As a bank, we believe in the importance of publishing the gender report as a way of supporting transparency in the industry and tackling the issue of gender equality. We believe that this is a key step towards making improvements to close the gender pay gap.

Starting last year, we now publish an annual gender pay gap report, including our figures and information on the initiatives we are undertaking.

In September, we signed the Women in Finance Charter, pledging our full support to help improve gender diversity in the financial services sector – both in the UK and worldwide. In line with this, we have committed to a target of having 20% (+/-1%) of all Senior Leadership roles (Executive Vice Presidents and above) occupied by women by 2022.

**OUR HEADLINE FIGURES**

Our headline gender pay gap figures for the three UniCredit UK legal entities are 37.1% on a mean basis and 42.1% on a median basis (a glossary on page 7 helps explain these terms).

We are, however, confident that our gender pay gap is not driven by pay inequality but is a consequence of the structure of our workforce, with fewer women in senior leadership roles and a higher proportion of women relative to men in more junior, and therefore lower-paid, positions. Our Group Compensation Policy ensures that we take a gender-neutral approach to both compensation and benefits.

One year on from the publication of the first gender pay gap reports in the UK, it is excellent to see the significantly increased attention paid to gender balance in the financial industry and beyond.

**At UniCredit, gender balance is a priority.** We are committed to closing the gender pay gap and have several actions in place to address this, as we are conscious of the fact that we still have a long way to go.

UniCredit is enriched by its diverse workforce and is committed to creating an inclusive environment where our people thrive both personally and professionally and add value to our business.

We confirm that all the data in this report is accurate and in line with government regulations.
UniCredit’s Gender Pay Gap

The gender pay gap figures below relate to information taken on the snapshot date of 5 April 2018 and cover the three UniCredit UK legal entities.

**OUR OVERALL GENDER PAY GAP**

*Figure 1* shows UniCredit’s mean and median gender pay gap based on hourly pay rates, and the mean and median difference between bonuses paid to men and women for the 2017/18 performance year.

Our overall gender pay gap at UniCredit is 37.1% on a mean basis and 42.1% on a median basis. Our figures reflect the fact that we have fewer women in senior, higher paid roles. This also influences our bonus pay gap of 64.00%, as higher-paid roles carry higher bonus opportunities.

*Figure 2* shows the proportion of male and female colleagues that have received a bonus payment. Compared to 2017 (83.9%), there has been an increase in the proportion of women receiving bonus in 2018 (94.8%).

*Figure 3* represents the proportion of male and female employees in each pay quartile. The results demonstrate a similar proportion of women (45.8%) and men (54.2%) in the lower pay quartile, and a higher proportion of men (78.5% and 88.5%) than women (21.5% and 11.5%) in the third and top quartiles respectively.

The **gender pay gap** is the difference between the average hourly pay of all men and the average hourly pay of all women across an organisation, regardless of role. It is expressed as a percentage of men’s earnings.

We are confident that UniCredit’s gender pay gap is not an issue of equal pay. It is a consequence of our demographic profile (i.e. the structure of our workforce) and is affected by two key factors:

- The higher proportion of men in the most senior roles;
- The higher proportion of women with reduced working hours and the pro-rata bonus reflecting the number of hours effectively worked.

**Equal pay** ensures that men and women who perform equal work, at the same level, and with similar performance receive equal pay. The UK government legislation deals with the gender pay gap and not equal pay.

As a pan-European bank, UniCredit is proud of, and greatly enriched by, the diversity of its people. We fully recognise the importance of diversity and inclusion for innovation and sustainable returns, proactively harnessing different viewpoints and experiences to drive new ideas. Our commitment to diversity and gender balance stretches across all levels of our organisation to ensure a positive working environment based on ethics and respect for all our employees.

"Ayse Ozpirincci
Global Head of Diversity and Inclusion"
In the UK, we have three legal entities. This report describes the aggregated result for our entire UK presence, as the initiatives we have in place are applicable to all our UK entities. Our legal obligation, however, is only to publish the figures for UniCredit Bank AG London branch (as this is the only entity with more than 250 employees in the UK). The isolated figures for UniCredit Bank AG London branch are presented on this page.

### Overall gender pay gap

<table>
<thead>
<tr>
<th>Year</th>
<th>Hourly Pay Gap</th>
<th>Bonus Pay Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MEAN</td>
<td>MEDIAN</td>
</tr>
<tr>
<td>2017</td>
<td>41.3%</td>
<td>51.9%</td>
</tr>
<tr>
<td>2018</td>
<td>38.5%</td>
<td>48.4%</td>
</tr>
</tbody>
</table>

### Proportion of employees receiving a bonus

- **83%** Male
- **94.4%** Female

### Gender profile by pay quartiles

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest hourly rate</td>
<td>46.1%</td>
<td>53.9%</td>
</tr>
<tr>
<td>Highest hourly rate</td>
<td>90.2%</td>
<td>9.8%</td>
</tr>
</tbody>
</table>

The presence of the gender pay gap, magnified across the financial industry shows the scale of the challenge we face. Gender balance is a priority for our bank and we continue to pursue our ambition of building a diverse and inclusive workplace that reflects both our culture and society as a whole. In particular, we are working to create an environment in which all employees can fully express themselves and their talents, skills and experience are valued.

As a head of a growing team within Markets, and a member of the Corporate & Investment Banking Diversity & Inclusion Council, my four years at UniCredit have been challenging, exciting and hugely rewarding.

Being a mother to two young boys, it is of paramount importance to me to work for a company that respects and encourages a healthy work-life balance. In addition, the opportunity to work within an inclusive, culturally-diverse environment has allowed me to evolve as an individual and a leader, and to successfully shape our business to the changing needs of our clients.

### Sophie Sanadi

Head of Rates Sales UK
How UniCredit is tackling the Gender Pay Gap

Our gender pay gap is caused mainly by the demographic profile of our workforce and not the consequence of having an equal pay issue. Nevertheless, we have a long road ahead towards closing the gender pay gap and we are taking a number of different actions to address this.

We embarked on this journey in 2009 by signing the Joint Declaration on “Equal Opportunities and Non Discrimination”, reiterating the strategic importance of creating a culture of inclusion, valuing differences at all levels of the organisation.

In 2011, we launched the Gender Balance Programme and then, in 2013, we released a Global Equality Policy and related monitoring process, the Gender Balance Dashboard.

In 2018, in order to harmonise and steer all initiatives, we appointed a Global Head of Diversity & Inclusion, reporting to the Group Head of HR and established the Diversity & Inclusion Committee, which leads the bank’s strategy in this respect and monitors the initiatives and our progress towards our targets.

The initiatives aimed at closing the gender pay gap include:

1. RECRUITMENT AND TALENT PIPELINE

We aim to recruit and appoint the best person for each role, while also increasing the number of women in senior managerial positions.

- In 2018, we made key female appointments both in the UK and at Group level through external hiring and internal succession planning.
- The same year, with a view to building a strong internal long-term pipeline of female candidates for senior roles, we doubled the number of females in our internship programme while focusing efforts to attract more women for our Graduate intake. To this end, we have partnered with universities – either by joining their career fairs or by organising in-house events with a 50% male-to-female ratio, enabling students to meet professionals in the financial industry and get an insight into our working environment.

2. PROFESSIONAL DEVELOPMENT

We have a number of initiatives that address both gender balance and diversity by supporting the growth of our people and fostering a culture of inclusion:

- We continue to nurture the skills of our female colleagues by providing internal and external coaching, mentoring, meetings with senior management, career rotations and secondments abroad;
- We have launched a brand-new Women in Leadership Programme to empower female executives to set ambitious career goals, develop their personal presence and navigate the organisation effectively;
Having joined the UniCredit London Compliance team in 2014 after a year of maternity leave at another bank, I fully expected that having to balance being a financial crime-fighter by day and mother of two young children by night would see my career plateau for a while. I’m pleased to have been proven wrong: nearly five years and another child later, I have been able to keep my foot firmly on the accelerator.

My role as the UK Head of Financial Crime Compliance and Money Laundering Reporting Officer comes with significant responsibility, which can sometimes prove difficult to manage alongside the unpredictable demands of a young family. I feel I have been provided with the personal and professional support I have needed, and this support, whether shared parental leave or flexible remote working, extends to all mothers and fathers in the bank. There is no denying that being a working parent can be a tough job – but having a company that recognises talent and supports women juggling a career and family helps ease the pressure.

3. REMUNERATION & KPIs

Our Group Compensation Policy ensures that we take a gender-neutral approach to both compensation and benefits. Starting this year, all executives of the Group have a gender pay gap KPI, which cascades down to senior management.

4. WORK – LIFE BALANCE

Among the numerous initiatives that we run at Group level to support work-life balance and the wellness of our staff, in the UK we:

- Have continued to provide My Family Care to support colleagues who have dependents in their care and who face care-for-the-elderly or childcare emergencies. This initiative has been very well received with strong usage for nursery, nanny, childminder, and holiday clubs;
- Provide full screening and diagnostic services for five types of cancer, including for female-only cancers such as breast and gynaecologic cancer, enabling early detection;
- Have redesigned the office space to create a nursing room, offering private space for breast-feeding and expressing mothers, with the aim of easing the return to work for female employees.

5. STRATEGIC PARTNERSHIPS

With the signing of the Women in Finance Charter in June 2018, we committed to publicly support the work towards a more balanced and fair industry, promoting the progression of women in senior roles in partnership with HM Treasury. The target we have set is to fill 20% (+/-1%) of our Senior Leadership roles (Executive Vice Presidents and above) with female candidates by 2022.

At Group level, we are now participating with the United Nations LGBTI Standards of Conduct for Business, tackling discrimination against Lesbian, Gay, Bi, Trans & Intersex People.

More info on our Diversity & Inclusion initiatives can be found here.

We firmly believe that a diversified workforce can bring together many different perspectives to foster innovation, leading to greater professional development opportunities. A diverse and inclusive organisation drives people engagement and better business outcomes.
Gender Pay – A Glossary

Pay means the gross hourly pay received during the pay period in which 5 April falls.

Bonus pay is the gross bonus received during the 12 months prior to 5 April.

Mean gender pay gap is the difference between the average hourly pay of men and women. This is often expressed as a percentage to give the gender pay gap in hourly pay as a percentage of men’s pay.

Median gender pay gap is the difference between the median hourly pay rates of men and women. This is often expressed as a percentage to give the median gender pay gap in hourly pay as a percentage of men’s pay.

Mean v. median
The mean and the median are different types of average. The ‘mean’ or ‘average’ is calculated by adding up all the hourly earnings or bonuses for the relevant employees and dividing this by the number of relevant employees.

The median is the middle point in the range of hourly earnings or bonuses, in which half the numbers are above the median and half are below. It is found by taking all the hourly earnings or bonus amounts in the sample, lining them up in numerical order from highest to lowest, and then finding the middle number in the list.

Pay quartiles show the proportion of men and women in each pay band category which is split into four equal parts, i.e. ‘quartiles’. This calculation looks at the hourly rates for male and female full-pay relevant employees, ranked from the highest to lowest and divided into four equal parts (known as “quartiles”) to show the respective proportion.

Demographic profile is the representation of males and females within grades across an organisation.

Equal pay is ensuring men and women are paid the same for work of equal value (set out in the Equality Act 2010).

Overall gender pay gap is defined as the difference between the average male salary and the average female salary, expressed as a proportion of the average male salary.

Find the 2018 report here.
UniCredit London

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Diversity and Inclusion