

SACE PUBLISHES ITS 2013 SUSTAINABILITY REPORT AND EARNS ITS FIRST ASSURANCE CERTIFICATE

Rome/Sesto San Giovanni, 23 October 2014 – SACE has published its 2013 Sustainability balance sheet and earned an assurance certificate from TÜV Italia, independent body of the international TÜV SÜD group.

The report, prepared by SACE following the international guidelines for the Global Reporting Initiative (GRI)*, is the first to earn an assurance certificate from a third-party specialized entity. Following a detailed audit, which in three separate stages from March to July 2014 included document examinations, interviews with personnel, and analysis of the results with some of the interested parties, TÜV Italia assigned a GRI level B+ (medium) to SACE's Social Balance Sheet.

In officially receiving the report with the audit results, Paolo Cerino, CSR Manager of SACE, stated: “The market demands ethical, verifiable conduct from all businesses: this is why our 2013 Sustainability Report is based on formal reporting criteria and has been audited by a qualified assurance provider like TÜV Italia. Six years since the creation of a Corporate Social Responsibility office within our group, we are convinced that our activity in the area of sustainability is in line with international best practices, but we still cannot content ourselves with our accomplishments and must seek further improvement.”

“The Sustainability Report is a strong sign of commitment and transparency toward stakeholders,” explained Stefano Bolletta, Head of Business Development-Management Services of TÜV Italia. “Its publication, supported by the reassurance that the collection and processing of the information contained in it is truthful and verified internally and externally, brings SACE into the group of companies that most clearly supplement their business principles with those of social responsibility. Not many companies in Italy prepare a sustainability report yet, and even fewer submit it to an outside audit, thus remaining at a level of self-declaration potentially risky for its reputation.”

Principal 2013 results

The evidence contained in the SACE Sustainability Report indicates a generally positive situation with respect to the various stakeholders, with a few areas for improvement: an intense activity in support of the internationalization of Italian companies and economy; a sharp focus on its personnel; a growing commitment to social-environmental responsibility.

Support to company internationalization

In 2013 SACE insured over € 4.8 billion in exports, facilitating 766 transactions in foreign markets; it guaranteed loans and insured investments abroad for € 2 billion (85% in favor of SMEs), 11% more than the € 1.8 billion the previous year.

The portfolio of initiatives, increased five-fold in ten years, was equal to € 72 billion, with a sharp focus on emerging markets, where without SACE the internationalization of Italian companies would have been challenging.

The financial value distributed by the group, i.e. the wealth produced by SACE and distributed to its client companies, was equal to € 1.1 billion**.

Focus on personnel

The 2013 report shows the results of a long-term strategy that in ten years has seen SACE invest in the selection of qualified young individuals and in their development within the company: of the current staff of 717 (95% of them permanent employees), 65% have university degrees and 69% are younger than 45; SACE has also

SACE offers export credit, credit assurance, foreign investment protection services, financial guarantees, sureties and factoring. With operations worth €70 billion assured in 189 countries, the SACE Group supports the competitiveness of Italian and foreign businesses, guaranteeing more stable cash flows and transforming enterprise insolvency risks into development opportunities.

developed cultural-linguistic integration and technical cooperation programs with partners worldwide; in 2013 it provided over 20,000 hours of training internally, 2,400 of them through the Training & Advisory unit.

SACE bases its human resource management on the US-UK model, linking compensation to performance: the variable portion of total compensation is currently between 20% and 50%, increasing with seniority.

It also emphasizes diversity, particularly the role of women, who represent 53% of personnel and 33% of the management team (figures above the national average); the salary gap between men and women is nonexistent for supervisors and functionaries, while it is still visible among office staff (14%) and more marked among managers (due to the absence of women in second-tier management positions).

There was a major emphasis in 2013 on engagement initiatives, from participation in the activities of non-profit associations to blood donations: SACE donated 107 units in 2013.

Social and environmental responsibility

SACE has integrated the assessment of environmental impact into its due diligence activity for both export credit (applying the Common Approaches of the OECD) and for other categories (on a voluntary basis, going beyond the obligations prescribed by international law). SACE examines twice as many projects as it would be obliged to consider. In 2013, 85% of the initiatives assessed presented negligible environmental risk.

Internally, it has adopted eco-friendly policies such as Mobility Management to optimize commuting requirements, favoring low-environmental impact solutions and the use of recycled paper: this has resulted in a 25,000 kg reduction in CO₂ emissions into the air.

Methodological notes

***The Global Reporting Initiative (GRI)** is a multi-stakeholder initiative promoted by the non-governmental organization Ceres (www.ceres.org). Since 1997, GRI has been involving environmental organizations, professionals, institutional investors, labor unions, religious organizations, companies, consulting firms and UNEP (UN) reviewers to develop qualitative-quantitative economic, social and environmental indicators to formulate and disseminate shared procedures for sustainability reporting. The GRI guidelines thus enable those that adopt them to provide a detailed panorama on social responsibility to all stakeholders, following the highest criteria of transparency and completeness of information.

The SACE 2013 Sustainability Report was prepared following the *Global Reporting Initiative* guidelines with the Financial Services supplement. To ensure the transparency, accuracy and materiality analysis of the topics in respect of the stakeholders, we employed not only the GRI G.3 guidelines but also the G.4s and the ISO 26000 Guidelines on the Social Responsibility of Organizations.

Value added, i.e. the wealth produced by the company and distributed to its stakeholders, is an important measure of the economic impact of a company on the community. **Distributed economic value considers revenues, operating costs, employee compensation, donations, and other investments in the community, retained earnings, and payments to capital providers and the public administration.