LETTER FROM THE CHAIRMAN

The question of corporate social responsibility has developed into a lively debate in recent years, leading to important suggestions as to how economic growth can be successfully combined with progress on the part of the community and respect for the environment.

While carrying on its activity, a business creates a network of relationships that directly involve the interests of various people or groups of people, generally referred to as “stakeholders”.

Given their institutional function, banks play an important role in the country’s development. They are explicitly called upon to assume a high degree of social responsibility, which has to be implemented by means of consistent behaviour geared to balanced, sustainable growth.

A bank’s stakeholders are mainly its customers, its stockholders, its employees, various financial investors, the surrounding community, the Public Administration, banking counterparties and suppliers. Relationships with all of these counterparties have to be clear and continuous, based on reciprocal respect and constructive collaboration.

These are the reasons behind the Banca Lombarda’s decision to prepare its first Group Social Responsibility Report. The Group intends to use this initiative to create an instrument of institutional communication so that it can periodically explain its social activities and the strategies pursued in the key areas for each category of stakeholder.

While I am sure that significant improvements can be achieved in the future, I trust that the efforts made by the Group in preparing this report will be of interest to all stakeholders.

Chairman of the Board of Directors
Gino Trombi
METHODOLOGY

The Group Social Responsibility Report for 2003 has been prepared in accordance with the guidelines drawn up by GBS (the Social and Environmental Accounting Study Group) and with the social accounting standards for the banking sector issued by ABI (the Italian Banking Association).

The presentation of the topics required or recommended by these guidelines has been adapted to the specific needs of the Banca Lombarda Group in order to highlight our social commitment aimed in particular at:

- raising the value of the investment made by the stockholders;
- developing the professionalism and quality of our work;
- improving the services provided to customers;
- supporting the community in the fields of culture, education, sport and local institutions.

The figures and other economic and financial information contained in this report are taken from the 2003 Consolidated Financial Statements and reworked or reclassified according to the guidelines.

Quantitative data and information relating to other areas of the Group Social Responsibility Report have been identified and measured using the most appropriate methodologies under the circumstances. For example:

- in cases where particular situations could be measured in their entirety, this was done in order to maximize the reliability of the information provided in the Group Social Responsibility Report;
- estimates were made in those cases where full measurements are impossible. In such cases, estimates were based on the most reliable information available at the time, using suitable methods of estimation.

In situations where various methods of quantification or estimation could be used, we chose those that best suited the circumstances and the results were used to calculate the information provided in the Group Social Responsibility Report.

Quantitative data and information was gathered and processed by means of IT procedures, the accounting system and estimates based on paper archives.

Various functions were involved in these phases to ensure that the data was processed correctly.

The methodologies used in preparing the Group Social Responsibility Report, together with its contents, have been approved by the Board of Directors of Banca Lombarda S.p.A.
WE ARE ONE OF ITALY’S LARGEST BANKING GROUPS
The Banca Lombarda Group was created in 1998. However, the banks that came together to form the Group go back a great deal further than that. Indeed, they had a very long history, one of continuous involvement with the local community: close links formed by over a hundred years of collaboration and development.

In 1998, two Brescia-based banks, “CAB” and “Banca San Paolo”, both leading banks in the provinces of Lombardy, decided to merge, thereby forming Banca Lombarda and the Banca Lombarda Group. At the same time, the Group decided to reorganize to give itself a new organizational structure. We chose to adopt a federal structure, which was considered the most suitable both for the purposes of customer relations and with a view to achieving certain efficiency targets.

As a result of this reorganization, governance was centralized at Banca Lombarda, the Parent Bank, while the branch network was spun off to a separate company called Banco di Brescia.

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As a result of this reorganization, governance was centralized at Banca Lombarda, the Parent Bank, while the branch network was spun off to a separate company called Banco di Brescia.
Banco di Brescia is a highly efficient entity that has centralized all of its back-office, administration and control functions at the Parent Bank so that it can concentrate on customer service and quality improvements.

Banca di Valle Camonica and Banco di San Giorgio, which were once controlled by Banca San Paolo and CAB, have maintained their identity as separate legal entities so as to retain the affection that the local communities have for their brand names. Their head office structures have also been reorganized, centralizing most of their functional activities at the Parent Bank, so that they can benefit from economies of scale and make their operations more efficient.

In the four years after the birth of the Group, further growth was achieved thanks to the aggregation of Cassa di Risparmio di Tortona, in 1999, and Banca Regionale Europea, in 2000.

The addition of these two banks not only significantly increased the Group’s size, but also gave it an important presence and local roots in the Piedmont Region.

At the end of 2003, the Banca Lombarda Group consisted of six banks in Italy, with total loans of 23.6 billion euro, direct deposits of 22.4 billion euro and indirect deposits of 40.5 billion euro. At the same date, the branch network was made up of 783 offices (including two abroad, one in France (Nice) and one in Luxembourg), as well as 600 financial consultants.

The Banca Lombarda Group is one of the largest Italian banking group in terms of loans and direct deposits, with a market share of around 2%. In asset management, and mutual funds in particular, it ranks 11th with a market share of 2.2%.

It also operates in various sectors of the finance industry, including asset management (18.1 billion euro of assets under management), bancassurance (4.9 billion euro of insurance reserves), leasing (1.8 billion euro of loans to customers), factoring (5 billion euro of turnover), consumer credit (550 million euro of loans), as well as the activities that represent its core business, namely credit and loans, deposits and payment services. The Group’s operations have the following profile:

• a significant level of profitability; in 2003 ROE, which is the ratio between net income for the period and stockholders' equity (1), came to 8.9%;
• a good level of cost efficiency; the cost/income ratio, which reflects the proportion of administrative costs to net interest and other banking income (2), came to 62.4%;
• excellent asset quality, with a ratio of net non-performing loans to total loans of 1.05%;
• staff productivity that is good and rising, both in terms of deposits and loans per head and in terms of net interest and other banking income per head.
### OPERATING INDICATORS – thousands of euro

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<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>a) ROE cash (1)</td>
<td>8.9%</td>
<td>11.4%</td>
<td>13.8%</td>
</tr>
<tr>
<td>b) Capitalization ratio</td>
<td>10.2%</td>
<td>10.0%</td>
<td>8.5%</td>
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<tr>
<td>Capital for supervisory purposes/ Risk-weighted assets</td>
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<td></td>
<td></td>
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<tr>
<td>c) Cost-income ratio</td>
<td>62.4%</td>
<td>61.7%</td>
<td>61.8%</td>
</tr>
<tr>
<td>c1) of which human resources</td>
<td>32.6%</td>
<td>32.7%</td>
<td>33.1%</td>
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<tr>
<td>c2) of which other administrative costs</td>
<td>22.4%</td>
<td>23.0%</td>
<td>23.3%</td>
</tr>
<tr>
<td>c3) of which depreciation and amortization</td>
<td>7.4%</td>
<td>5.9%</td>
<td>5.4%</td>
</tr>
<tr>
<td>d) Net non-performing loans/Loans</td>
<td>1.1%</td>
<td>1.1%</td>
<td>1.2%</td>
</tr>
<tr>
<td>e) Overall customer deposits/Average number of employees</td>
<td>8,418</td>
<td>7,872</td>
<td>7,914</td>
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<tr>
<td>f) Loans to customers/Average number of employees</td>
<td>3,156</td>
<td>2,920</td>
<td>2,652</td>
</tr>
<tr>
<td>g) Net interest and other banking income/Average number of employees</td>
<td>176</td>
<td>173</td>
<td>171</td>
</tr>
</tbody>
</table>

### DISTRIBUTION OF BANKING BRANCHES

![Distribution of Banking Branches](image1)

### DISTRIBUTION OF THE FINANCIAL CONSULTANCY NETWORK

![Distribution of the Financial Consultancy Network](image2)
The Group’s territorial presence is concentrated in the north-west of Italy, with particularly significant market shares in its provinces of origin, such as Brescia (26.4% of loans and 32.7% of deposits), Cuneo (18.6% of loans and 26.1% of deposits) and Pavia (10.6% of loans and 12.5% of deposits).

The federal model has therefore played an important role in providing support for the aggregation process by which the Group has tripled in size over the last five years. Indeed, in terms of total assets, it went from around 8 billion euro (the average size of the two groups that merged to form the Banca Lombarda Group (3), to 31.4 billion euro at the end of 2003. The federal model makes it possible to combine the objectives of efficiency and single strategy with protection of the original brand names, strong territorial roots and the sector skills of the product-companies.

The new Group structure facilitated the aggregating force of the Parent Bank and rapid integration of other banks as they were acquired, while safeguarding their brand names, given the value that this represented in terms of customer loyalty. The individual banks are organized on a divisional basis by customer segment (Retail, Private and Corporate), to ensure that the sales structures are more reactive and focused on the specific needs of their customers.
CORPORATE GOVERNANCE

CORPORATE GOVERNANCE IS THE SYSTEM OF RULES AND PROCEDURES THAT DIRECT THE BUSINESS TOWARDS TRANSPARENT AND RESPONSIBLE BEHAVIOR
CORPORATE GOVERNANCE

CORPORATE GOVERNANCE IS THE SYSTEM OF RULES AND PROCEDURES THAT DIRECT THE BUSINESS TOWARDS TRANSPARENT AND RESPONSIBLE BEHAVIOR VERSUS THE STOCKHOLDERS, INVESTORS, CUSTOMERS AND THE MARKET IN GENERAL. BANCA LOMBARDIA, WHICH IS LISTED ON THE ITALIAN STOCK EXCHANGE, HAS ALWAYS BEEN SENSITIVE TO QUESTIONS OF CORPORATE GOVERNANCE. IT HAS ALIGNED ITS STRUCTURE TO THE PRINCIPLES OF GOOD MANAGEMENT ACCORDING TO THE ARTICLES OF ASSOCIATION AND THE RECOMMENDATIONS OF THE CODE OF CONDUCT FOR LISTED COMPANIES DRAWN UP BY BORSA ITALIANA AS A FURTHER SIGN OF OPENNESS AND FAIRNESS TOWARDS THE MARKET.

Banca Lombarda’s system of corporate governance is made up as follows:

• Stockholders’ Meeting
• Board of Directors
• Executive Committee
• Chairman
• Chief Executive Officer
• Board of Statutory Auditors
• General Manager

STOCKHOLDERS’ MEETING

The stockholders normally meet once a year to approve the financial state-
ments. One of the powers of the Stockholders’ Meeting is to appoint the members of the Board of Directors of Banca Lombarda.

THE BOARD OF DIRECTORS

The Board of Directors plays a central role in the organization, being responsible for all of the functions involving corporate strategy and policy-making, as well as for ensuring that all the necessary controls are in place to monitor the Company’s results.

The Board of Directors has 21 members and is currently made up of a majority of Independent Directors insofar as:

a) they do not have, directly, indirectly or on behalf of third parties, nor have they had in the recent past, economic relations with the Company, its subsidiaries, the executive directors, the stockholder or group of stockholders that controls the Company, of a significance that might condition the Directors’ autonomy of judgment;

b) they are not titleholders, directly, indirectly or on behalf of third parties, of equity investments of such a size as to allow them to exercise control or a considerable influence over the Company, nor do they take part in stockholder agreements aimed at controlling the Company;

c) they are not close members of the family of the Company’s Executive Directors or of persons who find themselves in the situations mentioned in points a) and b) above.

On the other hand, given the powers granted to him by the Board, the Chief Executive Officer is to be considered an Executive Director.

The Board generally meets once a month and, on an extraordinary basis, any time the need arises. The Board of Directors met 15 times during 2003.

<table>
<thead>
<tr>
<th>NAME</th>
<th>POSITION</th>
<th>Members of the Executive Committee</th>
<th>Members of the Compensation Committee</th>
<th>Members of the Internal Control Committee</th>
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<tbody>
<tr>
<td>Gino Trombi</td>
<td>Chairman</td>
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<tr>
<td>Alberto Folonari</td>
<td>Senior Vice Chairman</td>
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<td>Giovanni Bazoli</td>
<td>Vice Chairman</td>
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<td>Corrado Faissola</td>
<td>Chief Executive Officer</td>
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<tr>
<td>Mario Cera</td>
<td>Secretary</td>
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<tr>
<td>Luigi Bellini</td>
<td>Director</td>
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<td>Piero Bertolotto</td>
<td>Director</td>
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<td>Giuseppe Camadini</td>
<td>Director</td>
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<td>Mario Cattaneo</td>
<td>Director</td>
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<td>Virginio Fidanza</td>
<td>Director</td>
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<td>Attilio Franchi</td>
<td>Director</td>
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<td>Ugo Gussalli Beretta</td>
<td>Director</td>
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<td>Giuseppe Lucchini</td>
<td>Director</td>
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<td>Felice Martinelli</td>
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<td>Giovanni Minelli</td>
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<td>Luigi Nocivelli</td>
<td>Director</td>
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<td>Francesco Passerini Glazel</td>
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<td>Pierfrancesco Rampinelli Rota</td>
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<td>Adriano Rodella</td>
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<td>Antonio Spada Ambasciatore</td>
<td>Director</td>
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<tr>
<td>Romain Zaleski</td>
<td>Director</td>
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</table>
EXECUTIVE COMMITTEE

The Board of Directors can appoint an Executive Committee made up of 8 of its members, delegating its own powers to it. In particular, it has attributed to the Executive Committee all powers for the ordinary administration of the Bank, except for some that are the exclusive responsibility of the Board.

THE CHAIRMAN

The Chairman of the Board of Directors legally represents the Company vis-à-vis third parties and in court and, if proposed by the Chief Executive Officer, in situations of particular urgency he can take decisions that would normally be up to the Board of Directors and the Executive Committee. Any such decisions must be reported to the Board at its next meeting.

The Chairman allocates and distributes the amounts set aside for donations, according to the indications and manner decided by the Board of Directors.

THE CHIEF EXECUTIVE OFFICER

The Board of Directors has delegated to the Chief Executive Officer the power to supervise the ordinary administration of the Bank and coordination of the activities of Banca Lombarda, the Parent Bank, with those of the subsidiaries, in compliance with the policies laid down by the Board of Directors and with the assistance of the General Manager.

THE BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors, which is made up of 3 acting members and 2 alternate members, has responsibility for ensuring that the Company is managed correctly in accordance with the law, the Articles of Association, stockholders’ resolutions and other regulations.

THE GENERAL MANAGER

The General Manager heads up the executive and exercises his duties within the scope of the powers granted by the Board of Directors.

COMPENSATION COMMITTEE

A Directors’ Compensation Committee has been set up as part of the Board, consisting primarily of Non-Executive Directors. The Committee makes proposals to the Board for the remuneration of Directors who hold particular offices. When the Committee makes decisions, the persons directly concerned abstain. With input from the Chief Executive Officer, the Committee also makes proposals regarding the remuneration of the Company’s Senior Management.

INTERNAL CONTROL COMMITTEE

An Internal Control Committee has been set up as part of the Board. It is responsible for checking that all internal functions are carried on properly so as to ensure that the internal control system works as effectively as possible.

As part of its checks, during 2003 the Internal Control Committee paid particular attention to evaluating development of the Group’s internal control systems, to the methodology used to draw up contracts for the services rendered by the Parent Bank, and to operations in innovative derivative products for Corporate customers to hedge interest risk. It also examined the projects comple-
ed or still in progress with regard to physical and logical security, particularly the Disaster Recovery Plan which in the event of a calamity is designed to guarantee operating continuity for all Group companies that use the services provided by Lombarda Sistemi e Servizi.

INTERNAL RULES ON RELATED PARTY TRANSACTIONS

In accordance with Borsa Italiana's recommendations in the Code of Conduct for Listed Companies, Banca Lombarda has approved its own “Internal Rules for Related Party Transactions”. This lays down guidelines and criteria for identifying related party transactions, which have to be approved by the Board of Directors. Such transactions also include those carried out between Group companies, if they are material from an economic, capital or financial point of view. The regulations also establish rules of conduct when carrying out such transactions to ensure that they are correct both in substance and according to the procedures. If they are not in the normal run of business and at standard market conditions, related party transactions carried out by subsidiaries have to be authorized by the Board of Directors of the subsidiary concerned and communicated immediately to the Parent Bank.

INTERNAL DEALING

On January 1, 2003 the Banca Lombarda Group adopted the Code of Conduct that regulates disclosure requirements on Internal Dealing. This code is designed to regulate exchanges of information between the market and certain individuals, defined as “Relevant Persons”, who could have access to information not in the public domain on operations involving listed financial instruments issued by Banca Lombarda or by its main subsidiaries. The following are considered “Relevant Persons”: the Directors, the Statutory Auditors, the General Manager and certain members of Group management. In particular, the code lays down disclosure requirements on the part of such “Relevant Persons”, who periodically have to report to Banca Lombarda any transactions that they have carried out during the previous quarter in excess of certain set limits of a material amount. It is then up to Banca Lombarda to pass on such information to Borsa Italiana.

THE INTERNAL CONTROL SYSTEM

Banca Lombarda has adequate internal control and risk management systems, which comply with the supervisory instructions issued by the Bank of Italy. The Bank has an Internal Auditing Department which monitors these systems and issues reports that evaluate the extent to which they function properly.

REGULATIONS FOR THE PROCESSING OF INFORMATION

“Internal regulations for the handling and processing of confidential information and for the communication of documents and information to third parties” have also been introduced to ensure that confidential information regarding Banca Lombarda and its subsidiaries is handled properly. These regulations identify the persons who are responsible for such information and define the rules of conduct that have to be followed by the Directors, Statutory Auditors and employees of Banca Lombarda and its subsidiaries. They also lay down procedures for the communication of documents and information to third parties, especially with regard to news that could be of particular importance as it could affect Banca Lombarda's stock price.
A MISSION STATEMENT IS AN EXPRESSION OF OUR BUSINESS VOCATION, WHICH CONSISTS OF OPERATING AS A BANK IN OUR CHOSEN TERRITORY, CREATING REAL VALUE BY IDENTIFYING AMONG THE MANY PROJECTS AND CHOICES THAT ARE AVAILABLE, THOSE THAT ARE LIKELY TO BE WORTH MORE OVER TIME FOR THE STOCKHOLDERS AND OTHER STAKEHOLDERS. TO THIS END, WE AIM TO GENERATE STABLE AND SUSTAINABLE GROWTH OVER TIME, BEARING IN MIND THE ENVIRONMENT IN WHICH WE OPERATE.
OUR MISSION

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Management of the Banca Lombarda Group is guided by a long-range strategic vision that rejects any speculative approach, while aiming to optimize the allocation of capital by means of selective investment decisions. Achieving stable growth over time, creating value for the company, does in fact mean optimizing the revenue mix together with careful selection of the various kinds of financial and operating risks.

The critical success factors in Banca Lombarda’s strategy are mainly to do with customer loyalty and respect, staff professionalism and the ability to
exploit the leverage provided by technology and innovation to optimize internal processes.

RESPECT FOR CUSTOMERS

The Group aims to consolidate its relationships with customers by constantly improving service and product quality.

The creation of customer loyalty is considered a fundamental objective, considering the huge effort needed to acquire new customers and the investments made to ensure customer satisfaction.

INNOVATION AND THE OPTIMIZATION OF PROCESSES

Innovation is a critical success factor that is fundamental in maintaining high levels of competitiveness, both in terms of methods of access to banking services and in terms of their quality.

Technology is also seen as an effective way to provide services more efficiently and to lower operating costs.

The Group has a reputation as a solid and reliable bank that operates fairly and openly in all internal and external dealings. Its investment decisions and management policies are based on selective criteria. Banca Lombarda carries on its business activity in a responsible manner, with respect for its Charter of Values and full awareness of its institutional role.

STAFF PROFESSIONALISM

Professional training of the Bank’s human resources is considered one of the main ways of preserving the Group’s competitiveness, given that we intend to be a leading enterprise that is able to attract the best professional profiles in the sector and to hold on to the most talented.
WE BELIEVE THAT WE HAVE A SPECIFIC ETHICAL IDENTITY BASED ON VALUES AND PRINCIPLES THAT GUIDE THE DAY-TO-DAY ACTIONS OF OUR DIRECTORS, MANAGERS AND ALL OF OUR PROFESSIONAL RESOURCES
The Group's Charter of Values has been approved by the Board of Directors of Banca Lombarda, the Parent Bank, and consists of the following principles.

SENSE OF RESPONSIBILITY

The Banca Lombarda Group bases all of its efforts on a serious assumption of responsibility at all levels of the organization. In concrete terms, this translates into fair dealing, openness and continuity of relationships. Continuity is considered the cornerstone of the relationship of trust that exists between the Bank and its customers, stockholders, employees and the entire community.

WE BELIEVE THAT WE HAVE A SPECIFIC ETHICAL IDENTITY BASED ON VALUES AND PRINCIPLES THAT GUIDE THE DAY-TO-DAY ACTIONS OF OUR DIRECTORS, MANAGERS AND ALL OF OUR PROFESSIONAL RESOURCES AT VARIOUS LEVELS OF RESPONSIBILITY. IN OUR OPINION, THIS IS AN EXTREMELY PRECIOUS SET OF VALUES THAT WE HAVE INHERITED FROM THE BANKS THAT CREATED THE GROUP AND WHICH WE INTEND TO MAKE EVERY EFFORT TO MAINTAIN IN THE FUTURE. TODAY, THIS IS REFLECTED IN A CORPORATE ENVIRONMENT WHERE THE TECHNICAL DIMENSION GROWS IN HARMONY WITH THE HUMAN DIMENSION.
Fair dealing versus all stakeholders is the basis of all actions and initiatives; indeed, it has to inspire everything that the Bank does: there is no economic objective, however interesting and attractive, that can be pursued without paying suitable attention to the rules and regulations that govern how we operate; there is no lasting success if we ignore the rules and the respect that lie at the basis of community life and preservation of the environment.

Openness is pursued not only as a regulatory requirement, but also as a factor of distinction: dialogue and clarity represent the basis of lasting relationships and of a good reputation.

**THE ABILITY TO LISTEN AND RESPECT FOR CUSTOMERS**

Banca Lombarda intends to offer itself to customers as an attentive and professional partner that is well aware of the responsibilities that derive from its role as a financial and banking intermediary. In order to respect the effective needs of customers, the Group believes it to be of vital importance to listen to the customer and to discuss their requirements, orienting the Bank's competitive skills as a result by creating products and services that really do match the demand.

**INNOVATION**

For the Group, innovation constitutes a value on which to base its competitive ability. It is also the best way of updating what we offer to the changing needs of customers, while exploiting to the full those technological developments that can lower costs and improve the quality of internal processes.

**RESPECT FOR LEGAL RIGHTS AND EQUAL OPPORTUNITY**

The Group operates responsibly in compliance with the fundamental principles of the Italian legal system, sharing the concepts of respect for legality, freedom of thought and equal opportunity.

The Group rejects any form of discrimination or prejudice, whether inside or outside the organization, based on race, sex, religious confession, political beliefs or any other social or personal condition, other than the fair and honest requisites needed to operate within the law and to achieve the Group's business purpose.

**TRADITION AND TERRITORIAL ROOTS**

The Group is convinced that its business history, constant interaction with its territory, and the mark left by its founders and later personalities, all constitute a valuable heritage. It must not be forgotten, but kept alive and modern thanks to an innovative vision that is open to change.
DOING OUR JOB WITHOUT DAMAGING THE ENVIRONMENT OR TREADING ON OTHER PEOPLE’S RIGHTS MEANS BEING AWARE THAT WE ARE MAKING PROGRESS TOWARDS GENUINE CREATION OF VALUE
SOCIAL RESPONSIBILITY AND THE CREATION OF VALUE

WELL AWARE OF OUR ROLE AS A BANK IN THE FIELD OF SOCIAL AND TERRITORIAL DEVELOPMENT, WE BELIEVE THAT OUR RESPONSIBILITY VERSUS THE COMMUNITY LIES ABOVE ALL IN OPERATING FAIRLY AND IN FAVOUR OF A TYPE OF GROWTH THAT IS BALANCED AND SUSTAINABLE OVER TIME.

DOING OUR JOB WITHOUT DAMAGING THE ENVIRONMENT OR TREADING ON OTHER PEOPLE’S RIGHTS MEANS BEING AWARE THAT WE ARE MAKING PROGRESS TOWARDS GENUINE CREATION OF VALUE, AVOIDING COSTS FOR THE COMMUNITY IN TERMS OF DESTROYING OUR JOINT HERITAGE AND THE COMMON GOOD.

In carrying on its activity, the Banca Lombarda Group deals with a wide range of counterparties and interest groups, generally referred to as stakeholders.

<table>
<thead>
<tr>
<th>PRINCIPAL STAKEHOLDERS</th>
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<tbody>
<tr>
<td>Stockholders</td>
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<tr>
<td>Human Resources</td>
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<tr>
<td>Customers</td>
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<tr>
<td>Community</td>
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<td>Public Institutions</td>
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<tr>
<td>Suppliers</td>
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<tr>
<td>Financial System</td>
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</table>
The **stockholders** provide the company with the risk capital that makes it possible to do business. They express the strategic orientations that the Group has to follow in order to take operating decisions that move in the direction of stable growth and enhancement of the resources that have been invested, in compliance with the rules and professional ethics, and fully accepting all of the institutional responsibilities of a banking group.

**Human resources** are one of the main critical success factors if the Bank is to maintain a high level of competitiveness on the market. Thanks to their active contribution, the employees contribute to the growth of the Group, which in turn creates opportunities for professional advancement and security for the future of each employee.

**Customers** are obviously essential if the business is to be successful. Given the crucial importance of customers, the Group has given itself an organizational structure in which the subsidiary banks are divisionalized by customer segment, while the centralized marketing structure at the Parent Bank guarantees constant updating and innovation of the products and services on offer. Customer satisfaction is the principal objective of all our operating decisions and commercial policies.

Relations with **public institutions** concern the regulatory sphere which gives rise to the obligation to comply with all of the legal provisions that govern the Group’s activity, as well as the payment of taxes and social contributions. For many years, the Group has also been providing specific banking services to local authorities.

The relationships maintained by the Group with the **financial and banking system** are of an operating nature, as they derive from normal interbanking activities.

The Group's contribution to **community development** depends above all on its banking activity, which adds significantly to the economic growth of the territory, granting credit, remunerating households’ savings and creating employment, both direct (employees) and indirect (the businesses being financed and suppliers). The Group also organizes various initiatives for the community in the field of culture, education, sport, club activities and voluntary work.

Development of the Group’s activities, consolidating its market position and boosting its profitability, generates value for all of these counterparties.

The breakdown of value added generated during the year among the various stakeholders is shown in the value added schedule. This shows in detail the economic benefit gained by each category of stakeholder. It is based on the model recommended by ABI, the Italian Banking Association.
It shows how value added is created as the difference between the value of production and consumption; it then shows how this amount is split between the various beneficiaries, the stakeholders.

The value added schedule therefore consists of two sections:

- the first shows the formation of value added by subtracting so-called intermediate costs from revenues;
- the second shows the distribution of value added among the various categories of stakeholder.

Note that “consumption” or “intermediate consumption” means: interest and commission expense, other administrative costs, adjustments and provisions; revenues on the other hand consist of net interest and other banking income. Intermediate consumption and revenues derive from dealings with customers, suppliers and banking and financial intermediaries.

In 2003, the Banca Lombarda Group’s business activities generated gross value added of 990.3 million euro, which was redistributed among the various stakeholders according to the percentages shown in the following chart.

The trend during the three-year period 2000-2003 shows an overall decline in gross value added due to the unfavourable state of the economy, as well as a drop in extraordinary income.

As regards the various beneficiaries of value added, the following movements can be seen:

- a reduction during 2003 in the value added pertaining to stockholders (118.4 million euro in 2003).
- An increase in value added pertaining to human resources (482 million euro in 2003). This caption includes not only staff payroll costs, but also commissions retroceded to those involved in the placement of the Group’s products and services and Directors’ and Statutory Auditors’ fees. Note that Directors’ and Statutory Auditors’ fees are relatively low compared with the first two amounts and in 2003 were also down on the previous year.
- A decline in value added pertaining to the public administration (209.3 million euro in 2003), due to the reduction in net income and a lowering of the average tax rate.

![Consolidated Gross Value Added for 2003](chart)

---

(1) The value added component called The Business reflects the Group’s ability to finance itself. To be more precise, it is made up of:
- undistributed net income for the period;
- the amount transferred to the reserve for general banking risks;
- depreciation on tangible fixed assets and amortization on intangibles, especially goodwill.

---
• Substantial stability in the amount pertaining to the community (3.9 million euro in 2003).

• A slight reduction in the amount of value added pertaining to the business (176.7 million euro in 2003), which represents the portion of value added reinvested to finance the Group's activities. It is made up of undistributed net income, the amount transferred to the reserve for general banking risks, depreciation and amortization.

See the section that follows the Social Responsibility Report (page 203 onwards) for the detailed schedules that show the calculation and breakdown of value added.
OUR STOCKHOLDERS

OUR STOCKHOLDERS REFLECT OUR HISTORICAL ORIGINS, COMBINED WITH A SIGNIFICANT PROPORTION OF ITALIAN AND FOREIGN FINANCIAL INTERMEDIARIES
OUR STOCKHOLDERS

Banca Lombarda has around 50,000 stockholders, which can be considered quite widespread. We can therefore consider ourselves as a real “public company”. Our stockholders reflect our historical origins, combined with a significant proportion of Italian and foreign financial intermediaries. The stockholders sustained the development of our group over time, preserving its independence and allowing it to play the role of aggregator during the concentration of the Italian banking system.

Well aware of the trust that each stockholder has in the potential of our group, we aim to generate growth that is sustainable over time and which will also remunerate the stockholders adequately by raising the value of their shares in Banca Lombarda.

Banca Lombarda’s stockholder base is represented by small and medium-sized investors, companies, non-for-profit entities and institutional investors.

The proportion of shares held by individuals is almost the same as that held by legal entities; of these, non-for-profit entities account for 15.8% and institutional investors for 13.2%.
The stockholders are largely (83%) a reflection of the local communities in the areas where the Group has traditionally had its roots. However, the portion represented by foreign investors is also quite significant at around 8%, up on 2002.

Ever since the creation of Banca Lombarda at the end of 1998, more than 300 stockholders got together in a voting and blocking syndicate to reinforce the cohesion and collaboration among stockholders with a view to fostering the Group's development in accordance with the principles and policies that the Bank has always followed. This agreement, which lasts for three years at a time, involves exercising voting rights at extraordinary meetings regarding changes to the articles of association. It also provides for restrictions on the transfer of the shares that have been syndicated. The current agreement falls due at the end of 2004 and represents around 45% of the capital stock.

Banca Lombarda’s capital stock at the end of 2003 amounted to 316,643,537 euro, split into 316,643,537 ordinary shares each with a par value of 1 euro.
BANCA LOMBARDIA STOCK

Banca Lombarda is listed on the official market run by Borsa Italiana. Its total market capitalization (i.e. the number of shares outstanding times their current market price) comes to more than 3 billion euro.

The positive performance of the Banca Lombarda stock can be seen by comparing it with the main index (Mibtel) and with the sector index (MIB Banking).

Banca Lombarda shares managed to limit the decline in price to 8% during the last three years, at a time when the Mibtel index fell by 34.3% and the MIB Banking index lost 34%. The Banca Lombarda Group has always given preference to policy decisions that would result in long-term value creation, avoiding any kind of speculative approach. The results achieved have made it possible to keep the dividend per share more or less steady, even after the substantial increase in capital carried out in 2002. The reduction in earnings per share was caused by a combination of factors: the considerable deterioration in the economic cycle, which reflected on the results for the period, and the increase in stockholders' equity following the capital injections and the revaluation of properties.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated stockholders' equity (excluding net income for the year) per Banca Lombarda share*</td>
<td>5.96</td>
<td>5.13</td>
<td>4.51</td>
</tr>
<tr>
<td>Consolidated net income for the year per Banca Lombarda share*</td>
<td>0.35</td>
<td>0.41</td>
<td>0.51</td>
</tr>
<tr>
<td>Dividend per share</td>
<td>0.30</td>
<td>0.33</td>
<td>0.33</td>
</tr>
</tbody>
</table>

(“) Calculated on the number of shares at year end, excluding those issued in 2002, 2003 and 2004 with rights to the 2001, 2002 and 2003 dividend respectively.
BANCA LOMBARDÀ’S RATINGS

2003 saw a reconfirmation of the ratings given by Moody’s, Fitch IBCA and Standard & Poor’s, the main rating agencies. Their opinion of our Group is undoubtedly positive, recognizing our high asset quality, low risk profile and revenue stability.

COMMUNICATION

In addition to the timely announcements to the market that the Bank makes in accordance with the disclosure requirements for listed companies, Banca Lombarda also organizes periodic meetings with financial analysts and the press to provide more detailed insight into the Group’s results and operating performance.

Summaries of these meetings are published in specific press releases and reported on our institutional website in a reserved area called “Investor Relations”. This section also contains information on the financial statements, the quarterly and half-yearly results, as well as press releases and various documents of interest to stockholders and the general public.

During 2003, Banca Lombarda issued 22 press releases, including 13 of a financial nature (annual report, interim results, acquisitions and corporate operations); 3 of a commercial nature (new product launches) and 6 of an institutional nature (appointments, calendars of stockholders’ meetings, collaboration agreements). External communication also took the form of interviews of top management and those in charge of product companies.

The Group also attracted considerable attention from the press as more than 130 articles concerning the Bank appeared in the main national newspapers (Il Sole 24 Ore, Milano Finanza, Corriere della Sera and others) and in local newspapers (Giornale di Brescia, Brescia Oggi, La Provincia Pavese, Il Corriere d’Alba).

The news contained in our press releases was also published on the web by various sites specializing in economic and financial information. Banca Lombarda also published all of these press releases on its own website (www.bancalombarda.it).

<table>
<thead>
<tr>
<th>Agency</th>
<th>Short-term debt</th>
<th>Medium/long-term debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moody’s</td>
<td>P-1</td>
<td>A2</td>
</tr>
<tr>
<td>Fitch IBCA</td>
<td>F1</td>
<td>A</td>
</tr>
<tr>
<td>Standard &amp; Poor’s</td>
<td>A-2</td>
<td>A-</td>
</tr>
</tbody>
</table>

Moody’s
Fitch IBCA
Standard & Poor’s
HUMAN RESOURCES

PROFESSIONAL TRAINING, OBJECTIVES-BASED MOTIVATION, AND EMPLOYEES’ SENSE OF BELONGING ARE ALL ASPECTS THAT ARE BECOMING MORE AND MORE IMPORTANT FROM A STRATEGIC POINT OF VIEW TO COPE WITH RISING COMPETITION IN THE MARKET
HUMAN RESOURCES

PROFESSIONAL TRAINING, OBJECTIVES-BASED MOTIVATION, AND EMPLOYEES’ SENSE OF BELONGING ARE ALL ASPECTS THAT ARE BECOMING MORE AND MORE IMPORTANT FROM A STRATEGIC POINT OF VIEW TO COPE WITH RISING COMPETITION IN THE MARKET. WE BELIEVE THAT THE VERY IDENTITY OF THE GROUP AND ITS REPUTATION CAN ONLY BE PRESERVED IF WE ARE CERTAIN THAT ALL MEMBERS OF STAFF, AT WHATEVER LEVEL, BEHAVE CORRECTLY AND RESPONSIBLY. WE ARE WELL AWARE OF THE IMPORTANCE OF OUR EMPLOYEES’ ROLE, WHICH IS WHY WE INTEND TO REINFORCE THEIR SENSE OF LOYALTY AND TRAINING. WE WANT TO CONTINUOUSLY IMPROVE OUR CAPACITY TO REFINE THEIR SKILLS, ABILITIES AND CONDUCT, WITH A VIEW TO BECOMING A BANKING GROUP THAT IS ABLE TO ENHANCE IN-HOUSE POTENTIAL TO THE FULL AND TO ATTRACT THE BEST PROFESSIONAL RESOURCES AVAILABLE ON THE JOB MARKET.

THE CREATION OF NEW JOBS

At the end of 2003 the Banca Lombarda Group had a total of 7,475 employees, 29 more than in 2002 (7,446). Most members of staff live in the north-west of Italy, though there is also a considerable number in the central Italy, confirming the Group’s contribu-
tion towards the creation of jobs in the main areas where we are present (4).

362 people were hired in 2003, in addition to the 12 that were taken on following the acquisition of Banca Idea, which was subsequently rebaptised Banca Lombarda Private Investment (5).

There were 345 resignations during the year, partly due to normal staff turnover and partly because they were able to access the Solidarity Fund. The staff turnover ratio (the number of resignations during the year as a percentage of the number of employees at the start of the year) came to 4.6%, which is lower than in 2002 (6.3%). The figures for resignations and recruitments do not includehirings under short-term contracts that were renewed on expiry.

There was also a significant reduction in the number of resignations compared with the number of employees at the start of the year, falling from 2.8% in 2002 to 1.3% in 2003.

Moreover, the following analysis was made category by category to understand the reasons for people leaving the Bank.

In 2003, the Group again made use of the Solidarity Fund as a way to achieve greater flexibility in handling the process of corporate restructuring and reorganization. Important projects involving Group companies have been discussed with the trade union representatives with a view to defining the means of access to the “Solidarity Fund to support incomes, employment and retraining of banking personnel”.

Implementation of a framework protocol defined at Group level, together with subsequent enabling agreements signed at company level, made it possible during the period for 162 employees, generally of a certain age, to go into early retirement or pre-retirement. Note that the members of staff involved in these initiatives had already expressed a desire to participate.

Against these departures, our replacement policy was to hire people only for those positions envisaged by the new organizational model. This led to the hiring of young employees of high potential, with a particular emphasis on new professional skills.

The hiring of these new resources has strengthened the younger age bands; at present, employees not over the age of 40 represent more than 50% of the total, while more than 40% of the staff have been with the Bank for less than 10 years.

### Change in Staff Numbers during 2003

<table>
<thead>
<tr>
<th>Reason for resigning</th>
<th>Professional grades</th>
<th>Middle managers</th>
<th>Executives</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-retirement</td>
<td>61.1%</td>
<td>37.0%</td>
<td>1.9%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Resignations</td>
<td>53.5%</td>
<td>41.6%</td>
<td>5.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Retirement</td>
<td>36.4%</td>
<td>52.3%</td>
<td>11.4%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Contract expiry</td>
<td>87.5%</td>
<td>12.5%</td>
<td>0.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Other</td>
<td>76.5%</td>
<td>17.6%</td>
<td>5.9%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Total</td>
<td>57.6%</td>
<td>38.2%</td>
<td>4.1%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Note that these figures are net of personnel transfers between Group companies. This confirms that there has been a distinct improvement in the level of corporate loyalty throughout the Group.
PERSONNEL SELECTION

Personnel selection is an ongoing, structured process for our Group. We look for various profiles in terms of professional experience, but at each level we always check their potential for the firm and the chances that they will make a positive contribution towards achieving our development objectives.

Banca Lombarda, the Parent Bank, carries out staff search, recruitment and selection on behalf of all Group companies. There is a two-part selection process for candidates that have not yet gained any professional experience in our sector:
• a one-to-one interview;
• a subsequent group evaluation of those who passed the interview stage.

Around 650 interviews were carried out in 2003. Of these, 350 candidates passed the first selection and moved on to the second phase. 100 of them
were then hired in 2003 and placed in first-level job positions. Members of staff that are hired after having worked for the Bank on a short-term contract do not obviously go through a further selection process.

The employees of the Banca Lombarda Group have a fair level of formal education as 71.4% have a high school diploma and 20.8% have a university degree. Of the latter, most are graduates in economics or law.

THE IMPORTANCE OF TRAINING

The Banca Lombarda Group considers staff training to be of fundamental importance.

Training has been split into various categories to ensure that skills are learnt on a need-to-know basis. In-house training programs are constantly checked and updated to ensure that they are consistent with changes in competitive scenarios, with Group strategies and with its medium and long-range objectives.

During 2003, efforts were concentrated above all on classroom courses in sales and marketing and management skills. The market context in which the Banca Lombarda Group had to operate was particularly difficult because of the unfavourable state of the economy both in Italy and in Europe in general.

In this situation, our priority was to further strengthen behavioural skills, breaking down the training plan into various parts:

- **Commercial Training** to improve sales and marketing skills in order to optimize service quality and customer relationships.

- **Management Skills Training** for people at various levels of responsibility both at head office and at the branches; this consisted of classroom work followed by on-the-job supervision.

The objectives were to improve human resource management skills, an analysis of the personnel assessment system (in its various components: skills, performance, potential), learning new methods for passing on professional skills and learning to work as a team.

<table>
<thead>
<tr>
<th>Commercial training – days in classroom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heads of Business Units</td>
</tr>
<tr>
<td>Managers of Business Units</td>
</tr>
<tr>
<td>Analysts of Business Units</td>
</tr>
<tr>
<td>Customer Relationship Managers – Private Bankers</td>
</tr>
<tr>
<td>HNWI Managers</td>
</tr>
<tr>
<td>Small Business Managers</td>
</tr>
<tr>
<td>Core Customer Contacts</td>
</tr>
<tr>
<td>Cashiers</td>
</tr>
</tbody>
</table>
Moreover, training courses were held at various levels of management to foster better communication and to improve professional know-how.

- **Technical/Professional and Regulatory Training**, also by means of e-learning (remote training over the Group’s intranet). These courses have been geared above all to the introduction of new operating tools and to help members of staff get to know more about important new rules and regulations, such as the “Patti Chiari” project.

- **Widespread remote training by means of e-learning** to provide support for classroom training activities and to involve all employees in the more important projects and processes on the organizational, procedural and commercial fronts.

- **“Forums” and “Community Management”**: various “collaborative learning” tools, such as “moderated forums” and “Community Management”, have been introduced in support of the more important training programs or those that involved a particularly large number of participants.

The Banca Lombarda Group’s training activities in 2003 were also able to tap into two important sources of finance, namely the Banking Sector Solidarity Fund (3.3 million euro) and the European Social Fund (79.1 thousand euro). The following table provides details of the grants received by each Group company.

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>FINANCING by the Solidarity Fund (euro/000)</th>
<th>GRANTS from the European Social Fund (euro/000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banca Lombarda</td>
<td>347</td>
<td>30.9</td>
</tr>
<tr>
<td>Banco di Brescia</td>
<td>1,217</td>
<td>30</td>
</tr>
<tr>
<td>Banca Regionale Europea</td>
<td>1,194</td>
<td>-</td>
</tr>
<tr>
<td>Banca di Valle Camonica</td>
<td>178</td>
<td>-</td>
</tr>
<tr>
<td>Banco di San Giorgio</td>
<td>41</td>
<td>-</td>
</tr>
<tr>
<td>Cassa di Risparmio di Tortona</td>
<td>113</td>
<td>-</td>
</tr>
<tr>
<td>Lombarda Sistemi e Servizi</td>
<td>270</td>
<td>18.2</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3,360</td>
<td>79.1</td>
</tr>
</tbody>
</table>

**BREAKDOWN BY TRAINING AREA**

- Product sales & marketing: 38.6%
- Management skills: 18.7%
- Regulatory: 6.5%
- Technical/professional: 15.4%
- Other: 20.8%

**Days’ training in 2003**

<table>
<thead>
<tr>
<th>Man/Days</th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-house courses</td>
<td>12,098</td>
<td>7,829</td>
</tr>
<tr>
<td>External courses</td>
<td>1,338</td>
<td>1,494</td>
</tr>
<tr>
<td>Self-training</td>
<td>3,380</td>
<td>9,794</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>16,816</strong></td>
<td><strong>19,118</strong></td>
</tr>
</tbody>
</table>
CONVENTIONS
WITH UNIVERSITIES
AND INTERNSHIPS

In 2003, there were 9 conventions active with leading universities and 2 with local technical institutes. Under these conventions, the Group offered 37 internships, including 19 for students from technical and commercial institutes for a period of 3 weeks, and 18 for university students lasting 3 months on average.

MASTERS DEGREES

In 2003, the Group co-financed a Masters Degree in Finance organized together with the Brescia State University, with the participation of one employee from Banca Lombarda. 2003 saw the end of a Masters course called PEGASO (Percorso Executive in Gestione Aziendale and Sviluppo Organizzativo) organized together with the Milan Polytechnic for Lombarda Sistemi e Servizi. This course started in 2002 and involved 18 employees from Lombarda Sistemi e Servizi. The Group’s investment in 2003 amounted to 6,000 euro.

INTERNAL COMMUNICATION

Internal communication within the Group involves various operating environments and is typically very frequent and highly informative.

In recent years, the Group has made more and more use of information technology, especially the Group’s intranet. The intranet provides information on:
- sector regulations;
- in-house regulations;
- on-line training;
- information on Group products and services;
- a review of press articles regarding the Group;
- links to other websites that employees may find useful for their work.

During 2003, the main Companies in the Group issued around 1,950 circulars and almost 1,500 internal communications.

CAREER PATHS
AND INCENTIVE SCHEMES

The whole of the Group applies the same policy with regard to career paths. Each Company is independent as far as decision-making is concerned, but acts within the guidelines laid down by Banca Lombarda, the Parent Bank. The Group aims to strengthen its in-house professional skills and training courses and career paths are important investments in this direction, the purpose being to favour results continuity and growth over time. A series of human resource management tools have been developed for this reason. These consist of models and criteria for the definition, assessment and development of professional skills, for the management of incentive schemes and the enhancement of on-the-job performance.

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>Circulars in 2003</th>
<th>Communications in 2003</th>
<th>TOTAL 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banca Lombarda</td>
<td>313</td>
<td>122</td>
<td>435</td>
</tr>
<tr>
<td>Banca Lombarda Private Investment</td>
<td>10</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>Banco di Brescia</td>
<td>295</td>
<td>334</td>
<td>629</td>
</tr>
<tr>
<td>Banca Regionale Europea</td>
<td>252</td>
<td>338</td>
<td>590</td>
</tr>
<tr>
<td>Banca di Valle Camonica</td>
<td>258</td>
<td>218</td>
<td>476</td>
</tr>
<tr>
<td>Banco di San Giorgio</td>
<td>255</td>
<td>195</td>
<td>450</td>
</tr>
<tr>
<td>Banca Cassa di Risparmio di Tortona</td>
<td>242</td>
<td>185</td>
<td>427</td>
</tr>
<tr>
<td>Lombarda Sistemi e Servizi</td>
<td>320</td>
<td>79</td>
<td>399</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,942</td>
<td>1,481</td>
<td>3,426</td>
</tr>
</tbody>
</table>
There are also plans for:

- an incentive plan extended to all professionals;
- projects designed to identify high-potential professional profiles;
- a new personnel assessment system for the “continuous improvement and progressive development of human resources”;
- updating management and professional skills;
- a permanent training program;
- ways of raising the loyalty of key resources.

The assessment system includes three major areas of observation:

- the individual’s performance;
- the individual’s professional know-how;
- the individual’s potential.

Based on the results of the assessment system and other objective elements and comparisons available to the HR Department, we have prepared professional development plans that make it possible to identify career paths, targeted training programs and incentive schemes.

The Banca Lombarda Group has optimized the variable element of pay by activating a new incentive scheme linked to qualitative and quantitative objectives at the main Group companies. The system is designed to facilitate the achievement of the company’s objectives by reaching the individual’s objectives, while at the same time developing and rewarding team spirit.

In order to reinforce the loyalty of the Group’s human resources and to incentivate their commitment to create corporate value, we have introduced various stock granting and stock option plans (the former grant Banca Lombarda shares to certain individuals, while the latter grant options to buy Banca Lombarda shares at a set price in the future). The stock granting plan is for all employees of Banca Lombarda, Lombarda Sistemi e Servizi and Banco di Brescia.

As of December 31, 2003, 1,964,555 shares had been issued to service this plan. The stock option plans are for the management of Banca Lombarda and of other Group companies, as well as the managerial levels of the financial consultancy network. The vesting period (i.e. the time that has to pass between issuance of the stock options and the date when they can first be exercised) is three years.

**EQUAL OPPORTUNITY**

The principle of equal rights and equal opportunity is one of the Group’s key values.

It follows that the assessment of new members of staff at the time of hiring or when defining career paths is done without reference to their gender, race, social background and religious extraction.

The Group employs around 2,700 women (36.7% of the total).
However, if we consider recruitment by gender in 2003, 2002 and 2001, the proportion of women comes closer to that of the men (around 40% total hirings in 2003, 150 people).

Looking at the grades at which people are recruited, there is quite a difference between male and female members of staff.

OTHER SOCIAL ASPECTS

As regards workers with handicaps, the Banca Lombarda Group fully respects and applies the recruitment regulations in accordance with Law 68/1999, as well as their treatment according to Law 104/1992. As regards parental leave, the provisions of Decree 151/2001 are applied. We are also organized so that we can provide advice to employees wishing to use such periods of leave.

Group companies are allowed to make annual contributions to employees with disabled members of the family (spouse and/or children).

CONTRACT POLICY

The personnel breakdown by type of contract at the end of 2003 is as shown in the following chart.

The Group has been using new forms of labour contracts in an attempt to make the workforce more flexible. One of these is part-time contracts which also happen to meet the needs of certain types of workers (especially youngsters entering the job market for the first time or students who have to work to pay their way through university).
2003 again saw the use of a certain number of fixed-term contracts, above all to handle the processes of integration and reorganization.

Those hired on fixed-term contracts represented 52.8% of new jobs (59.2% in 2002). In accordance with Decree 368/2001, fixed-term contracts lasted an average of 12 months, after which they could be renewed. Of course, people who have worked on fixed-term contracts get first choice if a long-term position comes free.

Steps have been taken to favour access to part-time contracts as this meets the needs of many employees. This is done in accordance with the new Collective Labour Contract and the provisions of Decree 61/2000.

The proportion of part-time workers in 2003 came to around 7.1% at Group level.

The use of flexible workhours was also encouraged, as foreseen in the new contract. These are the so-called extra-standard bands, distributing the hours worked in a week “4 x 9” (nine hours a day for four days) or “6 x 6” (six hours a day for six days). These particular solutions make it possible to obtain a closer match between the opening hours of the branches or the Call Center and the needs of customers.

We are also looking into the possibility of making greater use of temporary, multiperiod and remote workers, especially with a view to coping with serial type work at the back offices of Lombarda Sistemi e Servizi and the administrative areas of Banca Lombarda.
SUPPLEMENTARY PENSIONS AND ACCIDENT/HEALTHCARE COVER

The attention that the Group pays to the question of supplementary pensions and healthcare for its employees is borne out by the presence at all of the main Group companies of pension schemes, healthcare assistance and additional insurance cover over and above the obligatory national schemes, to which all employees have access.

The supplementary pensions are provided through “contractual” pension funds (in the form of unofficial associations) or through the companies’ participation in sector or “open-ended” pension funds.

Group companies pay a contribution to these pension funds on behalf of employees and, where foreseen, individual employees’ severance pay may also be transferred in accordance with agreements with the trade unions and the provisions of the by-laws/regulations or the law.

All of the main Group companies have healthcare assistance funds (in the form of unofficial associations) to pay for medical expenses incurred by employees for themselves or their families.

In other cases, the companies have taken out sickness policies with insurance companies. The contributions or premiums are paid for by the company and, in certain cases, by the members, in application of specific agreements with the trade unions.

We also offer supplementary cover for industrial accidents. In addition to the insurance provided by INAIL, we have stipulated policies with leading insurance companies that will pay out a capital sum in the event of a serious accident (causing the death or permanent invalidity of an employee).

Most Group employees are also insured in the event of death for whatever reason.

STAFF BENEFITS

Canteen services or agreements with local bars and restaurants have been provided to reduce the discomforts of excessive commuting. Group companies make a contribution towards these services which in total amounted to 5.6 million euro in 2003.

Employees with children at middle or high school, or at university, can receive an annual grant for the entire duration of the course of studies, based on amounts established in the national labour contract and integrations laid down in local contracts. Banca Lombarda also provides tax assistance to Group employees in connection with the filing of their annual tax returns (Form 730). The main Group companies contribute towards the cost of an “Intercompany Group” to encourage socializing among the employees of different companies.

We have come to an agreement with the Office of the Mobility Manager of the Municipality of Brescia to ensure that all Group employees are aware of the various initiatives promoted by local authorities and institutions to improve the quality of the relationship between home, work and the family.

EMPLOYEE SAFETY AND HEALTH

The Banca Lombarda Group has taken a commitment to guarantee compliance with the current rules in the field of safety and hygiene at work.

The main legislation on employee safety and health is Decree 626/94, with its subsequent amendments and integrations.

It applies EC Directive 89/391 and other EC directives. The more innovative aspects of this legislation on safety and health in the workplace are:

• training;
• disclosure;
• the conscious involvement of all members of the organization.
From a system based principally on checks that activities were carried on properly and formal compliance with the regulations, the Group has now moved on to a genuine philosophy of safety. We are of the opinion that health in the workplace is not achieved merely by implementing regulations, but by all employees sharing the same objectives, making them at the same time the beneficiaries of the scheme as well as the protagonists of their own safety and that of others.

With this in mind, we made changes to the organization, creating internal structures specifically devoted to monitoring correct implementation of the rules on health and safety in the workplace. Even though the employees at the individual Group companies have not yet exercised their legal right to appoint their own safety representatives, within the Banca Lombarda Group the trade unions are kept constantly involved and informed – as foreseen under the local labour contract – with regard to any safety measures taken in accordance with Decree 626/94.

Discussions are currently underway with the trade unions with a view to appointing such safety representatives, as envisaged.

The complexity involved in managing safety measures at the numerous branch offices located throughout the country, not to mention the constantly evolving case law on such topics, persuaded the Group to appoint specialist consultants to provide our Prevention and Protection Service, given that they have suitable technical and human resources and up-to-date know-how. Of these, the main one is Com Metodi Spa, a company with UNI EN ISO 9001 quality certification which acts as health and safety consultant for the main Italian banking groups.

In the Parent Bank’s HR Department, we have also created a specific function made up of personnel with various multidisciplinary skills (legal, operational, technical and plant engineering) to work alongside these outside consultants, to help coordinate their interventions as required and constantly verify the quality of the service provided by them. With a view to introducing a real “Safety Management System”, we adopted spe-
cial software called “Bansic” (Banca-sicurezza, or Bank-safety). The objective is to facilitate the diffusion of instructions concerning safety measures, checking their implementation, planning and controlling maintenance interventions, managing emergencies and health surveillance for employees exposed to specific risks. The use of this software will be gradually extended to other corporate elements involved in the process.

Bearing in mind that there have been legislative changes to the criteria for identifying “videoterminal users” and that there is now an obligation to evaluate “all of the risks” and not only those strictly linked to operational processes, we have further strengthened the healthcare consultancy and surveillance service.

The Banca Lombarda Group makes use of a healthcare structure with which it has stipulated a special convention.

Among the staff, those subject to particular risks have been identified. These are mainly those using videoterminals, but also those who may be subject to the risk of excessive noise, to the manual movement of heavy loads, as well as female employees in a state of pregnancy. In accordance with the recent specific legislation, these kinds of workers are subject to a scrupulous program of health surveillance based on a specific “health protocol”, with particular attention to protection against muscle and skeleton pathologies, and of course eye strain.

**ACCIDENT PREVENTION**

As confirmed by the statistics published by INAIL, the banking sector tends to have a medium to low risk profile in terms of industrial accidents. The Bank’s own statistics confirm that there are very few accidents at work. There were 62 during 2003 (59 in 2002) resulting in 1,086 days of sick leave (1,428 in 2002). The frequency ratio (6) in 2003 amounted to 4.8 (4.6 in 2002), with a distinct improvement in the gravity ratio (7), calculated in terms of the number of days sick leave per million accidents, which in 2003 came to 84.2 (110.4 in 2002). The trend in these ratios is shown in the following graphs.

![Accident frequency ratio](image1)

![Accident gravity ratio](image2)
It is worth mentioning that the most frequent type of accident is when employees are travelling, not when they are at their place of work.

In order to limit the risk of accidents as much as possible, the Group pays particular attention to:
• providing information and training on professional risks to all employees;
• timely supervision of all maintenance work;
• the plan for interventions to improve the work environment, carried out with the help of the Company Doctor to ensure the adoption of correct design standards.

These concern the ergonomics of workstations, structures, plant, machinery and other equipment. The following table gives a breakdown of days off for various reasons, including holidays, time off in lieu, paid leave and others. The total number of days off in 2003 came to around 360,000: 73% was by professional staff, 25% by middle managers and 2% by executives. The Group also issued internal regulations to ban smoking in the workplace. This measure will not only reduce the level of air pollution by cancerogenous agents in work environments, but will also contribute towards a general improvement in the health of the Group’s employees; in particular, it will reduce the frequency of respiratory and cardiovascular illnesses.

In addition to training courses, the distribution of leaflets and practical run-throughs of emergency procedures, all to raise awareness of a new safety culture, we have also introduced e-learning courses with the help of INAIL. A project to hold training courses for all employees on safety in the workplace has been completed.

Alongside this program, there are single courses on specific topics such as the risk for users of videoterminals and fire hazards.

The Company Doctor takes part in these classroom training initiatives held for newly-hired staff and for those appointed to handle emergencies.

THE DIALOGUE WITH THE TRADE UNIONS

Ever since its foundation, the Banca Lombarda Group has always discussed its development and reorganization plans with the trade unions.

At present, 83.7% of employees are members of a trade union.
The aggregation of the various banks making up Banca Lombarda and the Group has entailed a huge effort to harmonize the various regulatory and economic regimes that previously existed at the companies concerned.

To this end, a protocol was signed which provided for the setting up of a Group Trade Union Delegation to represent a point of reference to enable uniform management of common problems affecting all Group companies, while respecting their individuality.

In handling its trade union policies and labour relations, the Banca Lombarda Group has represented one of the most dynamic and innovative players in the Italian banking sector. The policy followed has always been guided by an ongoing search for solutions involving a high level of flexibility, according to the guidelines contained in the new Collective Labour Contract for the banking sector. And the renewals of the local labour contracts signed in 2002 and 2003 at most Group companies also form part of this context.

The agreements signed both at Group and at individual company level for the application of the Solidarity Fund for workers in the banking sector, also constitute a good example of a happy combination of the business’s need for flexibility with the expectations of those employees who for various reasons preferred to go into early retirement.
RESPECT FOR THE CUSTOMER

THE RESPECT AND ATTENTION THAT WE GIVE OUR CUSTOMERS CONSISTS, ABOVE ALL, IN OUR ABILITY TO LISTEN TO THEIR NEEDS
RESPECT FOR THE CUSTOMER

THE RESPECT AND ATTENTION THAT WE GIVE OUR CUSTOMERS CONSISTS, ABOVE ALL, IN OUR ABILITY TO LISTEN TO THEIR NEEDS. WE ARE CONVINCED THAT EACH CUSTOMER SHOULD BE GIVEN ADEQUATE TIME FOR A TWO-WAY DIALOGUE. DIRECT CONTACT WITH HOUSEHOLDS AND COMPANIES PROVIDES US WITH VITAL FEEDBACK THAT HELPS US ORIENTATE OUR EFFORTS TOWARDS INNOVATION AND BETTER QUALITY.

FOR US, AN ABILITY TO LISTEN IS SOMETHING MORE THAN A WILLINGNESS TO LISTEN. CREATING SUCH AN ABILITY MEANS REVISING OUR WORK METHODS IN ORDER TO IMPROVE OUR RECEPTIVENESS TO CUSTOMERS’ NEEDS ON AN ONGOING BASIS. FOR US, THE MAIN PRIORITY IS TO DESERVE A CUSTOMER’S TRUST.
THE CENTRAL ROLE OF THE CUSTOMER IN DEFINING OBJECTIVES

The central role of the customer is a key feature of the Banca Lombarda Group's management philosophy and its decisions right from the definition of its short- and long-term objectives. One of the main goals envisaged in the Group's strategic plan is an improvement in the ability to create lasting relationships of mutual trust.

The objectives that have been set are not just numerical: they are a question of individual relationships, because we consider it of fundamental importance to succeed in holding on to the same customers as previously rewarded us by choosing to bank with Banca Lombarda. Even if new customers are acquired at the same time, any loss of clientele triggers off careful reflection within the Group with a view to improving any weaknesses.

The term “maintenance ratio” indicates the percentage of customers (8) at the start of the year who still have an active relationship with the Bank at the end of the year. This ratio is of particular importance as part of the system of measuring and defining the objectives of the Banca Lombarda Group. In fact, we are convinced that the value of the company is based above all on lasting relationships, whereas it is undermined by situations of reduced loyalty and high turnover on the part of customers. For the two main banks in the Group (Banco di Brescia and Banca Regionale Europea), this ratio stands at around 94%, a level that is slightly above average for the sample of banks included in the periodic survey carried out by ABI and SDA Bocconi.

In future, the plan is to improve customer satisfaction with a view to raising the maintenance ratio to 95% over the next 3 years.

There is an action plan to improve the maintenance ratio which envisages systematically measuring customer satisfaction segment by segment. It also includes the “Transparency” project and participation in ABI’s “Patti Chiar” initiative.

THE CENTRAL ROLE OF THE CUSTOMER IN OUR ORGANIZATIONAL MODEL

Sensitivity to the needs of customers also guides the Group's choice of

<table>
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<th>Customer base</th>
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<tr>
<td>21,000 Corporate (€m &gt; 1.5)</td>
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<tr>
<td>15,500 Private (€m &gt; 0.5)</td>
</tr>
<tr>
<td>112,000 Retail/Small Business (€m &lt; 1.5)</td>
</tr>
<tr>
<td>980,000 Retail/Individuals (€m &lt; 0.5)</td>
</tr>
<tr>
<td>31,000 Retail / Small business (leasing &amp; factoring customers)</td>
</tr>
<tr>
<td>130,000 Retail / Individuals (consumer credit customers)</td>
</tr>
</tbody>
</table>

Number of customers by business segment.
organizational model and sales networks. The sales network has been divisionalized by customer segment to improve its level of specialization and ability to meet the varying needs of customers.

This project involved giving the staff specialist training and finetuning internal processes according to the three categories of customers that we identified: **Retail** (households with funds under administration of less than 500,000 euro and SMEs with a turnover of less than 1.5 million euro), **Corporate** (larger companies with a turnover of more than 1.5 million euro) and **Private** (individuals with funds under administration by the Group of more than 500,000 euro). This model is already up and running at all of the Group’s commercial banks.

In addition to the customers listed above, there are also around 600 positions relating to institutional customers.

As of December 31, 2003, Group customers had more than 23.6 billion euro of loans and 62.9 billion euro of funds under administration (direct and indirect deposits).

The five commercial banks, namely Banco di Brescia, Banca Regionale Europea, Banca di Valle Camonica, Banca San Giorgio and Cassa di Risparmio di Tortona, generated the bulk of these figures.
In order to facilitate and simplify access to the services offered by the Banca Lombarda Group, the sales networks have been organized as a system that converges on the customer. Customers can choose alternative ways of dealing with the Bank, based on their particular needs and without being penalized in terms of costs and operating complications.

In line with the technological evolution of the market in recent years, there have been considerable innovations in the ways that services can be accessed. In addition to the branches, there is now a more widespread network of financial consultants, while new electronic channels such as Internet Banking and the Contact Center have been developed.

The Internet Banking service can be accessed through the Bank's website. It provides information and allows the user to send instructions regarding their current account or securities deposit.

The Contact Center can be reached by telephone through a freephone number. It can provide information on the customer’s balances and accepts instructions transactions on their current account or securities deposit.

In 2003 the freephone number received more than 125,000 telephone calls, of which more than 80,000 from retail customers and around 45,000 from corporate customers.

Moreover, the GSM service makes it possible to receive information on your current account or securities deposit by SMS to your mobile phone.

In the Group’s strategic vision, technology represents an important lever by which to optimize product proposals, improve customers’ quality perception, make the process of distribution of products and services more efficient and reinforce transmission security and data protection.

The Banca Lombarda Group believes that simplicity is one of the qualities most appreciated by customers: in other words, ease of access and user-friendliness.

It is for this reason that some years ago we introduced the so-called Extensive system, which offers a high level of simplicity, facilitating customers’ operations. Extensive is an on-line bank that gives users access to all of remote services (Internet Banking, Phone Banking and GSM Banking) by means of a single access code consisting of a user ID and password.

Personal data security is guaranteed by assigning personalized access codes to each customer of the Extensive service and by adopting the highest possible standards of data protection.

The Extensive services offered through the Internet can be accessed from the home page of each Group bank's website.

The specific operating requirements of companies persuaded Banca Lombarda to develop a special version of this service devoted to this customer segment: it is known as Extensive Business.

It is available in three different versions: “Small” for small businesses, offering the same options as for retail customers; “Net” and “Win” are devoted to larger companies, allowing users to handle more complex transactions.

The Extensive Business services have been warmly received, as confirmed by the fact that more than 20 million operations were carried out on this platform in 2003.

And lastly, Extensive Enti is the dedicated service that allows public entities for which Banca Lombarda acts as treasurer to have real-time information for their positions with the Bank and to send payment mandates, collection orders and documentation electronically.
TRANSPARENCY VERSUS CUSTOMERS

Transparency is another aspect that is much appreciated by customers, often reflected in a request for simplicity in the services rendered, both as regards their use and as regards understanding the contractual terms and conditions. The Group's response to this kind of request has been to take concrete steps to innovate product lines and intensify communication with customers.

To encourage transparency and clarity of information, especially towards households, we now send out, together with the periodic statement of account, a “family budget” which shows all of the expenses made by category and method of payment. During the course of 2003 the Group was also an active promoter, along with other Italian banks, of the “Patti Chiari” initiative, a project developed by ABI to “rewrite” the system of relationships between banks and the community on new and more positive bases.

The idea of “Patti Chiari” is to create a quality brand that guarantees customers the principles of transparency, comprehensibility and comparability. All Group banks became members of the “Patti Chiari Consortium” on September 9, 2003.

The project is made up of various “work sites”, which in turn relate to investments, credit and loans, and services. The following initiatives were started up in fourth quarter 2003 and first quarter 2004:

- The various Patti Chiari initiatives have been accompanied by effective internal communication designed to foster an awareness of their contents and a perception of the strategic importance of the project as a whole.

THINK ABOUT THE CUSTOMER, THEN CREATE THE PRODUCT

For households

“Think about the customer, then create the product” is one of the Group's guiding principles, which was adopted when deciding how best to innovate our product lines.

In recent years, the Banca Lombarda Group has considerably enriched the range of financial services that it offers, following the emergence of new customer needs. Alongside the basic solutions, we have thought up more flexible alternatives, depending on the financial profile of the customer.

Specific conventions regulate the conditions applied to categories with a particular social relevance, such as households, youngsters, pensioners, not-for-profit entities, schools, universities, hospitals, cooperatives, religious communities and associations of various kinds.

For households, the range includes current accounts, savings deposits, payment services, asset management and administration, pension funds, personal loans and mortgages.

The attention paid to family units has led to a series of conventions, usually involving current accounts.
In particular, the formulae “Tutto Compreso” include, among other things, a free basic health policy covering “Special Surgery Operations” for the entire family nucleus.

One of the needs that households feel the most is to buy their own home, which is why we have developed various kinds of mortgage loans, some with subsidized interest rates.

For **youngsters**, we have developed the “Creso Giovani” line, which offers excellent conditions, as well as insurance and other non-banking services which can be accessed by means of a card in the name of the account-holder, but usable by the whole family.

To complete the range aimed at youngsters, in the second half of 2003 we introduced a catalogue of insurance products with a pension savings plan called “Crescita Giovane”, a recurring-premium policy that features extreme flexibility and low costs.

Thanks to its versatility, this product can be signed by households not only on behalf of small children, but also for students at school or university, with a view to building up capital over the years, with a fairly small annual amount, that can be used once studies are over to start up a business, finance a Masters degree or to pay for an important purchase, such as the person’s first car.

The rising number of **immigrant workers** in the areas where the Banca Lombarda Group operates induced us to start up a specific project on their behalf.

In 2003 we launched “Easy Money Transfer”, a new packet of services reserved specifically for foreigners, which offers a series of benefits linked to money transfers overseas, a need that is felt strongly among this particular group of customers.

In consideration of the particularly high number of non-EU workers in the province of Brescia, we also granted low-interest loans for the construction of popular housing for their accommodation.

For businesses and for the local territory

Our relationship with the local territory is a fundamental aspect of the Banca Lombarda Group’s identity; indeed, a territorial vocation is mentioned in our Charter of Values.

The Carta Ateneo BRE which is reserved for students at Pavia University.
Granting credit forms the heart of the banking business and it is inseparably linked to the development of the local economy. Thanks to our strong roots in the areas where the Group operates and close interaction with our corporate customers, the Banca Lombarda Group has always been at the side of local entrepreneurs as they have grown. The Group believes that it has offered a positive contribution to the sustainable growth of the territory, helped by careful selection of the firms to be financed. Preference is given to those that show entrepreneurial ability, innovation and a willingness to internationalize and reorganize. A series of medium/long-term loans have been promoted for this purpose, as they are more suitable for financing internal processes of renovation and development.

Moreover, the Group's Corporate Finance Division provides companies that are interested with advice on raising capital and other extraordinary operations; the consulting activity is also geared to identifying personalized solutions for optimizing the ordinary financial management of firms and it extends to the evaluation of ways to finance projects of particular strategic importance.

In its lending activity, the Group actively cooperates with the various Credit Guarantee Consortiums, which constitute the real link between companies' needs and the instruments that the Bank can offer to satisfy those needs. Low-interest loans complete the types of credit offered to companies. In this connection, the Banca Lombarda Group interacts with various entities and organizations: Regions, municipalities, chambers of commerce, cooperatives and guarantee consortiums, finance companies such as Finlombarda and Finpiemonte, as well as supranational organizations such as the European Investment Bank. Considerable attention is also given to the community in emergency situations, such as those caused by natural disasters. In the summer of 2003, we granted loans at particularly favorable conditions in various areas of north Italy where bad weather caused damage to houses, crops and production facilities.

The attention that we give to key initiatives for the territory has induced the Group to finance small and large infrastructure works, building up a relationship of ongoing dialogue with the public and private sector players promoting them.

We have long-standing experience in providing banking services to Public Entities: in addition to treasury and cashier services, they also receive long-term loans for initiatives of social interest, such as those carried out by Case di Riposo for the mod-
ernization of the equipment and the restructuring of the buildings used as old-people's homes.

The experience that we have gained in the management of collections and payments also enables us to offer the general public convenient and advantageous methods of paying amounts due to Public Entities, such as university fees, municipal dues and hospitalization bills.

The Banca Lombarda Group has also started up new forms of collaboration with Public Entities. At local level, various initiatives have been taken to grant loans for the purchase or restructuring of houses to be used by families and young couples. The Public Entities concerned made suitable provision in their budgets to grant interest subsidies, thereby facilitating access to such loans.

This type of collaboration also took the form of financing particular social and cultural initiatives, such as new libraries or new facilities for kindergartens and old-people's homes, reflecting the Banca Lombarda Group's desire to work alongside Public Entities in their efforts in favour of particular groups of citizens, above all the very young and the very old.

**NOT-FOR-PROFIT ENTITIES**

The varied world of not-for-profit entities is becoming an increasingly important part of the value added created within our country. Today, it is a factor of comparison and competition even with profit-making enterprises.

In this context, Banco di Brescia has a department dedicated to the so-called “Third Sector”.

The services offered range from loans, project planning for the enhancement of donations and assistance to resolve the legal problems related to individual entities. The department dedicated to not-for-profit entities operates in harmony with the various operators located in our territory: municipalities, provincial authorities, chambers of commerce, dioceses, cooperatives and charitable organizations.

Banco di Brescia has also set up a Committee made up of personalities who for experience and sensitivity are recognized as prudent and reliable representatives of the local territory.

The principal tasks of this Committee are to:

- analyse the feasibility of financing specific projects for the development of not-for-profit entities;
- create suitable fund-raising instruments, both as an ongoing activity and by means of special events;
- maintain contact with local communities and not-for-profit entities of all types, in order to understand their specific requirements.

The Banco di Brescia experts that work in the department devoted to not-for-profit entities carefully monitor Italian and European legislation relating to the Third Sector and provide timely information to sector operators through a special website and by other means.
They also provide advice on the particularly complex legal and technical aspects of not-for-profit activities. The work performed in 2003 through Banco di Brescia for the Third Sector featured an increasing presence in the territory in terms of the number of relationships. The objectives have been oriented even more towards specific services, not only in the lending activity, but also in project design for the enhancement of donations and legal consulting for individual entities.

Of the various activities that we have financed, we would like to mention above all those of the former IPAB (Istituti Pubblici di Assistenza e Beneficenza), organizations involved in the welfare and healthcare sector. We also considered it important to devote specific attention to the development of social entrepreneurial activity, providing finance for new and existing social cooperatives.

**OVERCOMING DIFFICULTIES: ATMS FOR THE BLIND**

Being well aware of our social responsibilities and in line with our widespread efforts in the not-for-profit sector, the Banca Lombarda Group decided to help in the integration of the blind and of those with sight problems. Through Banco di Brescia, the Group was the first in Italy to install Bancomat terminals specially for the visually impaired. There are now 15 Bancomats with vocal instructions.

The new ATMs installed by Banco di Brescia have the same form as the others and they can be used in the same way, merely that they facilitate the withdrawal of banknotes by the blind or by those with poor sight. Seven of Banco di Brescia’s new ATMs have vocal instructions and details written in Braille as well as conventional signs (for those that don’t know the Braille alphabet) to make operations easier.

Introduction of the vocal guide avoids the need to issue special Bancomat cards. Customers who are blind can therefore use the normal cards that the Bank issues to other customers.

There are around 200,000 blind people in Italy, while another 1 million are visually impaired (people with 10-30% vision). In Brescia alone there are around 1,700 blind people.

The objective, shared by the Unione Italiana Ciechi (Italian Blind Association), was to avoid any kind of discrimination, aiming to integrate blind people by giving them normal access to banking services. These ATMs have been positioned in closed premises to safeguard users’ security and privacy and are distributed throughout the City of Brescia as recommended by the Unione Italiana Ciechi.

Full collaboration on the part of this organization made it possible to identify user needs more accurately, to translate certain texts into Braille, to check that the service operated as it should and, as we said, to identify the most suitable places to install the new ATMs.

This service was developed not only for the blind, but also for that part of our clientele who, for various reasons, may have problems accessing the service, such as old people and foreigners.
Each operation is in fact explained on the screen.

Recorded messages also lead customers through the cash withdrawal process. The vocal guide also explains the situation on the rare occasions when the terminal is temporarily out of action for technical reasons.

Another tool developed to help the blind and the visually impaired to use banking services is CompilaAssegno (cheque filler). This tool, which is available at all Banco di Brescia branches, is a sort of stencil that can be used to fill in cheques, with a series of empty spaces and explanations in Braille of what should be written in each of them.

**THE PRIVACY REGULATIONS**

Lastly, as regards the Privacy Law (decree 196 of June 30, 2003), Group companies all prepared the “Personal Data Security Planning Document” as required.

**COMPLAINTS**

Our constant efforts to improve the quality of services rendered to customers has made it possible during the three years from 2001 to 2003 to achieve appreciable results in lowering the number of complaints.

In 2003 the Banca Lombarda Group received 1,064 complaints, fewer than in 2002 (1,205) and in 2001 (1,670).

The crises affecting certain Italian industrial groups in 2003 had a relatively limited effect on the Banca Lombarda Group. We were not involved in any underwriting or placement syndicate for these companies’ shares or bonds.

![Image](image_url)

Source: for the total number of complaints, feedback from ABI’s Complaints Monitoring Service For the number of complaints relating to Financial Intermediation, feedback from Consob. The number of complaints for Banking Products and Services was calculated by deducting those relating to Financial Intermediation from the total number of complaints.

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<tr>
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<th>Total</th>
<th>of which Banking Products and Services</th>
<th>of which Financial Intermediation</th>
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</thead>
<tbody>
<tr>
<td>No. of complaints(1)</td>
<td>1,064</td>
<td>1,205</td>
<td>1,670</td>
</tr>
</tbody>
</table>

(1) They relate to Banca Lombarda, Banco di Brescia, Banca Regionale Europea, Banca di Valle Camonica, Banco di San Giorgio, Cassa di Risparmio di Tortona and Banca Lombarda Private Investment. For the last of these, only the second half of 2003 is taken into consideration.

PROMOTION OF THE TERRITORY

TO REINFORCE LINKS WITH THE LOCAL COMMUNITY, WE HAVE MADE VARIOUS CONTRIBUTIONS IN FAVOUR OF THE COMMUNITY IN ADDITION TO OUR NORMAL BANKING ACTIVITY
PROMOTION OF THE TERRITORY

TO REINFORCE LINKS WITH THE LOCAL COMMUNITY, WE HAVE MADE VARIOUS CONTRIBUTIONS IN FAVOUR OF THE COMMUNITY IN ADDITION TO OUR NORMAL BANKING ACTIVITY. TO THIS END, WE HAVE TAKEN TWO DIFFERENT APPROACHES;

1) THROUGH GROUP BANKS WITH FORMS OF SPONSORSHIP IN FAVOUR OF INITIATIVES OF SOCIAL IMPORTANCE;

2) BY FINANCING TWO FOUNDATIONS, NAMELY THE FONDAZIONE CAB-ISTITUTO DI CULTURA G. FOLONARI AND THE FONDAZIONE BANCA SAN PAOLO.

THESE TWO FOUNDATIONS WERE SET UP WITH FINANCING FROM THE FORMER BANKS CAB AND BANCA SAN PAOLO AND OPERATE WITH COMPLETE AUTONOMY ACCORDING TO THE POLICIES LAID DOWN IN THEIR RESPECTIVE BYLAWS. THEIR MAIN SOURCE OF FINANCING IS THEIR ENDOWMENT FUND AND ANNUAL TRANSFERS FROM BANCA LOMBARDIA. ARTICLE 4 OF BANCA LOMBARDIA’S ARTICLES OF ASSOCIATION LAY DOWN THAT IN ORDER TO REINFORCE LINKS WITH THE TERRITORY, A SUM OF UP TO 6% OF DISTRIBUTED EARNINGS HAS TO BE SET ASIDE EACH YEAR FOR SOCIAL, MORAL, SCIENTIFIC AND CULTURAL INITIATIVES.

THE ARTICLES ALSO ESTABLISH THAT THESE INITIATIVES ARE TO BE DEVELOPED MAINLY BY FINANCING THE TWO FOUNDATIONS.
The sections that follow illustrate the main community initiatives that have been sponsored by the Parent Bank or by subsidiary banks, listed by area of intervention.

Then there is an explanation of the main areas of activity of the Fondazione CAB and Fondazione Bank San Paolo.

**EDUCATION AND PROFESSIONAL TRAINING**

The Banca Lombarda Group has made numerous contributions in the field of education and professional training, both financial support in the form of scholarships and grants, and collaboration in economic and sector studies.

In 2003 Banca Lombarda funded ten scholarships (totalling 66,700 euro) for particularly meritorious young graduates doing a Masters degree in Finance at Brescia’s Università degli Studi.

Banca Lombarda has also funded two scholarships at the Science Faculty of Brescia’s Università Cattolica Sacro Cuore.

Banco di Brescia has also paid particular attention to education by supporting two associations: ABSL (Associazione Bresciana di Studio del Lavoro), which awards a prize for the best thesis on company organization, and “Università e Impresa” for a Masters degree in Economics and Hotel Management and another in Real Estate Economics.

The Bank continued to collaborate with Brescia’s Università degli Studi in the publication of a periodic report entitled “Economics and Finance at Brescia’s Manufacturing Companies”.

Banca Regionale Europea, together with the Centro Cultura d’Impresa at Pavia University, looked after publication of two separate editions of a second report entitled “Economics and Finance at Manufacturing Companies” relating to Cuneo and Pavia.

Again in collaboration with Pavia University, Banca Regionale Europea sponsored three Masters degrees, including one dedicated to cooperation with developing countries.

For many years, Banca Regionale Europea has been involved in publishing a magazine called “Rassegna” aimed at institutions, leading customers, and the Bank’s personnel. Articles cover important topics of a socio-economic nature thanks to the collaboration of experts of international renown.

Banca di Valle Camonica has become a member of the Management Committee of the brand new faculty of “Enology and Viniculture in the territory of Brescia”. This initiative has seen the involvement of numerous institutions including Milan's State University, the Economics Faculty of Brescia University, the Province and Chamber of Commerce, Industry, Crafts and Agriculture of Brescia.

Cassa di Risparmio di Tortona has provided financial support for the creation of a Masters degree in Environmental and Healthcare Economics at the Faculty of Political Science at the “Amedeo Avogadro” University of Eastern Piedmont in Alessandria.
During the course of 2003 the Group continued in its efforts to spread knowledge of the historical and artistic heritage of the Brescia area and Lombardy in general through the publication “Lombardia Rinascimentale. Arte e architettura” (Renaissance Lombardy. Art and Architecture). This volume continues the series inaugurated in 2002 with “Lombardia Medievale. Arte e architettura” (Medieval Lombardy. Art and Architecture).

Banca Lombarda is also a sponsoring member of the Diocesan Museum of Brescia as well as a sustaining member of the “Milan per La Scala” Foundation and “The Venice International Foundation”. The Banca Lombarda Group successfully took part in ABI’s initiative “Invito a Palazzo” with more than 2,500 people visiting Palazzo Martinengo Villagana, the Brescia head office of Banco di Brescia and the Board Room of the Milan head office of Banca Regionale Europea.

Banca Regionale Europea sponsored a high-prestige exhibition of “16th Century Parade Armour” at the Poldi Pezzoli Museum of Milan. Banca Regionale Europea also sponsored two important events in the field of literary arts: the prestigious “Eugenio Montale” Poetry Prize and “Scrittorincittà” a publishing review.

Banca Lombarda has provided support for various musical initiatives, including: a collection of recordings of major musicians entitled “Testimonianze Musicali”, which in 2003 reached its 5th edition; the concert season of “Itinerari nella Musica”, organized by the Società dei Concerti di Brescia.

Various other important initiatives saw the joint involvement of Banca Lombarda and Banco di Brescia. In particular:

- the Concert given by the Philharmonic Orchestra of La Scala of Milan, conducted by Lorin Maazel, as part of “Arturo Benedetti Michelangeli” International Piano Festival of Brescia and Bergamo;
- the opening work of the Opera Season at Brescia’s Teatro Grande (“Turandot” by G. Puccini);
• one of the concerts programmed as part of the Symphonic Season of the Orchestra Stabile G. Donizetti of Bergamo.

Individual Group banks were also involved in the following:

• Banco di Brescia renewed its longstanding support for the Fondazione Romano Romanini, organizer of a prestigious violin competition of national renown;

• Banca Regionale Europea continued its collaboration with the Teatro alla Scala by sponsoring high-level musical events (in the 2003 season, “Tosca” by G. Puccini);

• Banca di Valle Camonica made further contributions to the modernization of the splendid architectural complexes known as the “Eremo di Bienno” and the “Monastero di San Salvatore”. It also continued its involvement in the publishing field with the volume “Il bosco nella storia del territorio” (Woods in the history of the territory), thereby completing the series which already consists of more than 30 studies concerning the natural and artistic heritage of the Oglio Valley.

• Cassa di Risparmio di Tortona sponsored publication of the book “Lettere da Tortona” (Letters from Tortona) by Italo Cammarata, a precious cross-section of Tortonese history from 1528 to 1612, when the Diocese of Tortona was governed by three Brescian bishops of the powerful Gambara family.

SPORT

The Banca Lombarda Group is particularly active in sustaining sports initiatives. To start with, there is the sponsorship of Brescia Football Club (in the 1st Division of the Italian Championship), with Banca Lombarda acting as official sponsor together with Banco di Brescia as co-sponsor. This sponsorship, which began in 2000, reflects yet again the link between the duo Banca Lombarda-Banco di Brescia with their city of origin and with their historical territory.

During the course of 2003, Banco di Brescia also supported another eighty local sports initiatives, including sponsorship of Leonessa Nuoto Pallanuoto (National Division A1) and A.S. Rugby Bassa Bresciana Leno.

In 2003, Banca Regionale Europea also renewed its sponsorship of the volleyball club “Noicom-Brebanca” (currently called Brebanca Lannutti), which competes in the National Division A1, continuing a partnership with the sport of volleyball that began in 1990.

Cassa di Risparmio di Tortona is the sponsor of Polisportiva Basket Derthona, which for more than fifty years has been one of the most important sports clubs in the Tortona area, especially in the youth sector.

Of the sports events sponsored by Banca di Valle Camonica in 2003, we would mention in particular World Archery Championship, which had around 1,000 participants.
The Group believes that banks can play a special role in promoting collective initiatives for ethical and humanitarian ends. The widespread presence of branches throughout the territory, the fiduciary relationship between banks and their customers and the institutional role that they have always played in the community can act as a basis on which to build initiatives to gather funds for humanitarian ends.

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These considerations have led to various new ideas, including initiatives for those with a S€MPRE credit card, which is distributed by all Group banks.

In fact, S€MPRE cardholders can earn points that they can exchange for prizes chosen from an ample catalogue. Alternatively, they can devolve their prize to initiatives of considerable social value. The projects and entities listed in the 2003 catalogue which achieved particularly worthy results in terms of fund raising were as follows:

- **Telefono Azzurro**, a telephone helpline, and **Tetto Azzurro**, a center for the diagnosis, shelter and care of abused children;
- **Servizio Terzo Mondo** of the Diocese of Turin for aid projects on behalf of Guatemala, Vietnam and Sudan-Darfur;
- **Mensa Popolare “Madre Eugenia Menni”**, aimed at people who find themselves in situations of indigence for whatever reason. The canteen is promoted by Banco di Brescia and other Brescian entities such as local branch of Caritas and the Migrant Office and in 2003 it distributed around 22,000 meals.

Of the other initiatives, we would mention one that for various years has seen the joint participation of Banca Lombarda, Banco di Brescia and

### Charitable Donations and Social Initiatives

Of particular importance is the Group’s support for charitable initiatives in favour of entities and institutions operating in the field of welfare. In 2003 Banca Lombarda allocated a total of 3.5 million euro.

The majority of this amount went to Fondazione CAB and Fondazione Banca San Paolo di Brescia, while the rest went to cultural associations, hospitals, schools, universities and religious bodies.

#### Recipients of charitable donations – million euro

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>to the two Foundations</td>
<td>3.200</td>
<td>3.138</td>
<td>2.994</td>
</tr>
<tr>
<td>for other initiatives</td>
<td>0.300</td>
<td>0.362</td>
<td>0.363</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>3.500</td>
<td>3.500</td>
<td>3.357</td>
</tr>
</tbody>
</table>
Banca Regionale Europea in support of the annual Christmas fundraising event on behalf of the Lega Italiana per la Lotta contro i Tumori (Italian Anti-Cancer League) in Milan’s Piazza Duomo.

The Banca Lombarda Group has also for years passed on to associations, schools, church entities and foundations the computers no longer used in its offices but which are still perfectly functional. Around 200 computers were donated in 2003.

Among the initiatives in favour of the territory we should mention the fact that Banca Lombarda makes available to local citizens, free of charge, its Conference Room located in the head office in Via Cefalonia, Brescia. This structure, which can hold more than 300 people, is used by trade associations, professional institutes, foundations and entities that organize training courses, professional education, scientific presentations and other meetings there.

Of the other important initiatives promoted individually by Group banks, there was the participation of Banco di Brescia in the fund-raising effort called “Un dono in dono”, a solidarity event that coincided with the Feast of St. Lucia.

In 2003, the funds were for the St. Joseph Multiethnic School of Nairobi (Kenya) and Banco di Brescia made available space in its branches for the distribution of publicity material and waived the commission on donations made by bank transfer.

Moreover, as regards collaboration with not-for-profit entities that operate mainly with children, Banco di Brescia further strengthened its collaboration with the association Centro Oratori Bresciani, helping to fund various initiatives aimed at youngsters.

In 2003, Cassa di Risparmio di Tortona provided support for the Centro di Riabilitazione Extraospedaliera per la disabilità psichica “Paolo VI” of Casalnoceto.

Following the reconversion of the entire structure, the Center will now be able to offer patients a series of healthcare and welfare services.

Banco di San Giorgio offered its support mainly to charitable organizations, such as:

- ANFFAS (Associazione nazionale famiglie di disabili intellettivi and relazionali Onlus) – for research, study and experimentation;
- Fondazione Maria Piaggio Casarsa – which supports hospitals and entities that carry out studies and research into the prevention and care of tumors;
- Amici di Alessandra (Onlus) – for initiatives of collaboration with the Oncological Division of the “Giannina Gaslini” Paediatric Hospital, to provide support for sick children and improve the quality of the work environment for medics and paramedics.
FONDAZIONE CAB AND FONDAZIONE BANCA SAN PAOLO DI BRESCIA

These two foundations, respectively Fondazione CAB – Istituto di Cultura G. Folonari and Fondazione Banca San Paolo di Brescia operate independently according to their bylaws. Their main source of financing is their endowment fund and annual transfers from Banca Lombarda.

In the period 2001-2003, Banca Lombarda granted the following amounts equally to the two foundations.

<table>
<thead>
<tr>
<th>Amounts in millions of euro</th>
<th>2003</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments by Banca Lombarda S.p.A. to the two Foundations</td>
<td>3.200</td>
<td>3.138</td>
<td>2.994</td>
</tr>
</tbody>
</table>

FONDAZIONE CAB – ISTITUTO DI CULTURA GIOVANNI FOLONARI

Origin

Fondazione CAB – Istituto di Cultura Giovanni Folonari was set up in 1983 by Credito Agrario Bresciano to promote research, develop and divulge facts and aspects regarding culture, education, training, social welfare and scientific research.

Activity

The Foundation's activity has always been geared to providing support to prestigious cultural initiatives put on autonomously or in collaboration with public entities and associations.

One of the most important projects that the Foundation financed was the archeological expedition led in 1983-84 in the Negev Desert, in Israel, by Prof. Emanuel Anati, Director of the CCSP (Centro Camuno di Studi Preistorici), the results of which were published in “Harkarkom: la montagna di Dio”. In the same vein, there was the funding provided for the excavations carried out on precolombian civilisations at the end of the Nineties by Brescian scholar, Giuseppe Orefici.

In 1990 the Foundation contributed towards the publication of the Archaeological Map of Lombardy and the international conference entitled “Santa Giulia di Brescia: archeologia, arte and storia di un monastero regio dai Longobardi a Barbarossa”.

Various important characters and events from the history of Brescia have been chosen as the subject for studies promoted by the Foundation. In 1990, the Foundation looked after a publication on Arnaldo da Brescia, a reforming monk who was a disciple of Abelard in Paris and an edition of eye-witness accounts, chronicles and diaries relating to the Sack of Brescia in 1512.
In 1994 the Foundation organized an international conference on the jurist Albertano da Brescia and financed facsimile reprinting of his main works: “I Trattati” (1238-1246) and “Il Sermone di Genoa” (1243). Albertano was one of the first Catholic thinkers to express the concept of legitimate profit honestly achieved with hard work and diligence.

In 1987, the Foundation found out that seven autographed manuscripts of Gabriele D’Annunzio were about to be auctioned at Christie’s of London. It therefore decided to take part in the auction and buy the manuscripts itself. In this way it prevented important literary documents finishing in some private collection, thus ensuring that they could still be consulted by scholars. The Foundation also paid for the facsimile reprinting of these texts for the same reason. As a result of this event, collaboration began with the foundation “Il Vittoriale degli Italiani”. The Fondazione CAB took part in the project for the national edition of the works of D’Annunzio, helping to fund publication of “Elegie Romane” in 2002.

Equally important were the steps taken to safeguard precious works of art belonging to the cultural heritage of the Province di Brescia. In 1988 the Foundation financed restoration of the facade of Brescia Cathedral, which was in a very poor state of repair. The restoration was completed on the 10th anniversary of the death of Pope Paul VI, who was born near Brescia. In 1990 the Foundation helped support the restoration of the church of San Zeno al Foro, as well as that of the roof of San Clemente church. The latter conserves some of the main works painted by Alessandro Bonvicino known as “Il Moretto”, under threat first from the damp and then from the dreadful state of the roof.

In 1997, the Fondazione CAB changed its approach and chose to concentrate on preserving and restoring the Monastery of Santa Giulia. The monastery is a jewel of Longobard art, which the Brescia City Hall had already decided to turn into the Museum of the City. Thanks to the Foundation, Santa Giulia has become one of Italy’s most important museums. A huge financial effort has been made to turn the museum complex into a springboard for Brescia’s cultural revival as the hub of important exhibitions and a key destination for art tourists.

The support offered by Fondazione CAB has made it possible to complete restoration work, to inaugurate and promote the museum, as well as to organize a major exhibition in 2000 dedicated to the Longobards and the role of Charlemagne in the creation of Europe. The conferences organized by Prof. Giancarlo Andenna of the Università Cattolica del Sacro Cuore in 1999-2001 on religion and spirituality at Santa Giulia were also dedicated to the Longobard monastery.

A number of other exhibitions were also prepared with the Foundation's support: “M'Illumino d'immenso”, “Le Sante Croci”, “Bizantini, Croati, Carolingi”, “Lanfranchi: dal giardino perduto alla città sul monte”, “Francesco Filippini, un protagonista del naturalismo lombardo”.

In 2001, the Foundation signed an innovative cooperation agreement with the Brescia City Hall. The project won the Federculture Prize for the public-private sector, coming first out of the 83 projects presented nation-wide.
The terms of the agreement envisage both parties being involved in decision-making with a 50/50 financial interest. Developments in the relationship with the local authority led the Foundation to take on the role of co-manager of the services in question, making available its offices which gradually replaced external service providers and consultants. This experience gave rise to the idea to form a museum services management company called “Brescia Musei S.p.a”, to which the Foundation has offered to provide financial support.

Together with the Giornale di Brescia and Banca Lombarda, in 2002-2003, the Foundation financed the purchase of a new CAT machine which was donated to the Ospedali Civili of Brescia. This is the third time that the Foundation has intervened - every ten years or so (the first CAT was donated in the ’80s) - to provide the Ospedali Civili with vital equipment that is start-of-the-art in research and innovation not just in Italy but world-wide.

**ACTIVITIES IN 2003**

In 2003, Fondazione CAB invested its resources and cultural activity in favour of Santa Giulia, Museum of the City, in particular for the exhibition “Brescia romana. Le domus dell’Ortaglia. L’Afrodite ritrovata” (March 1 - November 2).

Collaboration with City Hall continued for the promotion and organization and/or participation in events designed to make Brescia better known to a wider and wider public, creating culture and tourism based growth for the city as a whole.

For example, there was the Festa di Santa Giulia (June 6-8), the Festa del Circo Contemporaneo (June 20 - July 9) and the exhibition “Da Caillebotte a Picasso” (July 19 - November 16) at the exhibition hall in Palazzo Martinengo. On these occasions, collateral events were also organized, such as concerts, conferences, seminars and others specifically linked to promoting the museum and the exhibitions.

The partnership with the Brescia City Hall led to the setting up of Brescia Musei S.p.A. on July 18 as a new way of managing Brescia’s Civic Museums. The new company was defined in the City Hall resolution that authorized it as “a parallel operating structure that acts in close collaboration with the Art and History Museums Sector with the task of implementing projects, bringing together all aspects relating to promotion, communication and marketing which are all extremely important for a modern museum system.” Among its duties, therefore, there is also the organization of exhibitions, as well as additional services.

In December 2003, Santa Giulia saw the presentation of a programme of major exhibitions on modern painting organized together with Linea d’Ombra with a view to expanding cultural tourism to Brescia.

In 2003, Fondazione CAB offered support for various initiatives related to FAI, Associazione Amici dei Musei, Associazione Artisti Bresciani, Fondazione Civiltà Bresciana and the Soprintendenza dei Beni Archeologici. Together with Fondazione “Il Vittoriale degli Italiani” and Fondazione “Ugo da Como”, the Foundation launched the project Le vie dell’arte, with the
support of the Lombardy Region, for the development of artistic and touristic itineraries.

In April, the new multistrata CAT machine was inaugurated in the presence of the Health Minister, Girolamo Sirchia.

In June, a concert was organized at Brescia’s Teatro Grande as part of the “Arturo Benedetti Michelangeli” International Piano Festival to award a prize that commemorates this great Brescian pianist.

This year, the prize was won by Mstislav Rostropovich.

**FONDAZIONE BANCA SAN PAOLO DI BRESCIA**

**Origin**

At the time of the merger in 1998 between Banca San Paolo di Brescia and CAB, the Board of Directors of Banca San Paolo authorized the creation of the Fondazione Banca San Paolo di Brescia.

The decision was taken after evaluating the best ways to continue the values, ethical goals and charitable ends that have always characterized Banca San Paolo according to its bylaws ever since its origin.

The main commitment of the Foundation is to provide support for training and welfare initiatives by making contributions, depending on the funds available.

**Activity**

There are numerous initiatives that the Foundation supports and promotes every year, thanks to a careful evaluation and analysis of the needs of the social and institutional bodies that turn to the Foundation for support in the realization of projects and initiatives that form part of their own institutional aims.

Those in the field of education are particularly important.

A key element is the support given to the Brescia campus of the Università Cattolica, which receives considerable resources each year from Fondazione Banca San Paolo di Brescia. This in accordance with the tradition that has always seen – and still sees – educational initiatives of Catholic inspiration as protagonists of the cultural and social life of our province. The Foundation commitment to the Università Cattolica is rooted in the ‘60s when Banca San Paolo used the resources set aside in its Charity Fund to help set up a local campus of the Cattolica, the maximum expression of education inspired by Christianity.

In the last thirty years, around 8,500 students have graduated from these lecture halls, which every year hold degree courses involving more than 4,000 registered participants.

Considerable resources have always been allocated to other Catholic entities involved in education and cultural research in the Brescia area. In particular, the Opera per l’Educazione Cristiana, with its associated entities Istituto Paolo VI (an international center for studies and documentation that involves more than 5,000 correspondents in all parts of the world) and the Associazione Arte and Spiritualità – Modern Art Study Center, and brings together and exhibits 5,000 works of art. Fondazione Banca San Paolo di Brescia has helped them guarantee operating continuity, ensuring the development of studies and research on matters of great scientific, ethical and moral value.

No less of a commitment goes, among others, to the Istituto Cesare Arici, Liceo Artistico Foppa, Centro di Documentazione-Ce.Doc., Cooperativa Cattolico Democratica di Cultura-C.C.D.C., the scholastic and social entities promoted by the Padri Filippini, and Fondazione SIPEC.

The parishes, oratories, kindergartens, Catholic schools and charitable associations form a plurality of entities operating in the Brescia area which obtain from the Foundation part of the resources that they need to survive.

Direct support for publishers “Morcelliana” of Brescia and “Studium” of Rome constitutes a deliberate commitment to ensure continuity for two important companies that with their publications contribute to the spread of knowledge and the divulgence of culture.

The intense and diversified activity of Fondazione Banca San Paolo also reaches areas such as:
Collaboration with similar entities is a typical part of Fondazione Banca San Paolo di Brescia's activity. A substantial endowment helped in the creation of the Fondazione della Comunità Bresciana, where an “Education and Training Fund” was set up to generate income to finance specific initiatives in the province.

Activities in 2003

The charitable donations approved during the course of 2003 continued in full respect of the policies established in the bylaws and according to the operating guidelines laid down by the Management Council.

Most of the contributions were paid to the Università Cattolica del Sacro Cuore of Brescia, entities that promote Catholic culture and teaching, publishing houses and welfare and recreational associations.

During 2003, the Foundation provided support to various welfare, educational and cultural projects, in addition to its traditional charity work.

In favour of the Third Sector

The Foundation helped fund initiatives in this field promoted by institutions based in Brescia and its province with a view to sustaining the moral and civil growth of those really in need. These included the following:

• Ce.B.S. – Centro Bresciano Solidarietà–Brescia
  As part of the project “Casa Protetta” for the creation of protected housing and social, educational support to rehabilitate drug addicts with a particular weakness.

• A.R.R.Pa. – Associazione Riabilitazione Recupero Paraplegici –Brescia
  The Foundation helped finance expansion of the swimming pool used for the re-education of paraplegics by means of hydrokinestherapy.

Restoration and rehabilitation of historical and artistic assets

The interventions made in this field in both the city and province of Brescia helped to promote and enhance the value of historical and artistic assets. Contributions were made in favour of:

• The Laboratory of the Diocesan Museum of Brescia to help fund the restoration and conservation of the artistic heritage and sacred furnishings of parishes in the Province of Brescia.

• The Diocesan Curia of Brescia – Economic Affairs Office through payment of the funds related to the Convention stipulated with the Diocese of Brescia in order to provide support for the joint funding of the safety upgrades at parish churches in the area, as required by Law 626/94.

- the “Third Sector” (charity and volunteer work);
- restoration and rehabilitation of historical and artistic assets;
- culture.
Cultural initiatives

One of the Foundation's goals under its bylaws is the support that it provides to cultural events, whether musical, pictorial, literary or theatrical. The city of Brescia has in recent years become more attentive and receptive to such events, and the Foundation's presence is steadily consolidating, becoming a fixed point of reference in the support of the better initiatives.

The Foundation has directly followed and sustained various important projects with solid cultural bases, which are not limited to mere representation, but which provoke discussion and meditation on important current topics. We therefore gave support to the following initiatives:

- **Associazione per la Storia della Chiesa Bresciana – Brescia**
  A project was launched to publish a five-volume series on the apostolic visit of St. Carlo Borromeo to the Diocese of Brescia (1580).

- **Associazione Musicale “Gasparo da Salò” – Brescia**
  As part of the celebrations to commemorate the 25th anniversary of the death of Papa Montini, the Foundation confirmed its support for the fourth edition of “Art and Spirituality”, a musical event promoted under the auspices of the “Michelangeli” International Piano Festival of Brescia and Bergamo.

- **Associazione Francesco Soldano – Brescia**
  Patronage was renewed for one of the events programmed as part of the 4th edition of the Festival “Le Settimane Musicali Bresciane”.

- **Diocesan Museum of Brescia**
  Collaboration continued with the Diocesan Museum, which has become a key element in the city's cultural life. Of the various initiatives promoted by the Museum, we would mention the following in particular: the 3rd edition of “La settimana del restauro. Recuperi 2003”; the ninth edition of “Concerto della Memoria”, performed in the Church of St Joseph by the Vox Aurae Orchestra and the “La Stagione Armonica” Choir.

- **Associazione Artisti Bresciani – “Modesto Faustini (1839 – 1891)” – Brescia**
  From December 6, 2003 to January 7, 2004, the A.A.B. put on an exhibition dedicated to the Brescian painter Modesto Faustini (1839-1891).

- **“Musiche dal Mondo” 2003 edition**
  With the patronage of Brescia City Hall, agreement was reached to provide support for the 5th edition of “Musiche dal Mondo”, which, as usual, was very well received by both the public and by the critics.

- **IV Centenary of the New Cathedral of Brescia**
  A Committee with the task of promoting new initiatives was set up to mark the IV Centenary of the New Cathedral of Brescia. The Foundation not only took part in setting up this Committee, but also approved funding that could be used in 2004 to support part of the initiatives programmed. It also offered secretarial support.

- **IV International Festival of Sacred Music of Brescia**
  Given the religious context of this musical event and the charitable aims that it pursues, the Foundation made available funding for the Associazione Culturale Sinergica to be used in 2004 to support the 4th International Festival of Sacred Music in March and April, with six concerts of Sacred Music to be held in various churches throughout the City of Brescia.
A GREATER EMPHASIS ON REDUCING ENERGY CON-SUMPTION AND THE USE OF NATURAL RESOURCES CAN UNDOUBTEDLY MAKE A POSITIVE CONTRIBUTION TO THE ENVIRONMENT
Banking has a relatively limited impact on the environment, though a greater emphasis on reducing energy consumption and the use of natural resources can undoubtedly make a positive contribution to the environment, as can greater care in the handling of office materials that risk causing pollution.

In 2003 the Group carried out a detailed survey of its energy consumption with a view to making a more rational use of it.

This identified a number of routes that could be taken:

- buying energy from renewable energy sources on the open market, as opposed to that produced from fossil fuels;
- a revision of the design standards for the new electricity and air conditioning systems at new branches;
• the upgrade or replacement of existing systems with the use of more advanced energy-saving technologies.

In this case, particular attention would be paid to the following design aspects:
• the types of air-conditioning and heating systems;
• the types of fuel used;
• the level of consumption and the number of hours per day that these systems are in function;
• the use of energy-saving devices;
• the adoption of energy-saving practices.

A pilot scheme has been started up involving 160 Group branches, the objective being to replace obsolete air conditioning and heating installations and to upgrade electrical systems. Upgrading the heating installations has the dual purpose of introducing plant with a higher thermal yield and, where possible, converting them to types of fuel that have a lower environmental impact.

From this point of view, using district heating systems is a valid way of making a more rational use of energy, while reducing gas pollution more effectively.

Banca Lombarda has a minority stake in ASM di Brescia, which distributes heat produced by burning non-recyclable waste through district heating systems. These are state-of-the-art technologies which guarantee emission levels that are far below those prescribed by Italian and European law.

The following are indicators of consumption per employee by energy type. The increase in electricity consumption per head was due to the intense use of air conditioners during the particularly hot summer of 2003.

The decrease in natural gas consumption per head reflects its gradual replacement by district heating, which is on the rise.

As regards water consumption, it is worth mentioning that most of the water used by the Bank comes from public aqueducts and is used mainly in bathrooms, air conditioning and cleaning activities.

Lastly, as regards the types of waste produced by the Banca Lombarda Group, the paper generated by office work is entrusted to public waste disposal services, while that coming from the archives is disposed of by specialized firms. Printer toner and empty cartridges are reused and recycled, wherever possible. Other potentially polluting waste products produced by the banking activity, such as obsolete equipment, batteries and fluorescent bulbs, are collected and disposed of through specialized maintenance firms.

<table>
<thead>
<tr>
<th>Consumption per employee</th>
<th>2003</th>
<th>2002</th>
<th>% change '03 on '02</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power (kWh)</td>
<td>6,345</td>
<td>5,659</td>
<td>12.1%</td>
</tr>
<tr>
<td>Diesel (liters)</td>
<td>67</td>
<td>57</td>
<td>17.6%</td>
</tr>
<tr>
<td>Natural gas (m3)</td>
<td>372</td>
<td>426</td>
<td>-12.6%</td>
</tr>
<tr>
<td>District heating (kWh)</td>
<td>927</td>
<td>807</td>
<td>15.0%</td>
</tr>
</tbody>
</table>

N.B. these figures have been calculated on the basis of consumption at Banco di Brescia, which in terms of the number of employees represents 40% of the Banca Lombarda Group.
INTERACTION WITH THE PUBLIC ADMINISTRATION

THE PUBLIC ADMINISTRATION AND THE ITALIAN STATE IN GENERAL REPRESENT INSTITUTIONAL INTERLOCUTORS OF FUNDAMENTAL IMPORTANCE
The Public Administration and the Italian State in general represent institutional interlocutors of fundamental importance, firstly because they guarantee the possibility to carry on our business activity in a regulatory framework that attributes rights and obligations fairly; and secondly because they ensure the continuity of community services.

The Banca Lombarda Group pays over part of its value added to the Public Administration in the form of taxes and dues. The total amount of taxes paid to the State Treasury in 2003 came to 168 million euro, while the taxes paid to local authorities amounted to 40 million euro.
The Group also provides banking services to various public authorities and can claim many years’ experience in treasury management for entities such as health units, municipalities, consortiums, mountain communities, municipal utilities, universities and schools. The various services that we offer include revenue collection such as rents, water and gas bills, waste disposal tax, kindergarten and old people’s home fees.

The Group also stimulates such entities to develop their organizations by making innovative proposals such as the introduction of on-line services for payroll management, consulting current accounts and treasury accounts, and the transmission of mandates and collection orders, free professional consulting for the entity’s cash management and for the activation of mortgage loans, and the organization of training and consulting sessions aimed at the directors and employees of such entities.

As indicated previously, special software was developed for Public Entities (called “Extensive Enti”), which permits an exchange of information and instructions between them and their treasury service at the Group’s network banks.

### TAXES PAID

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<thead>
<tr>
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<tbody>
<tr>
<td><strong>To the State</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IRPEG (corporate income tax)&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>121,703,612</td>
<td>136,192,112</td>
<td>134,566,046</td>
</tr>
<tr>
<td>Stamp duty on bank documents</td>
<td>34,762,873</td>
<td>34,415,180</td>
<td>34,039,048</td>
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<tr>
<td>Substitute tax on loans</td>
<td>6,639,080</td>
<td>5,751,603</td>
<td>4,912,102</td>
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<tr>
<td>Tax on stock exchange contracts</td>
<td>1,767,501</td>
<td>2,639,107</td>
<td>2,983,863</td>
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<tr>
<td>Stamp duty on bankers’ drafts</td>
<td>615,119</td>
<td>568,542</td>
<td>642,671</td>
</tr>
<tr>
<td>Non-deductible VAT on purchases&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>605,000</td>
<td>11,127,000</td>
<td>39,022,000</td>
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<tr>
<td>Registration tax and duty stamps</td>
<td>748,218</td>
<td>1,380,813</td>
<td>584,416</td>
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<tr>
<td>Other taxes</td>
<td>1,507,358</td>
<td>1,325,755</td>
<td>284,900</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>168,348,761</td>
<td>193,400,112</td>
<td>217,035,046</td>
</tr>
<tr>
<td><strong>To Local Authorities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IRAP (regional business tax)</td>
<td>37,161,388</td>
<td>43,356,888</td>
<td>38,069,954</td>
</tr>
<tr>
<td>ICI (municipal property tax)</td>
<td>2,434,170</td>
<td>2,595,648</td>
<td>2,347,429</td>
</tr>
<tr>
<td>Other municipal taxes</td>
<td>17,233</td>
<td>14,460</td>
<td>75,113</td>
</tr>
<tr>
<td>Advertising and bill-posting tax</td>
<td>340,612</td>
<td>350,971</td>
<td>339,658</td>
</tr>
<tr>
<td>Waste disposal tax</td>
<td>954,836</td>
<td>1,007,225</td>
<td>1,070,688</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>40,908,239</td>
<td>47,325,192</td>
<td>41,902,842</td>
</tr>
<tr>
<td><strong>TOTAL TAXES PAID</strong></td>
<td>209,257,000</td>
<td>240,725,304</td>
<td>258,937,888</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> The amount of IRPEG (corporate income tax) paid in 2001 has been adjusted by adding in the provision for risks and charges made in 2001 with a view to not applying the “Ciampi benefit”, for 12,448 euro.

<sup>(2)</sup> The VAT regime was changed from individual to group (as per art. 36bis of DPR 633/72) for the banks in 2002 and for Lombarda Sistemi e Servizi in 2003. As a result, the tax charge is no longer recorded individually, but is considered an ancillary cost at Group level. In this connection, see Part A of the Accounting Policies in the consolidated financial statements for 2002 and 2003.
WE ARE CONVINCED THAT THE PROCUREMENT ACTIVITY HAS TO BE BASED ON CLEAR PRINCIPLES. WE ADHERE TO CRITERIA OF QUALITY, EFFICIENCY AND RESPECT FOR THE LAW WHEN DECIDING WHICH SUPPLIER TO USE.
DEALINGS WITH SUPPLIERS

WE ARE CONVINCED THAT THE PROCUREMENT ACTIVITY HAS TO BE BASED ON CLEAR PRINCIPLES. WE ADHERE TO CRITERIA OF QUALITY, EFFICIENCY AND RESPECT FOR THE LAW WHEN DECIDING WHICH SUPPLIER TO USE. FOR THESE REASONS WE ALWAYS PAY A GREAT DEAL OF ATTENTION TO THE EVALUATION AND SELECTION OF SUPPLIERS, WHO WE BELIEVE CONSTITUTE AN IMPORTANT CATEGORY OF STAKEHOLDER, CONTRIBUTING DECISIVELY TO OUR PRODUCTION PROCESSES AND TO THE PROVISION OF SERVICES TO OUR CUSTOMERS.

WE GIVE PREFERENCE TO STABLE RELATIONSHIPS BASED ON FAIRNESS, TRANSPARENCY AND STABILITY. INDEED, WE BELIEVE THAT BY BUILDING UP STRONG LONG-TERM RELATIONSHIPS IT IS POSSIBLE TO ACHIEVE BETTER CONTROL AND MORE EFFECTIVE PLANNING THAT CAN IMPROVE THE QUALITY OF PRODUCTS AND SERVICES, INTERNAL PROCESSES AND THOSE INVOLVING CUSTOMER RELATIONS.

SELECTION OF SUPPLIERS

From 2001, the management of Group purchases and services was centralized at Lombarda Sistemi e Servizi. The structure of the Purchasing Center has been split by market sector so that each function can specialize. A staff function has also been set up to control expenditure and management reporting. The preparation of a “Procurement Guidelines” manual and an “Official List of Suppliers”, split by bank and by type of service, has made it possible to formalize and divulge the ethical and commercial principles that are to be applied in accordance with the Group’s purchasing policies.
Various elements are taken into account when evaluating suppliers: price, long-term reliability, credibility and honesty, professionalism, commercial and technical support, knowledge of the Group's objectives, respect for the rules on safety in the workplace and protection of the environment.

Compliance with the law, as well as the adoption of behavior to avoid potential conflict of interest, contribute to the creation of value and the achievement of the Group's objectives of excellence.

**Analysis** of the suppliers shows that in 2003
- 70% of total billings concerned just under 200 suppliers;
- 20% of billings concerned almost 700 suppliers;
- the other 10% referred to the rest of the suppliers.

**COMMERCIAL POLICIES**

Formalization of contractual relations with suppliers continued in 2003, reaching a situation where specific legal environments and supply terms and conditions are standard for the entire Group.

In choosing suppliers, when economic conditions are the same, preference is given to firms present in the territory where Group banks have their roots, thereby helping to develop the local economy.

The geographical distribution of suppliers' billings in 2003 shows **Lombardy** in first place with 68% of the total, followed by **Lazio** with 10% and **Piedmont** with 7%.

Rationalization measures are geared to limiting the number of suppliers, giving preference to long-term relationships based on framework contracts stipulated with a few chosen, high-quality suppliers for each type of product or service.

The Group also has a strong commitment to training the personnel involved in purchasing, to ensure the application of trading conditions that protect the interests of Group companies and safeguard the fairness of professional relationships (e.g. introducing service levels and penalties for non-performance).

**Disputes and litigation**

There are no material items in dispute with suppliers.

There have been no cases of recession due to lack of compliance with the terms of a contract.

**E-PROCUREMENT**

The process of innovation pursued in 2003 made it possible to consolidate projects designed to develop e-procurement processes for buying goods and services.

A new web-based procurement procedure was introduced, making it possible for employees of Group banks to order materials in a flexible way according to their own needs.

The geographical distribution of suppliers' billings in 2003 shows **Lombardy** in first place with 68% of the total, followed by **Lazio** with 10% and **Piedmont** with 7%.

Rationalization measures are geared to limiting the number of suppliers, giving preference to long-term relationships based on framework contracts stipulated with a few chosen, high-quality suppliers for each type of product or service.

The Group also has a strong commitment to training the personnel involved in purchasing, to ensure the application of trading conditions that protect the interests of Group companies and safeguard the fairness of professional relationships (e.g. introducing service levels and penalties for non-performance).
COLLABORATION WITH THE BANKING AND FINANCIAL SYSTEM

WE BELIEVE THAT COLLABORATION WITH THE BANKING AND FINANCIAL SYSTEM IS INDISPENSABLE FOR THE CREATION OF VALUE
Relations with Italian banks

The Banca Lombarda Group operates on an ongoing basis with the entire banking system.

In addition to the normal interbank relations that we have with innumerable credit institutes, we also collaborate with Italian and supranational banks charged with the management and disbursement of grants and low-interest loans.

The Group receives medium/long-term funding, which it uses to finance customers at better-than-market conditions.

Relations with foreign banks

The efforts to develop relations with correspondent banks abroad were particularly intense in 2003 with a view to being able to respond to the changing needs of customers. At the end of 2003 there were more than 2,600 foreign banks acting as correspondents for the Banca Lombarda Group in strategically important European countries such as...
Romania, Austria, Switzerland, Germany, Spain and Portugal.

The Supervisory Authorities

Banca Lombarda and its Group are subject to regulatory supervision by the Bank of Italy. Moreover, being a financial intermediary listed on the Stock Exchange, Banca Lombarda is also subject to control and regulation by Consob and Borsa Italiana S.p.A.

The Group is in full compliance with all of the instructions and recommendations issued by these authorities with whom relations are based on complete transparency and collaboration.

Associazione Bancaria Italiana (ABI), the Italian Banking Association

The Chief Executive Officer of Banca Lombarda is a member of the Board of Directors and of the Executive Committee of ABI. Various Group employees also form part of ABI’s technical commissions and task forces.

The Group is a member of the following trade associations, either directly or through its various subsidiaries:

- ABI – Associazione Bancaria Italiana;
- Assogestioni – Associazione delle Società per la gestione del risparmio;
- Assifact – Associazione delle Società di factoring;
- Assilea – Associazione delle Società di leasing;
- Assoreti – Associazione delle reti di promotori finanziari;
- Assosim – Associazione delle Società di intermediazione mobiliare;
- Assofin – Associazione delle Società di credito al consumo.
WE HAVE IDENTIFIED CERTAIN PRIORITY GOALS WHICH REFLECT THE GENERAL ORIENTATION OF THE GROUP’S STRATEGY
The Group Social Responsibility Report for 2003 represents for the Banca Lombarda Group the first stage in a project to create a system of social reporting which over the coming years will make it possible to intensify relations with all stakeholders by means of a calm and mutually beneficial dialogue.

To this end, we have identified some of the improvements that we will make next. These will be supplemented by any feedback from this Report.

The improvement objectives that we have set ourselves consist of:

- on the one hand, an undertaking to make greater efforts in the field of management and staff training;
- on the other, a more assiduous communication policy with an emphasis on completeness of information and comprehension on the part of all current and potential recipients of such information.

It is the Group’s intention to intensify relations with the university world by creating internships for students who are nearly or just graduated. This will be possible thanks to the ability of our internal structures to transform the work experience into a process that involves the interns, providing them with a certain amount of training and the chance of being assessed possibly with a view to being hired.

As regards relations with the local community, we undertake to conserve over time the richness and breadth of the interventions we have made according to time-honored policies, perhaps putting more emphasis on initiatives that are more important from a social point of view.

In the field of customer relations, we intend to assign increasing importance to the analysis and monitoring of cus-
customer satisfaction with our products and services.

On the communication policy front, we intend to act even more pervasively, involving all Group structures.

A particularly important project in this connection is the one called “Patti Chiari”, created by ABI and made operative by each of the banks taking part in the initiative.

With specific regard to the Social Responsibility Report, we intend to improve its contents by further refining the editorial process and extending data measurement to all Group companies, whereas this first edition has only involved the larger subsidiaries.

We are also setting ourselves the goal of creating suitable ways of interrelating with our various stakeholders, so as to gather and take account of their opinions regarding the document’s completeness and clarity. In addition to the questionnaire which is attached to this document, we are designing a specific area of the Parent Company’s website to gather comments or questions about the topics mentioned in the Social Responsibility Report.
3 VALUE ADDED SCHEDULES
VALUE ADDED REPORTING

The schedule shown here for reporting the build-up of value added is the same as the model proposed by ABI.

It shows the process by which Value Added is generated as the difference between the value of production and consumption, subsequently explaining how it is distributed to all of the stakeholders.

The 2003 schedules for the calculation and distribution of Value Added are preceded by the consolidated balance sheet and statement of income. Comparative figures are provided from 2002 and 2001. The section closes with methodology notes that explain the way that Value Added has been calculated, based on the figures shown in the Banca Lombarda Group’s consolidated financial statements.

RECLASSIFIED CONSOLIDATED BALANCE SHEET

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Cash and deposits with central banks and post offices</td>
<td>150,348</td>
<td>135,733</td>
<td>188,405</td>
<td>14,615</td>
</tr>
<tr>
<td>Loans to customers</td>
<td>23,584,079</td>
<td>21,707,339</td>
<td>19,461,244</td>
<td>1,876,740</td>
</tr>
<tr>
<td>Due from banks</td>
<td>2,383,294</td>
<td>2,466,841</td>
<td>2,854,490</td>
<td>- 83,547</td>
</tr>
<tr>
<td>Securities</td>
<td>1,663,036</td>
<td>2,307,354</td>
<td>2,729,627</td>
<td>- 644,318</td>
</tr>
<tr>
<td>Equity investments</td>
<td>477,713</td>
<td>437,350</td>
<td>432,490</td>
<td>40,363</td>
</tr>
<tr>
<td>Intangible and tangible fixed assets</td>
<td>873,117</td>
<td>565,797</td>
<td>558,346</td>
<td>307,320</td>
</tr>
<tr>
<td>Goodwill arising on application of the equity method and on consolidation</td>
<td>717,681</td>
<td>726,643</td>
<td>768,505</td>
<td>- 8,962</td>
</tr>
<tr>
<td>Other assets</td>
<td>1,649,805</td>
<td>1,677,051</td>
<td>1,549,986</td>
<td>- 27,246</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>31,499,073</td>
<td>30,024,108</td>
<td>28,543,093</td>
<td>1,474,965</td>
</tr>
</tbody>
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</thead>
<tbody>
<tr>
<td>Due to customers</td>
<td>22,369,446</td>
<td>21,433,954</td>
<td>19,894,855</td>
<td>935,492</td>
</tr>
<tr>
<td>Due to banks</td>
<td>2,829,587</td>
<td>2,527,510</td>
<td>3,147,566</td>
<td>302,077</td>
</tr>
<tr>
<td>Provisions for specific use</td>
<td>668,004</td>
<td>604,681</td>
<td>619,893</td>
<td>63,323</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>1,866,534</td>
<td>1,894,927</td>
<td>1,863,896</td>
<td>- 28,393</td>
</tr>
<tr>
<td>Minority interests</td>
<td>459,526</td>
<td>467,483</td>
<td>453,542</td>
<td>- 7,957</td>
</tr>
<tr>
<td>Subordinated liabilities</td>
<td>1,305,821</td>
<td>1,347,138</td>
<td>1,126,709</td>
<td>- 41,317</td>
</tr>
<tr>
<td>Stockholders’ equity:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Capital stock, reserves and retained earnings</td>
<td>1,888,96</td>
<td>1,618,337</td>
<td>1,291,538</td>
<td>269,759</td>
</tr>
<tr>
<td>- Net income for the year</td>
<td>112,059</td>
<td>130,078</td>
<td>145,094</td>
<td>- 18,019</td>
</tr>
<tr>
<td>TOTAL LIABILITIES AND STOCKHOLDERS’ EQUITY</td>
<td>31,499,073</td>
<td>30,024,108</td>
<td>28,543,093</td>
<td>1,474,965</td>
</tr>
</tbody>
</table>
## RECLASSIFIED CONSOLIDATED STATEMENT OF INCOME

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Interest income</td>
<td>1,335,089</td>
<td>1,400,143</td>
<td>1,509,457</td>
<td>- 65,054</td>
</tr>
<tr>
<td>30. Dividends and other revenues</td>
<td>16,593</td>
<td>30,331</td>
<td>31,156</td>
<td>- 13,718</td>
</tr>
<tr>
<td><strong>NET INTEREST INCOME</strong></td>
<td>762,242</td>
<td>747,794</td>
<td>727,786</td>
<td>14,448</td>
</tr>
<tr>
<td>40. Commission income</td>
<td>469,446</td>
<td>457,805</td>
<td>463,121</td>
<td>11,641</td>
</tr>
<tr>
<td>50. Commission expense</td>
<td>- 96,473</td>
<td>- 70,899</td>
<td>- 61,517</td>
<td>25,574</td>
</tr>
<tr>
<td>70. Other operating income</td>
<td>- 31,234</td>
<td>- 21,973</td>
<td>- 14,605</td>
<td>9,261</td>
</tr>
<tr>
<td><strong>Net income from services</strong></td>
<td>510,588</td>
<td>509,062</td>
<td>493,176</td>
<td>1,526</td>
</tr>
<tr>
<td>60. Profits (losses) on financial transactions</td>
<td>45,855</td>
<td>25,925</td>
<td>39,112</td>
<td>19,960</td>
</tr>
<tr>
<td><strong>NET INTEREST AND OTHER BANKING INCOME</strong></td>
<td>1,318,715</td>
<td>1,282,781</td>
<td>1,257,074</td>
<td>35,934</td>
</tr>
<tr>
<td><strong>Administrative costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Payroll</td>
<td>- 429,778</td>
<td>- 419,899</td>
<td>- 415,797</td>
<td>9,879</td>
</tr>
<tr>
<td>b. Other administrative costs</td>
<td>- 295,374</td>
<td>- 295,587</td>
<td>- 292,855</td>
<td>- 213</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>593,563</td>
<td>567,295</td>
<td>548,422</td>
<td>26,268</td>
</tr>
<tr>
<td>90. Adjustments to tangible and intangible assets</td>
<td>- 156,058</td>
<td>- 132,951</td>
<td>- 123,949</td>
<td>23,107</td>
</tr>
<tr>
<td>100. Provisions for liabilities and charges</td>
<td>- 18,927</td>
<td>- 16,346</td>
<td>- 48,183</td>
<td>31,237</td>
</tr>
<tr>
<td>120. Adjustments to loans and provisions for guarantees and commitments</td>
<td>- 173,057</td>
<td>- 148,383</td>
<td>- 123,904</td>
<td>24,473</td>
</tr>
<tr>
<td>130. Writebacks of loans and provisions for guarantees and commitments</td>
<td>43,799</td>
<td>46,193</td>
<td>38,038</td>
<td>2,394</td>
</tr>
<tr>
<td>150. Adjustments to financial fixed assets</td>
<td>- 154</td>
<td>- 5,502</td>
<td>- 2,695</td>
<td>2,807</td>
</tr>
<tr>
<td>170. Income from equity investments carried at equity</td>
<td>4,092</td>
<td>2,606</td>
<td>2,417</td>
<td>1,486</td>
</tr>
<tr>
<td><strong>Income from operating activities</strong></td>
<td>293,258</td>
<td>312,912</td>
<td>290,146</td>
<td>- 19,654</td>
</tr>
<tr>
<td>190. Extraordinary income</td>
<td>36,791</td>
<td>47,773</td>
<td>57,100</td>
<td>- 10,327</td>
</tr>
<tr>
<td>200. Extraordinary charges</td>
<td>- 22,658</td>
<td>- 12,939</td>
<td>- 8,123</td>
<td>9,719</td>
</tr>
<tr>
<td><strong>Income before income taxes</strong></td>
<td>307,391</td>
<td>349,746</td>
<td>339,123</td>
<td>- 40,355</td>
</tr>
<tr>
<td>240. Income taxes for the year&lt;sup&gt;(i)&lt;/sup&gt;</td>
<td>- 158,865</td>
<td>- 179,549</td>
<td>- 172,636</td>
<td>- 20,684</td>
</tr>
<tr>
<td><strong>Income taxes for the year</strong> (before allocations to equity reserves)</td>
<td>148,526</td>
<td>168,197</td>
<td>166,487</td>
<td>- 19,671</td>
</tr>
<tr>
<td>230. Change in reserve for general banking risks</td>
<td>- 150</td>
<td>0</td>
<td>17,983</td>
<td>- 150</td>
</tr>
<tr>
<td><strong>Income (loss) attributable to minority interests</strong></td>
<td>- 36,317</td>
<td>- 38,119</td>
<td>- 39,376</td>
<td>- 1,802</td>
</tr>
<tr>
<td><strong>Net income for the year</strong></td>
<td>112,059</td>
<td>130,078</td>
<td>145,094</td>
<td>- 18,019</td>
</tr>
</tbody>
</table>

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<sup>(i)</sup> See the Methodology Appendix for details of the individual captions making up the statement of income.

<sup>(ii)</sup> See notes (1) and (2) to the Schedule on Taxes Paid in the section on “Interaction with the Public Administration.”
## ANALYSIS OF OVERALL VALUE ADDED

### REVENUES (in thousands of euro)

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Interest income and similar revenues</td>
<td>1,335,089</td>
<td>1,400,143</td>
<td>1,509,457</td>
<td>-65,054 -4.6</td>
</tr>
<tr>
<td>Commission income</td>
<td>469,446</td>
<td>457,805</td>
<td>463,121</td>
<td>11,641 2.5</td>
</tr>
<tr>
<td>Other revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- dividends and other revenues</td>
<td>16,593</td>
<td>30,311</td>
<td>31,156</td>
<td>-13,178 -45.3</td>
</tr>
<tr>
<td>- profits on financial transactions</td>
<td>45,885</td>
<td>25,925</td>
<td>36,112</td>
<td>19,960 77.0</td>
</tr>
<tr>
<td>- other operating income</td>
<td>168,849</td>
<td>144,129</td>
<td>106,177</td>
<td>24,720 17.2</td>
</tr>
<tr>
<td>Income (Losses) from equity investments carried at equity</td>
<td>4,092</td>
<td>2,606</td>
<td>2,417</td>
<td>1,486 57.0</td>
</tr>
</tbody>
</table>

1. **TOTAL GROSS PRODUCTION**

|                          | 2,039,954  | 2,060,919  | 2,148,440  | -20,965 -1.0        |

### CONSUMPTION

|                          |            |            |            |                      |
| Interest expense and similar charges | -589,440   | -682,660   | -812,827   | -93,220 -13.7       |
| Commission expense        | -65,253    | -49,792    | -48,396    | 15,461 31.1         |
| Other operating expenses  | -31,234    | -21,973    | -14,605    | 9,261 42.1          |
| Other administrative costs| -235,597   | -224,616   | -199,408   | 10,981 4.9          |

| Adjustments/Writebacks on loans | -129,258   | -102,190   | -85,866    | 27,068 26.5         |
| Adjustments to financial fixed assets | -154       | -5,502     | -2,695     | -5,348 -97.2        |
| Provisions for liabilities and charges | -15,027    | -12,134    | -17,655    | 2,893 23.8          |

2. **TOTAL CONSUMPTION**

|                          | -1,065,963 | -1,098,867 | -1,181,452 | -32,904 -3.0        |

3. **GROSS VALUE ADDED FROM NORMAL BUSINESS ACTIVITIES**

|                          | 973,991    | 962,052    | 966,988    | 11,939 1.2          |

| Extraordinary items:     |            |            |            |                      |
| - Extraordinary income   | 36,791     | 47,773     | 48,106     | -10,982 -23.0       |
| - Extraordinary charges  | -20,511    | -8,647     | -5,720     | 11,864 137.2       |

4. **GROSS OVERALL VALUE ADDED**

|                          | 990,271    | 1,001,178  | 1,009,374  | -10,907 -1.1        |

| Total adjustments to tangible and intangible assets | -146,634   | -128,781   | -123,949   | 17,853 13.9         |

5. **NET OVERALL VALUE ADDED**

|                          | 843,637    | 872,397    | 885,425    | -28,760 -3.3        |

| Cost of labor:           |            |            |            |                      |
| - direct                 | -342,774   | -337,191   | -333,443   | 5,583 1.7           |
| - indirect               | -87,004    | -82,708    | -82,354    | 4,296 5.2           |
| - other                  | -11,571    | -8,462     | -2,403     | 3,109 36.7          |
| - placement provisions   | -31,220    | -21,107    | -13,121    | 10,113 47.9         |
| - Directors and Statutory Auditors’ fees | -9,385     | -9,795     | -7,145     | -410 -4.2           |
| Gifts and donations      | -3,900     | -4,212     | -3,667     | -312 -7.4           |
| Indirect and capital taxes(1) | -50,392   | -61,176    | -86,302    | -10,784 -17.6       |

6. **INCOME (LOSS) BEFORE INCOME TAXES**

| Change in reserve for general banking risks | -150       | 0         | 116        | -150 -150           |
| Income taxes for the year                  | -158,865   | -179,549  | -172,636   | 20,684 11.5         |
| Income (loss) attributable to minority interests | -36,317    | -38,119   | -39,376    | -1,802 -4.7         |

7. **NET INCOME (LOSS) FOR THE YEAR**

|                          | 112,059    | 130,078    | 145,094    | -18,019 -13.9       |

---

(1) See notes (1) and (2) to the Schedule on Taxes Paid in the section on “Interaction with the Public Administration”.

(2) See notes (1) and (2) to the Schedule on Taxes Paid in the section on “Interaction with the Public Administration”.

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106
### BREAKDOWN OF OVERALL VALUE ADDED AND ITS DISTRIBUTION

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. REVENUES</strong></td>
<td>2,039,954</td>
<td>2,060,919</td>
<td>2,148,440</td>
<td>-20,965</td>
</tr>
<tr>
<td><strong>2. CONSUMPTION</strong></td>
<td>-1,065,963</td>
<td>-1,098,867</td>
<td>-1,181,452</td>
<td>-32,904</td>
</tr>
<tr>
<td><strong>3. OVERALL GROSS VALUE ADDED</strong> (including extraordinary items)</td>
<td>990,271</td>
<td>1,001,178</td>
<td>1,009,374</td>
<td>-10,907</td>
</tr>
</tbody>
</table>

**Split between:**

**A. STOCKHOLDERS - Dividends**

- distributed to the stockholders: 118,444 131,169 120,790 - 12,725 - 9.7
  - Stockholders of the Parent Bank 95,219 104,190 94,595 - 8,971 - 8.6
  - Minority stockholders in Group companies (2) 23,225 26,979 26,195 - 3,754 - 13.9

**B. HUMAN RESOURCES**

- Cost of labor:
  - * direct personnel cost 342,774 337,191 333,443 5,583 1.7
  - * indirect personnel cost 87,004 82,708 82,354 4,296 5.2
  - * other payroll costs 11,571 8,462 2,403 3,109 36.7
  - * placement provisions 31,220 21,107 13,121 10,113 74.9
  - * Directors and Statutory Auditors’ fees 9,385 9,795 7,145 - 410 - 4.2

**C. PUBLIC ENTITIES AND INSTITUTIONS**

- (CENTRAL AND LOCAL GOVERNMENT)
  - Indirect and capital taxes 50,392 61,176 86,302 - 10,784 - 17.6
    - to the State 46,645 57,208 82,469 - 10,563 - 18.5
    - to local authorities 3,747 3,968 3,833 - 221 - 5.6
  - Income taxes for the year 158,865 179,549 172,636 - 20,884 - 11.85
    - to the State 121,704 136,192 134,756 - 14,489 - 10.6
    - to local authorities 37,161 43,357 38,070 - 221 - 14.3

**D. THE COMMUNITY**

- Gifts and donations 3,900 4,212 3,667 - 312 - 7.4
- Charity fund provisions 3,500 3,500 3,357 0 0.0

**E. THE BUSINESS**

- To Group reserves for general banking risks 16,990 25,888 50,383 - 8,898 - 34.4
- To reserves pertaining to minority interests 13,092 11,140 13,181 1,952 17.5
- Adjustments to tangible and intangible assets 146,634 128,781 123,949 17,853 13.9

**OVERALL GROSS VALUE ADDED** 990,271 1,001,178 1,009,374 - 10,907 - 1.1

---

(1) See notes (1) and (2) to the Schedule on Taxes Paid in the section on “Interaction with the Public Administration”.

(2) Source: Group company annual reports
1. The net income considered in the calculation of ROE is prior to the amortization of goodwill and positive consolidation differences.

2. Operating costs have been calculated as the sum of personnel costs, other administrative costs and adjustments to tangible and intangible fixed assets, excluding the amortization of goodwill and positive consolidation differences.

3. The two Groups that together gave rise to the Banca Lombarda Group, prior to their integration, had total assets of 8.9 billion euro and 7.3 billion euro for CAB and the Banca San Paolo Group, respectively.

4. The number of employees at the end of the year refers to those on the books of the Group companies included in the line-by-line consolidation. Moreover, new hires and resignations have been measured with reference to all of the Banca Lombarda Group companies consolidated line-by-line, with the exclusion of CBI Factor, Mercati Finanziari, Banca Lombarda International and the five members of staff of Banco di Brescia’s Luxembourg branch. These have been taken into account only in the net change in the number of employees at the end of 2003 compared with December 31, 2002.

5. The last of these will include all of the financial consultants of the Banca Lombarda Group.

6. The accident frequency ratio has been calculated as follows: (no of accidents/no. of hours worked) x 1,000,000. The number of hours worked has been obtained by multiplying the average number of employees by 7.5 (average hours worked per day) x 250 (average number of working days in the year).

7. The accident gravity ratio has been calculated in the same way, merely replacing the number of accidents with the number of days off for accidents.

8. Private customers with at least one ordinary current account.
Value added has been calculated by creating a link between the financial accounting records and the social responsibility report. It not only quantifies the wealth created by the enterprise in favour of the community, but also its distribution among the various stakeholders.

This involves reclassifying the statement of income in the consolidated financial statements, taking account of certain information provided in the notes.

The following reclassifications have been made in coming to a correct determination and breakdown of the various elements making up Overall Value Added:

**caption 80** – has been split into three components:
- Payroll (80a.) which represents the main portion of Value Added, which goes to the personnel;
- Other administrative costs in a strict sense (80b. excluding indirect taxes and duties) which do not represent remuneration are included in Consumption, excluding Directors’ and Statutory Auditors’ fees which are included in the Cost of labor;
- Indirect taxes and duties (of which 80b.) which go to increase the portion of Value Added pertaining to Public Entities and Institutions.

**caption 90** – has been split as follows:
- Amortization of the charges incurred for the Solidarity Fund as per DM 158/2000 have been transferred to the "other" components of labor cost;
- Adjustments to the value of the other intangibles and to tangible fixed assets, which have been deducted from Gross Overall Value Added to reach the Net Overall Value Added.

**caption 200** – has been split as follows:
Extraordinary charges for redundancy incentives are transferred to the "other" components of cost of labor, while the rest remains in extraordinary charges.

Gross Overall Value Added is the result of Gross Production less Consumption plus or minus Extraordinary Items.

The figure for Gross Production is obtained by aggregating the following captions:
- Interest income and similar revenues;
- Dividends and other revenues;
- Commission income;
- Profits (losses) on financial transactions;
- Other operating income;
- Profit (loss) from investments carried at equity.

Consumption comes from the following captions:
- Interest expense and similar charges;
- Commission expense, net of commissions paid to placers of Group products and services These provisions are transferred to a sub-item of cost of labor;
- Other administrative costs in a strict sense;
- Other operating expenses;
- the net balance of the captions:
- Adjustments to loans and provisions for guarantees and commitments;
- Writebacks of loans and provisions for guarantees and commitments;
- the net balance of the captions:
- Adjustments to financial fixed assets;
- Writebacks of financial fixed assets.

Lastly, Extraordinary Items are made up of:
- Extraordinary income;
- Extraordinary charges, net of personnel-related extraordinary charges.

Net Overall Value Added is obtained from Gross Overall Value Added by deducting the adjustments to tangible and intangible fixed assets.

Net Overall Value Added, calculated in this way, is then allocated to the various categories of stakeholder in the following way:

**Stockholders**
- 250. Net income for the year pertaining to minority interests for the portion set aside for dividends;
- 260. Net income for the year for the portion set aside for dividends.

**Human resources**
- 80a. Payroll;
- 90. for the portion pertaining to the Solidarity Fund under DM 158/2000;
- 200. for the part relating to redundancy incentives;
- 80b. for the part relating to Directors’ and Statutory Auditors’ fees;
- 50. for the part relating to placement commission expense.

**Public Entities and Institutions**
- 80b. Indirect taxation;
- 240. Income taxes for the year.

**Community and environment**
- Portions of net income allocated to charity funds.

**The Business**
- 90. Adjustments to tangible and intangible fixed assets;
- 230. Changes in reserve for general banking risks;
- 250. Net income for the year pertaining to minority interests for the portion allocated to reserves;
- 260. Net income for the year for the portion allocated to reserves.
REVIEW REPORT ON MANAGEMENT STATEMENT
(TRANSLATION FROM ORIGINAL VERSION ISSUED IN ITALIAN)

To the shareholders of
BANCA LOMBARDIA S.p.A.

1. We have performed some review procedures, described in paragraph 2 of this report, on the
data and on the quantitative information set forth in the Social Responsibility Report of Banca
Lombarda Group for the year ended December 31, 2003, and on the qualitative information
included therein, with the sole purpose of verifying the consistency thereof with the rest of the
Social Responsibility Report and its compliance with the requirements and recommendations of
the guidelines and the criteria adopted in the preparation of the Social Responsibility Report.
The review procedures have been performed in order to assess the Board of Directors’ statement,
included in paragraph “Methodology” of the Social Responsibility Report for the year ended
December 31, 2003, according to which the Social Responsibility Report was prepared:

- according to the guidelines issued by the GBS document – Research Group for the
  establishment of editing criteria for Social Report issued in Italy;
- considering the Social Responsibility Report ABI Standard for the lending sector
- in compliance with the specific criteria developed by the Parent Company based on the
  interpretation and practical application of the above guidelines, as set out on the
  paragraph “Methodology” of the attached Social Responsibility Report for the year

Banca Lombarda (the “Bank"or the “Parent Company") management is responsible for preparing
the Social Responsibility Report in accordance with the standards referred to above.

2. The work performed was not a complete audit, according to the auditing established
principles; our report must be considered as limited to the results of the procedures we performed,
as further described, and we cannot exclude that, had we performed supplementary procedures,
other findings could have emerged which we would have to submit to your attention.

Our review procedures included:

- Comparison of the financial and economic data with the information included in the
  consolidated financial statements;
- Analysis of the procedures for processing, recording and management of quantitative
data.
Particularly, we performed the following procedures:
- Interviews and discussions with management and personnel of the Bank in order to
  obtain a general comprehension of the activities of Banca Lombarda, to collect
  information about the IT, accounting and reporting system supporting the Social
  Responsibility Report and in order to analyze processes and procedures supporting
  the data collection, aggregation, processing and transmission from the operational units and
  offices to the function responsible for the Social Responsibility Report preparation.
- Analytical procedures and sample examination of the documents supporting the Social
  Responsibility Report preparation, in order to confirm the reliability of the information
  acquired through the interviews, the effectiveness of the processes in progress, their
  compliance to the described objectives and the effectiveness of the internal control
  system verifying the correct data and information management.

- Analysis on the completeness and consistency of the qualitative information reported in
  the Social Responsibility Report. In performing this activity we referred to:
  - the guidelines we mentioned above;
  - the criteria developed by the Bank to interpret and integrate the above guidelines;
  - a Benchmark analysis regarding the Report issued by similar banks operating in the
    same sector of Banca Lombarda S.p.A.

- Obtaining a representation letter, signed by the legal representative of the Bank,
  regarding the reliability and completeness of the Social Responsibility Report and its
  information and data.

3. In our review, with regard to the quantitative economic and financial data and information
   derived from the consolidated financial statements of the Bank for the year ended December 31,
   2003, we referred to the auditor’s report on the consolidated financial statements issued by us on

4. Based on our review procedures, reported in paragraph 2 of this report, we are not aware of any
   material modifications or additions that should be made to the enclosed Social Responsibility
   Report for the year ended December 31, 2003, for it to be in conformity with the guidelines and
   criteria used for the preparation of the Social Responsibility Report and set forth in the Social
   Responsibility Report’s paragraph “Methodology”. Furthermore, the qualitative information
   contained in the Social Responsibility Report appears consistent and in accordance with the
   requirements and recommendations of the guidelines and the criteria adopted for the issuance of
   the Social Responsibility Report.

DELOITTE & TOUCHE S.p.A.

Signed by
Riccardo Motta
Partner

Milan, Italy
November 11, 2004

This report has been translated into the English language solely for the convenience of
international readers.
INVITATION TO OPEN A DEBATE ON THE SOCIAL RESPONSIBILITY REPORT

Dear Reader,

With a view to constant improvement so that we can prepare a document that responds more and more to your expectations and needs, we would kindly ask you to dedicate a little bit of your time to fill in this short questionnaire. You can send it in by mail, fax or electronically by going to our website (www.bancalombarda.it).
The back of the questionnaire provides all of the details needed to send it off.
Thank you in advance for your precious collaboration and for the time that you have chosen to devote to us.

Which category of stakeholder do you belong to?

Human resources ○ Stockholder ○ Customers ○ Supplier ○ Community ○ Institution ○ Other (specify) ○

How would you evaluate the following aspects of the Social Responsibility Report?
(1 = poor; 2 = adequate; 3 = good; 4 = excellent)

Structure ○
Explanations ○
Completeness of information ○
Graphics ○
Overall assessment ○

In your view, which was the best chapter overall?

Have you found out anything about our Group, thanks to the Social Responsibility Report, that you did not know before?

 ○ No ○ Yes, namely:

Observations, comments, suggestions and requests for further explanation


Thank you very much for your time and help. You should send in your questionnaire to one of the following:

- **Banca Lombarda**  
  Social Responsibility Report  
  Via Cefalonia, 62 - 25175 Brescia  
  Fax: 030 2473699  
  [www.bancalombarda.it](http://www.bancalombarda.it)  
  (see the section entitled “Investitori - dati di bilancio”)

For information on the Social Responsibility Report:  
Tel.: 800998199  
e-mail: bilancio.sociale@bancalombarda.it