

**EUROPEAN WORKS COUNCIL**



**AGREEMENT**

**between**

**UNICREDIT**

**and**

**UNICREDIT GROUP EMPLOYEES**

**represented by the Special Negotiating Body,**

**which members were appointed or elected according to National Laws of the States bound  
by Directive 94/45/EC**

**on the establishment of the  
UniCredit Group European Works Council**

**with the assistance as experts of**

**UNI Europa Finance**

**the Chairman of the Banking Committee for European Social Affairs of the EBF**

**and**

**the Italian Banking Association (ABI)**

**PREAMBLE**

On November 18th, 2005 ("Day One"), the current UniCredit Group was born by the merger of UniCredito Italiano Group with HVB Group, creating "The First Truly European Bank", distinctive in its presence at both a European level and locally throughout Europe.

UniCredit and the Employee Representatives agree on the importance of improving the right of authentic information and consultation of UniCredit Employees at European level, building a distinctive UniCredit culture and, for this purpose, on the relevance of establishing a European Works Council of UniCredit Group (UEWC), based on the provisions of art. 6 of EC Directive 94/45 of 22.9.1994, as well as on Italian Legislative Decree no. 74 of 2.4.2002, the national legislation applicable to the parent company.

The European Works Council of UniCredit Group shall be established and in a manner consistent with the culture, principles and values of Corporate Social Responsibility in which the UniCredit has always believed and invested.

In particular:

UniCredit recognizes the “Integrity Charter” and its values as a foundational element - which serves to orient and guide working activities and to which Employees can refer - and shares, together with the Employee Representatives, the principles that are expressed in the Joint Statement on Corporate Social Responsibility signed, in May 2005, by the BCESA, European Savings Banks Group, European Association of Cooperative Banks and UNI Europa Finance, particularly those on key issues Training and Professional Development, Core Labor Standards, Work-Life Balance and Equal Opportunity.

In this Agreement, UniCredit and the Employee Representatives reaffirm the central role of human resources and the common objective of valuing them as essential and strategic to the development and success of the enterprise. This implies, in particular, real equality in professional development, the availability of continuous training, appropriate criteria for evaluation, quality in Employee work and in working environment and effective prevention and response in the area of health and safety.

UniCredit and the Employee Representatives share the importance of promoting good social practices within the Group compatible with the local social-economic and legal frameworks and the commitment of the social bodies to actively work for the respect of fundamental human and worker’s rights, wherever business activities are carried out, and to work against discrimination based on race, nationality, gender, age, handicap, religion, sexual orientation, political opinion or union affiliation.

UniCredit and the Employee Representatives recognize that enterprises - in pursuit of their legitimate economic objectives and in a global market based on competitiveness and competition - must, first and foremost, seek excellence of performance in terms of the quality and cost of products and services offered.

Lastly, in this context, UniCredit and the Employee Representatives share that fundamental ethical values exist, that these values are to be respected by everyone working within any enterprise at any level, and that, in their activities, those enterprises are to strive for compatible and sustainable development, which requires constant attention to the social and environmental impacts.

#### **Art. 1 Objectives of UEWC**

1. This Agreement is aimed at the creation and improvement of cross-border information and consultation among UniCredit Group Employees in all European Countries covered by the Agreement.
2. Through the establishment of the UEWC, UniCredit and Employees’ Representatives wish to strengthen the European dimension and social cohesion within the Group and to promote a constructive dialogue and exchange of views between Group Management and Employees.
3. UEWC and UniCredit base their dialogue on cooperation and mutual trust.
4. UEWC aims to complement existing labor relations. It doesn’t replace and does respect Employee Representatives’ role at national and local level, whose rights, attributions and prerogatives remain unchanged, be they governed by Law, National Collective Agreements or according to other local practice.
5. For the purposes of this Agreement:
  - “Information” means the transmission by Central Management to UEWC of data on matters which concern the Group as a whole or at least two establishments/Group undertakings situated in different member States and which have a significant impact on Employee interests. Information shall be given in a timely manner and in a manner and with content which enables the Employees’ Representatives to undertake an assessment of the issue, to examine it, to make an in-depth evaluation on the possible effects and to prepare for consultations with Central Management.

- "Consultation" means the dialogue and exchange of opinions between Central Management and the UEWC. Consultation shall take place in a timely manner and in manner and with content which enables the Employee Representatives, on the basis of information provided, to express an opinion on measures undertaken by UniCredit. Such opinion can be taken in consideration by Central Management, which shall, in any event, will provide its justified replies to UEWC.

As part of the consultation process, Central Management and UEWC can issue joint statements on common guidelines on CSR related issues, under the provisions of the following art. 7.2.

#### **Art. 2 Geographic scope**

1. The UEWC represents all Employees of UniCredit Group Companies, where UniCredit controls at least 50% of the shared capital, established in European Union Member States and in other European Countries.
2. Appendix 1 provides detail of the number of Employees in those Companies by Country as of 30.6.2006, constitutes an integral part of this Agreement and is to be updated every year as at December, 31<sup>st</sup>.

#### **Art. 3 Composition of the UEWC**

1. The number of members of UEWC per Country shall be determined on the basis of the number of Employees of the UniCredit Companies in each Country as referred to in the precedent article . In particular:
  - From 20 to 2.500 1 member
  - From 2.501 to 16.000 2 member
  - From 16.001 to 22.000 3 member
  - From 22.001 to 28.000 4 member
  - From 28.001 to 34.000 5 member
  - More than 34.000 6 members
2. Representative offices and units without operational autonomy are excluded
3. The composition will be based on the headcount on 30.06.2006 (Appendix 1).
4. The initial composition is detailed in Appendix 2, which constitutes an integral part of this Agreement.
5. If the structure of UniCredit Group changes such that the composition of the UEWC should be modified in accordance with the manner specified in this article, such changes shall be communicated by Central Management in the first successive meeting with UEWC.
6. Any change to the composition and amendment to Appendix 2 shall be implemented within 3 months of the date on which the UEWC has been officially informed of the increase or decrease referred to above.

#### **Art. 4 Employee Representatives**

1. UEWC members - sitting and deputy - shall be UniCredit Group Employees and shall be appointed in accordance with the provisions of the respective National Laws and Practices. For those Countries where no specific provisions exist, Employees representatives shall be elected by ballot from among Employees of that Country.
2. Without prejudice to the principle above, the processes of appointment of the members will be started and supported by Central Management, with the support of the local offices and the supervision of the Select Committee. The supervision of the first appointment after the establishment will be done by the members of the Special Negotiating Body.

3. The mandate of all members is limited to 4 years. The beginning of the first mandate coincides with the first UEWC Meeting.
4. One deputy shall be appointed for each member. A sitting member shall be replaced by a deputy from the same Country, if the member in office ceases according to point .6, until the new sitting member is appointed, or if she/he is temporarily prevented from participating in the UEWC's activity. The substitutes will remain in office until the end of the sitting members' mandate.
5. Appointments and changes to the membership shall be communicated to the Central Management by each local HR Manager, upon conclusion of the legal/procedural process.
6. The mandate shall automatically terminate if the UEWC member ceases to be a UniCredit Group Employee in the Country for which she/he was appointed, if she/he resigns or if the member's eligibility comes to an end according to national Laws and/or practice.

#### **Art. 5 Select Committee**

1. The UEWC will elect a Select Committee from among its members, comprising 6 Employees' Representatives in addition to the President.
2. The members of the Select Committee must represent at least 4 different countries
3. The Select Committee:
  - shall represent the UEWC's point of contact with the Central Management, receiving information from and communicating with it on behalf of the UEWC.
  - is responsible for practical and logistic matters, such as organization of internal meetings, pre-meetings and follow-up, translation and distribution of documents to members of the UEWC.
  - shall ensure the continuous and timely flow of information to all members of the UEWC between its ordinary and extraordinary meetings.

#### **Art. 6 Management representatives**

1. UniCredit Group shall be represented by HR Central Management.
2. The Central Management shall appoint a permanent contact with the UEWC.
3. According to the specific matters that will be subject of information and consultation, the composition of the Central Management in meetings with UEWC/Select Committee can be properly supplemented.
4. Central Management may be assisted by experts.

#### **Art. 7 Working Groups**

The Select Committee and the Central Management can agree to create joint working groups, for a predetermined period of time, on specific issues.

#### **Art. 8 Subjects**

1. During the course of the ordinary meetings referred to in Article 9, the UEWC shall be informed and consulted about the Group's current business situation and its prospects.
2. Information and consultation shall relate in particular to the following matters, where they affect at least two Countries and as far as the interests of Employees are significantly concerned in the Countries involved:
  - The Group's structure
  - The Group's economic and financial situation
  - Probable development of the business
  - The current situation and probable trend of employment

- Industrial Plans
- Substantial restructurings, organizational changes, mergers and acquisitions
- Transfers of business activities, relocations, outsourcings
- Downsizing or closure of undertakings, subsidiaries or significant parts thereof
- Collective redundancies
- Training, Learning and professional development
- Health and Safety
- Equal opportunities and non-discrimination
- Labor environmental questions

On the following aspects related to Corporate Social Responsibility:

- Training, Learning and professional development
- Health and Safety
- Equal opportunities and non-discrimination
- Labor environmental questions

Central Management and UEWC can issue joint statements on common guidelines.

The implementation of those joint statements will be subject of periodic monitoring between the Central Management and the UEWC.

3. Matters affecting only one Country will remain in the exclusive jurisdiction of the legitimate bodies in this Country according to the national regulations and customs.

#### **Art. 9 Meetings**

1. The UEWC shall meet twice a year normally to coincide with the approval of the "Proposal on Financial Statements and Directors' Report on Operations" and the Group's Half-year Report on the subjects listed in Art. 8.
2. Where the subjects of the meetings are not confidential, documentation regarding the matters referred to in Art. 8 shall be given to the Select Committee in a reasonable time in advance of the meetings.
3. Relevant information on the Group can also be provided by the Central Management to the Select Committee between meetings. Such as, for example, quarterly financial results or, if possible, relevant press releases immediately before they are made public, while respecting legal and market constraints/restrictions.
4. Meetings shall not exceed two days: the first phase shall be dedicated to the UEWC Pre-meeting, the second phase to the CM/UEWC Meeting, the third phase to the UEWC Follow up meeting.
5. Date and Agenda of the meetings shall be agreed between Central Management and Select Committee.
6. After the conclusion of the UEWC/CM meeting the minutes shall be drawn up by the Central Management and agreed with the Select Committee.
7. Meetings shall be normally held in Milan. The Select Committee and the Central Management may agree to hold meetings at another location.

#### **Art. 10 Extraordinary Meetings**

1. Where there are exceptional transnational circumstances, particularly in the event of:
  - New Industrial Plans
  - Transfers and relocations of business activities, outsourcings
  - Restructuring and organizational changes, mergers and acquisitions
  - Downsizing or closure of undertakings, subsidiaries or significant parts thereof

- **Collective redundancies**

UEWC shall have the right to be informed at the earliest possible regarding the interests of UniCredit Group and its Employees. The Select Committee shall have the right to meet, at its request, Central Management, so as to be informed and consulted on measures significantly affecting Employee interests.

2. Extraordinary meetings may be called by Central Management on its initiative or by the request of the SC as stipulated in the previous paragraph of this Agreement.
3. Extraordinary meetings shall be held in a timely manner such as to allow a valid exercise of the right of information and consultation. The total number of plenary ordinary and extraordinary meetings shall not exceed 4 per year.
4. Given the exceptional circumstances, where necessary to complete the process and improve the effectiveness of the consultation, such meetings can be closely followed by a second round of consultation between Central Management and the Select Committee.
5. In the case of meetings between Central Management and the Select Committee, those members of the UEWC representing Countries that are directly concerned by the measures in question can also participate. Where there are extraordinary events affecting the Group as a whole, meetings shall be arranged to include the participation of all UEWC members.
6. Meetings and contacts between Central Management and Select Committee will also take place making use of all the instruments that enable to satisfy the needs of timeliness and efficiency (e.g.: videoconference, conference-call, e-mail).

#### **Art. 11 Languages and interpretation**

1. Meetings shall be held in English, the Group's language.
2. Italian shall be the official language for documents, as the UEWC is subject to Italian Law.
3. During meetings mentioned in the art. 9 and 10, UniCredit will provide interpreting facilities for English, Italian, German and Polish. Interpreting services related to particular needs will be agreed.
4. Relevant information and minutes of the meetings with Central Management will be translated into the abovementioned languages. If necessary, translation into local languages will be made through the local HR departments.

#### **Art. 12 Experts**

1. The UEWC may be assisted by experts of its choosing, in so far as this is necessary for the fulfillment its tasks. The number of participants as experts of the meetings shall be subject to the agreement between Central Management and Select Committee.
2. UniCredit will cover the expenses of traveling, accommodation and meals for the participation of two Experts, including UNI - Finance one, in accordance with art. 18 of this Agreement.

#### **Art. 13 Information to UniCredit Group Employees**

UEWC members and the Select Committee shall have the principal task of informing staff representatives, or in their absence the Employees, on the activities of the UEWC and on the results of any discussions with the Central Management. This shall be done in accordance with national practice and custom and without revealing any information declared to be confidential.

#### **Art. 14 Rules of procedure**

1. The UEWC shall draw up rules of procedure which shall regulate its affairs and functioning consistent with the content of this agreement, that will remain an internal document.

2. Internal decisions require a simple majority of votes. Each member shall have as many votes as the number of Employees in the Country he/she represents.

#### **Art. 15 Training support**

1. UniCredit believes in the importance of training as a strategic instrument for people and Company development.
2. According to the specific tasks of UEWC members, specific training courses can be arranged jointly by the Central Management and Employee Representatives, mainly related to:
  - English, as Group's Language
  - Industrial Relations and Labor Law
  - Understanding of financial information and business processes
3. For the purpose of facilitating the sharing of the aim and the legal framework, a workshop for UEWC members will be arranged at the beginning of each mandate.

#### **Art. 16 Confidential information**

1. UniCredit is not obliged to transmit information when its nature is such that, according to objective criteria, it would seriously harm the functioning of the Group Companies concerned or would be prejudicial to them or Market sensitive.
2. UEWC Members and any expert assisting them are not authorized to reveal any information which has expressly been provided to them in confidence.
3. In the event of disputes or violations, art. 11 and 17 of Legislative Decree no. 74 of 2 April 2002 will apply.

#### **Art. 17 Protection**

1. In the execution of their duties, the Employees' Representatives within UEWC shall enjoy the same protection and guarantees provided for Employees' Representatives by the national legislation and/or practice in effect in their Country of employment.
2. No member or deputy shall in any form be advantaged or discriminated as a result of the participation in the activity of the UEWC. In particular, they shall not be dismissed or transferred due to their membership on UEWC.

#### **Art. 18 Financial and other resources available to the UEWC**

1. UniCredit will bear the expenses directly related to the fulfillment of the UEWC's duties.
2. In particular, referring to ordinary and extraordinary meetings with Central Management, UniCredit shall provide organization, interpreting services as set forth in article 11 and accommodation for the members. Travel costs shall be borne by the Company to which the member belongs. The expenses for the experts, referred to in art. 12.2, will be borne by UniCredit.
3. During the time necessary for the UEWC Member to attend the meetings and to fulfill his/her main duty of informing respective Country Employee Representatives or, in their absence, Employees according to art. 13, wages shall continue to be paid by the Company to which the UEWC Member belongs.
4. A location has been made available in Milan with appropriate facilities to serve as UEWC headquarters.
5. In order to fulfill its tasks, the Select Committee will get the reimbursement of the related expenses by UniCredit. At the beginning of each year, Central Management and the Select Committee will agree on the estimated total expenses. Where there are

extraordinary needs the abovementioned parties can meet to evaluate possible adjustments to the expenses forecast.

#### Art. 19 Duration of this Agreement

1. This agreement shall become effective as of today's date and will remain valid for 4 years. It will be automatically renewed if not expressly terminated by Central Management or UEWC by giving 6 months written notice. UEWC shall be required to give notice of its intent to terminate this Agreement by means of a written request, signed by members that, together, represent at least 2/3 of UniCredit Group Employees in States affected by this agreement. In the event of termination, this agreement shall remain in effect until a new agreement has been reached. In such case, the parties hereby agree to enter into negotiations in order to achieve a new agreement.
2. Necessary amendments to the agreement, including those resulting from changes in the relevant legislation, may be made at any time by mutual agreement of the parties without pronouncement of termination.
3. Without prejudice to the principle above, the Central Management and the UEWC can meet 24 months after the signing of the present Agreement, to evaluate possible integrations to the subjects of the joint declarations on common guidelines.
4. In the event that any specific/individual provision or the appendices become null and void, this will not affect the validity of the agreement as a whole. Any provision so declared shall be considered outside this agreement and its appendices and may be amended without affecting the integrity of the remaining clauses.

#### Art. 20 Disputes

1. In the event of any dispute regarding the content and/or interpretation of the provisions of this Agreement, the parties shall make all reasonable efforts in good faith to achieve an amicable settlement. Where this is not possible, a process of arbitration shall be entered into.
2. This text is signed in both Italian and English version. The Italian version of this Agreement shall prevail in the event of any dispute, as this UEWC is subject to Italian Law.
3. The Court of Milan shall have exclusive jurisdiction.

Milan, January 26<sup>th</sup> 2007

A collection of handwritten signatures in blue and black ink, arranged horizontally across the page. The signatures are stylized and vary in length and complexity. Some are written in blue ink, while others are in black. The signatures appear to be from multiple individuals, likely representing the parties to the agreement.



SPECIAL NEGOTIATING BODY

- Austria Wolfgang Heinzl
- Czech Republic Eva Mikulikova
- Estonia Eva Kaarli
- France Olivier Turpin
- Germany Peter König
- Germany Karl-Heinz Sprengling
- Greece Elena Tsoumba
- Hungary Zoltan Kmetty
- Ireland Suzanne O'Neill
- Italy Andrea Bonansea
- Italy Ezio Massoglio
- Latvia Inga Tenisa
- Lithuania Rasa Bertasiene
- Luxembourg Klaus Peter Prinz
- Poland Barbara Gawron
- Poland Adam Ehrenfeld
- Slovakia Peter Horny
- Slovenia Klemen Ahac
- United Kingdom Audrey McNair

*Gary Lunn*  
*Max v. Basse*

CENTRAL MANAGEMENT

- Rino Piazzolla
- Marco Verrieri
- Silvia Cassano
- Heinz Laber
- Silke Wolf
- Doris Tomarek
- Bernhard Schwarz
- Katarzyna Niezgoda

Attachments:

- Appendix 1
- Appendix 2

*Gisela B. Bartsch*  
*Oliver Filasconi*  
*Andreas...*

**UniCredit Group European Works Council  
Appendix 1 Agreement 26.1.2007 (Art. 2)  
Employees as by 30.6.2006 - European Countries**

<b>Country</b>	<b>Employees</b>
Austria	12.698
Bosnia	1.869
Bulgaria	4.553
Croatia	5.785
Czech Republic	2.813
Estonia	26
France	113
Germany	26.655
Greece	59
Hungary	1.851
Ireland	304
Italy	38.221
Latvia	97
Lithuania	45
Luxemburg	430
Netherlands	54
Poland	26.902
Romania	3.013
Russia	1.901
San Marino	110
Serbia	635
Slovakia	1.731
Slovenia	454
Switzerland	49
Turkey	15.537
UK	531
Ukraine	288

**146.724**

**UniCredit Group European Works Council  
Appendix 2 Agreement 26.1.2007 (Art. 3)  
Composition**

<b>Country</b>	<b>Members</b>
Austria	2
Bosnia	1
Bulgaria	2
Croatia	2
Czech Republic	2
Estonia	1
France	1
Germany	4
Greece	1
Hungary	1
Ireland	1
Italy	6
Latvia	1
Lithuania	1
Luxemburg	1
Netherlands	1
Poland	4
Romania	2
Russia	1
San Marino	1
Serbia	1
Slovakia	1
Slovenia	1
Switzerland	1
Turkey	2
UK	1
Ukraine	1