



Inclusive, Sustainable, Digital

WITH ITALY AS IT GROWS

The new CDP and the country's challenges

2022-2024

Strategic Plan

Rome, 25 November 2021



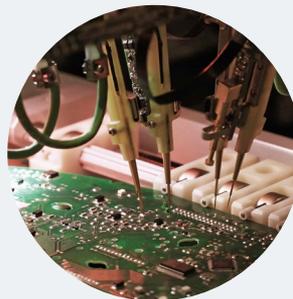
Bridging the gaps: Italy's four major challenges



Climate change and ecosystem protection

- Slow development of **renewable energy** sources
- Low availability of **waste treatment** facilities
- Limited investments in **water infrastructure**

Especially in the South



Digitalisation and innovation

- **Low investment** by SMEs in digitisation
- Low penetration of **fixed broadband** among Italian households
- Low level of **cybersecurity**



Inclusive and sustainable growth

- Local **healthcare facilities** need strengthening
- Low capacity of **social, student and senior housing**
- Slow **regeneration** of urban areas and social infrastructure



Rethinking value chains

- **Cost of logistics** 11 times higher than the European average
- Strategic **supply chains** excessively **dependent** on other countries
- High level of **goods transported by road**

CDP's commitment to 10 Areas of Action pivotal to 2030 Agenda and NRRP

Based on macro-trends...



Climate change and ecosystem protection



Inclusive and sustainable growth



Digitisation and innovation



Rethinking value chains

...10 Areas of Action have been identified for CDP...

- 1 Energy transition
- 2 Circular economy
- 3 Preservation of local territories
- 4 Social infrastructure
- 5 Capital markets
- 6 Digitisation
- 7 Technological innovation
- 8 Support to strategic supply chains
- 9 International cooperation
- 10 Transport/logistics hubs

...in line with the SDGs and the PNRR's missions

Sustainable Development Goals (SDGs)
of the 2030 Agenda for Sustainable Development



Missions of the National Recovery and Resilience Plan (NRRP)



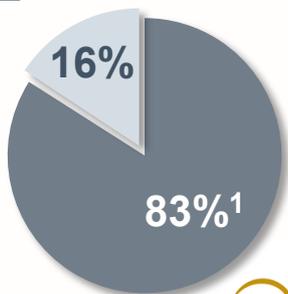
CDP today: more than 400 billion euro for investments in Italy

CDP's Mission

Promoting Italy's sustainable development by using savings responsibly to drive growth and employment, by supporting innovation and business competitiveness, infrastructure and local development



Banking foundations



 Ministero dell'Economia e delle Finanze

Total assets

410²

billion euro



Loans

107

billion euro



Equity investments

36

billion euro



Postal funding

275

billion euro



Bond funding

21

billion euro



Equity

25

billion euro



The 2022-2024 Strategy: CDP, catalyst for Italy's sustainable growth



Mature market

Creation of **cutting-edge standards** with a special focus on ESG¹ criteria, to become a **benchmark for the market**, through an approach of **additionality and selectivity**



Market to be created

Support to the **creation and development of new markets**, by leveraging **resources** and **technical expertise**

The 2022-2024 Strategy: the 3 transformational strategic pillars



Sector analyses and funding and investment policies to guide actions in order to generate impact

Technical advisory role and management of third-party funds (through mandates)

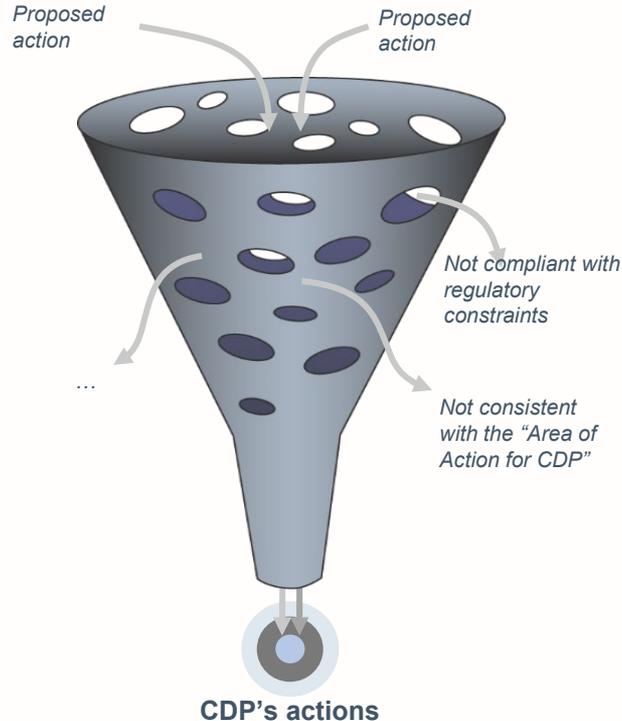
Financial instruments in support of Italy's strategic sectors

<i>Focus on next pages</i>	Change in CDP's operating model
<ul style="list-style-type: none"> <i>Policies</i> <i>Operating model</i> 	<i>Strengthening capacity of sector analyses and impact assessment</i>
<ul style="list-style-type: none"> <i>Advisory role</i> <i>Mandate management</i> 	<i>Strengthening technical skills to best direct expenditure towards quality projects</i>
<ul style="list-style-type: none"> <i>Loans and guarantees</i> <i>Equity</i> <i>Real estate</i> 	<i>Activation of a broad range of products for PA and Enterprises at every stage of the life cycle</i>

How we will work: Policies, a guide for operations

A new method for assessing loans/investments and the use of CDP resources for sustainable growth

Structured approach to the assessment of actions through codified criteria



Legal	Regulatory feasibility <i>(verification of constraints)</i>
Strategy	Strategic consistency
Policies and scoring model	Additionality
	Quality of the counterparty
	Project technical quality and impact
Risk and return	Risk and financial sustainability for CDP

From policies to project assessment: examination criteria



Strategic consistency 



Additionality 



Quality of the counterparty 



Project technical quality and impact 

 Support for **initiatives aligned with the areas of action**

 **Assessment of the added value** of CDP's contribution with respect to the market

 Assessment of the **counterparty's technical and credit profile**

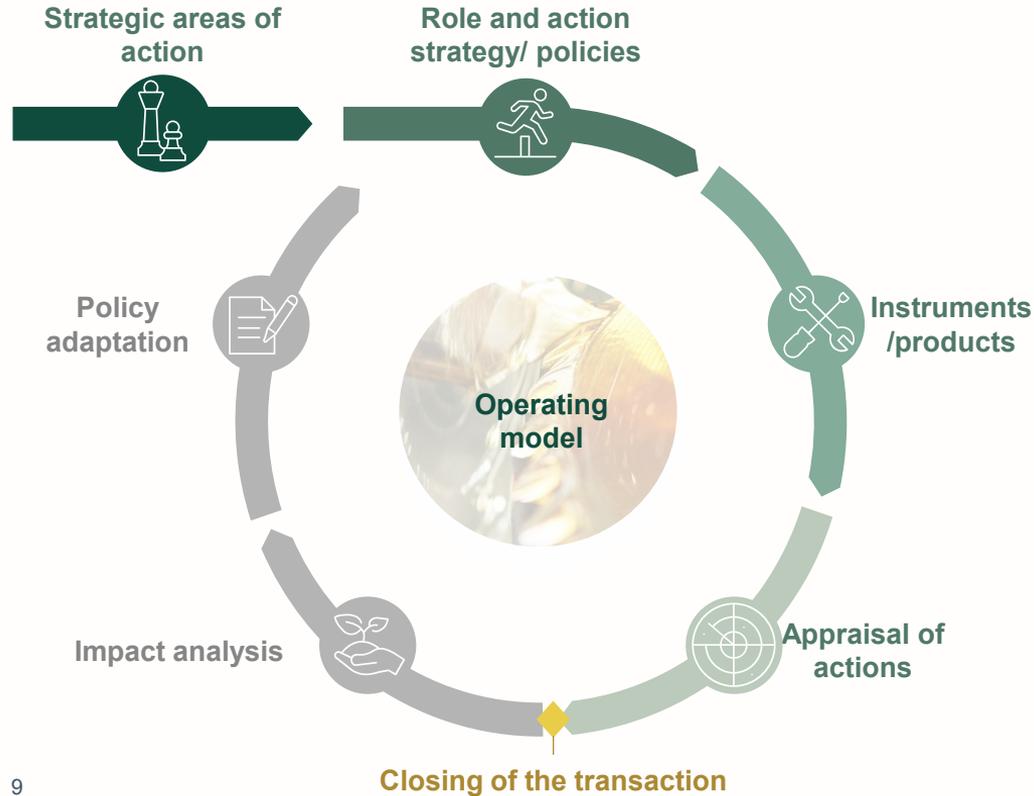
 For specific-purpose loans, **technical assessment of the project** and its **economic, social, occupational and environmental impacts**

 **Rewarding factors** for projects developed by counterparties **on focus areas** and/or with **high ESG impact**

 **Crowding-in** approach to catalyse resources of other investors

 **Assessment of environmental, social, economic and sustainability issues**

New operating model to guide the implementation of actions



Activity



Analysis of macro and sector trends, identification of gaps



Formulation of action strategy to fill the gaps identified and analysis of complementarity with the market



Identification of instruments/products and forms of risk mitigation



Financial, technical, sustainability and legal appraisal of projects and implementation of the action



Impact analysis verifying the achievement of the targets set



Continuous adaptation of policies based on available evidence

Creation of Competence Centres specialised in thematic areas



Advisory role: new technical expertise made available to the PA for the planning and implementation of the best investments



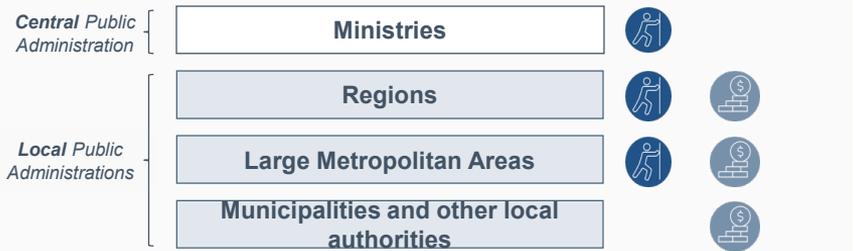
Sector specialisation with strengthening of in-house technical expertise for planning and implementing projects



“Tailor-made” actions for complex projects for Central PA, Regional and Metropolitan Areas and simplified models for Local PA



- Sectors of specialisation**
1. Development and urban regeneration
 2. Natural resources, energy and environment
 3. Transport
 4. Social infrastructure
 5. Innovation and digitalisation



Management of third-party funds supporting the PA and Enterprises

Expanding management mandates for **public funds** to facilitate their use and maximise their impact, also in synergy with CDP resources



Public Sources

Italian and European public funds



Activities for the Public Administration

Activities for Enterprises

Management of funds

New mandates

Implementation of mandates

Developing the **full potential** of the partnership between CDP and the PA

Actively managing public funds for the **structuring of financial instruments**

Strengthening the **structuring of financial instruments** with **EU funds** and **national funds**

*Leveraging CDP's expertise to ensure the **use of the funds** and **adherence to timelines** (e.g. NRRP) and monitoring results*

***Combining public and CDP resources** for the benefit of **enterprises**, leveraging on public resources*

*Structuring **innovative financial instruments** for enterprises*

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CDP's activities

Loans and guarantees: support for Infrastructure and PA, Enterprises and International Cooperation and Development Finance



**Infrastructure and
Public Administration**



Enterprises



**International
Cooperation and
Development Finance**



Premium pricing rewarding **ESG investments**



Technical assessment and monitoring of actions



Blending of CDP and EU resources



Debt and quasi-equity to accelerate **infrastructural investments**



Direct support through CDP's own resources lowering for some cases the minimum access threshold



Indirect support by leveraging EU and national resources in partnership with the banking system



Support for exports and international expansion



Developing non-bank lending in line with the Capital Markets Union¹



Partnerships with **leading development finance institutions**, aimed at **transferring expertise**



Blending with **public resources** and **thematic funds**



Expansion of **activities with sovereign entities** through co-financing initiatives

13 Notes: (1) European plan to create a single market for capital, with the aim of making money – investments and savings – flow across the EU so that it can benefit consumers, investors and companies

Equity: for Italy's strategic companies and the development of the Italian private equity and venture capital markets

Direct equity



Strategic equity investments



Special purpose actions

Indirect equity



Private Equity



Venture Capital



Infrastructure funds



Role as a stable shareholder in companies with **strategic infrastructure or assets of the country**



Special purpose actions aimed at the growth or stabilisation of businesses in key sectors with an exit approach



Supporting market growth and specialisation through investments in **SMEs within strategic supply chains**, in **"first-time teams"** and according to **policy objectives**



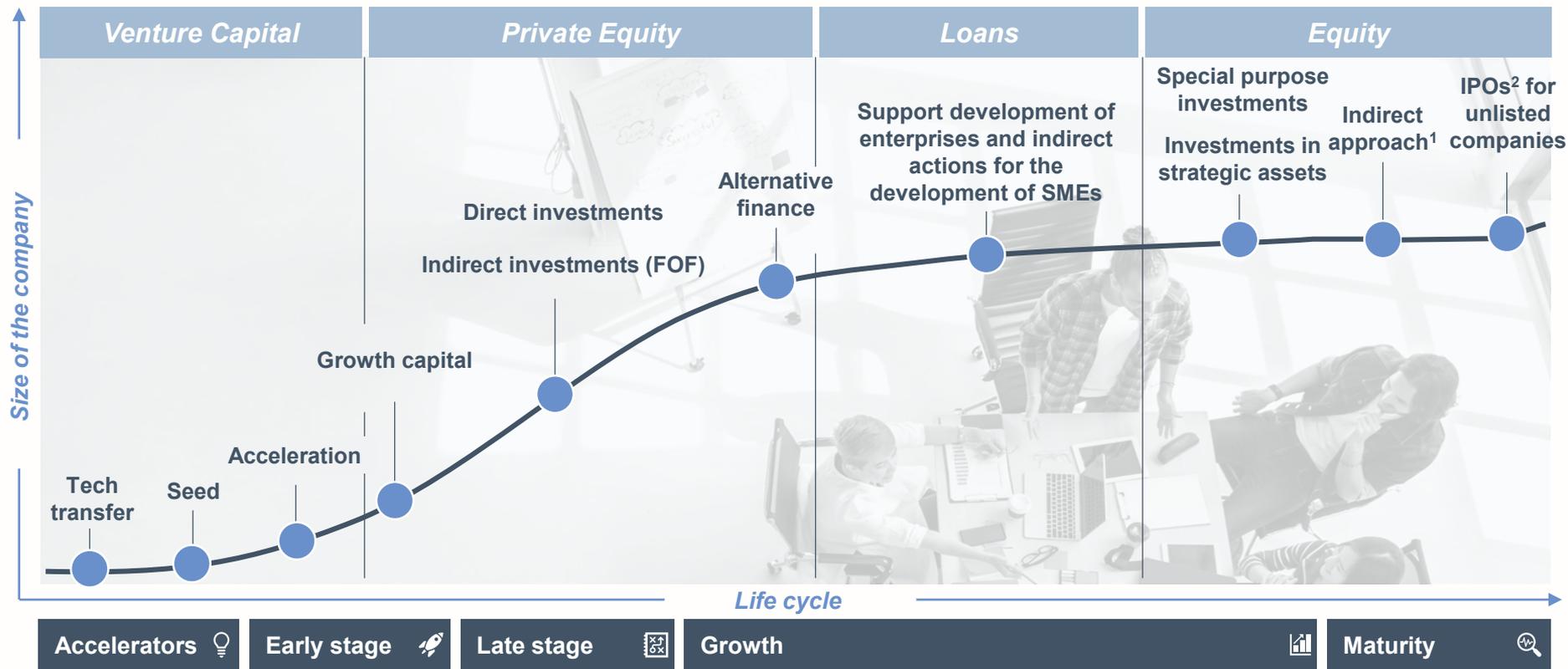
Creating a **sustainable VC ecosystem and attracting third-party resources** for the gradual development of **new segments**



Developing **the Italian market** by selectively investing in specialised funds with a **greenfield/revamping component**

Systematic application of the principles of:
1. Crowding-in of resources from other investors
2. Capital rotation

CDP will support enterprises in all phases of their life cycle, by using equity and debt capital



15 Notes: (1) Mainly through "Patrimonio Rilancio"; (2) Initial Public Offerings

Real Estate for social cohesion, tourism and urban regeneration



Funds

Social, senior and student housing



Funds

Tourism



Funds and Direct transactions

Asset optimisation and regeneration



New neighbourhoods with a high-local-impact functional mix including **social, senior and student housing**, also in **partnership** with **Banking Foundations**



Social housing and integrated neighbourhood services throughout the **country**, particularly in **disadvantaged areas**



Maximisation of the **use of third-party resources**



Acquisition of **property for redevelopment** and **real estate deconsolidation** in the **tourist-hotel sector**



Fund to attract NRRP resources, with a focus on historic houses, hotels and hostels



Optimisation of the **use of third-party resources**



Urban regeneration projects to be developed, where possible, together with the **Banking Foundations** on large building complexes in portfolio



Value creation through **lease to third-parties** or **productive-use** by the Group of **RE properties**



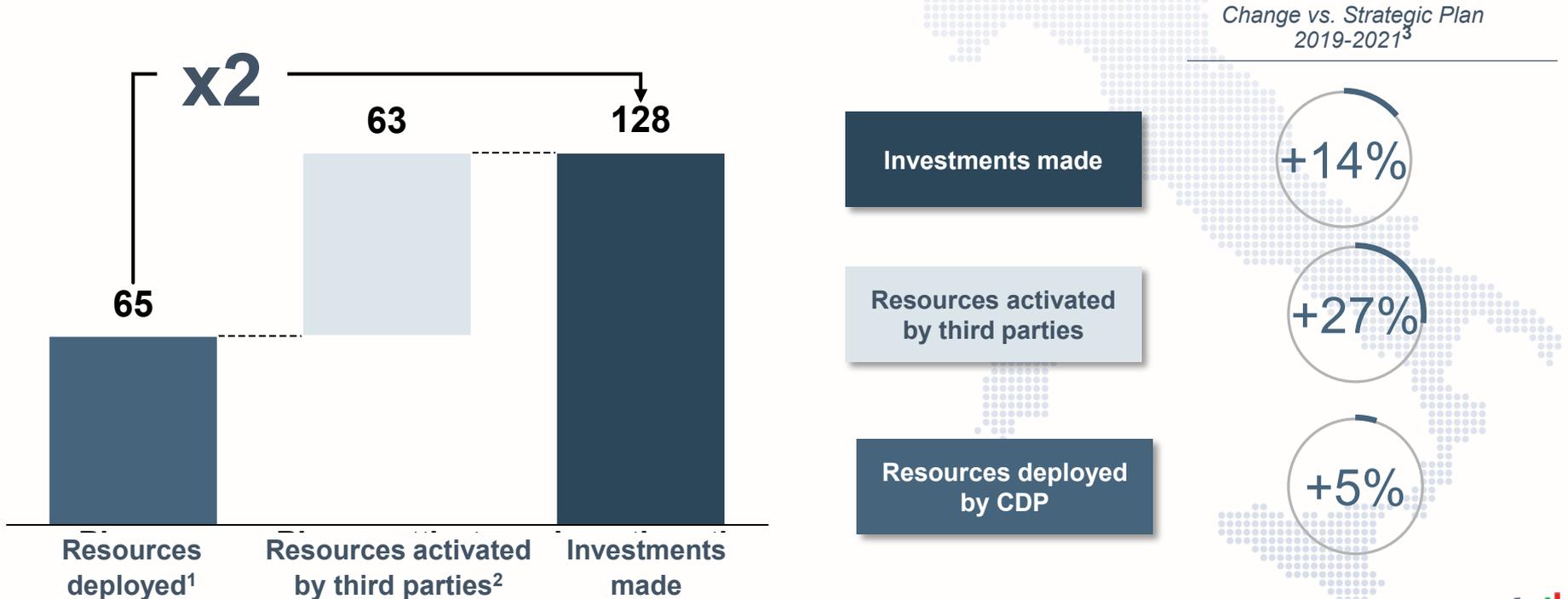
Direct sale based on **principles of transparency** and **maximisation of value**

CDP has made its expertise and a wide range of instruments available to the NRRP in support of the PA and Enterprises, through a dedicated task force

 Objectives of the Task Force	 Instruments available	 NRRP resources with CDP involvement
 Maximising the effectiveness of CDP in supporting NRRP initiatives	Projects assigned Scope of actions already assigned to CDP under the NRRP for which CDP can act as an implementing entity	3.3 billion euro
 Coordinating the activities carried out by the business areas	Financial instruments Structuring of financial instruments to facilitate the use of the resources envisaged in the NRRP, to guarantee the timely implementation of projects	<i>In the process of being defined also on the basis of discussions with MEF/Ministries</i>
 Ensuring continuous dialogue with Italian and European stakeholders	Advisory role Advisory role to support the PA , accompanying it throughout the project and offering CDP's distinctive technical and financial expertise and track record	2.7  billion euro <i>upside being defined also on the basis of discussions with MEF/Ministries</i>
 Monitoring the implementation risks of CDP initiatives		

Investments by the CDP Group are due to grow over the period of the Plan

Total investments made – CDP Group | 2022-2024, billion euro³



18 Notes: (1) CDP resources deployed through loans and guarantees, equity and mandate management; (2) Resources from other investors and/or lenders activated on projects supported by CDP, and investments made through CDP's advisory role; (3) 2019-21 pro-forma plan data excluding the SACE group

Resources deployed and investments activated by CDP in support of the Country

Total resources and investments | 2022-2024, billion Euro¹

	Resources Deployed	Investments Activated
Infrastructures and Public Administration	21	53
Lending to enterprises and support for intl. expansion	34	56
International Cooperation and Development Finance	2	4
Equity	7	13
Real Estate	1	2
Total	65	128



¹⁹ Notes: (1) Net of intragroup transactions (on deployed resources of 6 billion euro and on investments made of 6 billion euro)

5 principles underpinning the CDP culture



Expertise

We promote Italy's growth through our heritage of knowledge and experience and our financial resources



Environment

We support the transition to a greener economy and society through virtuous behaviour



Impact

We assess the local impact of our initiatives and engage communities bearing in mind our social responsibility



Inclusion

We value diversity, by creating an open, respectful and inclusive working environment where everyone can fulfil their potential



Integrity

We act with integrity and in accordance with our code of ethics and we ensure transparent and impartial dialogue with our stakeholders

The new CDP will be...



A centre of financial resources and technical expertise to support Italy's growth

Working alongside the **PA** and **Enterprises** with an **additional and complementary role** with respect to the market

Policy driven, to prioritise **high-impact actions**

Capable of **catalysing other investor resources**, with a clear **capital rotation** strategy

Inclusive and transparent both internally and towards external stakeholders

Underpinned by a **solid asset base** for the **safeguard of savings**

Disclaimer

- This document has been prepared by Cassa Depositi e Prestiti S.p.A. (“CDP”) for information purposes in connection with the presentation of the 2022-2024 Strategic Plan and the future strategies of the CDP Group
- The information contained in this document includes forward-looking statements based on estimates, assessments and projections of future developments in the CDP Group’s sectors of interest, which management believes to be reasonable at the present time. These forward-looking statements are, by their nature, subject to risks and uncertainties inherent to events occurring in the future. Accordingly, the actual results of the CDP Group may differ from those indicated in these forward-looking statements. Factors that could lead to such differences include global or national macroeconomic conditions, economic policy conditions and the national, European and international regulatory framework
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- The forward-looking operating and financial results presented in this document may be subject to further adjustments due to the effect of the pre-closing of the year 2021, to be defined within the first few months of 2022, as well as the necessary administrative and regulatory measures related to the launch/strengthening of the initiatives envisaged over the course of the 2022-2024 Strategic Plan (for which discussions are already under way with the relevant parties). The CDP Group does not assume any obligation to publish updates or revisions to this document
- The information contained in this document takes account of the CDP Group’s current corporate and ownership structure, without prejudice to the decision-making autonomy of the decision-making bodies of the individual companies involved in the initiatives set out in the Strategic Plan

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