Module: Introduction

Page: Introduction

CC0.1

Introduction
Please give a general description and introduction to your organization.

The Montepaschi Group is one of the leading Italian banking institutions with 28,417 employees, approx. 5.5 million customers, assets of approx. EUR 199 bn and significant market shares in all the areas of business in which it operates.

The role of the Parent Company is carried out by Banca Monte dei Paschi di Siena SpA. Founded in 1472 as a public pawnbroking establishment (Monte di Pietà), the Bank is a member of FTSE MIB40 with market capitalisation in the region of EUR 2,049 mln as at 31/12/2013. The major shareholders of the Bank hold a total of 43.75% in ordinary share capital.

The Group's main activity is consumer banking, with a particularly strong retail vocation. The Group is also active through specialised product companies in business areas such as leasing, factoring, corporate finance, investment banking and consumer credit (this division was further strengthened through the agreement stipulated with Compass-Mediobanca Group in February 2014).On the distribution side, the insurance pension sector is covered by a strategic partnership with AXA while asset management activities are based on the offer of independent third-party investment products to customers.
During the course of the year, the merger by absorption of Banca Antonveneta and MPS Gestione Crediti Banca into Banca Monte dei Paschi di Siena was completed; in addition, the transfer of the administrative and accounting business unit to the company Fruendo Srl (formed by way of a joint venture between Bassilichi SpA and Accenture Italia) was stipulated with effectiveness as of 1 January 2014.

The Group mainly operates in Italy through a network of 2,334 branches, 287 specialised centres and
125 financial advisory offices open to the public. Foreign banking operations are focused on supporting the internationalisation processes of Italian corporate clients in all major foreign financial markets as well as some emerging countries that have business relations with Italy.

CC0.2

Reporting Year
Please state the start and end date of the year for which you are reporting data.
The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.
We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.
Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Tue 01 Jan 2013 - Tue 31 Dec 2013

CC0.3

Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response.

Select country
Italy

CC0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

EUR(€)

CC0.6

Modules
As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors, companies in the oil and gas industry, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco sectors should complete supplementary questions in addition to the main questionnaire.
If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.
If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx.

Further Information

http://english.mps.it/I+Nostri+Valori/Bilanci+e+Relazioni/Report+2013.htm

Attachments

https://www.cdp.net/sites/2014/84/1384/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC0.Introduction/ANNUALREPORT2013.pdf

Module: Management

Page: CC1. Governance

CC1.1

Where is the highest level of direct responsibility for climate change within your organization?

Individual/Sub-set of the Board or other committee appointed by the Board

CC1.1a

Please identify the position of the individual or name of the committee with this responsibility

The Management Committee is responsible for Sustainability and climate change policy implementation

CC1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

CC1.2a

Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator
Process operation managers	Monetary reward	a) energy saving target b) paper saving target
Energy managers	Monetary reward	a) energy saving target
Environment/Sustainability managers	Monetary reward	a) energy saving target b) paper saving target
Facility managers	Monetary reward	a) energy saving target
All employees	Other non-monetary reward	a) energy saving target b) paper saving target business travel reduction

Further Information

All employees are incentivised to contribute to environmental goals. To this aim a comprehensive and continuous internal communication and monitoring effort is deployed. (http://intranet.gruppo.mps.local/intranet/Capogruppo/RisorseUmane/AmbienteSicurezzaMobility/FormazioneInformazione/Pagine/default.aspx)

Attachments

https://www.cdp.net/sites/2014/84/1384/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC1.Governance/Green Office Guidelines.pdf
https://www.cdp.net/sites/2014/84/1384/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC1.Governance/MPS Car pooling.pdf

Page: CC2. Strategy

CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Individual/Sub-set of the Board or committee appointed by the Board	Italy	Up to 1 year	Climate change risks evaluations are performed as part of the overall enterprise risk management system. Procedures that are most impacted from climate change considerations are those related to credit, operating and reputational risks. Further analyses are conducted by the CSR Governance Structure to the aim of setting and verifying on a regular basis the Group Sustainability Strategy.

CC2.1b

Please describe how your risk and opportunity identification processes are applied at both company and asset level

Climate change risks evaluations are performed as part of overall enterprise risk management system:
1) credit and operating risks management is compliant with Basel regulations and internal certified standard methods.
1.1) At company level, credit risk mgmt includes also the assessment of environmental impact criteria. How this is done: loans to larger businesses and project financing are analysed in order to assess the ecological and climate change hazards and the environmental certification of applicants, if available. Where deemed necessary, the bank carries out due diligence on matters posing a particularly significant environmental risk and consults with the customer on any prevention and mitigation measures to be implemented. These measures are evaluated in order to determine the necessary insurance coverage and subsequently formalised in a contract.
1.2) Operating risks due to extreme climate events are identified and managed for every single premise/branch through the implementation of site specific Business Continuity Plans.
2) Reputational risks are identified through a continuous monitoring of the stakeholder views, which might impact on the company value as a whole.

CC2.1c

How do you prioritize the risks and opportunities identified?

Risks exposures are ranked on two-dimensional scale (Probability and Magnitude).
A Risk Score Card (the Materiality Matrix) is then drawn down and reviewed continuously, which informs decisions from the Board and its Risk Committee with regard to Risk Appetite level and most appropriate actions to improve and mitigate gaps.

CC2.1d

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

Main reason for not having a process	Do you plan to introduce a process?	Comment

CC2.2

Is climate change integrated into your business strategy?

Yes

CC2.2a

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

Climate Change Strategy:
a) Marketing: research and financial products tailored to support the development of renewable energy sources.
b) Property & facility management: align the workplace, technical equipment and IT facilities with eco-sustainability parameters.
c) Business travel: optimise business trips and increase the environmental efficiency of vehicles used.
d) Procurement: control environmental impact of goods and services during their lifecycle.
e) Commitment: support the Carbon Disclosure Project (CDP).
f) Disclosure: publish Group Carbon Footprint Report yearly and complete the CDP Questionnaire for the benefit of specialized analysts.

Climate Change Strategy is part of the Operational Sustainability Strategy which is a responsibility of the COO. This finds room in the overall Business Plan through both specific short and long term goals, which are incentivised with respect to a number of executive profiles.

The following climate change aspects have significantly influenced the business strategy:
a) Changes in regulation (new taxes, incentives).
b) Energy cost evolution.
c) Development of the demand site hand-in hand with the growth of green economy regional markets.

The long term strategy have been influenced by climate change aims since they are synergic with long term operational efficiency goals, particularly related to energy saving program and business travel optimization.

With regard to short term strategy, this was influenced by climate change matters, In fact the following 1 year plans were implemented accordingly:
a) Green building Plan (i.e. install photovoltaic panels on the roof of the HQ premise in Siena).
b) Green business travel Plan (i.e. fostering web communication system to manage meetings and activating car pooling tools).
c) Green IT Plan (i.e. software solutions to achieving energy saving goals).

The strategic advantages that are expected from the realisation of its climate change commitment are:
a) Opportunity to increase market share in the green economy sectors.
b) Cost/income ratio lower than sector benchmark.
c) Green branding.

To this aim, substantial business decisions were taken:
a) Branch network closing and optimization plan to pursuing cost cutting targets and gain substantial environmental benefits.

b) Consolidate financial support to green economy business sector.
c) etc.

CC2.2b

Please explain why climate change is not integrated into your business strategy

CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

Direct engagement with policy makers
Trade associations

CC2.3a

On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Clean energy generation	Support	A number of agreements were signed with local administrations to financially supporting the development of green energy and carbon optimisation goals. I.e. Specialised and closed funds were established (Siena Carbon Free - http://english.mps.it/I+Nostri+Valori/Notizie/Archivio/Siena+Carbon+Free.htm)	Local legislations that introduced some soft term financing supports

CC2.3b

Are you on the Board of any trade associations or provide funding beyond membership?

Yes

CC2.3c

Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
Italian Banking Association	Consistent	-Simplify and enlarge in scope processes related to the management of Energy saving certificates -Make it viable to granting credit to Energy Saving Companies (ESCO) -Endorse Energy National Plan, as an important financial instrument to foster the ecological industrial development.	Sharing views on the issue, as participant in some specific working groups

CC2.3d

Do you publically disclose a list of all the research organizations that you fund?

CC2.3e

Do you fund any research organizations to produce or disseminate public work on climate change?

CC2.3f

Please describe the work and how it aligns with your own strategy on climate change

CC2.3g

Please provide details of the other engagement activities that you undertake

CC2.3h

What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Engagement activities with local administrations are managed by local offices in ways and means that are alligned with specific Group behavioural guidelines and coherent with the overall climate change strategy.

CC2.3i

Please explain why you do not engage with policy makers

Further Information

Page: CC3. Targets and Initiatives

CC3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Absolute target

CC3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
Abs1	Scope 1	82%	10%	2012	17096	2014	Property and Facility management optimisation goal
Abs2	Other:	38%	15%	2012	11032	2014	Scope 1+3 Business Travel Emissions Related
Abs3	Scope 3: Purchased goods & services	46%	43%	2012	573	2014	Paper reduction

CC3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions	Target year	Comment

CC3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment

CC3.1d

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
Abs1	50%	6%	In 2013 total emissions came to 18,846 tonnes of CO2e, broadly in line with 2012 figures (-1.40%; -268 tCO2e). More specifically, an increase of 1.13% (+190 tCO2e) was registered for methane emissions while emissions from diesel boilers decreased by 13.93%.
Abs2	50%	100%	Solutions as remote communication (Lync and other systems) and sustainable mobility arrangements (e.g. Car Pooling, car use optimization) were fostered dramatically during the year. (Over Budget 157%)
Abs3	50%	50%	Total paper consumption decreased by around 15% compared to 2012. In particular, the paperless project resulted in the saving of more than 18 million sheets of paper through the following measures: extension of use of paperless working tools and methods; rationalisation of printers; digitisation of accounting documentation relative to bank counter slips and active guarantees; digital customer folders; promotion of the “Documenti On Line" service and the relative automatic activation of internet banking for new contracts.

CC3.1e

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

CC3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

CC3.2a

Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party

Within its relationship with other businesses, its lending & distribution activities and the provision of goods and services, the Bank takes into account social and environmental issues in order to promote a responsible corporate culture and more sustainable business processes.

1) the Group is active in the sector of green finance through:
a) investments in the share capital of companies operating in the sector of renewable energies;
b) the financing of plants to produce electricity from renewable energy sources;
c) a range of products for private citizens, companies and institutions that includes medium to longterm loans, leasing services and personal loans at advantageous rates.
(http://english.mps.it/NR/rdonlyres/FDD11033-7789-4E3F-AEB3-32469D829523/72392/Sustainabilityproductandservices_2013.pdf)

During the year 2013, approximately 450 environmental investments were made (especially regarding energy efficiency and renewable energy) in the amount of more than EUR 300 mln. The primary product innovations included the following: Re-start Siena (recognised by Milano Finanza) and Siena Carbon Free. With regard to the latter, a protocol agreement was stipulated in October with the Province of Siena to promote new investments in the renewable energy and energy efficiency sector that will also contribute to the reduction of CO2 across Siena's territory. The agreement commits the Bank to identifying specific financial instruments with more favourable economic conditions than the standard conditions applied to similar products. These include Montepaschi Energie Pulite–Siena Carbon Free, a medium-long term loan designed specifically for companies that intend to build innovative plants powered by renewable sources other than solar energy. Additional initiatives in this field consisted in the activation of the Italian CDP (Cassa Depositi e Prestiti) financing product for SME/Renewable energy investments, the launch of the new specific “Renewable energy” coverage against damages caused to photovoltaic plants financed by the Group and the completion of significant structured financing operations on the part of the subsidiary MPS Capital Services.

2) Preference is assigned to loans for enterprises running their business in accordance with the highest environmental standard (i.e. ISO 14001 certification).

3) ESG labelling of investment products in offer might contribute to channel capital in favour of environmental leading companies and governments which best demonstrate their climate change responsibility. In 2013, funds with AuM totalling 15.4 bn (34% of Managed Accounts) received an ESG rating which was higher than the pre-set threshold.

4) The Group places on the market investment products that focus on the returns of companies with the best sustainability performance. in 2013, a sub-set of funds included among those subject to screening, totalling
EUR 9.5 bn of AuM (21% of total Assets under Management) received an ESG rating above the pre-set threshold.

5) Internet banking and other direct banking channels allowing customers to perform banking transactions without visiting the branch; there are 922,502 active customers (+1.7% YoY). By running remote banking business we also reached the goals to reduce substantially the volume of paper being printed out from the Bank for communication purposes towards clients.

CC3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and implementation phases)

Yes

CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	3	
To be implemented*	5	5000
Implementation commenced*	0	0
Implemented*	13	95000
Not to be implemented	5	

CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative, years	Comment
Energy efficiency: Processes	OPTIMISATION OF SYSTEMS: further improvement of the energy monitoring and automatic control of consumption	4203	2562500	500000	4-10 years	1 year	
Energy efficiency: Processes	OPTIMISATION OF SYSTEMS: optimisation of time and other operating parameters of technological devices/plants (air conditioning, heating systems, lighting systems, infra-week holydays, illuminated signs, etc.)	8019	1570000	2070000	<1 year	1 year	
Energy efficiency: Processes	Replacement of obsolete desktops with brand new and high energy efficient models	3538	1837047	0	<1 year	2 years	
Energy efficiency: Processes	Virtualisation of nearly 2 thousand desktop work stations	192	100000	0	<1 year	1 year	
Energy efficiency: Processes	Energy saving setting of work stations and other IT office devices	144	75000	0	<1 year	1 year	
Other	During the course of 2013, the project to relaunch and rationalise the branch network was completed with the closure of 400 branches.	4090	25830000	0	<1 year	1 year	Annual monetary saving= total saving Energy costs saving= c.a. 10% of total saving (2,493,931 EUR)
Other	Space management activities (optimisation of spaces within real estate properties with release of a series of offices) as well as the reorganisation of real estate structures	3295	2000000	0	<1 year	2 years	
Transportation: fleet	Actions to rationalise the car fleet and the use of automobiles as fringe benefits;	10	650000	0	1-3 years	1 year	

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative, years	Comment
Transportation: use	Activation of a shuttle service with electric car for commuting between workplaces in Siena	0.6	10000	50000	<1 year	1 year	
Transportation: use	1) Implementation of the Company Transportation Policy. 2) Development of web communication systems (video conferencing, e-learning, Lync, desk based conferencing). All to drive travel reduction.	3600	4000000	200000	1-3 years	1 year	
Process emissions reductions	Development and distribution of advanced communication tools to deliver "paperless" operations management. Total paper consumption decreased by around 15% compared to 2012. In particular, the paperless project resulted in the saving of more than 18 million sheets of paper through the following measures: extension of use of paperless working tools and methods; rationalisation of printers; digitisation of accounting documentation relative to bank counter slips and active guarantees; digital customer folders; promotion of the “Documenti On Line" service and the relative automatic activation of internet banking for new contracts	200	12000000	13500000	1-3 years	3 years	
Behavioral change	Internal communication and learning&development courses on "green office" aimed at raising awereness among employees on environmental topics	33	60000	0	1-3 years	5 years	
Low carbon energy installation	Development of a unique power purchasing agreement. The Bank is now using electricity exclusively from renewable sources	68000	0	0	4-10 years	5 years	The recorded reduction

CC3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Regulatory requirement on energy efficient building practices
Dedicated budget for energy efficiency	Energy management
Dedicated budget for other emissions reduction activities	Sustainable management of business travel
Financial optimization calculations	Environmental goals are pursued in synergy with cost optimisation plans

CC3.3d

If you do not have any emissions reduction initiatives, please explain why not

Further Information

The measures which determined a decrease of power consumption do not show an impact in term of CO2 saving, as reported in the section CC8, since scope 2 emissions are already set to zero thanks to the decision to purchase all the electricity from renewable sources.

Attachments

https://www.cdp.net/sites/2014/84/1384/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC3.TargetsandInitiatives/COO Sustainability Program 2013-14.pdf

Page: CC4. Communication

CC4.1

Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

Publication	Page/Section reference	Attach the document
In mainstream financial reports (complete)	78; 107; 109-111	https://www.cdp.net/sites/2014/84/1384/Investor CDP 2014/Shared Documents/Attachments/CC4.1/AnnualReport2013.pdf
In voluntary communications (complete)	all	https://www.cdp.net/sites/2014/84/1384/Investor CDP 2014/Shared Documents/Attachments/CC4.1/Carbon Footprint - 2013 Report.pdf

Further Information

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

Have you identified any climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation
Risks driven by changes in physical climate parameters
Risks driven by changes in other climate-related developments

CC5.1a

Please describe your risks driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other regulatory drivers	Business risks may depend on the way our clients are affected by changing regulatory frameworks (e.g. E/National targets to cut emissions, Fiscal measures, Incentives) and the measures they take to mitigate these effects. New regulations may enhance operating costs for clients: - directly as a consequence of increased costs due to a rising of energy prices and new carbon mitigation requirements; - indirectly for	Other: Creditworthiness of our clients	1 to 3 years	Indirect (Client)	Very likely	Medium	The capability of our clients to adapt to regulatory requirements might have both direct impacts on their profitability and reputation and indirect effects on our revenues. Clients who do not anticipate changes in regulation could find themselves in positions where they are unable to respond, with resultant impacts on profitability and their ability to repay borrowing.	A careful analysis is done of the main aspects of environmental risk/opportunity in corporate banking and project financing: through the ordinary valuation procedures for creditworthiness, the rates of potential environmental impact and the possession of ad hoc certifications. In more details: a) Project financing and corporate financing operations by the subsidiary Mps Capital Services are submitted to environmental screening which covers: the danger of the activity and the legal obligations of the sector, the	Costs associated with these processes include expenses for: a) Personnel employed in environmental management activities (about 100 people in all, whom in part carry out these activities on a full-time basis). b) Employee training. c) External certification of environmental management systems

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	higher insurance premiums due to increased event risks (frequency and severity of extreme weather events). New regulations can also hinder the capability of clients to develop new products and services which might erode both their profitability and reputation.							dimension of the activity – as an approximation of the potential harm for the environment and the possession of environmental certificates. In more details, for energy sector operations, the valuations are done on the basis of due diligence conducted by external technical consultants. b) The credit ratings assigned to the large corporate customers take into account the qualitative aspects of the operating risk, such as the potential environmental harm caused by their activity and, in positive terms, whether they hold any environmental certification. c) Adequate insurance is	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								required to customers against climate change related risks. Information on climate change related regulatory issue are made available for banking professionals.	
Fuel/energy taxes and regulations	New fuel/energy regulations might introduce additional operating costs.	Increased operational cost	1 to 3 years	Direct	Very likely	Low-medium	The fluctuation of fuel price affect the expenses for energy consumption and business transportation	Sustainable Mobility Plan and Energy Efficiency Plan address this risk with the aim to optimising the energy cost management and the associated environmental pollution.	There are not direct costs associated but time and human resources dedicated to the definition of these two plans.
Other regulatory drivers	Business risks may depend on the way our suppliers are affected by changing regulatory frameworks (e.g. E/National targets to cut emissions, Fiscal	Reduction/disruption in production capacity	3 to 6 years	Indirect (Supply chain)	Likely	Low-medium	This risk might turn into increased costs of purchasing relevant services and products (energy, IT, paper, etc.). Suppliers who do not anticipate changes in	Environmental risk assessment applies to tier 1 suppliers as part of the qualification process and the continuous monitoring of the service quality levels. A great deal of attention is also paid to the impacts of new	There are not direct costs associated but time and human resources dedicated to supply chain management activities.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	measures, Incentives) and the measures they take to mitigate these effects. Regulations may enhance operating costs for suppliers: - directly as a consequence of increased costs due to a rising of energy prices and new carbon mitigation requirements; - indirectly for higher insurance premiums due to increased event risks (frequency and severity of extreme weather events). Uncertainty surrounding new regulations can hinder the production						regulation could find themselves in positions where they are unable to respond, with resultant impacts on profitability and their ability to guarantee their supply services.	environmental regulations on purchased products and services.	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	capacity of our suppliers. Failure in our supply chian could impact our business operation and ultimately our customers.								
Fuel/energy taxes and regulations	EU/National standards on energy efficiency provide minimum energy performance for new and renovated office buildings.	Increased capital cost	1 to 3 years	Direct	Very likely	Low-medium	EU/National standards require MPS to increase energy efficiency budget. New requirements could also cause economic depreciation of premises with low energy performances.	For Mps managing climate change regulatory risks means improving continuously energy efficiency and increasing the use of power from renewable sources. The underlined goal is to reducing energy costs. A specific energy efficiency plan has been defined and all the new branches and buildings are projected with layouts, furnishings, engineering and lighting systems that comply with	MPS has made significant investments to implement the energy efficiency plan.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								the criteria of the so-called “performance model,” with special attention to energy efficiency. An environmental management system, certified according to ISO 14001, has been carried out since 2003, with special attention to energy savings. Energy consumptions are monitored monthly to identify possible areas to improving efficiency.	

CC5.1b

Please describe your risks that are driven by change in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation extremes and droughts	Extreme weather events such as floods or storms could affect our operations through damage to office buildings and infrastructure and could make our daily business more difficult. Physical effects stemming from climate change may also affect energy demand and supply. As a financial services company, we rely heavily on our data processing systems. If any of these systems does not operate properly or is disabled, we could suffer financial loss, a disruption of our businesses or reputational damage	Inability to do business	1 to 3 years	Direct	Likely	Low-medium	The financial implications associated with extreme whether events are primarily related to the costs (not quantified) required to repair structural damage to offices and branches, as well as reduced profits as a result of the inability to do business and reach customers.	To guarantee the continuity of banking services in the presence of especially critical scenarios, such as natural disasters, the Group has established an Operational Continuity Plan, which includes suitable organisational measures and specific instrumental resources. The Operational Continuity plan includes the Disaster Recovery Project, which establishes the technical and organisational standards to compensate for any outages of the data processing centres.	Costs are mainly associated with the necessary resources employed to run these processes and with insurance policies established against extreme weather events.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								Physical risks related to extreme weather events eventually affecting our premises are covered through specific insurance policies.	
Change in precipitation extremes and droughts	Physical risks from climate change may affect the creditworthiness of our clients (e.g., through damage to physical property, disruption of transports, yield losses) and therewith indirectly impact our businesses. Especially our clients, which are active in sectors sensitive to climate change (e.g., agriculture, tourism), are highly exposed to climate-related	Other: creditworthiness of our clients	1 to 3 years	Indirect (Client)	Likely	Medium	The potential financial implications associated with extreme whether events are indirectly related to the creditworthiness of our clients that could be affected.	We apply an environmental credit risk assessment methodology, which considers, among other things: the danger of the activity and the legislative obligations in the sector, the scale of the activity – as an approximation of the extent of potential harm to the environment -, the holding of environmental certifications.	Various costs are associated with these management processes, particularly in relation to staff involved.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	natural catastrophes.							Adequate insurance is required to customers against climate change related risks. Procedures and contractual terms are relaxed for clients under stress due to natural disasters.	
Change in precipitation extremes and droughts	Suppliers struggling against disruptive effects of climate change related events might suffer for lack of productivity. This might reduce their capacity to guarantee the necessary supplies to our organization which would turn into a reduced productivity from our side.	Reduction/disruption in production capacity	1 to 3 years	Indirect (Supply chain)	Likely	Low	The potential financial implications associated with extreme whether events basically consist in a possible reduction of productivity.	These risks are prevented through a continuous monitoring of the environmental performances of suppliers.	There are not direct costs associated but time and human resources dedicated to supply chain management activities.
Change in mean (average)	For our own operations, change in mean	Increased operational cost	1 to 3 years	Direct	Very likely	Low-medium	Increased operational costs due to greater	A specific energy efficiency plan	MPS has made significant

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
temperature	temperature would impact the cost of cooling systems, particularly in data centres, increases energy costs and the cost of replacing equipment.						energy use.	has been defined. Energy consumptions are monitored monthly to identify possible areas to improving efficiency.	investments to implement the energy efficiency plan.

CC5.1c

Please describe your risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated Financial Implications	Management method	Cost of management
Reputation	As climate change becomes a more visible social concern, there is increasing pressure on businesses to disclose climate change impacts more thoroughly. Financial institutions that do not have policies	Reduced demand for goods/services	1 to 3 years	Direct	More likely than not	Low-medium	The potential financial implications are mainly related to a lack of policies and strategies on climate change that can lead to higher criticism from clients, investors, and other	Climate change risks, even those affecting our reputation are effectively managed through policies and systems. The item is covered through a full range of communication initiatives we think	Costs are associated with the implementation of our commitment: staff, GHG monitoring and reporting, investments and operational costs to pursue climate change goals.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated Financial Implications	Management method	Cost of management
	or programs in place to address their own contribution to climate change, as well as the impact of climate change on their business, may face criticism from clients, investors, and other stakeholders.						stakeholders, with negative impacts on revenues and capital attraction potential in the long run.	it guaranties stakeholders with the necessary disclosure.	
Changing consumer behaviour	Changing demand for products and ability to meet new customer needs.	Reduced demand for goods/services	1 to 3 years	Direct	About as likely as not	Low	We must provide services and advice as the needs of our clients change as a result of climate change related impacts and opportunities.	Resarch, business and customer intelligence, product innovation activities pay attention to green/carbon finance sector. Climate change risks are embedded within the overall risk management system.	There are not direct costs associated but time and human resources dedicated to businees innovation and risk management.

CC5.1d

Please explain why you do not consider your company to be exposed to risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1e

Please explain why you do not consider your company to be exposed to risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1f

Please explain why you do not consider your company to be exposed to risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

Page: CC6. Climate Change Opportunities

CC6.1

Have you identified any climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation
Opportunities driven by changes in physical climate parameters
Opportunities driven by changes in other climate-related developments

CC6.1a

Please describe your opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other regulatory drivers	Statal incentives on clean energy technology and renewable energy strengthen the demand for new financial products and services.	New products/business services	Up to 1 year	Indirect (Client)	Virtually certain	Medium	Revenues from green business.	MPS is active in the green finance business through: a) investments in the share capital of companies operating in the sector of renewable energies; b) the financing of plants to produce electricity from renewable energy sources; c) a range of products for private citizens, companies and institutions that includes medium to longterm loans, leasing services and	The costs are associated to development of new products, advertising, etc.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								personal loans at advantageous rates (During the year 2013, approximately 450 environmental investments of this kind were made in the amount of more than EUR 300 mln).	
Other regulatory drivers	Statal incentives on clean energy technology and renewable energy provide the Bank with the opportunity to find it financially viable to install photovoltaic plants in its own premises and to refurbish office	Reduced operational costs	Up to 1 year	Direct	Virtually certain	Medium	Cost savings both form energy efficiency programs and through self-production of renewable energy (i.e. the installation of a photovoltaic plan at the headquarters of Siena-San Miniato; at full performance, we estimate annual savings of approx. EUR 50 thousand	To size these opportunities the Group Energy Manager continuously monitors KPIs and regulation trends.	Key measures implemented in the course of the year 2013 included: a) space management activities (optimisation of spaces within real estate properties with release of a series of offices) as well as the reorganisation of real estate structures; b) monitoring and automatic control of

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	buildings.						and a further EUR 70 thousand in economic benefits from specific government incentive schemes).		consumption; c) virtualisation of servers and of nearly 2 thousand desktop work stations; d) optimisation of workstations and of air conditioning systems.

CC6.1b

Please describe the opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation extremes and droughts	Product innovation addressing climate change related risks and opportunities give MPS a competitive advantage in	New products/business services	Up to 1 year	Indirect (Client)	More likely than not	Low-medium	Revenues from products and services that help our customers to adapt to climate change effects and to face the damage from extreme weather events (i.e. loans	MPS is active in the green finance business through: a) investments in the share capital of companies operating in the sector of renewable energies; b) the financing of plants	The costs are associated with the development of new products, advertising, etc.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	the green business.						for adapting agricultural systems to adverse environmental and climate change related conditions).	to produce electricity from renewable energy sources; c) a range of products for private citizens, companies and institutions that includes medium to longterm loans, leasing services and personal loans at advantageous rates (During the year 2013, approximately 450 environmental investments of this kind were made in the amount of more than EUR 300 mln).	

CC6.1c

Please describe the opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	There is the potential for our	Other: Brand	1 to 3 years	Direct	About as likely as	Medium	Positive impact on our reputation as a result	Climate change opportunities,	Costs associated with the

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	climate change initiatives to contribute to the positive development of our brand and improve our reputation with stakeholder including the investor community, clients and employees.	value			not		of our climate change initiatives provides financial benefit where this results in retention/attraction of socially responsible investors, customers, talented employees. Consequently our reputation would contribute to increase revenues, market price and productivity.	even those affecting our reputation, are effectively managed through policies and systems. The item is covered through a full range of communication initiatives we think they guarantee stakeholders with the necessary disclosure.	implementation of our sustainable business strategy. Costs associated with meeting climate change need of our customers are embedded within our business.

CC6.1d

Please explain why you do not consider your company to be exposed to opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1e

Please explain why you do not consider your company to be exposed to opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1f

Please explain why you do not consider your company to be exposed to opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: CC7. Emissions Methodology

CC7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Base year	Scope 1 Base year emissions (metric tonnes CO2e)	Scope 2 Base year emissions (metric tonnes CO2e)
Fri 01 Jan 2010 - Sun 12 Dec 2010	21668	1025

CC7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
ABI Energia Linee Guida

CC7.2a

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

CC7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CO2	Other: Italian Greenhouse Gas Inventory 1990 – 2011 – National Inventory Report 2013 Annex 6
CH4	Other: Italian Greenhouse Gas Inventory 1990 – 2011 – National Inventory Report 2013 Annex 6
N2O	Other: Italian Greenhouse Gas Inventory 1990 – 2011 – National Inventory Report 2013 Annex 6

CC7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference
Electricity	0.3949	metric tonnes CO2e per MWh	ABI Energia Linee Guida
Electricity	0	metric tonnes CO2e per MWh	ABI Energia Linee Guida - Hydropower
Natural gas	0.00196	metric tonnes CO2e per m3	ABI Energia Linee Guida
Diesel/Gas oil	0.00267	metric tonnes CO2e per liter	ABI Energia Linee Guida
Motor gasoline	0.00234	metric tonnes CO2e per liter	ABI Energia Linee Guida

Further Information

Attachments

https://www.cdp.net/sites/2014/84/1384/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC7.EmissionsMethodology/Emmissions factors.xlsx

Page: CC8. Emissions Data - (1 Jan 2013 - 31 Dec 2013)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

20778

CC8.3

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

0

CC8.4

Are there are any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

CC8.4a

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of Scope 2 emissions excluded from this source	Explain why the source is excluded
Foreign branches and representative offices	Emissions are not relevant	Emissions are not relevant	We have 39 foreign branches and representative offices vis a vis a Group sale network of 2.334 branches. These are run in accordance with Group operating guidelines but they are out of the energy monitoring and reporting boundary as we estimate the incidence of the associated emmissions to be less than 2% of the Group carbon footprint.

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope 1 emissions: Uncertainty range	Scope 1 emissions: Main sources of uncertainty	Scope 1 emissions: Please expand on the uncertainty in your data	Scope 2 emissions: Uncertainty range	Scope 2 emissions: Main sources of uncertainty	Scope 2 emissions: Please expand on the uncertainty in your data
More than 2% but less than or equal to 5%	Data Management	Same uncertainties are related to possible metering inaccuracies due to energy bill adjustments.	Less than or equal to 2%	No Sources of Uncertainty	No sources of uncertainty

CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance complete

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Not applicable	https://www.cdp.net/sites/2014/84/1384/Investor CDP 2014/Shared Documents/Attachments/CC8.6a/Assurance.pdf	all	Other: IFRS - Auditing standards (Italian Stock Exchange Regulatory Agency)	100

CC8.6b

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emissions Monitoring Systems (CEMS)

Regulation	% of emissions covered by the system	Compliance period	Evidence of submission

CC8.7

Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

Third party verification or assurance complete

CC8.7a

Please provide further details of the verification/assurance undertaken for your Scope 2 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 2 emissions verified (%)
Not applicable	https://www.cdp.net/sites/2014/84/1384/Investor CDP 2014/Shared Documents/Attachments/CC8.7a/Assurance.pdf	all	Other: IFRS - Auditing standards (Italian Stock Exchange Regulatory Agency)	100

CC8.8

Please identify if any data points other than emissions figures have been verified as part of the third party verification work undertaken

Additional data points verified	Comment
Year on year change in emissions (Scope 1)	
Year on year change in emissions (Scope 2)	
Progress against emission reduction target	

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

CC8.9a

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

Further Information

Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2013 - 31 Dec 2013)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

No

CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By activity

CC9.2a

Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO2e)

CC9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude

CC9.2c

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)

CC9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
stationary combustion (diesel and natural gas boiler)	16991
mobile combustion (company fleet)	3787

CC9.2e

Please break down your total gross global Scope 1 emissions by legal structure

Legal structure	Scope 1 emissions (metric tonnes CO2e)

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2013 - 31 Dec 2013)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

No

CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted for CC8.3 (MWh)

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By activity

CC10.2a

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 emissions (metric tonnes CO2e)

CC10.2b

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2 emissions (metric tonnes CO2e)

CC10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 emissions (metric tonnes CO2e)
Energy supply for office building management	0

CC10.2d

Please break down your total gross global Scope 2 emissions by legal structure

Legal structure	Scope 2 emissions (metric tonnes CO2e)

Further Information

Page: CC11. Energy

CC11.1

What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

CC11.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	95031
Electricity	173637
Heat	0
Steam	0
Cooling	0

CC11.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Natural gas	74699
Motor gasoline	14228
Diesel/Gas oil	6104

CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comment
Tracking instruments, Guarantees of Origin	173637	The whole supply of power energy is formally guaranteed by the competent authority as been produced from renewable source (hydroelectric).

Further Information

Page: CC12. Emissions Performance

CC12.1

How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

CC12.1a

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	1.6	Decrease	During the year, 20,778 tonnes of CO2 relative to Scope 1 and 2 of the GHG Protocol were produced (-1.6% in one year). This confirms the positive trend seen in recent years of a gradual decline in these emissions as a result of the Bank now using electricity exclusively from renewable sources and the resulting energy savings achieved. Key measures implemented in the course of the year included: a) space management activities (optimisation of spaces within real estate properties with release of a series of offices) as well as the reorganisation of real estate structures; b) monitoring and automatic control of consumption; c) virtualisation of servers and of nearly 2 thousand desktop work stations; d) optimisation of workstations and of air conditioning systems; e) actions to rationalise the car fleet and the use of automobiles as fringe benefits; f) reduction of business trips from central facilities and of sales meetings across the territory.
Divestment		No	

Reason	Emissions value (percentage)	Direction of change	Comment
		change	
Acquisitions		No change	
Mergers		No change	
Change in output		No change	
Change in methodology		No change	
Change in boundary		No change	
Change in physical operating conditions		No change	
Unidentified		No change	
Other		No change	

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.0000052504	metric tonnes CO2e	unit total revenue	24	Increase	The Group's net income from banking and insurance activities was EUR 3,957 mln, down 20.8% from previous year. Taxes on Loss for the year from continuing operations shows a positive balance of EUR 652 mln (compared to a positive balance of EUR 363 mln as at 31/12/2012). To make this index significant, taxes did not enter into the calculation.

CC12.3

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.746	metric tonnes CO2e	FTE employee	4.9	Increase	Despite a 7.8% reduction in total energy consumption, this index increased since the headcount was down 6% from previous year as a result of a comprehensive restructuring plan.

CC12.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.01256	metric tonnes CO2e	square meter	1	Decrease	Structural reorganisation of the Bank (Head Office and Network) and simplification/improved efficiency of the company's structure. In particular, the planned closure of 400 branch offices was completed in 2013.

Further Information

Page: CC13. Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

No, and we do not currently anticipate doing so in the next 2 years

CC13.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership

CC13.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

CC13.2

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

No

CC13.2a

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance

Further Information

Page: CC14. Scope 3 Emissions

CC14.1

Please account for your organization’s Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using primary data	Explanation
Purchased goods and services	Relevant, calculated	1124	The figure refers to GHG emissions stemming from to production of paper and PCs purchased/leased in the accounting year. The following emissions factors were used: a) paper: 0.3600000 t Co2e/t (Ecoinvent) b) notebook: 0.2992000 t Co2e/unit (Apple) c) desktop:1.2868 tCo2e/unit (Apple)	0.00%	
Capital goods	Not evaluated				
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Not relevant, calculated	2574	The figure refers to GHG emissions stemming from the extraction and refining of fuels used in the accounting year (natural gas and diesel for heating; motor gasoline and diesel for vehicles). The following emissions factors were used: a) natural gas: 0.0001968 t Co2e/m3 (JEC Well-To-Wheels study) b) diesel for heating purposes: 0.0005067 t Co2e/l (JEC Well-To-Wheels study) c) gasoline for vehicles: 0.0004109 t Co2e/l (JEC Well-To-Wheels study) d) diesel for vehicles:0.0005067 t Co2e/l (JEC Well-To-Wheels study)	100.00%	
Upstream transportation and distribution	Not evaluated				
Waste generated in operations	Not evaluated				
Business travel	Relevant, calculated	3923	The figures refers to GHG emissions stemming from business trips made through means of transportation other than company cars (Private cars, Leased cars, Air transport, Long-distance trains, Local public transport). The following emissions factors were used: a) Private and leased cars gasoline: 0.0023365 t Co2e/l (Linee Guida ABI Energia) b) Private and leased cars diesel: 0.0026649 t Co2e/l (Linee Guida ABI Energia) c) Airplanes: 0.000139 t Co2e/km (Linee Guida ABI Energia) d) Long-distance trains: 0.0000314 t Co2e/km (Linee Guida ABI Energia) Bus: 0.0001351 t Co2e/km (Defra/GHG protocol) Local train: 0.0000565 t Co2e/km (Defra/GHG protocol)	50.00%	

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using primary data	Explanation
Employee commuting	Not relevant, calculated	48000	Internal surveys on the transportation means that employee usually use to go to work and then back home.		An estimate of GHG stemming from employees home-work commuting was made in 2010/2011 and will updated next year on the basis of internal surveys. Last available data set this figure at around 48 thousands CO2e metric tonnes.
Upstream leased assets	Not evaluated				
Downstream transportation and distribution	Not evaluated				
Processing of sold products	Not evaluated				
Use of sold products	Not evaluated				
End of life treatment of sold products	Not evaluated				
Downstream leased assets	Not evaluated				
Franchises	Not evaluated				
Investments	Not evaluated				
Other (upstream)	Not evaluated				
Other (downstream)	Not evaluated				

CC14.2

Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

Third party verification or assurance complete

CC14.2a

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 3 emissions verified (%)
Not applicable	https://www.cdp.net/sites/2014/84/1384/Investor CDP 2014/Shared Documents/Attachments/CC14.2a/Assurance.pdf	all	Other: IFRS - Auditing standards (Italian Stock Exchange Regulatory Agency)	100

CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Purchased goods & services	Other: see comment	93.6	Increase	In 2013 these emissions amounted to 1,124 tons, an increase of 93.6% compared to 2012 (+544 tCO2e). This change was due primarily to the ordinary replacement of obsolete equipment with new devices more energy efficient and compliant with more environmentally friendly standards: 24 in 2012; 930 in 2013; 16.000 in 2011. On the other hand, we recorded a 15% YoY decrease in total paper consumption.
Business travel	Emissions reduction activities	47.0	Decrease	In 2013 we recorded a 25% decrease in Km traveled for business purposes as a result of a specific efficiency plan.
Fuel- and energy-related activities (not included in Scopes 1 or 2)	Emissions reduction activities	1	Decrease	In 2013 we recorded a 25% decrease in Km travelled for business purposes as a result of a specific efficiency plan.

CC14.4

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

CC14.4b

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Number of suppliers	% of total spend	Comment

CC14.4c

If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

How you make use of the data	Please give details

CC14.4d

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

Further Information

Module: Sign Off

Page: CC15. Sign Off

CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category

Name	Job title	Corresponding job category
Francesco Mereu	Sustainable Change Manager	Environment/Sustainability manager

Further Information

CDP