



Banca Popolare di Sondrio

COMMUNICATION ON PROGRESS 2005 RENEWAL OF BANCA POPOLARE DI SONDRIO SUPPORT TO THE GLOBAL COMPACT FOR THE YEAR 2005

Banca Popolare di Sondrio renews its commitment to the UN project “Global Compact” also for the year 2005, confirming its support to the ten universal principles with respect to human rights, labour rights, environment protection and campaign against corruption.

On page 60 of the Annual Report 2005, our support to the Global Compact has been made known to all shareholders (more than 133.000): *“Our work to promote the values inherent in the nature of a people’s bank has been presented in New York as part of the «Global Compact» project, a UN initiative to encourage firms to support ten universal principles covering ethics, social progress and environment protection”*.

In confirmation of our commitment towards the United Nations, we report hereafter the main enterprises undertaken by Banca Popolare di Sondrio in the year 2005, with the relative quotations taken by the latest Annual Report:

- **Territorial expansion respectful of the local reality.** In the process of its territorial expansion, Banca Popolare di Sondrio always acts in strict synergy with the local reality of settlement, letting the new operative unities become a well-balanced part of the pre-existing context. *“We started as a local bank, this is our tradition and we have specifically chosen to remain as such. No longer simply provincial, we have taken on a regional dimension and form, without however forgetting that the essence of our business lies in our ties with the territory and our drive to play an active part in its economic and social progress. Our ability to manage this change has been fundamental, especially the further delegation of operational responsibilities, thus retaining our inbred vocation to respond efficiently to the needs of the community and local economic operators. The expansion of our branch network makes us even more «popular», considering the increased number of customers and our improved ability to meet their needs. This explains our commitment to growth in recent years, comprising 2005 of course, with a focus on scale and, above all, grassroots penetration”*. (page 22)
- **Progress in the field of «Migrant Banking».** As far as the international activity is concerned, Banca Popolare di Sondrio is continuously developing new products especially designed for the foreign clientele, in order to increase their access to banking services. Our institute, sensitive to the exponential growth of migrant fluxes of foreign workers in our country, has always tried to understand their needs and to interpret their requests, proposing banking services at advantageous economic conditions, and putting special branches at disposal of immigrants, where skilled employees undertake with special care to grant the demands of this clientele. *“With regard to retail operations, our «Remittance Home» service is now available for Albania and Sri Lanka, which join Brazil, Ecuador, Moldova, Peru, Romania, Senegal and the Ukraine. Our multiethnic counters at Rome branch 11 and Brescia branch 2 have worked hard on behalf of foreign nationals, to whom we have dedicated our WORKinITALY current account”*. (page 60)
- **Development of technologies in favour of solidary initiatives.** Since many years Banca Popolare di Sondrio, through its Organization and Informatics Systems Service, has been planning banking and telematique services, which could be accessible also to differently able people, towards whom we have always paid particular attention. We can hold up as an example the initiative, many years ago, in favour of the blind, regarding the production of account statements in Braille character. *“The development of innovative applications for the differently able has won us a nomination for the prestigious Sodalitas Social Award, the Business Social*

Responsibility hall of fame. Our efforts have also been recognised by other awards. As part of «The Golden Circle of the Financial Innovation 2004» awards organised by RivistaBanca and AIFIn, Italian Financial Innovation Association, we took first place overall in the «Application of technology» category, with our «Accessible digital bank» project, and joint first place in the special category of «Most innovative financial institution». As part of the eContent Award Italy competition organised by the Milan Polytechnic Foundation together with the European Commission Medici Framework, we were awarded overall first place in the eInclusion category for our «Accessible digital bank» project, and joint first place in the eCulture category for our «popsoarte» initiative, which is a virtual gallery that allows everyone, thanks to the Internet, to view the paintings and sculptures owned by the bank. «Accessible digital bank» also had the honour of representing Italy at the World Summit on the Information Society held in Tunis last November, before 14,000 delegates from virtually every nation in the world”. (page 62-63)

- **Promotional and cultural activities.** Banca Popolare di Sondrio has always paid particular attention, not only to the strictly «banking» and «financial» aspects of its common activity, but also to the promotion of cultural and social initiatives, dedicated to a large public of any age and professional status. *“The image of the bank is safeguarded and strengthened by the hard work performed every day. Promotion of the bank includes cultural and other initiatives which express the values that underpin our role as a people’s cooperative. As well as being an effective promotional vehicle, our commitment seeks to make an important and lasting contribution to the areas in which we work including, first of all, our home province. We believe that the year’s achievements, described briefly below, confirm our desire to transform intentions into deeds”. (Page 75).* Among the different initiatives promoted in the year 2005 there is the publication of our four-monthly review “Notiziario”, freely distributed to clients and stakeholders, the organisation of sports events and a series of lectures, given by many famous personalities of the economic, juridical, religious, historical, philosophic and sports national and international world. Besides, our institute planned and supported a very important initiative for the promotion and the valuation of the environmental and productive wealth of Valtellina, the Valley where Banca Popolare di Sondrio was born 135 years ago: a specific request was sent to UNESCO, to admit the vineyard terracing of Valtellina among the World Property of Humanity. In the end, we mention our solidary initiatives: *“Philanthropic initiatives included the collection of funds together with «Il Giornale», a daily newspaper, for the victims of the tsunami that struck south-east Asia on 26 December 2004. Part of the one million euro collected has been used to build one hundred homes in Sri Lanka. Work also continues in favour of the Umberto Veronesi Foundation and the Bambino Gesù Foundation”. (page 80).*

In addition to these initiatives, the activity of Banca Popolare di Sondrio, also for the year 2005, continued respectful of its popular origin and of the values which are at the bottom of its policy, confirmed also by the renewed adherence to the project «PattiChiari» (Clear Pacts), promoted by the Italian Banking Association, which also obtained the quality certification. This important recognition confirms our commitment to improve the access of our customers to basic banking services, and the level of transparency in the offer of services by all our branches.