



Fondazione
Compagnia
di San Paolo

PRESS RELEASE

NOW IS THE TIME FOR BUILDERS: FROM HEADLINES TO CONSTRUCTION PROJECTS

FCSP AND LOCAL COMMUNITIES AT WORK FOR THE COMMON GOOD

- **161 million euros earmarked for grant-making and joint initiatives in 2022**
- **158.7 million euros disbursed in 2021 to support and implement 1,049 projects**
- **7.9 billion euros is the total market value of FCSP's financial asset portfolio**

Turin, 26 January 2022 – Francesco Profumo, Chair of Fondazione Compagnia di San Paolo (FCSP), alongside **Alberto Anfossi**, FCSP's Secretary General, today presented the strategy and certain key projects for 2022, in line with FCSP's Multi-Year Strategic Plan 2021-2024.

Today's presentation told the story of a journey around our local communities, in six stages that represent the cross-cutting dimensions on which FCSP's strategy is based. Each stage symbolises our multidimensional approach, and offers examples of projects and processes that can be replicated across our catchment area and scaled up at a national level. The six cross-cutting dimensions are: **well-being**, in a holistic sense, encompassing the health of people and communities; **knowledge**, as a process of continuous, life-long learning for everyone; **opportunity**, in the sense of creating the conditions for access to inclusion and support for the most vulnerable people; **green transition**, which focuses on the natural and man-made environment, to be preserved and regenerated; **innovation** and **digital**, as cross-cutting creative and transformational dimensions of organisations; and **geographical awareness**, as a means of harnessing the value of the specific characteristics, diversities and interconnections of distinct geographical areas.

"This year marks the 30th anniversary of the foundations of banking origin, and next year Compagnia di San Paolo will be 460 years old. That's old enough for us to be able to say that every significant chapter in history, even the most demanding and unsettling, such as the pandemic, compels us to reinvent ourselves.



*That is what we are doing now, while remaining faithful to our mission, which is people and the common good,” said **Francesco Profumo**, Chair of FCSP. “Compagnia di San Paolo has grasped the opportunity presented by this historic turning point: that’s why our Strategic Plan, unveiled a year ago, takes the path of profound innovation and will walk that path in a collective spirit that unites Brussels, Rome and Turin and prompts us all to join forces and work together. ‘Now is the time for builders: from headlines to construction projects’ was FCSP’s mantra in 2021.”*

With the publication of its Strategic Plan 2021-2024, FCSP clearly announced its intent to shape its work around a new departure, or more precisely, a departure towards something new, that can be summed up by the two words **innovation** and **education**, as foundation stones on which to build the future. These are major challenges, and they are closely interlinked: *“Every innovation, first and foremost, is an innovation in the way people do things: digitalisation and the green transition are unique opportunities, but the quality of the change we achieve will depend above all on our ability to find new balance and renewed vigour, both as individuals and communities, in harmony with these major transformations,”* continued **Profumo**. *“And then there’s the country’s top priority – education – which starts with the youngest among us, but involves us all, because we are all called upon to carry on learning as long as we live. This is the first condition that must be met if these processes are to be shared and are to produce more opportunities for our country. We need to unleash the best energies, such as those expressed by organisations run by young people in the social sector, which aim to strike a balance between innovation and cohesion. And we need to combine intelligence and commitment, which also means commitment and hard work, with the ability to look at things through new eyes.”*

This action is made possible by careful management of assets and resources, aimed at ensuring intergenerational solidarity, by increasing the real value of our assets for the benefit of future generations. *“The aim of FCSP’s investment policy is to support its mission and institutional activity, consistently and sustainably, while preserving, indeed increasing, the real value of our assets in the long term,”* explained **Alberto Anfossi**, Secretary General of FCSP. *“Last year, we announced an assessment of our portfolio from an ESG perspective, and this year we are pleased to say that we have achieved this task by defining, approving and implementing a responsible investment policy.”*

“The excellent diversification of our investments,” continued **Anfossi**, *“like in 2020, against a backdrop of zero dividends from bank shareholdings, and like in 2021 again, in favourable market conditions - not only enables us to start topping up our grant stabilisation fund again, with about 25 million euros - with a view to restoring the pre-2020 value of 360 million euros by the end of the year - but also to earmark 500 million euros of grant funding for the four-year period 2021-2024, to support the fulfilment of FCSP’s objectives. We talked about two speeds in the Strategic Plan, with a view to distinguishing ordinary allocations from strategic allocations. We are now able to allocate a further 100 million euros to strategic interventions in the four-year period, which will be prioritised for the support of the 6 cross-cutting dimensions that form the cornerstone of our strategic action. On this basis, we can allocate a total of 155 million euros to grant-making for 2022, of which at least 35 million are explicitly for strategic purposes, in other words, the aforementioned cross-cutting dimensions aimed at the structural reform of beneficiary bodies, to foster their sustainability, independence and innovation. By combining these amounts with those earmarked for the Voluntary Work Funds and the Joint Initiatives Fund of the foundations of banking origin, we estimate a total commitment of 161 million euros in 2022.”*



With regard to grants, it is important to highlight that the degree of rigidity surrounding grant-making has steadily decreased in recent years, putting FCSP in a better position to respond to needs that emerge from its catchment area, even during the course of the year. At the same time, there has been an increase in the resources that can be applied for under calls for proposals, thus accelerating FCSP's shift towards openness and comparative evaluation.

Assets

FCSP's assets as at 31/12/2021, valued at current market prices, amounted to 7.9 billion euros. The strategic portfolio was worth around 3.34 billion euros, of which the shareholding in Intesa Sanpaolo accounted for 2.7 billion. The diversified portfolio was worth around 4.35 billion euros.

In the course of 2021, the General Council, in conjunction with our asset manager Fondaco SGR, approved a new *responsible investment policy* for the diversified portfolio, i.e. investments in listed instruments, in accordance with ESG criteria and in line with certain SDGs, on the basis that environmental, social and good governance (ESG) factors have a significant effect on the long-term performance of investments.

Grants

For 2022, the basic share of grant-making funds amounts to 120 million euros, while the strategic component adds a further 35 million euros to support the cross-cutting dimensions identified in FCSP's Strategic Plan (aimed at enabling the structural reform of beneficiary bodies, to foster their sustainability, independence and innovation), making a total of 155 million euros. This total is then boosted by 5.4 million euros for Special Funds for Voluntary Work and almost 500,000 euros for the National Joint Initiatives Fund of the foundations of banking origin.

The overall total for 2022 therefore amounts to 161 million euros.

The basic share of grant-making funds will be divided as follows: Culture Goal 32.7 million euros; People Goal 46.5 million euros; Planet Goal 39.5 million euros, plus a budget of 1.3 million euros for the Planning, Research and Evaluation Department.

As it has been since 1563, Fondazione Compagnia di San Paolo is a local agent of development for the common good, engaging in supportive interventions, actions and investments that build on its centuries of history and focus on the individual, while maintaining a constant dialogue with new generations. The Sustainable Development Goals provide a reference framework that inspires its action. It operates with an advanced form of subsidiarity, using an advanced tool-kit designed to maximise the impact of its investments.

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