



**MONTE
DEI PASCHI
DI SIENA**
BANCA DAL 1472



Sustainable Procurement at Gruppo Montepaschi: delivering Efficiency, delivering Value.

Luca Guzzabocca
Procurement, Logistics, Health&Safety, Security and Environmental Management
Gruppo Montepaschi

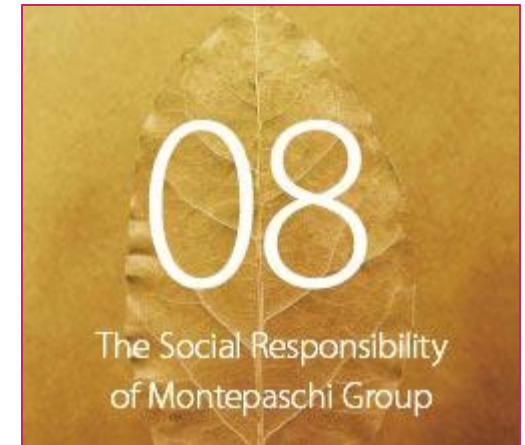
Politeia - Milano, 26/02/2010



The “Value for money” sourcing of products and services taking into account environmental, social and ethical aspects over the whole product or service lifecycle.



- Alignment with our Customers
- Integration of our Supply Chain
- Meeting our sustainability agenda:
 - code of conduct compliance
 - delivering our green and social commitment
 - achieving our environmental objectives



HOW WE ADDRESS SUSTAINABLE PROCUREMENT



Policies, Governance and Compliance

- Policy Development
- Internal KPIs
- Reporting
- Internal and External Communication
- Stakeholders engagement
- Programme Management



Strategic Sourcing

- Green Sourcing Strategy
- Green Evaluation Criteria
- Supply Market Intelligence and Opportunity Assessment
- Product and Service Design
- TCO with sustainability



Transactional Procurement

- Green Content
- Green and Social Vendor Rating
- Contract Management



Supplier Management

- Supplier Communication
- Supplier CSR assessment and scoring
- Green and Social KPIs's and tracking
- Quality management
- Innovation

Process and Strategy

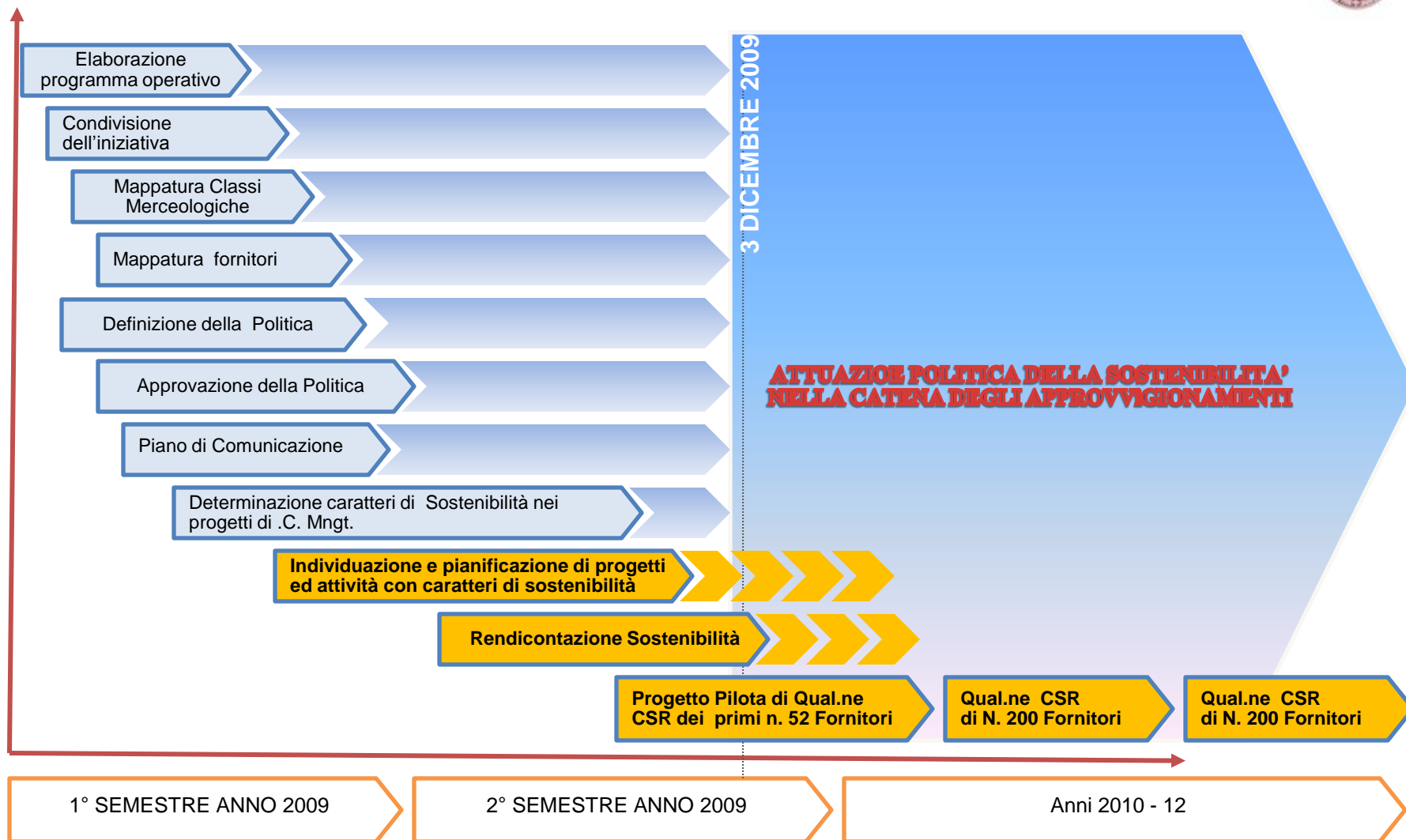


- a better risks management
- contribute to local economic development
- reduce the Total Cost of Ownership of products and services
- improve our environmental and social performance
- enhance our brand recognition and reputation
- stimulate sustainable sector growth and products/services development
- reinforce business ethics
- improve relationships with suppliers




- Lead by example, understand the business case for sustainable procurement (each business is unique, sustainability issues are not necessarily the same, etc)
- Set clear priorities (analyse the supply chain spend, analyse specific sustainability priorities, etc)
- Raise the bar (work with suppliers, develop action plans, encourage SMEs, etc)
- Build capacity (awareness for senior people, training for procurement professionals staff and suppliers, etc)
- Remove barriers (budgets and planning, knowledge, etc)
- Capture opportunities (benchmarking, knowledge sharing, Innovation, etc)

SUSTAINABLE PROCUREMENT IMPLEMENTATION PLAN





Sustainable Procurement Policy



POLITICA SULLA SOSTENIBILITÀ NELLA CATENA DEGLI APPROVVIGIONAMENTI DEL GRUPPO MONTEPASCHI

PREMESSA

In coerenza con il proprio Codice Etico, il Gruppo Montepaschi ritiene che la sostenibilità sia una dimensione fondamentale nella gestione della catena degli approvvigionamenti.

Per il Gruppo, gestire la catena degli approvvigionamenti in modo sostenibile significa acquistare prodotti e servizi a condizioni economiche competitive, assicurandosi che nei relativi cicli di vita siano minimizzati gli Impatti ambientali, e sia evitata ogni inosservanza da parte dei fornitori dei principi di responsabilità sociale d'impresa, con particolare riguardo per il rispetto dei diritti umani e dei lavoratori e la prevenzione di ogni forma di corruzione e conflitto di interessi.

Significa altresì coinvolgere i fornitori nel raggiungimento di performance economiche durature in un'ottica di reciproca crescita, instaurando con essi rapporti commerciali corretti e trasparenti. Il Gruppo Montepaschi è consapevole che il significativo volume degli acquisti, dei servizi e della logistica rappresenta un importante contributo al miglioramento, che può svolgere la propria catena degli approvvigionamenti, alla sostenibilità ambientale, sociale ed economica.

Significa infine migliorare complessivamente il "brand Identity" del Gruppo, tenuto conto della sempre maggiore attenzione che la collettività ripone alle credenziali etiche, sociali ed ambientali dei prodotti e dei servizi offerti dal mercato finanziario e dalle banche in particolare.

SCOPO E CAMPO DI APPLICAZIONE

La Politica indica i principi ed i criteri gestionali che il Gruppo Montepaschi si Impegna a seguire nei rapporti con tutti i fornitori e nell'acquisto di tutti i prodotti e servizi di supporto alle proprie attività in Italia.

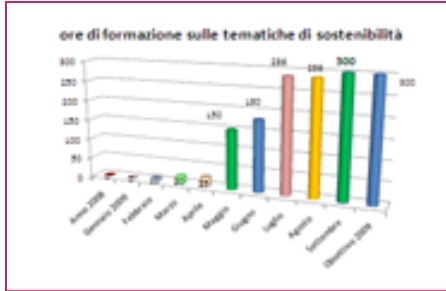
OBIETTIVI

Gli obiettivi che il Gruppo Montepaschi persegue attraverso l'attuazione della presente Politica sono:

1. identificare opportunità per minimizzare gli Impatti ambientali e sociali nella catena degli approvvigionamenti;
2. contribuire a ridurre i rischi operativi, di compliance ed i conseguenti impatti reputazionali;
3. migliorare la gestione dei costi connessi ai processi di acquisto e agli aspetti logistici;
4. favorire la crescita dei fornitori, stimolando l'innovazione di prodotti e processi sostenibili.

GRUPPOMONTEPASCHI PAG. 1 di 3

Key Performance Indicators



CSR Supplier Scorecard

MONTE DEI PASCHI DI SIENA

Board Valutazione

Panoramica | Analisi | Report

LISTA FORNITORI

Nome Fornitore	Score
ASSOC SERVICES ITALIA	6
ALPHA INFIANTI S.R.L.	6
ARFIDE SOCIETA DI SER.	4
Atiba	5
ARM ENGINEERING S.P.A.	4
BASSILICH S.P.A.	5
BATTISTOLU C.S. SPA	-
C.V.A. S.P.A.	-
Canon	-
CEVED GROUP S.P.A.	3
CONSORZIO BENA CONTRACT	4

PANORAMICA PORTAFOGLIO

INFORMAZIONI

12/2009 Date set for 'apartheid' class action THOUSANDS in the Eastern Cape have come forward as complainants in a multi-billion dollar class action lawsuit against some of South Africa's top international firms. The firms, which include Mercedes-Benz (Daimler), IBM, General Motors and Ford, will be taken to task for their alleged role in aiding the apartheid regime. <http://www.dipston.co.za/article.aspx?id=34225>

INDICATORI CAMPAGNA

Fornitori	#	%
In applicazione	52	100%
Nel processo	29	56%
Respianto	1	2%
Segnalato	22	42%

CSR INDICATORI PERFORMANCE

Fornitori	#	%
In applicazione	23	100%
Formal code of business ethics	8	34%
No reporting on health & safety indicators	4	17%
ISO 14001 certified (at least one operational site)	8	34%

Action Plan

Titolo individuale della iniziativa	Re f.	ATTIVITA'	Fornitori coinvolti	elemento sostenibile	unità di misura	ANNO 2009					
						1°°trim	2°°trim	3°°trim	4°°trim.	totale	
Efficienza Energetica	85	Revisione e sostituzione imp. cdz locali CED Siena- V. Ricasoli nc. 48	MCQUAY + 10% automazione 2010	energia	tep		61,80	92,70	92,70		247,20
				kenergia elettrica	€.		44.980,00	67.470,00	67.470,00		179.920,00
				energia elettrica	Kwh		260.000,00	390.000,00	390.000,00		1.040.000,00
				CO2	t		134,00	201,00	201,00		536,00
	86	Impianto di illuminazione a sensori di presenza "Fabbr. 3" del complesso di Siena A. Moro	in attesa di informazioni da Fineschi	energia elettrica	Kwh			4.200,00	12.600,00		16.800,00
				kenergia elettrica	€.			730,00	2.190,00		2.920,00
				energia	tep			0,95	2,85		3,80
				CO2	t			2,09	6,27		8,36
	89	Spegnimento delle insegne luminose delle filiali	VARI	CO2	t			2,08	6,24		8,32
				kenergia elettrica	€.			720,00	2.160,00		2.880,00
				energia elettrica	Kwh			4.150	12.450		16.600
				energia	tep			0,95	2,85		3,80

KEY ACHIEVEMENTS TO DATE (1)



- Organisation:** Establishment of a new role within the Group parent entity to manage all aspects related to Sustainable Supply Chain Management. Inclusion of three dedicated resources.
- Training and awareness** of all Procurement and Logistics staff to promote the right culture and know-how: through internal and external sessions and active coaching (418 hours overall)
- Internal Communication:** engagement of Group stakeholders through events and meetings (288 hours overall), internal newsletters and portals (creation of a dedicated Sharepoint site)
- External Communication:** organization of dedicated events and meeting with the supplier population to create awareness of the new Group policy
- Process Improvement:**
 - Vendor Rating process:** The vendor selection process is being extended by indentifying and applying new exclusion and evaluation criteria that map environmental and social instances as defined by the Group policy. The new approach take into consideration the complete lifecycle of product or services (production, utilization and disposal) including the supplier's own supply chain. As a testbed for the new process a CSR qualification project over the Group's 50 top suppliers has been executed in 2009 with a plan to cover 650 by 2012.
 - Product/Service Selection process:** The new standard selection approach combines sustainability requirements with economic, technical, quality and innovation criteria. In that context, specific critical requirements for each product category have been identified.
- Tools:** rollout of web applications for sourcing, vendor CSR qualification and information sharing .
- Contracts:** development of contract standards to capture sustainability requirements with a fair and mutual responsibility approach towards suppliers
- Market Analysis** to identify the best "value for money" propositions that can improve the balance between sustainability and Total Cost of Ownership of goods and services.
- Continuous Improvement:** implementation of a KPI framework and a control process to monitor supplier performance regarding sustainability and identify opportunities for improvement
- Research:** The Group joins many local and international institutions to cross-fertilise it's own CSR activities over the Supply Chain with similar initiatives and improve the overall knowledge of the dedicated staff

KEY ACHIEVEMENTS TO DATE (2)



- the overall expense for “Green Products and Services” is around € 51.100.000 (6% of all purchasing).
- additionally as a direct consequence of introduction of CSR concepts the group has been able to achieve savings of € 12.800.000 in 2009.

Some “green examples” by category:

▪ **Energy:**

- The vast majority of the Group electric power is now coming from renewable sources (98%).
- Energy consumption criteria are standard in ICT products selection.
- Started progressive replacement of Desktop and Servers with low power equivalent units
- Experimentation on thin client and low cost desktop PCs to replace standard user workstations
- external lighting signs with selective turn-off over night

▪ **Printing:**

- Adoption of FSC paper instead of ordinary paper for printers (96% of purchasing).
- Roll on all Group entities of toner regeneration process (71% of purchasing)
- Rollout of printing policy and optimisation of print devices (removal of 1000 obsolete printers and substitution of another 1000 with low-power multi function devices).

▪ **Office products and printed materials:**

- The majority of orders are now restricted to a green catalog of products (46% of purchasing)
- **Tickets for restaurant:** 2.000.000 pieces are from a manufacturing cycle FSC certified , and 26% of paper saved
- **Toilette products:** replacing paper towels with cotton towels saved 198.000kg of paper annually
- **Cash transport service:** 1,75 t. Co2 reduction due to routes cutting



- We buy approx € 1.4bn of products and services
- We have a suppliers base of 20.000+ companies (most part are SMEs)
- We have challenging targets for sustainability
- Stakeholders engagement is key to our approach
- Customers, Gruppo Montepaschi and supply chain alignment
- Leading ethical and green financial institution



**MONTE
DEI PASCHI
DI SIENA**
BANCA DAL 1472

Thanks for your kind attention!

www.mps.it