



COMMUNICATION ON PROGRESS 2016

A Cooperative Bank in the service of local territories: good results!

After exiting what was undoubtedly the most lasting and worrying crisis in the period since the Second World War, the world economy has experienced further difficulties in finding a sound growth path.

This is evidenced, in part, by the conflicting dynamics of international trade, which is the primary indicator of the progress made towards globalization. Indeed, there are still many unresolved economic, financial and political problems on the table. The last mentioned are reflected in the crises afflicting numerous areas of the planet, with knock-on effects in the more advanced countries that include targeted terrorist activity.

Looking more locally, the moderate recovery of the European economy consolidated over the year, albeit with differences between countries. It should in fact be recognized that, even in the most challenging years, some countries – notably Germany – were able to avoid most of the difficulties. In terms of the here and now, while continuation of the highly expansionary monetary policy has undoubtedly facilitated the recovery, each national economic system remains responsible for making the most of the situation. Italy does seem to have made some progress, but the size and number of the obstacles to growth – from the gigantic public debt to the elephantine bureaucracy – that merely listing them induces fear. The domestic banking system saw some light – not much – and many shadows. An improvement in the macroeconomic situation meant that there was less need for prudential provisions, but the chickens came home to roost towards the end of the year, highlighting long deferred issues that required government intervention to stabilize one of the country's largest and oldest banks, the oldest in fact.

Against this difficult background, our bank was able to maintain healthy and profitable operations. Net profit, the most meaningful summary indicator, amounted to 80.048 million, -20%, and would have been much higher except for the requirement, as in the prior year, to contribute towards resolving the outstanding banking crises.

The positive operating results – 2016 was the 146th year of profits – provide the best assurance of the ability of the bank to generate sustained self-financing and remunerate the providers of capital. Direct funding rose by 5.16% to 28,002 million, while lending increased to 21,332 million, +6.55%, in further **confirmation of the support guaranteed to the economy.**



Market liquidity has remained somewhat high. As a result, rates have touched new lows. Indeed, they were guided lower by the yields on public debt, with short-term maturities often in negative territory. This is undoubtedly an unexplored continent; some might actually think of it as a way to erode savings. Without venturing into discussions for giants, we can certainly say that continuation of the highly expansionary monetary policy has caused a degree of disorientation among savers. Efforts to identify remunerative investments have resulted in a focus on the asset management sector, while more liquid instruments have been favored by the negligible rate differential with respect to those at medium/long term, whose yields have fallen back markedly. This complex situation, compounded by the presence of significant uncertainties, has certainly not favored the growth of bank funding, which in fact continued to contract overall in 2016. Against this background, we benefited once again from the **trust placed in us by our customers**: direct deposits came in at 28,002 million, +5.16%.

There are of course many reasons for this positive trend, from the commercial effectiveness of our products to the skill of our relationship managers, but we believe that the overriding reason can be found in our prudent and profitable approach that, facts in hand, is seen to create wealth. The confidence of our customers, a fundamental value for any bank, is founded on this. This is further evidenced by the growth in our bonds, by contrast with the banking system as a whole, following the successful issue of covered bonds in early April. Against an offer for a nominal amount of 500 million, the demand quickly rose to about three times that figure. This bears witness to the **high level of solidity that national and international investors recognize in Banca Popolare di Sondrio**.

Indirect funding from customers amounts to 26,888 million, +0.95%, at market values. Direct funding from insurance premiums increased to 1,266 million, +15.11%. Total funding from customers therefore amounts to 56,156 million, +3.30%. Deposits received from banks have risen by 8.31% to 2,250 million. As in the prior year, this balance includes refinancing operations with the European Central Bank totaling 1,100 million, as explained in the chapter on «Treasury and trading operations». Securities under administration for banks have increased from 2,460 to 3,623 million, +47.27%. Total deposits from customers and banks therefore amount to 62,029 million, +5.31%.

The international background supporting the attempts of the Italian economy to catch the growth train was perhaps not especially helpful. Numerous elements created head winds and clouded the prospects: among the many crises causing great concern around the globe, the situation in the Middle East and Brexit are just two of those that stand out in particular. Despite this and uncertainties and stumbles along the way, the Italian economy did achieve some measurable progress.

Lending rates at historical lows have certainly been helpful to both firms and households. First-home mortgage demand from the latter has indeed been lively. The banking system – already in the spotlight for some time – has felt the opposite effects, not only due to the challenging transitions faced by certain players, but also to the more general difficulty of generating income while monetary policy remains highly expansionary. That said, the improvement in the macroeconomic situation has significantly reduced the flow of new impaired loans. Our bank has tackled this situation by focusing on the rigorous selection of borrowers and the proper remuneration of the risks accepted, in the **conviction that our careful support of the economy in the territories served must be accompanied by the growth of profitability**.



The management of impaired loans – which, significantly, have contracted slightly overall – has placed emphasis on increasing the coverage of provisions in accordance with the **long-established prudent policies of the bank**. In the meantime, we have also continued to strengthen the organizational functions responsible for this area and the related operational processes. Loans total 21,332 million, up by 6.55% with respect to the prior year. The trend fluctuated during the year: slowing in the early months and more lively during the last quarter. The ratio of loans to direct deposits is 76.18% compared with 75.19% last year.

When it comes to territorial expansion, we are used to swimming against the tide. Over the past decades, when buying branches – perhaps for a high price – was fashionable, we worked step by step to build our own strong network, without duplications. Now that many are closing their branches, often with serious job losses, **we continue to expand in a steady and careful manner**. The positive results achieved, in terms of market share and profitability, confirm that prudent management, streamlined operations and business initiative continue to be winning attributes: they do not become unfashionable, even now when the pace of change is accelerating. New technologies have opened new channels of communication and business between banks and customers; users are making more regular, intensive and effective recourse to the countless opportunities offered by the various IT networks; these days, everything processed appears on the screen of a computer or smartphone. We are already immersed in this reality, with tools, applications and programs that enable us to **dialogue interactively with our customers**. For some time now, we have been investing in virtual banking in the awareness that the future will not wait. This approach enables us to reach new categories of customer: from young people who may have already benefited from using our «Carta ateneo+» at their Universities, to the communities of users for which we provide nationwide services. We are just as determined to evolve our branch network towards an innovative model, in which branches are empowered to manage and finalize the key moments in their **personal relations with customers**, which are then able to operate easily using their preferred channels.

Our mission as a bank serving our territories is fully reflected in the work performed by the International unit. The professionalism accumulated in the sector of international relations, the wealth of experience acquired, the effective procedures available, the precious network of contacts and relations established throughout the world represent a veritable fortune that we make available to all firms that recognize **internationalization as an opportunity** for growth that cannot be missed. This applies to large enterprises that, by their nature, focus on the development of markets, and – perhaps more importantly – to the many small and medium-sized firms that find it hard to initiate cross-border activities on their own.

Our work effectively **promotes the productive systems in the territories served**, which is particularly useful at a time when an international approach has represented the winning strategy to tackle the persistent crisis in demand from the domestic market. In this regard, the start of relations with foreign operators not only makes new commercial outlets available, but also generates important benefits for the economic system as a whole. Firms have to compete with larger and more experienced operators, as well as with different visions and organizational models. The resulting discussions and contamination are positive in themselves, acting to stimulate product innovation and improve the efficiency of production units.



As a consequence of our active participation over the years in the «Coopération Bancaire pour l'Europe» European Economic Interest Group, we provide counterparties with a foothold in Brussels in order to identify and explore the more **attractive European funding programs**, to apply for the right to submit international tenders and to establish consortia for the presentation of transnational projects.

The quality of a bank is measured, in part, by its ability to offer **efficient and advanced services to customers**. The responsible offices are well supported by specialist companies with considerable experience, several of which are associates. They dedicate their resources and energy to analyzing and – where possible – foreseeing requests and market changes, packaging new products and services and adapting those that already exist to meet the requirements of even the most sophisticated counterparties. This commercial activity – carried out both centrally, with information campaigns about the new products and services, and by drawing on the guaranteed support of the branch network – therefore plays an important role in organizing and building awareness about the extensive catalogue, thus helping users to choose those most appropriate to their needs.

Risk Management

Constant attention is dedicated to the timely recording and accurate measurement of risks: knowing how to assess – in a balanced, critical and responsible manner – your ability to sustain the risks accepted over time is one of the most important lessons taught to banks by the repeated crises experienced in recent years. As recommended by the European supervisor and consistent with the ever-more demanding regulatory framework, **our commitment to refine – in quantitative and qualitative terms – the tools available for the control of risk therefore remains extremely high.**

Even the general organization of risk management activities has to keep up with the times. In this regard, the teams dedicated to the monitoring of risk were reorganized during the year, with a view to adopting a more advanced model that involves greater specialization and draws more extensively on the professionalism and accumulated experience of personnel. In meeting these needs – in the context of a culture founded on collaboration and interaction between the various organizational units, which is the «key» to the way we work – the Risk Control office has taken a different form. On the one hand, the office no longer has responsibility for business planning processes, capital management and the structuring of collateralized funding operations, which have been reassigned; on the other, the duties typically associated with the control of second-level risk have been spread among a larger number of organizational units.

Given its importance, **the control of credit risk has been amplified** and now involves four separate offices that are organizationally supported by a staff function with a coordination and governance role. Another organizational unit responsible for the management of no lending risks is active in the development of tools and methodologies for the analysis of market, rate, operational, reputation and liquidity risk, which it uses to monitor constantly the related exposures. An autonomous validation unit is, in turn, responsible for checking the quality and reliability of the models used to estimate the parameters for the measurement of risk, with a special focus on the proper calibration of our internal rating systems. A special office, operating with an overview of the significant risks accepted, is responsible for supervising the determination and monitoring of risk objectives, the assessment of capital adequacy



and the performance of stress tests on the resilience of the Group's equity and financial position in the face of adverse scenarios.

Alongside the above offices, two further specialist units are dedicated, respectively, to making the voluminous disclosures and reports to the authorities and external agencies, and to interacting with the Supervisory Bodies including, in particular, the Joint Supervisory Team of the European Central Bank.

This increase in the level of specialization has resulted in a non-trivial rise in employment, thereby helping to expand the capacity, intensity and quality of the work performed. In parallel with this strengthening of the organization, considerable progress has also been made in developing the «tools of the trade», being the methodologies and processes used for the management of risk. The Risk Appetite Framework, which in substance establishes risk limits that should not be exceeded, has been thoroughly revised to make it more sophisticated, detailed and aligned with other significant business processes: operationally, risk appetite provides a logical basis for proper business planning and an essential point of reference for healthy decision making. In turn, the ICAAP (Internal Capital Adequacy Assessment Process) and the ILAAP (Internal Liquidity Adequacy Assessment Process) also employ increasingly complex processes and considerations that are founded on the use of ever more refined simulations and risk modelling techniques. The above tools are now also more integrated with the «Recovery Plan», which is a document required by European regulations on the resolution of banking crises that seeks to define ex ante the actions to be taken in the event of a crash.

The risk management function made a massive effort to perform the stress tests required to the principal European banks by the Supervisory Bodies during the first half of 2016, in order to determine the ability of the system to cope with unfavorable economic and financial conditions. Intensive work was required to deliver the documents requested by the somewhat challenging deadlines set by the Authorities; at the end of the exercise, comforting results confirmed the stability of the Group.

Lastly, the innovations made in the various areas that comprise the overall system of governance and risk management are now being steadily incorporated in the official policy documents, which are now being revised accordingly. New methodologies were identified and implemented during the year in order to **monitor the bank's most important asset, our reputation**. In this regard, a new experiential approach to the assessment of reputation risk has been defined and tested, combining the structured processing of reputation-related information with an examination of possible risk factors. The methodology implemented each year, based on the processing of internal sources of information and the systematic monitoring of the media, is designed to identify scenarios that might adversely affect the reputation of the bank, with a view to analyzing their significance and, if necessary, take appropriate action to monitor, prevent and attenuate the related risks.

In order to **prevent the risk of money laundering and the financing of terrorism**, the bank remains on constant high alert without sparing investment or resources. Building on the daily controls in place and the risk self-assessment that the anti-money laundering functions of supervised entities were requested to carry out by the Bank of Italy, the relevant internal controls were further strengthened during 2016 in terms of adequate verification, the profiling of risk, the monitoring of customer activity and the anomalous use of cash. Special attention was also paid to the most problematic economic sectors and to transactions with counterparties resident in «Countries at risk», being those subject to embargo or deemed not equivalent to EU countries in terms of their anti-money laundering regimes.



Overall, the controls in place are both detailed and robust, but nevertheless require constant adaptation to take account of the changing dynamics that influence the risk of committing money laundering crimes in the territories served by the bank. In the context of a broader project to strengthen controls, the Compliance Unit radically revised its approach and the matters addressed during the year, adopting a «widespread compliance» operational model on the basis that the supervisory instructions make the Unit responsible for monitoring the regulatory compliance aspects of all banking activities (without prejudice to the specific responsibilities of other second-level control functions).

The Internal Audit Department, which reports directly to the Board of Directors in order to ensure its independence, has the delicate task of assessing the functioning of the bank's overall system of internal controls via constant observation of the proper conduct of operations and the changes in risk.

This overview of activities is completed by coverage of the regulatory compliance work performance including, in particular, the regulations designed to tackle money laundering and the financing of terrorism (Decree 231/2007) and those governing safety in the workplace (Decree 81/2008).

With regard to the principal projects launched by the bank, the Internal Audit Department participated actively in the work to validate our internal rating systems in application of the AIRB approach, with a view to checking the consistency of the activities carried out with the related regulatory requirements, providing an independent assessment of the principal project macro-areas and monitoring their progress.

Human Resources

Italy is navigating in troubled waters, faced with many uncertainties and difficulties that make it difficult to identify and pursue a path capable of restarting the economic engine, that is stalled after a long period of crisis. Against this problematic background, many banks have chosen the route of mergers, rationalization and cost containment, some more voluntarily than others. Increasingly, among the sacrifices made on the altar of efficiency, banks have downsized their commercial networks and staffing, which are seen as a burden to be shed in order to «get into shape» for the market.

We do not share this vision, primarily because, at Popolare di Sondrio, expansion of the branch network and employment have always been the subject of stringent checks and balances designed to avoid redundancy and unproductive costs. Additionally, we are also convinced that, as a bank, we only exist because of our people. Regardless of their function, they are responsible for presenting the commercial range, customizing service and strengthening and enriching, in human and professional terms, the working relationships established with our customers. **Our people are our distinguishing factor and represent a decisive competitive advantage.** We are proud of our personnel and pleased by the many compliments we receive about them. The human resources department is tasked with ensuring the quality of our personnel. Dedicated and committed, the department carries out the delicate task of selecting and training staff, motivating them and supporting them as they grow.

The important collaboration with technical schools and universities active in the territories served by the bank enabled 220 students to complete internships at our branches and central offices.

Relations with the Trade Unions continue to be based on reciprocal respect.



Promotional and Cultural Activity

Alongside the development of our primary activities, we are also keen on **initiatives designed to build awareness about our origins and the territories served**, the customs and traditions of the people who live there, and the related historical and economic aspects. We also strive to document in publications and pictures the landscapes of our territories and to preserve the memory of those persons of yesteryear who, born or raised there, have left their mark in any field, whether cultural, entrepreneurial, economic, political or other. This is our duty and we will continue in this way. Recognitions are always well received: they highlight the benefits and fruits of effort and stimulate a desire to improve. We are no different.

Last year, as part of the «Milano Finanza Global Awards», we received the «Premio Guido Carli/Lombard» as the **«best Italian bank for the promotion of the cooperative spirit»**. In the context of the 2016 «Future Bancassurance Awards», the EMF-Group recognized our senior management «for the development of the year of the Bancassurance business in both the Life and non-Life sectors» and commended the bank «for its ability to sell customized non-life insurance products».

We are famous for our **interest in art and culture** in general, and we willingly dedicate time and resources to these sectors. Our periodical, *Notiziario*, elegant but with a modest name, was launched in 1973 to present articles on many subjects – often by prestigious contributors – every four months. This past year was no different. Among the many words published in 2016, the April edition of the magazine opened with a long report, comprising several articles rich in sentiment and emotion, in memory of its founder: our much missed Honorary Chairman, Piero Melazzini, who passed away on 30 November 2015. The members who attended the annual meeting held on 23 April 2016 were given a book of photographs covering «The wild Alps. The mountains and their animals». This publication is easy to read with attractive pictures, describing in detail the natural beauty of the alpine chain. The members who attended the meeting held on 17 December received a facsimile set comprising the «Minutes of the general meeting held on 3 March 1872» and the first «Articles of Association» of the People's Cooperative Bank of the Province of Sondrio. These antique documents confirm the continued validity and applicability of the principles on which our bank was founded. Traditionally, the «Reports» of the parent company and our Swiss subsidiary are enriched with cultural inserts. In particular, the 2015 annual report of the bank includes a feature on Bartolomeo Pinelli (artist: 1781-1835). The cultural section of the Report of BPS (Suisse) SA – 2015 edition– was dedicated to the Swiss teacher and pedagogue of Italian origin, Johann Heinrich Pestalozzi (1746-1827), who contributed to fight against illiteracy in Switzerland, which was rife at the time.

To mark the 92nd World Savings Day we promoted a series of meetings with Roberto Ruozi, retired professor of Milan's Bocconi University, who dedicated his entire day on 11 November to Sondrio. In the morning, at the Policampus, he talked to hundreds of senior pupils and their teachers about the «Situation, challenges and prospects of banking activities in Italy». In the evening, he held an interesting conference in our Fabio Besta Hall on the «Banking Mosaic», which is the inspired topic of his book. The auditorium was crowded and well informed.

«Invitation to the Palace» is an ABI initiative intended to grant access to the many works of art owned by banks and show off the architectonic beauty of their buildings. Popolare di Sondrio, which has supported this initiative from the start, participated in the fifteenth edition on 1 October 2016 with good results. Guided tours included the head office, our Luigi Credaro Library located nearby – which was very active during 2016 in terms of visitors and the loan



of books – and the Stelvio Pass branch, which includes space dedicated to the Carlo Donegani Museum that displays interesting Italian and Austrian war relics dating back to the first World War.

Pirovano, our subsidiary in the Stelvio Pass known as the «Ski and Mountain University», is a sort of magnet for amateur and professional sporting events, and for the summer holidays of those who want to spend a relaxing and comfortable time at altitude, in harmony with nature and combining long walks with various snow sports. Among the many events, the August «Green Weekend» organized by Il Giorno is worthy of mention. This newspaper also celebrated its 60th anniversary there at the end of September-start of October, in combination with the «Three days on skis» event promoted together with Sci Club Rimini Ski & Snowboard. The «XVth Pirovano Interbank Meeting» was held in mid-October, attended by 27 companies and 13 banks. Hotel Quarto Pirovano was visited by thousands of drivers registered with the «40th International Rally: Stelvio International Metzeler» held from 30 June to 3 July. For many years, the Upper Valley has hosted the Stelvio-Mapei Run, which we help to organize. The 2,500 athletes ran along the winding roads from Bormio to the Stelvio Pass, resulting in a celebration of sport, friendship and healthy competition.

Turning to «Popsoarte» www.popsoarte.it, a number of virtual exhibitions were organized during the year, featuring works by distinguished artists that belong to our collections. The spotlight was focused on a number of interesting topics: «Nineteenth century romantics», «From the Valtellina landscapes to The Betrothed» and «Italian art in the twentieth century».

Among the new year gifts made available to customers, comprising diaries and almanacs, the wall calendar attracted curiosity for its attractive illustrations, as well as for its lengthy introduction entitled «From the Alps to Europe – Banca Popolare di Sondrio from 1871 until now», which covered the history of our bank.

Among **solidarity and charitable works sustained by the bank**, the «Solidarity Current Account» has made it possible to allocate significant amounts to AISLA, UNICEF, AVIS, AIRC and ADMO, which are all admirable organizations that perform precious work for the community.

Lastly, the Group Staff Association continued to present worthwhile cultural, touristic and sporting initiatives throughout the year.

Mutualistic Activities

In accordance with the provisions of art. 2545 of the Italian Civil Code, the following are the criteria followed by management to achieve the Bank's mutualistic goals. In this matter, points 1 and 2 of our Articles of Association are fundamental points of reference for us; they read: «The company's activities are based on the principles of mutuality and cooperation» and «As part of institutional work to facilitate the development of all productive activities, the company, **in consideration of its specific objectives as a cooperative bank, intends to provide specific support for the smaller enterprises and cooperatives present in the territories served**; in addition the company aims to implement any appropriate initiative necessary to spread and encourage savings».

Our commitment over the past year was to satisfy the demand for banking products and services – especially loans – from our customers and, above all, from our shareholders. This is our mission as a cooperative bank and, as always, we have acted accordingly, giving attention not only to the needs of individuals, but also to the more general



requirements of the communities to which they belong. This means working with a vision that seeks to make **best use of the resources and specific characteristics of each territory**, thereby reflecting their nature and desires, as well as enhancing our mutual interests. We take the opportunities for work offered by the various counterparties, while they benefit from operating in a healthy and profitable environment. These guiding principles of identity, solidarity and support are also written into the Statute for the Valtellina Community.

As already said, loans to customers amounted to 21,332 million, +6.55% on the previous year: this statistic highlights the scale of the **financial support provided to households and businesses**. Among other things, we have supported **numerous eco-compatible economic initiatives** by making loans intended to spread further the use of renewable energy and implement rural development plans. The same is true for the support provided for **property renovations**, which seek to save energy and, of course, upgrade. We have also continued our collaboration with INPS (Italian Social Security) and the Central Institute of Italian Cooperative Banks on the issue and payment of «work vouchers» for casual labor. The objective is to facilitate the provision of casual work to young people by improving the **flexibility of businesses**.

In terms of funding, customers were given all necessary support, including expert advice, when choosing between the various investments. This reflects our absolute **transparency and respect for the propensity to accept risk** of each person. Our catalogue includes ethical financial instruments and supplementary pension products too, which are essential these days in order to assure an adequate level of retirement income.

As before reported, direct deposits came in at 28,002 million, +5.16%: this confirms the validity of our commercial proposals and, above all, the trust placed in the bank as a result of the concrete efforts made to **safeguard savings**. Entities and institutions are among the principal recipients of our specialist services. Our offer – delivered through dedicated desks, traditional branches and, more and more frequently, electronic tools – is designed for both local entities and the numerous other institutions, with which we have cooperated for some time.

Without focusing on any particular segment, we provide **services to small municipalities and to regional and national entities**, as well as **to local associations and to major non-profit organizations** with an international outlook.

There are 182,797 shareholders at the end of the year: the wide membership confirms our ability to involve new partners in our work. A simultaneous increase in the number of **member-customers** is a concrete reflection of the way we implement the founding principles of the cooperative banking movement, which identifies the members as the most important and stable core of customers. Art. 2528, last para. of the Italian Civil Code requires the annual report to describe the reasoning adopted when deciding to admit new members. This information is presented in the «BPS stock» section of this report.

Institutional communications and that to the market - carried out in full compliance with the specific regulations – take account of the nature and sheer number of our members. In this regard, we note that communications are the key to **informed participation by the members in the life of the bank**. The traditional mid-year and year-end «Letters» are addressed to all members and friends, in order to update them on a periodic and timely basis about the performance of the bank. The directors' report and annual financial statements provide a comprehensive picture of the events that took place during the year, explained using language that seeks to be understandable by all. It is



our duty to ensure that communications, increasingly required by the regulations, remain transparent and not excessively technical, in which case they would only benefit a few readers.

The Bank and the membership also come together at the **annual general meeting**: this key moment in the life of our business in which the most relevant decisions are taken. Direct participation is facilitated by the transport services provided and represents an opportunity to take lunch together. Indirect participation is of course possible by the wider possibility to use proxy voting. This participation by members in the life of the bank also extends to the various meetings organized directly by the Bank and in collaboration with local entities and institutions.

The will to contribute towards the economic and social development of the communities that we serve also manifests itself in the **financial support that we give to a vast range of initiatives**. They are the result of a solidarity-based vision of the market, where profit is accompanied by other objectives, reflecting a long-term assumption of responsibility towards the social context to which we belong for the enhancement of its identity.

Initiatives during the year 2016 were as follows:

- Running the library in Sondrio named after Luigi Credaro, illustrious compatriot and former Education Minister from 1910 to 1914. In addition to making available to the general public our significant heritage of books and documents, we have also established fruitful contacts with the world of education.
- Support for Pirovano Stelvio SpA and through it for the tourist complex of the Stelvio and the Upper Valtellina.
- The cultural events we organize on an ongoing basis such as conferences and seminars, as well as the publications we edit and publish, and the sporting events that involve a large number of participants.
- The traditional celebration of World Savings Day.
- The support provided, in collaboration with other parties, for the improvement of economic and social conditions in the various geographical areas of activity.
- The contributions made in favor of public and private entities, universities, hospitals and institutions to which we provide treasury services.
- Donations – from the amount allocated for this purpose at the shareholders' meeting – to support entities and associations that carry out cultural, sporting or voluntary work.

Last but not least, we have renewed our membership to the Global Compact project, committing ourselves to adopt business practices designed to safeguard the universally-recognized principles on human rights, work, environment and anti-corruption.

The presence of the Bank in the «Global Compact International Yearbook 2016», alongside institutions and businesses from around the world, is a sign of our contribution to economic growth and social responsibility at a global level.

Quoted from "Banca Popolare di Sondrio - Annual Report 2016" also available on our web site www.popsi.it