

UBI Banca confirms its commitment to support the Third Sector. The Bank is ready to grasp the opportunities offered by the reform of the sector to consolidate its product range for social enterprises

UBI Banca, which has a specific business area that specialises in nonprofits and the social economy, has submitted an application to adhere to the agreement between the Ministry for Economic Development, the Italian Banking Association and the *Cassa Deposito e Prestiti* (CDP – state controlled fund and deposit institution) to grant subsidised loans to social co-operatives and social enterprises. This is an innovative initiative for the sector, in which a bank loan is accompanied by subsidised finance, which draws on a Revolving Fund to support investments in research managed by the CDP.

Milan, 9th October 2017 - **UBI Banca** has offered itself as a candidate to operate in combination with a **Revolving Fund to support enterprises and investments in research**. **Letizia Moratti**, the Chairwoman of UBI Banca's Management Board announced this yesterday at a convention entitled ***The Reform of the Third Sector and financing instruments*** organised by the bank together with the Catholic University. It was attended by leading academics, members of the ministerial commission responsible for drawing up the Third Sector Code, and representatives of the Ministry of Economic Development and of the main associations that represent social co-operatives.

*"This reform has provided Italy with an integrated and comprehensive tool, which will certainly facilitate further development of the sector that is already fundamental to the country's society and economy", said **Letizia Moratti, Chairwoman of UBI Banca's Management Board**. "Furthermore, this law is also careful to include innovative financial instruments, which grant tax concessions to banks that issue social bonds and to individuals who subscribe them as well as allowing banks that meet the conditions to grant subsidised loans, thereby giving a further boost to social enterprises".*

The inter-ministerial decree dated 14th February 2017 gives banks that possess specific assessment methodologies or set volumes of lending to the Third Sector the right to co-finance loans to social enterprises, social co-operatives and nonprofit co-operatives at market interest rates.

The loans granted under convention agreements, that can be made for investments of between a minimum of €200,000 and a maximum of €10 million, are composed of 30% granted by the bank at market interest rates and the remaining 70% granted at a subsidised rate of 0.5% drawn from the Revolving Fund (€200 million managed by the CDP). The banks making the loans, on the basis of adherence to the convention agreement between the Italian Banking Association, the CDP and the Ministry for Economic Development (MED), will assess loan applications, with account taken, amongst other things, of potential additional social and environmental impacts, and they will stipulate contracts also in the name of and on behalf of the CDP.

According to MED estimates, these procedures will allow loans to be granted totalling approximately €325 million in support of investment projects.

These issues and the main civil and tax developments were discussed at today's convention by representatives from the Ministry, the University and the Third Sector. Speakers included the following: **Franco Anelli**, Rector of the Catholic University, **Luigi Bobba**, Undersecretary at the Ministry of Labour and Social Policies, **Stefano Zamagni** from the University of Bologna, **Giulio Ponzanelli** from the Catholic University, **Antonio Fici** from the



Molise University, **Gabriele Sepio** from the Tor Vergata University, **Emilia Masiello** from the Ministry of Economic development, **Giuseppe Guerini** from Federsolidarietà, **Stefano Granata** from CGM, **Eleonora Vanni** from Legacoop Sociali and **Guido Cisternino** from UBI Comunità Third Sector and Civil Economy.

UBI Banca's application to adhere to the convention agreement is occurring after years of a specific commitment on the part of the Bank to build tailor-made solutions for the Third Sector thanks to its specialist **UBI Comunità Division**. As part of that initiative UBI has issued 87 social bonds since 2012 for a total value of over €900 million, subscribed by more than 34,000 customers of the UBI Group. These have made it possible to make charitable donations of over €4.5 million.

Furthermore, the Bank has presented two projects in 2017 which involve protagonists of the Third Sector ecosystem as partners. In March UBI Banca was the first Italian bank to enter the company welfare sector with its **UBI Welfare** unit, while in June it presented **Trust in Life**, the first trust created by an Italian bank to implement the "After Us" law.

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