

Module: Introduction

Page: Introduction

0.1

Introduction

Please give a general description and introduction to your organization

Intesa Sanpaolo is the banking group formed by the merger of Banca Intesa and Sanpaolo IMI. The merger brought together two major Italian banks with shared values so as to increase their opportunities to grow, enhance service for retail customers, significantly support to development of businesses and make an important contribution to the country's growth.

Intesa Sanpaolo is among the top banking group in the euro zone, with a market capitalisation of 22.5 billion euro (30/04/2013) and aims at becoming the benchmark of value creation in the European banking system.

Intesa Sanpaolo is the leader in Italy in all business areas (retail, corporate and wealth management). The Group offers its services to 11.1 million customers through a network of 5,200 branches well distributed throughout the country with market shares no lower than 15% in most Italian regions.

Intesa Sanpaolo has a selected presence in Central Eastern Europe and Middle Eastern and North African areas with more than 1,500 branches and 8.3 million customers belonging to the Group's subsidiaries operating in retail and commercial banking in 12 countries.

Moreover, an international network of specialists in support of corporate customers spreads across 30 countries, in particular in the Middle East and North Africa and in those areas where Italian companies are most active, such as the United States, Russia, China and India.

The organisational structure is made up of business units reporting directly to the CEO:

- Banca dei Territori (domestic commercial banking) responsible for retail customers, small businesses and small to medium enterprises;
- Corporate and Investment Banking, responsible for corporate customers and financial institutions;
- International Subsidiary Banks;
- Eurizion Capital for asset management;
- Banca Fideuram;
- Intesa Sanpaolo Assicura.

0.2

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

Sun 01 Jan 2012 - Mon 31 Dec 2012

0.3**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

Albania

Serbia

Egypt

Slovenia

Hungary

Russia

Ireland

Luxembourg

Croatia

Switzerland

Romania

Select country
Bosnia and Herzegovina
Slovakia
Ukraine

0.4

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(€)

0.6

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 and companies in the information technology and telecommunications 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@cdproject.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.cdproject.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

Attachments

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/Introduction/Brochure_istituz_en.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/Introduction/Brochure_istituz_en.pdf)

Module: Management [Investor]

Page: 1. Governance

1.1

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

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

1.1a

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

The person responsible for climate change strategy is Mr. Enrico Tommaso Cucchiani, the Managing Director and Chief Executive Officer of Intesa Sanpaolo, member of the Management Board of Intesa Sanpaolo. Responsibility for climate change is included in our Environmental and Energy Policy as well as in the Code of Ethics, approved by the Management Board. Since 2010 the bank's strategy on climate change has been introduced in the annual Report presented to the Control Committee of the Supervisory Board. The CEO is supported in this responsibility by the CSR Unit in staff to him, that acts as group-wide coordination centre on the topic. In detail, the role of the CSR Unit is as follows: • define strategies and policies which can work towards integrating climate change in the bank's activity; • supply support and advice to the various structures in carrying out specific projects; • cooperate with the relevant departments with regard to staff training; • support the bank's communications with regard to climate change through the production of information material, the reporting of crisis areas, analysis of information requests; • define guidelines on environmental matters in order to improve the enforcement of company strategies and policies in this field, with particular attention to energy consumption and relative emissions; • monitor company's activities which generate impacts on the environment by providing guidelines for a progressive improvement of the Group's environmental footprint, also through promoting awareness and training, as well as technological innovation; • maintain and progressively extend the perimeter for applying the environmental and energy quality management Systems; • coordinate the reporting process by publishing the Sustainability Report.

1.2

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

Yes

1.2a

Please complete the table

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator
Energy managers	Monetary	Meeting emission reduction targets. The energy manager is in charge of monitoring the most significant

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator
	reward	impacts, especially related to energy; preparation of energy balance; guidelines to identify and suggest improvements in line with the best practices; identification of optimisation activities, in particular in terms of purchases and management, to ensure the reduction of energy consumption, raw materials and waste; proposal of new technologies, solutions and products with lower environmental impact, based on cost-benefit analysis, to increase eco-efficiency. His assessment is directly based on reducing the Intesa Sanpaolo Group carbon footprint.
All employees	Monetary reward	Education. All employees are encouraged to educate themselves in climate change issues and to take part in activities aimed at reducing Intesa Sanpaolo's carbon footprint. During the World Environment Day and the European Week for Waste Reduction, Intesa Sanpaolo put in place a series of initiatives to raise awareness among colleagues on the topic. One of these initiatives in Italy was to offer, through "Bonus of Intesa Sanpaolo", a reimbursement of 5% for the purchase of products and services that help manage sensitive forests (FSC wood), to save energy and money (LED lamps) and take care of our environment (hybrid scooter, ecotourism and waste bins).
Facility managers	Recognition (non-monetary)	Meeting emission reduction targets. Teams responsible for management facilities are incentivized to successfully implement activities and initiatives that support energy efficiency and the reduction of CO2 emissions.
All employees	Other non-monetary reward	Send a photo for the environment. During 2012 there was the second contest organized in order to choose the ten best photographs that could represent the Intesa Sanpaolo involvement in the climate change issue. The photographs sent by colleagues were selected by the CSR Unit in collaboration with the External Relations and Internal Communications Department, taking into account, in addition to image quality, the ability to evoke the theme of environmental sustainability. The authors of the ten chosen photos received a book titled "Be aware the waste" to increase their environmental sensitivity, with the aim that they will become propagators of a new environmental culture in the company.
Other: Environment/sustainability managers	Recognition (non-monetary)	The CSR unit objectives are the support of the development of low-carbon business activities, the issue of policies on environmental matters and the coordination of monitoring and reporting of climate change activities. The team is incentivized through corporate recognition based on its success in these areas.
Risk managers	Other non-monetary reward	Integration of climate change related risks in risk assessments.
Other: Research Society	Monetary reward	Communicating climate change issue. "Studi e Ricerche per il Mezzogiorno" (SRM) is a Centre for Economic Studies and Researches inside the Intesa Sanpaolo Group whose objective is to develop analysis on Italian regional economy in the European and Mediterranean perspective, with a special focus on Southern Italy's economic, entrepreneurial and social tissue. SRM produces for its shareholders and offer to the business and academic community detailed economic studies and analysis with the aim to improve the knowledge of Italian economy. In 2011 and 2012 the analysts have had the goal to write papers on energy efficiency and water in order to sensitize public on climate change issues.
All employees	Other non-	Education. During the World Environment Day, Pravex, the Ukraine Subsidiary proposed to all employees to

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator
	monetary reward	participate in a contest with practical initiatives: the employees involved have participated, together with the Bank's top management, to the reforestation of public parks by planting trees donated by the Bank itself
All employees	Monetary reward	Sustainable mobility. In order to simplify our employees commuting to reach Bank's premises in areas not served by public transport in Turin, Milan, Venice, Vicenza, Naples, Bologna and Padua, Intesa Sanpaolo Group made available to employees 13 free shuttles. Thanks to this action, commuting costs paid by employees were reduced and CO2 emissions decreased.
All employees	Other non-monetary reward	Sustainable mobility. Intesa Sanpaolo Card employees participating in car-pooling are entitled to a company parking space in office garages since they are both helping in lowering the emission of CO2 and are sending a positive message on climate change issues.

Attachments

[https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/InvestorCDP2013/1.Governance/Bonus Giornata Mondiale Ambiente.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/InvestorCDP2013/1.Governance/Bonus_Giornata_Mondiale_Ambiente.pdf)

Page: 2. Strategy

2.1

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

2.1a

Please provide further details

i) **Scope of the process** Intesa Sanpaolo considers environment and more specific topic of climate change as a fundamental part of a wider management model of social and environmental strategy which entails embedding CSR across all the businesses and departments of the banking group. We consider as a responsibility of the bank to implement specific action plans and realize projects in order to manage in a rigorous and constructive way both our business as usual and critical topics. Environmental protection and attention to climate change are key dimensions of our commitment to responsibility, reiterated and clarified in the Group's

Environmental and Energy Policy, issued in 2007 and periodically updated integrating new initiatives and targets (last update June 2012, see file attached). The Policy is approved by the Management Board and spread internally through all channels of communication. It is also available on our website. The commitments declared refer to both direct and indirect impacts, with the aim of assessing risks and opportunities related to the environmental issues, reducing our ecological footprint and that of our customers and suppliers. The risks and opportunities related to new regulatory framework are regularly monitored and, through specific stakeholder engagement, we consider the behaviour and expectations of our customers. One of the most important results achieved are the certification ISO 14001 and ISO 50001 of our Environment and Energy Management System (EEMS). Intesa Sanpaolo has been the first Italian bank in Italy to obtain the latter and we are constantly expanding the number of site certified. For the same perimeter in May 2013 we obtained, first bank in Italy, the ISO 14064:2012 certification that specifies principles and requirements at the organization level for quantification and reporting of greenhouse gas (GHG) emissions. Following our comprehensive Sustainable Energy Action Plan (SEAP) 2009-2013 we have been monitoring the environmental performance and we have been verifying the targets fixed in all the main important fields (energy use, emissions, paper and water consumption, waste disposal, etc). Regarding indirect impacts Intesa Sanpaolo is a signatory of the Equator Principles since 2007 and is actively committed in applying them through a specific process integrated in the project finance credit process. A wide training was conducted between 2010 and 2012 in order to share the procedures with all the specialists and standardize the management of this activity. The CSR Unit coordinates the implementation and the further developments of the procedures and plays an active role in the concrete process, in order to balance the business units' choices.

ii) **How risks/opportunities are assessed at a company level** Since December 2010 the CSR Unit has been conducting a mapping activity of risks and opportunities on climate change involving all departments and divisions of the Bank. This activity is performed both through direct interviews and meetings and through questionnaires. The aim is to create an overall picture of the existing climate change related business activities, products and services, highlighting the interactions amongst structures (departments, business units, etc) which is always updated. It is also useful to underline critical points as well as promoting future developments regarding climate change issues at Group Level. One of the most concrete consequences of this mapping has been the creation of two interdepartmental working groups (one focused on green banking and the other focussed on carbon market) that meet regularly to address issues related to climate change. External experts have been appointed to address particular technical issues, such as the carbon market, business opportunities related to renewable energy in Italy, in Romania and Turkey, best practices in financing the coal sector. A dedicated intranet section has been created to collect all the documents, presentations and papers in order to maximize the sharing and dissemination of information and initiatives. In 2010 Intesa Sanpaolo has been started a structured way of listening to NGO's, through a series of interviews. The objective is to investigate the main characteristics of socio-environmental risks, focusing on the issue of climate change. In order to continue to better understand the areas of main environmental risk, also in 2011 and 2012 it was decided to continue with the process of involving NGO's, especially environmental ones. Intesa Sanpaolo has also joined the UN Global Compact and adheres to the UNEP FI where it is part, through the subsidiary Eurizon Capital, of the Steering Committee.

iii) **How risks/opportunities are assessed at an asset level.** The identification and promotion of initiatives aimed at the rationalization of resources and reduction of pollutant emissions are a result of a careful and detailed monitoring carried out on energy consumption, optimization of facilities management and creation of new setting based on the use of the parent company and its main banks network (about 84% of Italian consumption of the Group). This Sustainable Energy Action Plan (SEAP) provides for actions related to the following aspects: optimization of fuel management; improving energy efficiency; innovation; green purchasing; training. In particular, for every action taken, annual and cumulative energy and cost saving are foreseen.

iv) **Frequency of monitoring.** All the indicators (more than 200) related to the environmental performance and climate change are collected twice a year and made available to the top management through a specific data base, managed by the Planning and Control Department. Those data are also used for the Sustainability Report, published every year and approved by the Management Board.

v) **Criteria for materiality/priorities** Intesa Sanpaolo has been using the AA1000 Assurance standards across its operations. The materiality matrix, published in the Sustainability Report, lists the Group's sustainability issues, positioned with respect to both the relevance and priority given by stakeholders and to the level of priority for the Group, also as a possible reputational or financial impact on the Bank. The analysis has provided key insights into the macro themes of environmental protection both from an overall point of view and from a specific one, focusing in particular on the following areas: climate change; pollution prevention and abatement; conservation of energy and natural resources. These topics of interest for the stakeholders are amply confirmed in the materiality matrix of the Group.

vi) **To whom are the result reported** Since 2008 the CSR Unit has been asked to report annually to the Control Committee of the Supervisory Board, through a specific Report on the implementation of the Code of Ethics that includes also environmental risks issues and presents what has been implemented during the previous year. A comprehensive and detailed section of the Sustainability Report as well as the Annual Report is focused on environment, which includes its direct

and indirect impacts on it. The Sustainability Report is approved by the Management Board and also presented to the Supervisory Board.

2.2

Is climate change integrated into your business strategy?

Yes

2.2a

Please describe the process and outcomes

i) How the business strategy has been influenced: Responsibility for climate change is included in our Environmental and Energy Policy and in the Group's Code of Ethics. The CSR Unit reporting directly to the CEO coordinates the issue. The strategy focuses on monitoring and managing direct and indirect environmental impacts. Regarding direct impacts the Group monitors and implements initiatives to improve the management of energy, waste, green purchasing and maintenance of buildings, to make its ecological footprint lighter. The Environmental Sustainability Team coordinated by the Group's Energy Manager, within the CSR Unit is in charge of that. In 2010 the first three-year plan for environmental improvement ended and it has been re-issued since 2011 (2011-2013), focusing on all areas of environmental sustainability and primarily on emissions reduction. Within the Plan, in 2012 the Bank consolidated the UNI EN ISO 14001 and integrated the System with the energy certification UNI CEI EN ISO 50001 in about 200 sites. In 2013 we have decided to certificate the CO2 emissions of our EEMS sites under the ISO 14064. We obtained the certificate for 2012 emissions at the end of May 2013. The Sustainable Energy Action Plan is circulated within the bank through the intranet and is regularly presented to the top management. The improvement actions implemented at the sites are followed by specific training for employees. In addition, the two working groups created after the mapping activity of risks and opportunities throughout the Group (Green banking and Carbon market) are addressing key issues related to climate change and outline the main risks that the bank must assess. Helped by external experts the groups evaluate the major opportunities and define projects and initiatives to be proposed to the top management. The dedicated intranet section (over 30 pages) collects all the documents, presentations and papers related to climate change, both produced internally and externally (research centres, universities, etc). A wide research plan on renewable energy sector has been performed by "Studi e Ricerche per il Mezzogiorno" (SRM) a Centre for Economic Studies in Intesa Sanpaolo. In 2012 many new papers on energy efficiency and renewable energy were published and publicly presented to sensitize the public on climate change issues (see an example attached).

ii) What aspects of climate change have influenced the strategy: Intesa Sanpaolo is aware of the significant impacts on climate change due to its dimension, influencing many strategic choices (implementation of an EEMS, adoption of internal policies for reducing the ecological footprint, etc.). As a financial intermediation we must consider also as a priority risks linked to our customers business. The bank's strategy for mitigation of emissions includes: keep up to date and implement the certifications obtained (ISO 14001, ISO 50001, ISO 14064 etc.) for the EEMS; increase the use of energy from alternative sources; improve energy efficiency (reduction of consumption in lighting and air-conditioning, choice of energy-efficient equipment, plant maintenance, using recycled products, etc.); develop mobility management initiatives that reduce emissions from commuting and business meetings; monitor and report updated emissions data in a more accurate way (Sustainability Report, CDP, etc.); promote innovation in products and services to help reduce emissions of our clients (loans for the installation of photovoltaic systems and the production of renewable energy, interventions to reduce energy loss, support for technological R&D in clean energy, managing a portfolio of CDM projects in the market for carbon assets, etc); evaluate climate change risks in the lending activities.

iii) The most important components of the short term strategy: many of the initiatives aimed at reducing direct and indirect emissions have become on-going activities with specific targets set every three years and monitored in the continuous and we

consider them as short term changes (reducing paper consumption, utilizing recycled and certified paper). Other key short term activities: employees training on risks and opportunities related to climate change, encouraging them to promote sustainable behaviour both at work and at home and positively influencing also clients (in 2012 more than 30% employees used the training platform); keep updated and improve the EEMS, improve energy efficiency, innovate products and services to help reduce emissions of our clients. **iv) The most important components of the long term strategy:** the main medium to long term strategy issue is the integration of climate change risks in all our lending activities. Until now we already consider climate change risks in big projects in risky sectors and countries through the Equator Principles and we also consider them in the qualitative risk management models for the small businesses and corporates. Other long term strategy activities are those linked to reduction targets set for 2015 (for example becoming a "700 Watt society") and for 2020 (heating and conditioning -17%, lighting -43%, ATMs -33%).

v) Strategic advantage over competitors: following the strategic choices of the past years Intesa Sanpaolo has achieved several competitive advantages. One of the most important is the level of funding granted in the field of renewable energy and energy efficiency to our clients, which in 2012 exceeded 3.0 billion euros. As further proof of the quality of the initiatives performed by Intesa Sanpaolo, in recent years the Bank has received many important awards.

vi) Substantial business decision: Intesa Sanpaolo has launched the Start-Up Initiative, a training and promotion programme for emerging high-tech companies with a main focus on Clean Tech: renewable energy and energy efficiency. In 2012 the renewable energy sectors have been influenced by Intesa Sanpaolo's engagement with Italian institutions and Ministers in charge of the changes of the incentive systems for renewable energy. We have also signed a protocol with the NGO Legambiente to verify the presence of asbestos on the Italian territory and its disposal. Two new financing projects were launched in 2011, dedicated to investments aimed at the sustainable development of the territory and environmental protection, including the removal of asbestos. Besides the three new internal rules approved in 2011 (Sustainability rules for organizing communications events and training activities, Sustainability rules for the purchase and use of paper and derivative material, Sustainability rules for the purchase of office machinery) a new policy aimed at further spread and integrate the best practices in the Group's processes were approved in 2012, regarding the setting up of sustainable branches. With regard to the self-production of electric energy, despite the difficulties due to the limited availability of suitable properties, in addition to a small co-generation plant, in 2012 some large-sized photovoltaic plants were built at the accounting centres of Moncalieri and Settimo Torinese, as well as other medium-sized ones in Rubano, Forlì and Cosenza. These plants are an addition to the two small innovative photovoltaic plants built in 2011 in Turin and Venezia Marghera. The plants built, amounting to a 1.7 million euro investment, made it possible to produce around 330 MWh of electric energy in the second half of 2012. In June 2012 the new "Energy Zero" branch has been opened. The International Subsidiary Banks continued to implement automatic switch-off systems for lighting devices and PCs and to install LED or high-efficiency lighting sources. Worthy of note is the fact that, thanks the branch renovation work, the Croatian PBZ obtained the European "Greenlight" certification.

2.2b

Please explain why not

2.3

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

Direct engagement
Trade associations
Funding research organizations

Other

2.3a

On what issues have you been engaging directly?

Focus of legislation	Corporate Position	Details of engagement	Proposed solution
Clean energy generation	Support with minor exceptions	Intesa Sanpaolo engages with the GSE (Gestore Servizi Energetici: energy services management entity), the Ministry of Economic Development and the Ministry of Environment, directly and through ABI, the Italian Banking Association. During 2012 the bank was mainly involved in matters regarding the development and the changes in the incentive system ("Conto energia") of the photovoltaic sector in Italy and the incentives to the other renewable technologies.	Stabilizing incentives to allow the market to continue to grow
Energy efficiency	Support with minor exceptions	'Financial support for energy efficiency in buildings' (May 2012); the topic of the directive was "Barriers and opportunities related to the financial support for energy efficiency investments aimed at improving the energy performance of buildings"	Simplifying the procedures in financing energy efficiency
Energy efficiency	Support	'Roadmap Energy-efficient Buildings PPP beyond 2013' (October 2012). Contribution to the Roadmap of the Energy-efficient Buildings PPP beyond 2013	Raccomandations on best available technologies
Other: Guidelines on energy and environment management	Support with major exceptions	Participation in the ABI working group for the issuance of the Guidelines.	Indications on the best way to calculate and represent environmental indicators

2.3b

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

Yes

2.3c

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?
ABI	Consistent	ABI participated in the public consultation launched in late 2012 by the Italian Ministry of Economic Development and the Ministry of Environment for the new National Energy Strategy issued in March 2013.	Intesa Sanpaolo has actively participated in the drafting of the observations by sending to ABI a series of proposals to be included in the final document.
ABI	Consistent	In order to create a shared basis for reporting between all the Banks, ABI Energia and the Competence Center ABI Lab sull'Energia e l'Ambiente, through its Energy Efficiency Monitoring Centre, have drawn up guidelines relating to reporting on eight out of the thirty GRI indicators most widely used by the banks in their Social Reports. This document is aimed, on the one hand at harmonising the reporting methods so as to facilitate comparison of information between the various banks and create potential benchmarking, while at the same time also fostering further dissemination of sustainability reporting in the banks that have not yet adopted it.	The Intesa Sanpaolo Group was able to make an important contribution to this, since it has been using these indicators as benchmarks to enhance its accountability through quality reporting for some time. In detail, our methods for recording and monitoring the data, and the coefficients utilised for the calculation of the transformation factors were illustrated. The final version of the Guidelines, aligned with the Intesa Sanpaolo standards, emerged as an extremely concrete document, very useful for all the Italian banks.
ABI	Consistent	ABI, on the basis of the proposals of the member banks, has submitted to the competent Minister a number of comments and suggestions on the new law regarding the incentive of thermal energy, called "Conto termico".	Intesa Sanpaolo has offered some suggestions to improve the law and could easily finance both the ESCO and public bodies.

2.3d

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

No

2.3e

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

Yes

2.3f

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

Through a consolidated economic and technical partnership, the Intesa Sanpaolo company Mediocredito Italiano collaborates with the Politecnico of Milan in the energy field. In 2012, the Energy & Strategy Group inside the Politecnico worked to in-depth the topics of energy efficiency introduced with the first report in 2011 and to launch the new research "Energy Efficiency Report - November 2012" with the aim of clarifying the concept of energy efficiency in industrial use and to understand the dynamics of entrepreneurship and market as well as technological and regulations related to it. Another noteworthy publication is Solar Energy Report 2012. The study, now in its fourth edition, presents and analyses the framework updated to early 2012 on the technological, regulatory, market and supply chain that characterize the solar industry. In particular, it will explain the expected market developments until 2013 in view of the Fifth Energy Bill, probably the last one for the Italian PV.

Mediocredito Italian has supported the implementation of the research and, as partners, has been present at the conference "The Italian industrial system in the solar energy business: what will the future of photovoltaic in Italy" held in Milan in April 2012.

The concerns related to emissions produced by the use of coal and its by-products to fuel power stations and central heating plants are constantly present in the strategic financing decisions of Intesa Sanpaolo. With a view to exploring this issue and to identifying the best practices and the international standards that make it possible to operate in this sector with awareness and responsibility, the Bank has commissioned an in-depth, exhaustive sector study from the international specialist consultant ERM - Environmental Resources Management. The paper has been presented to a broad panel of internal structures to boost its circulation, and will provide a basis for the definition of in-house guidelines that will enable us to ensure that our business is increasingly attentive to the environment.

2.3g

Please provide details of the other engagement activities that you undertake

Intesa Sanpaolo is convinced that a more proactive role of financial institutions in the climate change field comes from an active cooperation with the governments and the other public institutions. A fundamental contribute from the governments is to provide stable regulations in each countries and common rules at international level. Intesa Sanpaolo is strongly committed to encourage climate change mitigation and adaptation, actively engaging with the Italian government, the European Commission and at international level through its participation in the Unep FI initiative. Through Intesa Sanpaolo Eurodesk, a company that acts as a partner in the projects financed by the European Commission, we adhered to the Energy Efficient Buildings European Initiative, an association of public and private entities launched by the European Commission to promote the development of new technologies in the energy efficiency of buildings. Intesa Sanpaolo Eurodesk is a partner in five major transnational research projects co-financed by the European Commission in renewable sources and energy efficiency: EC2 (Europe – China Clean Energy Centre), which aims to create a Euro-Chinese Centre dedicated to Clean Energy; FC DISTRICT (New μ CHP technologies for energy efficient and sustainable districts), which aims to develop the prototype of an energy-efficient district by exploiting small power generators based on micro-cogeneration and placed near the end users; E-HUB (Energy-Hub for residential and commercial districts and transport), which aims to develop an integrated system of renewable energy sources and micro-cogeneration; NEED4B (New Energy Efficient Demonstration for Buildings), which develops an easily repeatable methodology for the design, construction and maintenance of new low energy consumption buildings; VERYSCHOOL (Valuable Energy for a smart School), which aims to develop ad

hoc ICT solutions to manage energy consumption in schools.

Intesa Sanpaolo engages continuously with the main institutional actors in charge of the advancement of renewable energies and energy efficiency also in Italy.

Agreement with the Italian Ministry of Environment. *Method of engagement:* through direct meetings and shared projects. *Topic of engagement:* After joining in 2006 the Sustenergy Campaign promoted by the European Commission, in 2007 Intesa Sanpaolo signed a collaboration agreement with the Ministry of Environment. *Nature of engagement:* the Agreement's goal is to further strengthen cooperation in terms of energy saving and the promotion of renewable energy, to disseminate best practices and cooperate on pilot initiatives that present characteristics of innovativeness and replicability throughout the country. *Actions:* among the many initiatives carried out jointly in recent years is noteworthy the guide "Business & Finance together for sustainable energy", the various initiatives held during the European Renewable Energy Weeks and the Italian awareness-raising tour of municipalities participating in Covenant of Majors. Many of the initiatives carried out by Intesa Sanpaolo jointly with the Ministry of the Environment are presented on the SEE Campaign's Italian website.

2.3h

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?

Through its International Regulatory and Antitrust Affairs Office, Intesa Sanpaolo pays specific attention to monitor the numerous and profound changes in the regulatory framework which are being defined at international and European levels, in order to be aware of possible changes and anticipate the future directives. In 2012 the Intesa Sanpaolo Group expressed its position in response to eighteen public consultations. Regarding enterprise growth and industrial policy, the positions were defined by sharing and exchanging views with the national relevant players (in particular APRE-Associazione per la Promozione della Ricerca Europea), while the activity on the issues of energy efficiency was carried out in collaboration with the European Association E2BA (Energy Efficient Buildings Association). The bank actively participates in the activities coordinated by the ABI (Italian Banking Association) for the definition of guidelines in the environmental field. In 2012 guidelines on the management of energy and environment were issued that support the banks in applying the principles preparatory to environmental certifications. Since Intesa Sanpaolo is certified ISO 14001 and ISO 50001, our contribution to the working group was consistent with our strategy.

2.3i

Please explain why you do not engage with policy makers

Attachments

https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/InvestorCDP2013/2.Strategy/INTESA CRT 50001.pdf
https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/InvestorCDP2013/2.Strategy/INTESA CRT 14001.pdf
https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/InvestorCDP2013/2.Strategy/Intesa_Sanpaolo-Results_and_targets-Energy.pdf

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/2.Strategy/Intesa SanPaolo_DVS_GHGI_FRZ.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/2.Strategy/Intesa%20SanPaolo_DVS_GHGI_FRZ.pdf)

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/2.Strategy/Rules for environmental and energy policy.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/2.Strategy/Rules%20for%20environmental%20and%20energy%20policy.pdf)

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/2.Strategy/Biomasse studio.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/2.Strategy/Biomasse%20studio.pdf)

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/2.Strategy/Linee guida per la gestione dell'energia e dell'ambiente in banca.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/2.Strategy/Linee%20guida%20per%20la%20gestione%20dell'energia%20e%20dell'ambiente%20in%20banca.pdf)

Page: 3. Targets and Initiatives

3.1

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

Absolute target

3.1a

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
1	Scope 2	79.1%	31.4%	2008	270509	2012	The target relative to Scope 2 falls within a multi- year plan to reduce emissions and refers to the potential emissions related to electricity consumption in Italy. This target also takes into account any updates on emission factors.
2	Scope 2	78.7%	2.5%	2011	190954	2012	The target relative to Scope 2 refers to the potential emissions related to electricity consumption in Italy. This target also takes into account any updates on emission factors.
3	Scope 2	77.3%	3.2%	2012	170864	2013	The target relative to Scope 2 refers to the potential emissions related to electricity consumption in Italy. This target also takes into account any updates on emission factors.
4	Scope 1	8%	0.4%	2012	4736	2013	This target relative to Scope 1 refers to the emissions from the fleet in Italy. For the calculation of emissions was considered a perimeter of n. 1,830

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
							vehicles in the 2012 fleet of a total 2,565 car fleet. The evaluation was carried out in relation to the replacement of vehicles with Euro 4 new car Euro 5.
5	Scope 1	12%	13%	2011	6633.31	2013	This target relative to Scope 1 refers to the emissions from independent heating powered by natural gas in Italy in some buildings. The perimeter analysed is composed of 62 branches and 33 buildings that corresponds to the 16% of the total consumption of natural gas in Italy.

3.1b

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
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3.1c

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
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3.1d

Please provide details on your progress against this target made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
1	100%	100%	The target was reached and exceeded: the overall reduction target was 36.8% instead of 31.4%
2	100%	100%	The target was reached and exceeded: the overall reduction target was 10.5% instead of 2.5%
5	50%	97.81%	% complete as of 31/12/2012

3.1e

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

3.2

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

Yes

3.2a

Please provide details (see guidance)

I. Intesa Sanpaolo offers to its clients a wide range of products for financing projects in renewable energies and energy efficiency. In 2012, out of the total funds allocated, more than 1% was for financing the sectors of renewable energy, agriculture and environmental protection. The amount comes to approximately 3 billion euros. There are specific financing products and services for private clients, for small and medium companies, for public entities and for larger projects. Particularly involved in the field of environmental activity Equiter, a subsidiary of Intesa Sanpaolo, participates in two joint ventures, Enerpoint Energy and Gica, respectively dedicated to the dissemination of renewable energy and combating climate change. Equiter is also a shareholder of Enerpoint Spa, one of the major Italian companies active in downstream PV industry (distribution, sale and installation of equipment).

II. Since its inception in 2001 until now Enerpoint has sold about 260 MWh of installed solar panels. Through its network of installers, more than 20,000 plants, of which 40 MWh are large solar systems, covers a significant share of the domestic market. The electricity generation plant made by the company so far has avoided

the emissions of more than 300,000 tons of CO2. Regarding the financing of photovoltaic system with Leasenergy, our leasing dedicated to photovoltaic plants, in these years we have financed more than 1,800 plants that correspond to a production of renewable energy of about 2 Gigawatt. We estimated that this amount of renewable energy corresponds to emissions avoided for more than 2,300,000 tons of CO2.

III. To produce one kilowatt-hour of electricity, 2.56 kWh of fossil fuel is burned and consequently releases into the air approximately 0.5 kg of carbon dioxide (emission factor: mix of Italian electricity distribution). We therefore can say that for each kWh produced by the photovoltaic system, the emission of 0.5 kg of carbon dioxide, a major contributor to the greenhouse effect (data provided by the Italian Ministry of Environment it avoids) is avoided.

IV. With regard to the activity carried out in the carbon asset market (subject to the Kyoto protocol commitments), Gica, the company set up with leading industrial players to create and trade emission credits, during 2012 have had a drastic reduction of the value of its portfolio of CDM (Clean Development Mechanism) projects due to the fall of the prices. This portfolio has been set up in previous years, resulting in an issuance of about 600,000 certificates (Certified Emission Reduction).

3.3

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

Yes

3.3a

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	125
To be implemented*	3	1474.03
Implementation commenced*	16	5505.06
Implemented*	17	170323.88
Not to be implemented	0	0

3.3b

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 Q0.4)	Investment required (unit currency - as specified in Q0.4)	Payback period
Low carbon energy installation	The self-production of energy from renewable sources, such as photovoltaic, appears to be limited by the type of property: most branches are located on the ground floors of apartment buildings and have no exposure to the south; often branches and buildings, especially the larger ones, have technical and architectural constraints since they are situated in historical centres. However in 2012 we have realized some photovoltaic plants: Settimo Torinese (power of around 180 kWp), Rubano (power of around 140 kWp), Forlì (power of around 19 kWp), Cosenza (power of around 30 kWp). In the above mentioned investments, also some energy efficiency activities have been included. This project refers to Scope 2	60	27000	937300	4-10 years
Energy efficiency: Building fabric	Intesa Sanpaolo has decided to experiment what was laid down in the European Directive 2010/31/EU regarding buildings by creating the first “almost zero energy branch”. In the awareness that using renewable energies is definitely important but not sufficient Intesa Sanpaolo has given priority to implementing a series of actions for reducing the energy consumption of the building: insulation of the building shell with a polyurethane thermal cladding and elimination of thermal bridges; thermal insulation of the horizontal roofing; replacement of the doors and windows with new low/transmission, low/emission glass fixtures; fittings with high-yield fluorescent bulbs controlled by presence sensors/outdoor lighting and LED bulbs in certain offices. A photovoltaic plant with a peak power of 9 kW capable of producing approximately 8,550 kWh/year was installed to produce clean energy. Moreover, a geothermal heat pump was installed to heat the branch, with 6 vertical probes of a depth of 120 m with circulation of water without glycols, and an air heat pump for the production of hot water and simultaneously for the cooling of the utility rooms. The result of these innovative solutions is a reduction of primary energy of 80% for heating and 60% for cooling. This project refers to Scope 1 and Scope 2.	18.8	8000	671000	11-15 years
Low carbon energy purchase	In Italy we are reducing our use of carbon-intensive energy by including a high portion of renewable energy from hydroelectric source. The % of renewable energy purchased in Italy was 95% in 2012. This project refers to Scope 2.	166496	0	0	<1 year
Process emissions	Ongoing replacement of office machinery with "green" machinery (higher energy efficiency). The programme objective is to have all office machinery replaced by	1256	568000	0	<1 year

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Annual monetary savings (unit currency - as specified in Q0.4)	Investment required (unit currency - as specified in Q0.4)	Payback period
reductions	2013, and here are accounted only the office machinery replaced in 2012. Since the machinery is replaced only when it becomes obsolete and the "green" ones have the same costs as the old ones, there is no additional investment for this programme. In this context, Intesa Sanpaolo is committed to assessing the environmental impact of products covered by rules in the process of choosing and buying them, taking into account not only all the legal requirements and applicable compliance requirements in the field, but using specific environmental criteria to enable an accurate and measurable assessment. This project refers to Scope 2.				
Process emissions reductions	Regarding the consumption of paper, the most important step in the direction of limiting environmental impacts has been taken by optimising and reducing paper use, compliant with our "Paper policy". During 2012 an important role was played by the "Paperless Branch" project, which concerned in-branch transactions carried out at branches. Around 10.8 million customers can now sign off their transactions with an electronic signature placed on a tablet in lieu of the traditional paper operations, thus allowing paper-free accounting statements. This project refers to Scope 3.	638	481000	0	4-10 years
Process emissions reductions	In addition to implementing an Environmental and Energy Policy , the Intesa Sanpaolo Group is preparing new rules for this area that are intended to help spread and integrate the development of environmental practices in the Group's processes to an increasing degree. One of the most recent development in the field was the issue of the Sustainability rules for sustainable construction of branches. For a large service companies such as Intesa Sanpaolo, composed of a large number of sites, the impact due to consumption for heating, cooling, lighting, waste management, the choice of materials of furniture, is in fact very significant. Therefore, specific rules were issued that define the criteria for the creation of new branches and the renovation of existing ones. This project refers to Scope 1, Scope 2 and Scope 3.	0	0	0	<1 year
Transportation: use	In keeping with the commitment towards a more sustainable mobility management, we are continuing to offer alternative activities aimed at a more effective use of external means of transport (trains, aircraft) reinforcing the systems of communication made available to employees such as video conferencing and Lync. Lync is a new software that allows to chat, phone calls and video calls directly from	38	258840	2500000	4-10 years

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Annual monetary savings (unit currency - as specified in Q0.4)	Investment required (unit currency - as specified in Q0.4)	Payback period
	the personal computer and manage meetings with several parties. To date, the system involves approximately 50.000 employees. This project refers to Scope 3.				
Energy efficiency: Building fabric	The first major renovation project involved the Moncalieri technology centre. This property extends over a total surface area of approximately 47,000 m2, in addition to an area of around 24,500 m2 used as a car park. It consists of several buildings appointed to different purposes (offices, canteen, company nursery, data processing centre and plant rooms). The renovation, which also comprised the removal of asbestos in the plant rooms and an enlargement of capacity amounting to around 500 work stations, was aimed at improving the energy efficiency of the facility. We have also installed a photovoltaic power plant with power of 439 kWp. The two buildings have passed from energy certification class E to class C. This project refers to Scope 1 and Scope 2.	227	102000	1182801	4-10 years
Energy efficiency: Building fabric	Another significant operation was carried out in Milan in the property complex of Piazza Scala 6, where on the ground floor the "Gallerie d'Italia" Museum was set up in an area of 8,300 m2. The priority objective of the renovation, which was functional to separating the museum physically and in terms of systems from the remainder of the property complex, was also the reduction of energy consumption. It is not possible to insert the investment required because the energy efficiency initiatives are a part of a big project to create the museum. This project refers to Scope 1 and Scope 2.	400	170000	0	4-10 years
Behavioral change	Environmental protection is one of the key dimensions of the responsibility commitment of Intesa Sanpaolo. For this reason we believe that the involvement of our employees is increasingly important. In Italy the approximately 80.000 employees have access to Ambientiamo project, which was launched in 2009 as a remote training project aimed at consolidating the knowledge on environmental sustainability issues. In 2012 the project was enriched with new training modules on renewable energies which, through storytelling, give people a chance to embark on a real journey in the world of clean energy. Each colleague has the opportunity to create his/her own "learning story", navigating freely among the over 20 films that were made and drawing inspiration from the metaphor of the four elements: fire, air, water, earth. This project refers to Scope 3.	0	0	35000	<1 year
Energy efficiency:	Our Hungarian bank CIB has launched a series of actions to improve monitoring	55.2	22500	0	1-3 years

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Annual monetary savings (unit currency - as specified in Q0.4)	Investment required (unit currency - as specified in Q0.4)	Payback period
Building services	and energy efficiency of their buildings. Through the energy efficiency project we have realised a better monitoring, a regular weekly on-site controls, a monthly control and adjustment of the energy consumption and an automatization of certain technical systems. This project refers to Scope 2.				
Energy efficiency: Building services	Our Croatian bank Privredna Banka Zagreb has realised various initiatives in order to reduce energy consumption. In particular: - reconstruction of the facade of the building located in Rijeka and the replacement of the heating system boilers and air-conditioning chamber; - installation of thermostatic valves into heaters (recommended and calculated in energy certificates issued for buildings owned by PBZ Group) - upgrade of KNX management system with the adjusting the settings of heating and cooling temperature. This project refers to Scope 1 and 2.	16	44000	1282927	4-10 years
Energy efficiency: Processes	Our Serbian bank Banca Intesa Beograd has moved towards reducing paper consumption by launching a paper use consolidation project that encourages employees to print only when necessary as well as to print on both sides of a sheet of paper. It also set computers and copiers to default to double-sided printing. BIB also introduced a procedure enabling remote shutdown of all computers. The system automatically turns off workstations in the period between 11 pm and 8 am. This scope refers to Scope 2 and 3.	411	48500	0	<1 year
Energy efficiency: Building fabric	Banca Intesa Beograd is also in the first stage of the construction of a new headquarter building, a modern business facility designed in line with the highest global environmental protection standards. The eco-friendly building in Belgrade will have LEED Green Building Certificate verifying that it meets the most strict green building requirements. LEED-certified buildings conserve energy and water, reduce harmful greenhouse gas emissions, provide a healthier and safer work environment and demonstrate commitment to environmental stewardship and social responsibility. The amount of the investment regards not only the energy efficiency activities but the total sustainable activities realized. This project refers to Scope 1 and 2.	726	50000	1000000	4-10 years
Transportation: use	Our Romanian bank Intesa Sanpaolo Bank Romania, in keeping with the commitment towards a more sustainable mobility management, is continuing to offer alternative activities aimed at a more effective use of external means of transport (trains, aircraft) reinforcing the systems of communication made available	9	35968	1000	4-10 years

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Annual monetary savings (unit currency - as specified in Q0.4)	Investment required (unit currency - as specified in Q0.4)	Payback period
	to employees such as video conferencing and Lync. Both systems enable communication between colleagues from different locations (between the 2 ISPRO Headquarters from Bucharest and Arad as well as between Intesa Sanpaolo Bank Romania and the Group). This project refers to Scope 3.				
Low carbon energy installation	Our Banka Intesa Russia has begun to use Led technologies in its lighting systems. During 2011 and 2012 about 170 emergency lighting in the bank's premises have been replaced. This project refers to Scope 2.	44	9110	833	<1 year
Process emissions reductions	A particularly noteworthy initiative for saving paper is that planned by Mediofactoring for the Board of Directors and the Executive Committee. The solution envisages the use of supporting technology that will enable the directors to navigate documents using a special pen or a fingertip. The underlying organisational and IT process is such that, while preparing for a meeting of the Board, the designated employees prepare and validate the documents electronically, saving them in a centralised database called "Board Acts" ordered according to the scheduled meeting agenda. Among other benefits, which obviously also had an impact on costs, was the considerable reduction of the impact on the environment. This project refers to Scope 3.	2.88	0	0	<1 year

3.3c

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

Method	Comment
Compliance with regulatory requirements/standards	The Intesa Sanpaolo Group establishes its objectives of reducing energy consumption in line with what is established by the Italian and European regulations. Moreover Intesa Sanpaolo is certified in compliance with voluntary standards ISO 14001, ISO 50001 and ISO 14064 that provide specific targets.

Method	Comment
Dedicated budget for energy efficiency	As envisaged in the Sustainable Energy Action Plan a dedicated budget for energy efficiency has been established
Dedicated budget for low carbon product R&D	Mediocredito Italiano has a specialist desk that can provide answers dedicated to companies wishing to grow through investment in innovation, offering consulting services and customized loans. In particular Nova + is the funding line of Mediocredito Italiano dedicated to all companies that want to innovate, of any size and industry. A flexible and complete range of products to meet the needs of business innovation: the development of technologically innovative products or processes, systems and knowledge acquisition from the market, incremental innovation and experimental small daily steps. Particular attention is given to environmental investment.
Employee engagement	The Intesa Sanpaolo Groups supports and promotes environmental awareness among its employees through various communication activities and training to sensitize employees on environmental issues. In 2012 the interactive course for employees on the environment (Ambientiamo) was implemented with four modules devoted to renewable energy. The world of clean energy is illustrated in the videos of "the Four Elements", as usual exploiting cross-media approaches that turn the user into the protagonist.
Lower return on investment (ROI) specification	In "Sustainability rules for the purchase of office machinery" Intesa Sanpaolo is committed to assessing the environmental impact of products covered by these rules in the process of choosing and buying them, taking into account not only all the legal requirements and applicable compliance requirements in the field, but using specific environmental criteria to enable an accurate and measurable assessment.
Partnering with governments on technology development	During 2007 we signed an agreement of collaboration with the Ministry of the Environment to further strengthen cooperation in terms of energy saving and the promotion of renewable energy in Italy. The agreement was renewed for the period 2011-2014.
Other	We utilize government incentives for building efficiency. For example we have used the Italian tax deductions in favor of saving energy to restructure many of our branches and we have installed photovoltaic systems using the facilities provided by law. Investigations are in place for future energy audits and low carbon energy installations related to these programs.
Dedicated budget for other emissions reduction activities	In order to reduce the use of paper, a dedicated budget has been allocated in 2012 for the "paperless project"

3.3d

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

Further Information

Intesa Sanpaolo is fully aware that responsibility towards the environment doesn't stop at directly generated impacts, but also extends to impacts potentially generated through its intermediation activities with customers and its choice of suppliers.

The environmental impacts generated by our customers are bound up with our business as a company offering credit facilities. This is why we are committed to take environmental risk into consideration in the assessment of credit worthiness. We also make conscious efforts to promote tools and product that foster the spread of renewable energies and the improvement of energy efficiency, to contribute to the struggle against climate change and to use our skill and expertise to support customers in terms of information, advice, product and services. In detail, the Group offers to its private customers, enterprises and public bodies specific financing products in the sphere of energy efficiency and renewable energy, while through targeted founding and project finance it also plays an active role in the construction of systems for the production of renewable energy. At the same time it takes the greatest care in appraising the environmental impacts of the major infrastructural and industrial projects that it is engaged in, and is committed to strategic investments for leading Italian players in the renewable energy arena.

Attachments

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/3.TargetsandInitiatives/Presentazione Filiale a energia 0.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/3.TargetsandInitiatives/Presentazione%20Filiale%20a%20energia%200.pdf)

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/3.TargetsandInitiatives/Guida_energia_agg0113.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/3.TargetsandInitiatives/Guida_energia_agg0113.pdf)

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/3.TargetsandInitiatives/REGOLE filiali sostenibili per banche estere.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/3.TargetsandInitiatives/REGOLE%20filiali%20sostenibili%20per%20banche%20estere.pdf)

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/3.TargetsandInitiatives/Guida_Energia_2011.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/3.TargetsandInitiatives/Guida_Energia_2011.pdf)

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/3.TargetsandInitiatives/Ambientiamo 2013.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/3.TargetsandInitiatives/Ambientiamo%202013.pdf)

Page: 4. Communication

4.1

Have you published information about your company'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)	Page 123 - 130 - 131 - 132 in the Section Social and Environmental Responsibility	https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation1/Annual Report.pdf
In voluntary communications	Environmental Section	https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-

Publication	Page/Section reference	Attach the document
(complete)		PublishedInformation2/RAPPORTO-S-ENG-130529.pdf
In voluntary communications (complete)	Whole document	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation3/QuadernoAmbiente-ENG-091212.pdf
In voluntary communications (complete)	Whole document	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation4/PBZ_Internet_website.pdf
In voluntary communications (complete)	Whole document	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation5/Example_of_environmental_presentation_of_Intesa_Sanpaolo_Italy_2012.pdf
In voluntary communications (complete)	Whole document	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation6/Banka_Koper_internet_website_environment.pdf
In voluntary communications (complete)	Whole document	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation7/Banka_Intesa_Beograd_internet_website.pdf
In voluntary communications (complete)	Whole document	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation8/Intesa_Sanpaolo-Environment_website_pages_1.pdf
In voluntary communications (complete)	Whole document	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation9/Intesa_Sanpaolo-Environment_website_pages_2.pdf
In voluntary communications (complete)	Whole document	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation10/VUB_corporate_responsibility_report_2012.pdf
In voluntary communications (underway) – previous year attached	Whole document	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation11/COP_AdvancedLevel2011.docx
In voluntary communications (complete)	Whole document	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-4.1-C3-IdentifyAttachment/Investor-4.1-PublishedInformation12/CREARE_VALORE-ENG-130529.pdf

Further Information

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
1	International agreements	Intesa Sanpaolo, as a financial services company active in asset management, investment banking and bank assurance, can be affected directly and indirectly by international regulatory new schemes related to climate change. For examples, in case of changes in the certification schemes (ISO 14001, ISO 50001, ISO 14064) Intesa Sanpaolo will need to upgrade processes and to pay for specific advice.	Increased capital cost	1-5 years	Direct	Very likely	Medium-high
2	Uncertainty surrounding new regulation	The failure of Kyoto protocol discussions and the lack of Italian regulations create a situation of uncertainty that is very negative for new products and services implementation.	Reduced demand for goods/services	Current	Indirect (Client)	Very likely	Medium-high
3	Air pollution limits	The risk of very stringent air pollution limits could cause financial problems to our clients (fines and/or investments to adapt to the provisions of the law) in particular in some GHG intensive sectors (aviation, energy, metallurgical and cement), causing a reduction in their revenues and therefore in their capacity to repay loans. Also their interest for our products and services could decrease.	Reduced demand for goods/services	1-5 years	Indirect (Client)	More likely than not	Low-medium
4	Emission reporting obligations	Intesa Sanpaolo reports on its emissions in a comprehensive and detailed way under the GHG Protocol and GRI3. If the reporting obligations choose different standards, the bank would need to invest again in new monitor systems.	Increased capital cost	6-10 years	Direct	Unlikely	Low-medium
5	Fuel/energy taxes and regulations	Intesa Sanpaolo costs related to energy can increase due to the introduction of new fuel or energy taxes. Furthermore an increase of prices of other goods (eg. paper) could occur.	Increased capital cost	Current	Direct	Likely	Low-medium
6	Cap and trade schemes	Directive 2009/29/EC implementing and expanding the EU ETS sets out new rules for the period 2013-2020 and provides ETS to reduce emissions by 21% in 2020 compared to 2005. The new main sectors involved are: chemical industry and aviation.	Reduction/disruption in production capacity	Current	Indirect (Client)	Very likely	Medium-high
7	Renewable energy	The changes occurred in the Italian legislation relating to renewable energy have dramatically reduced the	Reduced demand for goods/services	Current	Direct	Very likely	Low-medium

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
	regulation	incentives for the production of energy from photovoltaic sources. The risk for the Bank is to significantly reduce the profits arising from the funding allocated to this area.					
8	Fuel/energy taxes and regulations	An increase of operative costs for the activities of our clients could result in the impossibility to repair their debts.	Other: Increased credit risk	1-5 years	Indirect (Client)	About as likely as not	Low-medium
9	Product efficiency regulations and standards	The new European regulation related to building energy efficiency (eg. European Directive 2012/27) will oblige Intesa Sanpaolo to invest in new building efficiency measures in its own buildings and in the real estate portfolio.	Increased capital cost	1-5 years	Direct	Virtually certain	Medium

5.1b

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk and (iii) the costs associated with these actions

1 (I), potential financial impacts of new international agreements are related to the need to adapt to new regulations with consequent costs. (II) Intesa Sanpaolo works with the main important public institutions in Italy and in Europe, being always up to date on the new rules and contributing to help define them. This proactive approach is useful to be always in line with the positions of the regulators and avoid fines and the necessity of sudden internal changes. (III) General costs are not easily quantifiable because they are integrating into several different budgets, while expenses for independent certifications amounted in 2012 to around 80,000 euro. In case of new standards we estimate a possible increase of 10%. Due to a change in regulations in Luxembourg our local subsidiary spent around 30,000 euros for new compulsory certifications.

2 (I) financial implications refer to the inability to develop new products and to serve our customers properly, with a consequent decrease in revenues and market share. (II) Intesa Sanpaolo is engaging with regulators in order to be up to date on new rules and if possible anticipate them. (III) Specific costs are not identifiable.

3, 6 (I) the possibility that new air pollution limits are introduced and new cap and trade schemes defined, will cause a reduction in revenues to all those companies involved. In particular, the 2009/29/EC Directive applies to the allocation for value of emission permits, using the bidding mechanism. (II) Intesa Sanpaolo provides high level consultancy to its clients and is working on the creation of a specific desk for carbon trading. (III) After the feasibility study done in 2011, we are now working on the implementation study. This study is worth 500,000 euros. In addition, with a view to identifying the best practices and the international standards useful to operate with awareness and responsibility, the Bank has commissioned an in-depth, exhaustive sector study on the carbon sector, from a specialist consultant, worth about 20,000 euros.

4 (I) Potential operational costs involve the risk to invest in new monitoring and reporting systems. (II) we are continuing investing in the present standards in order to reach the highest level of transparency and accuracy. We obtained the A+ from GRI also on our latest Sustainability Report. Intesa Sanpaolo also participates actively in many working groups of Abilab (Consortium of Italian Banks) focused on setting benchmarks for the sector and implementing new guidelines for bank's reporting. (III) Expenses for the monitoring and reporting system amount to around 1 million euro per year. Any change to be introduced would produce further costs; just to give an idea, any single new KPI to be monitored costs around 500 euros.

5, (I) In case of increase of energy costs due to new taxes, higher expenses would impact Intesa Sanpaolo balance sheet. (II) to mitigate this risk, contracts with electricity providers are

on a biennial basis. (III) we estimate that an increase of 1% in the price of electricity would cost around 800,000 euros.

7, (I) financial impacts of new renewable energy regulation are connected to a decrease of loans dedicated to the sector; (II) Intesa Sanpaolo provides specific consultancy to customers regarding new regulations and incentives but the means of access and the low level of incentives of the new Conto Energia has discouraged clients from seeking new funding; (III) in 2012 the total loans granted in the photovoltaic sector decreased of around 25% but we estimate that effects will be even more severe in 2013.

8, (I) In case of increase of energy costs due to new taxes, higher expenses would impact our clients activities. (II) Intesa Sanpaolo provides specific consultancy to customers on energy efficiency and offers them information about the energy market; (III) For example we offer a free service to customers, using a specializing news company, providing environmental news and insights, worth yearly around 13,500 euros.

9, (I) The introduction of new standards entails significant costs for the upgrade of processes and relevant advice. (II) Intesa Sanpaolo is always in line with the latest European and international technical standards in the field. In case of changes in regulations and standards new professional experts should be trained and/or appointed. (III) Intesa Sanpaolo spent in 2012 around 110,000 euros for the consultancy firm, focused also on new environmental regulation changes. On the other hand, as Intesa Sanpaolo has already been certified, doesn't need to comply with the provisions of the European Directive, with a reduction in future costs. The EU Directive says that: "Member States shall ensure that enterprises that are not SMEs are subject to an energy audit carried out in an independent and cost-effective manner by qualified and/or accredited experts or implemented and supervised by independent authorities under national legislation by 5 December 2015 and at least every four years from the date of the previous energy audit. Enterprises that are not SMEs and that are implementing an energy or environmental management system - certified by an independent body according to the relevant European or International Standards - shall be exempted from the requirements."

5.1c

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

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
1	Change in mean (average) temperature	The temperature change could have a significant impact on power and thermal consumption in all branches and sites of Intesa Sanpaolo because there are already significant thermal loads in the branches. Increase or decrease daytime temperatures could oblige operators to run operations sites under conditions that are beyond the temperature ranges for which they were designed. This can cause the need of more heating or cooling equipment.	Increased operational cost	1-5 years	Direct	About as likely as not	Medium
2	Change in temperature extremes	The temperature change could have a significant impact on power and thermal consumption in all branches and sites of Intesa Sanpaolo because there are already significant thermal loads in the branches. Increase or decrease daytime temperatures could oblige operators to run operations sites under conditions that are beyond the temperature ranges for which they were designed. This	Increased operational cost	Unknown	Direct	Very unlikely	Medium-high

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		can cause the need of more heating or cooling equipment.					
3	Change in precipitation pattern	Our researches confirm that precipitation pattern has already changed in some way causing changes in agriculture and possible damages to the sector.	Reduction/disruption in production capacity	6-10 years	Indirect (Client)	About as likely as not	Medium
4	Change in precipitation extremes and droughts	In Italy floods has becoming more and more frequent, causing damages to the agriculture sector but also to houses, premises and infrastructures in general. We must also consider that Intesa Sanpaolo is a global bank and it is present in regions highly affected by floods such as the South East Asia, where we have corporate clients.	Reduction/disruption in production capacity	Current	Indirect (Client)	Unknown	Medium
5	Snow and ice	The heavy snow especially in mountainous areas of Italy may lead to the closure of some branches during the year.	Inability to do business	Current	Direct	Very unlikely	Low-medium
6	Snow and ice	The presence of hail can seriously affects crops. For this reason Intesa Sanpaolo deal with "Co-production of defence" on territory of the problem. Similarly, Intesa Sanpaolo, in order to mitigate the risk of hail on the photovoltaic panels, requires an insurance policy for arranging the loan.	Reduction/disruption in production capacity	Current	Indirect (Client)	About as likely as not	Low-medium
7	Sea level rise	The presence of branches located in the seaside cities of the Italian coasts is risky because they could be affected by the increased level of the Mediterranean Sea with consequent inability to operate.	Inability to do business	Unknown	Direct	Exceptionally unlikely	Medium-high
8	Change in precipitation extremes and droughts	Extreme precipitations and floods can have an adverse impact on Intesa Sanpaolo premises and on the employees commuting.	Inability to do business	Unknown	Direct	Likely	Medium-high
9	Tropical cyclones (hurricanes and typhoons)	The atmospheric phenomena following Hurricane Sandy has affected the city of New York and our branch in Manhattan. The business continuity plan of the New York branch was immediately activated providing for the carrying out of operations with the "key" personnel based at the branch itself and the secondary site of the New Jersey and with the support of the Group structures (Treasury, London Branch, Global Banking &	Inability to do business	Unknown	Direct	About as likely as not	Low-medium

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
		Transaction, Compliance, DSI, DPO-NOGE).					

5.1d

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; and (iii) the costs associated with these actions

1, 2 (I) The potential financial implications of these risks are strictly related to the increase of energy or thermal consumption and associated costs. Regarding heating in northern Italy we use traditional boilers and the cost could be related to natural gas or diesel, in central and south Italy we use heat pumps both for heating and cooling and therefore the cost is related to the increase of energy. The greater consumption of electricity or natural gas could also result in increased emissions of CO₂. (II) Monitoring energy consumption in the banking sector is especially important since the Bank relies predominantly on electricity, both as a result of the increasingly widespread use of office equipment and new services and as a result of increased reliance on air conditioning. A pilot project, launched in 2008, saw the involvement of 24 branches of varying size and in different geographical areas in Italy heated by traditional boilers or heat pumps. Based on the results of such surveys, the electricity consumption analysis is consequently broken down by geographical area, size and type of air conditioning system in order to identify not only the actual total consumption but also that of the individual consumers. It is also an important tool to test the validity of the targets adopted by the Bank for the purposes of gradual improvement. Based on the consumption reported by the provider on a monthly basis, by means of an IT procedure and relative interpolation, it was possible to identify the reference targets which enabled us to focus on priority intervention areas. With the application of these monitoring actions we are able to constantly monitor our consumption related to ambient temperature and act promptly. (III) We estimate that for the variation of the average temperature of one degree, the cost for heating or cooling change of about the 2%. In 2012 expenses for thermal energy amounted to around 14 million euros.

3, 4 (I) Financial implications are related to the risk of default of companies severely damaged by rain and floods. (II) Intesa Sanpaolo offers its clients insurance products to cover the risk of damages from floods, snow, hail and consequent reduction of production capacity, through an external broker. Furthermore, Intesa Sanpaolo usually and rapidly suspends the payment of mortgages and loans installment to retail customers and businesses in areas severely affected by weather events. (III) In 2012 severe floods hit Tuscany, Umbria and Alto Lazio. The Intesa Sanpaolo Group has taken a number of measures in favour of families and traders of those regions who have suffered damage from the flooding. A credit line of 100 million of euro was allocated for medium to long term loans at particularly favourable conditions for the restoration of damaged facilities (shops, offices, workshops, buildings used for manufacturing and agriculture) as well as material goods contained there. In support of households and businesses, specifically agricultural companies and tradesmen, in the Alto Adige area damaged by a storm, our subsidiary Banca di Trento e Bolzano has allocated a maximum amount of 10 million euro for special loans to all those who incurred damages. To support families and businesses affected by floods, a 12-month moratorium is envisaged for loan repayments. Intesa Sanpaolo also allocated a total of 50 million euros to loans with particularly favourable terms to renovate homes, stores and workshops in Lombardy, Liguria, Tuscany and in Messina province.

5, 7 (I) It is difficult to estimate the potential financial implication of the risk if the Mediterranean sea level rises or that some branches are closed due to heavy snowfall. (II) It should be noted here that our bank has long invited customers to use the platforms available online and telephone support services. The operations in the branches could therefore be limited, in case of closure of some branches, but not completely absent. When we have had some branches closed for snowfall we have had an increase of the alternative channels without causing a significant impact. This could be worst in the case of sea level rise because all ATMs in the branches interested may no longer work. (III) Costs related to fail in operations due to weather events are difficult to estimate. The bank should also have costs to renovate branches damaged or destroyed. In 2012 about 1 million euro has been reimbursed by the assurance company for the damages occurred in 2 branches during the flood in Genoa.

6 (I) Hailstorms and snow could affect the agriculture sector with serious consequences in terms of revenues and sustainability of the farmers and the food industry. (II) Intesa Sanpaolo relies on the support of Agriventure, a company dedicated to the food farming, agro-industrial and agro-energy sector which provides advisory services to businesses in the field along the entire chain. Agriventure activities are intrinsic to environmental protection issues, as companies in this sector are those mainly responsible for maintaining the delicate environmental balance and for the promotion of rural areas, so much so that the Bank's financing operations often integrate EU funds aimed at the promotion and development of rural areas. (III) In

particular Agriventure anticipates funds to consortia of production defence so that they can anticipate the direct producers.

8, (I) The risk on owned real-estate assets may be defined as risk associated with the possibility of suffering financial losses due to the inability to do business and can cause also an unfavourable change in the value of such assets. For this reason it can be included in the category of banking book financial risks. Real estate management is highly centralised and represents an investment that is largely intended for use in company operations. (II) the degree of risk in the portfolio of owned properties is represented by using a VaR-type model based on indexes of mainly Italian real estate prices, which is the main type of exposure associated with the Group's property portfolio. To address risks related to employees business travels during the winter, a specific guideline has been issued recommending careful driving and the use of winter tires as well as giving instructions on how to adopt a driving style more environmentally compatible. (III) besides the costs related to the evaluation of risks connected to climate events, the costs for ensure our properties is quite expensive. On the other hand, we can report a collection of approximately one million euro for insurance claims in respect of damage in two subsidiaries subject to flooding.

9 (I), the financial implications of a hurricane that hit branches are linked to the inability to do business. (II) In case of extreme weather events (flooding, power outages, etc.) the business continuity plan is activated providing for the carrying out of basic operations. Additional countermeasures are activated in order to ensure the safety of employees. (III) As regards the economic costs, in the occasion of Hurricane Sandy, damages were estimated at more than 300,000 USD all linked to damage to equipment and building. The various insurance policies have allowed a recovery that brought the net cost incurred by the Branch to around 170,000 USD. There were no reported other losses related to the operation because the systems Disaster recovery / back up have been already activated.

5.1e

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

ID	Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
1	Reputation	As the social awareness on the environmental issue has grown, Intesa Sanpaolo started to see an increasing awareness among a range of stakeholders of the role the financial services sector can and should have in promoting climate change. Because of this awareness there may be reputational risks stemming from the involvement with clients /project that are perceived by the public, media, other stakeholders as substantially contributing to climate change. Intesa Sanpaolo also believes that there may be a reputational risk in the event that its environmental performance can drastically be reduced.	Reduced demand for goods/services	Unknown	Indirect (Client)	More likely than not	Low-medium
2	Fluctuating socio-economic conditions	The new European regulations require that states and their citizens pay more and more attention to the environment and the achievement of targets, with greater spending on this sector. On the other hand, in Italy in recent years many floods and hailstorms have occurred and, added to the European crisis, have reduced the economic capacity of citizens.	Wider social disadvantages	Current	Indirect (Client)	More likely than not	Low-medium

5.1f

Please describe (i) the potential financial implications of the risk before taking action; (ii) the methods you are using to manage this risk; (iii) the costs associated with these actions

1 (I) Reputational issues can have a big impact on our brand value and positioning. Intesa Sanpaolo is recognized as a bank that cares about the environment through direct actions on its energy profile and through a wide range of products and services in favour of renewable energy and energy efficiency. In case our commitment in terms of direct impacts should decrease, we could be accused by some NGOs to be not coherent, with great damage to our brand. Also the trust of our clients would fall, reducing our market share. (II) Intesa Sanpaolo is convinced that only by involving all stakeholders (employees, customers, suppliers, etc.) is possible to limit the risks linked to climate change. To this end we believe that we should give more visibility to the actions that we implement and promote dialogue with all our stakeholders to prevent possible actions that could damage our reputation. For this reason we continuously monitor reputational risks through the management tools for the application of the Code of Ethics and through the process of the Sustainability Report in which we give evidence of all actions taken to reduce our impacts on the environment and all products and services available to customers. We know that smear campaigns carried out by NGOs could damage our reputation. This is why since 2010 Intesa Sanpaolo has implemented a structured way of listening to NGOs asking them which socio-environmental risks they consider most important, with a focus on climate change issues. In the project finance area, Intesa Sanpaolo adopts the Equator Principles and has integrated the principles into the internal credit processes. The classification of projects based on three levels of risk and the choice of a specific path according to the assigned category, requires transparent and immediate involvement of our customers, to whom we offer ample support to mitigate the identified risks. The policy, incorporated in the Group's regulations was made accessible to all our desks, in Italy and abroad (London, New York and Hong Kong) and published in the Intranet policies section. The commitment in the implementation of the Principles is part of a strategic development in the Bank's credit activities, and has increasingly allowed for more scrupulous control over this field and the dissemination of a higher sensitivity. In general the engagement in environment and climate-related working groups and initiatives (UNEP FI, Italian Ministry of Environment, Rio + 20, etc) allows us to participate in the dialogue with peers and partners. Regarding climate change direct impact we are, through Eurizon Capital, a founding signatory of the Carbon Disclosure Project and we participate to the initiative every year, making public our responses. Through our Sustainable Energy Action Plan, some of which we make public on our website, we continue to pursue our policy of containment of emissions. Our Subsidiary VUB banka has also decided to require a due diligence aimed at client's environmental risk management. Some examples of risky activities and business areas from the perspective of the environment are: storage of hazardous waste, its modification and liquidation; production or trading in freon-containing equipment and appliances; production or trading in electrical equipment containing polychlorinated biphenyls (PCB); production or trading in products containing asbestos; foreign trade in waste or waste products. (III) In general there are no additional costs on managing these reputational issues as are part of our core environmental and social risk process. We can consider the cost of the consultancy dedicated to Equator Principles related activities, which amounts to around 25,000 euros.

2 (I) Climate change may have big impacts on the economy and could deplete the populations affected by natural disasters which, having no guarantees, may have limited access to credit. (II) Starting in December 2010 the CSR Unit is conducting a mapping activity of risks and opportunities on climate change involving all the departments and divisions of the Bank. This activity is performed both through meetings and questionnaires, and through researches and studies. The aim is to create an overall picture always updated of the existing climate change related business activities, products and services, highlighting the interactions amongst structures (departments, business units, etc.). It is also useful to underline critical points as well as promoting future developments regarding climate change issues at Group Level. In addition, with reference to climate change, we are very attentive to what the European Commission is considering for the future and participate, through our company Intesa Sanpaolo Eurodesk, in the discussions and decisions on this issue. Similarly we deal with the Italian institutions and the Minister of Environment. (III) The costs associated with the economy crisis and the natural disaster in Italy are difficult to quantify. The environmental and social emergencies of 2012 saw Intesa Sanpaolo working alongside households and economic operators. In total, 350 million euro were allocated with particularly favourable terms to finance the restoration of homes and buildings hit by the earthquake in Emilia Romagna and by the floods that affected Toscana, Umbria and Alto Lazio.

5.1g

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

5.1h

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

5.1i

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

Page: 6. Climate Change Opportunities

6.1

Have you identified any climate change opportunities (current or future) 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
-

6.1a

Please describe your opportunities that are driven by changes in regulation

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
1	International agreements	New international agreements could lead to competitive advantages for the bank in terms of capacity to quickly respond to new requirements due to the wide activity of engagement with public institutions.	Reduced capital costs	1-5 years	Direct	Likely	Medium
2	International agreements	Post Kyoto decisions, if defined, could bring with them the opportunity to design new financial products responding to the new rules, helping our clients to face them. In support of renewable energy in the Mediterranean area, Intesa Sanpaolo joined, as associate partner, "Desertec Industrial Initiative", the partnership among some of the leading industrial and financial companies in Europe and the Middle East and North Africa area (MENA).	New products/business services	1-5 years	Indirect (Client)	Very likely	Medium-high
3	Air pollution limits	Current or anticipated regulatory requirements offer opportunities because they can create a wider market for banking products in favour of renewable energy and energy efficiency.	Increased demand for existing products/services	1-5 years	Indirect (Client)	Very likely	Medium-high
4	Carbon taxes	Higher taxes on carbon emissions create the opportunity to offer customers consultancy services about energy efficiency and reducing emissions. The opportunity to finance renewable energy plants is also noteworthy.	New products/business services	1-5 years	Indirect (Client)	Likely	Medium
5	Emission reporting obligations	Being certified and reporting under GRI rules (also in 2013 we received the A+ from the GRI itself) Intesa Sanpaolo has a good expertise in reporting emissions. Eventual obligations will create the opportunity to find our bank between the front runner, with reputational and operational advantages.	Reduced operational costs	1-5 years	Direct	More likely than not	Low-medium
6	Product efficiency regulations and standards	The introduction of efficiency regulations and standards for improving efficiency will produce in the long term cost savings for the Bank as well as consistent emissions reduction.	Reduced operational costs	1-5 years	Direct	Likely	Medium
7	Cap and trade schemes	Intesa Sanpaolo is interested in finding new opportunities to offer its client carbon trading services.	New products/business	1-5 years	Indirect (Client)	More likely than not	Low-medium

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
			services				
8	Product efficiency regulations and standards	New legislations regarding building efficiency represent an opportunity to support greater investments of our customers, through specific loans. In case of public incentives to increase the sustainability of buildings, the bank has the opportunity to better promote these kind of loans. A new kind of mortgage has been recently launched, specific for wooden houses. The willingness to fund this type of real estate investment enables us to meet new forms of housing needs and represents an opportunity for business development in the sector of retail mortgages.	New products/business services	Current	Indirect (Client)	Very likely	Low

6.1b

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity and (iii) the costs associated with these actions

1, (I) regarding the opportunities arising from new international agreements, the bank could have competitive advantages both in terms of lower costs of compliance thanks to the activities of early involvement with international institutions and in terms of brand visibility. (II) Intesa Sanpaolo, through its commitment in many public frameworks, has reached a wide experience and knowledge on climate change issues. Consequently, the bank participates in the major events in the energy field promoting the importance of financing the renewable energy sector, disseminating information about the regulatory framework and presenting its own best practices. The Energy Manager also takes classes at the university, to spread knowledge and awareness about climate change issues to students. (III) We can mention the expenses for the participation in the energy trade fairs and events, amounted in 2012 to around 116,000 euros.

2, 7 (I) All the policy decisions regarding international agreements, carbon market and cap and trade schemes have direct financial implications for both the bank and the clients. It is important to be able to assess client exposure to the issue, pricing the risk in the transactions and in the new products offered. Carbon trading is also a very interesting financial market. (II) Studies and pilot projects are widely performed by the Bank, in order to be ready for new market conditions. Researches on environmental and energy issues are also an important tool in order to make informed decisions and develop skills relevant to our reference territories. In particular SRM - Studies and Research for the South, a Research Center part of the Intesa Sanpaolo Group, is offering to members and to the entire business community, economic analysis on infrastructure, productive and social systems as well as a series of in-depth Papers on the renewable energy sector. (III) in the carbon trading sector, after the feasibility study in 2011, an implementation study has been commissioned to find the best way to create a specific desk. The amount spent in 2012 is around 500,000 euros. The researches and studies conducted by Studi e Ricerche per il Mezzogiorno costed approximately 60,000 euros. The initiative Desertec's costs of membership is about 75,000 euros.

3, (I) New regulatory requirements offer the opportunity to expand the market in the field of renewable energy. (II) Despite the downward trend of the regulatory framework linked to renewable energy incentives, the Bank continues to provide a wide range of environmental and energy efficiency products. (III) Environmental lending amounts in 2012 to about 3 billion euro including various products for retail clients, SMEs, corporations, public administration, start ups, third sector and large projects.

4, (I) Positive financial implications if new carbon taxes will be introduced are connected to the opportunity to offer customers consultancy services about energy efficiency and reducing emissions. (II) To fight against climate change, renewable energy and fuel efficiency are two related strategic tools. Mediocredito Italiano, our company specialized in consulting and customized financing, supports the growth of a sector so strategic for the Italian economy by providing high-level specialized skills to entrepreneurs. A specific desk, so called Desk Energy, offers advice to all entrepreneurs who are planning to invest in renewable energy or energy efficiency projects. It has developed evaluation models to analyze the technological characteristics of projects as well as the specific environmental aspects, allowing for a more accurate service, not only from a purely financial point of view, but also from the technical and industrial perspective. (III) Costs related to these activities are integrated into the company budgets.

5, (I) Financial implications related to the possible changes in the reporting obligations are connected to savings in the implementation of new systems, because we are already up to date, and to effective savings in energy consumption due to the actions taken. (II) Intesa Sanpaolo monitors and reports consumption and emissions for several years, creating a comprehensive database and reaching a good level precision. Following our Sustainable Energy Action Plan (SEAP) we have been improving our expertise in monitoring the environmental performance and we have been verifying the targets fixed in the fields of energy use, emissions, paper and water consumption. According to the Plan, systematic and computerised monthly accounting of electricity consumption are in place as well as energy saving plans for the main operational facilities of the Bank that envisage the progressive reduction of electricity consumption. To achieve this result it was decided both to act on the management optimisation of the technological systems and to promote a greater energy efficiency for branch decor and furnishing (III) With this activity Intesa Sanpaolo has saved over 48 million euros in the past four years.

6 (I) Standards for improving efficiency produce in the long term cost savings as well as emissions cut. In addition in Italy, where public incentives are available, Intesa Sanpaolo has received deduction on taxes for more than 14 million euro related to interventions for the energy efficiency of its buildings. (II) Among the various initiatives, which include interventions to optimise the management of technological systems and significant electricity savings obtained by the remote switch-off procedure for almost all PCs at the branches during the night and holidays, a policy was adopted to gradually replace all office equipment with more energy-efficient models. Implementation of this policy has generated a cumulative reduction in electricity consumption of 18.8 GWh since 2008. At the end of 2012 a new policy was issued which defines the criteria for the construction of branches according to sustainability criteria, both during the outfitting and restructuring stages. The policy also sets out, in accordance with the provisions laid down by the European Directive 2010/31 on the matter of construction of green buildings, the specifications for the so-called "almost 0 energy branch" which represent an absolute best practice within the scope of environmental sustainability and energy efficiency. (III) Examples of costs sustained for the improvement of standards are those related to the installation of datalogger and those systems aimed at automate the switching off of lights in the branches (about 1,500,00 euro) and the almost 0 energy branch investment amounted to around 670,000.

8, (I) New legislations regarding building efficiency represent an opportunity to support greater investments of our customers, through specific loans. In case of public incentives to increase the sustainability of buildings, the bank has the opportunity to better promote these kind of loans. For examples wooden houses have an added value compared to the traditional ones because they ensure a high energy efficiency and durability, with very low maintenance costs, a healthiness of the internal microclimate. For these reasons, their spread is growing tremendously and the opportunity for the Bank to finance the purchase of wooden houses is very attractive. (II) Intesa Sanpaolo has launched during the recent years many loans to finance the improvement of energy efficiency in customers' buildings and also offers dedicated consultancy and services. In early 2013 the range of mortgage solutions has been enriched with the ability to finance the purchase, construction or renovation of prefabricated wooden houses. This new mortgage represents a further evidence of the attention paid by the Intesa Sanpaolo Group to environmental issues and sustainable use of resources, and allows us to meet the needs of customers that are particularly sensitive to the principles of eco-sustainability. (III) The amount financed for energy efficiency in 2012 is around 19 million euros.

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

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact
1	Change in mean (average) temperature	Intesa Sanpaolo uses detailed data base containing average and real temperatures in order to better measure consumption and correctly evaluate variations and best practices. Change in temperature will be incorporated into the data base without difficulty.	Reduced operational costs	Current	Direct	Very likely	Medium
2	Change in precipitation extremes and droughts	Strong precipitation and hailstorm are very dangerous for agriculture and could affect financially the business sector	New products/business services	Current	Indirect (Client)	Very likely	Medium
3	Snow and ice	Strong precipitation and hailstorm are very dangerous for agriculture and could affect financially the business sector	New products/business services	Current	Indirect (Client)	Very likely	Medium
4	Other physical climate opportunities	Weather and catastrophic events can damage photovoltaic plants, houses and cars. Intesa Sanpaolo provides specific insurance products to cover this risk.	Increased demand for existing products/services	Current	Indirect (Client)	Very likely	Medium

6.1d

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity and (iii) the costs associated with these actions

1 (I) The ability to schedule correctly the data logger with the right expected temperatures allows significant cost savings. From late 2011 we have implemented an application called "thermic check-up procedure" in many buildings and branches, which enables to assess both the management of heating installations and the adequacy of the insulation on the building enclosure. Thanks to this new procedure it was possible to achieve a 6.9% reduction in heating consumption, a result that was only marginally influenced by the relatively more favourable climate conditions of 2012. (II) Intesa Sanpaolo uses Meteorology studies and internet websites with average temperature in all over the world to be aware of the best data to use in its database. (III) Installation of new dataloggers generated a cost of 1,500,000 million euro in 2012 and the implementation of thermic check-up procedure have had a cost of 7,000 euro for the implementation of the software procedure.

2, 3 (I) Intesa Sanpaolo relies on the support of Agriventure, a company dedicated to the food farming, agro-industrial and agro-energy sector which provides advisory services to businesses in the field along the entire chain. Agriventure activities are intrinsic to environmental protection issues, as companies in this sector are those mainly responsible for maintaining the delicate environmental balance and for the promotion of rural areas, so much so that the Bank's financing operations often integrate EU funds aimed at the promotion and development of rural areas. (II) In particular Agriventure anticipates funds to consortia of production defence so that they can anticipate the direct producers. (III) Costs are resulting from investments in the creation of a new consulting firm specializing in the field and

that can provide specific support to the agriculture sector.

4 (I) The opportunity to sell insurance products linked to weather events leads to an increase in revenues. (II) the Group's insurance company (Intesa Sanpaolo Assicura) are inserting the risks of weather events in many insurance policies for houses and cars. In addition to those a specific policy assurance for PV systems linked to a small business investment for photovoltaic plants, was implemented. (III) In order to implement the policy for the photovoltaic systems we have had 35,000 euros of costs linked to the software implementation.

6.1e

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

ID	Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact
1	Reputation	As a proof of the quality of the initiatives in the climate change area performed by Intesa Sanpaolo, in recent years the Bank has received a series of important awards.	Premium price opportunities	Current	Direct	Virtually certain	Medium-high
2	Changing consumer behaviour	All the new services provided to clients (on line reporting of their current account operations, tablets for the digital signature, branches with 0 emissions) will be very attractive for customers sensitive to the issue. To be active in the mitigation of climate change potential effects could also be attractive for SRI investors, causing a potential growth in the stock price.	Premium price opportunities	Current	Indirect (Client)	Likely	Medium-high

6.1f

Please describe (i) the potential financial implications of the opportunity; (ii) the methods you are using to manage this opportunity; (iii) the costs associated with these actions

1 (I) a higher reputation brings with it positive financial implications and the opportunity for the bank to further enhance its position in the market. (II) Intesa Sanpaolo was the first bank in Europe to be designated a partner in the European campaign Sustainable Energy Europe, initiative of the European Commission aiming to establish a network of European cooperation in best practices. Among the several awards received: November 2012, special award during the "European Week for Waste Reduction": Intesa Sanpaolo was recognized for its activity in raising awareness in customers and colleagues aiming at greater efficiency in consumption and use of resources. October 2012, as part of the 2012 edition of the Banca e Territorio Award, established by AIFIn (Italian Association of Financial Innovation), Intesa Sanpaolo was ranked first in the category "Iniziativa a tutela e sostegno dell'ambiente" (Initiatives to protect and support the environment) with the project "The first nearly 0 energy branch" and second in the category "Iniziativa a sostegno dell'educazione, istruzione e formazione" ("Initiatives to support

education and training") with the project "OFF – Officine formative". September 2012, Intesa Sanpaolo receives from Trane the "Energy Efficiency Leader" Award thanks to the improvements launched in recent years, on its own premises, aimed at increasing energy efficiency in order to create a more sustainable environment. Among the actions undertaken, one of the most recent concerns the cooling system of the Data Processing Center in Parma, which will lead to significant electricity savings in the coming years. June 2012, Sustainability Award 2012 " ForGreen Awards": Cassa di Risparmio del Veneto received the prize in the ForGreen Economy category for its strong financial support to renewable energy development projects. March 2012, Intesa Sanpaolo is the third "green" bank in the world and the first among Italian banks, according to the Bloomberg ranking "World'sGreenestBanks" published in March 2012. January 2012, Intesa Sanpaolo is listed for the third consecutive year among the 100 most sustainable companies in the world. The list, drawn up by Corporate Knights (the Canadian magazine that specialises in sustainable capitalism), is presented on 25/1 at the WEF in Davos. (III) there aren't specific costs related to these activities also because the participation in competitions do not include special fees that must be paid. Costs are mostly related to the actions put in place to reduce our emissions and to develop best practices in the environmental field that are reported in the question 3.3b.

2 (I) If customers are more sensitive to the climate change issue they will probably choose a bank that can demonstrate to be sensitive as well and that can offer them concrete solutions to reduce emissions (on line reporting, digital signature, etc). Financial implications are very positive in terms of customers attraction and retention but also in terms of savings in paper and energy consumption. (II) Intesa Sanpaolo is constantly working to find out best practices and cooperates with innovative companies and environmental NGOs to stay ahead in the most efficient technology and organizational processes. (III) One of the examples of this innovation implemented in these last years was the tablets for the digital signature. In the period 2009-2012 we have invested in this project about 3 million euro and in 2012, when the project was totally implemented in Italy, we have had a percentage of adherence of our clients equal to 87%. In 2012 we have also realized a new section of Ambientiamo, the educational platform for our employees. The project was enriched with new training modules on renewable energies which, through storytelling, give people a chance to embark on a real journey in the world of clean energy and some of them were placed also on the internet websites. The cost of this project was about 35,000 euros for the creative design.

6.1g

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

6.1h

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

6.1i

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

Attachments

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/Regole_Filiali_sostenibili_eng.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/Regole_Filiali_sostenibili_eng.pdf)
[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/PolicyAcquistoMacchineUfficio_en.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/6.ClimateChangeOpportunities/PolicyAcquistoMacchineUfficio_en.pdf)

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading [Investor]

Page: 7. Emissions Methodology

7.1

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)
Sat 01 Jan 2011 - Sat 31 Dec 2011	55057.73	57257.24

7.2

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
Other

7.2a

If you have selected "Other", please provide details below

National Inventory Report 2012 - UNFCCC
Common Reporting Format 2012 - UNFCCC
International Environment Agency (IEA)

7.3

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

Gas	Reference
CO2	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	IPCC Fourth Assessment Report (AR4 - 100 year)

7.4

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

Fuel/Material/Energy	Emission Factor	Unit	Reference
Diesel/Gas oil	2650	Other: g CO2 eq per litre	UNFCCC and International Environment Agency (IEA) - Relevant country: Italy
Electricity	398	Other: g CO2 eq per kWh	UNFCCC and International Environment Agency (IEA) - Relevant country: Italy
Natural gas	1974	Other: g CO2 eq per m3	UNFCCC and International Environment Agency (IEA) - Relevant country: Italy

Further Information

Please find attached excel spread sheet with the list of emission factors applied.

Attachments

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/7.EmissionsMethodology/Tabella WEB fattori BS2012.xls](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/7.EmissionsMethodology/Tabella%20WEB%20fattori%20BS2012.xls)

Page: 8. Emissions Data - (1 Jan 2012 - 31 Dec 2012)

8.1

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

Financial control

8.2

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

58993.85

8.3

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

54539.09

8.4

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

Yes

8.4a

Please complete the table

Source	Scope	Explain why the source is excluded
Hydrofluorocarbons (HFCs)	Scope 1	The hydrofluorocarbons are not greenhouse gas relevant for our business and represent a number of very small facilities making it difficult to gather data.

8.5

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 5% but less than or equal to 10%	Data Gaps Assumptions Extrapolation Data Management	Although we have implemented a data collection in our international network, we still have challenges in getting all the data across the foreign networks and Italian societies. We use estimates where data are not available due to a lack of information. We can have some uncertainty due to errors in billing by fuel suppliers, errors of attribution of invoices or errors in data entry or extrapolations, in particular for natural gas for heating. In general the Bank attempts to continually increase the amount of actual data available.	More than 2% but less than or equal to 5%	Data Gaps Assumptions Extrapolation Data Management	Although we have implemented a data collection in our international network, we still have challenges in getting all the data across the foreign networks and Italian societies. We use estimates where data are not available due to a lack of information. We can have some uncertainty due to errors in billing for gas and diesel for heating in condominiums: data can be not accurate and we can have some errors in data entry or extrapolations. With reference to electricity from traditional sources in this case, although a low incidence, we can have some troubles due to errors of attribution of invoices or in billing by suppliers.

8.6

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

Third party verification or assurance complete

8.6a

Please indicate the proportion of your Scope 1 emissions that are verified/assured

More than 90% but less than or equal to 100%

8.6b

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

Type of verification or assurance	Relevant standard	Attach the document
Limited assurance	ISAE3000	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-8.6b-C3-RelevantStatement/Investor-8.6b-VerificationDetails1/Rel_KPMG_ENG_BS.pdf
Not applicable	Other: GRI3 and Financial Sector Supplement	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-8.6b-C3-RelevantStatement/Investor-8.6b-VerificationDetails2/Attestazione_GRI_en.pdf
Limited assurance	ISAE3000	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-8.6b-C3-RelevantStatement/Investor-8.6b-VerificationDetails3/Rel_CDP_firmata_KPMG.pdf

8.6c

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

8.7

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

Third party verification or assurance complete

8.7a

Please indicate the proportion of your Scope 2 emissions that are verified/assured

More than 90% but less than or equal to 100%

8.7b

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

Type of verification or assurance	Relevant standard	Attach the document
Limited assurance	ISAE3000	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-8.7b-C3-RelevantStatement/Investor-8.7b-VerificationDetailsS21/Rel_KPMG_ENG_BS.pdf
Not applicable	Other: GRI3 and Financial Sector Supplement	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-8.7b-C3-RelevantStatement/Investor-8.7b-VerificationDetailsS22/Attestazione_GRI_en.pdf
Limited assurance	ISAE3000	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-8.7b-C3-RelevantStatement/Investor-8.7b-VerificationDetailsS23/Rel_CDPKPMG_firmata.pdf

8.8

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

No

8.8a

Please provide the emissions in metric tonnes CO2

Further Information

This year we have also decided to certify our about 200 branches of the Environmental and Energy Management System according to the international standards ISO 14064:2012. Copy of the certification issued by DNV is here attached.

You can also find attached the Sustainability Report that is verified by KPMG.

Attachments

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/8.EmissionsData\(1Jan2012-31Dec2012\)/RAPPORTO-S-ENG-130529.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/8.EmissionsData(1Jan2012-31Dec2012)/RAPPORTO-S-ENG-130529.pdf)

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/8.EmissionsData\(1Jan2012-31Dec2012\)/Intesa SanPaolo_DVS_GHGI_FRZ.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/8.EmissionsData(1Jan2012-31Dec2012)/IntesaSanPaolo_DVS_GHGI_FRZ.pdf)

Page: 9. Scope 1 Emissions Breakdown - (1 Jan 2012 - 31 Dec 2012)

9.1

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

Yes

9.1a

Please complete the table below

Country/Region	Scope 1 metric tonnes CO2e
Italy	45085.28
Albania	89.81
Serbia	1222.34
Egypt	1357.93

Country/Region	Scope 1 metric tonnes CO2e
Slovenia	532.43
Hungary	2017.60
Russia	1637.02
Ireland	0.43
Luxembourg	1103.87
Croatia	1047.69
Switzerland	26.06
Romania	754.11
Bosnia and Herzegovina	259.77
Slovakia	2685.79
Ukraine	1173.71

9.2

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

9.2a

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

Business division	Scope 1 emissions (metric tonnes CO2e)

9.2b

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

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude
----------	--	----------	-----------

9.2c

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

GHG type	Scope 1 emissions (metric tonnes CO2e)
----------	--

9.2d

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

Activity	Scope 1 emissions (metric tonnes CO2e)
----------	--

9.2e

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

Legal structure	Scope 1 emissions (metric tonnes CO2e)
-----------------	--

10.1

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

Yes

10.1a

Please complete the table below

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 (MWh)
Italy	9213.55	451587.10	418229.41
Albania	8.41	2102.44	0
Serbia	9536.96	13136.31	0
Egypt	8013.26	17728.45	0
Slovenia	1450.40	4524.96	56.43
Hungary	5424.91	17077.02	71.02
Russia	3508.92	5474.14	0
Ireland	38.82	98.58	0
Luxembourg	756.55	1840.74	0
Croatia	7769.57	28235.46	0
Switzerland	2.53	90.35	0
Romania	1314.92	2624.58	0
Bosnia and Herzegovina	1567.87	2144.83	0
Slovakia	3187.64	16099.18	0
Ukraine	2744.77	6519.65	0

10.2

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

10.2a

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

Business division	Scope 2 emissions (metric tonnes CO2e)
-------------------	--

10.2b

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

Facility	Scope 2 emissions (metric tonnes CO2e)
----------	--

10.2c

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

Activity	Scope 2 emissions (metric tonnes CO2e)
----------	--

10.2d

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

Legal structure	Scope 2 emissions (metric tonnes CO2e)
-----------------	--

Page: 11. Energy

11.1

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

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

11.2

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	266133
Electricity	549676
Heat	30837
Steam	0
Cooling	0

11.3

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

Fuels	MWh
-------	-----

Fuels	MWh
Diesel/Gas oil	58493
Natural gas	197811
Motor gasoline	9829

11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comments
Non-grid connected low carbon electricity generation owned by company, no instruments created	393.16	During the reporting period our onsite installations in Italy and Slovenia generated 393 MWh which were entirely consumed for our internal needs.
Tracking instruments, Guarantees of Origin	417963.70	In Italy from last year we buy electricity certified with RECS and COFER certifications. The new COFER Certificate correpond to 1 MWh of renewable energy. This certificate is issued for the electricity that is fed into the grid by qualified plants ICO-FER, and therefore this Certificate can be transferred from the energy producer directly to the buyers. The Italian GSE - (Electricity Services Operator) verified and ascertained the correspondence between the renewable energy produced and that one placed on the market.

Further Information

You can find attached the detail of our photovoltaic plants.
Attached also some examples of RECS and COFER certifications.

Attachments

Page: 12. Emissions Performance

12.1

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

Increased

12.1a

Please complete the table

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	5.2	Decrease	2012 confirms yet another reduction in energy consumption achieved as a result of better management but also through measures aimed to increasing energy efficiency for significant energy consumption in a Bank: lighting, air conditioning and office equipment. The Bank continued to equip its sites with energy consumption monitoring systems through an increasingly high use of electricity consumption detection systems (dataloggers) managed via the web and accompanied, in most branches, by actuators that switch the lighting and air conditioning systems on/off according to optimisation programmes. Thanks to the adoption of an internal policy relating to the purchase of office equipment the gradual replacement of office equipment with more energy-efficient ones generated cumulative electricity savings of 4.1% compared to 2008. This figure is net of the results achieved by the procedure which remotely switches almost all PCs off at the branches at night time and during the holidays. In addition, in line with the contents of the new internal policy on sustainable branches, renovated or newly built sites (around 80 in 2012) are fitted out in accordance with criteria for improving energy efficiency and management. Thanks to the application of the new building heat check-up procedure in many buildings and branches, which enables to assess both the management of heating installations and the adequacy of the insulation on the building enclosure, it was possible to achieve a 6.9% reduction in heating consumption, a result that was only marginally influenced by the relatively more favourable climate conditions of 2012.
Divestment			

Reason	Emissions value (percentage)	Direction of change	Comment
Acquisitions			
Mergers			
Change in output	7.9	Increase	Thanks to the attention that the Intesa Sanpaolo Group pays to the reporting of the data, in 2012 we managed to extend the scope of reporting including also the Foreign Banks fleet emissions that were not included in previous years. Thanks to this new reporting, Scope 1 emissions increased substantially.
Change in methodology	1.6	Decrease	This reduction can be traced back to the update of processing factors following the evolution of energy production systems which take into account, in addition to greenhouse gases directly traced in equivalent CO2 (GWP), even the most significant gases involved in an indirect manner: sulphur dioxide (SO2) and nitrogen oxides (NOX). The methodology that we have used is that one described on the Abi guidelines that we have contributed to write.
Change in boundary			
Change in physical operating conditions			
Unidentified			
Other			

12.2

Please describe your gross 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
0.000006349	metric tonnes CO2e	unit total revenue	5	Decrease	The intensity figure per unit total revenue (total operating income) in 2011 was 0.000006691. Even if we have had an increase of total operating income and an increase of the Scope 1 due to the change in output of the fleet of our foreign banks, we have had a decrease of the intensity figure of Scope 1 and 2.

12.3

Please describe your gross 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
1.164428536	metric tonnes CO2e	FTE employee	4	Increase	The intensity figure for FTE in 2011 were 1.114589674. Even if the total FTE decreased of 3% the increase of the intensity figure is due to the change in output of the fleet of our foreign banks that last year where not included in the Scope 1.

12.4

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
0.030653793	metric tonnes CO2e	square meter	2	Increase	The intensity figure for FTE in 2011 was 0.030155203. Even if the total square meters decreased of 1% the increase of the intensity figure is due to the change in output of the fleet of our foreign banks that last year where not included in the Scope 1.

Attachments

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/12.EmissionsPerformance/QuadernoAmbiente-ENG-091212.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/12.EmissionsPerformance/QuadernoAmbiente-ENG-091212.pdf)

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/12.EmissionsPerformance/RAPPORTO-S-ENG-130529.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/12.EmissionsPerformance/RAPPORTO-S-ENG-130529.pdf)

Page: 13. Emissions Trading

13.1

Do you participate in any emissions trading schemes?

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

13.1a

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

13.1b

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

13.2

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

No

13.2a

Please complete the table

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 retired	Purpose, e.g. compliance
---------------------------------------	--------------	------------------------	----------------------------	---	--	-----------------	--------------------------

Page: 14. Scope 3 Emissions

14.1

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

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Methodology	Percentage of emissions calculated using primary data	Explanation
Purchased goods and services	Relevant, calculated	496.57	For the calculation of GHG emissions related to the consumption of paper has been adopted a methodology based on the life cycle assessment (LCA) of the paper. This model considers the different types of paper used by Intesa Sanpaolo (FSC paper, recycled paper – de-inked or not) and the main stages of its product life. In correspondence of each stage has been identified a specific emission factor for the calculation of the GWP (in accordance with Database Ecoinvent 2.2): - production of paper (from 0.83 to 1.56 gram CO2 eq/gram depending on the different type of paper) - transportation from the paper mill to the printer (from 0.01 to 0.14 gram CO2 eq/gram depending on the distance) - printing (0.30	100%	Since 2013 we decided to certify about 200 branches and 1 building in the environment and energy management system scope also according to ISO 14064. For this reason, we calculated the CO2 emissions resulting from the use of paper. These branches represent a significant sample of branches located throughout the Italian territory.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Methodology	Percentage of emissions calculated using primary data	Explanation
			gram CO2 eq/gram) - delivery of the documents (0.03 gram CO2 eq/gram) - disposal of the paper (0.12 gram CO2 eq/gram)		
Capital goods	Not evaluated				
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Not relevant, explanation provided				We don't have fuel and energy consumption non included in Scope 1 or 2
Upstream transportation and distribution	Not relevant, explanation provided				The transportation of purchased good is still reported on Scope 3 - (Purchased good and services) since emissions from transportation are already included in the cradle-to-gate emissions of purchased products.
Waste generated in operations	Relevant, not yet calculated				2012 recorded a significant reduction in the amount of waste produced (-32%) thanks to both the increasingly high use of municipal separate waste collection and the reduction of office equipment and toner disposals. The latter are collected by an external company within the scope of a recycling service for their subsequent reuse. In 2012, the service recycled around 135 tonnes of toners and ribbons. More specifically, with regard to the cartridges, 60% were recycled to be reused while the remaining 40% gave rise to second raw materials (plastic, metal, paper/cardboard and incinerator ash) which, in turn, are reused in other production cycles.
Business travel	Relevant, calculated	14888.35	Intesa Sanpaolo reports the business travel emissions arising from train, airplanes and personal cars. The model of data reporting adopted is designed in accordance with the GRI reporting standards and guidelines of ABInergia for the application of the GRI	100%	Since 2012 we have also started to report Scope 3 emissions of our Foreign Banks. By doing so since 2012 we can report emissions associated with business travel all over the Intesa Sanpaolo Group. In the "Further information section" you can find all documents

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Methodology	Percentage of emissions calculated using primary data	Explanation
			<p>environmental indicators in the banking sector. The model allows for an analysis of mobility useful for the definition of actions and policies that, with regard also to the profiles of economic sustainability, may contain CO2 emissions. Taking into account the specificity of Mobility Management in Intesa Sanpaolo a set of indicators and monitoring data related to enterprise mobility has been defined, that allows to define the indicators required by the GRI with regard to issues of mobility (EN3 and EN29) and adequately monitor them over time. Also the emission factor applied and the GWP values used to calculate emission are included in this guidelines. The model is based on data related to the vectors used, transfers and video conferencing and data obtained through the application of appropriate coefficients. With regard to the analysis of environmental indicators, in the Corporate Mobility in Intesa Sanpaolo - Italy, shows that the most frequently used is the plane, followed by personal cars for mission and trips made by train. It should be noted, moreover, that the use of video conferencing for business meetings has increased by about 18% compared to last year. The first collection of data on the foreign banks perimeter appears adequate in relation to the use of plane and personal cars and not complete for trains as the information are, for the moment, not available for many foreign banks.</p>		used for the business travel reporting.
Employee commuting	Relevant, not yet				With reference to the Employee commuting for several years Intesa Sanpaolo realizes the

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Methodology	Percentage of emissions calculated using primary data	Explanation
	calculated				"Home-Work Commuting Plans" for each major city. In particular, in 2009 a questionnaire was administered to all Italian colleagues to identify emissions from employee commuting (attached). In 2013 a questionnaire will again be given which will analyse these aspects and which can then be taken into account for next year.
Upstream leased assets	Not relevant, explanation provided				In our consolidation approach we include the emissions from leased assets in Scope 1 and Scope 2.
Investments	Relevant, not yet calculated				
Downstream transportation and distribution	Not relevant, explanation provided				The Intesa Sanpaolo Group doesn't produce goods that need downstream transportation and distribution
Processing of sold products	Not relevant, explanation provided				The Intesa Sanpaolo Group core business is to produce services for our customers. We don't use intermediate products by third parties.
Use of sold products	Not relevant, explanation provided				The Intesa Sanpaolo Group core business is to produce services for our customers. We don't produce goods that are relevant in this category.
End of life treatment of sold products	Not relevant, explanation provided				The Intesa Sanpaolo Group doesn't produce goods that need an end of life treatment.
Downstream leased assets	Not relevant, explanation provided				Intesa Sanpaolo leases a very small number of buildings to services companies. We estimate that the emissions from these buildings are very few and therefore not relevant for the Scope 3.
Franchises	Not relevant, explanation provided				The Intesa Sanpaolo Group doesn't have franchises

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Methodology	Percentage of emissions calculated using primary data	Explanation
Other (upstream)					
Other (downstream)					

14.2

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

Third party verification or assurance complete

14.2a

Please indicate the proportion of your Scope 3 emissions that are verified/assured

More than 90% but less than or equal to 100%

14.2b

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

Type of verification or assurance	Relevant standard	Attach the document
Limited assurance	ISAE3000	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-14.2b-C3-RelevantStatementAttached/Investor-14.2b-VerificationDetails1/Rel_KPMG_ENG_BS.pdf
Not applicable	Other: GRI	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-14.2b-C3-RelevantStatementAttached/Investor-14.2b-VerificationDetails2/Attestazione_GRI_en.pdf
Limited assurance	ISAE3000	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-14.2b-C3-RelevantStatementAttached/Investor-14.2b-VerificationDetails3/Rel_CDPKPMG_firmata.pdf
Limited assurance	ISO14064-3	https://www.cdproject.net/sites/2013/63/9363/Investor_CDP_2013/Shared_Documents/Attachments/Investor-14.2b-C3-RelevantStatementAttached/Investor-14.2b-VerificationDetails4/Intesa_SanPaolo_DVS_GHGI_FRZ.pdf

14.3

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

Yes

14.3a

Please complete the table

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Business	Change in	15.3	Increase	Thanks to the attention that the Intesa Sanpaolo Group pays to the reporting of the data, in 2012

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
travel	boundary			we managed to extend the scope of reporting including also the business travel of Foreign Banks that was not included in previous years. We were able to report their emissions from the use of trains, planes and personal cars. Thanks to this new reporting, Scope 3 emissions increased substantially.
Business travel	Change in output	4.4	Increase	In view of the Italian crisis affecting in particular the business sector and of the Italian Government's and Chambers of Commerce's focus on the global growth of Italian corporates, the ISP Group has decided to support more closely its corporate clients in their abroad business. The mentioned decision implied an increase of business travel for GRMs, LRMs and Specialists abroad in order to boost the relationship with our Client Groups' subsidiaries abroad. At the same time, however, we have pursued the goal of reducing employee journeys made by personal cars (-30.3% of kilometers performed) which correspond a minimal increase in travel by train (+7%).
Business travel	Change in methodology	0.6	Increase	Intesa Sanpaolo has participated actively in the working group of AbiLab, the Research and Innovation Centre of the Bank promoted by the Italian Banking Association, with a view to define the "Guidelines on the application of the GRI (Global Reporting Initiative) environmental indicators in the Bank - November 2012". Regarding business travel we have applied the prescription of this Guidelines and other international Institutes: this year the cars emission factors are a little bit increased. See the annex for 2012 emission factors.

14.4

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

Yes, our customers
No, we do not engage

14.4a

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

The stakeholder engagement activities carried out starting from 2007 with the objective of defining the sustainability strategies have been integrated with the broader business activities over time. Continuous dialogue with our stakeholders allows us to understand the emerging environmental and social issues, expectations, reputational and operational risks connected to the decision of not developing initiatives in specific sectors, as well as the new business opportunities for the Bank in identifying innovative markets. To ensure an effective and strategic engagement process, we have adopted the AA1000 standards of Accountability (Institute of Social and Ethical Accountability), international institute for research on sustainability. Each year, the engagement process is developed in close collaboration with the internal structures responsible for dialogue within the company: the Customer Satisfaction Service for customers, Internal Communications and Labour/Management Relations for employees, Goods and Services Procurement Department for suppliers and the Investor Relations Service for shareholders. This method allows us to integrate the sustainability expectations into the analyses carried out by the structures.

In order to comply with the three principles of AA1000APS (inclusion, materiality and responsiveness), a management model was designed to monitor the entire engagement process: stakeholder mapping, assessments of the quality of the engagement initiatives, the proposals and critical issues that have come to light, the Bank's action plan arising from the balance between corporate strategies and the opinions of different stakeholders.

Every year we reconsider both the stakeholder mapping (and related subcategories) and the issues strategic to the Bank which arose from previous stakeholder engagement activities and from the analysis by institutional sources external to the Bank on which the Group has decided to concentrate its efforts.

The findings of this management and monitoring tool provide a clear picture of risks and opportunities arising from commitments made by the Bank to its stakeholders. The analysis of these results becomes one of the main sources of input in the periodic formulation of the improvement objectives plan published in the Social Report and for the fine-tuning of a continuous monitoring plan for priority areas.

In fact, the model allows certain summary reports to be created based on aspects emerging from the engagement. These reports help to identify priority areas, to monitor action taken by the Bank in response to stakeholders' needs and to plan future engagement initiatives.

Each year the Csr Unit evaluate the modalities of implementation depending on the type of engagement desired (operational or strategic), and also on the degree of maturity of the issue to be dealt with and on the extent of representation of the stakeholders to be engaged.

For example, for issues with a transversal impact on several activities of the Bank, such as climate change, methods more suitable to strategic engagement were selected (in-depth interviews and multistakeholder forums). On the contrary, for issues focused on a specific stakeholder such as quality of Intesa Sanpaolo "green" offering, methods such as quantitative questionnaires are more useful.

In 2012, a year that saw a profound transformation of the internal organisation as well, we focused on listening to customers on the quality of environmental products. The involvement initiatives implemented during 2012 were on average of higher quality in term of interactivity, cyclicity, representativeness of the stakeholders involved and relevance of the topics.

The results of the questionnaires that were sent to 4.073 customers (households, small businesses and SMEs) show a general satisfaction with the quality of the offer, the timing of delivery, the management of the practice and the preparation of the operator. Areas for improvement focus on streamlining the bureaucracy and better economic conditions. Customers call for the inclusion of social and environmental elements in the assessment of creditworthiness. The majority of companies surveyed believed that the environmental issue is important for their business activities.

14.4b

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
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14.4c

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
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14.4d

Please explain why not and any plans you have to develop an engagement strategy in the future

Regarding suppliers Intesa Sanpaolo has been rethinking the relationship with them. The suitable reorganization would be shaped as: "risk identification and mapping – risk management measures – monitoring". Once a sustainability risk identification/mapping has been put in place, we could begin with considering a sample group of suppliers, based on their GHG emission intensity, and engage with them on these issues.

Further Information

Attached you can find:

- business travel emission factor applied;
- business travel reporting methods;
- 2009 employee commuting study.

Attached is also available the Sustainability Report 2012 linked to the KPMG assurance.

Attachments

[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/BS_Linee guida_1 ottobre_DEF.doc](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/BS_Linee%20guida_1%20ottobre_DEF.doc)
[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/Tabella WEB fattori BS2012 mobility.xls](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/Tabella%20WEB%20fattori%20BS2012%20mobility.xls)
[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/Linee guida_Allegato Schede di sintesi_1 ottobre_DEF.doc](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/Linee%20guida_Allegato%20Schede%20di%20sintesi_1%20ottobre_DEF.doc)
[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/RAPPORTO-S-ENG-](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/RAPPORTO-S-ENG-)

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[https://www.cdproject.net/sites/2013/63/9363/Investor CDP 2013/Shared Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/Milano pcsl 2009.pdf](https://www.cdproject.net/sites/2013/63/9363/Investor%20CDP%202013/Shared%20Documents/Attachments/InvestorCDP2013/14.Scope3Emissions/Milano%20pcsl%202009.pdf)

Module: Sign Off

Page: Sign Off

Please enter the name of the individual that has signed off (approved) the response and their job title

Valter Serrentino

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