

2020 Annual Review

# From Italy to Italy



cdp   
Investing in tomorrow



“

## #cdpsiamonoi

In such a challenging year, the CDP Group has strengthened its key role alongside Italy, thanks to the commitment and expertise of its people, who have continued to work at the service of the country with pride, passion, responsibility and a spirit of belonging.

And those same people are the backbone of the Annual Review 2020.

Through their faces and stories of enterprises, territories and communities, initiatives and operations carried out for businesses, territories and communities during the year have been retraced.

”



2020 Annual Review

# From Italy to Italy

# Key figures 2020

## Financial results

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38.6

*bn euro*

New  
lending<sup>2</sup>

2.8

*bn euro*

Net income<sup>1</sup>

378

*bn euro*

Total  
funding<sup>1</sup>

275

*bn euro*

Postal  
funding<sup>1</sup>

35.6

*bn euro*

Equity  
investments<sup>1</sup>

107

*bn euro*

Loan  
portfolio<sup>1</sup>

512

*bn euro*

Total  
consolidated assets<sup>2</sup>

25.5

*bn euro*

Equity<sup>1</sup>

<sup>1</sup> Separate Financial Statements of CDP as of 31/12/2020

<sup>2</sup> Consolidated Financial Statements of the Group as of 31/12/2020



Find more

## Value created

93

*bn euro*

Additional turnover  
of enterprises

700

*thousand*

Jobs created and  
maintained

+29%

*vs 2019*

Investments  
for energy  
transition

1,800

Social housing  
units completed

## Shareholders



82.77%

Ministry for the Economy and Finance

15.93%

Banking foundations

1.30%

Treasury shares

# Letter to the Shareholders and Stakeholders

## Shareholders and Stakeholders,

In a year marked by significant difficulties, we have achieved important results that have seen the Cassa Depositi e Prestiti Group strengthen its commitment to innovation and the competitiveness of businesses, infrastructures and the local areas.

The Group mobilised 39 billion euro during the critical stage of the pandemic emergency, once again renewing its historic support to local entities and coming to the aid of over 100 thousand businesses, 40% of which in the South of Italy. In order to be ever closer to the needs of our stakeholders, we have continued to improve accessibility to the services offered, with the strengthening of digital channels and the opening of

new offices and information points in the country, in collaboration with the Banking Foundations.

We have forged long-standing partnerships with public administrations, which have come to rely on our financing capacity as well as new technical advisory services. Together with them, urban regeneration initiatives and infrastructure projects were launched with a focus on mobility and school and healthcare construction.

With a view to promoting innovation and growth of the business system, we have expanded our offer with new credit and equity instruments dedicated to companies of all sizes: from startups to large production companies. We pursue this strategy with the aim of meeting the specific needs of the

**Giovanni Gorno Tempini**  
*Chairman*



**Fabrizio Palermo**  
*CEO and General Manager*

industrial sectors with greater added value for the national economy.

In addition to financial support, also provided in collaboration with the banking system, we have combined CDP Accelerators, professional services and training platforms for the development of the human capital of high-potential companies and startups. The latter were supported thanks to the creation of the largest Italian venture capital operator, with an endowment of over 1 billion euro.

With the aim of enhancing and strengthening the activities of greatest strategic interest for the country, we have promoted the birth of European champions in the construction, digital payments and financial infrastructure sectors. The portfolio of equity investments was reorganised from an industrial perspective and system initiatives were launched together with leading operators and Group companies with a focus on tourism, culture, energy efficiency, renewable energy and decarbonisation.

These results were made possible by the growth in postal savings, which reached 275 billion euro, and by new issues in the financial markets, where Italy's leadership in sustainable finance was consolidated with issues of 2.5 billion euro inspired by ESG criteria.

Performance indicators are increasing, with profits standing at 2.8 billion euro, testifying to the effectiveness of the new business model and management efficiency, which enabled us to meet the targets set in the Business Plan.

The strength of our balance sheet, together with the confidence of postal savers, has allowed us to increase our

role as the driving force behind the country's sustainable development, with a significant impact at an economic, social and environmental level.

2020 also saw the creation of the CDP Foundation, to enhance the excellence of the artistic heritage, support scientific research and combat educational poverty and school drop-out rates.

The role played by our Shareholders, the Ministry of the Economy and Finance and the Banking Foundations, has been fundamental in allowing us to pursue our mission, to quickly respond to the emergency caused by the pandemic and to lay the foundations for relaunching the economy.

This spirit of collaboration becomes even more important for the future also in light of the opportunities arising from the Next Generation EU Plan and the National Recovery and Resilience Plan, focused on sustainability and digitisation.

These results would never have been possible without the contribution of the people of the CDP Group, in which we have invested through new training programmes and the welcome addition of qualified managers and young graduates. It is to those same people that we would like to extend our most heartfelt gratitude and appreciation, for continuing to work at the service of the country with commitment and passion, in such a complex year.

Now more than ever, on the strength of the results achieved, we intend to renew our commitment to Italy's economic recovery.



**Giovanni Gorno Tempini**  
Chairman



**Fabrizio Palermo**  
CEO and General Manager



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CASSA DEPOSITI E PRESTITI

1865

The Cassa Depositi e Prestiti building in Via Goito, Rome.

TI E PRESTITI



1

CDP's  
universe:  
who we are  
and what we do

We are a unique Group in the Italian panorama. Since 1850 we have been promoting the country's economic and social development, putting our financial and industrial expertise at its service.

# Guiding Italy towards the future for the past 170 years

Since its inception, Cassa Depositi e Prestiti's history has been deeply intertwined with Italy's economic and social development. Moreover, CDP's mission has never changed in over 170 years, although its scope of action has expanded considerably compared to its original purpose of collecting deposits from Italian savers to finance the investments of local administrations.

Postal savings continue to be the main driving force behind Cassa's projects, allowing it to support the country throughout all the times of strong discontinuity and transition that have shaped its history.

Today the Group represents a unique force in Italy that boasts a network of financial and industrial expertise drawn from all the companies that belong to it.

The synergy of this expertise has allowed CDP to position itself over time as a catalyst for infrastructure development and as a central player in support of the national economy and Italy's business system.

Over the years, the funding of local authorities has been accompanied by support for infrastructure and businesses, activities in the real estate sector, international cooperation and the management of major strategic investments.

In 2015, the Italian Government and the European Union recognised CDP as a National Promotional Institution.

This new role has allowed the Group to expand its scope of activities, by becoming the entry point for the funds from the Investment Plan for Europe (Juncker Plan), as well as a financial advisor to the public sector for the use of national and European funds.

CDP has been the Italian Financial Institution for International Development Cooperation since 2016 and in this role it aims to become a key player in the strategy to promote sustainable development on a global scale.

Through its work, Cassa Depositi e Prestiti contributes to improving the fundamental infrastructure of daily life and to creating projects that strengthen the country's social cohesion and resilience.

Today more than ever,  
CDP is close to the  
needs of its country,  
a mission that has  
remained unchanged  
since 1850

## LA NOSTRA MISSIONE

Promuoviamo lo sviluppo dell'Italia,  
impiegando responsabilmente il  
risparmio del Paese per favorire  
crescita e occupazione, sostenendo  
l'innovazione e la competitività delle  
imprese, le infrastrutture e il territorio.



cdp 



# From Italy to Italy: the business model and its impacts

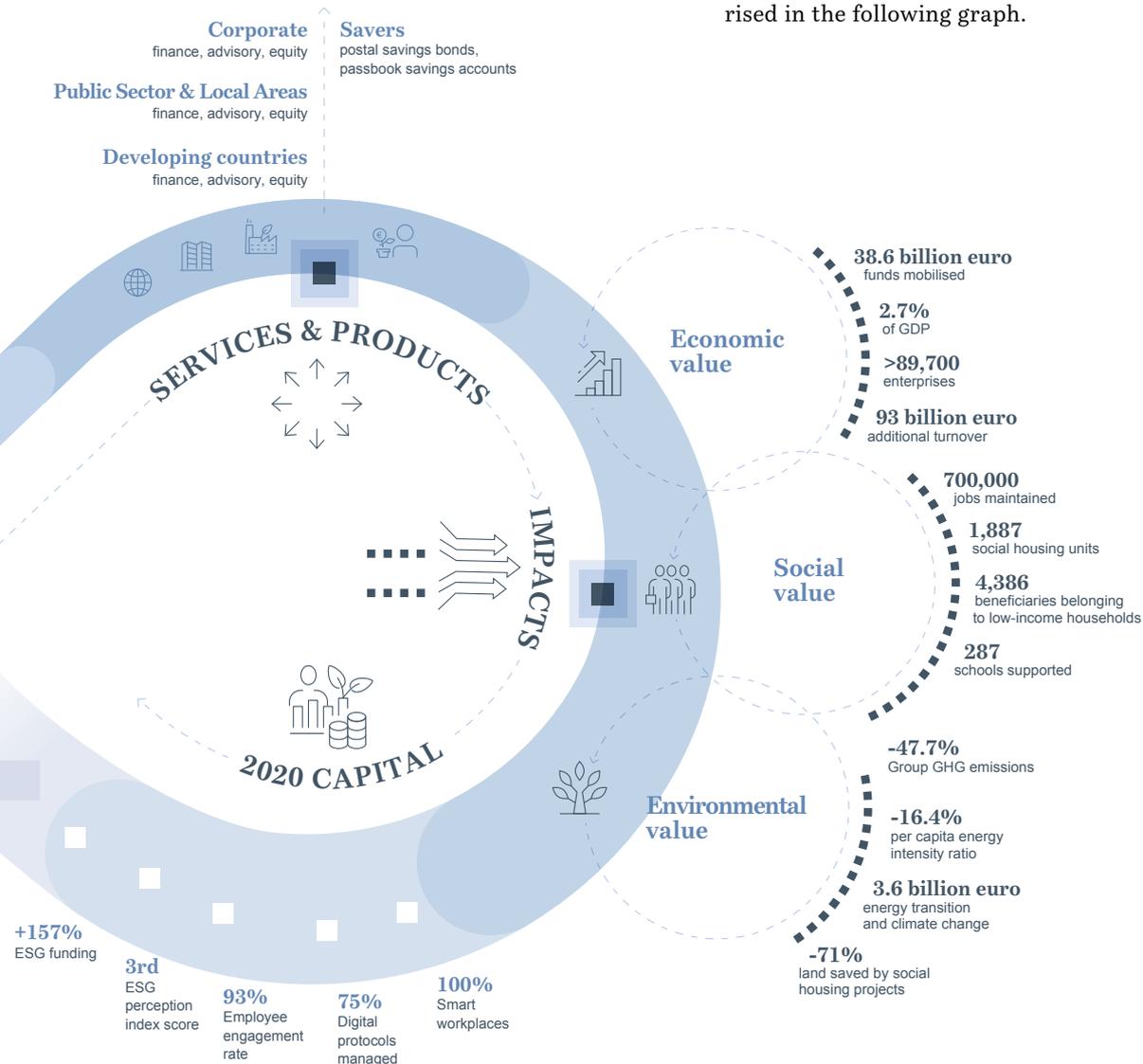


Cassa Depositi e Prestiti's business model is strongly based around a circular logic, according to which the resources collected from the territory - in the form of financial, physical-structural, intellectual, human, social-relational and natural capital - are transformed by the Group to provide its stakeholders with quality initiatives, products and services. Positive impacts are thus created from an economic (e.g. 93 billion euro of additional turnover of enterprises), social (e.g. 700,000 jobs maintained and

over 1,800 social housing units completed) and environmental point of view (3.6 billion euro for the energy and climate change transition, +29% versus 2019).

The use of capital enables CDP to create benefits along the entire value chain, in line with the Sustainable Development Goals of the United Nations' 2030 Agenda, with a view to supporting the main challenges facing Italy and the demands of the Group's stakeholders.

The different types of capital, understood as value stock and employed in a circular way, are summarised in the following graph.



# Ever closer to the needs of our stakeholders

Support to local areas, a clear offer and simplified access to all products and services, together with direct discussions with our stakeholders. With these aims in mind, in 2020 the CDP Group continued with its plan for the opening of new local offices.

This strategy was established in the 2019-2021 Business Plan, and has already seen the opening of 8 offices (Verona,

Naples, Genoa, Turin, Florence, Milan, Ancona, Bari) and 8 Spazio CDP desks, the new information points opened in cooperation with the banking foundations or other local stakeholders (Cagliari-Sassari, Perugia, Trento-Rovereto, Chieti, Modena, Forlì, Parma, Padua). Other offices and desks will also be opened in the coming months throughout Italy, guaranteeing the presence of a grand total of 26 offices throughout the country by the end of 2021.



The Group's new territorial network is moving closer to those of our European counterparts - characterised by a model of greater local presence - and enables us to be present in those places where we intend to operate, in order to understand and promptly meet the requirements of local areas, of the enterprises and public administrations operating in those areas, and together with them to find effective solutions that meet their needs.

The creation of a national network has been accompanied by the strengthening of the Group's multi-channel model, through the digitalisation of products and channels, the complete transformation of the product range, and the creation of new digital access channels. Furthermore, a single free-phone number for the Public Administration and enterprises has been launched, with customer service managing those requests made by phone or through the website. Within the context of the health emergency, a minisite has been created detailing

the Covid-19 solutions proposed by the CDP, together with a dedicated phone number.

Furthermore, in order to deal with the emergency we have also transformed our local road-shows into a digital format through CDP Live, a new multimedia platform designed to provide information and training to all those interested in the world of Cassa Depositi e Prestiti.

The new channel developed by the Group is principally aimed at savers, enterprises and Public Administration entities, and offers events, seminars, master classes and video success stories which have already been seen by hundreds of thousands of viewers in just a few weeks.



Maria Luisa Pischcedda,  
Tatiana Di Tella,  
Andrea Zola,  
Laura Passoni  
e Michele Maruccia

# CDP in Europe and in the World

In a global framework heavily impacted by the consequences of the pandemic, in 2020 Cassa Depositi e Prestiti significantly strengthened its strategic positioning both in Europe, through constant dialogue with EU institutions and with other National Promotional Banks and Institutions (NPBIs), and abroad, through increasingly integrated relations with the Ministry of Foreign Affairs and International Cooperation (MAE-CI), with all the key players involved in promoting the Italian economic system in the world and with the main foreign stakeholders.

## Our contribution to European initiatives

In Europe, CDP actively participates in the main sector associations - such as the European Long Term Investor Association, the Network of European Financial Institutions for SMEs and the Italian Initiative Group - promoting opportunities for discussion and in-depth analysis on the issues of greatest interest on the European agenda and sharing best practices.

In addition, CDP has embarked on the accreditation process as an implementing partner for Italy of the InvestEU programme, an initiative aimed at further boosting investment, innovation and job creation in

In 2020 Cassa Depositi e Prestiti significantly strengthened its strategic positioning at the European and international level

Europe. As the only Italian implementing partner, CDP was also the promoter for the implementation in Italy of the Connecting Europe Facility, the EU instrument dedicated to improving trans-European networks in the transport, telecommunications and energy sectors.

CDP also participates in the Joint Initiative on Circular Economy, promoted by the EIB with the leading European NPBIs (the Polish BGK, the French CDC, the Spanish ICO, the German KfW), aimed at supporting the development of circular economy projects, in line with the European Green Deal.

## Towards a strong positioning in the global scenario

With the aim of promoting its role as a financial institution abroad, CDP has also significantly strengthened its relations with the leading international organisations, including the United Nations Agencies



Sabrina Cozzi,  
Alessandro Muccio  
and Edoardo Storti

based in Rome (FAO, IFAD, WFP, UNDESA), International Financial institutions (IMF, World Bank), the OECD, as well as the main Multilateral Development Banks. Furthermore, as a Financial Institution for Development Cooperation, CDP has intensified institutional coordination with the Italian development cooperation key players to define the priorities of the countries and sectors on which to focus investments. This is also thanks to the signing of the new agreement with the MAECI and with the Italian Agency for Development Cooperation.

An important event was the participation in the Finance in Common Summit, the first world Summit of the over 450 Public Development Banks, which contributed to strengthening CDP's positioning as a development bank, also in light of the G20 and COP 26 events that Italy will lead in 2021. Precisely in the context of the G20 Italian Presidency, CDP will host the annual summit of the D20 Long Term Investors Club, which brings together long-term investors with the aim of promoting infrastructure development.

CDP's role also entails support for exports and the international expansion of companies, which represents one of the main growth drivers for Italy

## Our commitment to an Italy increasingly geared towards exports and internationalisation

CDP's role also entails support for exports and the internationalisation of companies, which for a country like Italy has always been one of the main growth drivers, all the more so in times of crisis such as the one we are currently facing. It is an activity that CDP has carried out together with SACE and SIMEST and in close collaboration with the MAECI, with the Italian diplomatic network around the world and with the other key players of the Italian economy.

In this context, the CDP Group has joined the "Pact for Export" - the Italian government's strategy conceived to relaunch Made in Italy in the world following the pandemic - and has intensified its role in supporting international business initiatives.

CDP also offers strategic support to investee companies, promoting synergistic actions on international markets and activities aimed at encouraging the attraction of foreign investments in Italy, as part of initiatives that can have a positive impact for the country.



**Cycle path in Brenzone  
sul Garda, Verona**

**CDP promotes the  
birth of sustainable  
infrastructure with  
positive impacts on local  
economies and tourism.**



# 2

## How we promote sustainable development

We promote sustainable development, fostering innovation, the circular economy and international cooperation.

We look to the future whilst keeping our roots firmly embedded in the territory to guide companies along their growth path and public administrations in the protection and creation of value for their communities.

# The commitment of the 2019-2021 Business Plan

With the 2019-2021 Business Plan, the CDP Group has set itself some major objectives: to position Cassa Depositi e Prestiti as a key player in the country's development, in line with the European National Promotion Institutes, according to a development model inspired by the UN 2030 Agenda.

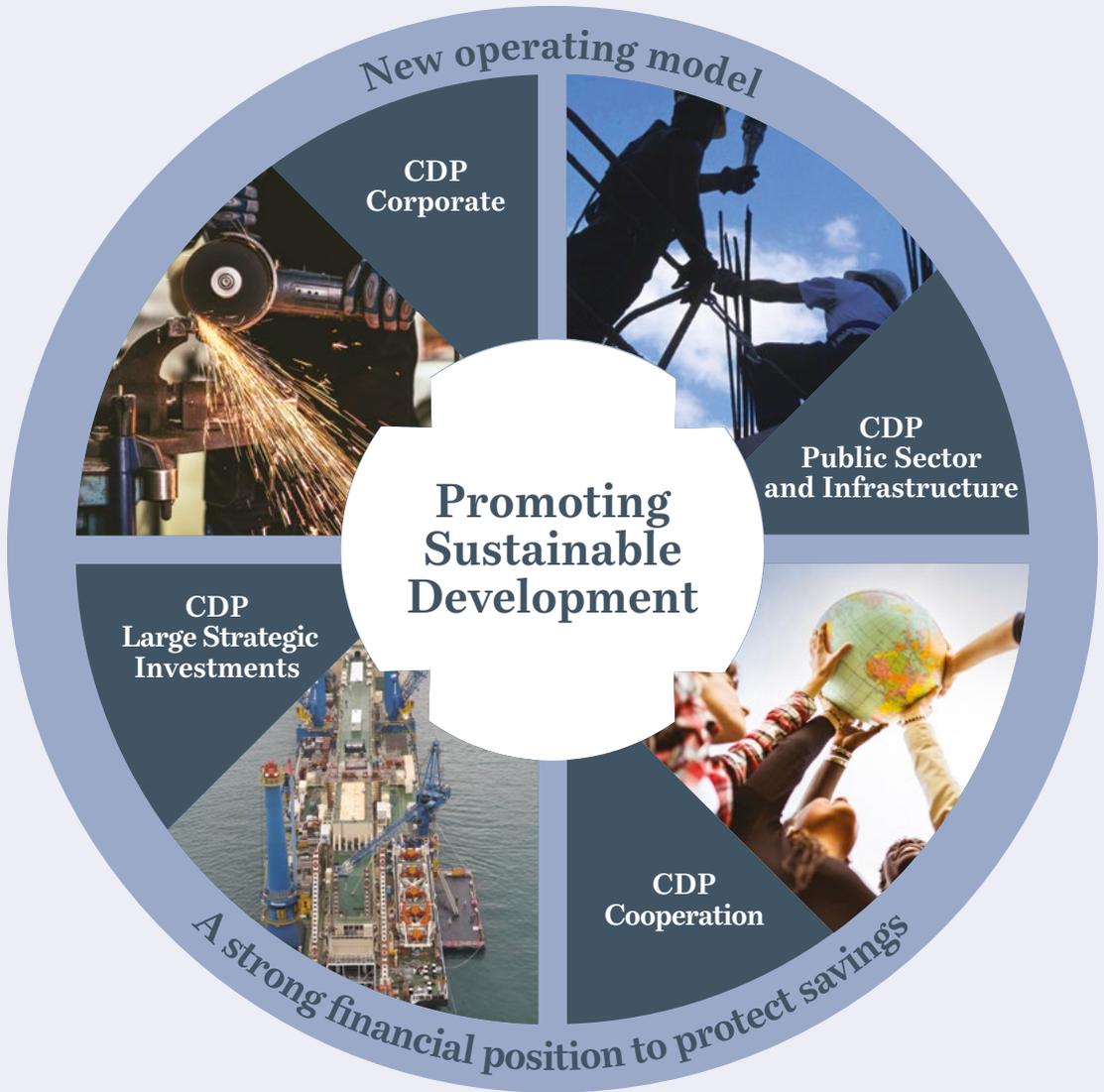
The transformation of CDP's role from a mere lender and shareholder to a business partner, a point of reference for the Public Administration and manager of strategic shareholdings for the country's development was successfully carried out through an in-depth review of the operating model, which also proved to be crucial in responding effectively to the challenges posed by the Covid-19 pandemic. A new model that has seen CDP acquire a territorial network of skills, professionalism and tools of excellence, in line with international best practices.

This took place while preserving CDP's hallmark, which makes it complementary to the banking system and a partner of institutional and international investors, thanks to the ability to channel national and European resources towards investments with strong impacts in terms of sustainability.

In recent years, the CDP Group has achieved the objectives of the Business Plan, divided into 4 lines of action:

- 1. Enterprises:** we have served over 100,000 companies, in particular SMEs, through the complete redesign of the Group's product offer.
- 2. Public Sector & Territorial Development, Infrastructure:** we are an all-round partner of the Public Administration and territories, including with a new role of technical consultant and promoter of infrastructures.
- 3. International cooperation:** we have strengthened our role as an Italian Institution for Development Cooperation through the consolidation of relations with the leading international cooperation players.
- 4. Strategic Equity Investments:** we are a financial holding with an industrial and market vision that promotes the birth of European champions in strategic sectors of the national economy.

In such a complex year,  
we have strengthened  
our commitment  
towards Italy, putting in  
place several initiatives  
for sustainable  
development



# From financier to business partner

The speed and depth of the current crisis have called for an equally rapid, incisive response from Cassa Depositi e Prestiti, which in 2020 further strengthened the support it provides to Italy's business system. During the course of the year, the Group granted loans for 30.4 billion euro of financial support for more than 100,000 businesses, aimed at facilitating development, innovation and growth, both nationally and internationally, and with considerable support going to the South of Italy (approximately 40% of all funding).

## The significantly accelerated response to the Covid emergency

In addition to direct ordinary loans to sustain the investments of medium and large enterprises, which in 2020 totalled 1.5 billion euro, in response to the pandemic emergency a number of ad hoc solutions were launched to meet the temporary liquidity requirements of manufacturing industry, resulting in a further 8 billion euro being made available. More specifically, we have developed new "Covid Liquidity" products with a total provision of 4 billion euro, in order to meet the working capital requirements of medium and large enterprises through direct loans.

Furthermore, the Enterprises Platform has been reinforced further: this fund is designed to provide fresh credit from the banking system thanks to a total additional provision of 3 billion euro at subsidised conditions.

Finally, a 1 billion euro bond issued by UniCredit has made it possible to sustain enterprises operating in those sectors particularly hard hit by the health emergency (such as the tourism, consumers goods and engineering sectors).

## Increased support for SMEs in cooperation with the banking system

With the aim of facilitating enterprises' access to credit, we have strengthened our partnership with third-party networks.

Funds were also earmarked for the purchase of instrumental goods (Capital Goods Fund), to assist in the reconstruction and economic recovery of areas hit by natural disasters (2012 Earthquake Reconstruction Fund, Natural Disasters Fund and Central Italy Earthquake Fund), and to support the residential real estate market (Housing Fund).

On the subsidised loans front, loans were granted with a specific focus on research, development and innovation, through the Revolving Fund supporting enterprises also used at regional level for the first time, in Campania.



Gianluca Grasso,  
Antonella Coppola,  
Carmen Fracassi,  
Flavia Sciannandrone,  
Federico Vilmercati  
and Jorge Andres Corredor Botero

## Thanks to the Business Accelerator, Andriani is aiming for carbon neutrality by the year 2025

Furthermore, once again with a view to supporting credit access, we have made available funding in the amount of 500 million euro to be disbursed through the supervised Confidi (credit guarantee consortia) network. In synergy with the banking system, long-term credit lines were put into place in favour of ICCREA - in the amount of 500 million euro - to fund SMEs and Mid-caps operating in the tourism and agrifood sector.

The counter-guarantee activity of the SME Fund also continued, in the context of the “EFSI Thematic Investment Platform for Italian SMEs” and the “Covid-19 Support” initiative was launched under the European “COSME” programme, which will make it possible to increase the maximum counter-guaranteed portfolio in favour of SMEs by a further 625 million euro.

### Alternative financing and CDP accelerators supporting human capital

Numerous initiatives have also been launched regarding the operation of alternative financing. In 2020 CDP continued to subscribe “basket bonds” and invest in the October SME IV and VER Capital diversified loan funds. More specifically, the “Garanzia Campania Bond” and the “Basket Bond Puglia” programmes were promoted in cooperation with the respective Regions, and these have already seen 7 issues of mini bonds to support 55 SMEs.

Financial support has been accompanied by the launch of the CDP accelerators: these are new instruments designed to develop human capital by providing consultancy services for start-ups and enterprises with high growth potential. These are physical and digital programmes based on best market practices concerning



Find more

Sustainability and the wellbeing of individuals and of the local community are Andriani's watchwords. Thanks to CDP's Business Accelerator, the company, which is a leader in the production of gluten-free pasta, aims to achieve carbon neutrality by the year 2025.



Armando Di Lanno  
and Giovanni De Leo

business strategy, the selection and training of managers, digital transformation and legal/tax support, in conjunction with international consultancy firms and major Italian universities.

## The speed and depth of the current crisis have called for an equally rapid, incisive response from the CDP Group

## The launch of the CDP accelerators: these are new instruments designed to develop human capital by providing consultancy services for start-ups and enterprises with high growth potential

### Measures to develop Venture Capital

We are strongly committed to helping the Venture Capital market expand, with the aim of making it a pillar of economic development and innovation within the Country. In fact, CDP Venture Capital SGR has come into operation - with a provision of over 1 billion euro - offering 8 direct and indirect Funds supporting start-ups throughout the course of their development. CDP Venture Capital is committed to creating a National Network of Accelerators in high-tech districts, with accelerators already in place in Milan's fintech and insurtech sectors, in the sports sector in Rome, and in Modena's automotive sector; and it also aims to create National Technology Transfer Hubs in order to utilise the results of scientific research as a lever of innovation in the Country's industrial and manufacturing system.

### Easy access to the Group's products

In 2020, CDP moved even closer to the Country's business fabric, by increasing its presence throughout the country, with the opening of new branches and the creation of Spazio CDP desks.

The creation of a national network has been accompanied by the strengthening of the Group's multi-channel model, through a digitalisation process, the complete transformation of the product range, and the creation of new access channels for businesses. The contact centre has been enhanced, and the "Officina Italia" programme, a permanent focus group with a panel of around 150 enterprises representing the Italian entrepreneurial fabric, has continued.

### A partnership benefiting strategic national supply chains

With the aim of reinforcing the support provided to industrial supply chains, in order to benefit the Country's economy, an agreement has been stipulated with Maire Tecnimont supporting its chain of suppliers, using instruments of, and solutions for, innovation, growth and international expansion, thus accelerating those measures already implemented in support of Italy's SMEs, and favouring the competitiveness and innovative capacity of those enterprises involved in the export of Italian plant engineering solutions. This agreement is part of CDP's strategy for strategic supply chains, which has already seen similar operations with Leonardo in the defence and aerospace sector, with Coldiretti and Filiera Italia in the agri-food sector and with Fincantieri, Saipem and Ansaldo Energia for the engineering supply chain.

## The enhancement of exports and international expansion

Financing transactions in Chinese currency have continued, with the aim of supporting initiatives for the growth in China of branches or local subsidiaries of Italian companies. In this area, in relation to funding from the first Panda Bond issue, CDP has granted loans for a nominal value of 1 billion Renminbi. In addition, CDP participates in the initiative, defined at European level, for a temporary moratorium on the cruise sector to enable shipyards and ship owners to face the liquidity crisis generated by the Covid-19 pandemic, including the possibility of suspending repayment of principal until 31 March 2021 on loans.

We are strongly committed to helping the Venture Capital market expand, with the aim of making it a pillar of economic development and innovation within the country



**100**  
thousand

enterprises served



**30.4**  
bn euro

new lending to enterprises



**40%**

enterprises served located in South of Italy

## The agreement with Maire Tecnimont in support of the energy supply chain



Find more

CDP has signed an agreement with the Maire Tecnimont Group, an engineering multinational and leader in the technology and energy sector, designed to support the chain of suppliers using instruments and solutions for the innovation, growth and international expansion of the enterprises involved.



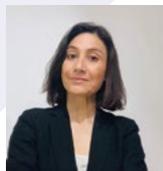
Luca Quadrini and Maurizio Iacofano

## Together with the ICCREA group in support of the agri-food sector



[Find more](#)

To increase the competitiveness of agricultural producers, and to improve the quality and traceability of final products, ensuring the sustainability of the sector's businesses. With this aim in mind, CDP and the ICCREA group have lent their support to the top producers in the agri-food sector, and this has had a positive impact on the wine, wheat and fruit and vegetable supply chains.



Alessia Valentinetti and Chiara Musu

## Basket Bond: innovative financing for the growth of enterprises



[Find more](#)

An instrument designed to facilitate access to the alternative capital market to the banking channel, aimed at SMEs and Mid Caps. In Campania, Puglia and Lombardy, Basket Bonds have been used to finance the development, growth and international expansion of enterprises, with the support of the CDP.



Vincenzo Paolo Carbonara and Mauro De Lorenzo

## With Stefano Ricci who exports Italian handcrafted goods to China



[Find more](#)

One golden rule only: all products are entirely handcrafted by qualified Italian workers. Thus, Stefano Ricci exports his handcrafted goods to China thanks to a CDP loan of 4 million euro, which in turn was made possible by the issue of the Panda Bond.



Matteo Primicerio and Martina Trenta

## A leading hi-tech cognitive rehabilitation enterprise



[Find more](#)

CDP Venture Capital supports Restorative Neurotechnologies, a leading Sicilian hi-tech company that created prismatic lenses, an innovative rehabilitation system that impacts the brain's operations, strengthening attention, memory and language.



Elisa Toriello and Federico Lanciano

## Assisting the Saviola Group in the green revolution



*Find more*

The Saviola Group was founded on the banks of the Po River in 1963. It is now specialised in the production of 100% eco-friendly chipboard. This leading eco-friendly enterprise re-cycles some 1.2 million tons of wood a year, and CDP has decided to support it with a loan of 30 million euro.



Giovanna Migliore  
and Flavio Borghese

## Supporting Acquafil pursue a more environmentally-friendly model of nylon production



*Find more*

Corporate ethics based on the principle of circularity. In fact, plastic waste is used as a raw material in Acquafil's products, rather than the direct by-products of petroleum. CDP has supported the company's growth plans with a 40 million euro loan.



Gennaro Beltrami  
and Luca Treu

## Cutting-edge automotive components



*Find more*

More than 40 years' experience in the production of automotive parts have led Prima Sole Components to work with the major international car manufacturers. CDP is providing support to the growth plans of this global player in the Italian automotive parts sector.



Antonio Fiordalisi  
and Maurizio Liguori

## Aiding D-Orbit in outer space



*Find more*

CDP Venture Capital has sustained the growth of D-Orbit, an Italian scale-up founded in Como in 2011. The company operates in the space economy sector, providing spatial logistics services comprising innovative solutions covering the entire lifecycle of space missions.



Svetlana Vashkel  
and Roberto Parrella

# From lender to promoter of the development of infrastructure and Public Administrations

CDP Group's activities in favour of the local area recorded a strong acceleration in 2020. This support has put us at the forefront in aid of public administrations and infrastructural development, mobilising over 7.9 billion euro.

The traditional financing activities, expanded to promptly respond to the various requirements of the Public Administrations, were accompanied by new services to encourage innovation and growth of the local areas and the country as a whole.

## New services to promote innovation and growth of local areas and the country as a whole

### Supporting public administrations in the Covid-19 emergency

In order to support local authorities during the health emergency, CDP has implemented the largest debt renegotiation programme in recent years in favour of municipalities and regions. Over 3,000 authorities joined the programme, with a residual debt of approximately 22 billion euro, which enabled them to release over 800 million euro of resources during the pandemic.

The need for prompt action also led to the suspension of the payment of mortgage loan instalments due in

2020 for the first municipalities falling under the red zone. In addition, we managed the fund of the Ministry of Economy and Finance, providing liquidity advances which benefited over 900 local authorities to accelerate the payments of their trade debts.

### Providing financial support to local authorities

The initiatives promoted in response to the Covid-19 emergency were put in place alongside the traditional financial support to Public Administrations which entailed:

- the renegotiation of the loans of the management of the Municipality of Rome's debt by the government-appointed commissioner, equal to approximately 600 million euro, which will allow savings of approximately 40 million euro over the next two years;
- aid to the local Authorities of the Emilia-Romagna, Lombardy and Veneto Regions, affected by the May 2012 earthquake, with the deferred payment of loan instalments falling due in 2020;
- aid to local Authorities in the Abruzzo, Lazio, Marche and Umbria Regions, affected by earthquakes in 2016, by postponing payment of loan instalments falling due in 2020 and in 2021.

### All-round partner of public administrations

Cassa Depositi e Prestiti's historic commitment in favour of the country's infrastructural development has continued this year as well. In addition to financial sup-

port, with the 2019-2021 Business Plan, CDP has made available to local and central authorities a new technical advisory service for the programming, planning and construction of the works, thus becoming a real all-round partner of public administrations.

## CDP has put in place the largest debt renegotiation programme in favour of municipalities and regions

The new advisory service, thanks to agreements with regions, provinces, municipalities and port authorities, has led to the activation of around 50 projects - for a total value of over 4 billion euro - mainly in school and healthcare construction and in local public transport, providing technical and financial expertise for the entire life cycle of the projects.

### Extension of financed infrastructural sectors

The financing of infrastructural works was strengthened significantly with the support provided to large sector enterprises. The financed sectors were diversified to a larger extent, by distributing over 350 million euro in support of projects in the areas of telecommunications, airport, environment, renewable energies, social infrastructure and water service. In the hospital sector, CDP concluded its first project financing

transaction for the expansion and upgrading of San Gerardo di Monza. In addition, it subscribed its first Sustainability-Linked bond in favour of a multiutility operating in the water and waste cycle and its first securitisation in the water sector to support the investments of 6 managers of the Viveracqua Consortium, which serve over 320 municipalities and almost 2.3 million inhabitants.

### A successful model for future schools in Florence



*Find more*

The Metropolitan City of Florence has relied on CDP's advisory services to build the new school complex Meucci-Galilei. The current compound, which houses 3,300 students, will be demolished and replaced by 2 new buildings and as many gyms, built according to the most advanced energy sustainability and teaching standards.



Cristian Virgili  
and Mattia Maffeo

Finally, we developed innovative solutions such as the Major Works Flexible Loan to fund new investments in large-scale infrastructure and the loan intended for investments eligible for the "Superbonus".

## New sustainable development projects

In order to promote energy efficiency, the circular economy, sustainable mobility and the development of alternative energy sources, the CDP Group has developed projects with investee companies, such as Eni and Snam. With the latter, it set up the benefit company Arbolia, to absorb CO<sub>2</sub> emissions through reforestation and the creation of green areas in Italy.

## Relaunch of local areas through tourism and urban regeneration

In 2020, the Fondo Nazionale del Turismo was set up to support a sector hard hit by the pandemic.

The Fund has a target size of 2 billion euro and is geared towards relaunching a strategic sector for the country including through the enhancement of historic and iconic hotels throughout the country.

This tool is part of the CDP Group's wider strategy in support of tourism in sectors such as training (with the establishment of Scuola Italiana di Ospitalità, which will be housed in the complex of former Ospedale al Mare in Venice), innovation, consolidation of hotel operators and development of real estate assets.

Once again with a view to continuing to provide support to the local areas, in synergy with the Bank Foundations, CDP managed the Fondo Investimenti per l'Abitare ("FIA"), dedicated to the development of social housing, which granted loans totalling 3 billion euro on the territory through redevelopment interventions, in

the interest of greater social sustainability and lower environmental impact.

More specifically, the projects completed in 2020 enabled over 1,800 households to access rented accommodation or properties for sale at affordable rates and prices, in addition to 6,500 social housing units and over 4,300 beds in student lodgings and temporary residences already completed and under the management of the local funds invested by the FIA. One of the highlights were the inauguration of Quartiere REDO, a benchmark for sustainability born out of the transformation of a disused area in the outskirts of Milan into a "Smart District" and the completion of the works for the H-Campus project, a zero-volume and low energy emission operation that received the Architettura 2020 award.

## We support projects to promote energy efficiency, circular economy and sustainable mobility

The direction taken in urban regeneration interventions and the development of sustainable residences for families, students and the elderly gave rise to a new strategy to integrate and renew the experience already gained in residential infrastructure with a social impact.

The most significant redevelopment projects include the completion in 2020 of the town planning process for the project dedicated to the construction of the new production centre of the fashion house Yves Saint Laurent in

Scandicci, which will enable to recover a former Services Centre of the Italian Revenue Agency.

In addition, CDP Immobiliare has launched, also through “joint ventures” with leading international operators, a number of initiatives for the redevelopment of large real estate complexes, including the former Istituto Poligrafico dello Stato, the Torri dell’Eur complex in Rome and the former Manifattura Tabacchi in Florence.

Still in terms of property development, a new CDP office in Rome, in via Alessandria, obtained the highest energy efficiency certification (LEED® BD+C: New Construction and Major Renovation v.4 with GOLD level).



Silvia Orsini,  
Federica Ismeli,  
Giovanni Gasbarrini,  
Luca Amico and  
Tommaso Savi

## REDO, Milan's smart district, is born in Rogoredo



*Find more*

CDP, through the FIA, participated with an investment of over 71.5 million euro in the development of REDO: a “smart district” of 615 apartments, services, schools and green spaces. Built on a concept of sustainability that revolves around people and sociality, the project promotes respect for the environment and energy saving



Riccardo Rolfini  
and Paola Reali



**7.9**  
*bn euro*

New lending  
for the territory



**Over  
3,000**

authorities  
subscribing to  
the renegotiation



**50**

Technical  
advisory  
projects

## A new hospital centre in Novara



[Find more](#)

Città della Salute e della Scienza in Novara, with over 700 beds on an area of approximately 165,000 square meters, will be a state-of-the-art hospital for healthcare, research and teaching. It will allow the recovery of historic buildings with significant savings for the administration, thanks to a consulting agreement between the Piedmont Region and CDP.



Maria Elena Perretti  
and Guglielmo Calabresi

## A new lease of life for Castello Aragonese in Belvedere Marittimo



[Find more](#)

Thanks to a disbursement of over 300,000 euro by CDP, Belvedere Marittimo purchased Castello Aragonese, the symbol of the town of Cosenza. Recognised as a national monument, the fortress will once again be open and accessible through a restructuring and enhancement operation.



Monica Senzacqua  
and Salvatore Russo

## Alberobello redevelops school and stadium for the community



[Find more](#)

The Municipality of Alberobello has decided to improve the quality of life of its citizens by redeveloping the Michelangelo La Sorte primary school and transforming the Scianni-Ruggeri stadium into a multi-sports centre. These projects were backed by CDP with over 800,000 euro.



Francesca Mangia  
and David Schiona

## Taranto as a pioneer of sustainable mobility



[Find more](#)

The Rapid Transit Bus operated by electric vehicles is an ideal mode of transport for expanding Local Public Transport services, limiting costs and emissions. CDP supports the Municipality of Taranto with a technical-financial advisory service to introduce two BRT lines and 50 zero-emission buses, nominating the Ionian city as the Italian leader for sustainable LPT.



Andrea Fanelli,  
Dora Conteduca  
and Alyssa Rosatelli

## With Arbolia, 3 million trees by 2030



*Find more*

Planting 3 million new trees by 2030. This is the target set by Arbolia, a benefit company set up by CDP and Snam to develop projects to reduce and absorb CO<sub>2</sub> emissions. The aim is to improve air quality and combat climate change through the creation of green spaces.



Sofia Graziaplana  
and Stefano Greco

## Restoration of Torre degli Sciri in Perugia



*Find more*

CDP has financed the restoration and relaunch for tourism purposes of Torre degli Sciri, along with many other works with a cultural and social impact. The aim is to enhance a territory rich in history and promote the growth of local communities.



Giuseppe Costagliola and  
Riccardo Maria Ardizzone

## Quality projects in San Pietro in Cariano



*Find more*

Schools, aqueduct, purifier, and a long list of infrastructures built by the Municipality of San Pietro in Cariano, thanks to CDP's support. These initiatives foster growth and employment at the local level and allow the centre of Valpolicella to make a leap forward and improve the quality of life of its inhabitants.



Giulia Mancini and  
Mauro Sambugaro

## A new CDP office in Rome, in the Trieste district



*Find more*

CDP has redeveloped the former ISPESL/Inail headquarters in Rome which house some of the Group's companies. The building - with meeting rooms, open spaces and common areas - is modern and innovative and has obtained the highest energy efficiency certification (LEED® BD+C with GOLD level).



Gianfranco Zoccali  
and Edoardo Iacozzilli

# We support sustainable growth in emerging economies

In the past year, marked by the pandemic crisis which also hit the emerging economies hard, Cassa Depositi e Prestiti has been at the forefront in the sector of cooperation and finance for development.

With the 2019-2021 Business Plan, CDP is committed to becoming a key player in cooperation to respond to global challenges, such as combating climate change, promoting inclusive and sustainable growth and creating new opportunities in developing countries. CDP has financed initiatives with a high economic, environmental and social impact in emerging markets, operating in close synergy with institutional stakeholders - Ministry of Foreign Affairs and International Cooperation, Ministry of the Economy and Finance and the Italian Agency for Development Cooperation - and providing an increasingly significant contribution to the achievement of the Sustainable Development Goals of the UN's 2030 Agenda.

The global reach of the issues on which CDP has focused its endeavours was reflected in extended forms of financial support. Alongside the strengthening of the Revolving Fund for International Cooperation & Development Finance, CDP has invested in thematic funds of international significance, directly supported Italian companies in their investments in emerging markets, promoted new partnerships with leading institutions operating at the national and international level and put in place forms of financial blending, efficiently combining public and private resources.

## Greater commitment to combating climate change

Among the global issues with an impact on the SDGs, CDP has focused on initiatives to combat climate change, investing 70 million euro in EGO, the world's largest fund dedicated to green finance. EGO, promoted by the World Bank Group, supports initiatives aimed at accelerating the energy transition in emerging markets.

Collaboration with multilateral financial institutions and with leading international development institutions is a crucial element in CDP's strategy to combat climate change. With reference to multilateral Institutions, CDP has granted credit lines amounting to a total of 175 million euro to Corporación Andina de Fomento, for the promotion of green finance projects in Latin America, and to the Eastern and Southern African Trade and Development Bank, for the development of African economies through the support of local businesses.

## CDP has strengthened its international positioning with a focus on interventions to combat climate change

In order to support initiatives aimed at the energy transition, new collaboration agreements have been entered into, such as the one with the International Renewable Energy Agency, an international organisation committed to the promotion of renewable energy. CDP has also joined global partnerships along with relevant Development Finance Institutions, such as the Clean Oceans Initiative platform which aims to protect oceans from pollution caused by plastic material.

The commitment made by CDP to consolidate its role of reference partner for Italian companies aiming at international competitiveness through sustainable growth programme in emerging markets was particularly significant. Two financing transactions fall under this category: to the AMA group, leader in the supply of components intended for slow-moving vehicles and agricultural machinery, to support growth plans in Bosnia, India, Ukraine and Uzbekistan; and to NolanPlastica, a historic Campania-based company operating in the world market of flexible packaging, to which CDP has granted a loan to increase the company's production capacity in Tunisia.

## Consolidation of the partnership with the European Commission

Also in response to the effects of the pandemic crisis on developing countries, CDP has strengthened its commitment to structure programmes based on the blending between European Commission funds and private resources, focusing interventions on specific geographical areas and sectors, such as financial inclusion, the development of renewable energy and support for African micro, small and medium-sized enterprises.

## With CAF for sustainable growth in Latin America



Find more

CDP has granted a 100 million euro credit line to Corporación Andina de Fomento to finance green projects, activating investments dedicated to transport, energy and urban development infrastructure.



Beatrice Frezza and Davide Petrangeli

CDP has developed 3 actions on the programmes falling within the scope of the External Investment Plan of the European Commission: the finalisation of IncludiFi, the initiative aimed at promoting access to credit for businesses in Africa, in partnership with Agencia Española de Cooperación Internacional para el Desarrollo; the structuring of the European Guarantee for Renewable Energy programme, to promote renewable energy development projects in Sub-Saharan Africa, in collaboration with the Agence Française de Développement. And finally, the strengthening of Archipelagos, aimed at facilitating access to the capital market by SMEs, increasing opportunities for exchange with Italian and European companies.

# From shareholder to manager of strategic equity investments for development

Cassa Depositi e Prestiti is a shareholder in major Italian companies operating in strategic economic sectors: from energy to construction, from engineering to networks and telecommunications, from financial and postal services to agri-food, even tourism and pharmaceuticals.

With the 2019-2021 Business Plan a process was launched in order to restructure the Group's investment portfolio based on an industrial, sector-specific approach, with a view to promoting the synergies between companies and supporting their development from the perspective of long-term growth.

## Creation of European champions

In 2020, the CDP Group worked for the birth of European champions in strategic sectors for the Italian economy, in partnership with leading domestic and international investors.

CDP Equity has signed a binding agreement for the entry into the capital of Euronext, aimed at the acquisition of Borsa Italiana from the London Stock Exchange Group. This will lead to the birth of the leading European operator in capital markets, with Italy playing a central role.

Upon completion of the transaction, our country will represent the most relevant single market of the new entity, with CDP Equity as a stable investor on a par with the French Caisse des Dépôts et Consignations.

The new structure will make Borsa Italiana an even more competitive and safer capital market with benefits for enterprises, especially SMEs, and investors.

Worthy of note is also the agreement for the creation of a European Paytech leader in digital payments through the combination of SIA, Nexi and Nets, which will play a key role in order to support the digital transition of the country and the dissemination of electronic transactions for the benefit of citizens, businesses, public administrations and banks.

The CDP Group has also supported the development of investees, aiding the industrial relaunching of Ansaldo Energia and Trevi Finanziaria and contributing to the implementation of the Open Fiber investment plan, for the development of the optical fibre network infrastructure in Italy.

In 2020, the CDP Group worked for the birth of European champions in partnership with leading domestic and international investors

## Partnership for sustainable development

With the aim of promoting system initiatives with investee companies, agreements have been entered into in the energy sector to promote decarbonisation and the transition to green energy.

Eni and CDP Equity have set up GreenIT, a joint venture for the development, construction and management of plants for the production of electrical power from renewable sources. With an 800 million euro investment over 5 years, energy will be produced from photovoltaic and wind power plants, with the aim of reaching an installed capacity of around 1,000 MW in 2025.

In addition, an agreement was entered into with Snam to create a leading platform at national level (RenovIT) in order to put in place energy efficiency initiatives for multi-occupancy buildings, companies and public administrations. Thus, in addition to modernising real estate assets, especially public ones, these initiatives can help reduce energy costs.

An agreement was also entered into with Eni and Snam for the evaluation and implementation of projects in the hydrogen supply chain and in the production of biometane from waste, in order to support the circular economy and sustainable mobility.

Finally, thanks to an agreement with Saipem, it will be possible to jointly consider the launch of innovative projects with high environmental, social and economic sustainability, once again with the aim of promoting energy transition.

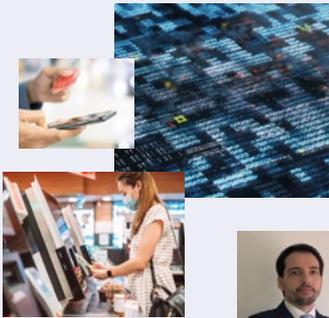
## Cassa Depositi e Prestiti is a shareholder in major Italian companies operating in strategic economic sectors



Valeria Colombo, Marta Cantarella, Mattia Tipaldi, Michelangelo Vitiello, Piergiorgio Mandolesi and Matteo Lucenti

## With Nexi to create the European champion of digital payments

Agreement for the creation of a European Paytech leader in digital payments through the combination of SIA, Nexi and Nets. The transaction, carried out thank to CDP Equity, will lead to the birth of the largest payment operator in Europe in terms of number of merchants served and cards managed. It will operate in 4 continents and as many as 50 countries.



Andrea Ambrosini  
and Luca Donato

## With Euronext to create a market leader in EU capital

The entry into Euronext and the acquisition of Borsa Italiana will give rise to a leading group in the European capital market. The transaction, carried out thanks to CDP Equity, intends to strengthen the strategic positioning of Piazza Affari with benefits for enterprises and investors.



Francesco Di Carlo and  
Chiara Ada Annibale

## CDP Equity's share in Ansaldo Energia goes up to 88%

CDP Equity increased its share in Ansaldo Energia - up to 88% - through a 400 million euro capital increase, with the aim of supporting the company's new investment and growth plan.



Alberto Benetello and  
Francesca Tolettini

## The birth of GreenIT. With Eni for renewables

Eni and CDP Equity have set up GreenIT: a joint venture for the development and management of plants to increase the production of renewable energy. With an 800 million euro investment over 5 years, energy will be produced from photovoltaic and wind power plants, with the aim of reaching an installed capacity of around 1,000 MW in 2025.



Antonio Di Taranto,  
Silvia Keller and  
Lucia Bonelli

# From CDP Venture Capital 250 million euro in favour of innovative startups and SMEs

In order to accelerate the development of the Italian innovation ecosystem, CDP has set up CDP Venture Capital, the Fund that supports the entire life cycle of innovative startups and SMEs, from the seed and pre-seed stages to value creation, involving investors, accelerators, incubators, research centres, companies and institutions.

In 12 months, investments were approved to the tune of 250 million euro, through 8 direct and indirect funds, which will become 10 by 2022, and instruments were launched for the enhancement of human capital such as Digital Xcelerator, the free e-learning platform for the development of entrepreneurial skills.





Nasdaq Tower,  
New York

On 18 November 2020,  
CDP became the first  
**Italian financial**  
institution to join  
the Nasdaq Sustainable  
Bond Network.

cdp 



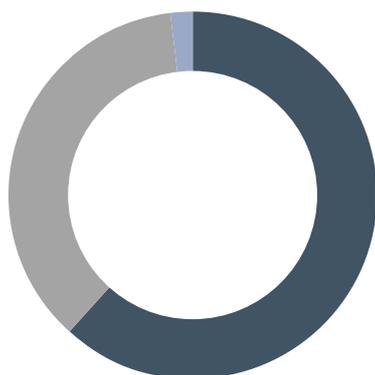
# 3

## Our 2020: the financial results

We have protected Italian savings from the outset by using them responsibly to promote growth and employment.

In this challenging year we have strengthened our commitment in support of the country, while at the same time managing to maintain a solid economic-equity balance.

# Parent Company's financial data



**13.5** bn euro

CDP Corporate

**7.9** bn euro

CDP Public Sector & Infrastructure

**0.4** bn euro

CDP International Cooperation

## New lending

In 2020, CDP S.p.A.'s new lending, investments and re-sources amounted to 21.7 billion euro, up by around 2% on 2019. These resources were allocated to each of the following business lines as indicated: "CDP Corporate", 13.5 billion euro; "CDP Public Sector & Territorial Development, Infrastructure", 7.9 billion euro; and "CDP International Cooperation", 0.4 billion euro.

## Income statement

Net income for the year amounted to 2.8 billion euro; this is attributable to the improvement in the spread between interest-bearing assets and liabilities, and the interest rate risk management strategies implemented which more than offset the reduction in dividends from investee companies, the write-down of a large credit exposure (prior to the Covid-19 crisis), and the absence of non-recurring positive items in 2019.

### Reclassified income statement

(millions of euro and %)	2020	2019	Change (+/-)	(%) change
<b>Net interest income</b>	<b>2,062</b>	<b>1,355</b>	<b>707</b>	<b>52.2%</b>
Dividends	1,089	1,424	(335)	-23.5%
Other net revenues (costs)	976	770	206	26.7%
<b>Gross income</b>	<b>4,126</b>	<b>3,549</b>	<b>578</b>	<b>16.3%</b>
Cost of risk	(349)	119	(468)	n/s
Staff and administrative costs	(188)	(176)	(12)	7.1%
Depreciation/amortisation and other operating income (costs)	(17)	(3)	(14)	n/s
<b>Operating income</b>	<b>3,572</b>	<b>3,489</b>	<b>83</b>	<b>2.4%</b>
Net provisions for risks and charges	25	(50)	75	n/s
Income taxes	(823)	(703)	(121)	17.2%
<b>Net income for the year</b>	<b>2,775</b>	<b>2,736</b>	<b>38</b>	<b>1.4%</b>

## Balance sheet

Total assets amounted to 410 billion euro, up by 6% compared to the end of 2019, when total assets stood at 386 billion euro.

Cash and cash equivalents and the amount of debt securities were both up, the latter mainly as a result of investment in Italian government securities.

Furthermore, loans, which amounted to 107 billion euro, were up by 6% on 2019, mainly as a result of higher loan volumes. This increase is partly attributable to the extraordinary measures implemented by CDP to deal with the Covid-19 emergency, which had a positive impact on new lending during the year.

The carrying amount of equity investments and funds came to about 36 billion euro, up 4% over 2019.

This increase is mainly attributable to investments made in 2020 to support businesses, through the launch of private equity and venture capital funds, support for the development plans of investee companies, the promotion of champions in strategic sectors, and the development of infrastructure and the local area.

Total funding at 31 December 2020 was approximately 378 billion euro, up 6% from the figure recorded at the end of 2019.

Postal funding amounted to 275 billion euro (+4% compared to 2019) and was the best net funding performance by CDP in the last eight years (+6 billion euro).

This was partly due to strong sales growth in the online channel following the enhancing of digital channels.

Bond funding increased to 21 billion euro (+8% compared to 2019), with CDP confirming its role as the leader in Italy in sustainable finance through three new social issues totalling 2.5 billion euro.

Equity amounted to 25.5 billion euro at 31 December 2020, up +2% on the end of 2019 thanks to solid financial results which more than offset the dividends distributed during the year.

In 2020, CDP granted loans totalling 21.7 billion euro, up compared to 2019

**21.7**  
bn euro

New  
lending

**107**  
bn euro

Loan  
portfolio

### Reclassified balance sheet - Assets

(millions of euro and %)	31/12/2020	31/12/2019	Change (+/-)	(%) change
Cash and cash equivalents and other treasury investments	183,100	171,262	11,839	6.9%
Loans	106,920	100,981	5,939	5.9%
Debt securities	74,047	70,998	3,049	4.3%
Equity Investments and funds	35,551	34,208	1,343	3.9%
Assets held for trading and hedging derivatives	3,215	1,981	1,234	62.3%
Property, plant and equipment and intangible assets	416	383	33	8.5%
Accrued income, prepaid expenses and other non-interest-bearing assets	6,356	5,242	1,114	21.3%
Other assets	741	796	(55)	-6.9%
<b>Total assets</b>	<b>410,346</b>	<b>385,851</b>	<b>24,495</b>	<b>6.3%</b>

### Reclassified balance sheet - Liabilities and equity

(millions of euro and %)	31/12/2020	31/12/2019	Change (+/-)	(%) change
Funding	378,262	355,693	22,570	6.3%
of which:				
- <i>postal funding</i>	274,575	265,067	9,508	3.6%
- <i>funding from banks</i>	66,649	48,108	18,540	38.5%
- <i>funding from customers</i>	15,876	22,876	(6,999)	-30.6%
- <i>bond funding</i>	21,162	19,641	1,521	7.7%
Liabilities held for trading and hedging derivatives	4,541	2,830	1,711	60.5%
Accrued expenses, deferred income and other non-interest-bearing liabilities	557	474	83	17.6%
Other liabilities	803	789	14	1.7%
Provisions for contingencies, taxes and staff severance pay	685	1,115	(430)	-38.6%
Equity	25,497	24,951	547	2.2%
<b>Total liabilities and equity</b>	<b>410,346</b>	<b>385,851</b>	<b>24,495</b>	<b>6.3%</b>

## Performance highlights

Structure ratios related to liabilities were substantially in line with 2019, with postal funding weighing heavily on CDP total funding by around 73%.

With regard to performance ratios, note (i) the increase in the spread between interest-bearing assets and liabilities, (ii) a still very low cost/income ratio (5%), in line with 2019, and (iii) an 11% return on equity (ROE).



Eduardo Barone,  
Annalisa Ghillani  
and Simone Salvadei

### Main indicators (reclassified figures)

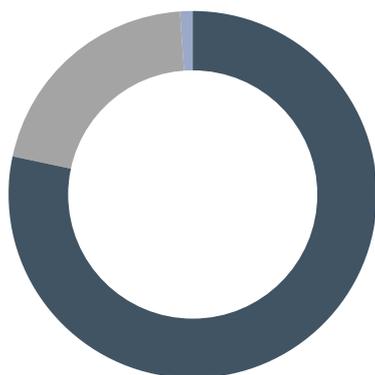
(%)	31/12/2020	31/12/2019
<b>Structure ratios</b>		
Funding/Total liabilities	92%	92%
Equity/Total liabilities	6%	6%
Postal Savings/Total funding	73%	75%
<b>Profitability ratios</b>		
Spread on interest-bearing assets and liabilities	0.6%	0.5%
Cost/income ratio	5%	5%
Net income/Opening equity (ROE)	11%	11%
<b>Risk ratios</b>		
Coverage of bad loans <sup>1</sup>	54%	50%
Net non-performing loans/Net exposure <sup>2,3</sup>	0.05%	0.06%
Net adjustments to (recoveries on) loans/Net exposure <sup>2,3</sup>	0.06%	n.a.

<sup>1</sup> Provision for bad loans / Gross exposure to bad loans.

<sup>2</sup> Exposures include loans to bank and customers, disbursements commitments, cash and cash equivalents and securities.

<sup>3</sup> Net exposure is calculated net of the provision for non-performing loans.

# Consolidated Financial Results



**30.4** bn  
euro

CDP Corporate

**7.9** bn  
euro

CDP Public Sector  
& Infrastructure

**0.4** bn  
euro

CDP International  
Cooperation

## New lending

In 2020, the CDP Group granted loans totalling 39 billion euro, up 11% on 2019.

Overall, the Group channelled around 68 billion euro's worth of resources into the economy.

## Income statement

The Group's consolidated net income was equal to 1.2 million euro, down compared to 2019 mainly due to the negative contribution of companies accounted for using the net equity method, and principally Eni (-2.5 billion euro in 2020).

### Reclassified income statement

(millions of euro and %)	2020	2019	Change (+/-)	(%) change
<b>Net interest income</b>	1,898	1,208	690	57.1%
Gains (losses) on equity investments	(2,091)	447	(2,538)	n/s
Net commission income (expense)	131	95	36	37.9%
Other net revenues (costs)	487	646	(159)	-24.6%
<b>Gross income</b>	425	2,396	(1,971)	-82.3%
Profit (loss) on insurance business	(5)	164	(169)	n/s
<b>Profit (loss) on banking and insurance operations</b>	420	2,560	(2,140)	-83.6%
Net recoveries (impairment)	(283)	17	(300)	n/s
Administrative expenses	(9,882)	(7,910)	(1,972)	24.9%
Other net operating income (costs)	15,102	12,681	2,421	19.1%
<b>Operating income</b>	5,357	7,348	(1,991)	-27.1%
Net provisions for risks and charges	(37)	(113)	76	-67.3%
Net adjustments to PPE, intangible assets and goodwill	(2,679)	(2,246)	(433)	19.3%
Other	3	(13)	16	n/s
Income taxes	(1,481)	(1,565)	84	-5.4%
<b>Net income (loss) for the year</b>	1,163	3,411	(2,248)	-65.9%
Net income (loss) for the year pertaining to non-controlling interests	1,532	1,627	(95)	-5.8%
<b>Net income (loss) for the year pertaining to the Parent Company</b>	(369)	1,784	(2,153)	n/s

## Balance sheet

Group assets totalled over 512 billion euro, up by 14% compared to the figure recorded at the end of the previous financial year. 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 and the recent operation of SACE (Garanzia Italia).

Overall, in 2020 the CDP Group granted loans of around 39 billion euro, resulting in the channelling of 68 billion euro into the economy

**38.6**

*bn euro*

New  
lending

**68**

*bn euro*

Activated  
resources

**512**

*bn euro*

Total  
assets

**417**

*bn euro*

Total  
funding



Giovanni Ortu, Gabriella Oppedisano,  
Carmela Silvana Paterniti and Hui Su

Total funding stood at 417 billion euro, up by 8.1% on 2019. Consolidated equity at 31 December 2020 came to about 33.7 billion euro, down on the previous year's figure mainly for the portion pertaining to the Group, and this reflects the negative trends resulting from the distribution of dividends and other comprehensive income, which were partially offset by the year's result and by changes in the value of treasury shares held in the Parent Company's portfolio.

The strength of our balance sheet, together with the confidence of postal savers, has allowed us to enhance our role as the driving force behind the country's sustainable development.

## Our ESG issues

### **Social Bond 2020 - 750 million euro**

180 investors - 76% of whom foreign investors - subscribed CDP's Social Bond to support Italian companies investing in research, development and innovation and those hit hard by the Covid-19 emergency, with the aim of sustaining future growth and employment.

### **Covid-19 Social Response Bond - 1 billion euro**

The bond is designed to support the extraordinary plan of measures implemented by CDP in favour of busi-

nesses and local authorities. The funds raised will be used for the purposes both of short-term initiatives aimed at coping with the contingent emergency, and of measures for the subsequent economic recovery.

### **Social Housing Bond 2020 - 750 million euro**

A record number of investors - over 270 - have participated in CDP's first Social Housing Bond operation to support social housing schemes, with initiatives dedicated to the more vulnerable sections of the population.

### Reclassified consolidated assets

(millions of euro and %)	31/12/2020	31/12/2019	Change (+/-)	(%) change
<b>Assets</b>				
Cash and cash equivalents and other treasury investments	220,042	170,934	49,108	28.7%
Loans	113,322	105,664	7,658	7.2%
Debt and equity securities and units in collective investment undertakings	88,746	84,719	4,027	4.8%
Equity investments	15,834	18,952	(3,118)	-16.5%
Assets held for trading and hedging derivatives	660	499	161	32.3%
Property, plant and equipment and intangible assets	54,673	53,337	1,336	2.5%
Reinsurers' share of technical provisions	2,595	1,002	1,593	n/s
Other assets	16,536	14,402	2,134	14.8%
<b>Total assets</b>	<b>512,408</b>	<b>449,509</b>	<b>62,899</b>	<b>14.0%</b>

### Reclassified consolidated liabilities

(millions of euro and %)	31/12/2020	31/12/2019*	Change (+/-)	(%) change
<b>Liabilities and equity</b>				
Funding	417,104	385,719	31,385	8.1%
of which:				
- <i>postal funding</i>	274,575	265,067	9,508	3.6%
- <i>funding from banks</i>	85,096	60,082	25,014	41.6%
- <i>funding from customers</i>	14,050	18,705	(4,655)	-24.9%
- <i>bond funding</i>	43,383	41,865	1,518	3.6%
Liabilities held for trading and hedging derivatives	4,952	3,145	1,807	57.5%
Technical provisions	3,461	2,812	649	23.1%
Other liabilities	46,269	13,592	32,677	n/s
Provisions for contingencies, taxes and staff severance pay	6,923	7,727	(804)	-10.4%
Total equity	33,699	36,514	(2,815)	-7.7%
<b>Total liabilities and equity</b>	<b>512,408</b>	<b>449,509</b>	<b>62,899</b>	<b>14.0%</b>

\* The figures for 2019 have been restated as a result of the Purchase Price Allocation on Ansaldo Energia and SIA.



**CDP È CON L'ITALIA,  
OGGI PIÙ CHE MAI.**

*Covid-19: le nostre misure  
a sostegno di imprese e territorio.*

*#cdpconItalia*

**Scopri di più**

**cdp**

Thanks to the #CDPconItalia activities, the Group supports businesses and the territory following the Covid-19 emergency, by relying on the constant commitment of its people.



# 4

## Behind the figures: CDP's values and people

We imagine Italy's future and support its development according to a universe of values that guide governance and an entire community of competent, united and cohesive professionals: people at the service of the country.

# Clear, transparent and sustainable: CDP and its values

2020 confirmed the CDP Group's strategic role in imagining the future and supporting the country's development. For this reason, faithful to its mandate, Cassa Depositi e Prestiti acts according to a precise set of values that is ever mindful of the issues of social responsibility and system sustainability.

Clarity, transparency and integrity are the pillars of a governance geared towards effective risk and compliance management and - last but not least - constant attention to the enhancement of CDP's people and the workplace.

This deeply rooted system of values not only guides CDP's daily actions but also those of all the companies subject to management and coordination.

All those working on behalf and in the interest of the Institution, which has always played an active role in financing the country's development and is now committed to promoting harmonious and sustainable growth according to the goals of the UN 2030 Agenda, are called upon to adhere to these values.

The set of principles and values that the Group recognises, accepts and shares and the set of responsibilities undertaken both internally and externally is defined in the Code of Ethics, approved by the Board of Directors.

The corporate governance system plays a central role in the conduct of Cassa Depositi e Prestiti's operations, and contributes significantly to the creation of value both for shareholders and for the country.

The Board of Directors is the main corporate governance body and its responsibilities include, among other duties, defining, applying and updating the corporate governance rules, in compliance with current regulations, as well as determining the strategic operational and executive management of the Company and the Group.

The BOD is composed of 9 members and is supplemented, for the management of the funds from postal savings (Separate account), by the Director General of the Treasury (or a proxy thereof), the State Accountant General (or a proxy thereof), and 3 experts representing the Regions, Provinces and Municipalities appointed by decree of the Ministry of the Economy and Finance.

Its decision-making is supported by 5 internal Committees with advisory and proposal-making functions, which, as at 31 December 2020, include:

- the Strategic Committee, in support of the Board's organisation and coordination and for the strategic supervision of the Company's operations.
- the Risk Committee, with functions of control and provision of guidance proposals for risk management and the assessment of the adoption of new products

The corporate governance system plays a key role for CDP's operations

- the Nomination Committee, which is tasked with supporting the CEO and the Board of Directors in the process of appointing the members of the corporate bodies of CDP's investee companies.
- the Remuneration Committee, which is tasked with making proposals to the Board of Directors on the remuneration of the Chairman, the Chief Executive Officer and the General Manager, among others.
- the Related Parties Committee, which provides preliminary reasoned opinions on CDP's transactions with Related Parties, as well as the appropriateness and the substantive and procedural fairness of the related conditions.

A Support Committee for Non-Controlling Shareholders is also envisaged, which, among other things, examines the Company's main operations and encourages cooperation with non-controlling shareholders, also with a view to enhancing CDP's dialogue with local communities.

Governance is completed by the Board of Statutory Auditors, which also acts as the Supervisory Body, and the Parliamentary Supervisory Committee. A judge of the Court of Auditors attends the meetings of the Board of Directors and the Board of Statutory Auditors.

The Chairman of the Board of Directors is responsible for signing documents on behalf of the Company and legally representing the latter, while the Chief Executive Officer, who currently also holds the position of General Manager, is vested with all powers of ordinary and extraordinary management, without prejudice to the matters reserved by law and the Articles of Association to the Company's Shareholders' Meeting, the Chairman and the Board of Directors.

## A system of values shared internally and with all our stakeholders



Giuditta Di Nino,  
Valentina Pace,  
Giulia Quatrini,  
Roberto Giuzio,  
Gianmarco Minotti  
and Livia Morichetti Franchi

## Board of Directors



Member	Giovanni Gorno Tempini	Fabrizio Palermo	Luigi Paganetto	Carlo Cerami
Office	Chairman	Chief Executive Officer	Vice Chairman	Director
Age	58	49	80	55
In office since	08/11/2019	27/07/2018	27/07/2018	04/06/2020

### Board of Statutory Auditors<sup>1</sup>

**Chairman**  
Carlo Corradini

#### Standing Auditors

Franca Brusco  
Giovanni Battista Lo Prejato  
Mario Romano Negri  
Enrica Salvatore

#### Alternate auditors

Francesco Mancini  
Anna Maria Ustino

### Supplementary members for administration of Separate Account

*(art. 5, para. 8, Decree Law 269/2003,  
converted with amendments into Law  
326/2003)*

Director General of the Treasury  
Alessandro Rivera

State Accountant General  
Pier Paolo Italia (Delegate)

Antonio Decaro

Davide Carlo Caparini

Michele De Pascale

Alessandro Tonetti (Secretary)

Giorgio Righetti (Vice-secretary)

### Manager in charge with preparing the Company's financial reports

Pier Francesco Ragni

### Support committee for Non-controlling shareholders

**Chairman**  
Giovanni Quaglia

#### Members

Konrad Bergmeister  
Marcello Bertocchini  
Giampietro Brunello  
Paolo Cavicchioli  
Federico Delfino  
Francesco Profumo  
Giuseppe Toffoli  
Sergio G.G.E.W. Zinni



<b>Francesco Floro Flores</b>	<b>Fabrizia Lapecorella</b>	<b>Fabiana Massa</b>	<b>Matteo Melley</b>	<b>Alessandra Ruzzu</b>
Director	Director	Director	Director	Director
65	57	62	60	51
24/07/2018	24/07/2018	24/07/2018	24/07/2018	24/07/2018

### Parliamentary Supervisory Committee on Cassa Depositi e Prestiti - Separate Account

#### Members

Alberto Bagnai (Senator)  
 Roberta Ferrero (Senator)  
 Cristiano Zuliani (Senator)  
 Vincenzo Presutto<sup>2</sup> (Senator)  
 Raffaele Trano (MP)  
 Nunzio Angiola (MP)  
 Sestino Giacomoni (MP)  
 Gian Pietro Dal Moro (MP)  
 Vincenzo Blanda  
 (Regional Administrative Court)  
 Carlo Dell'Olio  
 (Regional Administrative Court)  
 Luigi Massimiliano Tarantino  
 (Council of State) – Secretary of the  
 Confidential Affairs Commission  
 Mauro Orefice  
 (Chamber Chairman  
 of the Court of Auditors)

### Judge of the Court of Auditors<sup>3</sup>

(art. 5, paragraph 17,  
 Decree Law 269/2003)

#### Statutory auditor

Carlo Alberto Manfredi Selvaggi

#### Alternate auditor

Giovanni Comite

### Independent Auditors

Deloitte & Touche S.p.A.

The BOD is composed of 9 members and is supplemented, for the management of the funds from postal savings, by the Director General of the Treasury, the State Accountant General and 3 experts representing the Regions, Provinces and Municipalities

<sup>1</sup> The Board of Directors, in the meeting of 25 January 2017, also entrusted the Board of Statutory Auditors with the Supervisory Body's functions (pursuant to Legislative Decree No. 231 of 8 June 2001) as of 27 February 2017.

<sup>2</sup> Appointed as standing auditor on 9 October 2019, in replacement of senator Turco.

<sup>3</sup> Art. 5, c. 17, D.L. 269/03 – assists the meetings of the Board of Statutory Auditors and of the Board of Statutory Auditors.

# Effective risk management

Ensuring long-term business solidity and going concern is a key process for the CDP Group, which acts scrupulously according to international models and best practices.

Supervision and ongoing monitoring of the risks associated with the activities carried out by the CDP Group is ensured by the control system, based on 3 levels which consists of a set of safeguards, rules, procedures and organisational structures to identify, measure, evaluate, monitor, prevent or mitigate and promptly communicate any risks undertaken or to be undertaken in the different segments to the appropriate hierarchical levels.

The Model, which is applied in the various CDP Group companies taking into account the operational specificities of each, is designed to ensure compliance with the relevant regulations, compliance with corporate strategies and the achievement of the objectives set by management and follows the guidelines set forth by the reference international organisation for the internal auditing profession.

The first level structures ensure that business operations are in line with the assigned risk objectives.

The second and third level control structures cooperate with one another with the aim of reporting the overall level of risk in as detailed a manner as possible to the Corporate Bodies, coordinating annual activity plans and exchanging information on critical issues, inefficiencies, weaknesses or irregularities identified in their respective control activities

These structures are always operational and periodically report the outcomes of the activities carried out and the progress made on corrective measures identified by top management to the Board of Statutory Au-

ditors, and subject to review by the Risk Committee, to the Board of Directors. Internal Audit, the third-level control structure, also provides an independent and objective assessment of the completeness, adequacy, functionality and reliability of the CDP Group's organisational structure and overall internal control system. Any critical issues identified during examinations are reported to the relevant company structures so that they can be mitigated in a timely mode.

The different types of risk are defined within the Risk Policy, which represents the Group's Risk Appetite Framework, namely the key tool used by the Board of Directors to determine CDP's propensity for risk, its tolerance thresholds, risk limits, risk governance policies, and the set of relative organisational processes.

One of the most important categories in the Group's business model is financial risks, which are grouped into three main families: market risks, which include equity, interest rate and inflation and exchange rate risks; liquidity risk and credit risk, or concentration and counterparty risk. Conversely, among the risks of a non-financial nature, the Group identifies operational and reputational risks, as well as risks of non-compliance with regulations, risks related to the crime of corruption, money laundering, health and safety in the workplace, of an environmental nature, risks related to personnel management and management of the supply and subcontracting chain and international operations.

In 2020, CDP continued the process of strengthening and updating the risk management methods and systems. More specifically, in order to measure credit risk, CDP uses a proprietary portfolio model, which takes into account, among others, exposures to public entities in the Separate Account,

## Climate change risks

In 2020, CDP set up a unit for the definition of methodologies for emerging risks deriving from climate change with a grading based on the separate assessment of three components:

- physical risk, linked to the risk of direct or indirect damages caused by recurring or extreme climate or natural events;
- environmental risk, linked to the risk of environmental damage caused by business activities and the liti-

gation risk connected with infringements of environmental protection regulations;

- transition risk, linked to the impact of new climate and environmental policies.

The methodology was developed by leveraging the experience gained over time by the structures in charge of assessing and managing the risks applied to other categories, for example reputational, credit and operational risks, and was calibrated on a sample of recent transactions.

and has access to a series of rating models developed by specialised external providers for the following classes of loans: public bodies, banks, small and medium-sized enterprises, large enterprises, project finance.

These models act as a benchmark against the rating allocated by the analyst and provide specific rules to manage any discrepancies between the results obtained through the instrument used and the final rating.

Additionally, with regards to non-financial risks, the Group adopts a prudent approach aimed at assessing and limiting the financing of projects with negative environmental and social impacts considered significant, measured on the basis of data or objective assessments of the reputational risk underlying the transactions.

As part of the reputational risk assessment, sponsorship and supplier selection initiatives are also assessed.

Always being mindful of the sustainability of its operations, CDP has implemented the assessment of the emerging risks tied to climate change, in terms of both their potential economic-financial impact and their potential reputational risk.

## The CDP Group acts according to risk models and international best practices



Veronica Dallari,  
Filippo Galletti,  
Maria Rosaria Polito  
and Damiano Battistelli

# Competent and cohesive people, our added value

A wealth of experience, engagement and enhancement of skills: these are the key elements which the CDP Group invests in on a daily basis. They are crucial factors to promote the well-being, motivation and growth of its people, and allow Cassa Depositi e Prestiti to deliver company objectives by creating long-term added value for all stakeholders.

From this perspective, our human capital represented by the 2,380 Group people is part and parcel of the strategic vision and an essential asset at the service of the country, in which CDP invests through increasingly innovative development and training plans.

In 2020, in order to meet CDP's new activities and the objectives of the Business Plan, the Company's workforce was increased, mainly with the addition of young people and resources with technical-specialist skills.

Compared to last year, the average age of employees decreased, while the percentage of employees with a tertiary education (bachelor's or master's degree, doctorate or other post-graduate qualification) increased to 81%. 48% of the new recruits are young people under 30 years of age, mainly concentrated in business functions.

The human capital has seen an increase in the number of women within the Group (1,091 women in the workforce, 46% of the total) and has not failed to take up the challenge arisen from the Covid-19 emergency.

An event that led to a new vision and new processes in the way of working, first and foremost with the use of Remote Working. To further cultivate existing professional skills and increase job rotation both internally and within the Group, in 2020 over 150 mobility initiatives were

organised and managed to encourage the sharing of skills and experience, enabling the colleagues involved to develop their professional profile and disseminate values, culture and managerial styles. In line with the ongoing transformation process, a number of programmes and initiatives dedicated to attracting talents, training, professional development and people's well-being have also been put in place for the benefit of the Group's colleagues.

## Enhancing people to invest in the future

Despite the period of social distancing, CDP participated in a number of national events consisting of career fairs, testimonials and student orientation initiatives, in collaboration with Italy's leading universities.

An important and profitable commitment in accordance with the strategic guidelines of the Business Plan. While training is necessary to stay on target with the corporate objectives, it also plays a fundamental role in galvanising motivation for professional development.

This is why such significant efforts were focused on training during the year, with a view to fast-tracking the development of human capital and helping keep the skills and knowledge of our people aligned with the challenges and changes shaping our new way of working.

Although many programmes had to be re-engineered into distance learning formats as a result of the pandemic, 2020 posted a sharp rise in training hours.

In line with the objectives of the Business Plan, the CDP Academy was launched which, through innovative programmes, promotes the development of managers at the service of the country, leveraging on the skills and

## CDP Academy: advanced professional training for employees

The Academy is the first CDP Advanced Training hub, cutting across the various industrial sectors, involving the main CDP Subsidiaries. In 2020, the Academy launched the first Corporate MBA and specific international programmes on Corporate Finance, Venture Capital, Risk & Derivatives and Digital Communication.



on a network of excellence of large business entities, involving the subsidiaries that make up the CDP Academy Network: Ansaldo Energia, Fincantieri, Italgas, Open Fiber, Poste, SIA, Snam and Terna.

The most significant activities include the launch of the first CDP Corporate MBA, carried out in collaboration with the Luiss Business School, lasting 24 months, with the participation of 30 colleagues, identified in a "bottom up" logic with selection of the University, following over 500 applications.

The MBA entails the acquisition of all-round skills and knowledge, with 70% of the lessons being held by Luiss lecturers and 30% by colleagues belonging to the Network. The "soft skill" advanced training provision is nearing completion with the launch of the Higher Executive Education Program (targeted at Managers and Senior Managers) which will be divided into 3 modules: Strategy/Finance/Sustainability (Bocconi), Innovation & Digitalization (Headspring) and Organisational Behavior (IESE). International "vertical" programmes have also been launched for various professional roles: Advanced Corporate Finance & Venture Capital (London Business School), Risk & Derivatives (Wharton) and Digital Communication (Berkeley).

The Academy's programs are supplemented with CDP's regular training: vertical role-based training (e.g. Masters

in Local Finance, intended for professionals in the Infrastructure and PA area); soft skill training (e.g. JUMP, induction programme for new employees); mandatory training (e.g. health and safety or sustainability training).

Moreover, ad hoc campaigns have been launched according to specific priorities. In particular, in the first post-Covid emergency phase, significant investments were made in training on digitalisation and remote working, through a group coaching campaign that involved all CDP managers. "1 corso per te", an additional training offer which each employee was able to freely access and which saw a high level of involvement of the CDP population, was provided alongside these initiatives.



Chiara Piersanti,  
Silvia Galli  
and Gianluca Esposito

## Our corporate welfare initiatives

Since its inception, the Group has promoted a modern and comprehensive system of company welfare designed to improve the personal and professional quality of life of its people. During 2020, therefore, the Group stepped up to the challenge of providing a swift response to the new daily life imposed by the pandemic. CDP put in place a number of initiatives for its employees and their families. Noi.cdp, the first employee app, was launched from the very first days of remote working. It is an innovative tool designed to provide easy access to personal services directly from smartphones.

The various welfare initiatives introduced included a remote listening and psychological support service for Group employees, aimed at bolstering people's confidence, motivation and peace of mind. An internal medical service was also set up to offer daily medical assistance and first aid services, in addition to launching a flu vaccination campaign. An all-round commitment that has given rise to new wellness initiatives starting from webinars with medical experts, free specialist medical examinations, a live training service with fitness sessions also available on demand, as well as new solutions related to sustainable mobility.

The initiatives did not only include CDP's women and men but also endeavoured to respond to the needs of their families, including through the launch of orientation sessions to support the children of employees in choosing their university career, digital laboratories aimed at enhancing the skills of children and young people and online seminars to help parents and children face the challenges of the new daily life.

Finally, the attention to the well-being of employees and families was further confirmed with the initiatives launched during the Christmas period. The first-ever Children's Digital Christmas Party for the children of employees aged 3–13 years was held on a dedicated platform, where participants were invited to enter via their avatars into virtual rooms to play games and take part in thematic workshops suitable for their age groups.

The workshops included a "CDP Newsroom", where kids aged 11–13 years were able to voice their ideas and points of view on issues such as Social Networks & Distance Learning, Sustainability & Environment and Inclusion & Gender Diversity. Christmas gifts were then distributed to all the children of the employees, from age 0 to 18, tied to digital learning or a voucher for the purchase of books and educational toys.

## The importance of engagement

The CDP Group considers multiple perspectives to be a resource and a source of enrichment that makes the company stronger and better able to face daily challenges. For this reason, the CDP Group invests in the full participation of its employees in the Company's life, providing exhaustive information on the initiatives organised, but also acquiring and examining every request from its employees and providing clear, transparent feedback.

Alongside the Intranet portal Noi.cdp, a key mouthpiece for Group initiatives, projects and objectives, other digital communication channels - such as in-house newsletters, online events and a new video format to preset new hires - were used during 2020 to engage all colleagues, even those working remotely from home.

## Digital convention

In December 2020, the Group organised its first fully digital Convention: an occasion to celebrate people and share future challenges, united despite the distance. With over 1,300 participants, the Convention offered the opportunity to reward the winning projects of the years (voted online by employees), and strengthen team spirit, pride and cooperation among all the people of the CDP Group with an innovative, dynamic and engaging format.



In addition this year, a “Morning News” page was launched, providing daily updates on the latest news stories, politics and the economy drawn from leading articles in national, international and local media. In December 2020, the Group organised its first fully digital Convention: an occasion to celebrate people and share future challenges, united despite the distance. In line with the provisions of the sector and national agreements, CDP signed protocols, in agreement with the Company trade union representatives, on measures to combat and contain the spread of Covid-19, which apply to the entire Group.



Alberto Di Lernia,  
Vincenzina Adinolfi,  
Elisabetta Calise  
and Giulia Cara

# Our commitment to digital transformation

2020 was a year of great challenges for the digital transformation of the CDP Group, which maintained full operational and business continuity, in spite of the difficult emergency context due to the pandemic.

The investments launched some time ago for technological upgrading and digitisation have truly transformed CDP on many fronts, including internal organisation, core business and product management, external relations and communication.

First and foremost, the digital transformation has made it possible to effectively manage the new way of working, allowing all structures to remain fully operational in remote working mode. On the business products front, new digital solutions have been designed for the implementation of measures intended to deal with the pandemic emergency and Ecobonus and Patrimonio Rilancio product platforms.

The new portals dedicated to customers in the business and public administration sector were launched, the digital solution for the new Buono Postale Obiettivo 65 product was developed and the first Italian platform for bond issues based on Blockchain technology was created.

A new Customer Relationship Management system was also launched, based on platforms chosen from among the best on the market, with the aim of supporting the sales and marketing activities of the CDP Group.

The system also integrates and evolves the Data Hub and management and operational Reporting platforms designed to improve data sorting and use.

The same commitment was adopted to develop digitisation solutions for "core" business processes, which included, for example, the creation of a new system for the management of loans in the Corporate sector, the introduction of the new Payments Hub and the evolution of the front to back Finance system.

The Cyber Security front was also further strengthened with tools, processes and skills aimed at significantly raising the Group's excellent standards.

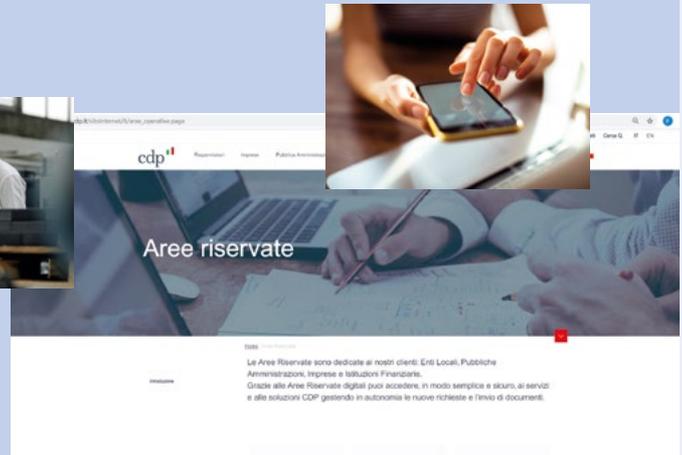
More specifically, a 24x7 permanent Security Operation Centre was set up, Active Defense tools were increased and the ongoing execution of vulnerability checks was intensified. New training courses were also held to raise awareness among employees on IT security protection, company assets and data.

People's training on Cyber Security is thus essential since the awareness of the risks increases the effectiveness of the defence tools. Both the changed context in terms of management of the spaces and workplaces due to the health emergency, and the investments in technology have led to a new organisation according to space-planning logics that are remarkably different from the past.

Digitisation has also had an impact on purchasing procedures: this has led to the adoption of centralised sourcing initiatives, minimising the use of paper and maintaining high quality standards. In addition, process reviews were activated and innovative Robotic Process Automation solutions were implemented in order to automate repetitive operations that were previously carried out manually (e.g. management of giro orders and loan application processes).

## More accessible for enterprises

The new multi-channel corporate area supports all phases of the business relationships. Through CRM, Data Analytics and Reporting tools, it allows the integrated management of the activities carried out by companies on the dedicated portal, interactions at the local office and through customer care.



Automation has made it possible to optimise productivity and speed up the loan disbursement process. In 2020, a new Data Governance framework for the mapping, tracking and quality control of managed data was also implemented, along with a new document management system that will be launched in 2021 with the aim of making the processes easy to use and paperless.

Lastly, an innovative programme was launched at the end of 2020, aimed at aiding the development of a community within CDP to generate new ideas on business and operations digital transformation.

The initiative requires CDP people to interact within a Portal to make an active contribution, enhancing each other's ideas, encouraging discussion, promotion and - finally - putting into practice the ideas considered most interesting in terms of impact, benefits and complexity.

An important example of the way in which digitisation fosters teamwork and shared planning.

## The CDP Group maintained full operational and business continuity, in spite of the difficult emergency context due to the pandemic



Emanuele Trevisi, Veronica Lucia Castaldo, Matteo Barni, Antonio Mattia Vallone, Gianluca Scarano, Alessandro Bruttini and Laura Mancazzo

## CDP Foundation. We create value for the Italy of tomorrow

The CDP Foundation was born out of the commitment of Cassa Depositi e Prestiti Group to supporting the country's growth. The Foundation was set up to pursue specific purposes of social, environmental, cultural and economic development, with special attention to initiatives in favour of the younger generations and in support of human capital.

The CDP Foundation is an operational platform used to design innovative solutions together with Italy's leading excellences, under the banner of inclusion, culture and growth, to respond with courage to the great challenges of the present.

In line with the United Nations Sustainable Development Goals, the Foundation, already working on several projects, promotes actions with a high social impact in 4 main target areas:

1. **Training and social inclusion:** with projects intended to combat educational poverty and school dropout rates, it supports the training of young people by promoting the study of the most sought-after disciplines to enter the job market, such as technical-scientific and digital skills. It promotes growth processes to bridge the gap between job supply and demand, the fight against educational inequalities and the formation of human capital.
2. **Culture:** together with the country's leading cultural institutions, it undertakes actions to pro-

## Launch of #youthefuture with Save the Children

3,200 students in 83 primary and secondary schools in 12 Italian cities. These are the figures behind the first project of the CDP Foundation born with the aim of strengthening the digital skills of children and adolescents in our country, encouraging them to be the key players of their future and to become advocates of change in society.



Martina La Valle  
and Lorenzo Pastorello

3. **Analysis, studies, research:** it promotes projects in support of scientific research in collaboration with institutions, universities and research centres to encourage the growth of young talents in Italy and abroad.
4. **Sustainability and emergency support:** is committed to addressing the challenge of sustainable and responsible development, also raising civil society's awareness of initiatives aimed at combating climate change, promoting education in environmental sustainability, the energy transition and the circular economy.

# Art and culture: the driver behind local development

In recent years, the Company has taken on a multidimensional role in society, which includes the relationship with the reference communities. Cultural projects represent the main key to set in motion the drivers of a territory and to aid social and economic development.

Hence, the commitment of Cassa Depositi e Prestiti in the artistic and cultural field, starting from the enhancement of its heritage of works with sculptures, paintings, photographs and archives, which represent an important example of the link between industrial activity, developed in the postwar years, and art. CDP's activities for culture were created to increase the social, economic and reputational impact of the Group's actions. They encourage the production sector to integrate an artistic and cultural dimension in its value creation processes. They enhance the excellence of Italy's cultural and artistic heritage, building networks and relationships with museums, creative companies, training agencies and cultural operators and supporting young talents, including through the creation of artistic residences in the territories.

The Museo CDP "Percorsi d'arte e d'industria" was among the first projects to be implemented. It represents the first tangible evidence of Cassa Depositi e Prestiti's desire to make its vast artistic and cultural heritage available to scholars, employees, schools, enthusiasts or anyone that might simply be curious. Set up along the monumental staircase of the Palazzo in via Goito in Rome, the Museum exhibits the vast art collection of Cassa Depositi e Prestiti, giving particular emphasis to the works created starting from the 1950s and up to the end of the 1970s for the magazine "Civiltà delle Macchine". These are about 100 works by the leading Italian artists of the time who investigated and analysed the relationship between man and machine.

The Museum is completed with the exhibition of works of art created in the Second World War for the great transatlantic liners that plied the routes between Italy and America.

Their enhancement, born out of the collaboration with La Galleria Nazionale di Roma, is achieved through the exhibition of sculptures and tapestries of the Italian masters of the fifties and sixties of the twentieth century, a period during which art was an exemplary and distinctive hallmark of the large national industry, an indicator of excellence and development, capable of telling the story behind the Made in Italy and the country's development in all its expressions and facets.

## Exhibitions at the Group's local offices

The Group's commitment in the cultural field also extends to the creation of exhibition spaces at its network of local offices to aid the development of the artistic fabric, including at the local level. The Group's commitment in the cultural field also extends to the creation of exhibition spaces at its network of local offices to aid the development of the artistic fabric, including at the local level.



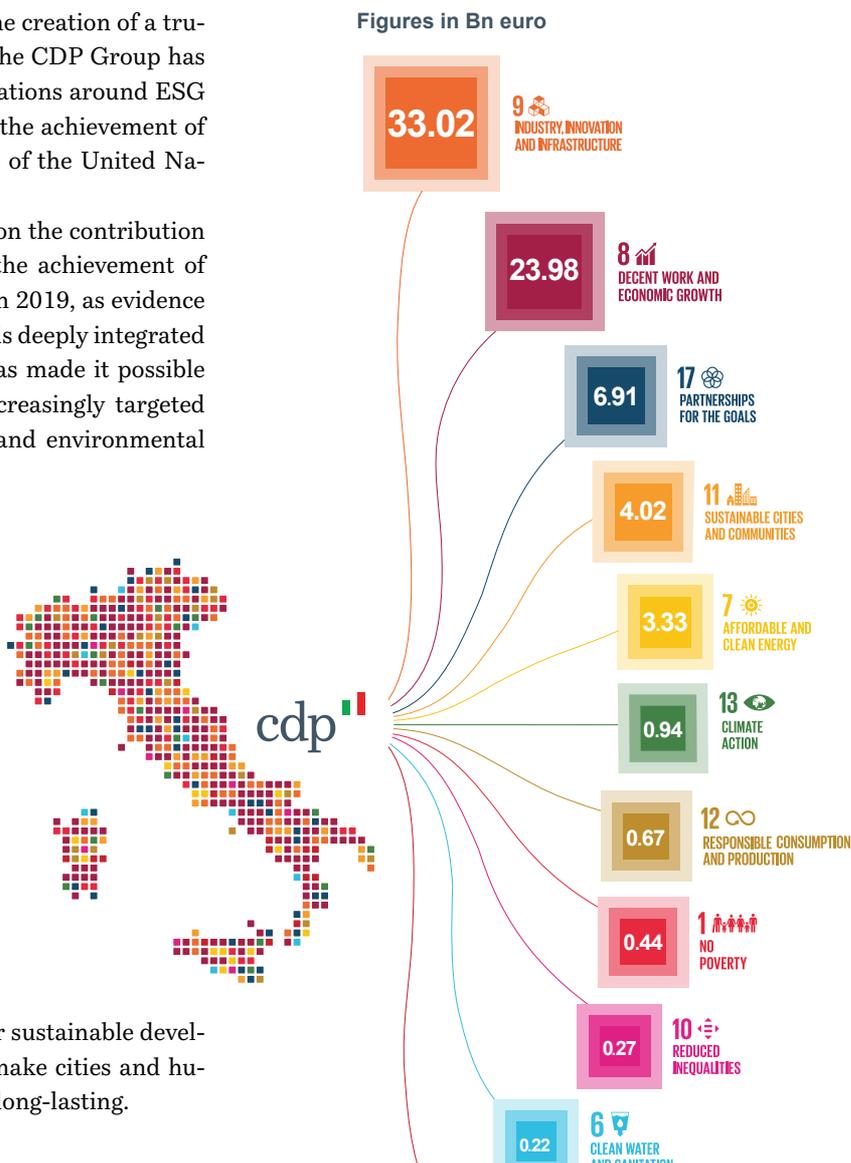
Carlotta Giarola  
and Giacomo Bottino

# Sustainability: the engine behind the Group's operations

With a view to supporting Italy in the creation of a truly sustainable development model, the CDP Group has chosen to base its strategy and operations around ESG principles, in order to contribute to the achievement of the Sustainable Development Goals of the United Nations' 2030 Agenda (SDGs).

The Group has continued to report on the contribution of the resources invested towards the achievement of each individual SDG, which began in 2019, as evidence of the extent to which sustainability is deeply integrated into the Group's operations. This has made it possible to steer future choices along an increasingly targeted evaluation of the economic, social and environmental impact of its investments.

During 2020, CDP supported Objective 9 for the construction of resilient infrastructures and the promotion of innovation and fair and responsible industrialisation for over 33 billion euro, and Objective 8 for approximately 24 billion euro, focused on fostering sustainable and inclusive economic growth, full and productive employment and decent work for all. In addition, the Group contributed around 7 billion euro to strengthen the means of implementation and renew the global partnership for sustainable development and over 4 billion euro to make cities and human settlements inclusive, safe and long-lasting.



## Integrated Report

As evidence of the endeavours made with the 2019-2021 Business Plan, in order to fully integrate sustainability into its operating model, this year the Group published its first Integrated Report.

It is a tool that provides a clear representation of the path taken and aims to share with all stakeholders the evolution of value creation activities for the territory. The document clearly links governance, business model, risk management, strategic objectives and the development of the main forms of "capital", with the aim of illustrating how CDP's work contributes to the development of shared value over time.

This choice has made it possible not only to report the financial, social and governance results through a single instrument, but also to direct corporate procedures towards a new way of "integrated thinking".

This document has been prepared in accordance with the principles proposed by the GRI Sustainability Reporting Standards, namely: balance, comparability, accuracy, timeliness, clarity and reliability. Moreover, the principles-based guidance of the International Integrated Reporting (IR) Framework was also taken into account, as published in December 2013 by the International Integrated Reporting Council (IIRC). The information contained in the Integrated Report refers to the material topics identified through a materiality analysis process, updated over the course of 2020, and related indicators that reflect the economic, environmental and social impacts of the organisation considered significant or that could substantially influence the assessments and decisions of the Group's stakeholders. The Integrated Report reports the data of the Parent Company and of the companies over which the latter exercises management and coordination and makes use of methodologies owned by CDP, particularly for the purposes of reporting the impacts.

## CDP's Sustainability Framework

The Framework illustrates the role of sustainability in the current context and the inspiring and methodological principles adopted by CDP within its organisational system, in order to integrate environmental, social and governance principles into its actions.



Francesca  
Romana Micheli  
and Andrea Stefani

The CDP Group  
has based its strategy  
and operations around  
ESG principles



26.0%



9.8%



35.0%



59.1%



CDP Reti

100.0%



CDP Industria



26.0%<sup>1</sup>



31.4%



29.9%



12.6%

FINCANTIERI

71.3%



#30 enterprises funds



#8 infrastructures and facilities funds



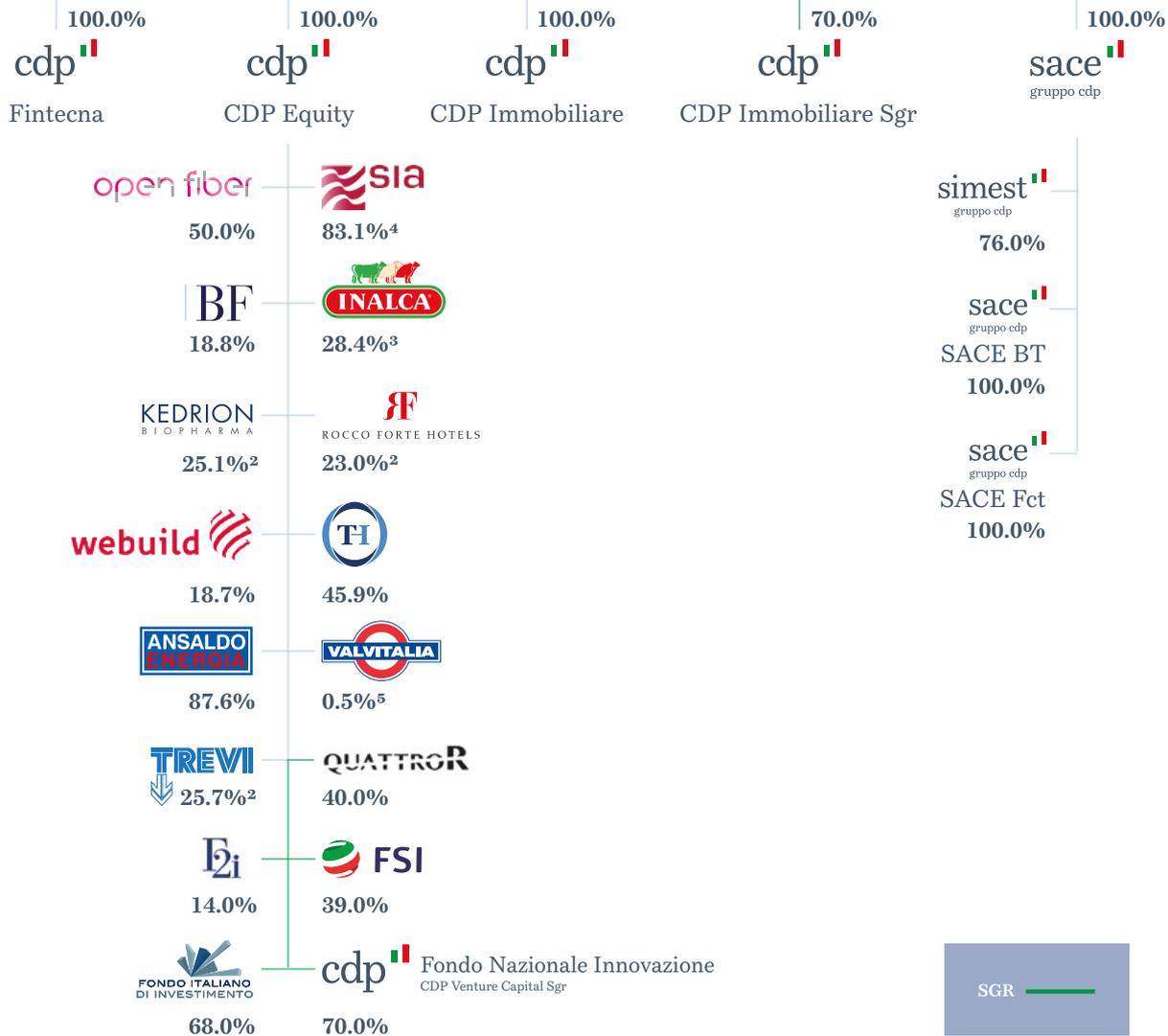
#6 real estate funds



#1 international cooperation fund

**CDP Group investments at 31.12.2020 (non-exhaustive presentation)**

1. Snam holds a further 13.5% investment in Italgas.
2. Equity investment held by FSI Investimenti, of which CDP Equity is a 77% shareholder; moreover, SACE holds a further 6.99% interest in Trevi.
3. Equity investment held through IQMIIC, of which FSI Investimenti holds a 50% interest.



4. Equity investment of 57.42% held through FSIA (of which FSI Investimenti holds 70%) and of 25.69% through CDP Equity.

5. Equity investment held through FSI Investimenti, of which CDP Equity is a 77% shareholder, 49.5% pro-forma following conversion of the Convertible Bond.

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Greenhouse gas emissions deriving from the printing and distribution of the 2020 Financial Statements (Integrated Report, Annual Report and Annual Review) shall be offset, with the support of Arbolia, by the planting of 150 trees in Italy. The analysis of absorbed emissions was conducted in accordance with the principles and methods set out in the UNI EN ISO 14064-1:2019 standard with regard to the development of greenhouse gas inventories for organisations, and in the UNI EN ISO 14067:2018 standard regarding product carbon footprints.

Special thanks to the CDP Group people who were able to tell the story of our 2020 through the snapshots taken whilst working remotely.

**#cdpsiamonoi**



Investing in tomorrow

**Since 1850  
we have been investing  
in tomorrow**

[cdp.it](http://cdp.it)