

Cassa depositi e prestiti Group: Approval of the 2019-2021 Business Plan

200 billion euro over three years to support enterprises, infrastructures and local areas

The Cassa depositi e prestiti Group will provide over 110 billion euro in new lending for economic growth and sustainable development in Italy, activating over 90 billion of additional lending from private investors and other local and national institutions and supranational organisations

The four main lines of action pursued by the Group are as follows:

1. **CDP Enterprises: 83 billion euro** to support — also via an enhanced physical channel and a digital channel — companies with an integrated offer, geared to their needs and focusing on innovation, growth and exports;
2. **CDP Infrastructures, Public Sector and Local Development: 25 billion euro** with a proactive role in the promotion, realisation and financing of infrastructures; restarting a new partnership with the Public Administration focused on the local areas;
3. **CDP Cooperation: 3 billion euro** to become a financing partner in developing countries;
4. **Strategic Equity Investments:** strengthening of sectorial and industrial expertise, to manage the portfolio of equity investments also with an industrial approach over the long term.

To meet Italy's challenges and the targets of the Plan, a new business model and initiatives for a sound capital base and protection of savings have been developed, placing a strong focus for the first time on promoting sustainable and inclusive development.

“This Business Plan,” said the Chairman of Cassa depositi e prestiti, Massimo Tononi, “represents a highly innovative step and aligns the strategies of Cassa depositi e prestiti

with the major global trends and the Sustainable Development Goals defined by the UN 2030 Agenda. At the same time, it confirms the deep bond that Cassa depositi e prestiti has with its historical values: support for the economy of the Country and its development, on the one hand, and the management and protection of savings entrusted to us by millions of Italians on the other.”

“The Business Plan approved today,” said the Chief Executive Officer of Cassa depositi e prestiti, Fabrizio Palermo, “marks the beginning of a new phase for Cassa depositi e prestiti which, with an unprecedented commitment, will play an increasingly proactive role over the next three years in supporting economic growth and sustainable development. We are introducing a new business model that aims at further strengthening the Group’s know-how and at simplifying the organisation and operations. A wide-ranging transformation, which will allow us to activate substantial resources for enterprises and local areas, increasing the number and effectiveness of our measures to promote the growth of the Country.”

Rome, 5 December 2018 h 1.51pm - the Board of Directors of Cassa depositi e prestiti Spa (CDP) today approved its new Business Plan for the three-year period 2019-2021.

The Plan sets out the Group’s objectives and strategies in the light of the **major economic and social challenges** in Italy, the main global trends (innovation and digitization, energy transition and climate change, developing countries and international trade, social changes) and the Sustainable Development Goals of the UN 2030 Agenda.

The new Business Plan sets out a series of ambitious growth targets that the Group **will also support with its own, entirely private, resources**, today consisting of 254 billion euro in postal savings bonds and passbook savings accounts and 87 billion euro of resources raised on the national and international financial markets.

The increase in activity will be favoured by the development of the business model, thanks to CDP’s progressively **proactive approach aimed at providing effective acceleration, in sustainable terms, to the industrial and infrastructural development in the Country**, as well as by the enhancement of the expertise and distinguishing features of CDP: protection of postal savings, long-term investment capacity, complementary role to the banking system and economic and financial balance.

Targets of the 2019-2021 Business Plan



With the Plan approved today, CDP intends to **activate a total of 203 billion euro between 2019 and 2021** (+32% compared to the three-year period 2016-18), contributing significantly to the Country's sustainable growth. It is a significant figure, which will be achieved by **using 111 billion (+23%) of its own resources** and by activating 92 billion (+47%) of resources from **private investors and other local and national institutions as well as supranational organisations**.

All the planned actions will be achieved by ensuring **economic and financial balance** and, therefore, with **full protection of the savings** that families entrust to CDP through postal savings bonds and passbook savings accounts.

To effectively support the Country's economic, social and environmental growth, CDP will deploy its actions over **four main lines**.

CDP Enterprises

The Business Plan will provide **83 billion euro** in new lending over the three-year period to encourage innovation and the international expansion of Italian companies, through the creation of a single Group offer and the simplification of the access channels. The aim is to expand the number of companies receiving support, with a target of **60,000 enterprises over the horizon of the Plan** (reached either directly or indirectly, such as through the banking system), with a **growing focus on SMEs**.

The Group will provide enterprises with some dedicated tools for:

- **innovation**, with the development of medium-long term financing activities (complementary role to the banking system) - also with Italian and European resources, allowances and guarantees - and **more incisive actions as regards venture capital**, also through a dedicated asset management company and funds for incubators/accelerators;
- **domestic and international growth**, by expanding loans and direct guarantees for investments; strengthening the operations of the SACE Group in support of Italian exports (with a review of reinsurance and the introduction of new digital products and “education on export” initiatives); reorganisation of equity instruments and the launch of sector-specific funds in areas such as mechanics, agribusiness and the white economy;
- **facilitating the access of SMEs to direct finance**, also through the involvement of other investors with tools such as regional basket bonds, and **indirect finance**, in

collaboration with the banking system and through guarantees or national and European funds.

A **new multichannel distribution model** will be introduced: an enterprise will in fact have a single point of contact to access all the Group's products; the nationwide network will be expanded by providing at least one office in every Italian region; the digital channel and cooperation with third-party networks will also be strengthened to support small and medium-sized enterprises.

CDP Infrastructure, Public Sector and Local development

The Plan will invest **25 billion euro** to support the local areas and authorities in building infrastructures and improving public utility services, by strengthening its partnership with the Public Administration and opening local offices.

With the aim of **accelerating the development of infrastructures**, a dedicated unit will be set up, called "CDP Infrastructures", which will support Local Authorities in the project, development and financing of works. CDP will ally its traditional role of financial provider with that of promoter of new strategic projects, by involving industrial players in public-private partnership operations. The areas of intervention will be expanded, with a focus on mobility and transport, energy and networks and social and environmental aspects.

The plan also envisages the following actions: enhanced cooperation with the Public Administration to relaunch investments and innovation, also through renegotiations and advances to facilitate access to national and European funds and the payment of debts to enterprises; the **increase in direct intervention in local areas**, with the launch of City Plans (*Piani Città*) for the upgrading of urban areas, and initiatives to support tourism (fund for the upgrading of tourist facilities, especially in the South), art and culture; the **support for public services** such as health (healthcare innovation and senior housing), housing (social housing) and education (student housing and student loans) services.

CDP Cooperation

3 billion euro have been earmarked for carrying out projects in developing countries and emerging markets. The Plan also highlights a discontinuity in this area, with a proactive approach by CDP, which **as manager** of public resources, will assume the **role of financing institution**, capable of allocating resources through the identification of investment projects.



Loans will be granted to governments as well as to multilateral financial institutions such as development banks. CDP will also support enterprises by participating in Italian investment funds or those of the target countries which may also involve Italian industrial partners.

Strategic Equity Investments

The Group's portfolio will be reorganised according to an industrial approach and by business sector, in order to support its development over the long term. The objective is threefold: to encourage the creation of industrial expertise in the strategic sectors of the production system; to support opportunities for cooperation between investee companies; to support the growth of the different enterprises that come within the value generation chains.

Sound capital base and protection of savings

The new Business Plan sets out ambitious growth targets that put Cassa depositi e prestiti at the heart of the Country's economic development and that will be pursued while relentlessly monitoring CDP's the **economic and financial balance**.

CDP will continue with the expansion and diversification of its lending tools and with improvements to its risk hedging strategies related to the development in operations. In addition, it will continue its plan of renewal and development of postal savings bonds and passbook savings accounts, by extending the range of digital products and services and with the expansion of funding sources devoted to activities with social and environmental impact, such as social bonds and green bonds.

The new business model

In order to achieve the targets of the Plan and in the light of the new business lines, **an evolution in the business model** is already in progress so as to respond effectively to the challenges of the Country. The new model involves various actions. One of these has already been launched and involves the strengthening of human capital, the Group's primary asset, with **the attraction and development of talents**. This process will be reinforced with the creation of an In-House Academy. There will also be a **streamlining in the organisation and in the operational and decision-making processes**, as well as the creation of customer-oriented solutions. Lastly, to this end, both CDP's offer and its communications with enterprises and the Public Administration will be digitalized.



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Joint-stock company
Via Goito, 4, 00185 Rome
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Share capital
€ 4,051,143,264.00 fully paid-up
Registered with the CCIAA
(Chamber of Commerce, Industry,
Agriculture and Handicraft) of
Rome under REA No. 1053767

Tax identification number and
Rome Companies' Register No.
80199230584
VAT no. 07756511007



CDP for the Country's sustainable development

With its new Plan, CDP intends to contribute proactively towards the achievement of the Goals set by the **United Nations 2030 Agenda**, also signed by Italy. Sustainability will be integrated into CDP's choices through a gradual increase in lending to initiatives whose **social and environmental impacts** are clear and measurable. According to this approach, new assessment criteria for investments will be adopted for the first time that bring together the traditional economic and financial parameters with social and environmental aspects in order to minimise the Environmental Social and Governance (ESG) risk and maximise the positive impacts on communities and local areas. Sustainability, therefore, will no longer be a "side effect" resulting from CDP investments, which for over 160 years have produced positive aspects for the Country, but a founding pillar in its strategic business choices.

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