;
- Commission Regulation (EU) 2022/1392 of 11 August 2022 amending Regulation (EC) no. 1126/2008 as regards International Accounting Standard 12;
- Commission Regulation (EU) 2022/1491 of 8 September 2022 amending Regulation (EC) no. 1126/2008 as regards International Financial Reporting Standard 17.

### ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET ENDORSED BY THE EUROPEAN UNION AT 30 JUNE 2023

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:

- Amendment to IAS 1 “Presentation of Financial Statements”: Classification of Liabilities as Current or Non-current (issued on 23 January 2020); Classification of Liabilities as Current or Non-current - Deferral of Effective Date (issued on 15 July 2020) and Non-current Liabilities with Covenants (issued 31 October 2022);
- Amendment to IFRS 16 “Leases”: Lease Liability in a Sale and Leaseback (issued on 22 September 2022);
- Amendment to IAS 12 “Income Taxes”: International Tax Reform – Pillar Two Model Rules (issued on 23 May 2023);
- Amendment to IAS 7 “Statement of Cash Flows”: Supplier Finance Arrangements (issued on 25 May 2023);
- Amendment to IFRS 7 “Financial Instruments: Disclosures”: Supplier Finance Arrangements (issued on 25 May 2023).

## OTHER INFORMATION

The Board of Directors meeting held on 1 August 2023 approved the consolidated half-yearly financial report of the CDP Group at 30 June 2023, 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.



## RESTATEMENT OF THE COMPARATIVE FIGURES

The restatement of the balance sheet at 1 January and 31 December 2022 as well as the comparative income statement for the first half of 2022 was necessary to incorporate the effects of the introduction of the accounting standard IFRS 17, which led to the restatement for the Poste Italiane group of its consolidated financial statements at that date.

IFRS 17 “Insurance Contracts”, which fully replaced the provisions of IFRS 4, was introduced as of 1 January 2023 as provided for in Regulation (EU) No 2021/2036 issued by the Commission on 19 November 2021. The new standard introduces new rules for the recognition, measurement and valuation of contracts that meet the definition of insurance contract and applies to insurance contracts issued, reinsurance contracts held, as well as investment contracts with discretionary participation features. In the specific case of the Poste Italiane group, owned by Cassa Depositi e Prestiti, the new standard applies to insurance contracts and investment contracts with features of discretionary participation in profits, issued by the companies Poste Vita S.p.A., Poste Assicura S.p.A., Net Insurance S.p.A. and Net Insurance Life S.p.A.

In applying the standard, the Poste Italiane group has defined a process to aggregate contracts falling within the scope of IFRS 17, providing for a first distinction between Life and Non-Life business and subsequently a distinction in different Units of Account. The Units of Account comprise contracts with similar contractual and risk characteristics that are managed in a uniform manner. With regard to the Life business, the groups of contracts are aggregated by product type (e.g., pure, multi-line, temporary life policy separate accounts, etc.), while for the Non-Life business the level of aggregation coincides with the business lines (e.g., those defined for Solvency II reporting). In some cases (such as for the companies Net Insurance S.p.A. and Net Insurance Life S.p.A.) they are further broken down in order to comply with the characteristics of specific products.



The following tables summarise the impacts recorded at 30 June and 31 December 2022:

(thousands of euro)		31/12/2022	31/12/2022 Restated	Differences
<b>Assets</b>				
10. Cash and cash equivalents		6,502,515	6,502,515	
20. Financial assets measured at fair value through profit or loss:		3,679,559	3,679,559	
a) financial assets held for trading		356,244	356,244	
b) financial assets designated at fair value		194,962	194,962	
c) other financial assets mandatorily measured at fair value		3,128,353	3,128,353	
30. Financial assets measured at fair value through other comprehensive income		12,029,385	12,029,385	
40. Financial assets measured at amortised cost:		348,435,188	348,435,188	
a) loans to banks		23,207,230	23,207,230	
b) loans to customers		325,227,958	325,227,958	
50. Hedging derivatives		4,595,099	4,595,099	
60. Fair value change of financial assets in hedged portfolios (+/-)		(2,986,650)	(2,986,650)	
70. Equity investments		27,108,963	26,736,106	(372,857)
80. Insurance assets:				
a) insurance contracts issued that are assets				
b) reinsurance contracts held that are assets				
90. Property, plant and equipment		42,556,001	42,556,001	
100. Intangible assets		13,358,680	13,358,680	
<i>of which:</i>				
– <i>goodwill</i>		1,201,633	1,201,633	
110. Tax assets:		2,579,168	2,579,168	
a) current tax assets		502,449	502,449	
b) deferred tax assets		2,076,719	2,076,719	
120. Non-current assets and disposal groups held for sale		155,645	155,645	
130. Other assets		20,086,227	20,086,227	
<b>TOTAL ASSETS</b>		<b>478,099,780</b>	<b>477,726,923</b>	<b>(372,857)</b>



(thousands of euro)		31/12/2022	31/12/2022 Restated	Differences
<b>Liabilities and equity</b>				
10. Financial liabilities measured at amortised cost:		406,248,889	406,248,889	
a) due to banks		50,398,306	50,398,306	
b) due to customers		316,994,542	316,994,542	
c) securities issued		38,856,041	38,856,041	
20. Financial liabilities held for trading		330,856	330,856	
30. Financial liabilities designated at fair value		16,627	16,627	
40. Hedging derivatives		1,367,670	1,367,670	
50. Fair value change of financial liabilities in hedged portfolios (+/-)				
60. Tax liabilities:		2,796,659	2,796,659	
a) current tax liabilities		117,927	117,927	
b) deferred tax liabilities		2,678,732	2,678,732	
70. Liabilities associated with non-current assets and disposal groups held for sale		26,828	26,828	
80. Other liabilities		24,584,948	24,584,948	
90. Staff severance pay		172,566	172,566	
100. Provisions for risks and charges:		2,815,373	2,815,373	
a) guarantees issued and commitments		698,370	698,370	
b) pensions and other post-retirement benefit obligations				
c) other provisions		2,117,003	2,117,003	
110. Insurance liabilities:				
a) insurance contracts issued that are liabilities				
b) reinsurance contracts held that are liabilities				
120. Valuation reserves		(973,113)	(1,028,538)	(55,425)
130. Redeemable shares				
140. Equity instruments				
150. Reserves		13,219,537	12,876,684	(342,853)
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 (+/-)		15,968,043	15,968,043	
200. Net income (loss) for the year (+/-)		5,417,457	5,442,878	25,421
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>478,099,780</b>	<b>477,726,923</b>	<b>(372,857)</b>



(thousands of euro) Items	1 <sup>st</sup> half of 2022	1 <sup>st</sup> half of 2022 Restated	Differences
10. Interest income and similar income	3,971,312	3,971,312	
– of which: interest income calculated using the effective interest rate method	4,101,374	4,101,374	
20. Interest expense and similar expense	(2,618,480)	(2,618,480)	
<b>30. Net interest income</b>	<b>1,352,832</b>	<b>1,352,832</b>	
40. Commission income	233,051	233,051	
50. Commission expense	(735,987)	(735,987)	
<b>60. Net commission income (expense)</b>	<b>(502,936)</b>	<b>(502,936)</b>	
70. Dividends and similar revenues	24,774	24,774	
80. Profits (losses) on trading activities	87,586	87,586	
90. Net gains (losses) on hedge accounting	65,222	65,222	
100. Gains (losses) on disposal or repurchase of:	50,664	50,664	
a) financial assets measured at amortised cost	33,215	33,215	
b) financial assets at fair value through other comprehensive income	31,764	31,764	
c) financial liabilities	(14,315)	(14,315)	
110. Net gains (losses) on other financial assets/liabilities at fair value through profit or loss:	(15,276)	(15,276)	
a) financial assets and liabilities designated at fair value	1,920	1,920	
b) other financial assets mandatorily at fair value	(17,196)	(17,196)	
<b>120. Gross income</b>	<b>1,062,866</b>	<b>1,062,866</b>	
130. Net adjustments/recoveries for credit risk relating to:	16,798	16,798	
a) financial assets measured at amortised cost	15,926	15,926	
b) financial assets at fair value through other comprehensive income	872	872	
140. Gains/losses from changes in contracts without derecognition	(39)	(39)	
<b>150. Financial income (expense), net</b>	<b>1,079,625</b>	<b>1,079,625</b>	
160. Insurance service result:			
a) insurance revenue from insurance contracts issued			
b) insurance service expenses arising from insurance contracts issued			
c) insurance revenue arising from reinsurance contracts			
d) insurance service expenses arising from reinsurance contracts			
170. Balance of financial income/expenses relating to insurance business:			
a) net financial expenses/income relating to insurance contracts issued			
b) net financial income/expenses relating to reinsurance contracts held			
<b>180. Net income from financial and insurance operations</b>	<b>1,079,625</b>	<b>1,079,625</b>	
190. Administrative expenses:	(5,759,279)	(5,759,279)	
a) staff costs	(1,289,649)	(1,289,649)	
b) other administrative expenses	(4,469,630)	(4,469,630)	
200. Net accruals to the provisions for risks and charges:	(2,940)	(2,940)	
a) guarantees issued and commitments	61,947	61,947	
b) other net accrual	(64,887)	(64,887)	
210. Net adjustments to/recoveries on property, plant and equipment	(893,888)	(893,888)	
220. Net adjustments to/recoveries on intangible assets	(820,031)	(820,031)	
230. Other operating income (costs)	8,342,884	8,342,884	

(thousands of euro) Items	1 <sup>st</sup> half of 2022	1 <sup>st</sup> half of 2022 Restated	Differences
<b>240. Operating costs</b>	<b>866,746</b>	<b>866,746</b>	
250. Gains (losses) on equity investments	2,532,900	2,540,347	7,447
260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value			
270. Goodwill impairment	(47,023)	(47,023)	
280. Gains (losses) on disposal of investments	8,257	8,257	
<b>290. Income (loss) before tax from continuing operations</b>	<b>4,440,505</b>	<b>4,447,952</b>	<b>7,447</b>
300. Income tax for the period on continuing operations	(717,969)	(717,969)	
<b>310. Income (loss) after tax on continuing operations</b>	<b>3,722,536</b>	<b>3,729,983</b>	<b>7,447</b>
320. Income (loss) after tax on discontinued operations	(4,734)	(4,734)	
<b>330. Net income (loss) for the period</b>	<b>3,717,802</b>	<b>3,725,249</b>	<b>7,447</b>
340. Net income (loss) for the period pertaining to non-controlling interests	893,909	893,909	
<b>350. NET INCOME (LOSS) FOR THE PERIOD PERTAINING TO SHAREHOLDERS OF THE PARENT COMPANY</b>	<b>2,823,893</b>	<b>2,831,340</b>	<b>7,447</b>

## DISCLOSURE ON THE IMPACTS OF CLIMATE-RELATED MATTERS

In recent years, evidence of the impact of climate change on various industrial sectors has increased considerably. Many economic sectors will be adversely affected by permanent changes in temperature, rainfall, sea level and more generally by the magnitude and frequency of extreme weather conditions.

In general, climate risks are systemic risks, cascading through society as a whole. In its annual “Global Risks Report” of 2023, the World Economic Forum considers extreme climate conditions and lack of action to address the climate crisis among the greatest dangers for humanity, both as probability of occurrence and as an impact. The fight against climate change for an increasingly decarbonised economy is the main challenge facing the world today.

In particular, the Parent Company CDP and the companies subject to its management and coordination<sup>28</sup> 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.

The CDP Group, in line with its strategic priorities, recognises that energy transition plays a central role in combating climate change and contributing to the use clean energy. Therefore, leveraging on its role as a long-term lender and investor, it has supported — and will continue to support, in line with the objectives set out in the 2022–2024 Strategic Plan — enterprises and local areas with loans and investments in key areas to counter climate change: energy transition, circular economy and safeguarding of the territory.

By way of example, please note the 50 million euro loan to Eni Plenitude for the construction of charging stations for electric cars and 30 million euro (of which 20 million euro from the Green Loan made available by CDP and the EIB) to the BIM Consortium to modernise and streamline the water service in Valle d’Aosta. In the first half of the year, the first green bond was also issued for a total amount

<sup>28</sup> 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.



of 500 million euro, the proceeds of which are intended to support green initiatives with positive environmental impacts (in particular, infrastructure investments in the renewable energy, energy and water efficiency and sustainable mobility sectors).

The objective of the CDP Group's activities is to provide a tangible contribution to the revitalisation of the Italian economy through an increasingly selective investment and financing assessment model geared towards Environmental Social & Governance (ESG) criteria. In this sense, CDP has changed its approach, no longer basing its lending and investment choices only on risk and return assessments, but also on sustainability assessments. In this perspective, CDP's operations are guided by clear strategic guidelines that identify the priority areas of action to fill the country's gaps and by (general and sectoral) lending and investment policies that define the ways in which CDP integrates sustainability into its action.

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

### SIGNIFICANT RISKS AND UNCERTAINTIES

The CDP Group pays particular attention to the emerging risks arising from climate change, in terms of both possible economic-financial impacts as well as potential reputational risks, given that the consequences of climate change and the transition process towards a green economy could have a far from negligible impact on credit risk, equity risk and operational risk.

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.

In 2023, the monitoring of ESG risks was strengthened by issuing a Group Policy that applies to all companies subject to management and coordination, which establishes the general guidelines for their assessment in the context of safeguards and second-level controls. In compliance with the requirements established by the Group Policy, the Parent Company has also adopted a regulation that extends and generalises the existing regulation for the assessment of climate and environmental risks, comprising ESG risks within its scope.

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 Group Companies, the following cases are noted:

- in line with CDP's Sustainability Framework, Fintecna S.p.A. and CDP Immobiliare S.r.l. in liquidazione have launched a process to map, measure and report on the social and environmental impact of their business activities. In line with the various CDP Group companies, Fintecna, though in the manner dictated by the characteristics of its specific business, is also working to direct its model towards the promotion of sustainable growth;
- in defining the ESG plan, CDP Real Asset SGR S.p.A. plans to identify and assign widespread responsibilities for the integration of climate and environmental factors to the functions concerned, in particular: i) the fund investment team, through the integration of climate risks into decisions regarding the investment and the structuring and management of funds with a positive environmental impact, ii) the risk function, through the monitoring of the AMC's exposure to climate and environmental risks, the updating and maintenance of the risk drivers map and dialogue with the investment teams for the integration of sustainability risks into investment decisions, and iii) Human Resources, Organisation, ICT and Logistics, through the evaluation of skills and resources related to the management of environmental and climate factors and their integration in support of business functions;
- SIMEST S.p.A., subject to management and coordination by CDP S.p.A. since 27 September 2022, launched, in the fourth quarter of 2022, a transformation path towards a business and operating model aimed at creating sustainable value, in line with the CDP Group's approach and with the provisions of the 2023-2025 Strategic Plan.

In particular, a specific pillar of SIMEST's 2023-2025 Strategic Plan ("Impact on the territory and ESG") aims to promote investments in social, economic and environmental sustainability of Italian enterprises, introducing ex-ante and ex-post mechanisms to assess sustainability and impact of operations, as well as encouraging internal sustainability initiatives.

In addition, during the first half of 2023, a specific organisational area was set up; its objectives include: (i) the development of ESG policies and strategies (in line with the Parent Company's guidelines), (ii) impact assessments on the achievement of the economic, environmental and social targets of SIMEST's support actions and (iii) the development, monitoring and reporting of ESG objectives and related KPIs, in coordination with and with the support of business structures.

As part of the organisational review of the Internal Committees, ESG issues have recently been included in the areas of competence of the Risk Governance Committee and the Risk Assessment Committee, for their respective fields, including the assessment of ESG risk profiles in investment loans, in line with the Group's approach and the Strategic Plan.

Moreover, in order to promote the implementation of ESG strategies by customer companies, SIMEST has recently included an ESG Bonus in the contractual framework of investment loans in order to reward beneficiaries (i.e., reduction in the cost of the loan), upon reaching specific ESG KPIs negotiated with the counterparties. This will involve a shift from a risk-return perspective to one that also includes the impact generated, from a risk-return-impact ESG perspective.

Cross-cutting activities have also been launched to integrate sustainability into assessment processes, combining traditional analysis variables (rating, concentration, capital requirements, reputation, etc.) with those related to ESG factors and risks.

To further strengthen governance in the field of sustainability, the CDP Sustainability Framework was approved. It defines the general guidelines inspiring SIMEST's ESG actions. The Framework lays down guiding and methodological principles, as well as guidelines and operational methods to be implemented in order to integrate the dimensions of sustainable development (social, environmental and governance principles) into corporate, internal and business processes;

- CDP RETI S.p.A. highlights that the risk profiles connected with climate change that may be significant, as an investment vehicle, are essentially of an indirect nature, i.e. risks that may affect the assessment of the value of the controlling equity investments held in its portfolio. In this respect, the issues related to climate change have so far not impacted (nor are they reasonably expected to do so over the short term) the estimation of recoverable amount (equal to the greater of Fair Value and Value in Use<sup>29</sup>), also in consideration of the fact that the stock market prices of controlling interests in portfolios are significantly higher than book value. Moreover, the subsidiaries of CDP RETI (SNAM, Terna, and Italgas) 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 confirmed what was already extensively illustrated in the Annual Financial Report at 31 December 2022, in which the following risks and related mitigation actions were specified:
  - physical risks, directly due to weather and climate changes, which are divided into: (i) acute risks, associated with the increased severity of extreme weather events, which can cause material damage to infrastructure, with impacts on the continuity and quality of service; and (ii) chronic risks, which are more predictable, predominantly associated with the increase in temperatures, leading to lower demand for gas. With reference to said risks, SNAM continuously monitors the integrity of its infrastructure and plants as well as the condition and conservation status of the areas in which they are based, 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 capable of also 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 contracts in place to cover some of these risks, in line with industry best practices;
  - transition risks, divided into: i) compliance risks (in terms of a tightening of the regulatory framework and the emerging regulatory framework to accelerate the reduction of pollutant and climate-altering emissions); ii) market risk (in terms of greater penetration of renewable energies to the detriment of natural gas, of alternative uses of gas and the development of new businesses and/or the CNG market, as well as behaviours of consumers, financiers and investors, increasingly oriented towards sustainable products); and iii) technological risk (in terms of the spread of new technologies that facilitate the use of intermittent energy sources and the need to adapt to new technological standards). With reference to these risks, SNAM has started repurposing its infrastructure, has developed its international presence, has entered into a large number of partnerships and

<sup>29</sup> Intended as the present value of the future cash flows that the equity investment is expected to generate.



has launched numerous energy transition initiatives. Strengthened by the consolidated capabilities in regulated businesses and the skills acquired on green gases and new trends in energy transition, the company is developing 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.

In January 2023, SNAM presented the new 2022-2026 Strategic Plan and the Long-term Vision by 2030, highlighting its contribution to supporting the great transformation underway in the energy sector, leveraging the enabling role of the infrastructure to achieve a completely decarbonised economy through a growing investment plan;

- the Terna group, as Transmission System Operator (“TSO”) operating in the transmission and dispatching services, is a player in supporting the system in achieving the challenging objectives related to the reduction of CO<sub>2</sub> emissions. Indeed, in addition to emissions related to the consumption of electricity, Terna’s most significant indirect emissions components is linked to grid losses, which in turn entail the indirect need to produce CO<sub>2</sub> to offset these losses with new energy. In itself, the emissions of a TSO (Scope 1 and 2 of the “GHG emission protocol”) are very modest compared to the potential reduction at the system level, enabled by the integration of renewable energy sources and electrification.

In the short term, there are no specific impacts deriving from climate-related risks, to be considered in the application of accounting standards.

With reference to the medium-long term, management identified risks mainly related to the role played (TSO), deriving from the adaptation of the electricity grid in terms of actions aimed at increasing its resilience and allowing an adaptation to the new profile and mix of energy sources introduced into the grid.

Moreover, as defined in the Terna group Risk Framework, the latter is exposed to the risk related to the increase in severity of weather events (tornadoes, heavy snowfall, ice, flooding) with consequent impacts on the continuity and quality of the service supplied and/or damage to equipment, machinery and infrastructure of the grid. In response, the Terna 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. The group, in fact, has included measures to respond to climate change in its strategic plans, identifying: i) in the Ten-Year Development Plan the interventions for development and reinforcement of the electricity grid, including interconnections with the outside world, to guarantee the integration of renewable sources; ii) in the Safety Plan, the tools to guarantee the safety and reliability of the electricity system in a context that sees increasing penetration of renewable sources and decommissioning of thermoelectric plants with consequent critical issues related to system inertia and voltage regulation and iii) in the Maintenance and Renewal Plan of electricity assets, predictive measures. Transversal to these plans is the Resilience Plan, which includes all initiatives to increase the resilience of the electricity grid towards severe climatic events that are occurring with increasing intensity and frequency, damaging the infrastructure and causing a loss of power in the plants connected to the NTG. Climate risk mitigation actions also consist of planning the maintenance of NTG plants in order to guarantee the quality of the service, safety of the assets managed (power lines and stations) and their consistent performance. 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. 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 the area of financing and bonds, ESG-linked financing programmes are in place in addition to a “commercial paper” programme (short-term bonds for qualified investors), which allows the issue of “ESG Notes”, and green bond issues have also been made. With regard to ESG-linked bank loans, there is a reward/penalty mechanism, applicable to the payment of accrued interest, linked to the achievement of specific environmental, social and governance indicators. The risk associated with the failure to achieve these objectives is not significant and the impact on financial expenses would be negligible, while there would be only a slight increase in the cost of debt;

- in recent years, the Italgas group has implemented a corporate strategy increasingly influenced by climate change issues and several initiatives have been developed aimed at reducing GHG emissions. The Italgas group has also set targets for reducing: (i) Scope 1 and 2 emissions (market based) by 34% by 2028 and by 42% by 2030, Scope 3 (supply chain) by 30% by 2028 and by 33%



by 2030 and (ii) energy consumption by 27% by 2028 and by 33% by 2030 (2020 baseline). In addition to these objectives, which concern the entire scope of operation, it is worth noting the Italgas group's commitment to Net-Zero Carbon by 2050 for Scope 1, 2 (market-based) and 3.

Italgas' strategy is outlined in the 2023-2029 Strategic Plan, which highlights the digital transformation and technological innovation that is expected to allow Italgas to play a key role in the energy transition.

In the Strategic Plan, Italgas has set out a macro-comprehensive scenario that includes frameworks and trends of Energy and Environmental Policies and presents its Sustainable Value Creation Plan, which sets concrete actions and ambitious targets for the creation of value for the Italgas group's stakeholders and for the areas in which it is present and operates.

In the short term, the main elements that influence the development of the strategy are the regulatory aspects of climate change, such as the European policy objectives, while in the short to medium term, the efficient procurement of natural gas, aimed at reducing its impacts.

Furthermore, through the report "Driving innovation for energy transition", Italgas explored the relationship between the Italgas group's business and the impacts related to climate change, in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

The document represents not only the new opportunities identified in the climate transition and the potential risks, but also the adequacy of the climate strategy implemented by the Italgas group with reference to them.

With regard to environmental risk, it is difficult to foresee the consequences of any environmental damage, also given the possible effects of new environmental protection laws and regulations, the impact of technological innovations for environmental rehabilitation, the possibility of litigation and the difficulties in determining its possible consequences, including with regard to the liability of other parties and possible insurance compensation. The Italgas group carefully monitors the different risks and consequent financial impacts that could derive from environmental and climate change issues;

- the Ansaldo Energia group has a dedicated ERM structure with the aim of identifying, assessing and managing the main corporate risks, in line with the objectives, strategies and risk appetite; all to support management in the sharing and handling of the risks themselves and in making informed decisions with a view to optimising performance. The main risks identified concern the adaptation of the product portfolio to Energy Transition regulations. 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 Group Risk Assessment has identified business risks, starting from the business context in which the company operates, mapping them according to a scale of relevance, which, for the financial aspects, bases the hierarchy of risks on the impacts in the Budget and Business Plan period. Among the climate change risks, it is necessary to highlight:
  - the contraction of the core business and/or loss of competitive advantage as a result of an inadequate business model due to changes in the macroeconomic, regulatory or technological environment;
  - delays in development, failure to finalise strategic partnerships and/or failure of innovative hydrogen technologies.
- in order to mitigate the identified risks, Ansaldo Energia has set up specific actions to: i) adapt the current product portfolio to the use of hydrogen, ii) rationalise the supply of products for the New Units world and iii) evaluate the development of solutions to increase the efficiency of the machines subject to Service activities and their possible impact on the products of the New Units.

With a view to relaunching and diversifying, the group is assessing opportunities in counter-cyclical businesses with respect to power generation from fossil sources, in particular technologies to support the energy transition, through the subsidiary Ansaldo GreenTech, with the aim of developing, producing and marketing products for the energy transition.

The new Business Plan includes the development and diversification of products on continuous segments to leverage the technological know-how of the group, which, in order to ensure greater sustainability of its portfolio, is focusing on research and development activities aimed at allowing the combustion of ever-increasing percentages of hydrogen in gas turbine plants, in order to ensure stability of the network in the wake of growth of non-programmable energy sources, in compliance with the objectives of reducing carbon dioxide emissions.

- as regards the Fincantieri group, the Internal Control and Risk Management System ("SCIGR") consists of a set of tools, organisational structures and company procedures aimed at providing a contribution, through a process of identification, assessment, management and monitoring of the main risks. The group's Risk Universe consists of 52 risks, of which 29 are ESG risks.



As specifically regards climate risk, it is represented by the risk that a catastrophic event arising from acute weather phenomena (storms, floods, earthquakes, fires or heat waves) and/or chronic weather events, i.e. long-term climate change (temperature changes, rising sea levels, reduced water availability, loss of biodiversity, etc.), may damage assets or cause a production stoppage for the Fincantieri group and/or its suppliers, and prevent it from carrying out its operations by interrupting the value chain or cause slowdowns in the supply chain. In order to prevent or limit these risks, each production site has specific emergency plans in place, subject to periodic assessment through internal and third-party audits; maintenance activities also help to limit damage arising from extraordinary climate events. The entire system is geared towards identifying, assessing and managing site-specific risks and limiting their potential impacts on the company's assets, as well as, in general terms, the environmental and social impacts that could arise.

The plans used in preparing the financial statements took into account the assumptions developed by management on the subject of climate change, in line with the strategic initiatives included in the approved group Business Plan and Sustainability Plan. Although these documents have not identified any significant medium-term impacts on the group's operations, management closely monitors the evolution of climate risks and the possible effects on the estimation processes. In addition, the strategies outlined in the aforementioned forecast documents reflect lines of action that are consistent with expected developments in response to these risks, with the aim of seizing market opportunities. Finally, the direct physical risks affecting the group's production sites and potentially deriving from climate change are included in the existing insurance coverage, the adequacy of which is also constantly monitored. In the half year, the Fincantieri group did not identify any elements other than those already considered for the purposes of the financial statements at 31 December 2022, which may have a significant impact on the main estimation processes relating to the financial statement items at 30 June 2023.

## IMPAIRMENT OF ASSETS

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 relevant, factors relating to climate change, as well as to the reference context (marked by the Russian-Ukrainian conflict and the general deterioration in the macroeconomic environment), have been taken into account in the inputs and/or through sensitivity analyses on the variables determining the recoverable amount.

For more details on the assessment of CDP Group's equity investment portfolio (impairment test), please refer to the information provided in "Section 7 - Equity investments - Item 70".

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). The flows used to determine the recoverable amount of non-current assets derive from the estimates and assumptions included in the 2023-27 Business Plan, with product market views updated to environmental regulations resulting from climate change. 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;
- the SNAM group considers that it has limited exposure to the impacts that possible climate risks could have on the valuation of non-current assets and other assets, including loans, also in consideration of the specific business and the sectors in which it operates. As regards the specific features related to foreign investee companies, please refer to the "Disclosure on the impacts of Russia's invasion of Ukraine" in this section;
- in order to mitigate climate risk, the Terna group has to plan the maintenance of NTG plants in order to guarantee the quality of the service, the safety of the assets managed (power lines and stations) and their consistent performance. In addition to the

- operations included in the group's maintenance campaign, work on the grid is increasingly necessary, for specific components that, regardless of the age of the grid, make it possible to mitigate the risk of intensification and greater frequency of harmful weather conditions. However, these investments do not reduce or modify the expected economic benefits deriving from using the grid recognised in property, plant and equipment. Therefore, it was not necessary to conduct a critical review of their useful life. Furthermore, the aforementioned actions do not have a negative impact on the determination of fair value less disposal costs, since a market operator would consider these investments as part of the Fair Value Measurement process;
- as regards the Italgas group, at present it is not reasonably expected that climate change will generate a significant impact on the expected cash flows of a given asset or Cash Generating Unit and consequently on its recoverable amount, as there are no: (i) indicators that suggest that these assets have suffered impairment, (ii) significant impacts of climate change on the assumptions used by the Italgas group in estimating their recoverable amount and (iii) need for sensitivity analysis of the effects of climate risk within the assumptions adopted.

### Expected credit losses

With regard to the measurement of the expected credit loss, climate risk is treated by assigning a rating to the creditworthiness of counterparties identified according to a predefined materiality criterion 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 the specific role and mission of CDP and of the Group companies.

### CONTINGENT LIABILITIES AND ONEROUS CONTRACTS

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. In more general terms, it is also necessary to consider the risk associated with the supply chain due to significant changes in the strategy of key suppliers, exacerbated by the crisis in the global supply chain resulting from the pandemic and the Russian-Ukrainian war, and the energy transition process started in many countries, with a potential impact on construction and maintenance works and consequent impacts on the continuity and quality of the service and on the timing of works.

### DISCLOSURE ON THE IMPACTS OF RUSSIA'S INVASION OF UKRAINE

With its recommendation of October 2022, the ESMA confirmed the validity of the requirements included in its Public Statement of May 2022, "Implications of Russia's invasion of Ukraine on half-yearly financial reports", considering the recommendations contained therein also relevant for preparing the 2022 annual financial statements and the 2023 half-yearly financial statements, in order to ensure the right level of transparency in financial reporting.

For this reason, companies of the CDP Group companies are asked to provide all the necessary information to adequately reflect the current and, as far as possible, foreseeable impact of the conflict on their financial position, performance and cash flows, through a detailed disclosure of the process of identifying the main risks and uncertainties to which they are exposed.

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

The uncertainty arising 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.

Russia's military intervention in Ukraine represented an unexpected shock that further exacerbated the European economic scenario, already negatively affected by the consequences of the COVID-19 pandemic. In this context, it should be reiterated that the high uncertainty regarding the duration and continuation of the conflict and the resulting repercussions on the economic environment, make it very difficult to predict the effects of the conflict on the macroeconomic scenario in the long term, as well as the impacts on the operations and future performance of the CDP Group.

In consideration of the fact that in the medium term 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 the equity and the loan portfolios across many sectors, the scenario was incorporated into the estimation of items. Exposures that could be impacted by a deterioration in the macroeconomic environment are duly monitored for any signs that require the adoption of specific risk mitigation strategies.

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 low and, where present, largely guaranteed by SACE.

With regard to lending operations, the evolution of the sanctions framework is 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.

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

- Fintecna S.p.A. monitors the inflationary trends related to the conflict, which could possibly lead to an increase in the costs associated with remediation and disposal activities. The Russian-Ukrainian conflict has led to a significant increase in energy prices and more generally in the prices of goods and services for the Italian market. For the years 2021-2023 the legislator has intervened by providing for a compensatory mechanism for price increases above 8% ("Aiuti" Decree). The compensatory system currently in force has envisaged updates at 90% and 80%, respectively, of the price increase, net of the bidding discount, for work carried out or accounted for in 2023 relating to bids submitted by 31 December 2021 and by 31 December 2022. These increases have a clear and significant economic impact on ongoing remediation activities;
- CDP Real Asset SGR S.p.A. highlights the difficulties in finding essential materials to start and continue operations at construction sites, such as steel, lumber and clay, compounded by a significant increase in the price of the materials available. In the construction sector, steel is a fundamental material for the construction of infrastructure and this difficulty may therefore affect private and residential construction. From the perspective of the real estate market, although the ongoing Russian-Ukrainian conflict, together with the restrictive monetary policy measures, could negatively affect the sector, the consequences will be less significant than in the construction market, as real estate responds to market logic based on a medium/long-term cycle. It will therefore be unlikely to see strong repercussions in the short term. To date, there are no specific impacts on the economic activity, financial position and earnings of the company, which monitors the situation as it cannot make forecasts on what the future impacts may be in relation to the evolution of the conflict;
- as regards SIMEST S.p.A., in order to continue supporting Italian exporting companies to Ukraine, Russia and Belarus, the second edition of the two products managed by the company drawing on the resources of Fund 394/81 was launched from 3 May 2023. The measures, which also provide for a lost fund share of up to 40% under the Temporary Crisis Framework, are intended for companies exporting to Ukraine, Russia and Belarus that have suffered losses in turnover and for exporting companies that source - either individually or at supply chain or Group level - from those same countries in terms of raw materials, semi-finished and finished products instrumental to the production cycle, with the aim of helping them to cope with the negative impacts deriving from the conflict. In February 2023, the EU REPower programme, a European plan within the framework of the Recovery and Resilience Facility to reduce energy dependence on Russia and accelerate the green transition, obtained final approval by the Council of the European Union. EU REPower provides for the adoption of a package of short and long-term measures aimed at making Europe independent of fossil fuel imports, diversifying energy sources and supplier countries. Such initiatives at European level aim to contain further negative shocks with impacts on national economies and financial markets. During 2023, the Member States that have requested these additional resources will have to include the corresponding measures in a specific chapter of their Recovery and Resilience Plans.

In this context, SIMEST has monitored its portfolio with a view to assessing and mitigating the potential impacts of the conflict on the counterparties in the portfolio. In particular, as in 2022, the following activities continued: (i) monitoring of outstanding exposures, (ii) verification of sanctions and possible effects on the portfolio and (iii) adjustment, from a prudential perspective, of underwriting criteria in the origination and monitoring/management phases with respect to the areas directly involved in the conflict. In terms of credit risk, despite having estimated limited impacts, a more prudential provisioning policy was applied to mitigate the risk. In parallel, in order to assess any indirect risks on its portfolio, the company, as part of the continuous monitoring process, analyses the information collected on the counterparties in the portfolio, the findings of which have shown limited impacts;

- the Russian-Ukrainian conflict has not generated risks or uncontrolled elements of risk for CDP RETI S.p.A. The company does not have any production activities or employees located in Russia or Ukraine, does not hold equity investments, including in joint ventures, with Russian or Ukrainian companies, and does not maintain commercial and/or financial relations with these countries. Also with reference to the tensions in the financial markets, the company is not exposed to the exchange rate risk. The company, 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 their ability to pay dividends (and by their dividend policies), which is in turn influenced by financial performance and profit or loss. Therefore, there is still a need to constantly monitor the evolution of these elements in the current context;
- with regard to the SNAM group, it should be noted that:
  - for Gas Infrastructure, as regards indirect impacts, the trend, already recorded in 2022, of a decrease in gas flows from Russia to Europe continued in the initial months of 2023. The significant actions taken during 2022, also following the “Urgent measures for the containment of electricity and natural gas costs, the development of renewable energies and the relaunch of industrial policies”, made it possible to maintain high volumes of storage compared to the maximum capacity at the end of the supply campaign (31 March 2023). With the subsequent start of the injection campaign, storage reached, at 30 June 2023, a capacity well above the levels recorded at the same date in 2022. As part of the actions taken to deal with the energy emergency, during the first half of 2023, the installation and testing activities of the new floating unit (FSRU), called Golar Tundra, were also completed. Upon completion of the work, SNAM added a new point of import for the Italian market; During 2023, moreover, always with a view to achieving high levels of storage filling, Resolution 3/2023/R/GAS was issued, published in January by ARERA, which sets out methods and terms within which, as part of the filling service of last resort, SNAM Rete Gas, as Balancing Operator, can inject volumes of gas not sold daily on the GSE’s AGS and MGS platforms into storage, up to a maximum value of 500 million cubic metres for the thermal year 2023-2024;
  - within the Sustainable Mobility business, the negative effects deriving from the Russia-Ukraine conflict on the filling station business are persisting in 2023, where the significant increase in methane prices recorded during 2022 and the first quarter of 2023 has resulted in lower growth in consumption and therefore in the amount supplied by stations. Consumption is expected to recover in the second half of the year as gas prices stabilise. With regard to compressor production and marketing activities during 2023, the critical issues experienced in 2022 concerning the sourcing of some raw materials used in the production phase due to delays in the supply chain ceased;
  - with reference to the Energy Transition: i) within the framework of the Energy Efficiency Business, the generalised increase in the costs of raw materials due to the Russia-Ukraine conflict 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. Starting from January 2023, energy commodity prices have stabilised at lower values than in 2022, but with increases compared to the historical average of about 200%. There has therefore been a slight slowdown in collection times due to the aforementioned increase in costs, albeit with minimal impact. Market forecasts for the remaining part of 2023 project prices similar to those recorded in the first half of the year and therefore a stabilisation of working capital without probable further impacts;
  - as part of the business of designing and building biomethane plants, the effects of the conflict in Ukraine, essentially related to the increase in the prices of raw materials and construction materials with a concurrent lengthening of delivery times, have not been further exacerbated compared to the situation at the end of 2022. Biomethane plants, on the other hand, did not experience substantial impacts; however, the continuation of the conflict in the second half of 2023 could have impacts that cannot be determined at present;
  - as regards the SNAM group’s foreign investee companies, two companies are most exposed to Russian gas supplies and they are operating, as of 2022, in a significantly changed context compared to the past and, despite the presence of a substantially



stable regulatory framework, with differences compared to regulations in force in major European countries (essentially with reference to volume risk) that generate uncertainties about the expected returns (largely dependent on the volumes transported, based on the current regulatory framework). As regards Trans Austria Gasleitung (TAG), the progressive reduction of transit flows from Russia continued during the first half of 2023 with a significant reduction in volumes imported into Italy. In addition, on 31 December 2022, about 85% of long-term transport capacity contracts came to their natural expiry and this generated greater exposure than in the past to market trends and uncertainty related to gas flows to Italy. The results of Gas Connect Austria (GCA), on the other hand, are less influenced by the decline in gas imports from Russia thanks to the existence of long-term transport capacity contracts, with gradual expiries until 2031. In addition, during 2022 the company operated mainly as an interconnector with Germany, contributing to the security of supply in Austria and at the same time contributing to the achievement of the filling targets for Austrian national storage facilities. Finally, the two Austrian TSOs, in line with the regulatory procedure, are liaising with the competent national authorities regarding the definition of the regulatory framework applicable from 2025 (regulatory period 2025-2028) in light of the changed context in which the companies are operating;

- with regard to the Italian investee companies of the SNAM group, no direct impacts from the Russia-Ukraine conflict were identified.
- the Terna group is constantly engaged in monitoring the possible impacts/risks related to the continuing crisis between Russia and Ukraine in light of the continuous evolution of geopolitical scenarios and the legislation in force on international sanctions programmes adopted following the start of the Russian-Ukrainian conflict. To this end, specific task forces 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: through 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 the Terna group's cyber protection systems with the aim of preventing any harmful actions. All checks relating to the absence of cyber security products and services, active on Terna's IT infrastructure, linked to the Russian Federation have also been carried out with positive results, and a project was successfully completed to further raise the level of cyber security relating to the data flow required for monitoring the defence systems active on the Ukrainian network;
  - economic and financial: on this front, the current crisis has led to significant fluctuations in some macroeconomic variables. On the basis of the current regulation of the Terna group, which provides for the indexation of the operating costs recognised in the tariff and of the Regulatory Asset Base - RAB (the latter is revalued on the basis of the evolution of the investment deflator), no negative economic impacts are expected from the increase in the price index, although the aforementioned recognition is reflected in the financial statements with a lag of about one year. The sudden increase in interest rates (due to the acceleration and lengthening of the plan for the implementation of a restrictive monetary policy by the European Central Bank, with the aim of mitigating the price increase) will also have an impact on Terna's cost of debt in the coming years, although this will be gradual, in view of the average duration of the existing debt and the current high proportion of fixed rate borrowings.

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 lead to a change in the allowed cost of capital, that would offset the impacts generated by those variables. In this respect, a mechanism for updating the WACC is planned in 2024 if, following the updating of certain parameters, the WACC should undergo an increase or decrease of more than 50 bps. In addition, in 2025 there will be an overall update of the values of the parameters used to calculate the WACC, pursuant to the resolution published at the end of 2021 by ARERA, which does not provide, in this case, for thresholds for the adjustment of the cost of capital.

Finally, it should be stressed that the Terna group currently has financing sources that, together with the ability to generate cash flows, ensure coverage of financial requirements for the next 18/24 months, in order to face any further stress on the capital market;

- electrical system: current evidence shows no impact on the adequacy of this system. However, considering the scarcity of natural gas, it is necessary to assess whether any shortfall next winter in the supply of natural gas would partially be offset by maximising production from other energy sources;
- procurement plan: as a result of international sanctions, the Terna group has suspended the qualification of the only Russian supplier, now definitely expired, adopting any further contractual remedy and mitigating the effect of this action through the greater use of other available contracts. Recovery and repositioning actions were carried out on line supplies, station equipment and power machinery by: i) entering into further contracts, through the issue of new tenders, that include indexing

formulas (also using tools such as quick-execution online auctions, for example for the supplies of towers) and ii) negotiating individual claims on non-indexed supply contracts in place. With regard to the procurement of metal sub-supplies (steel, aluminium, nickel, semiconductors), which are affected by price changes, the most important events were addressed. With regard to large projects, whose service agreements for stations will be performed shortly, discussed during the tender phase, etc., it cannot be ruled out that there will be an impact deriving from the uncertainty on the increase in commodity prices and any requests for extension of construction times due to force majeure. In any case, it should be considered that as of 2022 the legislator has included the obligation to adopt price revision formulas in contracts; therefore, the main indices used are constantly monitored by the company;

- the Italgas group confirms that it 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. The Italgas group continues not to detect any materially relevant restrictions on executing financial transactions through the banking system, also as a result of Russia's exclusion from the international SWIFT payment system. 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, following a survey of a significant part of its suppliers, it was found that none of the suppliers surveyed mentioned impacts with the Russian market (while only one supplier reported sub-supplies of Ukrainian origin, for which initiatives have been taken to seek alternatives). All the suppliers surveyed confirmed that they had put in place measures to prevent the effects of any cyber attacks. Monitoring in the following months did not highlight any critical issues resulting from the conflict. It should also be noted that most of the processes managed by the suppliers surveyed can be classified as energy-intensive. As previously highlighted, 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.

As regards the availability of funding sources and the related costs, please note that: i) more than 90% of Italgas' financial debt is at fixed rate, ii) the next repayment of a bond is due for 2024, and iii) in any case, the Italgas group has funds deposited at leading banking institutions for an amount which, also in light of the existing investment plans and the transactions envisaged in the short term, would make it possible to manage, without significant material effects, any restrictions on accessing credit. In addition, we report the success of the bond issue maturing in June 2032 under the Euro Medium Term Notes (EMTN) Programme launched in 2016 and renewed by resolution of the Board of Directors of 15 September 2022. This issue confirms both the financial soundness of the Italgas group and the ability to access the capital market.

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 is worth remembering that the rules for user access to the gas distribution service in Italy are established by ARERA and regulated in the Network Code, which also defines the system of financial guarantees in place to protect the distributor.

With reference, instead, 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. In any case, the risk of a prolonged interruption in natural gas injection into the distribution infrastructures, which could have a significant negative impact on business continuity, would be mitigated by the actions already in place and/or being studied at a national and European level, such as storage optimisation, diversification of supply sources and increase in national production;

- the Ansaldo Energia group, through its subsidiary Ansaldo Energia Russia, manages service and maintenance contracts on gas-fired plants. There were no significant direct losses on the activities carried out by the subsidiary on site; supplies for maintenance contracts, in fact, do not fall under the activities subject to sanctions. The Ansaldo Energia group continues to monitor the potential impacts on the energy market and is identifying countermeasures, pursuing commercial channels with less impacted areas and possible stepping up of cost containment actions and cash optimisation opportunities.

The main indirect impacts deriving from the conflict in 2023 (for which reference is made to the "Disclosure of impacts of the macroeconomic environment") continue to be those identified for the previous year, i.e.: i) availability of materials, delays in deliveries and increase in the prices of raw materials, and ii) tension on the gas market due to price uncertainty and future availability of gas. The prices of raw materials are increasingly characterised by high volatility that falls within a context of high inflation already recorded in previous periods. The Russian crisis is strongly impacting the current socio-economic scenario making it complex for supply chain operators to provide price forecasts and make long-term contractual commitments. The delivery times of raw



materials have, therefore, become considerably longer and sustained and particularly volatile price levels are expected until the current context persists. Supply chain control is, therefore, one of the most complex challenges to face.

The 2023-2027 Business Plan takes into account, in addition to the inflationary dynamics deriving from the geopolitical context, also the impacts deriving from the conflict. In addition, calculation of the ECL was updated with regard to equity investments, trade receivables, guarantees issued and cash and cash equivalents, without identifying any significant impacts in the determination of impairment of the assets, related to the type of trade receivables, customers and financial institutions with which the Ansaldo Energia group works.

An analysis of credit risk related to the existing guarantees payable was also carried out, mainly linked to the performance risks on active contracts, and the future need for the provision of bank and insurance guarantees on newly acquired contracts. Charges relating to contract guarantees are accounted for in the operating margin of the sales orders and estimated in the full-cycle planning of the economic and financial budget of the orders.

As a result of the conflict, there has been an increase in cyber threats, to face which the Ansaldo Energia group has implemented the protection system, also informing workers through training courses to raise their awareness in the use of technologies;

- 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, nor employees based in those areas.

The Fincantieri group has 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.

In order to continue managing the aforesaid economic effects deriving from the Russian-Ukrainian conflict, the Fincantieri group is continuing to implement price risk mitigation policies on the purchase of copper, gas and electricity, as well as marine fuel, and supplier diversification policies, also through the scouting of new international partners, especially for strategic materials such as steel.

Similarly, the hedging and pre-hedging strategy pursued by the group through the trading of interest rate swaps has made it possible to contain the effects related to the increase in interest rates, and to identify a substantial percentage of the medium/long-term loans currently in place that benefit from a fixed interest rate. Excluding unexpected or currently unforeseeable developments or events, no further significant impacts on the group's activities are expected due to the effects of the conflict.

## IMPAIRMENT OF ASSETS

Given the uncertainty generated by Russia's invasion of Ukraine, the company continued to pay particular attention to the effects of the geopolitical situation on the context in which the CDP Group operates, in testing for trigger events for non-financial assets.

The lack of certainty connected to the complexity of predicting the short and medium-term impacts of the war significantly increases the complexity and uncertainty of the estimates made, given that the underlying assumptions and conditions might be subject to further review, to take into account developments outside management's control, thus resulting in unexpected and unforeseeable impacts.

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.

For this reason, taking into account the particular historical moment 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 in light of the monetary policy decisions made by the central banks (e.g. recent increase in rates)<sup>30</sup>;
- 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.

<sup>30</sup> 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.



In addition, CDP has conducted a sensitivity analysis, where deemed relevant, against the main variables that determine the subject asset's value, including for example:

- the price of oil (i.e. Brent) and gas (i.e. VTP) 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.

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

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

- CDP Equity S.p.A. has suffered the effects of the continued Russian-Ukrainian conflict indirectly, mainly due to the increase in the cost of raw materials, such as energy, metals and agricultural goods, and the delays in their procurement, with direct inflationary consequences. The company has therefore paid particular attention to the dynamics and variables that characterise the current scenario, due to the impacts on financial markets and the international real economy, factoring the effects of the events in the valuation of the equity portfolio, based on the specific characteristics of the portfolio; The impairment tests on the equity investments for which indicators emerged were carried out considering valuation parameters that incorporated the elements of uncertainty described above, while simultaneously acquiring updated financial information from the investee companies;
- the Ansaldo Energia group has carried out and formalised an assessment to analyse recoverability, through an impairment test on the other assets. This analysis considered the economic and financial effects related to the macroeconomic scenario included in the revised 2023-2027 Business Plan, and highlighted the existence of impairment indicators. The increase in interest rates and the associated uncertainty affected the discount rates used in impairment tests. The impairment tests did not show any impact that resulted in a reduction in the balance sheet 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 2023, 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 and maintained 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), (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.

### **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 or for Group companies.

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 IMPACTS OF THE MACROECONOMIC ENVIRONMENT**

In the current context, financial markets and the global real economy are strongly affected by the combined effect of the residual consequences of the pandemic, inflation, rising interest rates, slowing markets, geopolitical risks and general uncertainty about future developments.

In the early months of 2023, persisting inflation and the consequent continuation of the interest rate hike cycle by central banks did not affect the stability of the global economy, which instead benefited from the decline in energy prices, easing in value chains and a strong recovery in consumption in services, in particular international tourism. However, in recent months economic indicators have shown clear signs of decline in the manufacturing sector and a slowdown in services, both affected by weaker global demand.

In Italy, the year 2023 opened with an economy that continued to surprise on the upside. The cyclical increase in GDP of 0.6% in the first quarter forced the main forecasters to revise upwards the estimates for the current year, even above the 1% government estimate in the April Economic and Financial Document (DEF): according to the OECD, growth will be 1.2%, in line with ISTAT (1.2%) and Bank of Italy (1.3%) forecasts. Investments will make the greatest contribution to growth, taking advantage of the implementation of the PNRR, although not expanding at the extraordinary rates of previous years, in particular due to the slowdown in the construction sector.

In this context, after peaking in the final months of 2022, inflation started to gradually decline. This dynamic is the result of two opposing effects: on the one hand, the fall in energy prices and other raw materials is driving it down, on the other, the increases in the prices of food, household goods and hospitality and catering services are contributing to keeping it high.

For companies operating in the real estate sector, after the positive trend shown in the post-pandemic period, the Italian market is expected to face a new adverse scenario. The ongoing Russian-Ukrainian conflict, on the one hand, and the restrictive monetary policy measures decided by the ECB, on the other, are contributing to shaping a potentially unfavourable scenario for the targets of maintaining the real estate levels achieved so far and a longer and rougher normalisation path than initially expected, with the risk that the lack of wage indexation penalises the purchasing power and further widens the exclusion band. The need for recourse to credit to maintain lifestyles unaltered and not sacrifice investment ambitions appears to be increasing; this growing need is clashing, however, with a banking stance that has become progressively more prudent and selective due to both the increased costs of lending and, to an even greater extent, the changed perception on the future solvency of potential borrowers.

In line with this context, there has been a significant decline in house purchase intentions and in loan applications after the growth recorded in the two-year period 2021-2022. In this regard, the most significant change noted is in the propensity of credit institutions to grant loans, with the credit crunch that is consequently reducing the inflow of demand to the market.

Based on the scenario described above (for information on this, please refer to the detailed description in the “Market Context – Macroeconomic scenario” section of the Half-yearly Report on Operations), CDP and the Group Companies are required to assess and reflect the impacts that this context and the related uncertainties may have on their financial statements and their operations.

The main risks to which CDP 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 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 evolving macroeconomic environment 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;
- Credit risks due to a possible rise of debtors in financial distress, both on the loans and guarantees portfolio and on debt securities;
- Liquidity risks due to possibly more difficult conditions to raise funding and/or dispose assets when required.

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

- for Fintecna S.p.A. it should be noted that, despite the overall current macroeconomic scenario that does not indicate particularly critical profiles: i) the current inflationary scenarios could negatively impact the operating activities of the Separate Assets with higher management costs, reflected in the fair value valuations of these investments and ii) vice versa, the increase in interest rates provides positive prospects in terms of reuse of available liquidity;
- for CDP Immobiliare S.r.l. in liquidazione, the impacts on its business could be related to, by way of non-exhaustive example: i) greater difficulty in acquiring funds under conditions similar to the prior ones by potential buyers of properties, ii) higher asset management costs and iii) potential increase in cyber risk, as the current geopolitical scenario has highlighted an overall increase in hostile cyber activities;
- for CDP Real Asset SGR S.p.A., the current macroeconomic scenario has not generated risks other than those reported, as these types of events are considered within the risks already assessed and monitored; the key risk areas are:
  - counterparty risks due to the possible increase in the financial difficulties of tenants of the properties;



- liquidity risks due to greater difficulties in raising capital from third party investors or credit institutions as a result of higher interest rates;
- other risks, such as but not limited to: delays or interruptions in the execution of works contracted on the real estate portfolio of funds managed as a result of supply difficulties, impossibility of carrying out real estate divestment operations due to market illiquidity;
- as regards SIMEST S.p.A., in this context, the still high general level of prices, the increase in borrowing costs and the stricter conditions for access to credit, as well as the instability of the international geopolitical framework, could expose Italian companies to objective operational criticalities differentiated by sector and size, with impacts on business continuity. These factors could also lead to a marked slowdown in investment, although countered by the stimulus deriving from the public component, thanks to PNRR initiatives.

Net foreign demand is expected to make a positive contribution to output growth over the three-year period 2023-2025, With exports expected to grow, albeit at lower rates than in 2022, and imports growing at a lower rate. However, non-negligible risks for exports still need to be considered, linked to the evolution of global economic activity, which could be affected to a greater extent by the effects of monetary tightening in advanced economies, resulting in lower foreign demand for Italian goods and services. The macroeconomic context also remains strongly influenced by the ongoing conflict in Ukraine. In this regard, in 2023 SIMEST reactivated subsidised loans in support of Italian companies exporting to Russia, Ukraine and Belarus and exporting companies with supplies from those geographical areas.

With reference to Italy, due to the wave of bad weather that hit the country in the second quarter of 2023 with floods that damaged the territory and the economic and production fabric, in particular in Emilia-Romagna, the Government issued the “Flood Decree”, in order to allow the timely recovery of economic activities in the affected areas. In accordance with the Decree, SIMEST has launched a new package, including non-refundable subsidies and support measures under Fund 394/81, to support exporting companies based in Emilia-Romagna, Marche and Tuscany damaged by the flood.

The framework of reference also confirms for SIMEST 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) economic and financial risks (linked to budget reviews, forecasts, new lending, risk provisions, impairment) and; (iii) fraud, anti-money laundering and reputational risks, also linked to the public resources managed. To further monitor the risks associated with the historical context of reference, SIMEST’s control functions continued the consolidation of the risk monitoring and control framework, in order to more promptly identify any changes in the scenario in terms of credit, liquidity, interest rate and other risks, ensuring its responsiveness and ability to adapt;

- companies such as CDP Equity S.p.A. and CDP Reti S.p.A. (as financial holding companies) are by nature indirectly exposed, in consideration of their investments and commitments, to the business risks of their investee companies and to the main elements of uncertainty that affect their economic and financial performance and expected returns. For this reason, constant monitoring of the economic results achieved and expected by their investee companies is carried out, evaluating the proposals made by their management as part of company operations, taking into account the reference sector and market as well as the general political, economic and social context;
- for the SNAM group, which is one of the players operating in the regulated business, the current macroeconomic framework suggests a stabilisation, in the not-too-distant future, of the interest rate hike cycle by central banks; however, persisting uncertainties and challenges to both domestic and European economic growth remain due to existing geopolitical tensions, issues in the banking sector and the introduction of new restrictive policies that contribute to hindering the normalisation of the supply chain of essential materials and components;

In this context, during the first half of 2023, the SNAM group was able to operate without interruption and carry out the planned investments. With reference to the indirect consequences of the conflict, the succession of significant increases in key interest rates by the main central banks has led to a general increase in the cost of debt;

- for the Terna group, the most significant part of income consists of revenues related to the performance of Regulated Activities in Italy and the calculation of income that remunerates both operating costs and invested capital, both of which are revalued annually based on inflation and deflator trends, respectively. In addition, the return on invested capital is calculated using a WACC that is reviewed periodically by ARERA in order to update the parameters underlying the calculation of the cost of equity and cost of debt. With respect to potential risks of higher contract prices due to the strong inflationary environment and higher costs due to rising prices of materials, energy and wages and the risk that issuers may be unable to reflect these increases in the prices of their goods and services, this risk is not recognised as the price revisions granted by law are covered by tariff updates, which provide for an adjustment to inflation;

- for the Italgas group, the most significant part of revenues regards regulated activities, whose income is governed by the regulatory framework defined by the Regulatory Authority. Therefore, the financial conditions of the services provided are defined through regulatory frameworks and not by negotiation; it should be noted that the impacts deriving from the worsening macroeconomic context have not resulted in significant effects on Italgas' financial instruments and that there were no significant costs incurred for the fulfilment of a contract;
- for the Ansaldo Energia group, the growing inflationary dynamics have strongly impacted the profitability of orders in the portfolio of the New Plants Business Unit. The uncertainties arising from the geopolitical scenario due to the Russian-Ukrainian conflict, inflationary dynamics and the slowdown in the supply of specific materials were reflected in the revision of the 2023-2027 Business Plan. In relation to this context, the Ansaldo Energia group adjusted these cash flows following subsequent evaluations of its sales orders, factoring in a review in terms of cost and revenue planning for the various projects where the cost of the product is affected by the inflation trends due to the global economic recovery, supply difficulties and the consolidation of the new H-class technology. Likewise, revenues from contracts with customers reflect any contractual changes related to the subject-matter and the price of the transactions.

## IMPAIRMENT TEST

### Equity investments

Rising interest rates and the associated uncertainty can affect the discount rates used in impairment testing, potentially lowering recoverable amounts significantly.

With reference to the estimated recoverable amount of the equity investments and other assets, as defined in the section on disclosure of the potential impacts of the Russia-Ukraine conflict, CDP considers a range of factors also relating to the unique circumstances characterised, among other things, by the instability of financial markets and the international real economy.

Specifically, at 30 June 2023, impairment triggers were activated on some of the key equity investments accounted for using the equity method (Eni, Poste Italiane, Open Fiber Holdings, Saipem, Webuild and Nexi), 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, impacted by a combination of factors linked to the impacts of the ongoing Russian-Ukrainian conflict, the increase in inflation and interest rates, general deterioration of the economic climate, geopolitical risks and the uncertainties on future development, the guidance consequently issued by national and international regulators as well as the guidelines issued by industry bodies. In this regard, the assumptions and the valuation parameters adopted to determine the recoverable amount included, where potentially relevant, factors concerning the updated macroeconomic framework. 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 in light of the monetary policy decisions made by the central banks (e.g. recent increase in rates)<sup>31</sup>;
- 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, where deemed relevant, against the main variables that determine the subject asset's value, including for example:

- the price of oil (i.e. Brent) and gas (i.e. VTP) 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.

<sup>31</sup> 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.



## Goodwill

Goodwill arising 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 current reference scenario, with a combination of factors linked to the effects of the Russian-Ukrainian conflict, the increase in both inflation and interest rates, general deterioration of the economic climate, geopolitical risks and uncertainty with regard to future developments. 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.

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

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

- for CDP Equity S.p.A., the impairment tests on the equity investments for which indicators of possible impairment emerged were carried out considering valuation parameters that incorporated the elements of uncertainty, while simultaneously acquiring updated financial information from the investee companies. The equity portfolio was resilient overall, with critical situations mainly affecting those investees that, operating on a contract basis, have suffered an increase in the costs of production factors, such as raw materials and fuel, with a consequent deterioration in margins, as well as for those companies operating in the energy sector, and specifically in the gas sector, which have suffered a decrease in orders. On the other hand, the ECB’s measures have had a major impact on the valuations of companies operating in high-growth sectors, such as the digital sector;
- the Ansaldo group has carried out and formalised an assessment to analyse recoverability, through an impairment test on the other assets. This analysis considered the economic and financial effects related to the macroeconomic scenario included in the revised 2023-2027 Business Plan, and highlighted impairment indicators. The increase in interest rates and the associated uncertainty have had an impact on the discount rates used in the impairment tests, which, however, have not shown impacts such as to lead to a reduction in the group’s assets;
- for Group companies operating in regulated businesses (Italgas group, SNAM group, Terna group), the recoverable amount of property, plant and equipment and intangible assets with finite useful life belonging to the RAB (Regulated Asset Base) and the analysis of estimated future cash flows generated by these assets has shown that the macroeconomic effects have not given rise to impacts constituting trigger events that required the Group to test for impairment. The RAB is calculated based on the rules defined by the competent regulatory authority in order to determine the benchmark revenues.

## FINANCIAL INSTRUMENTS

There were no significant impacts on financial instruments as a result of the worsening macroeconomic environment.

In this respect, note that in measuring Expected Credit Losses, CDP applies the internally-developed methodology, which provides:

- a reliable estimate of through-the-cycle probability of default, which incorporates not only historical data but also forward-looking information to ensure the reliability of the estimates even in situations of serious crisis, across the entire life of the financial instruments;
- an internal model for estimating the cyclical component of probability of default, to produce forward-looking estimates of point-in-time parameters.

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 Eurozone and the USA. The quantitative model adopted internally has not changed and, in particular, no sector-based adjustments were made since it was deemed that alternative methods would not be more reliable in the current phase and might, at least potentially, introduce higher risks of arbitrariness. Although the effects of the changing economic framework have largely yet to be seen on counterparties in portfolio, CDP considered it necessary to continue applying the management overlay (introduced for the 2021 financial statements) for quantifying ECL, aimed at compensating for the effect of falling point-in-time default probabilities which would otherwise result from the trends in the macroeconomic and credit indicators observed in the model.

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

- in the current macroeconomic context, SIMEST S.p.A. continued with the consolidation of measurement and monitoring models and tools by applying prudential provisioning policies both at portfolio (collective) and counterparty (individual) level.  
With regard to credit adjustments on a collective basis, for performing instruments, the impairment model takes into account the effects of historical, current and prospective scenarios. For the portfolio component classified at amortised cost, the model in terms of Expected Credit Loss factored in both the update of the risk parameters and the exposure to the macroeconomic situation.  
For the portion of the portfolio measured at fair value, the impairment values, calculated using the updated market parameters, factor in: i) the upward trend in interest rates from the beginning of 2022 and ii) the updating of the risk parameters, including the rating.  
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, also considering the reference economic context.  
Within the framework of public funds, during the first half of 2023 the monitoring activities of the portfolio of the Venture Capital Fund and Fund 394/81 continued;
- the Ansaldo Energia group, following the breaches of the 2022 financial covenants, initiated talks with the majority shareholder and financial institutions for the implementation of a financial measure to restore the group's financial and economic balance, which was finalised with the approval of the 2022 financial statements. This financial measure includes, in particular:
  - a capital increase of 580 million euro (already executed for 455 million euro in June 2023) through a capital increase offered as an option to shareholders by 31 March 2024, with a guarantee by CDP Equity S.p.A. for subscription also in relation to any unsubscribed shares;
  - the use of part of the funds deriving from the capital increase for the repayment of the 350 million euro bond due in 2024;
  - the extension of bank cash loans, currently maturing in December 2023 for a total of 450 million, until December 2027 with the exception of a portion of the Term Loan equal to 155 million euro, which will be repaid in 2023 with the funds deriving from the aforementioned capital increase;
  - a new bank loan taken out in 2023, backed by a SupportItalia guarantee from SACE, totalling approximately 155 million euro, with a duration of 6 years and 3 years of grace period;
  - the extension of the unsecured bank credit lines, for the issue of guarantees to service the group's projects, from the current maturity of December 2023 to December 2027;
  - the extension of the loan of approximately 200 million euro by the controlling shareholder CDP Equity S.p.A. to 2029.

Ansaldo Energia updated the calculation of the ECL in accordance with IFRS 9, with regard to equity investments, trade receivables, guarantees issued and cash and cash equivalents, without identifying any significant impacts in the determination of impairment of the assets, related to the type of trade receivables, customers and financial institutions for which the group works. An analysis of credit risk related to the existing guarantees payable was also carried out, mainly linked to the performance risks on active contracts, and the future need for the provision of bank and insurance guarantees on newly acquired contracts.

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In relation to the above, note 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 markets. 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.

It is therefore necessary to reiterate the ongoing uncertainty arising from the instability of the current framework, which makes it difficult to also predict the associated short-term and medium-term impacts. This significantly increases the complexity and uncertainty of the estimates made, whose results are described in the specific sections referred to, given that the underlying assumptions and conditions might be subject to further review, to take into account developments outside the management's control, thus resulting in unexpected and unforeseeable impacts. Thus, there is still a need to constantly monitor the evolution of these elements in the current context.

### **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 2022 Annual Financial Report — the following updates are given:

1. the total residual amount accounted for at 30/06/2023 (recognised under the item "Other assets" of the Balance Sheet) is around 165.5 million euro (against a total residual amount accounted for at 31/12/2022 of around 198.9 million euro);
2. with regard to the direct transfer of tax credits for enterprises (including SMEs), in December 2021 and January 2022, CDP — together with other transferees — was subject to three emergency preventive seizures of certain tax credits acquired for a total nominal value of about 87.8 million euro. CDP promptly filed applications for review with the relevant courts, obtaining: (i) 2 orders for the release of tax credits for a total nominal value of about 83.1 million euro, and (ii) 1 order confirming seizure, later upheld by the Court of Cassation, for a nominal value of around 4.7 million euro.

At the date of preparation of these condensed consolidated financial statements at 30/06/2023, the tax credits still subject to seizure amounted to around 4.7 million euro.

### **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 2022 Annual Report, reference is made to what is stated in the latter under Chapter 4, 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) Assets/liabilities measured at fair value	30/06/2023			31/12/2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Financial assets designated at fair value through profit or loss:	1,473	514,462	3,431,316	5	526,402	3,153,152
a) financial assets held for trading		341,250			356,237	7
b) financial assets designated at fair value			194,939			194,962
c) other financial assets mandatorily at fair value	1,473	173,212	3,236,377	5	170,165	2,958,183
2. Financial assets at fair value through other comprehensive income	11,762,131	97	279,491	11,769,043	97	260,245
3. Hedging derivatives		4,485,691			4,595,099	
4. Property, plant and equipment						
5. Intangible assets						
<b>TOTAL</b>	<b>11,763,604</b>	<b>5,000,250</b>	<b>3,710,807</b>	<b>11,769,048</b>	<b>5,121,598</b>	<b>3,413,397</b>
1. Financial liabilities held for trading		301,517	19,307		323,128	7,728
2. Financial liabilities at fair value			17,596			16,627
3. Hedging derivatives		1,511,851			1,367,670	
<b>TOTAL</b>		<b>1,813,368</b>	<b>36,903</b>		<b>1,690,798</b>	<b>24,355</b>



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

(thousands of euro)	Financial assets measured at fair value through profit or loss			of which: c) Other financial assets mandatorily measured at fair value	Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Property, plant and equipment	Intangible assets
	Total	of which: a) Financial assets held for trading	b) Financial assets designated at fair value					
<b>1. Opening balance</b>	<b>3,153,152</b>	<b>7</b>	<b>194,962</b>	<b>2,958,183</b>	<b>260,245</b>			
<b>2. Increases</b>	<b>727,545</b>			<b>727,545</b>	<b>22,707</b>			
2.1 Purchases	567,970			567,970	43			
2.2 Profits taken to:	121,089			121,089	22,560			
2.2.1 Income statement	121,089			121,089	3,432			
– of which: capital gains	118,176			118,176	3,432			
2.2.2 Equity		X	X	X	19,128			
2.3 Transfers from other levels								
2.4 Other increases	38,486			38,486	104			
<b>3. Decreases</b>	<b>449,381</b>	<b>7</b>	<b>23</b>	<b>449,351</b>	<b>3,461</b>			
3.1 Sales	263,978			263,978				
3.2 Repayments	143,763			143,763	2,641			
3.3 Losses taken to:	39,416		23	39,393	545			
3.3.1 Income statement	39,416		23	39,393	545			
– of which: capital losses	37,566		22	37,544	224			
3.3.2 Equity		X	X	X				
3.4 Transfers to other levels								
3.5 Other decreases	2,224	7		2,217	275			
<b>4. CLOSING BALANCE</b>	<b>3,431,316</b>		<b>194,939</b>	<b>3,236,377</b>	<b>279,491</b>			



## 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
<b>1. Opening balance</b>	<b>7,728</b>	<b>16,627</b>	
<b>2. Increases</b>	<b>12,092</b>	<b>1,100</b>	
2.1 Issues	8,011		
2.2 Losses taken to:	4,081		
2.2.1 Income statement	4,081		
– of which: capital losses	4,081		
2.2.2 Equity	X		
2.3 Transfers from other levels			
2.4 Other increases		1,100	
<b>3. Decreases</b>	<b>513</b>	<b>131</b>	
3.1 Repayments			
3.2 Buybacks			
3.3 Profits taken to:	513		
3.3.1 Income statement	513		
– of which: capital gains	513		
3.3.2 Equity	X		
3.4 Transfers to other levels			
3.5 Other decreases		131	
<b>4. CLOSING BALANCE</b>	<b>19,307</b>	<b>17,596</b>	

**DISCLOSURE OF “DAY ONE PROFIT/LOSS”**

As there were no intervening changes to what is set out in the 2022 Annual Report, reference is made to Chapter 4, Part A - Accounting policies, A. 5 - Disclosure of day one profit/loss 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)	30/06/2023	31/12/2022
a) Cash	1,823	1,231
b) Current accounts and demand deposits with Central banks	2,299,999	2,450,136
c) Bank current accounts and demand deposits	1,704,597	4,051,148
<b>TOTAL</b>	<b>4,006,419</b>	<b>6,502,515</b>

#### 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	30/06/2023	31/12/2022
<b>A. On-balance-sheet assets</b>				
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				9
4. Loans				
4.1 Repurchase agreements				
4.2 Other				
<b>Total A</b>		<b>102</b>	<b>102</b>	<b>111</b>
<b>B. Derivatives</b>				
1. Financial derivatives	278,241	62,907	341,148	356,133
1.1 Trading	276,860	62,907	339,767	355,034
1.2 Associated with fair value option				
1.3 Other	1,381		1,381	1,099
2. Credit derivatives				
2.1 Trading				
2.2 Associated with fair value option				
2.3 Other				
<b>Total B</b>	<b>278,241</b>	<b>62,907</b>	<b>341,148</b>	<b>356,133</b>
<b>TOTAL (A + B)</b>	<b>278,241</b>	<b>63,009</b>	<b>341,250</b>	<b>356,244</b>

Financial derivatives, which totalled 341.1 million euro at 30 June 2023, are attributable to:

- as regards Prudential Consolidation, the Parent Company, and mainly include the positive fair value of interest rate derivatives, and for the remainder the positive fair value of currency derivatives and of the options purchased as a hedge, for operational

purposes, of the embedded option component of bonds indexed to baskets of equities (Risparmio Sostenibile postal savings bonds). This option component was separated from the host instrument and was classified among financial liabilities held for trading;

- as regards Other companies, mainly the contribution of the Fincantieri and Terna groups.

## FINANCIAL ASSETS DESIGNATED AT FAIR VALUE: BREAKDOWN BY TYPE

The item, equal to 194.9 million euro, includes the value of the EFIM and IGED 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	30/06/2023	31/12/2022
1. Debt securities		40	40	81
1.1 Structured securities				
1.2 Other debt securities		40	40	81
2. Equity securities		17,151	17,151	17,277
3. Units in collective investment undertakings	2,666,163	648,102	3,314,265	2,998,418
4. Loans		79,606	79,606	112,577
4.1 Repurchase agreements				
4.2 Other		79,606	79,606	112,577
<b>TOTAL</b>	<b>2,666,163</b>	<b>744,899</b>	<b>3,411,062</b>	<b>3,128,353</b>

Financial assets mandatorily measured at fair value essentially consist of units of UCIs mainly attributable to the Parent Company's portfolio and fall into the following macro-categories: Enterprise Funds for 1,307 million euro, Infrastructure Funds for 451 million euro, International Cooperation Funds for 130 million euro and Real Estate Funds for the remaining part.

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<sup>32</sup>. The subsidiaries Fincantieri and Italgas also contribute 11 million euro and 5 million euro, respectively.

<sup>32</sup> 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 - ITEM 30

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

(thousands of euro) Items/Values	Prudential consolidation	Other entities	30/06/2023	31/12/2022
1. Debt securities	10,537,196	337,675	10,874,871	10,887,804
1.1 Structured securities				
1.2 Other debt securities	10,537,196	337,675	10,874,871	10,887,804
2. Equity securities	460,790	706,058	1,166,848	1,141,581
3. Loans				
<b>TOTAL</b>	<b>10,997,986</b>	<b>1,043,733</b>	<b>12,041,719</b>	<b>12,029,385</b>

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 10,537 million euro, which includes Italian government securities with a value of approximately 8,536 million euro held by the Parent Company;
- investments in equity securities attributable mainly to the interest in TIM S.p.A.

With regard to equity securities pertaining to the Other companies, these include the investments in Euronext and Kedrion Holding by CDP Equity, the value of which at 30 June 2023 amounted to 488 million euro and 120 million euro, respectively.

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

(thousands of euro)	Gross value				Accumulated impairment				Accumulated partial write-off (*)	
	Stage 1	of which: Instruments 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
Debt securities	10,549,854		337,675						(12,658)	
Loans										
<b>TOTAL 30/06/2023</b>	<b>10,549,854</b>		<b>337,675</b>						<b>(12,658)</b>	
<b>Total 31/12/2022</b>	<b>10,900,565</b>								<b>(12,761)</b>	

(\*) 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	30/06/2023	31/12/2022
<b>A. Loans to Central banks</b>	<b>2,970,959</b>		<b>2,970,959</b>	<b>2,997,709</b>
1. Time deposits				
2. Reserve requirement	2,955,997		2,955,997	2,983,028
3. Repurchase agreements				
4. Other	14,962		14,962	14,681
<b>B. Loans to banks</b>	<b>17,445,418</b>	<b>3,470,555</b>	<b>20,915,973</b>	<b>20,209,521</b>
1. Loans	12,965,234	3,470,555	16,435,789	15,908,665
1.1 Current deposit		238,972	238,972	11,074
1.2 Time deposits	25,069	3,231,457	3,256,526	2,361,512
1.3 Other financing:	12,940,165	126	12,940,291	13,536,079
– repurchase agreements				
– finance lease				
– other	12,940,165	126	12,940,291	13,536,079
2. Debt securities	4,480,184		4,480,184	4,300,856
2.1 Structured				
2.2 Other debt securities	4,480,184		4,480,184	4,300,856
<b>TOTAL</b>	<b>20,416,377</b>	<b>3,470,555</b>	<b>23,886,932</b>	<b>23,207,230</b>

Loans to banks are primarily composed of:

- the Parent Company's balance on the management account of the reserve requirement, which amounted to 2,956 million euro;
- other loans of approximately 12,940 million euro, mostly attributable to loans granted by the Parent Company to the banking system;
- term deposits of approximately 3,257 million euro, mainly resulting from the contributions of Terna and SNAM;
- debt securities of the Parent Company of 4,480 million euro.



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

(thousands of euro)

Type of transactions/Values	30/06/2023	31/12/2022
<b>1. Loans</b>	<b>249,016,032</b>	<b>263,812,172</b>
1.1 Current accounts	19,471	9,458
1.1.1 Cash and cash equivalents held with Central State Treasury	143,560,118	156,842,617
1.2 Repurchase agreements	290,600	229,412
1.3 Loans	99,033,064	100,547,843
1.4 Credit cards, personal loans and loans repaid by automatic deductions from wages	208	250
1.5 Finance lease	125,276	126,179
1.6 Factoring		
1.7 Other	5,987,295	6,056,413
<b>2. Debt securities</b>	<b>69,711,513</b>	<b>61,415,786</b>
2.1 Structured securities		
2.2 Other debt securities	69,711,513	61,415,786
<b>TOTAL</b>	<b>318,727,545</b>	<b>325,227,958</b>

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.

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, as of 1 January 2023, the Ministry of the Economy and Finance pays CDP interest based on a rate that takes into account the cost of Postal Savings incurred by CDP and the annual yield of government bonds with short- and medium/long-term maturities<sup>33</sup>.

The volume of mortgage loans and other financing amounted to approximately 105,020 million euro (-1,584 million euro compared to the end of 2022). Reverse repurchase agreements amounted to approximately 291 million euro (+61 million euro compared to the end of 2022).

The volume of debt securities recognised in this item amounted to approximately 69,712 million euro (of which 63,985 million euro in Italian government securities subscribed by the Parent Company), up by 8,296 million euro with respect to the end of 2022 (of which +7,874 in Italian government securities).

<sup>33</sup> The methods of determining the rate are established in such a way as to progressively increase the weight of the government bond component over the years, without prejudice to the need not to exceed the trend recorded by the average cost of government bonds in a previous period longer than one year, ensuring an adequate remuneration with respect to the costs incurred by CDP to feed the Treasury account.



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

(thousands of euro)	Gross value				Purchased or originated credit impaired financial assets	Accumulated impairment			Purchased or originated credit impaired financial assets	Accumulated partial write-offs (*)
	Stage 1	of which: Instruments with low credit risk	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3		
Debt securities	73,878,961		532,040	28,977		(103,895)	(118,307)	(26,079)		
Loans	258,210,714	3,837	10,505,549	581,740		(269,831)	(399,422)	(205,970)		
<b>TOTAL 30/06/2023</b>	<b>332,089,675</b>	<b>3,837</b>	<b>11,037,589</b>	<b>610,717</b>		<b>(373,726)</b>	<b>(517,729)</b>	<b>(232,049)</b>		
<b>Total 31/12/2022</b>	<b>336,946,154</b>		<b>11,960,420</b>	<b>666,786</b>		<b>(366,893)</b>	<b>(552,779)</b>	<b>(218,500)</b>		

(\*) Value to be shown for information purposes.

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

(thousands of euro)	Gross value				Purchased or originated credit impaired financial assets	Accumulated impairment			Purchased or originated credit impaired financial assets	Accumulated partial write-offs (*)
	Stage 1	of which: Instruments with low credit risk	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3		
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	1,017,665		29,256	49,569		(3,540)	(207)	(5,211)		
<b>TOTAL 30/06/2023</b>	<b>1,017,665</b>		<b>29,256</b>	<b>49,569</b>		<b>(3,540)</b>	<b>(207)</b>	<b>(5,211)</b>		
<b>Total 31/12/2022</b>	<b>1,216,472</b>			<b>44,861</b>		<b>(4,158)</b>		<b>(6,650)</b>		

(\*) Value to be shown for information purposes.

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



## HEDGING DERIVATIVES - ITEM 50

### HEDGING DERIVATIVES: BREAKDOWN BY TYPE OF HEDGE

(thousands of euro)	30/06/2023	31/12/2022
<b>A. Financial derivatives:</b>	<b>4,485,691</b>	<b>4,595,099</b>
1) Fair value	4,139,862	4,240,944
2) Cash flow	345,829	354,155
3) Investment in foreign operation		
<b>B. Credit derivatives</b>		
<b>TOTAL</b>	<b>4,485,691</b>	<b>4,595,099</b>

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

### FAIR VALUE CHANGE OF HEDGED ASSETS: BREAKDOWN BY HEDGED PORTFOLIO

(thousands of euro)	30/06/2023	31/12/2022
Fair value change of financial assets in hedged portfolios/Values		
<b>1. Positive fair value change</b>	<b>71,972</b>	
1.1 Of specific portfolios:	71,972	
a) financial assets measured at amortised cost	71,972	
b) financial assets measured at fair value through other comprehensive income		
1.2 Overall		
<b>2. Negative fair value change</b>	<b>(2,808,499)</b>	<b>(2,986,650)</b>
2.1 Of specific portfolios:	(2,808,499)	(2,986,650)
a) financial assets measured at amortised cost	(2,808,499)	(2,986,650)
b) financial assets measured at fair value through other comprehensive income		
2.2 Overall		
<b>TOTAL</b>	<b>(2,736,527)</b>	<b>(2,986,650)</b>

## EQUITY INVESTMENTS - ITEM 70

## INFORMATION ON EQUITY INVESTMENTS

Company name	Registered office	Operational headquarters	Type of relationship <sup>(1)</sup>	Investor	% holding	% of votes <sup>(2)</sup>
<b>A. Companies subject to joint control</b>						
1. 4B3 S.c.ar.l.	Trieste	Trieste	7	Fincantieri SI S.p.A.	52.50%	52.50%
			7	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 S.p.A.	5.00%	5.00%
			7	Fincantieri SI S.p.A.	75.00%	75.00%
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. BMT Energy Transmission Development LCC	Wilmington	Wilmington	7	Terna USA LLC	40.00%	40.00%
7. BUSBAR4F S.c.ar.l.	Trieste	Trieste	7	Fincantieri S.p.A.	10.00%	10.00%
			7	Fincantieri SI S.p.A.	50.00%	50.00%
8. Consorzio F.S.B.	Marghera (VE)	Marghera (VE)	7	Fincantieri S.p.A.	58.36%	58.36%
9. CSSC - Fincantieri Cruise Industry Development Ltd.	Hong Kong	Hong Kong	7	Fincantieri S.p.A.	40.00%	40.00%
10. Darsena Europa S.c.ar.l.	Rome	Rome	7	Fincantieri Infrastruttura Opere Marittime S.p.A.	26.00%	26.00%
11. ELMED Etudes S.à.r.l.	Tunis	Tunis	7	Terna S.p.A.	50.00%	50.00%
12. ERSMA 2026 - S.c.ar.l.	Verona	Verona	7	Fincantieri SI S.p.A.	20.00%	20.00%
13. Etihad Ship Building LLC	Abu Dhabi	Abu Dhabi	7	Fincantieri S.p.A.	35.00%	35.00%
14. Elco - Valvitalia TGT JV	Netanya	Netanya	7	Valvitalia S.p.A.	50.00%	50.00%
15. Energie Reti Gas S.r.l.	Milan	Milan	7	Medea S.p.A.	49.00%	49.00%
16. FINMESA S.c.ar.l.	Milan	Milan	7	Fincantieri SI S.p.A.	50.00%	50.00%
17. Fincantieri Clea Buildings S.c.ar.l.	Milan	Milan	7	Fincantieri Infrastruttura S.p.A.	51.00%	51.00%
18. Florence InvestCo S.r.l.	Milan	Milan	7	Florence One S.p.A.	43.01%	43.01%
19. Greenit S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	7	CDP Equity S.p.A.	49.00%	49.00%
20. Holding Reti Autostradali S.p.A.	Rome	Rome	7	CDP Equity S.p.A.	51.00%	51.00%
21. Hotelturist S.p.A.	Padua	Padua	7	CDP Equity S.p.A.	45.95%	45.95%
22. IQ Made in Italy Investment Company S.p.A. in liquidazione	Milan	Milan	7	CDPE Investimenti S.p.A.	50.00%	50.00%
23. Issel Middle East Information Technology Consultancy LLC	Abu Dhabi	Abu Dhabi	7	Issel Nord S.r.l.	49.00%	49.00%
24. Metano S. Angelo Lodigiano S.p.A.	Sant'Angelo Lodigiano	Sant'Angelo Lodigiano	7	Italgas S.p.A.	50.00%	50.00%
25. Naviris S.p.A.	Genoa	Genoa	7	Fincantieri S.p.A.	50.00%	50.00%
26. Nuovo Santa Chiara Hospital S.c.a r.l.	Florence	Pisa	7	Fincantieri Infrastrutture Sociali S.p.A.	50.00%	50.00%
27. OLT Offshore LNG Toscana S.p.A.	Milan	Livorno	7	SNAM S.p.A.	49.07%	49.07%
28. Open Fiber Holding S.p.A.	Milan	Milan	7	CDP Equity S.p.A.	60.00%	60.00%
29. Orizzonte Sistemi Navali S.p.A.	Genoa	Genoa	7	Fincantieri S.p.A.	51.00%	51.00%
30. Pergenova S.c.p.A.	Genoa	Genoa	7	Fincantieri Infrastruttura S.p.A.	50.00%	50.00%
31. Southeast Electricity Network Coordination Center S.A.	Thessaloniki	Thessaloniki	7	Terna S.p.A.	33.00%	33.00%
32. Saipem S.p.A.	San Donato Milanese (MI)	San Donato Milanese (MI)	7	CDP Equity S.p.A.	12.82%	12.82%



Company name	Registered office	Operational headquarters	Type of relationship <sup>(1)</sup>	Investor	% holding	% of votes <sup>(2)</sup>
33. Sea One S.p.A.	Milan	Milan	7	Fondo Italiano Consolidamento e Crescita (FICC)	71.43%	71.43%
34. Seacorridor S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	7	SNAM S.p.A.	49.90%	49.90%
35. Shanghai Electric Gas Turbine Co. Ltd. (JVS)	Shanghai	Shanghai	7	Ansaldo Energia S.p.A.	40.00%	40.00%
36. Terega Holding S.A.S.	Pau	Pau	7	SNAM S.p.A.	40.50%	40.50%
37. Trans Austria Gasleitung GmbH (5)	Vienna	Vienna	7	SNAM S.p.A.	84.47%	84.47%
38. Umbria Distribuzione GAS S.p.A.	Terni	Terni	7	Italgas S.p.A.	45.00%	45.00%
39. Vimercate Salute Gestioni S.c.ar.l.	Milan	Vimercate (MB)	7	Fincantieri Infrastrutture Sociali S.p.A.	49.10%	49.10%
			7	SOF S.p.A.	3.65%	3.65%
<b>B. Companies subject to significant influence</b>						
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 B.V.	Amsterdam	Amsterdam	4	Ansaldo Energia S.p.A.	40.00%	40.00%
3. Ansaldo Algérie S.à.r.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.	33.33%	33.33%
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 Milano S.p.A.	Milan	Rome	4	Fincantieri Infrastrutture Sociali S.p.A.	30.00%	30.00%
14. Consorzio Per Genova Breakwater	Genoa	Genoa	4	Fincantieri Infrastructure Opere Marittime S.p.A.	25.00%	25.00%
15. dCarbonX Ltd.	London	London	4	SNAM International B.V.	44.45%	44.45%
16. Decomar S.p.A.	Massa (MS)	Massa (MS)	4	Fincantieri S.p.A.	20.00%	20.00%
17. DIDO S.r.l.	Milan	Milan	4	Fincantieri S.p.A.	30.00%	30.00%
18. Dynamic	Saint-Paul-lès-Durance	Saint-Paul-lès-Durance	4	Ansaldo Nucleare S.p.A.	15.00%	15.00%
			4	Ansaldo Energia S.p.A.	10.00%	10.00%
19. EUR-Europrogetti & Finanza S.r.l. in liquidazione	Rome	Rome	4	CDP S.p.A.	31.80%	31.80%
20. East Mediterranean Gas Company S.a.e.	Cairo	Cairo	4	SNAM International B.V.	25.00%	25.00%
21. Elite S.p.A.	Milan	Milan	4	CDP S.p.A.	15.00%	15.00%
22. Energetika S.c.ar.l.	Florence	Florence	4	SOF S.p.A.	40.00%	40.00%
23. Enerpaper S.r.l.	Turin	Turin	4	Geoside S.p.A.	20.01%	20.01%
24. Eni S.p.A.	Rome	Rome	4	CDP S.p.A.	27.73%	27.73%
25. Equigy B.V.	Arnhem	Arnhem	4	Terna S.p.A.	20.00%	20.00%
26. GPI S.p.A.	Trento	Trento	4	CDP Equity S.p.A.	18.41%	18.41%
27. Galaxy Pipeline Assets Holdco Limited	Jersey	Jersey	4	SNAM S.p.A.	12.33%	12.33%
28. Gaxa S.p.A.	Cagliari	Cagliari	4	Italgas S.p.A.	18.18%	18.18%
29. Gesam Reti S.p.A.	Lucca	Lucca	4	Toscana Energia S.p.A.	42.96%	42.96%
30. Gruppo PSC S.p.A.	Maratea (PZ)	Rome	4	Fincantieri S.p.A.	10.00%	10.00%
31. Hospital Building Technologies S.c.ar.l.	Florence	Florence	4	SOF S.p.A.	20.00%	20.00%



Company name	Registered office	Operational headquarters	Type of relationship <sup>(1)</sup>	Investor	% holding	% of votes <sup>(2)</sup>
32. ITS Integrated Tech System S.r.l.	La Spezia	La Spezia	4	Rob.Int S.r.l.	51.00%	51.00%
33. Industrie De Nora S.p.A.	Milan	Milan	4	Asset Company 10 S.r.l.	21.59%	21.59%
34. Interconnector Ltd	London	London	4	SNAM International B.V.	23.68%	23.68%
35. Interconnector Zeebrugge Terminal B.V.	Brussels	Brussels	4	Interconnector Ltd	48.00%	48.00%
			4	SNAM International B.V.	25.00%	25.00%
36. Island Diligence AS	Stålhaugen	Stålhaugen	4	Vard Group AS	39.38%	39.38%
37. Island Offshore XII Ship AS	Ulsteinvik	Ulsteinvik	4	Vard Group AS	46.90%	46.90%
38. M.T. Manifattura Tabacchi S.p.A.	Rome	Rome	4	Fondo Sviluppo Comparto A	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. Mozart Holdco S.p.A.	Milan	Milan	4	CDP Equity S.p.A.	14.99%	14.99%
41. Nexi S.p.A.	Milan	Milan	4	CDPE Investimenti S.p.A.	8.27%	8.27%
			4	CDP Equity S.p.A.	5.29%	5.29%
42. Note Gestione S.c.ar.l.	Reggio Emilia	Reggio Emilia	4	SOF S.p.A.	34.00%	34.00%
43. Polaris Anserv S.r.l.	Bucharest	Bucharest	4	Ansaldo Nucleare S.p.A.	20.00%	20.00%
44. Poste Italiane S.p.A.	Rome	Rome	4	CDP S.p.A.	35.00%	35.00%
45. Prelios Solutions & Technologies S.r.l.	Milan	Milan	4	Fincantieri NexTech S.p.A.	49.00%	49.00%
46. Rocco Forte Hotels Limited	London	London	4	CDPE Investimenti S.p.A.	23.00%	23.00%
47. S.Ene.Ca Gestioni S.c.ar.l.	Florence	Florence	4	SOF S.p.A.	49.00%	49.00%
48. STARS Railway Systems	Rome	Rome	4	TRS Sistemi S.r.l.	2.00%	2.00%
			4	IDS Ingegneria Dei Sistemi S.p.A.	48.00%	48.00%
49. Senfluga energy infrastructure holdings S.A.	Athens	Athens	4	SNAM S.p.A.	54.00%	54.00%
50. Sicilian Biogas Refinery S.r.l.	Catania	Catania	4	Iniziative Biometano S.p.A.	32.00%	32.00%
51. Solstad Supply AS	Alesund	Alesund	4	Vard Group AS	26.66%	26.66%
52. Sviluppo Biometano Sicilia S.r.l.	Cittadella	Cittadella	4	Iniziative Biometano S.p.A.	50.00%	50.00%
53. Trans Adriatic Pipeline AG	Baar	Baar	4	SNAM International B.V.	20.00%	20.00%
54. Trevi Finanziaria Industriale S.p.A	Cesena	Cesena	4	CDPE Investimenti S.p.A.	21.28%	21.28%
55. 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%
56. Webuild S.p.A.	Milan	Milan	4	Fincantieri S.p.A.	0.07%	0.07%
			4	CDP Equity S.p.A.	16.60%	16.60%
<b>C. Unconsolidated subsidiaries<sup>(3)</sup></b>						
1. Arbolia S.r.l. Società Benefit	San Donato Milanese (MI)	San Donato Milanese (MI)	1	SNAM S.p.A.	100.00%	100.00%
2. Asset Company 4 S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	SNAM S.p.A.	100.00%	100.00%
3. Asset Company 9 S.r.l.	San Donato Milanese (MI)	San Donato Milanese (MI)	1	SNAM S.p.A.	100.00%	100.00%
4. Bietifin S.r.l.	Bologna	Bologna	1	Bioenerys Agri S.r.l.	100.00%	100.00%
5. Cogenest S.r.l.	Padua	Padua	1	Iniziative Biometano S.p.A.	98.00%	98.00%
6. Consorzio Bancario Sir S.p.A. in liquidazione	Rome	Rome	1	Fintecna S.p.A.	100.00%	100.00%
7. Consorzio IMAFID in liquidazione	Naples	Naples	1	Fintecna S.p.A.	56.85%	56.85%
8. Consorzio MED.IN. in liquidazione	Rome	Rome	1	Fintecna S.p.A.	85.00%	85.00%
9. Elettra One S.p.A.	Milan	Milan	1	Fondo Italiano Consolidamento e Crescita (FICC)	90.20%	90.20%
10. FOF Private Equity Italia <sup>(4)</sup>	Milan	Milan	1	CDP S.p.A.	60.39%	60.39%



Company name	Registered office	Operational headquarters	Type of relationship <sup>(1)</sup>	Investor	% holding	% of votes <sup>(2)</sup>
11. FOF Impact Investing (FOF Impact) <sup>(4)</sup>	Milan	Milan	1	CDP Equity S.p.A.	100.00%	100.00%
12. FT2 Fondo Turismo 2 <sup>(4)</sup>	Rome	Rome	1	FNT Fondo Nazionale per il Turismo - Comparto A	100.00%	100.00%
13. FoF Infrastrutture <sup>(4)</sup>	Rome	Rome	1	CDP Equity S.p.A.	100.00%	100.00%
14. FoF Private Debt Italia <sup>(4)</sup>	Milan	Milan	1	CDP Equity S.p.A.	73.35%	73.35%
15. FoF Venture Capital <sup>(4)</sup>	Milan	Milan	1	CDP S.p.A.	76.69%	76.69%
16. Fondo Boost Innovation <sup>(4)</sup>	Rome	Rome	1	CDP Equity S.p.A.	66.67%	66.67%
17. Fondo Corporate Partners I - comparto EnergyTech <sup>(4)</sup>	Rome	Rome	1	CDP Equity S.p.A.	35.29%	35.29%
			1	SNAM S.p.A.	11.77%	11.77%
			1	Italgas S.p.A.	5.88%	5.88%
			1	Terna Forward S.r.l.	23.53%	23.53%
18. Fondo Corporate Partners I - comparto IndustryTech <sup>(4)</sup>	Rome	Rome	1	CDP Equity S.p.A.	66.67%	66.67%
19. Fondo Corporate Partners I - comparto InfraTech <sup>(4)</sup>	Rome	Rome	1	CDP Equity S.p.A.	60.00%	60.00%
			1	Terna Forward S.r.l.	20.00%	20.00%
20. Fondo Corporate Partners I - comparto ServiceTech <sup>(4)</sup>	Rome	Rome	1	CDP Equity S.p.A.	66.67%	66.67%
			1	GPI S.p.A.	11.11%	11.11%
21. Fondo Evoluzione <sup>(4)</sup>	Rome	Rome	1	CDP Equity S.p.A.	100.00%	100.00%
22. Fondo Italiano Tecnologia e Crescita (FITEC) <sup>(4)</sup>	Milan	Milan	1	CDP S.p.A.	64.89%	64.89%
23. Fondo acceleratori <sup>(4)</sup>	Rome	Rome	1	CDP Equity S.p.A.	82.24%	82.24%
24. Fondo di Fondi Internazionale <sup>(4)</sup>	Rome	Rome	1	CDP Equity S.p.A.	50.00%	50.00%
			1	SIMEST S.p.A.	50.00%	50.00%
25. Fondo di fondi Venturitaly <sup>(4)</sup>	Rome	Rome	1	CDP Equity S.p.A.	82.19%	82.19%
26. Fondo technology transfer - comparto diretto <sup>(4)</sup>	Rome	Rome	1	CDP Equity S.p.A.	92.06%	92.06%
27. Fondo technology transfer - comparto indiretto <sup>(4)</sup>	Rome	Rome	1	CDP Equity S.p.A.	100.00%	100.00%
28. Govone Biometano S.r.l.	Pordenone	Pordenone	1	Bioenerys Agri S.r.l.	100.00%	100.00%
29. IES Biogas S.r.l. (Argentina)	Buenos Aires	Buenos Aires	1	Bioenerys S.r.l.	5.00%	5.00%
			1	Bioenerys Agri S.r.l.	95.00%	95.00%
30. ITsART S.p.A. in liquidazione	Milan	Milan	1	CDP S.p.A.	51.00%	51.00%
31. Isola Biometano S.r.l.	Cittadella	Cittadella	1	Iniziativa Biometano S.p.A.	70.00%	70.00%
32. Piazzola Nuove Energie S.r.l.	Cittadella	Cittadella	1	Iniziativa Biometano S.p.A.	100.00%	100.00%
33. Quadrifoglio Genova S.p.A. in liquidazione	Rome	Rome	1	CDP Immobiliare S.r.l. in liquidazione	100.00%	100.00%
34. S.tà Agr. Astico Biometano S.r.l.	Cittadella	Cittadella	1	Iniziativa Biometano S.p.A.	100.00%	100.00%
35. SNAM Gas & Energy Services (Beijing) Co. Ltd.	Beijing (China)	Beijing (China)	1	SNAM International B.V.	100.00%	100.00%
36. SNAM International UK Limited	Maidenhead	Maidenhead	1	SNAM International B.V.	100.00%	100.00%
37. SNAM Middle East BV BS Co.	Riyadh	Riyadh	1	SNAM International B.V.	100.00%	100.00%
38. SNAM energy services private limited	New Delhi	New Delhi	1	SNAM S.p.A.	0.001%	0.001%
			1	SNAM International B.V.	99.999%	99.999%
39. Tea Innovazione Due S.r.l.	Brescia	Brescia	1	Tep Energy Solution S.r.l.	100.00%	100.00%
<b>D. Unconsolidated associates<sup>(3)</sup></b>						
1. Albanian Gas Service Company Sh.a.	Tirana	Tirana	4	SNAM S.p.A.	25.00%	25.00%
2. Consorzio INCOMIR in liquidazione	Mercogliano (AV)	Mercogliano (AV)	4	Fintecna S.p.A.	45.46%	45.46%
3. EES Valvitalia Nigeria	Port Harcourt	Port Harcourt	4	Valvitalia S.p.A.	35.00%	35.00%

Company name	Registered office	Operational headquarters	Type of relationship <sup>(1)</sup>	Investor	% holding	% of votes <sup>(2)</sup>
4. Energy Investment Solution S.r.l. (in liquidazione)	Milan	Brescia	4	Tep Energy Solution S.r.l.	40.00%	40.00%
5. Fondo Large Ventures	Rome	Rome	7	CDP Equity S.p.A.	50.00%	50.00%
6. Latina Biometano S.r.l.	Rome	Latina	4	Bioenerys Agri S.r.l.	32.50%	32.50%
7. Polo Strategico Nazionale S.p.A.	Rome	Rome	7	CDP Equity S.p.A.	20.00%	20.00%
8. Quadrifoglio Brescia S.p.A. in liquidazione	Rome	Rome	7	CDP Immobiliare S.r.l. in liquidazione	50.00%	50.00%
9. Redo SGR S.p.A.	Milan	Milan	4	CDP S.p.A.	30.00%	30.00%
10. Sosaval Sarl	Dar El Beida	Dar El Beida	4	Valvitalia S.p.A.	40.00%	40.00%
11. Tianjin Ei Fire Fighting Equipment Co. Ltd.	Tianjin Airport Economic Area	Tianjin Airport Economic Area	4	Valvitalia S.p.A.	33.00%	33.00%

## 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 liquidazione 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%.

The value of equity investments at 30 June 2023 was 27,429 million euro compared to 26,736 million euro at 31 December 2022.

The increase of 693 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 +643 million euro, and the change in valuation reserves, equal to -119 million euro. Added to these effects is the impact of the reversal of the dividend and other changes for a total negative value of -407 million euro;
- Poste Italiane - the positive contribution (including consolidation adjustments) in the amount of 372 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, including the impact of the adoption of IFRS 17, for a positive amount of 158 million euro;
- decrease, as a result of the measurement according to the equity method, in the value of the equity investment in Holding Reti Autostradali of 373 million euro;
- purchase by SNAM of the equity investment in the SeaCorridor joint venture.

## 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 current reference scenario, with a combination of factors linked to the effects of the Russia-Ukraine conflict, the increase in both inflation and interest rates, general deterioration of the economic climate, geopolitical risks and uncertainty with regard to future developments. 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, linked to tensions in the international geo-political arena fuelled by the Russian-Ukrainian conflict and the general deterioration of the macroeconomic scenario (increased inflation and interest rates);
- 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 due to the variables mentioned above.

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, factors relating to climate change, as well as to the reference scenario (plagued by the Russian-Ukrainian conflict and the general deterioration in the macroeconomic situation), have been taken into account, mainly through considerations and/or sensitivity analyses on the variables determining the recoverable amount.

For more details, please refer to Part A1 of Section 5 – Other issues and A2 – The main financial statement items of these Notes to the consolidated financial statements.

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 2023, impairment triggers were activated on some of the key equity investments accounted for using the equity method (Eni, Poste Italiane, Open Fiber Holdings, Saipem, Webuild and Nexi), 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, impacted by a combination of factors linked to the impacts of the Russian-Ukrainian conflict, the increase in inflation and interest rates, general deterioration of the economic climate, geopolitical risks and the uncertainties on future development, the guidance consequently issued by national and international regulators as well as the guidelines issued by industry bodies. In this regard, the assumptions and the valuation parameters adopted to determine the recoverable amount included, where potentially relevant, the factors described above. 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 in light of the monetary policy decisions made by the central banks (e.g. recent increase in rates)<sup>34</sup>;
- 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;

<sup>34</sup> 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.



- 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, where deemed relevant, against the main variables that determine the subject asset's value, including for example:

- the price of oil (i.e. Brent) and gas (i.e. VTP) 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	13,655	Value in use	Sum of the parts (e.g. DCF for the main business unit E&P)
Poste Italiane	2,564 <sup>35</sup>	Fair value	Stock market price
Nexi	2,230	Value in use	DCF
Open Fiber Holdings	1,334	Value in use	Equity
Webuild	232	Fair value	Stock market price
Saipem	275	Fair value	Stock market price

## 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;
  - 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 current market estimates and aligned in the medium-long term with the forecasts contained in Eni's 2023-2026 Plan taking into account the most recent estimates of the company, which show a long-term Brent price of about 80 \$/bbl. 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;

<sup>35</sup> Including the effects associated with first-time adoption of the international financial reporting standard IFRS 17.



- 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 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 environment fueled by the conflict between Russia and Ukraine, which also involved the application of sanctions by Western countries against Russia, with the related impacts on the economy and the oil sector, have introduced further profiles of complexity, widening, for many commodities, the divergence between current market prices and expected prices in the medium to long term.

### Poste Italiane

The recoverable amount of the equity investment in Poste Italiane was measured at fair value.

The fair value of the equity investment was calculated on the basis of the volume-weighted average price (“VWAP” method) at which the stock traded starting from the measurement date.

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

### Open Fiber Holdings

The recoverable amount of the equity investment in Open Fiber Holdings was measured by estimating the NAV of the company at 30 June 2023, calculating the recoverable amount of the 100% equity investment in Open Fiber, by applying 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 2023-2036<sup>36</sup> and (ii) 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. The economic and financial projections are based on estimates provided by company management.

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. 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.

<sup>36</sup> Time horizon considered most representative by management for a full valuation of the fundamentals, also taking into account the duration of the concessions that the company was awarded.



## Saipem

The recoverable amount of the equity investment in Saipem was measured at fair value.

The fair value of the equity investment was calculated on the basis of the volume-weighted average price (“VWAP” method) at which the stock traded starting from the measurement date.

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

## Webuild

The recoverable amount of the equity investment in Webuild was measured at fair value.

The fair value of the equity investment was calculated on the basis of the volume-weighted average price (“VWAP” method) at which the stock traded starting from the measurement date.

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

## Nexi

At 30 June 2023, 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 2023-2026 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 estimates made by financial analysts who track the stock.

Specifically:

- the values in the specific period 2023-2026 are based on public 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 carried out showed that the recoverable amount was substantially aligned with the carrying value of the equity investment in the half-yearly condensed consolidated financial statements and its carrying value was therefore confirmed. Note that the sensitivity analyses carried out on the main assumptions and variables used in the estimation of the value in use, with particular reference to the change in the WACC discount rate and the growth rate, showed that any negative changes, even marginal, in the main assumptions at the basis of the test could result in a recoverable amount lower than the carrying value of the equity investment, not factoring in the consequential actions that the company’s management could implement.



## Other information

With regard to equity investments in associates or joint ventures, financial statements or reports with a reporting date of up to six months from 30 June 2023 were used in limited cases. The table below shows the reporting date for the reporting packages used to apply the equity method:

Company name	Type of influence	Financial statement date
Mozart HoldCo S.p.A.	Significant influence	31/12/2022
Rocco Forte Hotels Ltd.	Significant influence	30/04/2023
Trevi Finanziaria Industriale S.p.A.	Significant influence	31/12/2022
Florence Investco S.r.l.	Joint control	31/12/2022
Hotelturist S.p.A.	Joint control	30/04/2023

## 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	30/06/2023	31/12/2022
<b>1. Owned</b>	<b>106,835</b>	<b>41,058,054</b>	<b>41,164,889</b>	<b>40,600,878</b>
a) Land	62,277	533,962	596,239	590,696
b) Buildings	34,835	2,916,778	2,951,613	3,012,778
c) Furniture	3,666	7,831	11,497	10,219
d) Electrical systems	4,382	724,366	728,748	749,473
e) Other	1,675	36,875,117	36,876,792	36,237,712
<b>2. Right of use acquired under leases</b>	<b>12,969</b>	<b>399,722</b>	<b>412,691</b>	<b>396,799</b>
a) Land		32,019	32,019	22,267
b) Buildings	12,253	212,816	225,069	241,222
c) Furniture				
d) Electrical systems	44		44	4,784
e) Other	672	154,887	155,559	128,526
<b>TOTAL</b>	<b>119,804</b>	<b>41,457,776</b>	<b>41,577,580</b>	<b>40,997,677</b>
– 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 16 billion euro, referring to power lines for 7 billion euro and transformation stations for 5 billion euro;
- investments by SNAM for approximately 20 billion euro, including transmission lines for 14 billion euro (gas pipelines, gas reduction and regulation stations and plants), storage for 3 billion euro (wells, pipelines, and processing and compression stations) and regasification;
- assets under construction and advances for 5 billion euro, of which 3 billion euro ascribable to Terna and around 2 billion euro to SNAM.

**INVESTMENT PROPERTY: BREAKDOWN OF ASSETS MEASURED AT COST**

(thousands of euro) Items/Values	Prudential consolidation	Other entities	30/06/2023	31/12/2022
<b>1. Owned</b>	<b>211,441</b>	<b>637,571</b>	<b>849,012</b>	<b>840,452</b>
a) Land	55,130		55,130	55,130
b) Buildings	156,311	637,571	793,882	785,322
<b>2. Right of use acquired under leases</b>	<b>6,287</b>		<b>6,287</b>	<b>495</b>
a) Land				
b) Buildings	6,287		6,287	495
<b>TOTAL</b>	<b>217,728</b>	<b>637,571</b>	<b>855,299</b>	<b>840,947</b>
– 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 30/06/2023	Total 31/12/2022
<b>1. Inventories of property, plant and equipment from enforcement of the guarantees received</b>		
<b>2. Other inventories of property, plant and equipment</b>	<b>772,410</b>	<b>717,377</b>
<b>TOTAL</b>	<b>772,410</b>	<b>717,377</b>
– 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 170 million euro and the mutual funds included in the scope of consolidation for 602 million euro.



## INTANGIBLE ASSETS - ITEM 100

### INTANGIBLE ASSETS: BREAKDOWN BY CATEGORY

(thousands of euro) Assets/values	30/06/2023		31/12/2022	
	Definite life	Indefinite life	Definite life	Indefinite life
<b>A.1 Goodwill</b>	<b>X</b>	<b>1,197,058</b>	<b>X</b>	<b>1,201,633</b>
A.1.1 Pertaining to Group	X	1,063,493	X	1,071,752
A.1.2 Non-controlling interests	X	133,565	X	129,881
<b>A.2 Other intangible assets</b>	<b>12,248,167</b>	<b>17,170</b>	<b>12,140,574</b>	<b>16,473</b>
– of which: software	763,475		714,222	
A.2.1 Assets carried at cost:	12,248,167	17,170	12,140,574	16,473
a) internally-generated intangible assets	401,948		406,403	
b) other assets	11,846,219	17,170	11,734,171	16,473
A.2.2 Assets carried at fair value:				
a) internally-generated intangible assets				
b) other assets				
<b>TOTAL</b>	<b>12,248,167</b>	<b>1,214,228</b>	<b>12,140,574</b>	<b>1,218,106</b>

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 9,164 million euro, of which 9,003 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 965 million euro, which mainly include the value of concessions for the storage of natural gas;
- customer contracts, trademarks, technological know-how, order books and software licences totalling 1,299 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 current reference scenario, with a combination of factors linked to the effects of the Russia-Ukraine conflict, the increase in both inflation and interest rates, general deterioration of the economic climate, geopolitical risks and uncertainty with regard to future develop-

ments. 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, linked to tensions in the international geo-political arena fuelled by the Russian-Ukrainian conflict and the general deterioration of the macroeconomic scenario (increased inflation and interest rates);
- 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 due to the variables mentioned above.

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, factors relating to climate change, as well as to the reference scenario (plagued by the Russian-Ukrainian conflict and the general deterioration in the macroeconomic situation), have been taken into account, mainly through considerations and/or sensitivity analyses on the variables determining the recoverable amount.

For additional details, please refer to part A1 of Section 5 - Other issues and A2 - The main financial statement items of these Notes to the consolidated financial statements.

In relation to SNAM, Terna, Italgas<sup>37</sup>, Ansaldo Energia and Stark Two, the CGUs to which goodwill was allocated coincide with the individual sub-consolidated entities, while for CDP Venture Capital SGR the CGU is represented by the investee itself. 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. With regard to Melt1, goodwill is the amount recognised in the consolidated financial statements of that CGU following the acquisitions finalised 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.

Specifically, at 30 June 2023 impairment triggers were activated with reference to Ansaldo Energia, Fincantieri, SNAM and Melt1. The following summary table lists the goodwill amounts pertaining to the Group and 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.

<sup>37</sup> In relation to Italgas, it should also be noted that following the acquisition on 1 September 2022, the goodwill amount also includes the goodwill portion relating to the acquisition of DEPA Infrastructure.



(millions of euro) CGU	Goodwill amount	Recoverable amount	Methodology used
Ansaldo Energia	360	Value in use	Dividend Discount Model
SNAM	254	Fair value	Stock market price
Terna	219	n.a.	n.a.
Italgas	96	n.a.	n.a.
Fincantieri	80	Fair value	Stock market price
Stark Two	36	n.a.	n.a.
Melt 1	16	Fair value	Stock multiples
CDP Venture Capital SGR	3	n.a.	n.a.

In relation to SNAM and Ansaldo Energia, the CGUs to which goodwill was allocated coincide with the individual investees and the recoverable amount was determined as follows:

- for SNAM, the fair value less costs to sell, determined on the basis of the average of the respective trading prices in June 2023, weighted for the volumes measured starting from the valuation date;
- for Ansaldo Energia, the value in use through 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 2023-2027<sup>38</sup> and (ii) the calculation of the terminal value using the algorithm of cash flows in perpetuity. In this regard, note that the Ansaldo Energia group adjusted these cash flows following subsequent evaluations of its sales orders, factoring in a review in terms of cost and revenue planning for the various projects where the cost of the product is affected by the inflation trends due to the global economic recovery, supply difficulties and the consolidation of the new H-class technology. Likewise, revenues from contracts with customers reflect any contractual changes related to the subject-matter and the price of the transactions. The discount rate is equal to the cost of equity estimated based on specific parameters derived from a panel of comparable listed companies, while the long-term growth rate for the terminal value was estimated based on forecasts of the long-term inflation rate. The economic-financial forecasts for the specific period are based on the 2023-2027 projections contained in the Business Plan approved by the company's Board of Directors, while the Terminal Value was determined on the basis of normalised forecasts of the income statement. Specifically, following the deterioration during 2022 of the economic and financial performance mainly due to the developments in the macroeconomic scenario (for more details, please refer to the above), the company (i) revised the 2023-27 Business Plan and (ii) completed a financial measure to restore the group's financial and economic balance.

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 case, note that the fair value less costs to sell, determined on the basis of the average stock market price of the equity investment in June 2023, weighted for the volumes measured starting from the valuation date, was higher than the net assets including goodwill<sup>39</sup>.

With regard to Melt1, goodwill is the amount recognised in the consolidated financial statements of that CGU following the acquisitions finalised 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 held 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 in addition to those, if any, recorded by CGUs in their respective financial statements (e.g., Fincantieri group).

<sup>38</sup> In this regard, note that the results of the assessment would not change based on a so-called "closed portfolio" scenario, i.e., on forecast data referring to the group's current area of business.

<sup>39</sup> Note that at 30 June 2023, the Fincantieri group recorded impairments of goodwill recognised in its CGUs totalling 44 thousand euro.



## 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)	30/06/2023	31/12/2022
<b>A. Assets held for sale</b>		
A.1 Financial assets	56,144	37,667
A.2 Equity investments	110,409	3,503
A.3 Property, plant and equipment	52,753	36,474
– of which: obtained via the enforcement of the guarantees received		
A.4 Intangible assets	39,382	28,187
A.5 Other non-current assets	43,085	49,814
<b>Total (A)</b>	<b>301,773</b>	<b>155,645</b>
<i>of which:</i>		
– carried at cost	301,773	155,645
– designated at fair value – level 1		
– designated at fair value – level 2		
– designated at fair value – level 3		
<b>B. Groups of assets (discontinued operations)</b>		
B.1 Financial assets measured at fair value through profit or loss		
– financial assets held for trading		
– financial assets designated at fair value		
– other financial assets mandatorily measured at fair value		
B.2 Financial assets measured at fair value through other comprehensive income		
B.3 Financial assets measured at amortised cost		
B.4 Equity investments		
B.5 Property, plant and equipment		
– of which: obtained via the enforcement of the guarantees received		
B.6 Intangible assets		
B.7 Other assets		
B.8 Adjustment of net assets to transfer price		
<b>Total (B)</b>		
<i>of which:</i>		
– carried at cost		
– designated at fair value – level 1		
– designated at fair value – level 2		
– designated at fair value – level 3		
<b>C. Liabilities associated with individual assets held for sale</b>		
C.1 Payables	5,932	4,624
C.2 Securities	21,332	1,875
C.3 Other liabilities	22,278	20,329
<b>Total (C)</b>	<b>49,542</b>	<b>26,828</b>
<i>of which:</i>		
– carried at cost	30,085	26,828
– designated at fair value – level 1		
– designated at fair value – level 2		
– designated at fair value – level 3	19,457	
<b>D. Liabilities associated with disposal groups held for sale</b>		
D.1 Financial liabilities measured at amortised cost		
D.2 Financial liabilities held for trading		
D.3 Financial liabilities designated at fair value		
D.4 Provisions		
D.5 Other liabilities		
<b>TOTAL (D)</b>		
<i>of which:</i>		
– carried at cost		
– designated at fair value – level 1		
– designated at fair value – level 2		
– designated at fair value – level 3		

The item includes the assets and associated liabilities accounted for among assets held for sale by Terna, Italgas, and FICC.



## OTHER ASSETS - ITEM 130

### OTHER ASSETS: BREAKDOWN

(thousands of euro)	Prudential consolidation	Other entities	30/06/2023	31/12/2022
Payments on account for withholding tax on postal passbooks	57,771		57,771	59,394
Other tax receivables	40	171,150	171,190	253,790
Leasehold improvements	1,901	9,842	11,743	12,478
Receivables due from investees	1,795	81,200	82,995	86,403
Trade receivables and advances to public entities	138,052	117,139	255,191	306,200
Construction contracts		3,699,881	3,699,881	3,359,611
Advances to suppliers	758	427,948	428,706	437,296
Inventories		4,994,926	4,994,926	4,991,455
Advances to personnel	251	44,114	44,365	37,613
Other trade receivables	7,909	6,247,316	6,255,225	8,855,821
Accrued income and prepaid expenses	11,827	388,258	400,085	462,864
Other items	48,163	904,676	952,839	939,282
Ecobonus tax credits	165,565	271,254	436,819	284,020
<b>TOTAL</b>	<b>434,032</b>	<b>17,357,704</b>	<b>17,791,736</b>	<b>20,086,227</b>

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 6,510 million euro (9,162 million euro as at 31 December 2022), 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.

(thousands of euro)	Gross value			Accumulated impairment		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
<b>Total trade receivables at 30/06/2023</b>	<b>2,003,893</b>	<b>3,521,592</b>	<b>1,291,433</b>	<b>(17,376)</b>	<b>(21,825)</b>	<b>(267,301)</b>
<b>Total trade receivables at 31/12/2022</b>	<b>2,410,254</b>	<b>6,630,141</b>	<b>421,724</b>	<b>(5,548)</b>	<b>(29,084)</b>	<b>(265,466)</b>

As regards in particular Other trade receivables deriving from the contribution of Other entities, their total refers mainly to SNAM for 2,848 million euro (4,244 million euro as at 31 December 2022), Terna for 1,385 million euro (2,254 million euro as at 31 December 2022), Italgas for 697 million euro (1,126 million euro as at 31 December 2022), Fincantieri for 718 million euro (700 million euro as at 31 December 2022) and Ansaldo Energia for 349 million euro (391 million euro as at 31 December 2022).

Contract work in progress, equal to 3,700 million euro (3,360 million euro as at 31 December 2022) refers predominantly to the activities deriving from the Fincantieri group business, for a total of 3,448 million euro (3,085 million euro as at 31 December 2022) 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 2,212 million euro (1,934 million euro as at 31 December 2022), 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 4,995 million euro include:

- mandatory gas reserves, kept at its storage sites by the subsidiary Stogit and amounting to 3,492 million euro;
- raw materials, supplies and consumables of the Ansaldo Energia group, amounting to about 610 million euro;
- semi-finished products of the Fincantieri group, amounting to about 499 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	30/06/2023	31/12/2022
<b>1. Due to central banks</b>	<b>5,179,208</b>	<b>5,099,136</b>
<b>2. Due to banks</b>	<b>45,452,897</b>	<b>45,299,170</b>
2.1 Current accounts and demand deposits	27,943	11,953
2.2 Time deposits	625,207	1,377,896
2.3 Loans	41,665,918	40,537,898
2.3.1 Repurchase agreements	22,927,716	22,132,534
2.3.2 Other	18,738,202	18,405,364
2.4 Liabilities in respect of commitments to repurchase own equity instruments		
2.5 Lease liabilities		
2.6 Other payables	3,133,829	3,371,423
<b>TOTAL</b>	<b>50,632,105</b>	<b>50,398,306</b>

The item “Due to central banks”, amounting to approximately 5,179 million euro, was up compared to the figure at the end of 2022 (+80 million) and essentially relates to the TLTRO-III credit facilities granted by the ECB.

Term deposits, amounting to around 625 million euro (approximately -753 million euro compared to the end of 2022), 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 22,928 million euro (roughly +795 million euro compared to the end of 2022).

Other loans payable refer mainly to:

- loans granted to the Parent Company, equal to around 5,287 million euro (-38 million euro on the end of 2022), 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 3,115 million euro, Fincantieri for approximately 2,509 million euro, Italgas for 1,671 million euro, CDP Reti for 972 million euro, and Terna for 3,919 million euro (partly related to credit lines received from the European Investment Bank - EIB).

The item “other payables”, equal to around 3,134 million euro (approximately -237 million euro compared to the end of 2022), mainly includes the deposits received by the Parent Company for Credit Support Annex agreements to hedge counterparty risk on derivatives.



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

(thousands of euro)

Types of operations/Values	30/06/2023	31/12/2022
1. Current accounts and demand deposits	14,980	46,561
2. Time deposits	283,057,353	281,856,011
3. Loans	21,859,810	30,063,910
3.1 Repurchase agreements	19,460,723	28,853,269
3.2 Other	2,399,087	1,210,641
4. Liabilities in respect of commitments to repurchase own equity instruments		
5. Lease liabilities	416,375	393,409
6. Other payables	5,126,951	4,634,651
<b>TOTAL</b>	<b>310,475,469</b>	<b>316,994,542</b>

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 191,034 million euro (+2,029 million euro compared to the end of 2022) and of passbook savings accounts, equal to approximately 90,023 million euro (about -612 million euro compared to the end of 2022), net of those held by banks and shown in the previous table.

The balance related to loans, equal to 21,860 million euro at 30 June 2023, refers to the repurchase agreements of the Parent Company, of around 19,461 million euro, down on the 2022 year-end balance (about -9,392 million euro).

Sub-item "6. Other payables", equal to around 5,127 million euro (around +492 million euro compared to the end of 2022), 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.

Again with reference to the Parent Company, the amounts due to customers include the balance of money market trading with the Treasury (formerly OPTES), equal to approximately 2,000 million euro.

Lastly, this item includes around 416 million euro in lease liabilities, whose amount is determined on the basis of the contracts in place at 30 June 2023, 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	30/06/2023	31/12/2022
<b>A. Securities</b>				
1. Bonds	16,154,220	22,848,316	39,002,536	37,509,805
1.1 Structured	44,606		44,606	45,145
1.2 Other	16,109,614	22,848,316	38,957,930	37,464,660
2. Other securities	1,051,825		1,051,825	1,346,236
2.1 Structured				
2.2 Other	1,051,825		1,051,825	1,346,236
<b>TOTAL</b>	<b>17,206,045</b>	<b>22,848,316</b>	<b>40,054,361</b>	<b>38,856,041</b>

With regard to the Prudential Consolidation, the balance of securities issued at 30 June 2023 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 10,759 million euro. In the first half of 2023 new bond issues were completed under the “Debt Issuance Programme” (DIP), totalling 825 million euro. These include the inaugural issue, for an amount of 500 million euro, of a Green Bond, aimed at supporting initiatives with positive environmental impacts. In addition, two bond issues were made in the form of private placement, amounting to 150 million euro and 175 million euro, respectively;
- 1 bond reserved for individuals (for a carrying amount of about 1,483 million euro, essentially stable compared to the end of 2022), 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;
- 4 bonds guaranteed by the Italian government, entirely subscribed by Poste Italiane, for a total carrying amount of approximately 2,999 million euro (this figure is essentially stable compared to the end of 2022). At 30 June 2023 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 first dollar-denominated bond issue of the Parent Company, “Yankee Bond”, for an amount of 1 billion dollars (carrying amount at 30 June 2023 equal to approximately 913 million euro). Through this transaction, the Parent Company is continuing its strategy of diversifying its funding sources and strengthening its activity of supporting the exports of Italian companies.

The other securities consist of the stock of commercial papers with a carrying amount of around 1,052 million euro (-294 million euro on the 2022 year-end balance), related to the “Multi-Currency Commercial Paper Programme”.

Securities issued by other companies mainly refer to the bond placements by SNAM, Terna and Italgas, amounting to around 9,308 million euro, 7,582 million euro and 5,199 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	30/06/2023	31/12/2022
<b>A. On-balance-sheet liabilities</b>		
<b>Total A</b>		
<b>B. Derivatives</b>		
1. Financial derivatives	320,824	330,856
1.1 Trading	320,824	330,856
1.2 Associated with fair value option		
1.3 Other		
2. Credit derivatives		
<b>Total B</b>	<b>320,824</b>	<b>330,856</b>
<b>TOTAL (A + B)</b>	<b>320,824</b>	<b>330,856</b>



## FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE - ITEM 30

### FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE: BREAKDOWN BY TYPE

(thousands of euro)		
Type of transactions/Values	30/06/2023	31/12/2022
<b>1. Due to banks</b>		
<b>2. Due to customers</b>	<b>17,596</b>	<b>16,627</b>
2.1 Structured		
2.2 Other	17,596	16,627
<b>3. Debt securities</b>		
3.1 Structured		
3.2 Other		
<b>TOTAL</b>	<b>17,596</b>	<b>16,627</b>

## HEDGING DERIVATIVES - ITEM 40

### HEDGING DERIVATIVES: BREAKDOWN BY TYPE OF HEDGE

(thousands of euro)		
	30/06/2023	31/12/2022
<b>A. Financial derivatives:</b>	<b>1,511,851</b>	<b>1,367,670</b>
1) Fair value	646,643	600,478
2) Cash flow	865,208	767,192
3) Investment in foreign operation		
<b>B. Credit derivatives</b>		
<b>TOTAL</b>	<b>1,511,851</b>	<b>1,367,670</b>

## FAIR VALUE CHANGE OF FINANCIAL LIABILITIES IN HEDGED PORTFOLIOS - ITEM 50

### FAIR VALUE CHANGE OF HEDGED FINANCIAL LIABILITIES

This item had a nil balance both at 30 June 2023 and at 31 December 2022.

## OTHER LIABILITIES - ITEM 80

## OTHER LIABILITIES: BREAKDOWN

(thousands of euro) Type of operations/Values	Prudential consolidation	Other entities	30/06/2023	31/12/2022
Items being processed	32,310		32,310	85,256
Amounts due to employees	15,608	164,758	180,366	173,189
Charges for postal funding service	199,611		199,611	
Tax payables	506,706	143,275	649,981	863,722
Construction contracts		2,110,686	2,110,686	2,031,225
Trade payables	33,871	7,395,619	7,429,490	9,709,323
Due to social security institutions	15,187	163,041	178,228	147,710
Accrued expenses and deferred income	37	1,449,722	1,449,759	1,488,445
Equity and net income pertaining to non-controlling interests in funds		162,720	162,720	177,581
Other	93,031	7,235,517	7,328,548	9,908,497
<b>TOTAL</b>	<b>896,361</b>	<b>18,825,338</b>	<b>19,721,699</b>	<b>24,584,948</b>

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 200 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 2023;
- tax payables, totalling around 507 million euro, which include the substitute tax levied on interest paid on postal savings products.

With regard to Other entities, the item mainly regards:

- trade payables of around 7,396 million euro, mainly related to Terna (around 2,471 million euro), Fincantieri (around 2,708 million euro), SNAM (around 875 million euro), Ansaldo Energia (538 million euro) and Italgas (around 568 million euro). Trade payables included liabilities arising from reverse factoring operations for a total of 822 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 2,111 million euro, mainly resulting from the activities of Fincantieri (approximately 1,236 million euro) whose progress has a value lower than what was invoiced to the customer, and from Ansaldo's operations (approximately 826 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 7,236 million euro, the contribution of which is attributable in particular to SNAM for approximately 5,849 million euro, mainly referring to payables for investing activities and liabilities to Cassa per i Servizi Energetici e Ambientali (CSEA) equal to 3,427 million euro, the latter deriving in part from the return of the amounts obtained from the sale of the volumes of gas purchased for the filling service of last resort in compliance with Resolutions 274/2022/R/Gas and 3/2023/R/Gas (2,315 million euro) and from the additional components (1,054 million euro).



## PROVISIONS FOR RISKS AND CHARGES - ITEM 100

### PROVISIONS FOR RISKS AND CHARGES: BREAKDOWN

(thousands of euro) Items/Components	Prudential consolidation	Other entities	30/06/2023	31/12/2022
1. Provisions for credit risk relating to commitments and financial guarantees issued	648,936	38,106	687,042	698,370
2. Provisions on other guarantees issued and other commitments				
3. Company pensions and other post-retirement benefit obligations				
4. Other provisions	126,045	2,008,388	2,134,433	2,117,003
4.1 fiscal and legal disputes	73,342	371,814	445,156	447,922
4.2 staff costs	51,991	100,612	152,603	174,825
4.3 other	712	1,535,962	1,536,674	1,494,256
<b>TOTAL</b>	<b>774,981</b>	<b>2,046,494</b>	<b>2,821,475</b>	<b>2,815,373</b>

The provisions for risks and charges stood at approximately 2,821 million euro at 30 June 2023, up by around 6 million euro compared to the end of 2022.

Provisions for credit risk relating to commitments and financial guarantees issued, to the balance of which the Parent Company essentially contributes, amounted to 687 million euro, down 11 million euro compared to 31 December 2022.

The item 4.3 "Other provisions - other", totalling approximately 1,537 million euro at 30 June 2023, mainly refers:

- for approximately 518 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 (424 million euro) and transportation (72 million euro) sector;
- for about 173 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 155 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 2023, 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 2023, the Parent Company held treasury shares with a value of 322.2 million euro which is unchanged compared to the end of 2022.

## Share capital - Number of shares of the Parent Company: changes for the year

Items/Type	Ordinary	Other
<b>A. Shares at start of the year</b>	<b>342,430,912</b>	
– fully paid	342,430,912	
– partly paid		
A.1 Treasury shares (-)	(4,451,160)	
<b>A.2 Shares in circulation: opening balance</b>	<b>337,979,752</b>	
<b>B. Increases</b>		
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		
<b>C. Decreases</b>		
C.1 Cancellation		
C.2 Purchase of own shares		
C.3 Disposal of companies		
C.4 Other changes		
<b>D. Shares in circulation: closing balance</b>	<b>337,979,752</b>	
D.1 Treasury shares (+)	4,451,160	
D.2 Shares at end of the period	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	1 <sup>st</sup> half of 2023	1 <sup>st</sup> half of 2022
<b>1. Financial assets measured at fair value through profit or loss</b>	<b>455</b>	<b>2,697</b>		<b>3,152</b>	<b>4,472</b>
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	455	2,697		3,152	4,472
<b>2. Financial assets measured at fair value thorough other comprehensive income</b>	<b>102,796</b>	<b>12</b>	<b>X</b>	<b>102,808</b>	<b>33,267</b>
<b>3. Financial assets measured at amortised cost</b>	<b>926,221</b>	<b>4,052,182</b>		<b>4,978,403</b>	<b>3,906,940</b>
3.1 Loans to banks	66,229	292,868	X	359,097	125,368
3.2 Loans to customers	859,992	3,759,314	X	4,619,306	3,781,572
<b>4. Hedging derivatives</b>	<b>X</b>	<b>X</b>	<b>185,668</b>	<b>185,668</b>	<b>(153,646)</b>
<b>5. Other assets</b>	<b>X</b>	<b>X</b>	<b>21,641</b>	<b>21,641</b>	<b>26,981</b>
<b>6. Financial liabilities</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>3,154</b>	<b>153,298</b>
<b>TOTAL</b>	<b>1,029,472</b>	<b>4,054,891</b>	<b>207,309</b>	<b>5,294,826</b>	<b>3,971,312</b>
– of which: interest income on non-performing assets	552	4,648		5,200	7,951
– of which: interest income on finance lease	X	5,543	X	5,543	5,209

Interest income accrued during the first half of 2023 amounted to 5,295 million euro, up compared to the same period of 2022. 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 4,978 million euro (+1,071 million euro compared to the first half of 2022) of which 4,052 million euro deriving from loans and 926 million euro from debt securities;
- interest income on financial assets measured at fair value through other comprehensive income, of around 103 million euro (+70 million euro compared to the first half of 2022);
- interest income on financial assets measured at fair value through profit or loss, of around 3 million euro (4 million euro in the first half of 2022).

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 2023, this amount is positive for around 186 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 3 million euro (around 153 million euro at 30 June 2022). 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 5 million euro.

## INTEREST EXPENSE AND SIMILAR EXPENSE: BREAKDOWN

(thousands of euro)					
Items/Technical forms	Debt securities	Securities	Other	1 <sup>st</sup> half of 2023	1 <sup>st</sup> half of 2022
<b>1. Financial liabilities measured at amortised cost</b>	<b>(3,384,043)</b>	<b>(380,784)</b>		<b>(3,764,827)</b>	<b>(2,605,116)</b>
1.1 Due to central banks	(82,101)	X	X	(82,101)	
1.2 Due to banks	(608,394)	X	X	(608,394)	(122,457)
1.3 Due to customers	(2,693,548)	X	X	(2,693,548)	(2,191,869)
1.4 Securities issued	X	(380,784)	X	(380,784)	(290,790)
<b>2. Financial liabilities held for trading</b>					
<b>3. Financial liabilities designated at fair value</b>					<b>(2,873)</b>
<b>4. Other liabilities and provisions</b>	<b>X</b>	<b>X</b>	<b>(76,774)</b>	<b>(76,774)</b>	<b>(10,057)</b>
<b>5. Hedging derivatives</b>	<b>X</b>	<b>X</b>	<b>24,424</b>	<b>24,424</b>	<b>28,175</b>
<b>6. Financial assets</b>	<b>X</b>	<b>X</b>	<b>X</b>	<b>(2,141)</b>	<b>(28,609)</b>
<b>TOTAL</b>	<b>(3,384,043)</b>	<b>(380,784)</b>	<b>(52,350)</b>	<b>(3,819,318)</b>	<b>(2,618,480)</b>
– of which: interest expense on finance lease	(5,252)	X	X	(5,252)	(3,365)

Interest expense in the first half of 2023 amounts to 3,819 million euro (+1,201 million euro on the comparison period), and is mainly attributable to:

- remuneration of the Parent Company's postal funding, amounting to approximately 2,329 million euro;
- interest expense accrued on securities issued by the Parent Company of approximately 231 million euro and by the industrial companies of approximately 150 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 2023, this amount is positive for around 24 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 2 million euro (29 million euro at 30 June 2022).

The item also includes financial expenses accrued on lease liabilities recognised as a consequence of applying IFRS 16, equal to about 5 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

1<sup>st</sup> half of 2023

1<sup>st</sup> half of 2022

<b>a) Financial instruments</b>		
1. Placement of securities		
1.1 Assumed based on a firm commitment		
1.2 Without a firm commitment		
2. Activity of receiving and sending orders and executing orders on behalf of customers		
2.1 Receiving and sending orders of one or more financial instruments		
2.2 Order execution on behalf of customers		
3. Others commissions connected with assets linked to financial instruments		
<i>of which: trading on own behalf</i>		
<i>of which: management of individual portfolios</i>		
<b>b) Corporate Finance</b>		
1. Advice on mergers and acquisitions		
2. Treasury services		
3. Other commissions connected to corporate finance services		
<b>c) Advice on investments</b>		
<b>d) Offsetting and settlement</b>	137	93
<b>e) Management of collective portfolios</b>	28,799	23,917
<b>f) Custody and administration</b>		
1. Custodian bank		
2. Other commissions connected to the custody and administration activities		
<b>g) Central administrative services to manage collective portfolios</b>		
<b>h) Fiduciary activities</b>		
<b>i) Payment services</b>		
1. Current accounts		
2. Credit cards		
3. Debit cards and other payment cards		
4. Bank transfers and other payment orders		
5. Other commissions connected to payment services		
<b>j) Distribution of third party services</b>		
1. Management of collective portfolios		
2. Insurance products		
3. Other products		
<i>of which: management of individual portfolios</i>		
<b>k) Structured finance</b>	3	18
<b>l) Servicing activities for securitisations</b>		
<b>m) Commitments to disburse funds</b>	27,271	27,135
<b>n) Financial guarantees issued</b>	24,106	11,221
<i>of which: credit derivatives</i>		
<b>o) Financing transactions</b>	34,635	20,642
<i>of which: factoring</i>		
<b>p) Trading of currencies</b>		
<b>q) Commodities</b>		
<b>r) Other commission income</b>	153,780	150,025
<i>of which: management of multilateral trading systems</i>		
<i>of which: management of organised trading systems</i>		
<b>TOTAL</b>	<b>268,731</b>	<b>233,051</b>

At 30 June 2023, commission income stood at approximately 269 million euro, up by 36 million euro compared to the first half of 2022.

At 30 June 2023, 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;
- commitments to disburse funds amounting to around 28 million euro;
- loan structuring for around 35 million euro;
- financial guarantees issued of around 24 million euro;
- commercial guarantees issued of around 5 million euro.

Again with reference to the Parent Company, the residual contribution to the balance of the item includes, among others, commissions earned for the management of the Revolving Fund for Development Cooperation and the Revolving Fund supporting enterprises and investment in research (FRI), and for the securities lending activity.

## COMMISSION EXPENSE: BREAKDOWN

(thousands of euro) Type of services/Amounts	1 <sup>st</sup> half of 2023	1 <sup>st</sup> half of 2022
<b>a) Financial instruments</b>	<b>719,442</b>	<b>703,841</b>
<i>of which: trading of financial instruments</i>	632	1,514
<i>of which: placement of financial instruments</i>	706,680	698,752
<i>of which: management of individual portfolios</i>	55	14
– Own	55	14
– Delegated to third parties		
<b>b) Offsetting and settlement</b>	<b>1,340</b>	<b>366</b>
<b>c) Management of collective portfolios</b>		<b>3,687</b>
1. Own		3,687
2. Delegated to third parties		
<b>d) Custody and administration</b>	<b>578</b>	<b>615</b>
<b>e) Collection and payment services</b>	<b>9,799</b>	<b>10,496</b>
<i>of which: credit cards, debit cards and other payment cards</i>	2	5
<b>f) Servicing activities for securitisations</b>		
<b>g) Commitments to receive funds</b>	<b>7</b>	<b>7,965</b>
<b>h) Financial guarantees received</b>	<b>17,635</b>	<b>8,017</b>
<i>of which: credit derivatives</i>		
<b>i) Door-to-door selling of financial instruments, products and services</b>		
<b>j) Trading of currencies</b>		
<b>k) Other commission expense</b>	<b>1,098</b>	<b>1,000</b>
<b>TOTAL</b>	<b>749,899</b>	<b>735,987</b>

Commission expense is primarily attributable to the Parent Company and is mainly related to the amount for the first half of 2023 of the remuneration paid to Poste Italiane S.p.A. for the postal savings service, equal to approximately 704 million euro (+8 million euro compared to 30 June 2022), 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 in the first half of 2023 accrued on the basis of the new terms and conditions of the agreement between CDP and Poste Italiane for the year 2023, as approved by the Board of Directors on 4 May 2023.



## DIVIDENDS AND SIMILAR REVENUES - ITEM 70

The balance of this item at 30 June 2023, of around 41 million euro (25 million euro at 30 June 2022) 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 loss of approximately 58 million euro at 30 June 2023 (profit of 88 million euro at 30 June 2022), derived mainly from the exchange rate loss on financial assets and liabilities of the Parent Company.

## FAIR VALUE ADJUSTMENTS IN HEDGE ACCOUNTING - ITEM 90

Fair value adjustments in hedge accounting showed a negative amount of 6 million euro at 30 June 2023 (positive amount of 65 million euro at 30 June 2022).

## GAINS (LOSSES) ON DISPOSAL OR REPURCHASE - ITEM 100

The balance of the item was positive at approximately 55 million euro (51 million euro at 30 June 2022) and was mainly due to the contribution of the Parent Company relating to income from the sale of debt securities in the portfolio of financial assets measured at amortised cost (+78 million euro), partially offset by the loss on the sale of debt securities in the portfolio of financial assets measured at fair value through other comprehensive income (-28 million euro).

## 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 profit at 30 June 2023, equal to 101 million euro (net loss of 15 million euro at 30 June 2022), attributable almost exclusively to the other financial assets mandatorily measured at fair value.

In particular, contributing to the result were net gains from the measurement of units in collective investment undertakings, amounting to approximately 96.7 million euro.

## NET ADJUSTMENTS/RECOVERIES FOR CREDIT RISK - ITEM 130

This item shows a gain of around 3.5 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

(thousands of euro) Type of operations/P&L Items	Writedowns						Writebacks						1 <sup>st</sup> half of 2023	1 <sup>st</sup> half of 2022
	Stage 1	Stage 2	Write-off	Other	Write-off	Other	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets				
<b>A. Loans to banks</b>	(6,314)	(2)					4,341	281				(1,694)	1,833	
Loans	(5,338)	(2)					3,303	281				(1,756)	1,773	
Debt securities	(976)						1,038					62	60	
– of which: impaired loans acquired or originated														
<b>B. Loans to customers</b>	(32,241)	(15,630)		(19,489)			18,829	47,707	5,921			5,097	14,093	
Loans	(19,631)	(15,630)		(1,937)			18,266	32,884	5,921			19,873	14,710	
Debt securities	(12,610)			(17,552)			563	14,823				(14,776)	(617)	
– of which: impaired loans acquired or originated														
<b>TOTAL</b>	<b>(38,555)</b>	<b>(15,632)</b>		<b>(19,489)</b>			<b>23,170</b>	<b>47,988</b>	<b>5,921</b>			<b>3,403</b>	<b>15,926</b>	

### NET ADJUSTMENTS FOR CREDIT RISK RELATING TO FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: BREAKDOWN

(thousands of euro) Type of operations/P&L Items	Writedowns						Writebacks						1 <sup>st</sup> half of 2023	1 <sup>st</sup> half of 2022
	Stage 1	Stage 2	Write-off	Other	Write-off	Other	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets				
<b>A. Debt securities</b>	(297)						401					104	872	
<b>B. Loans</b>														
Customers														
Banks														
<b>TOTAL</b>	<b>(297)</b>						<b>401</b>					<b>104</b>	<b>872</b>	



## ADMINISTRATIVE EXPENSES - ITEM 190

### STAFF COSTS: BREAKDOWN

(thousands of euro) Type of expenses/Sectors	Prudential consolidation	Other entities	1 <sup>st</sup> half of 2023	1 <sup>st</sup> half of 2022
<b>1) Employees</b>	<b>113,439</b>	<b>1,199,471</b>	<b>1,312,910</b>	<b>1,264,489</b>
a) Wages and salaries	75,923	828,192	904,115	892,743
b) Social security costs	2,922	26,256	29,178	22,479
c) Staff severance pay	377	14,965	15,342	20,117
d) Pension costs	15,352	236,055	251,407	236,680
e) Allocation to staff severance pay	127	3,276	3,403	4,937
f) Allocation to provision for post-employment benefits				
– defined contribution				
– defined benefit				
g) Payments to external supplementary pensions funds:	5,956	42,031	47,987	39,846
– defined contribution	5,956	39,839	45,795	37,998
– defined benefit		2,192	2,192	1,848
h) Costs arising from share-based payment arrangements		1,361	1,361	2,846
i) Other employee benefits	12,782	47,335	60,117	44,841
<b>2) Other personnel in service</b>	<b>685</b>	<b>9,462</b>	<b>10,147</b>	<b>6,912</b>
<b>3) Board of Directors and Board of Auditors</b>	<b>1,997</b>	<b>12,402</b>	<b>14,399</b>	<b>18,248</b>
<b>4) Retired personnel</b>				
<b>TOTAL</b>	<b>116,121</b>	<b>1,221,335</b>	<b>1,337,456</b>	<b>1,289,649</b>

### OTHER ADMINISTRATIVE EXPENSES: BREAKDOWN

(thousands of euro) Type of expenses/Values	Prudential consolidation	Other entities	1 <sup>st</sup> half of 2023	1 <sup>st</sup> half of 2022
IT costs	28,006	87,688	115,694	83,500
General services	5,424	4,214,367	4,219,791	3,730,306
Professional and financial services	8,423	561,212	569,635	435,951
Publicity and marketing expenses	1,243	26,034	27,277	17,433
Other personnel-related expenses	1,772	26,721	28,493	29,834
Utilities, duties and other expenses	4,021	149,748	153,769	169,991
Information resources and databases	1,328	161	1,489	2,055
Corporate bodies	328	125	453	560
<b>TOTAL</b>	<b>50,545</b>	<b>5,066,056</b>	<b>5,116,601</b>	<b>4,469,630</b>

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 accruals to the provisions for credit risk relating to commitments to disburse funds and financial guarantees issued showed a negative balance at 30 June 2023 equal to approximately 6 million euro (positive balance of around 62 million euro at 30 June 2022) and are mainly 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	1 <sup>st</sup> half of 2023	1 <sup>st</sup> half of 2022
Net provisions for legal and fiscal disputes	(6,346)	5,307	(1,039)	2,177
Net provisions for sundry expenses for personnel	(20)	224	204	309
Net sundry provisions	(100,785)	19,527	(81,258)	(67,373)
<b>TOTAL</b>	<b>(107,151)</b>	<b>25,058</b>	<b>(82,093)</b>	<b>(64,887)</b>

The balance of this item, negative for approximately 82 million euro (negative for approximately 65 million euro at 30 June 2022), refers to the net balance of provisions and the reversal of excess provisions for risks and charges, mainly attributable to the Fincantieri (approximately -49 million euro) and Ansaldo Energia (approximately -29 million euro) groups.

## 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	1 <sup>st</sup> half of 2023
<b>A. Property, plant and equipment</b>			
1. Operating	(4,352)	(953,332)	(957,684)
– Owned	(2,472)	(908,659)	(911,131)
– Right of use acquired under leases	(1,880)	(44,673)	(46,553)
2. Investment	(2,975)	(14,697)	(17,672)
– Owned	(2,931)	(14,697)	(17,628)
– Right of use acquired under leases	(44)		(44)
3. Inventories		2,658	2,658
<b>TOTAL</b>	<b>(7,327)</b>	<b>(965,371)</b>	<b>(972,698)</b>



## 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	1 <sup>st</sup> half of 2023
<b>A. Intangible assets</b>			
– of which: software	(10,686)	(14,697)	(25,383)
A.1 Owned	(10,768)	(455,628)	(466,396)
– internally generated by the company		(115,927)	(115,927)
– other	(10,768)	(339,701)	(350,469)
A.2 Acquired under finance leases			
<b>TOTAL</b>	<b>(10,768)</b>	<b>(455,628)</b>	<b>(466,396)</b>

## OTHER OPERATING INCOME (COSTS) - ITEM 230

## OTHER OPERATING COSTS: BREAKDOWN

(thousands of euro) Type of costs/Figures	Prudential consolidation	Other entities	1 <sup>st</sup> half of 2023	1 <sup>st</sup> half of 2022
Depreciation of leasehold improvements	192	687	879	731
Ordinary maintenance costs of buildings for investment use				
Other	558	106,473	107,031	148,099
<b>TOTAL</b>	<b>750</b>	<b>107,160</b>	<b>107,910</b>	<b>148,830</b>

## OTHER OPERATING INCOME: BREAKDOWN

(thousands of euro) Type of costs/Figures	Prudential consolidation	Other entities	1 <sup>st</sup> half of 2023	1 <sup>st</sup> half of 2022
Income for company engagements to employees	408	209	617	596
Recovery of expenses	6,176	12,360	18,536	18,443
Rental income and other income from property management	6,004	19,270	25,274	87,835
Revenues from industrial management		9,150,121	9,150,121	8,275,959
Other	1,733	141,750	143,483	108,881
<b>TOTAL</b>	<b>14,321</b>	<b>9,323,710</b>	<b>9,338,031</b>	<b>8,491,714</b>

Other operating income, equal to approximately 9,338 million euro as at 30 June 2023 (approximately 8,492 million euro as at 30 June 2022), 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 following subsidiaries (the figure for the first half of 2022 is in brackets):

- Fincantieri, in the amount of 3,588 million euro (approximately 3,463 million euro);
- SNAM, in the amount of 2,074 million euro (1,677 million euro);
- Terna, in the amount of 1,478 million euro (1,335 million euro);
- Italgas, in the amount of 1,285 million euro (1,056 million euro);
- Ansaldo Energia, in the amount of 473 million euro (596 million euro).

## GAINS (LOSSES) ON EQUITY INVESTMENTS - ITEM 250

Net gains on equity investments of 1,192 million euro (net gains of 2,540 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 operations falling within the scope of consolidation, and are mainly attributable to the positive effect deriving from the measurement of the following investee companies:

- Eni (+643 million euro, compared to +1,970 million euro in the first half of 2022);
- Poste Italiane (+372 million euro, compared to +304 million euro in the first half of 2022);
- SAIPEM (+5 million euro, compared to -17 million euro in the first half of 2022);
- Holding Reti Autostradali (+56 million euro, compared to +84 million euro in the first half of 2022).

## 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

The item, equal to 44 thousand euro at 30 June 2023 (equal to approximately 47 million euro at 30 June 2022), was the result of the recognition of impairment losses on goodwill of a subsidiary from the Fincantieri group.

## GAINS (LOSSES) ON DISPOSAL OF INVESTMENTS - ITEM 280

This item shows gains of approximately 11 million euro (approximately 8 million euro at 30 June 2022) and mainly consists of gains on the disposal of 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 has a nil balance.



## 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 considers 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.

These types of risk are defined by the 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 General Risk 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 General 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, the Risk and Sustainability Committee is established, whose composition is governed by the Articles of Association and whose operation and organisation are set out in a specific Regulation, last updated during the first half of 2023. 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 included into 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 assigning – 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 single 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 its 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 economic capital absorption 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 properly monitored, especially the non-performing ones, that the classifications are consistent, provisioning adequate and recovery process appropriate;
- formulating opinions on specific loan transactions, including an evaluation of their consistency with the Risk Policy and capital requirements, in the different 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 each restructuring proposal – with the support of other Units in case of 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 half-year, 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 Group risk policies.

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 to 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 authorities. 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 adopts qualitative and quantitative criteria to identify the cases where the debtor's creditworthiness requires further analysis.

In defining the conditions of its loans, CDP uses a proprietary validated model to calculate portfolio credit risks, in accordance with the specific characteristics of its business model, in particular in the case of the activities pertaining to the Separate Account. Using this portfolio model, CDP calculates the economic capital associated with the entire loan portfolio, with the sole exception of direct and indirect exposures 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.

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.

CDP Venture Capital SGR S.p.A. is exposed to credit risk mainly in relation to the management fees received by investment funds. Regarding any default of the investors of the managed funds, it should be noted that, to date, no defaults arise, as well as systematic delays by the subscribers as a result of the calls made by the funds. Therefore, the credit risk is estimated to be medium-low, also in consideration of the diversification of the funds managed and the standing of the subscribers, including the Parent Company or the holding company, as well as public resources. Finally, the exposure to counterparty risk in relation to the financial entities with which the company's liquidity is deposited is also attributable to credit risk.

## 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. With the aim of further mitigating counterparty risk, CDP also operates 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 standard market formats). In addition, CDP has long since joined the Euronext Clearing House (Cassa di Compensazione e Garanzia), through which it transacts in repo agreements while benefiting from robust protections against counterparty risk.

CDP Real Asset SGR is exposed to counterparty risk, in connection with the fees received as fund manager. The exposure exists with respect to the 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 considering both the diversification in terms of funds and investors and to their credit standing. Moreover, the main subscriber of the managed funds is 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 synthetic risk measures representing the economic capital needed.

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 banking book interest rate risk, 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 Real Asset SGR (CDP RA SGR) has no direct (i.e. resulting from its primary activity) exposure to interest rate risk and inflation risk; a marginal exposure is detected in connection with the investment 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. (FII SGR) is not directly exposed to interest rate risk. The liquidity stock during the first half of 2023 was deposited in bank accounts and short-term time deposits.

As a closed-end fund manager, CDP Venture Capital SGR (CDP VC SGR) is not directly exposed to interest rate risk resulting from its primary activity. The held liquidity is currently mainly deposited on current accounts or managed through short-term deposits with leading financial institutions.



In the first half of 2023, CDP RA SGR, FII SGR and CDP VC 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 Real Asset SGR do not engage in trading activities, the exposure to liquidity risk in the sense of asset liquidity risk<sup>40</sup> 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<sup>41</sup>.

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 (in short, 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.

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, Risk Management performs stress tests to assess the potential effects of an extremely unfavourable scenario on the liquidity position.

As far as liquidity risk is concerned, CDP RA SGR is potentially exposed to a cash shortfall risk, caused by, among others, lower management fees received on the funds it manages, calculated as a percentage of either the Net Asset Value or the Gross Asset Value.

<sup>40</sup> 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.

<sup>41</sup> 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.



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.

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 underlying assets 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 price 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).

Also for CDP Venture Capital SGR, the greater exposure to the liquidity risk is attributable to the asset liquidity risk, considering the nature of the alternative funds managed by the SGR, and in particular that: (i) they fall into the category of call closed funds, (ii) there is no provision for the redemption of the shares or their negotiation, unless previously authorised by the SGR in the manner provided by the regulation, (iii) they invest largely in inherently illiquid assets, characterised by particular complexity of the valuation and sale processes. The expected liquidity profile for the investor depends on the expected duration of the funds, the timing and methods of calling the commitments, the timing of the portfolio divestment process, the consequent profile of the distributions of income and capital and, ultimately, the method of redemption of the shares. Regarding the funding liquidity risk for CDP Venture Capital SGR, the exposure is residual.

## 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 com-

pany'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.

CDP RA SGR adopts the Group's operational risk management framework for the purpose of strengthening risk controls and improving the overall effectiveness and efficiency of processes, 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 damages 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 areas of internal processes, regulatory compliance and employment relationships.

CDP Venture Capital SGR manages the operational risks (i.e. arising from anomalies in internal procedures, inefficiencies in systems, human errors or external events) relating to the company through a process that involves the identification, measurement, manage-



ment and periodic monitoring of potential operational risks, including those related to the professional responsibility of the SGR. CDP Venture Capital SGR assesses operational risks using a specific methodology that includes: (i) the “legal risk”, defined as the risk of incurring losses resulting from contractual or tortious liability or from other disputes, (ii) the risk of valuation of the assets and the NAV of the AIFs, (iii) the compliance risk, defined as the risk of incurring legal or administrative penalties, significant financial losses or reputational damage as a result of violations of external provisions (laws or regulations) or self-governance rules (e.g. articles of association, codes of conduct, corporate governance rules), (iv) the sustainability risk. There are no significant operational risks at present.

In addition to the operational risks themselves, given the importance of the fiduciary component inherent in the relationship with third parties, particular attention is given to reputational risk, defined as the current or prospective risk of a decline in profits or capital resulting from a negative perception of the Company’s image by counterparties, shareholders, investors or regulators.

## 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 ensures the coordination of the subsidiaries’ control departments in the decisions about the relevant risk management policies and procedures.

The Parent Company’s Anti-Money Laundering Function promotes the consistency and sharing at Group level of the assessment methodologies and procedures to supervise the operational activities related to the management of the risk of money laundering and terrorist financing. In particular, it focuses on customer profiling, the self-assessment of the risk of money laundering and the registration of common counterparties also with a view to the reporting of suspicious transactions. Where applicable, an independent Anti-Money Laundering Function was established in each subsidiary which, by closely operating with the competent 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 shares. The criteria for measuring and managing the risk associated with equity investments and funds are established by the General Risk Policy. They include, among others, specific stress tests aimed at verifying the adequacy of the proposed prudential capital absorptions in adverse scenarios. 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.

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 (if any) 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

At 30 June 2023, there are 112 pending disputes in civil and administrative matters in which CDP is a defendant, for a total amount of approximately 603 million euro.

With reference to the above-mentioned disputes, there are 21 disputes with a risk of a ruling against the company estimated to be **probable**. Of these: i) 14 refer to positions relating to Postal Savings products amounting to approximately 115 thousand euro; ii) 5 refer to credit positions amounting to approximately 174 million euro; and iii) 2 refer to other civil and administrative law issues amounting to approximately 48 thousand euro.

There are also 44 disputes with a risk of a ruling against the company estimated to be **possible**. Of these: i) 20 refer to positions relating to Postal Savings products amounting to approximately 190 thousand euro; ii) 9 refer to credit positions amounting to approximately 420 million euro; iii) 15 refer to other civil and administrative law issues amounting to approximately 1.3 million euro.

With reference to ongoing disputes, at 30 December 2023 a provision for risks and charges was set up amounting to approximately 54.4 million euro.

### LABOUR LAW DISPUTES

With reference to the Parent Company CDP, at June 30, 2023 there are 17 pre-litigation and labor disputes pending with reference to which a total of 3.5 million euro in provisions have been made.



## 11. OTHER MATERIAL RISKS

As a result 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.

Specifically, CDP is exposed to the equity risk deriving from the issuance of the postal savings bonds “Risparmio Sostenibile”, linked to the performance of the Stoxx Europe 600 ESG-X index. This risk is hedged by purchasing call options (designated as operational hedges) reflecting those implicit in the postal bonds, taking into account the expected redemption profile and the outstanding amount expected at maturity, estimated upon issue by means of the internal models of investor repayment behaviour.

The hedging notional amount estimated at issue is subject to periodic monitoring, carried out at least quarterly, in order to verify compliance with the expected profile recalibrated on actual redemptions. The outcome of this monitoring activity is used to back up any decision concerning possible unwind programs or the increase in existing hedges, as well as for the periodic verification of the effectiveness of the operational hedges, according to a framework established in compliance with the provisions of EMIR rules.

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 (i) the export and international expansion support activities and (ii) International Cooperation & Development Finance activities may also give rise to exchange rate risk.

CDP undertakes such activities only if they include appropriate exchange rate hedges. Hedges usually consist of the signing of Cross Currency Swaps which exchange foreign currency cash flows for Euro cash flows. Alternatively, also included is the possibility to finance or refinance the position through funding in the same currency, as part of a strategy aimed at minimising 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:

- 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 any 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)
Valvitalia Finanziaria S.p.A. <sup>(5)</sup>	31/03/2023	7,655	75%	135,913	(49,524)
Omnia S.r.l.	29/03/2023	1,521	100%	176	98
Rete Nord S.r.l.	22/06/2023	14,609	100%	558	85
Agriwatt Castel Goffredo Società Agricola a r.l.	23/01/2023	2,673	100%	934	(138)
Zibello Agroenergie Società Agricola S.r.l.	13/04/2023	3,834	100%	562	(96)
Soragna Agroenergie Società Agricola S.r.l.	13/04/2023	3,655	100%	560	(108)

#### 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).

(5) Revenues and group Valvitalia net Profit (Loss) referred to FY2022.

#### *Acquisition of control over Valvitalia Finanziaria S.p.A.*

As part of the participation, by CDPE Investimenti, in the strengthening of the asset structure and financial position of the Valvitalia group, aimed at restoring the balance of its financial structure, the subsidiary converted the Convertible Bond in full on 31 March 2023, increasing its equity investment from 50% to 75%, thus going from a joint control structure to an exclusive control structure.

From an accounting point of view, the transaction involved:

- the measurement of the equity investment in Valvitalia Finanziaria at fair value at the date of the transaction estimated at 3,840 thousand euro (for a value of the 75% interest held through CDPE equal to 2,655 thousand euro);
- the write-off, after reversing the impairment recognised in the financial statements of CDPE Investimenti, of the value of the equity instruments issued by Valvitalia S.p.A. and subscribed by CDPE Investimenti in the second half of 2021, for 5 million euro.



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).

### Valvitalia Finanziaria S.p.A.

ASSETS	Book value	Adjustment	Fair value
10. Cash and cash equivalents	66,704		66,704
20. Financial assets designated at fair value through profit or loss	955		955
40. Financial assets measured at amortised cost	3,837		3,837
70. Equity investments	1,458		1,458
90. Property, plant and equipment	55,341		55,341
100. Intangible assets	36,514	(22,982)	13,532
110. Tax assets	11,982		11,982
120. Non-current assets and disposal groups held for sale	139		139
130. Other assets	152,257		152,257
<b>TOTAL ACQUIRED ASSETS</b>	<b>329,187</b>	<b>(22,982)</b>	<b>306,205</b>
<b>LIABILITIES</b>			
10. Financial liabilities at amortised cost	107,619		107,619
60. Tax liabilities	19,489		19,489
70. Liabilities associated with non-current assets and disposal groups held for sale	114		114
80. Other liabilities	94,402		94,402
90. Staff severance pay	3,384		3,384
100. Provisions for risks and charges	25,146	11,436	36,582
190. Non-controlling interests (+/-)	45,565	(8,605)	36,960
<b>TOTAL LIABILITIES ASSUMED</b>	<b>295,719</b>	<b>2,832</b>	<b>298,550</b>
<b>Net acquired assets</b>	<b>33,469</b>	<b>(25,814)</b>	<b>7,655</b>
Goodwill			
<b>Cost of business combination</b>	<b>33,469</b>	<b>(25,814)</b>	<b>7,655</b>





### Acquisition of Omnia S.r.l.

On 29 March 2023, LT S.r.l. (a wholly-owned subsidiary of Terna Energy Solutions S.r.l., in turn a subsidiary of Terna S.p.A.) acquired 100% of Omnia S.r.l., a company operating in the Operation & Maintenance of photovoltaic plants. The acquisition is aimed at consolidating LT S.r.l.'s position as a leader on the national market in the construction and operation of photovoltaic plants.

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).

The amount of the expected consideration was higher than the value of the net assets at the acquisition date, resulting in goodwill of approximately 1.3 million euro.

#### Omnia S.r.l.

ASSETS	Book value	Adjustment	Fair value
10. Cash and cash equivalents	17		17
30. Financial assets at fair value through other comprehensive income	2		2
90. Property, plant and equipment	4		4
110. Tax assets	25		25
130. Other assets	220		220
<b>TOTAL ACQUIRED ASSETS</b>	<b>268</b>		<b>268</b>
LIABILITIES			
60. Tax liabilities	27		27
80. Other liabilities	77		77
<b>TOTAL LIABILITIES ASSUMED</b>	<b>104</b>		<b>104</b>
<b>Net acquired assets</b>	<b>164</b>		<b>164</b>
Goodwill	1,357		1,357
<b>Cost of business combination</b>	<b>1,521</b>		<b>1,521</b>



### Acquisition of Rete Nord S.r.l.

On 22 June 2023, Terna S.p.A. acquired 100% of Rete Nord S.r.l. (formerly “Edyna Transmission S.r.l.”), the company that owns the following NTG assets:

- portion of the 220 kV power line in Trentino-Alto Adige of about 70 km;
- 220 kV station in Resia (UD);
- 220 kV station in Naturno (BZ).

#### Rete Nord S.r.l.

ASSETS	Book value	Adjustment	Fair value
10. Cash and cash equivalents	293		293
90. Property, plant and equipment	13,249		13,249
100. Intangible assets	801		801
110. Tax assets	180		180
130. Other assets	413		413
<b>TOTAL ACQUIRED ASSETS</b>	<b>14,936</b>		<b>14,936</b>
<b>LIABILITIES</b>			
60. Tax liabilities	203		203
80. Other liabilities	135		135
<b>TOTAL LIABILITIES ASSUMED</b>	<b>338</b>		<b>338</b>
<b>Net acquired assets</b>	<b>14,598</b>		<b>14,598</b>
Goodwill	11		11
<b>Cost of business combination</b>	<b>14,609</b>		<b>14,609</b>

The amount of the expected consideration was substantially in line with the value of the net assets at the acquisition date.

### Acquisitions of Agriwatt Castel Goffredo Società Agricola a r.l., Zibello Agroenergie Società Agricola S.r.l. and Soragna Agroenergie Società Agricola S.r.l.

During the first half of 2023, control was acquired, through SNAM, over three companies operating in the Biogas/Biomethane business.

For the purposes of the half-yearly condensed consolidated financial statements at 30 June 2023, a preliminary purchase price allocation was carried out; the process of identifying the fair value of the acquired assets and liabilities will be completed in the following period, within 12 months from each of the respective acquisition dates.

The three acquisitions were completed against a total outlay of 10 million euro, settled entirely at closing. The preliminary PPA resulted in the recognition of a goodwill amount of 3 million euro and of 9 million euro of intangible assets (attributable to the fair value of the authorisations of the plants held by the acquired companies), in addition to deferred taxes of 2 million euro.

The tables below show the consideration paid for the acquisition of the companies and give a breakdown of the assets acquired and liabilities assumed at the reference date of each of the three transactions (amounts in thousands of euro).

**Agriwatt Castel Goffredo Società Agricola a r.l.**

ASSETS	Book value	Adjustment	Fair value
10. Cash and cash equivalents	770		770
90. Property, plant and equipment	1,648	418	2,066
100. Intangible assets	4	2,631	2,635
110. Tax assets	477	(1)	476
130. Other assets	345	722	1,067
<b>TOTAL ACQUIRED ASSETS</b>	<b>3,244</b>	<b>3,770</b>	<b>7,014</b>
<b>LIABILITIES</b>			
10. Financial liabilities at amortised cost	2,629	10	2,639
60. Tax liabilities	3	735	738
80. Other liabilities	613	29	642
100. Provisions for risks and charges		440	440
<b>TOTAL LIABILITIES ASSUMED</b>	<b>3,245</b>	<b>1,214</b>	<b>4,459</b>
<b>Net acquired assets</b>	<b>(1)</b>	<b>2,556</b>	<b>2,555</b>
Goodwill		118	118
<b>Cost of business combination</b>	<b>(1)</b>	<b>2,674</b>	<b>2,673</b>

**Zibello Agroenergie Società Agricola S.r.l.**

ASSETS	Book value	Adjustment	Fair value
10. Cash and cash equivalents	398		398
90. Property, plant and equipment	2,263		2,263
100. Intangible assets	39	3,809	3,848
110. Tax assets	139	21	160
130. Other assets	1,330	(27)	1,303
<b>TOTAL ACQUIRED ASSETS</b>	<b>4,169</b>	<b>3,803</b>	<b>7,972</b>
<b>LIABILITIES</b>			
10. Financial liabilities at amortised cost	2,500	19	2,519
60. Tax liabilities	47	1,106	1,153
80. Other liabilities	1,392		1,392
100. Provisions for risks and charges	120	(120)	
<b>TOTAL LIABILITIES ASSUMED</b>	<b>4,059</b>	<b>1,005</b>	<b>5,064</b>
<b>Net acquired assets</b>	<b>110</b>	<b>2,798</b>	<b>2,908</b>
Goodwill		926	926
<b>Cost of business combination</b>	<b>110</b>	<b>3,724</b>	<b>3,834</b>



### Soragna Agroenergie Società Agricola a r.l.

ASSETS	Book value	Adjustment	Fair value
90. Property, plant and equipment	2,158	5	2,163
100. Intangible assets	3	2,088	2,091
110. Tax assets	142	20	162
130. Other assets	1,135	(44)	1,091
<b>TOTAL ACQUIRED ASSETS</b>	<b>3,704</b>	<b>2,069</b>	<b>5,773</b>
<b>LIABILITIES</b>			
10. Financial liabilities at amortised cost	2,034	28	2,062
60. Tax liabilities	69	603	672
80. Other liabilities	1,362		1,362
100. Provisions for risks and charges	84	(84)	
<b>TOTAL LIABILITIES ASSUMED</b>	<b>3,549</b>	<b>547</b>	<b>4,096</b>
<b>Net acquired assets</b>	<b>155</b>	<b>1,522</b>	<b>1,677</b>
Goodwill		1,978	1,978
<b>Cost of business combination</b>	<b>155</b>	<b>3,500</b>	<b>3,655</b>

## 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 2023 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	11,986	1,739	42,137
b) Post-employment benefits	333		809
c) Other long-term benefits			1,842
d) Severance benefits			
e) Share-based payments	341		298
<b>TOTAL</b>	<b>12,660</b>	<b>1,739</b>	<b>45,086</b>

## 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 <sup>(*)</sup>	Compensation and bonuses
<b>Directors</b>				
Giovanni Gorno Tempini	Chairman	01/01/2023-30/06/2023	2023	148
Dario Scannapieco	Chief Executive Officer	01/01/2023-30/06/2023	2023	158 (note 5)
Fabrizia Lapecorella	Director	(note 1) 01/01/2023-03/04/2023	2023	(**)
Francesco Di Ciommo	Director	(note 1) 21/04/2023-30/06/2023	2023	(note 6)
Fabiana Massa Felsani	Director	01/01/2023-30/06/2023	2023	23
Anna Girello Garbi	Director	01/01/2023-30/06/2023	2023	29 (note 7)
Giorgio Toschi	Director	01/01/2023-30/06/2023	2023	23
Livia Amidani Aliberti	Director	01/01/2023-30/06/2023	2023	29 (note 8)
Alessandra Ruzzu	Director	01/01/2023-30/06/2023	2023	23
Giorgio Righetti	Director	(note 2) 15/02/2023-30/06/2023	2023	17
<b>Supplementary members for administration of Separate Account (Article 5.8, Decree law 269/2003)</b>				
Pier Paolo Italia	Director	(note 3) 01/01/2023-30/06/2023	2023	(**)
Alessandro Rivera	Director	(note 4) 01/01/2023-23/01/2023	2023	(**)
Riccardo Barbieri Hermitte	Director	(note 4) 23/01/2023-30/06/2023	2023	(**)
Paolo Calvano	Director	01/01/2023-30/06/2023	2023	23
Antonio Decaro	Director	01/01/2023-30/06/2023	2023	23
De Pascale Michele	Director	01/01/2023-30/06/2023	2023	23
<b>Statutory Auditors</b>				
Carlo Corradini	Chairman	01/01/2023-30/06/2023	2024	25
Franca Brusco	Auditor	01/01/2023-30/06/2023	2024	25 (note 9)
Mauro D'Amico	Auditor	01/01/2023-30/06/2023	2024	(**)
Patrizia Graziani	Auditor	01/01/2023-30/06/2023	2024	20
Davide Maggi	Auditor	01/01/2023-30/06/2023	2024	(note 10)

(\*) 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) Effective April 3, 2023, Fabrizia Lapecorella resigned from her position, and on April 21, 2023, the Shareholders' Meeting appointed Francesco Di Ciommo as Director to replace her.

(2) On February 15, 2023, the Shareholders' Meeting appointed Giorgio Righetti as Director to replace Mateo Melley, who resigned from office on December 1, 2022.

(3) Delegate of the State Accountant General.

(4) Riccardo Barbieri Hermitte took over the role of Administrator as the new Director General of Treasury, effective Jan. 23, 2023, replacing former Treasury Director General Alessandro Rivera.

(5) The remuneration shown includes MBO for the year 2022.

(6) The compensation accrued for the period from 21/04/2023 to 30/06/2023, amounting to approximately 25 thousand euros including charges and VAT, has not yet been paid as of June 30, 2023.

(7) The compensation shown, amounting to approximately 29 thousand euros including charges and VAT, includes the 2022 arrears paid in 2023 and the compensation accrued in the first quarter of 2023. The remaining compensation for the second quarter of 2023, amounting to approximately 14 thousand euros including charges and VAT, has not yet been paid as of June 30, 2023.

(8) The compensation shown, amounting to approximately 29 thousand euros including charges and VAT, includes the 2022 arrears paid in 2023 and the compensation accrued in the first quarter of 2023. The remaining compensation for the second quarter of 2023, amounting to approximately 14 thousand euros including charges and VAT, has not yet been paid as of June 30, 2023.

(9) The remuneration indicated, amounting to approximately 25 thousand euros including charges and VAT, includes the 2022 arrears paid in 2023 and the compensation accrued in the first quarter of 2023. The remaining compensation for the second quarter of 2023, amounting to approximately 13 thousand euros including charges and VAT, has not yet been paid as of June 30, 2023.

(10) The compensation accrued for the period from 01/01/2022 to 30/06/2023, amounting to approximately 57 thousand euros including charges and VAT, has not yet been paid as of June 30, 2023.



## 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 2023 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
<b>Assets</b>					
Financial assets measured at fair value through profit and loss		21	159,266		159,287
Financial assets measured at fair value through other comprehensive income	8,517,002		150,017		8,667,019
Financial assets measured at amortised cost:					
– loans to banks			1,686,038	25,863	1,711,901
– loans to customers	231,360,465	2,059,066	3,315,912		236,735,443
Other assets	138,516	413,742	498,508	2,443	1,053,209
<b>Liabilities</b>					
Financial liabilities measured at amortised cost:					
– due to banks					
– due to customers	3,276,015	97,277	120,415		3,493,707
– securities issued		3,011,705			3,011,705
Other liabilities	47,045	721,984	167,903	11,653	948,585
<b>OFF-BALANCE SHEET</b>	<b>7,198,590</b>	<b>2,858,568</b>	<b>2,533,898</b>		<b>12,591,056</b>
<b>Income statements</b>					
Interest income and similar income	3,350,846	44,010	75,877	954	3,471,687
Interest expense and similar expense	(38,673)	(33,379)	(1,483)		(73,535)
Commission income	153,436	8,362	3,125		164,923
Commission expense	(2,435)	(703,919)	(14)		(706,368)
Profits (losses) on trading activities	(4,694)		7,690		2,996
Gains (losses) on disposal or repurchase	(19)	15			(4)
Net adjustments/recoveries for credit risk	(5,039)	(2,716)	2,129	448	(5,178)
Administrative expenses	(3,216)	(224,444)	(44,412)	(3,524)	(275,596)
Other operating income (costs)	278	706,043	1,295,706	459	2,002,486

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 Terms and Conditions. The project was approved by the Board of Directors on 10 November 2016.

The Plan is structured in three cycles, each having a duration of three years, and provides for the free grant 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 without nominal 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 Terms and Conditions, the shares vested in relation to the first and second cycles were allotted and delivered to the beneficiaries by 31 July 2019 and 31 July 2020, respectively, while those vested in relation to the third cycle were allotted and delivered by 31 July 2021.

The Plan also provides for a lock-up period for part of the shares given to members of the Board of Directors or Key Management Personnel of the company.

With reference to the Plan's first cycle, 9,101,544 Fincantieri S.p.A. ordinary shares were awarded to the beneficiaries identified by the Board of Directors on 15 December 2016; with reference to the Plan's second cycle, 4,170,706 Fincantieri S.p.A. shares were awarded to the beneficiaries identified by the Board of Directors on 25 July 2017; and, with reference to the Plan's last cycle, 3,604,691 shares of Fincantieri S.p.A. were awarded 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 awarded) 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 awarded) 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, it should be noted that:

- i) i) the BoD meeting on 27 June 2019 resolved on the closure of the 1<sup>st</sup> 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 2<sup>nd</sup> 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 3<sup>rd</sup> 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 Plan’s features outlined above are described in further detail in the information document prepared by the company pursuant to Article 84-bis of Consob Regulation no. 11971 of 14 May 1999. The information document has been made available to the public on the website “www.fincantieri.it” in the section “Governance & Ethics - 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 Terms and Conditions, the structure of which was defined by the Board of Directors at the meeting held on 27 March 2018.

The Plan is structured in three cycles, each having a duration of three years, and provides for the free grant 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 without nominal 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 allotted to the beneficiaries. Therefore, on meeting the performance targets and satisfying the other conditions set out in the Terms and Conditions, the shares vested in relation to the first cycle will be allotted and delivered to the beneficiaries by 31 July 2022, while those vested in relation to the second and third cycles will be allotted and delivered, respectively, by 31 July 2023 and 31 July 2024.

The Plan also provides for a lock-up period for part of the shares given to members of the Board of Directors or Key Management Personnel of the company. The free award of the number of rights is left to the Board of Directors, which also has the power to identify the number and names of the beneficiaries.



With reference to the Plan's first cycle, 6,842,940 Fincantieri S.p.A. ordinary shares were awarded 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 another parameter among the Plan's targets, the sustainability index, which measures the achievement of the sustainability targets set by the group to align with European best practices and the financial community's increasing expectations regarding sustainable development.

The references used to test achievement of the sustainability targets are market parameters such as the Carbon Disclosure Project (CDP) and a second rating by an additional agency that evaluates 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 Plan's features outlined above are described in further detail in the information document prepared by Fincantieri S.p.A. pursuant to Article 84-bis of Consob Regulation no. 11971 of 14 May 1999. The information document has been made available to the public on the website "www.fincantieri.it" in the section "Governance & Ethics - 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 Terms and Conditions, 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 structured in three cycles, each having a duration of three years, and provides for the free grant 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 without nominal 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 allotted to the beneficiaries. Therefore, on meeting the performance targets and satisfying the other conditions set out in the Terms and Conditions, the shares vested in relation to the first cycle will be allotted and delivered to the beneficiaries by 31 July 2025, while those vested in relation to the second and third cycles will be allotted and delivered, respectively, by 31 July 2026 and 31 July 2027.

The Plan also provides for a lock-up period for part of the shares given to members of the Board of Directors or Key Management Personnel of the company.

With reference to the Plan's first cycle, 12,282,025 ordinary shares of the company were awarded to the beneficiaries identified by the Board of Directors on 26 July 2022. The beneficiaries for the 2nd cycle will be identified by the grant date of the rights 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.



Among the Plan's targets and in particular as regards the first cycle, as already included in the 2019-2021 Performance Share Plan, in addition to the EBITDA and TSR parameters, the group has defined another parameter, the sustainability index. This parameter is intended to measure the achievement of the sustainability targets set by the group to align with European best practices and the financial community's increasing expectations regarding sustainable development.

The references used to test achievement of the sustainability target are based on the percentage of achievement of the Sustainability Plan's targets that the company has set itself during the reference period. In addition, an access gate was introduced, which has to be achieved in order to receive 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 Advanced band of the "Vigeo Eiris" index.

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	01/06/2025	12,282,025	5,738,776

The Plan's features outlined above are described in further detail in the information document prepared by the company pursuant to Article 84-bis of Consob Regulation no. 11971 of 14 May 1999. The information document has been made available to the public on the website "www.fincantieri.it" in the section "Governance & Ethics - Shareholders' Meetings - Shareholders' Meeting 2021".

## INCENTIVE PLANS FOR EXECUTIVES BASED ON SNAM SHARES

### 2017-2019 LONG-TERM PERFORMANCE SHARE PLAN

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.

The Plan ended on 30 June 2022, that is, on expiry of the three-year vesting period linked to the last assignment of shares (2019).

For more information on the conditions of the Plan, see the "2017-2019 Long-term Performance Share Plan Information Document" prepared pursuant to article 84-bis of the Issuers' Regulation, available on SNAM's website.

### 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 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.

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 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 above.

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, 1,245,854 in relation to 2021, and 1,032,626 in relation to 2022.

The costs for 2022, referring to the 2020-2021-2022 assignments, 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 5 million euro.



## INCENTIVE PLANS FOR EXECUTIVES BASED ON TERNA SHARES

### 2023-2027 LONG-TERM PERFORMANCE SHARE PLAN

On Board of Directors of 14 June 2023 approved the Terms and Conditions for the Performance Share Plan 2023-2027, as described in the Information Circular published on the company's website.

At the date of the Annual General Meeting, held on 9 May 2023, the Company held 4,375,909 treasury shares purchased to service the Performance Share Plan 2020-2023, 2021-2025 and 2022-2026.

On 9 May 2023 and 1 June 2023, the Company proceeded to award a total of 1,079,860 treasury shares to beneficiaries of the Performance Share Plan 2020-2023, thereby reducing the number of treasury shares held by the Company from 4,375,909 to 3,296,049.

In implementation of the buyback programme linked to the Performance Share Plan 2023-2027, in the period between 22 June 2023 and 6 July 2023, the Parent Company purchased 917,611 own shares (equal to 0.046% of the share capital). These shares are in addition to the 3,296,049 treasury shares already held by the Company.

As at 30 June 2023, Parent Company has purchased 537,827 own shares (equal to 0.027% of the share capital) at a total cost of 4,105,167 euro. The shares have been purchased to service the Performance Share Plan 2023-2027.

To date, Terna S.p.A. thus holds a total of 4,213,660 treasury shares (equal to 0.210% of the share capital). The Company does not hold any additional treasury shares, including through subsidiaries.

The share buyback programme to service the Performance Share Plan 2023-2027 was completed on 10 July 2023 at a total cost of up to 7 million euro and acquiring no more than 1.4 million euro of the Company's ordinary shares (representing approximately 0.07% of the share capital). In keeping with Terna's commitment to sustainability and social and environmental responsibility, the programme includes a mechanism linked to the Company's achievement of specific environmental, social and governance objectives.

## INCENTIVE PLANS FOR EXECUTIVES BASED ON ITALGAS SHARES

### LONG-TERM PERFORMANCE SHARE PLANS

On 9 March 2023, in implementation of the 2018-2020 Co-Investment Plan approved by the Ordinary and Extraordinary Shareholders' Meeting on 19 April 2018, the Board of Directors resolved on the free assignment of a total of 499,502 new ordinary shares of the Company to the beneficiaries of the Plan (so-called third cycle of the Plan) and executed the third tranche of the share capital increase approved by the same Shareholders' Meeting, for a nominal amount of 619,382.48 euro drawn 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, including:
  - International expansion: represented by the financial data of SIMEST;
  - Other Segments: represented by the financial data of the Companies subject, directly or indirectly, 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, CDP Equity Investimenti, CDP Real Asset SGR, the funds FIV Plus, FIV Extra, FNT, FT1, FNAS and Fondo Sviluppo, CDP Immobiliare and its subsidiaries<sup>42</sup>;
- Companies not subject to management and coordination: 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, the fund FoF Private Debt, Fondo Italiano Consolidamento e Crescita and its subsidiaries, Valvitalia Finanziaria, Florence One) and by the financial data deriving from consolidation with the equity method of companies subject to significant influence or joint control by CDP Group.

In examining the main economic and financial trends described below, it should be noted that the figures for the comparison period have been restated, as illustrated in detail in Section 5 – "Other Aspects", to reflect the effects of the introduction, effective by 1<sup>st</sup> January 2023, of IFRS17 Insurance Contracts, which has resulted in changes to the income statement and balance sheet results, with reference to both 30 June 2022 and 31 December 2022, of the subsidiary Poste Italiane.

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 three segments taken together, for which profit before tax amounts to 1.2 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 reported a profit before tax of 2.4 billion euro. With regard to gross income, there was a decrease in Net interest income as a result of the gradual rise in market rates during the semester, and a further significant decrease in Gains from equity investments, mainly due to the effect of accounting using the equity method for Eni (0,6 billion euro compared to 2 billion euro in the first half of 2022), for Poste Italiane (0,4 billion euro compared to 0,3 billion euro in the first half of 2022). Moreover, the negative result of Open Fiber Holding and the positive result of Holding Reti Autostradali 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 6.4 billion euro and amortisation/depreciation charges for the period of 1.4 billion euro, related to technical investments and to the effects of the purchase price allocations on those assets.

<sup>42</sup> The equity investments of Fondo Sviluppo and Fintecna are included in this segment as they are representative of the company's business.



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 2023 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 30/06/2023

(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	266,449,236	488,369	545,129	267,482,734	5,221,010	272,703,744
Equity investments			34,431	34,431	27,394,526	27,428,957
Debt and equity securities and units in collective investment undertakings	87,855,712	5,186	1,089,497	88,950,395	614,579	89,564,974
Property, plant and equipment/technical investments	333,424	2,683	1,424,628	1,760,735	41,444,554	43,205,289
Other assets (including Inventories)	421,719	34,883	86,138	542,740	17,248,996	17,791,736
Funding	361,528,020	169,363	1,762,997	363,460,380	37,719,151	401,179,531
– of which: bonds	17,206,045		361,625	17,567,670	22,486,691	40,054,361

#### Reclassified consolidated balance sheet at 31/12/2022

(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	282,040,818	502,223	1,032,550	283,575,591	5,953,445	289,529,036
Equity investments			36,133	36,133	26,699,973	26,736,106
Debt and equity securities and units in collective investment undertakings	79,151,029	5,188	959,840	80,116,057	645,857	80,761,914
Property, plant and equipment/technical investments	342,936	3,059	1,406,385	1,752,380	40,803,621	42,556,001
Other assets (including Inventories)	469,144	20,926	82,168	572,238	19,513,989	20,086,227
Funding	369,376,955	164,465	1,625,629	371,167,049	35,098,467	406,265,516
– of which: bonds	17,150,801		351,257	17,502,058	21,353,983	38,856,041

**Reclassified consolidated income statement for the period ended 30/06/2023**

(thousands of euro)	Companies subject to management and coordination			Total (*)	Companies not subject to management and coordination	Total
	Support for the economy	International expansion	Other segments			
<b>Net interest income</b>	<b>1,150,215</b>	<b>9,693</b>	<b>(5,494)</b>	<b>1,154,414</b>	(253,825)	<b>900,589</b>
Dividends	1,171,334		920,401	32,449	8,514	40,963
Gains (losses) on equity investments			(1,740)	(1,740)	1,193,463	1,191,723
Net commission income (expense)	80,199	17,813	5,205	103,217	(9,466)	93,751
Other net revenues (costs)	100,085	2,356	(5,635)	96,806	(4,049)	92,757
<b>Gross income</b>	<b>2,501,833</b>	<b>29,862</b>	<b>912,737</b>	<b>1,385,146</b>	<b>934,637</b>	<b>2,319,783</b>
Net recoveries (impairment)	(649)	(1,190)	4	(1,835)	(349)	(2,184)
Administrative expenses	(141,095)	(16,686)	(45,116)	(202,897)	(6,251,160)	(6,454,057)
Other net operating income (costs)	13,929	(2)	10,293	24,220	9,205,901	9,230,121
<b>Operating income</b>	<b>2,374,018</b>	<b>11,984</b>	<b>877,918</b>	<b>1,204,634</b>	<b>3,889,029</b>	<b>5,093,663</b>
Net Provisions for risks and charges	(399)		6,265	5,866	(87,959)	(82,093)
Net adjustment to property, plant and equipment and intangible assets	(17,691)	(1,459)	(13,910)	(33,060)	(1,406,034)	(1,439,094)
Goodwill impairment					(44)	(44)
Other	(1)		397	396	10,801	11,197
<b>Income (loss) for the period before tax</b>	<b>2,355,927</b>	<b>10,525</b>	<b>870,670</b>	<b>1,177,836</b>	<b>2,405,793</b>	<b>3,583,629</b>
Income taxes						(782,785)
<b>INCOME (LOSS) FOR THE PERIOD</b>						<b>2,800,844</b>

(\*) 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 30/06/2022**

(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	
<b>Net interest income</b>	<b>908,763</b>	<b>(272)</b>	<b>908,491</b>	<b>11,888</b>	<b>(134,664)</b>	<b>785,715</b>
Dividends	870,185	375,748	23,182		1,592	24,774
Gains (losses) on equity investments		(4,813)	(4,813)		2,545,160	2,540,347
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
<b>Gross income</b>	<b>1,983,260</b>	<b>356,997</b>	<b>1,117,506</b>	<b>22,711</b>	<b>2,462,996</b>	<b>3,603,213</b>
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
<b>Operating income</b>	<b>1,959,623</b>	<b>356,265</b>	<b>1,093,137</b>	<b>4,837</b>	<b>5,167,550</b>	<b>6,265,524</b>
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
<b>Income (loss) for the period before tax</b>	<b>1,944,795</b>	<b>372,750</b>	<b>1,094,794</b>	<b>2,986</b>	<b>3,345,438</b>	<b>4,443,218</b>
Income taxes						(717,969)
<b>INCOME (LOSS) FOR THE PERIOD</b>						<b>3,725,249</b>

(\*) 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

## 2. ANNEXES TO REPORT ON OPERATION

### 2.1 RECONCILIATION BETWEEN THE RECLASSIFIED INCOME STATEMENT AND BALANCE SHEET AND THE FINANCIAL STATEMENTS - CDP S.P.A.

### 2.2 RECONCILIATION BETWEEN THE RECLASSIFIED INCOME STATEMENT AND BALANCE SHEET AND THE FINANCIAL STATEMENTS - CDP GROUP

### 2.3 DETAILS OF ALTERNATIVE PERFORMANCE INDICATORS - CDP S.P.A.



# 1. ANNEXES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1.1 SCOPE OF CONSOLIDATION

Company name	Registered office	Investor	% holding	Consolidation method
<b>Parent Company</b>				
Cassa Depositi e Prestiti S.p.A.	Rome			
<b>Consolidated companies</b>				
2F Per Vado - S.c.ar.l.	Genoa	Fincantieri Infrastructure S.p.A.	49.00%	Equity method
4B3 S.c.ar.l.	Trieste	Fincantieri SI S.p.A.	52.50%	Equity method
		Fincantieri S.p.A.	2.50%	Equity method
4TB13 S.c.ar.l.	Trieste	Fincantieri SI S.p.A.	55.00%	Equity method
4TCC1 S.c.ar.l.	Trieste	Fincantieri SI S.p.A.	75.00%	Equity method
		Fincantieri S.p.A.	5.00%	Equity method
A-U Finance Holdings B.V.	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	Vienna	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
Avvenia The Energyinnovator S.r.l.	Rome	Terna Energy Solutions S.r.l.	100.00%	Line-by-line
Agriwatt Castel Goffredo Società Agricola a r.l.	Como	Bioenerys Agri S.r.l.	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	Fondo Sviluppo Comparto A	100.00%	Line-by-line
Alivieri Power Units Maintenance SA	Athens	Ansaldo Energia Switzerland AG	100.00%	Line-by-line
Ansaldo Algérie S.à.r.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 Netherlands BV	Breda	Ansaldo Energia Switzerland AG	100.00%	Line-by-line
Ansaldo Energia S.p.A.	Genoa	CDP Equity S.p.A.	99.52%	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.r.l. Società Benefit	San Donato Milanese (MI)	SNAM S.p.A.	100.00%	At cost
Ariano Biometano S.a.r.l.	Cittadella	Iniziativa 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
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	United Kingdom	Marval S.r.l.	100.00%	Line-by-line
BMT Energy Transmission Development LCC	Wilmington	Terna USA LLC	40.00%	Equity method



Company name	Registered office	Investor	% holding	Consolidation method
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
Bietifin S.r.l.	Bologna	Bioenergys Agri S.r.l.	100.00%	At cost
Bioenergys Ambiente S.r.l.	San Donato Milanese (MI)	Bioenergys S.r.l.	100.00%	Line-by-line
Bioenergys S.r.l.	San Donato Milanese (MI)	SNAM S.p.A.	100.00%	Line-by-line
Biogas Brusio S.a.r.l.	Cittadella	Iniziative Biometano S.p.A.	99.90%	Line-by-line
Bioteca soc. cons. a r.l.	Carpi (MO)	SOF S.p.A.	33.33%	Equity method
Biowaste CH4 Anzio S.r.l.	San Donato Milanese (MI)	Bioenergys Ambiente S.r.l.	100.00%	Line-by-line
Biowaste CH4 Foligno S.r.l.	San Donato Milanese (MI)	Bioenergys Ambiente S.r.l.	100.00%	Line-by-line
Biowaste CH4 Group S.r.l.	San Donato Milanese (MI)	Bioenergys Ambiente S.r.l.	100.00%	Line-by-line
Biowaste CH4 Tuscania S.r.l.	San Donato Milanese (MI)	Bioenergys Ambiente S.r.l.	100.00%	Line-by-line
Biowaste Ch4 Genova S.r.l.	San Donato Milanese (MI)	Bioenergys Ambiente 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. in liquidazione	100.00%	Line-by-line
Brevik Technology AS	Brevik	Vard Group AS	34.00%	Equity method
Broadly Flow Control Ltd.	Kingston Upon Hull	Valvitalia S.p.A.	100.00%	Line-by-line
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 Company	Riyadh	Brugg Kabel AG	100.00%	Line-by-line
Brugg Cables Italia S.r.l.	Milan	Brugg Kabel Manufacturing AG	100.00%	Line-by-line
Brugg Cables Middle East DMCC	Dubai	Brugg Kabel AG	100.00%	Line-by-line
Brugg Cables Middles East Contracting LLC	Dubai	Brugg Kabel AG	100.00%	Line-by-line
Brugg Cables. Inc.	Chicago	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	57.00%	Line-by-line
C2Mac - North America	Menomonee Falls. WI	C2MAC Group S.p.A.	100.00%	Line-by-line
CDP Equity S.p.A.	Milan	CDP S.p.A.	100.00%	Line-by-line
CDP Immobiliare S.r.l. in liquidazione	Rome	CDP S.p.A.	100.00%	Line-by-line
CDP Real Asset SGR S.p.A.	Rome	CDP S.p.A.	70.00%	Line-by-line
CDP Reti S.p.A.	Rome	CDP S.p.A.	59.10%	Line-by-line
CDP Technologies AS	Alesund	Seaonics AS	100.00%	Line-by-line
CDP Technologies Estonia OÜ	Tallinn	CDP Technologies AS	100.00%	Line-by-line



Company name	Registered office	Investor	% holding	Consolidation method
CDP Venture Capital SGR S.p.A.	Rome	CDP Equity S.p.A.	70.00%	Line-by-line
CDPE Investimenti S.p.A.	Milan	CDP Equity S.p.A.	77.12%	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
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 (UK)	Vard Marine Inc.	31.00%	Equity method
CSSC - Fincantieri Cruise Industry Development Ltd.	Hong Kong	Fincantieri S.p.A.	40.00%	Equity method
Castor Drilling Solution AS	Kristiansand S	Seaonics AS	34.13%	Equity method
Ca' Bianca S.a.r.l.	Cittadella	Iniziative 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. In liquidazione	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
Cogenest S.r.l.	Padua	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 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 Per Genova Breakwater	Genoa	Fincantieri Infrastruttura Opere Marittime S.p.A.	25.00%	Equity method
Consorzio Stabile Ansaldo Newclear	Genoa	Nuclear Engineering Group Limited	10.00%	Line-by-line
		Ansaldo Energia S.p.A.	20.00%	Line-by-line
		Ansaldo Nucleare S.p.A.	70.00%	Line-by-line
Constructora Finso Chile S.p.A.	Santiago de Chile	Fincantieri Infrastrutture Sociali S.p.A.	100.00%	Line-by-line
Cubogas S.r.l.	San Donato Milanese (MI)	Greenture S.p.A.	100.00%	Line-by-line
dCarbonX Ltd	London	SNAM International B.V.	44.45%	Equity method
DECOMAR S.p.A.	Massa (MS)	Fincantieri S.p.A.	20.00%	Equity method
DEDA S.A.	Athens	DEPA Infrastructure S.A.	100.00%	Line-by-line
DEPA Infrastructure S.A.	Athens	Italgas Newco S.p.A.	100.00%	Line-by-line
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
Dynamic	Saint-Paul-lès-Durance	Ansaldo Energia S.p.A.	10.00%	Equity method
		Ansaldo Nucleare S.p.A.	15.00%	Equity method
E-phors S.p.A.	Milan	Fincantieri NexTech S.p.A.	100.00%	Line-by-line
EBS Società Agricola a r.l.	Cittadella	Iniziative Biometano S.p.A.	94.53%	Line-by-line
EDA Attikis S.A.	Lykovrisi	DEPA Infrastructure S.A.	100.00%	Line-by-line
EDA Thess S.A.	Menemeni	DEPA Infrastructure S.A.	100.00%	Line-by-line
EES Valvitalia Nigeria	Port Harcourt	Valvitalia S.p.A.	35.00%	At cost
ELMED Etudes S.a.r.l.	Tunis	Terna S.p.A.	50.00%	Equity method
ERSMA 2026 - S.c.ar.l.	Verona	Fincantieri SI S.p.A.	20.00%	Equity method
ESPERIA-CC S.r.l.	Rome	Terna S.p.A.	1.00%	Line-by-line
Etiihad Ship Building LLC	Abu Dhabi	Fincantieri S.p.A.	35.00%	Equity method

Company name	Registered office	Investor	% holding	Consolidation 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
Ecoprogetto Milano S.r.l.	San Donato Milanese (MI)	Bioenergys Ambiente S.r.l.	45.00%	Line-by-line
		Renewaste Lodi S.r.l.	55.00%	Line-by-line
Ecoprogetto Tortona S.r.l.	San Donato Milanese (MI)	Bioenergys Ambiente S.r.l.	100.00%	Line-by-line
Elco - Valvitalia TGT JV	Netanya	Valvitalia S.p.A.	50.00%	Equity method
Elettra One S.p.A.	Milan	Fondo Italiano Consolidamento e Crescita (FICC)	90.20%	At cost
Elite S.p.A.	Milan	CDP S.p.A.	15.00%	Equity method
Emiliana Agroenergia Società Agricola S.r.l.	Piacenza	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Empoli Salute Gestione S.c.ar.l.	Florence	Fincantieri Infrastrutture Sociali S.p.A.	95.00%	Line-by-line
		SOF S.p.A.	4.50%	Line-by-line
Energetika S.c.ar.l.	Florence	SOF S.p.A.	40.00%	Equity method
Energie Reti Gas S.r.l.	Milan	Medea S.p.A.	49.00%	Equity method
Energy Investment Solution S.r.l. (in liquidazione)	Milan	Tep Energy Solution S.r.l.	40.00%	At cost
Enerpaper S.r.l.	Turin	Geoside S.p.A.	20.01%	Equity method
Enersi Sicilia	San Donato Milanese (MI)	Bioenergys Ambiente S.r.l.	100.00%	Line-by-line
Eni S.p.A.	Rome	CDP S.p.A.	27.73%	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	SOF S.p.A.	1.00%	Line-by-line
		Fincantieri Infrastrutture Sociali S.p.A.	99.00%	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
Euroavia S.r.l.	Reggio Emilia	Mecaer Aviation Group S.p.A.	100.00%	Line-by-line
Eusebi Impianti - Russia	Moscow	Valvitalia S.p.A.	100.00%	Line-by-line
Eusebi Impianti Kazakhstan	Aktau	Valvitalia S.p.A.	75.00%	Line-by-line
Eusebi Impianti Nigeria Limited	Lagos	Valvitalia S.p.A.	60.00%	Line-by-line
Eusebi Impianti Polska	Bielsko	Valvitalia S.p.A.	100.00%	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 Sociale	Rome	CDP S.p.A.	100.00%	Line-by-line
FNT Fondo Nazionale per il Turismo - Comparto A	Rome	CDP S.p.A.	86.17%	Line-by-line
FOF Private Equity Italia	Milan	CDP S.p.A.	60.39%	Fair value
FOF Impact Investing (FOF Impact)	Milan	CDP Equity S.p.A.	100.00%	Fair value
FOF Private Debt	Milan	CDP S.p.A.	62.50%	Line-by-line
FT1 Fondo Turismo 1	Rome	FNT Fondo Nazionale per il Turismo - Comparto A	100.00%	Line-by-line



Company name	Registered office	Investor	% holding	Consolidation method
FT2 Fondo Turismo 2	Rome	FNT Fondo Nazionale per il Turismo - Comparto A	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.	Milan	Fincantieri Infrastruttura 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
		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 Infrastruttura 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 Infrastruttura 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 Equity 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 USA Holding LLC	Wilmington, DE	Fincantieri S.p.A.	100.00%	Line-by-line
Fincantieri USA Inc.	Wilmington, DE	Fincantieri S.p.A.	65.00%	Line-by-line
		Fincantieri USA Holding LLC	35.00%	Line-by-line
Finso Albania S.h.p.k.	Tirana	Fincantieri Infrastrutture Sociali S.p.A.	100.00%	Line-by-line
Fintecna S.p.A.	Rome	CDP S.p.A.	100.00%	Line-by-line
Florence InvestCo S.r.l.	Milan	Florence One S.p.A.	43.01%	Equity method
Florence One S.p.A.	Milan	Fondo Italiano Consolidamento e Crescita (FICC)	100.00%	Line-by-line
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 Infrastrutture	Rome	CDP Equity S.p.A.	100.00%	Fair value
FoF Private Debt Italia	Milan	CDP Equity S.p.A.	73.35%	Fair value
FoF Venture Capital	Milan	CDP S.p.A.	76.69%	Fair value
Fondmatic Hydraulic Machining S.r.l.	Crevalcore	C2MAC Group S.p.A.	100.00%	Line-by-line
Fondo Boost Innovation	Rome	CDP Equity S.p.A.	66.67%	Fair value
Fondo Corporate Partners I - comparto EnergyTech	Rome	CDP Equity S.p.A.	35.29%	Fair value
		SNAM S.p.A.	11.77%	Fair value
		Terna Forward S.r.l.	23.53%	Fair value
		Italgas S.p.A.	5.88%	Fair value



Company name	Registered office	Investor	% holding	Consolidation method
Fondo Corporate Partners I - comparto IndustryTech	Rome	CDP Equity S.p.A.	66.67%	Fair value
Fondo Corporate Partners I - comparto InfraTech	Rome	Terna Forward S.r.l.	20.00%	Fair value
		CDP Equity S.p.A.	60.00%	Fair value
Fondo Corporate Partners I - comparto ServiceTech	Rome	CDP Equity S.p.A.	66.67%	Fair value
		GPI S.p.A.	11.11%	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 d'Investimento SGR S.p.A.	Milan	CDP Equity S.p.A.	55.00%	Line-by-line
Fondo Large Ventures	Rome	CDP Equity S.p.A.	50.00%	Fair value
Fondo Sviluppo Comparto A	Rome	CDP S.p.A.	100.00%	Line-by-line
Fondo acceleratori	Rome	CDP Equity S.p.A.	82.24%	Fair value
Fondo di Fondi Internazionale	Rome	CDP Equity S.p.A.	50.00%	Fair value
		SIMEST S.p.A.	50.00%	Fair value
Fondo di fondi Venturitaly	Rome	CDP Equity S.p.A.	82.19%	Fair value
Fondo Technology Transfer - comparto diretto	Rome	CDP Equity S.p.A.	92.06%	Fair value
Fondo Technology Transfer - comparto indiretto	Rome	CDP Equity S.p.A.	100.00%	Fair value
GNL Italia S.p.A.	San Donato Milanese (MI)	SNAM S.p.A.	100.00%	Line-by-line
GPI S.p.A.	Trento	CDP Equity S.p.A.	18.41%	Equity method
Galaxy Pipeline Assets Holdco Limited	Jersey	SNAM S.p.A.	12.33%	Equity method
Gannouch Maintenance S.à.r.l.	Tunis	Ansaldo Energia Switzerland AG	1.00%	Line-by-line
		Ansaldo Energia Netherlands BV	99.00%	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.	18.18%	Equity method
Geoside S.p.A.	Casalecchio di Reno	Toscana Energia S.p.A.	32.78%	Line-by-line
		Italgas S.p.A.	67.22%	Line-by-line
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
Govone Biometano S.r.l.	Pordenone	Bioenergys Agri S.r.l.	100.00%	At cost
Grandry Technicast	Sable-sur-Sarthe	C2MAC Group S.p.A.	100.00%	Line-by-line
Greenit S.p.A.	San Donato Milanese (MI)	CDP Equity S.p.A.	49.00%	Equity method
Greenture S.p.A.	San Donato Milanese (MI)	SNAM S.p.A.	100.00%	Line-by-line
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 Reti Autostradali S.p.A.	Rome	CDP Equity S.p.A.	51.00%	Equity method
Hospital Building Technologies S.c.à.r.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	Hendra	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.	100.00%	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



Company name	Registered office	Investor	% holding	Consolidation method
Bioenerys Agri S.r.l.	Pordenone	Bioenerys S.r.l.	100.00%	Line-by-line
IES Biogas S.r.l. (Argentina)	Buenos Aires	Bioenerys S.r.l.	5.00%	At cost
		Bioenerys Agri S.r.l.	95.00%	At cost
IQ Made in Italy Investment Company S.p.A. in liquidazione	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. in liquidazione	Milan	CDP S.p.A.	51.00%	At cost
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.	21.59%	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)	Bioenerys S.r.l.	51.00%	Line-by-line
Interconnector Ltd	London	SNAM International B.V.	23.68%	Equity method
Interconnector Zeebrugge Terminal B.V.	Brussels	Interconnector Ltd	48.00%	Equity method
		SNAM International B.V.	25.00%	Equity method
Island Diligence AS	Stålhaugen	Vard Group AS	39.38%	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
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.p.A.	Milan	Italgas S.p.A.	90.00%	Line-by-line
Italgas Reti S.p.A.	Turin	Italgas S.p.A.	100.00%	Line-by-line
Italgas S.p.A.	Milan	CDP Reti S.p.A.	25.99%	Line-by-line
		SNAM S.p.A.	13.47%	Line-by-line
Janagas S.r.l.	Rome	Medea S.p.A.	100.00%	Line-by-line
LT S.r.l.	Rome	Terna Energy Solutions S.r.l.	75.00%	Line-by-line
Latina Biometano S.r.l.	Rome	Bioenerys Agri S.r.l.	32.50%	At cost
M.T. Manifattura Tabacchi S.p.A.	Rome	Fondo Sviluppo Comparto A	40.00%	Equity method
Marine Interiors Cabins S.p.A.	Trieste	Marine Interiors 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
MTM S.c.ar.l.	Venice	Fincantieri S.p.A.	41.00%	Line-by-line
MZ Biogas S.a.r.l.	Cittadella	Iniziative Biometano S.p.A.	99.90%	Line-by-line
Maiero Energia S.a.r.l.	Cittadella	Iniziative 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
Mecaer America Inc.	Montreal	Mecaer Aviation Group S.p.A.	100.00%	Line-by-line
Mecaer Aviation Group Inc.	Philadelphia	Mecaer Aviation Group S.p.A.	100.00%	Line-by-line
Mecaer Aviation Group S.p.A.	Borgomanero (NO)	Fly One S.p.A.	75.77%	Line-by-line
Medea S.p.A.	Sassari	Italgas Reti S.p.A.	51.85%	Line-by-line





Company name	Registered office	Investor	% holding	Consolidation method
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.r.l.	Cittadella	Iniziative Biometano S.p.A.	94.80%	Line-by-line
Mozart Holdco S.p.A.	Milan	CDP Equity S.p.A.	14.99%	Equity method
Naviris S.p.A.	Genoa	Fincantieri S.p.A.	50.00%	Equity method
Nexi S.p.A.	Milan	CDPE Investimenti S.p.A.	8.27%	Equity method
		CDP Equity S.p.A.	5.29%	Equity method
Niehlgas GmbH	Oberursel	Ansaldo Energia Switzerland AG	100.00%	Line-by-line
Note Gestione S.c.ar.l.	Reggio Emilia	SOF S.p.A.	34.00%	Equity method
Nuclear Engineering Group Limited	Wolverhampton	Ansaldo Nucleare S.p.A.	100.00%	Line-by-line
Nuova Giungas S.r.l.	Castel San Giovanni (PC)	Valvitalia S.p.A.	100.00%	Line-by-line
Nuova Torneria Zanotti S.r.l.	Crevalcore	C2MAC Group S.p.A.	100.00%	Line-by-line
Nuovo Santa Chiara Hospital S.c.a r.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
OPERAIE a Marine Interiors Company S.r.l.	Trieste	Marine Interiors S.p.A.	85.00%	Line-by-line
Omnia S.r.l.	Rome	LT S.r.l.	100.00%	Line-by-line
Open Fiber Holding S.p.A.	Milan	CDP Equity S.p.A.	60.00%	Equity 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. In liquidazione	100.00%	Line-by-line
Pentagramma Romagna S.p.A. in liquidazione unipersonale	Rome	CDP Immobiliare S.r.l. In liquidazione	100.00%	Line-by-line
Perucchini S.p.A.	Omegna (VB)	C2MAC Group S.p.A.	100.00%	Line-by-line
Piacentina Agroenergia Società Agricola S.r.l.	Piacenza	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Piazzola Nuove Energie S.a.r.l.	Cittadella	Iniziative Biometano S.p.A.	100.00%	At cost
Polaris Anserv S.r.l.	Bucharest	Ansaldo Nucleare S.p.A.	20.00%	Equity method
Polo Strategico Nazionale S.p.A.	Rome	CDP Equity S.p.A.	20.00%	At cost
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%	Line-by-line
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. In liquidazione	50.00%	At cost
Quadrifoglio Genova S.p.A. in liquidazione	Rome	CDP Immobiliare S.r.l. In liquidazione	100.00%	At cost
REICOM S.r.l.	Milan	Fincantieri NexTech S.p.A.	100.00%	Line-by-line
Ravenna LNG Termina S.r.l.	San Donato Milanese (MI)	SNAM FSRU ITALIA S.r.l.	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)	Bioenergys Ambiente S.r.l.	100.00%	Line-by-line
Renerwaste Lodi S.r.l.	San Donato Milanese (MI)	Bioenergys Ambiente 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	Fondo Sviluppo Comparto A	100.00%	Line-by-line
Rete Nord S.r.l.	Rome	Terna S.p.A.	100.00%	Line-by-line
Rete S.r.l.	Rome	Terna S.p.A.	100.00%	Line-by-line



Company name	Registered office	Investor	% holding	Consolidation method
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.	100.00%	Line-by-line
S.tà Agr. 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.	33.00%	Equity method
Spe Transmissora de Energia Linha Verde I S.A.	Belo Horizonte	Terna Plus S.r.l.	75.00%	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
Saipem S.p.A.	San Donato Milanese (MI)	CDP Equity S.p.A.	12.82%	Equity method
Scaranello S.r.l.	Rovigo	C2MAC Group S.p.A.	100.00%	Line-by-line
Sea One S.p.A.	Milan	Fondo Italiano Consolidamento e Crescita (FICC)	71.43%	Equity method
Seacorridor S.r.l.	San Donato Milanese (MI)	SNAM S.p.A.	49.90%	Equity method
Seanergy a Marine Interiors Company S.r.l.	Pordenone	Marine Interiors Cabins S.p.A.	80.00%	Line-by-line
Seaonics AS	Alesund	Vard Group AS	100.00%	Line-by-line
Seaonics Polska Sp.zo.o.	Gdansk	Seaonics AS	100.00%	Line-by-line
Senfluga energy infrastructure holdings S.A.	Athens	SNAM S.p.A.	54.00%	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 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 (China)	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 energy services private limited	New Delhi	SNAM S.p.A.	0.00%	At cost
		SNAM International B.V.	100.00%	At cost
Società Agricola Agrimetano S.r.l.	Faenza (RA)	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Società Agricola Agrimezzana Biogas S.r.l.	San Rocco al Porto LO)	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Società Agricola Asola Energie Biogas S.r.l.	Asola (MN)	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Società Agricola Biostellato 1 S.r.l.	Pordenone	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Società Agricola Biostellato 2 S.r.l.	Pordenone	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Società Agricola Biostellato 3 S.r.l.	Pordenone	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Società Agricola Biostellato 4 S.r.l.	Pordenone	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Società Agricola Carignano Biogas S.r.l.	Bologna	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Società Agricola G.B.E. Gruppo Bio Energie S.r.l.	Pordenone	Società Agricola Sangiovanni S.r.l.	100.00%	Line-by-line
Società Agricola La Valle Green Energy S.r.l.	Cerea (VR)	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Società Agricola SQ Energy S.r.l.	Pordenone	Bioenergys Agri S.r.l.	100.00%	Line-by-line



Company name	Registered office	Investor	% holding	Consolidation method
Società Agricola San Giuseppe Agroenergia S.r.l.	Bologna	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Società Agricola Sangiovanni S.r.l.	Pordenone	Società Agricola SQ Energy S.r.l.	50.00%	Line-by-line
		Bioenergys Agri S.r.l.	50.00%	Line-by-line
Società Agricola Santo Stefano Energia S.r.l.	Casalmoro (MN)	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Società Agricola T4 Energy S.r.l.	Pordenone	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Società Agricola Tessagli Agroenergia S.r.l.	Commessaggio (MN)	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Società Agricola Zoppola Biogas S.r.l.	Pordenone	Società Agricola Sangiovanni S.r.l.	100.00%	Line-by-line
Società per l'Esercizio di Attività Finanziaria - Seaf S.p.A.	Trieste	Fincantieri S.p.A.	100.00%	Line-by-line
Solstad Supply AS	Alesund	Vard Group AS	26.66%	Equity method
Soragna Agroenergie Società Agricola S.r.l.	Sorbolo Mezzani (PR)	Bioenergys Agri S.r.l.	100.00%	Line-by-line
Sosaval Sarl	Dar El Beida	Valvitalia S.p.A.	40.00%	At cost
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	Iniziativa 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 Trasformatori 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 Plus S.r.l.	99.99%	Line-by-line
		Terna Chile S.p.A.	0.01%	Line-by-line
Terna Chile S.p.A.	Santiago de Chile	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 Forward S.r.l.	Rome	Terna S.p.A.	100.00%	Line-by-line
Terna Interconnector S.r.l.	Rome	Terna Rete Italia S.p.A.	5.00%	Line-by-line
		Terna S.p.A.	65.00%	Line-by-line
Terna Peru S.A.C.	Lima	Terna Plus S.r.l.	99.99%	Line-by-line
		Terna Chile S.p.A.	0.01%	Line-by-line
Terna S.p.A.	Rome	CDP Reti S.p.A.	29.85%	Line-by-line
Terna USA LLC	New York	Terna Plus S.r.l.	100.00%	Line-by-line
Tianjin Ei Fire Fighting Equipment Co. Ltd.	Tianjin Airport Economic Area	Valvitalia S.p.A.	33.00%	At cost
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	Vienna	SNAM S.p.A.	84.47%	Equity method



Company name	Registered office	Investor	% holding	Consolidation method
Trevi Finanziaria Industriale S.p.A	Cesena	CDPE Investimenti S.p.A.	21.28%	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
Vard Marine Gdansk Sp.zo.o.	Gdansk	Vard Engineering Brevik AS	100.00%	Line-by-line
Valvitalia (Suzhou) Valves Co. Ltd.	Suzhou	Valvitalia S.p.A.	100.00%	Line-by-line
Valvitalia Algerie E.u.r.l.	Algiers	Valvitalia S.p.A.	100.00%	Line-by-line
Valvitalia Canada Ltd.	Edmonton (Alberta)	Valvitalia S.p.A.	100.00%	Line-by-line
Valvitalia Finanziaria S.p.A.	Milan	CDPE Investimenti S.p.A.	75.00%	Line-by-line
Valvitalia S.p.A.	Milan	Valvitalia Finanziaria S.p.A.	100.00%	Line-by-line
Valvitalia USA Inc.	Houston - Texas	Valvitalia S.p.A.	100.00%	Line-by-line
Vard Accommodation AS	Tennfjord	Vard Group AS	100.00%	Line-by-line
Vard Accommodation Tulcea S.r.l.	Tulcea	Vard Electro Romania S.r.l.	0.23%	Line-by-line
		Vard Accommodation AS	99.77%	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	Alesund	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 AS	99.50%	Line-by-line
		Vard Electro Romania S.r.l.	0.50%	Line-by-line
Vard Electro AS	Tennfjord	Vard Group AS	100.00%	Line-by-line
Vard Electro Brazil (Instalações Elétricas) 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	100.00%	Line-by-line
Vard Electro Romania S.r.l.	Tulcea	Vard Electro AS	100.00%	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.	Konstanz	Vard RO Holding S.r.l.	70.00%	Line-by-line
		Vard Braila SA	30.00%	Line-by-line
Vard Group AS	Alesund	Vard Holdings Limited	100.00%	Line-by-line
Vard Holdings Limited	Singapore	Fincantieri Oil & Gas S.p.A.	98.37%	Line-by-line
Vard Infrastruttura Ltda	Ipojuca	Vard Group AS	0.01%	Line-by-line
		Vard Promar SA	99.99%	Line-by-line
Vard International Services S.r.l.	Konstanz	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
Vard Niteroi RJ S.A.	Rio de Janeiro	Vard Group AS	99.99%	Line-by-line
		Vard Electro Brazil (Instalações Elétricas) Ltda	0.01%	Line-by-line
Vard Promar SA	Ipojuca	Vard Electro Brazil (Instalações Elétricas) Ltda	0.001%	Line-by-line
		Vard Group AS	99.999%	Line-by-line



Company name	Registered office	Investor	% holding	Consolidation method
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 Group AS	0.004%	Line-by-line
		Vard RO Holding S.r.l.	99.996%	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.	16.60%	Equity method
Yeni Aen Insaat Anonim Sirketi	Istanbul	Ansaldo Energia S.p.A.	100.00%	Line-by-line
Zibello Agroenergie Società Agricola S.r.l.	Sorbolo Mezzani (PR)	Bioenerys Agri S.r.l.	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)		Cash and cash equivalents and other treasury investments	Loans	Debt securities	Equity investments and funds	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
ASSETS - Balance sheet items	30/06/2023								
10. Cash and cash equivalents	2,403	2,402							
20. Financial assets measured at fair value through profit or loss	4,465				4,114	351			
30. Financial assets measured at fair value through other comprehensive income	10,998			10,485	461			52	
40. Financial assets measured at amortised cost:									
a) Loans to banks	20,391	3,308	17,038					46	
b) Loans to customers	319,093	146,566	103,993	64,534				4,000	
50. Hedging derivatives	4,216					4,216			
60. Fair value change of financial assets in hedged portfolios (+/-)	(2,737)							(2,737)	
70. Equity investments	33,585				33,585				
80. Property, plant and equipment	347						347		
90. Intangible assets	65						65		
100. Tax assets	836								836
110. Non-current assets and disposal groups held for sale									
120. Other assets	438		127						311
<b>TOTAL ASSETS</b>	<b>394,101</b>	<b>152,277</b>	<b>121,157</b>	<b>75,019</b>	<b>38,160</b>	<b>4,568</b>	<b>412</b>	<b>1,362</b>	<b>1,147</b>

## Balance sheet – Liabilities and equity

(millions of euro) LIABILITIES AND EQUITY - Balance sheet items	30/06/2023	Funding detail					Accrued expenses, deferred income and other non-interest bearing assets	Liabilities held for trading and hedging derivatives	Other liabilities	Provisions for contingencies, taxes and staff severance pay	Total equity
		Funding	Postal Funding	Funding from banks	Funding from customers	Bond Funding					
10. Financial liabilities measured at amortised cost:											
a) Due to banks	36,643	36,405	625	35,779					239		
b) Due to customers	309,423	309,039	281,058	19,954	8,027				384		
c) Securities issued	17,731	17,784				17,784			(53)		
20. Financial liabilities held for trading	379						379				
30. Financial liabilities designated at fair value											
40. Hedging derivatives	1,206						1,206				
50. Fair value change of financial liabilities in hedged portfolios											
60. Tax liabilities	329									329	
70. Liabilities associated with non-current assets and disposal groups held for sale											
80. Other liabilities	1,156							201	955		
90. Staff severance pay	2									2	
100. Provisions for risks and charges	773									773	
110. Valuation reserves	(274)										(274)
120. Redeemable shares											
130. Equity instruments											
140. Reserves	18,724										18,724
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 period	1,903										1,903
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>394,101</b>	<b>363,227</b>	<b>281,683</b>	<b>55,733</b>	<b>8,027</b>	<b>17,784</b>	<b>1,584</b>	<b>770</b>	<b>955</b>	<b>1,103</b>	<b>26,461</b>



## Income statement

(millions of euro)			
INCOME STATEMENT - Financial statement items	30/06/2023	Net interest income	Dividends
10. Interest income and similar income	5,185	5,185	
20. Interest expense and similar expense	(3,466)	(3,466)	
40. Commission income	223	129	
50. Commission expense	(717)	(704)	
70. Dividends and similar revenues	1,171		1,171
80. Profits (losses) on trading activities	(43)		
90. Net gain (loss) on hedging activities	(4)		
100. Gains (losses) on disposal or repurchase	55		
110. Profits (losses) on financial assets and liabilities measured at fair value through profit or loss	75		
130. Net adjustments/recoveries for credit risk	5		
140. Gains/losses from changes in contracts without derecognition			
160. Administrative expenses	(138)		
170. Net accruals to the provisions for risks and charges	(5)		
180. Net adjustments to/recoveries on property, plant and equipment	(8)		
190. Net adjustments to/recoveries on intangible assets	(11)		
200. Other operating income (costs)	16		
220. Gains (losses) on equity investments	(12)		
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 period on continuing operations	(425)		
280. Income (loss) after tax on discontinued operations			
<b>TOTAL INCOME STATEMENT</b>	<b>1,903</b>	<b>1,145</b>	<b>1,171</b>





Other net revenues (costs)	Gross Income	Write-downs	Operating costs	Operating income	Net provisions for risks and charges	Income taxes	Net income (loss) for the period
	5,185			5,185			5,185
	(3,466)			(3,466)			(3,466)
94	223			223			223
(13)	(717)			(717)			(717)
	1,171			1,171			1,171
(43)	(43)			(43)			(43)
(4)	(4)			(4)			(4)
55	55			55			55
		75		75			75
		5		5			5
			(138)	(138)			(138)
		(5)		(5)			(5)
			(8)	(8)			(8)
			(11)	(11)			(11)
			16	16			16
		(12)		(12)			(12)
						(425)	(425)
<b>90</b>	<b>2,405</b>	<b>63</b>	<b>(140)</b>	<b>2,328</b>		<b>(425)</b>	<b>1,903</b>



## 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	30/06/2023	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	4,006	4,006							
20. Financial assets measured at fair value through profit or loss:	3,947								
a) financial assets held for trading	341					341			
b) financial assets designated at fair value	195		195						
c) other financial assets mandatorily measured at fair value	3,411		80	3,331					
30. Financial assets measured at fair value through other comprehensive income	12,042			12,042					
40. Financial assets measured at amortised cost:	342,615								
a) loans to banks	23,887	6,452	12,955	4,480					
b) loans to customers	318,728	143,870	105,146	69,712					
50. Hedging derivatives	4,486					4,486			
60. Fair value change of financial assets in hedged portfolios (+/-)	(2,737)								(2,737)
70. Equity investments	27,429				27,429				
80. Reinsurers' share of technical reserves									
90. Property, plant and equipment	43,205						43,205		
100. Intangible assets	13,463						13,463		
110. Tax assets	2,208								2,208
120. Non-current assets and disposal groups held for sale	302								302
130. Other assets	17,791								17,791
<b>TOTAL ASSETS</b>	<b>468,757</b>	<b>154,328</b>	<b>118,376</b>	<b>89,565</b>	<b>27,429</b>	<b>4,827</b>	<b>56,668</b>		<b>17,564</b>



## Reclassified consolidated balance sheet – Liabilities and equity

(millions of euro) LIABILITIES AND EQUITY - Balance sheet items	30/06/2023	Funding detail					Liabilities held for trading and hedging derivatives	Other liabilities	Provisions for contingencies, taxes and staff severance pay	Total equity
		Funding	Postal Funding	Funding from banks	Funding from customers	Bond Funding				
10. Financial liabilities measured at amortised cost:	401,162									
a) due to banks	50,632	50,632	488	50,144						
b) due to customers	310,476	310,476	281,195	19,461	9,820					
c) securities issued	40,054	40,054				40,054				
20. Financial liabilities held for trading	321						321			
30. Financial liabilities designated at fair value	18	18			18					
40. Hedging derivatives	1,512						1,512			
50. Fair value change of financial liabilities in hedged portfolios										
60. Tax liabilities	2,773								2,773	
70. Liabilities associated with non-current assets and disposal groups held for sale	49							49		
80. Other liabilities	19,722							19,722		
90. Staff severance pay	174								174	
100. Provisions for risks and charges	2,821								2,821	
110. Technical reserves										
120. Valuation reserves	(675)								(675)	
150. Reserves	16,934								16,934	
160. Share premium reserve	2,379								2,379	
170. Share capital	4,051								4,051	
180. Treasury shares	(322)								(322)	
190. Non-controlling interests	16,021								16,021	
200. Net income (loss) for the period	1,817								1,817	
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>468,757</b>	<b>401,180</b>	<b>281,683</b>	<b>69,605</b>	<b>9,838</b>	<b>40,054</b>	<b>1,833</b>	<b>19,771</b>	<b>5,768</b>	<b>40,205</b>



## Reclassified consolidated income statement

(millions of euro)						
INCOME STATEMENT - Financial statement items	1 <sup>st</sup> half 2023	Net interest income	Gains (losses) on equity investments	Net commission income (expense)	Other net revenues (costs)	Gross income
10. Interest income and similar income	5,295	5,295				5,295
20. Interest expense and similar expense	(3,820)	(3,820)				(3,820)
40. Commission income	269	129		140		269
50. Commission expense	(750)	(704)		(46)		(750)
70. Dividends and similar revenues	41		41			41
80. Profits (losses) on trading activities	(57)				(57)	(57)
90. Net gain (loss) on hedging activities	(6)				(6)	(6)
100. Gains (losses) on disposal or repurchase	55				55	55
110. Net gains (losses) on other financial assets/liabilities at fair value through profit or loss	101				101	101
130. Net adjustments/recoveries for credit risk	4					
140. Gains/losses from changes in contracts without derecognition						
160. Net premium income						
170. Net other income (expense) from insurance operations						
190. Administrative expenses	(6,454)					
200. Net accruals to the provisions for risks and charges	(88)					
210. Net adjustments to/recoveries on property, plant and equipment	(973)					
220. Net adjustments to/recoveries on intangible assets	(466)					
230. Other operating income (costs)	9,230					
250. Gains (losses) on equity investments	1,192		1,192			1,192
270. Goodwill impairment						
280. Gains (losses) on disposal of investments	11					
300. Income tax for the period on continuing operations	(783)					
320. Income (loss) after tax on discontinued operations						
<b>330. Net income (loss) for the period</b>	<b>2,801</b>	<b>900</b>	<b>1,233</b>	<b>94</b>	<b>93</b>	<b>2,320</b>
340. Net income (loss) for the period pertaining to non-controlling interests	984					
<b>350. NET INCOME (LOSS) FOR THE PERIOD PERTAINING TO SHAREHOLDERS OF THE PARENT COMPANY</b>	<b>1,817</b>					





## 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 2023 is provided in Annex 2, 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), 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)

### 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 Cash and Cash Equivalents, Loans to customers and banks and Debt securities, as shown in the aggregate account (Annex 2).

Average interest-bearing liabilities are measured as the average of Funding, as shown in the aggregate account (Annex 2).

**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).

# 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, 2023 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, 2023 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 9, 2023

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

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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# 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 Fabio Massoli, 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 2023, during the first half of 2023.
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 2023 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 2023:
    - 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, 09 August 2023

**The Chief Executive Officer**

Dario Scannapieco

**The Manager in charge with preparing  
the Company's financial reports**

Fabio Massoli



## CASSA DEPOSITI E PRESTITI

Società per Azioni

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### Chamber of Commerce in Rome

no. REA 1053767

### Tax Code and Company

#### Register of Rome

80199230584

#### VAT

07756511007



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