

# Creating initiatives that meet real needs.



*Together for the Region* is an initiative designed to build tighter bonds with regions and communities, particularly with local non-profit organizations. In Nuremberg, for instance, UniCredit developed a new debit card, *My Town - My Bank - My Card*. A portion of card proceeds are donated to *Lebenshilfe Nürnberg*, a charitable organization that assists the disabled. The same model has been adopted by more than 50 UniCredit subsidiaries in Germany, where roughly 25,000 cards support charities. In addition to providing donations, the Bank's local staff created a corporate volunteer program, with more than 350 employees supporting 17 projects and participating in activities ranging from providing volunteer companion services to offering professional training. This is a practical demonstration of how our Group provides concrete answers to facilitate the full integration of persons with disabilities.

# Communities

PRIORITIES 2012

Further support the economic and social development of our communities by:

- helping individuals to better grasp financial concepts in order to improve their money management and make more informed decisions by consolidating and expanding our financial education programs
- enhancing our financial services to non-profits, piloting our *Universo Non-Profit* model outside of Italy and partnering with non-profit organizations through the UniCredit Foundation to increase our employees' involvement in charitable work
- empowering future generations to build healthy and innovative communities, supporting talented students and researchers through the UniCredit & Universities Foundation's *UniCredit Study-Abroad Exchange Programme*, and expanding *Il Talento delle Idee* program to provide young entrepreneurs with a platform to launch new business ideas

## Priorities 2011

### Promote a value-oriented commitment

Enhance our internal reporting system and the metrics we use to assess our contributions to communities, with the aim to progressively implement the London Benchmarking Group's model over the next three years to better develop our community investment strategies

### Invest in core initiatives

Further expand social inclusion projects in Central and Eastern Europe, strengthen our commitment to the development of social entrepreneurship by extending the areas of intervention in Italy and deepen our employees' involvement in Unidea - UniCredit Foundation initiatives

Extend and consolidate the UniCredit & Universities Foundation's network in Europe through new partnerships with prestigious academic institutions and initiatives involving young talent

## Key achievements 2011

**Achieved:** We implemented the London Benchmarking Group methodology by completing a pilot project in Italy and drafting this report for the first time in line with their standards

**Achieved:** We increased our employees' involvement in a range of initiatives, including the *Gift Matching Program* and *Your Choice, Your Project*, which supported social enterprises in Italy and social inclusion initiatives in Poland, Bulgaria, Slovakia and Slovenia

**Achieved:** We expanded the foundation's initiatives to Croatia and Serbia, and forged new partnerships with prestigious universities in Europe and the United States to support students and researchers in the economics field

## Promote a value-oriented commitment

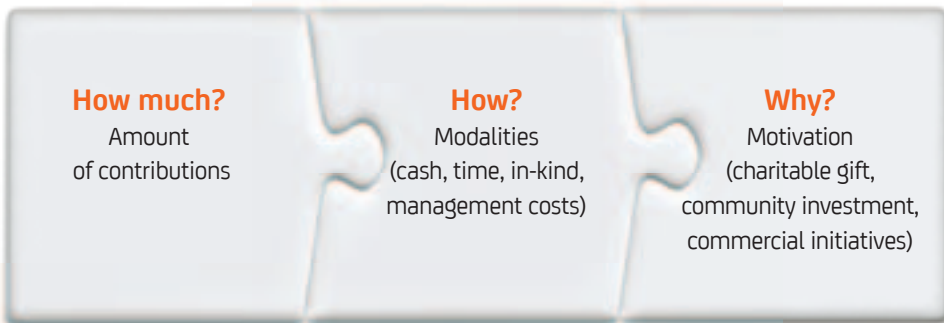
In light of the current economic downturn and in line with our strategic plan, we are working more than ever towards being an efficient and effective community player. From the financial services we offer to the local initiatives we support, our community investments are designed to create long-term value.

In 2011, this meant not only asking how much money we should invest, but also in what ways we should use our resources and to what end.

Thus, to increase the impact of our commitment to communities, we are strengthening our forward-looking approach to cost management. This has required us to be more selective about our investments in programs, which increase our proximity to our communities and support their well-being and development.

We are particularly focused on initiatives that deliver sustainable value that

## Key questions when contributing to communities



move beyond our everyday business operations – beyond our products and services – and enhance relationships in the communities in which we operate.

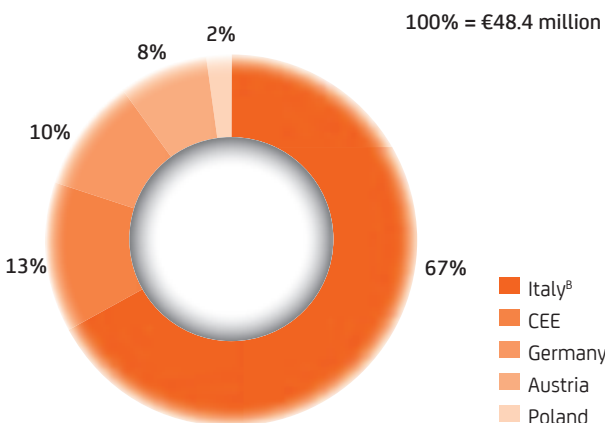
As a bank we are committed to earning our place within these communities. In addition, through our partnerships with public and private entities, we aim to enrich communities and add value by leveraging our global presence to service both international and local level initiatives.

By generating this kind of concrete and measurable value, we work to meet

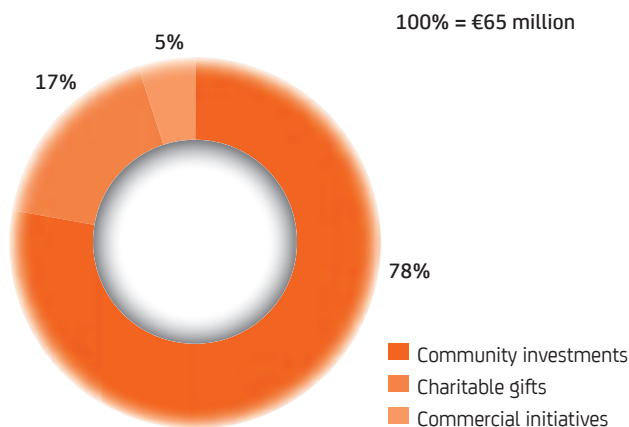
individual's real-life needs. Moreover, UniCredit's financial, cultural and social support is complemented by the generous commitment of our employees' time and skills.

In 2011, we introduced the London Benchmarking Group model (more information is available on the LBG website) to better assess and communicate the true value of our community investments and to be consistent with the priorities declared in our 2010 Sustainability Report. This approach is currently used by leading companies around the world.

## Percentage of cash contributions by geography, 2011<sup>A</sup>



## Percentage of community contributions by motivation, 2011<sup>A</sup>



<sup>A</sup> Data refers to cash contributions only. CEE includes UniCredit's six divisionalized countries – Bulgaria, Croatia, Czech Republic, Hungary, Romania and Russia – in addition to Bosnia Herzegovina, Kazakhstan, Serbia, Slovenia, Slovakia, Turkey and Ukraine.

<sup>B</sup> Includes also UniCredit Foundation and UniCredit & Universities.

<sup>A</sup> Includes Group cash contributions and – for Italy only – time and in-kind resources. Management costs are distributed based on the contributions by motivation.

Its standardized metrics enable companies to broaden their understanding and reporting to account for – in addition to traditional cash contributions – the expenditure of other resources such as employees’ time, in-kind contributions and the costs associated with managing community initiatives.

Beginning from our first LBG pilot in Italy, our objective is to extend this methodology in the coming years to select countries where our Group has a presence.

### Key 2011 Group figures

In 2011, UniCredit’s contributions to community-oriented initiatives amounted to roughly €65 million<sup>1</sup> and included the following types:

- cash contributions: €48.4 million (75 percent)
- time: €5.4 million (8 percent)
- in-kind (contributions of product, property or services): €4 million (6 percent)
- management costs (staff salaries, overhead, research and communication expenses): €7.1 million (11 percent)

**€65 million to community programs, 14% in time and in-kind resources**

<sup>1</sup> 2011 data reflects new calculation methodologies, which used internal cost management data sources. Total contributions include cash contributions groupwide, in addition to Italy employees’ time, in-kind resources and management costs. Other than contributions mapped under LBG methodology, the total contributions to communities include an additional €3.5 million dedicated to specific business initiatives, which foster economic development in the territories where UniCredit operates and local professional sports.

Our 2011 contributions are classified in line with the London Benchmarking Group and according to their underlying objective:

- 78 percent were “community investments” related to our long-term strategic involvement in community partnerships (e.g., programs in art and culture)
- 17 percent were provided as “charitable gifts” in response to specific needs and appeals (e.g., emergency relief)
- 5 percent can be classified as “commercial initiatives”, which contributed to social causes while also supporting our brand and business (e.g., charity initiatives linked to ethical cards)

These figures demonstrate our commitment to building lasting relationships and generating real benefit and value. Moreover, we also made charitable contributions in response to major crises around the world.

In Italy, our *Aiutiamoli* fundraising campaign, held in cooperation with

the Italian newspaper La Nazione, raised roughly €193,000 to support flood victims in Liguria and Tuscany. These funds were used to purchase a minibus for the disabled and an ambulance, and to support the reconstruction of a local primary school.

Moreover, in Sicily, UniCredit donated an estimated €20,000 to the local Department of Civil Protection, which supported those communities affected by flooding in the Messina province.

In response to one of the most severe droughts experienced in the Horn of Africa in the past 60 years, UniCredit Bank AG launched a campaign against hunger for the affected regions. More than 800 employees donated roughly €80,000, which was matched one-to-one by the UniCredit Foundation. The €160,000 was sent to two aid organizations that provide assistance to the disaster victims by way of food and medicine.



Vitoshka Park, Sofia. Girls who plant: Ekaterina Ancheva, Anna Ancheva, Todorova Blagorodka. Photo by Anton Raichev.

# Communities

We also undertake initiatives that support both our brand and our commitment to communities. For example, our ethical credit and debit cards offer UniCredit customers

the opportunity to support charitable causes simply by using their cards, with a variable percentage of each transaction supporting social and environmental projects.

**Roughly €1.9 million in donations collected from more than 220,000 ethical cards**

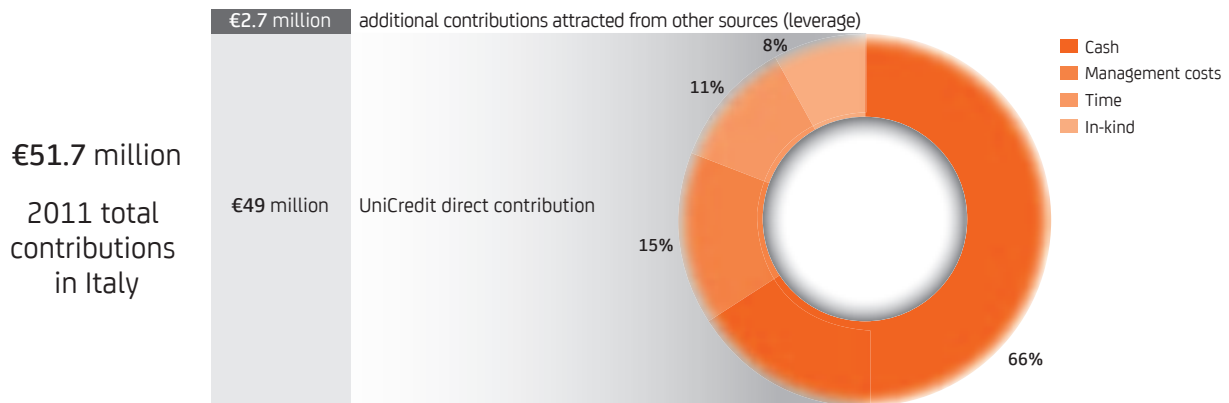
## Commercial initiatives in communities: ethical cards

Italy	UniCreditCard Classic E	Cardholders allocate their donations primarily to local social welfare projects. As of December 2011, roughly 180,000 of UniCreditCard Classic E were in circulation, of which more than 31,000 were newly issued. In 2011, more than €1.6 million was collected to support local and national non-profit organizations whose work incorporates social inclusion projects and helping families in difficult circumstances
	UniCreditCard WWF	Cardholders support the <i>WWF Oasis</i> , WWF's largest natural conservation program, which maintains hiking trails and prevents poaching and pollution in protected areas. As of December 2011, roughly 11,500 UniCreditCard WWF were in circulation and more than 4,700 were newly issued. In 2011, cardholders donated an estimated €98,000 in support of the project
Germany	HVB PremiumCard and My Town – My Bank – My Card	Cardholders support social and artistic projects operated by local organizations, which focus on health, children and the disabled, and incorporate music and research. As of December 2011, roughly 8,000 HVB Premium Cards were in circulation and cardholders had donated €115,000. Moreover, in Germany, as a part of the <i>Together for the Region</i> initiative, we created the <i>My Town – My Bank – My Card</i> debit cards, which are linked to non-profit projects. Our local staff also volunteers for the beneficiary organizations. This same model has been adopted by more than 50 UniCredit subsidiaries in Germany, with roughly 25,000 cards currently contributing to social causes. For example, in Nuremberg, UniCredit Bank AG partners with the <i>Lebenshilfe Nürnberg</i> organization by providing a portion of card proceeds to support its work with the disabled. Moreover, 352 UniCredit Bank AG employees also volunteer for <i>Lebenshilfe Nürnberg</i> , providing companion services to professional trainings
Romania	UNICEF-UniCredit Țiriac Bank Card	Since January 2011, Țiriac Bank has donated 1 percent of all POS spending, in addition to 50 percent of the annual fee for the UNICEF-UniCredit Țiriac Bank Card package, to support the <i>Baby Friendly Hospital</i> initiative. Trained staff provide new mothers with assistance and instruction to promote breastfeeding, and extend a basic package of health services and counseling designed to reduce the number of children abandoned at maternity hospitals. The project is also creating a community nursing network. As of December 2011, more than 1,100 cards were in circulation, resulting in roughly €13,800 in donations
Slovakia	Magna Credit Card	UniCredit Bank Slovakia developed credit and debit cards to support Magna Children in Need ( <a href="http://www.magna.sk">www.magna.sk</a> ), a local charity providing health and nutrition care to children and adults in developing countries. The bank matches the donations generated by these cards, and donates 50 percent of each card's annual fees. Since September 2011, this initiative has given customers the option of setting standing donation orders in denominations of €3, €6 or €9. As of December 2011, cards circulating and standing orders resulted in roughly €5,000 in donations

## FOCUS

### London Benchmarking Group pilot project in Italy

In 2011, Italy contributed a total of €49 million to communities, ranking first among all UniCredit countries, which is why we focused our first London Benchmarking Group pilot project in Italy.



LBG allows us to better understand and report on the true level of our commitment to communities by mapping our support beyond cash.

In addition to UniCredit's €32.3 million in cash contributions in Italy in 2011 (66 percent of Italy's total contributions), the remaining 34 percent was comprised of:

- employees' time (11 percent)
- in-kind giving (8 percent)
- management costs (15 percent)

**34% of support in Italy was in the form of non-cash contributions**

The time and skills donated by our employees were measured in 2011, with positive indications demonstrating the effectiveness of our community engagement initiatives.

During the year, UniCredit staff donated more than 123,000 working hours, or over 16,400 working days. These figures are a reflection of the value we place on the contributions of our employees and the retention of motivated individuals who strengthen our corporate culture and our ability to generate concrete value.

**Employees contributed more than 16,400 days to community initiatives**

In 2011, our in-kind contributions included roughly €296,500 in refurbished IT equipment. Thanks to our collaboration with Re-Tech Life onlus in Italy's Lombardy region, we donated 2,190 personal computers, 261 printers, and 86 notebooks and other IT components to schools and public offices. During 2011, Re-Tech Life's work incorporated the skills of 25 people, including students, inmates and disabled individuals.

Moreover, through our community initiatives, we were able to tap into additional resources – categorized by the LBG as leverage – of roughly €2.7 million, of which included:

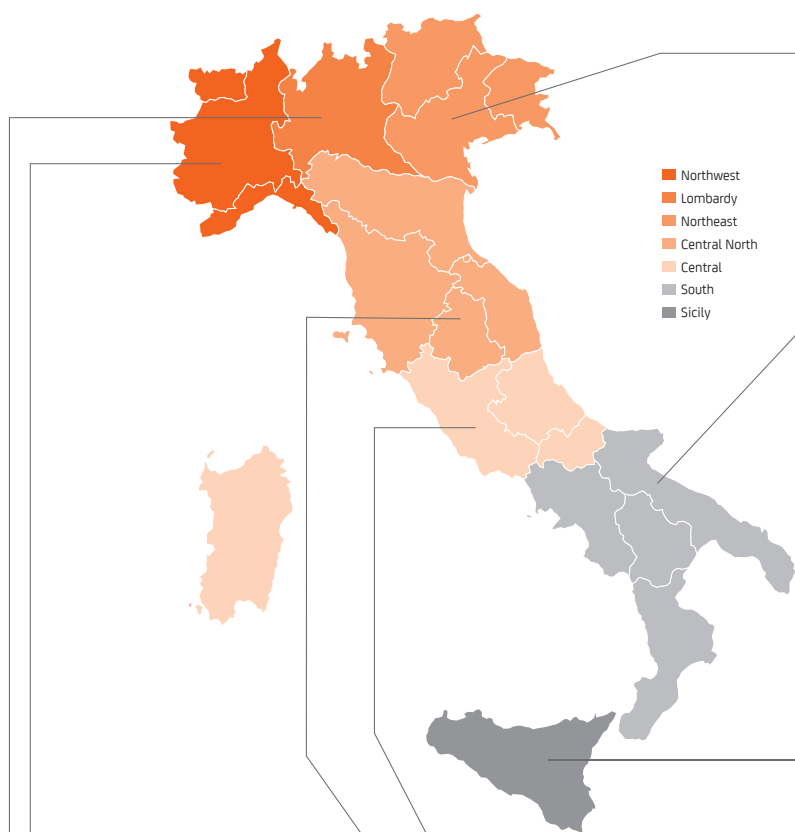
- €2.6 million in cash
- the equivalent of over 2,300 volunteer hours

**Roughly €2.7 million in additional contributions to UniCredit initiatives**

## Initiatives in our 7 Territories in Italy

We renew our commitment everyday to forge ties to and enhance the value of all territories in which we operate. In order to build stronger relationships with our customers and with local stakeholders, our Group established 7 Territories in Italy: Northwest, Lombardy, Northeast, the Central North, Central, South and Sicily.

Events were held in 2011 that focused on local and national-level economic development, culture and sports. These events were opportunities for our Group to maintain regular dialogue with our communities, better understand their needs and demonstrate our concern for their well-being.



### ECONOMIC DEVELOPMENT

**Vino in Villa (Veneto):** UniCredit supports the consortium that organizes this renowned international event for wine producers, consumers and aficionados. More than 30,000 visitors attended this event.

**Puglia Observatory Forum:** the 2011 monitoring report on Puglia, entitled "The Levers of Economic and Social Development," was presented during the fourth annual Puglia Observatory. At the event, 150 economists and business leaders discussed their thoughts on local enterprise and development, and internationalization.

### SPORTS

**Marathons in Messina and Palermo (Sicily):** UniCredit supported the fourth edition of the Messina Marathon and the 17th annual Palermo Marathon, which, all together, involved roughly 4,300 runners. UniCredit also promotes marathons in Bologna, Perugia and Turin, in which over 40,000 participants took part.

### CULTURE

**Turin International Book Fair (Piedmont):** as Italy's most important publishing event, the fair was dedicated to the 150th anniversary of the country's unification. More than 1,400 publishers and 300,000 visitors attended this five-day event.

**Boldini and the Belle Epoque (Lombardy):** UniCredit's promotion of this important local art exhibition was linked to a broader cultural project to secure the city of Como's position in the national and international art circuit. Approximately 75,000 visitors attended the exhibition.

**Lessons of History (Lazio):** the 2011-2012 edition of Lessons of History focused on the status of women. In collaboration with the Laterza publishing house and the Music for Rome Foundation, this event has hosted more than 50,000 participants during its first five years.

**Umbria Jazz:** roughly 40,000 spectators attended Umbria Jazz, an important Italian and international music festival. During this 10-day event, 350 artists performed 260 concerts.

## Invest in core initiatives

In 2011, our community initiatives focused primarily on art and culture, economic development and social welfare.

### Promoting art and culture

UniCredit's long-standing tradition of promoting culture is deeply rooted in our corporate identity and is a powerful means of engaging communities, encouraging dialogue and generating innovation.

Our cultural outreach emphasizes the role of music as a universal language, which transcends borders to reach vast and diverse audiences. Thus, we partner with preeminent international musical institutions and offer our financial and organizational support.

Typical of these partnerships is our support to the Filarmonica della Scala's concert season, international tours and special initiatives, such as *The Filarmonica della Scala Meets the City*. This program, in cooperation with the UniCredit Foundation, is comprised of a series of open rehearsals, the proceeds of which go to local non-profit organizations. Through this program in 2011, over 10,000 citizens of Milan had the opportunity to visit the legendary Teatro alla Scala and support five non-profit organizations.

In 2011, we also partnered with the Filarmonica della Scala to launch the *Sound, Music!* program, which educates children about classical music. Over the past year, 1,000 Milanese primary school students participated in four concert-lessons, while a fifth and final capstone event was opened to UniCredit employees and the general public.

In support of Italian excellence abroad, we renewed our partnership with the Teatro alla Scala's international concerts and ballet tours, supporting tours in Poland, Austria and Oman in 2011. In addition, we supported a special ballet open rehearsal program for roughly 500 UniCredit employees and their families.

**Over 700,000 people took part in cultural initiatives that we supported**

UniCredit also has a historical partnership with the Arena di Verona, and we are proud to support its internationally renowned annual summer *Opera Festival*. In 2011, the festival staged 49 shows for an estimated 492,000 visitors. In connection with this festival, we also cooperated with the Arena di Verona Foundation to hold 16 *Invito all'Opera* events for roughly 5,000 guests.

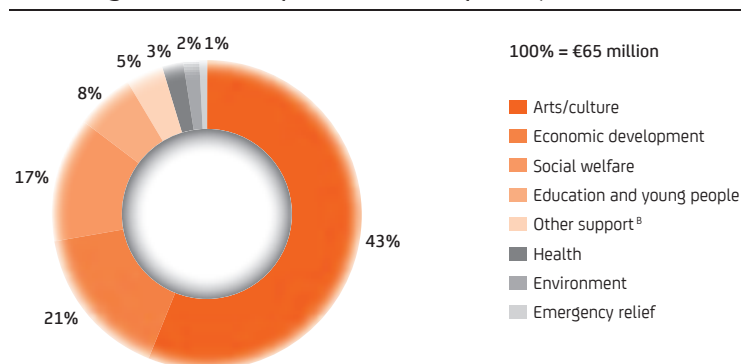
Over the years, we have built enduring partnerships with other preeminent musical institutions and events, including the Vienna Philharmonic, the Bavarian State Opera in Munich and the renowned Richard Wagner Festival in Bayreuth.

In line with our commitment to making art and culture in its many forms available to a wide audience, our programs also encompass the visual arts.

In 2011, we were the main sponsor of the exhibition, *Van Gogh and Gauguin's Journey*, in Genoa, which attracted roughly 175,000 visitors from November 2011 to early March 2012. In parallel, we supported the *Exhibition Theater Tour* of this show in Genoa and in other regions of Italy, as well, where it attracted roughly 5,800 visitors.

We are well aware of the therapeutic and social value of art, which is why we renewed our support to the *Acrobazie* project that engages artists from the *Atelier di Pittura Adriano e Michele*. Based in the Psychiatric

Percentage of community contributions by focus, 2011<sup>A</sup>



<sup>A</sup> Includes Group cash contributions and - for Italy only - time and in-kind resources. Management costs are distributed based on the contributions by focus.

<sup>B</sup> "Other" primarily refers to local sport initiatives. It does not include main professional ones.



Rehabilitation Center of the Fatebenefratelli Hospital near Milan, this therapeutic program aims to give patients a voice through artistic expression. From November 2010 to January 2011, the first international *Acrobazie* exhibition was held in Munich. It then appeared in Pavia, where the exhibition stirred a scientific and cultural debate on art, medicine and neuroscience among its roughly 350 participants.

Inspired by our commitment to talented young artists, we continued to support the *UniCredit STUDIOS*, which we developed in 2010 to serve as exhibition spaces in our branches. To date, there are two active *UniCredit STUDIOS* in Milan and Trento, Italy and another in Sofia, Bulgaria. In 2011, two young *STUDIO* artists were given the opportunity to present their work at Turin's *Artissima*, the most important contemporary art fair in Italy.

UniCredit's long-term partnership with the Castello di Rivoli Museum of Contemporary Art and its Educational Department has been productive. In 2011, we joined forces once again in support of two important art projects that speak to our shared value of art as a collective experience.

The first of these projects, called *Italiae*, was comprised of collective art experiences in 150 Italian public plazas. In 2010 and 2011, UniCredit elected to support events in its seven core cities: Bologna, Milan, Naples, Palermo, Rome, Turin and Verona. A total of 10,000 participants attended these events, which were held to commemorate the 150th anniversary of Italian unification. The second project, *A tu per tu*, supported the social integration of immigrants. More than 2,150 children from

eight primary schools, together with their families and 200 teachers, participated in painting events in Bologna, Brescia and Modena.

Moreover, to promote the economic and social development of our territories, in 2011 we became the main sponsor of *Expo Meets Milan*, a set of cultural and social initiatives designed to enhance and promote the upcoming World Expo 2015 and its main theme *Feeding the Planet, Energy for Life*. This effort began in Milan with the exhibition, *1906-2015: Toward the Milan Expo*, at the Triennale Museum and with activities held in 10 plazas throughout the city. We also supported the tour of this exhibition in six Italian cities and business workshops for an estimated 15,000 participants.

**Italiae: 10,000 people commemorated the 150th anniversary of Italian unification**

## Fostering economic development

As a bank, being close to our communities primarily means fostering their financial inclusion, which is vital to the economic growth and well-being of vulnerable populations.

Thus, our tailored product and service initiatives entail: bridging linguistic and cultural barriers to support the participation of immigrants in the banking system; assisting non-profit organizations with a dedicated service model; providing young people with products and services that suit their

needs while supporting the most talented in their studies; enhancing the public's financial literacy by helping individuals manage their money and make more informed financial decisions; and promoting the creation of new start-up businesses.

## Immigrants

There are an estimated 200 million migrants around the world today, with more than 20 percent living in the countries where UniCredit operates.<sup>2</sup> That is why we strive to provide effective customized offerings that respond to the daily needs of our international customers.

With this goal, we have developed solutions for migrants that include a range of specialized services. These include the *Agenzia Tu* service model currently in 12 Italian branches in addition to other UniCredit locations that specialize in serving immigrant communities in Austria, Germany, the Czech Republic and Turkey.

In Italy, we continued to strengthen relationships and attract customers mainly through our *Agenzia Tu* branches, where we served more than 15,000 clients, of whom roughly 3,200 were new, by the end of 2011.

Among other key initiatives kicked off in 2011, we created *Conto Tu Famiglia*, which is the first current account package for caregivers, domestic staff and babysitters. In addition to traditional banking services (e.g., debit cards, prepaid cards, online banking, etc.), the package offers six free online international remittances annually to banks holding agreements with UniCredit. It also provides subscribers with access to a range of non-banking services, including Italian language training programs to help them

communicate with the families they work for and handle emergency situations more effectively.

Also in 2011, we opened our *Consumers Desk* in our Brescia, Modena and Turin branches. Developed in partnership with Italian Consumer Associations, it offers customers free advice and suggestions concerning everyday topics such as insurance, public administration, housing, food and transportation, as well as banking and finance. The goal of this service is to help consumers make well-informed and responsible decisions.

*Conto Tu Famiglia* and the *Consumer Desk* both offer concrete examples of the aim of the *Agenzia Tu* service model: to provide solutions that support the integration of immigrants.

Our Group's attention to these customers' needs is further confirmed by the growing number of active partnerships across our banking network to enable sending remittances abroad. In 2011, this network was further extended thanks to a new agreement signed with Western Union in Italy. Starting from the second half of 2012, remittances can be sent via online banking channels, ATMs and kiosks. This service will also be available at branches only for our *Agenzia Tu* customers.

In 2011, UniCredit Bank Austria AG launched the pilot project, *Banking without Borders*. Under this project, five branches in Vienna employ bilingual personnel to provide dedicated services to international customers with Bosnian, Croatian, Serbian and Turkish backgrounds. These branches also provide translated brochures for UniCredit's major products and services.

**Agenzia Tu and  
Universo Non-Profit  
serve roughly 45,000  
customers**

#### **The non-profit sector in Italy**

The Italian non-profit sector engages nearly 5 million volunteers, employees and beneficiaries, while generating an annual turnover of roughly €50 billion.<sup>3</sup> Given the sector's importance to Italy's social and economic fabric, we aim to provide its enterprises with outstanding service.

The *Universo Non-Profit* service model, launched in 2009, offers specialized financial products and services to non-profit organizations, including a special credit rating process. These offerings are available at any UniCredit branch in Italy, including our dedicated branch that opened in Rome in 2011. We serve roughly 30,000 non-profit clients, of which nearly 4,800 were new in 2011.

Specially trained personnel help these organizations to make informed decisions about our different financial products for SMEs, while providing them with access to customized products. For example, the *Imprendo Universo Non-Profit Light* is a current account package designed for small organizations with limited needs for banking services. Our other specialty product, *Universo Non-Profit Mortgage*, is a medium- to long-term loan for those non-profits that experience highly seasonal income flows (due, for example, to their reliance on annual membership drives and other fundraising campaigns). In 2011, the program granted roughly €64 million in new loans.

One of the major goals of the *Universo Non-Profit* service model is to help organizations raise funds and conduct management training activities. Thus, we provide them with access to *ilMioDono.it*, a free web platform to present their activities and facilitate fundraising.

## FOCUS

### **Universo Non-Profit Prize 2011**

The second annual *Universo Non-Profit Prize*, an event organized in collaboration with UniCredit Foundation, focused on combating the exclusion of elderly people to ensure that they feel they are a resource and not a burden. At the 2011 event, UniCreditCard Classic E prizes each worth €60,000 were awarded to five organizations, which won the *Social Cohesion Strategies for Third Age* competition. The five winning projects underwent an additional selection process conducted by UniCredit employees through the *Your Choice, Your Project* initiative. The *Come a Casa Solo a Casa* project earned the most votes and was awarded €60,000. Six additional participating organizations were recognized and were awarded a total of €120,000.

In 2011, this prize was responsible for providing €480,000 in donations to participating organizations. The award money comes from customers who choose to carry the UniCreditCard Classic E.

<sup>2</sup> World Bank, "Migration And Remittances Factbook 2011, second edition"

<sup>3</sup> ISTAT, "Istituzioni Non Profit in Italia, Censimento 1999;" CNEL / ISTAT, "Primo Rapporto sull'Economia Sociale," 2008

# Communities

Customers are able to use the platform to make donations without incurring any banking fees. In 2011, the number of non-profits with a presence on the website nearly doubled to 234. Roughly €66,000 in donations were processed, 60 percent of which were in support of organizations addressing healthcare and social inclusion.

Another program, *Conto Donazioni*, allows non-profits to collect donations made at UniCredit branches without paying an administrative fee. As of December 2011, the 491 current accounts opened under this program raised roughly €2.5 million. In addition to our trained non-profit relationship managers, volunteer employees known as *Non-Profit Friends* serve as internal and external ambassadors for the *Universo Non-Profit* service model. In 2011, UniCredit fielded 2,610 Non-Profit Friends, up from 1,490 in 2010.

**Conto Donazioni: 491 current accounts raised €2.5 million**

In 2012, it is a priority to pilot the *Universo Non-Profit* model beyond Italy. At present, we plan to conduct feasibility studies in Austria, Germany, Poland and in select CEE countries.

## Future generations

At UniCredit, we recognize that young people's participation in the economic system contributes to an inclusive and responsible financial world. Thus, we offer products tailored to the needs of younger

generations, including cards and loans that support students.

The *Genius Card* is a pre-paid card with zero monthly fees for university students up to 27 years old. More than 200,000 of these cards were newly issued in 2011, including the *Genius Card Web* for students who mostly do their banking online, in addition to cards designed to provide those who work or study at specific universities with discounts at nearby retailers.

Our other offers include the *CreditExpress Giovani* loan package, which responds to the typical financial needs of young Italian customers between 18 and 30 years old, who need to purchase text books and computer equipment, as well as to pay tuition fees.

The *CreditExpress Master* package was designed for students looking to pursue a master's degree, while the *UniCredit Ad Honorem* package is designed for students wanting to enroll in either graduate or undergraduate courses. The latter enables students to complete their studies without financial concerns and to postpone principal and interest payments until after their graduation when they have begun working. This loan is available to university students residing in Italy, who are selected by universities based on their merit in their academic program. The loan is provided only in partnership with those universities or training schools that have signed specific agreements with UniCredit.

In Austria, we developed *ErfolgsService*, which includes free accounts and special loans for students under 30 years old who

are either attending an Austrian university or have recently graduated and are waiting to begin work or to pursue a second degree.

At UniCredit, we provide youth with dedicated financial products and services, as well as opportunities to enroll in several of the world's top academic institutions. Doing this can provide them with the keys they need to unlock their true potential.

In 2011, the UniCredit & Universities Foundation renewed its academic initiatives program and successfully expanded its network through partnerships with universities in Europe and the United States.

## UniCredit & Universities Foundation

The UniCredit & Universities Foundation supports top European students and researchers in the fields of finance, economics, law, politics and the social sciences, by awarding several study and research grants each year. UniCredit's geographic and cultural diversity inspires and is reflected in the foundation's support for academic study and research. More information is available on the UniCredit & Universities Foundation website.



Three of Europe's top business schools were involved in the first edition of the *Business School Research Project* initiative: IE Business School of Madrid; INSEAD; Fontainebleau and London Business School. Moreover, five top US universities – The University of Chicago, Harvard, MIT, Princeton and Stanford – were involved in our first US PhD Scholarship initiative,

designed to support a talented student from a CEE country in which UniCredit operates.

Our undergraduate *UniCredit Study-Abroad Exchange Programme* successfully demonstrates our commitment to providing equal opportunities to students from any of UniCredit's territories. We believe this ambitious goal can be achieved through the UniCredit & Universities Foundation's strong academic network.

The program was launched in 2011, awarding eight grants for students to do study exchanges either to or from Serbia and Russia. Among our priorities in 2012 is to expand the *UniCredit Study-Abroad Exchange Programme* to additional UniCredit CEE countries, which are not included in the EU's Erasmus Programme, including Croatia and Ukraine.

In 2011, we invested more than €1.5 million in UniCredit & Universities Foundation initiatives, enabling us to award 42 talented students and researchers.

### **Financial education**

UniCredit regards financial education as a key component to sustainable business.

Thus, we offer free courses on basic financial skills to different segments of our communities, including students, elderly individuals, entrepreneurs, immigrants and non-profit organizations. By doing so, UniCredit raises awareness of economic and financial matters and demystifies financial terminology while enhancing transparency. Our goal is to have well-informed communities with citizens who are able to use financial products and services in a sustainable way.

To this end, in Italy we began the *In-Formati* program in 2011 dedicated to students (high schools and universities), families, elderly, immigrants, non-profit organizations and small and medium sized enterprises. To ensure that these learning activities meet the participants' needs, they address topics requested by partners based on local feedback and are developed in cooperation with local stakeholders, such as consumer and trade associations, universities and schools.

Relying on local UniCredit volunteer educators, the program has a high participation rate and benefits from our employees' strong engagement. In 2011, 573 UniCredit employees volunteered after hours and conducted more than 5,300 hours of trainings.

The program is based on a model that is distinguished by six major features: a multi-stakeholder approach; links to the territories; UniCredit volunteer educators; financial and banking education for multiple target segments; structured monitoring thanks to a KPIs matrix and evaluation questionnaires developed to measure attendees' achievements through the Financial Literacy Index; and internal and external communications to generate awareness.

***In-Formati: over 9,800 attendees' financial knowledge increased by 20.7%***

In 2011, *In-Formati* was carried out in 34 Italian cities for clients and non-clients alike. During the program's pilot phase, 250 classes were held,

involving roughly 9,800 attendees and providing nearly 41,000 hours' worth of training. In addition, a catalogue featuring 18 courses was developed.

Based on the UniCredit Financial Literacy Index, it was determined that participants increased their financial knowledge by an average of 20.7 percent.

To help young people learn how to handle financial matters, we developed our *Genius for Universities* initiative and ran an information desk for roughly 600 days to promote a range of student-friendly products and services at 25 of Italy's major universities. During these visits, UniCredit colleagues distributed more than 10,000 financial educational guides developed specifically for students.

**400 workshops held for roughly 10,000 students in Austria**

In Austria, 2011 marked the launch of a new program on financial education. Held in cooperation with The Austrian Museum of Economics, this program was primarily developed to provide academic support via workshops promoted by UniCredit Bank Austria AG. These workshops were facilitated by professional trainers together with 30 UniCredit Bank Austria AG employees. A total of 400 workshops, targeting young people from 14 to 19 years old, were held during the school year and attracted approximately 10,000 students and 500 teachers. This initiative will be carried out again in the 2012-2013 academic year.

# Communities

In Germany, the *EURO.DE* website, the financial education portal created by UniCredit Bank AG, went live. The bank has a range of financial education programs in the pipeline – including workshops to be developed in 2012 – that will be held in its branches and customized for young professionals, apprentices, families, women, seniors and migrant workers, among others. The programs will cover topics that include payment transactions, retirement planning, investing, loans, real estate finance and the financial world.

## **Territorial Boards**

Fostering innovation and the internationalization of Italian SMEs is a facet of our commitment to local economic development. Among the ways to do this, we established 18 *Italian Territorial Boards*, which are advisory bodies appointed by UniCredit's Board of Directors. These boards serve as think tanks

to help sustain development in UniCredit's territories through specific projects. Their 322 members are prominent leaders from local businesses, trade associations, research institutions, NGOs, cultural institutions and voluntary organizations.

Among other initiatives in 2011, we launched the second edition of *Il Talento delle Idee* to support the next generation of Italian entrepreneurs between 18 and 40 years old. Through a business plan competition, it identifies innovative ideas and provides winners with the financial and organizational support they need to set up their new business. All projects are evaluated by a panel of local judges – consisting of members of the Territorial Boards and Confindustria Young Entrepreneurs – using a scoring system established by UniCredit.

For the second edition in 2011, 436 business proposals were submitted, a 36 percent increase over 2010. Moreover, 48 percent of all business proposals were submitted by entrepreneurs between 18 to 30 years old. The greatest number of applications were for the ICT, clean technology/energy and tourism sectors.

Winners will be announced between May and October 2012, and will have the opportunity to participate in one-to-one meetings with investors, venture capitalists and business angels. The winning entrepreneurs will also meet with professionals in the UniCredit Network who are enrolled in tutorship programs. See the Our Customers chapter for further information on projects dedicated to internationalization.



## Generating social welfare

In 2011, we renewed our commitment to social inclusion through projects that leveraged our employee engagement. Our objective is to meet the needs of vulnerable individuals and to partner with local organizations in support of worthy social causes.

### **A culture of solidarity and inclusion**

At UniCredit, we promote initiatives that speak to our sense of solidarity and foster social inclusion. We strive to respond to emerging needs and to create value for the vulnerable.

We do so mainly through the UniCredit Foundation, which is entirely dedicated to cooperative and philanthropic initiatives. The foundation also manages several projects that benefit from partnerships at the local level and enable us to provide support in the form of knowledge, skills and financial resources.

UniCredit Foundation provides our employees with an outlet for volunteering their time and skills toward improving the welfare of our communities.

### UniCredit Foundation

The UniCredit Foundation is our corporate foundation and the center of expertise for all of our philanthropic activities. It contributes to the development of solidarity within our territories and among our employees.

The foundation promotes social cohesion through social entrepreneurship, which is an important instrument for creating and delivering goods and services that contribute to social utility.

More information is available on the UniCredit Foundation website.



In 2011, the *Gift Matching Program*, through which the foundation matches employees' contributions to non-profit projects, generated the highest participation rate since its creation in 2003. The ninth edition of this popular program ran in 17 countries and involved more than 12,000 employees – 22 percent more than in 2010. Together, their contributions supported 401 non-profit organizations, mainly in the areas of social welfare and international solidarity, and amounted to roughly €2.3 million. As all donations received a one-to-one match, the combined donations of employees and the foundation amounted to €4.6 million.

In keeping with its framework for employee-community involvement projects, the UniCredit Foundation launched a new initiative, *Your Choice, Your Project*, in 2011. Employees were invited to vote for their favorite initiatives, choosing from a list of those projects already supported by the UniCredit Foundation at the local level. Those that received the most votes were awarded an additional grant.

Five countries – Bulgaria, Poland, Slovakia and Slovenia, in addition to a second vote for UniCredit Leasing in Italy – played central roles in this initiative. All told, roughly 27,000 employees supported 20 ongoing projects in different fields.

These projects included: support to vulnerable groups, including the elderly, youths and children; local initiatives in economically depressed areas to support young people through informal educational and extracurricular activities, professional training, programs for social inclusion, and social

counseling for them and their families; volunteer networks offering career training and nursing care; and activities to support immigrants and cross-cultural integration.

In Italy, the UniCredit Foundation also launched programs in Sicily and Calabria to promote social enterprises founded on assets seized from criminal organizations. One of these programs, *Butterflies: A Legal Approach to Farming and Manufacturing*, is based in the city of Partinico near Palermo. In collaboration with the Libera-mente Cooperative, the program creates an organic food supply company on confiscated property, offers professional training for workers and includes agricultural workshops.

Another such program, *Giona: A Network of Assets Confiscated from the Mafia*, is in Reggio Calabria province. Operated by the Terre del Sole Consortium, it has played a large part in the cultivation of land in Porto Salvo and Maropati, while building strong partnerships with local entities.

Looking ahead to 2012, through the UniCredit Foundation, we will focus on: increasing the number of employees involved in non-profit activities while spreading philanthropic awareness by consolidating the *Gift Matching Program* and extending the *Your Choice, Your Project* to at least three more countries.

**Over 40,000 employees engaged in UniCredit Foundation initiatives**

## FOCUS

### Your Choice, Your Project



#### ***Come a casa solo a casa***

a neighborhood network providing domestic assistance to the elderly.

#### ***Dress Up Freedom***

thanks to the recovery of assets confiscated from organized crime, a social dressmaker's will be set up to employ immigrant women who were victims of human trafficking, as part of their rehabilitation processes.

#### ***Let Them Grow Older at Home***

a program supporting families caring for elderly relatives through training and support services for caregivers, and neighborhood networks that can aid these families with care services.

#### ***Trust in the Family***

a network that supports needy families, prevents the institutionalization of at-risk children and minimizes the negative effects of inadequate parental care.

#### ***Street is Not for Children***


a program that provides counseling, educational support and training for at-risk youths, building direct connections between families and volunteers in the recovery process.

#### ***Let's Give Children a Family***

a children's assistance program addressing children's integration into foster families, including professional psychological counseling for temporary parents.

## FOCUS

### 2011 East Forum: employment and job creation

UniCredit promotes dialogue between institutions and civil society on important community issues. The 6th Annual East Forum held in 2011, entitled *Competitive Growth for Quality Jobs: Policies, Solutions and Strategies for Development and Employment*, was an international conference that spurred dialogue on employment and job creation. Organized in partnership with the OECD, it included the participation of our top management along with senior representatives of national and international institutions, including the World Bank, ISTAT and Italian trade unions. More information is available on the East Forum website. 

#### **Initiatives for people with disabilities**


We work to improve access to our branches for our disabled customers because we believe that minimizing barriers is the first step towards guaranteeing equal access to all.

UniCredit Bank Austria AG created the Disability Manager position to address the needs of our handicapped customers and to promote measures that assist them and our employees. Please see the Our People chapter for further information on diversity projects at UniCredit.

Moreover, in Vienna, we provide a shuttle service for disabled customers who are unable to independently visit our branches for meetings with their account managers.

This service includes individual transport arrangements using handicapped-equipped vehicles. In 2011, approximately 150 people took advantage of this service and we plan to implement it in additional cities in 2012.

In 2011, UniCredit Bank Austria AG also supported the publication of the first German sign language dictionary, which included select banking terminology. Additionally, UniCredit Bank Austria AG launched the first bank card for the visually impaired, featuring larger fonts, special colors and Braille notation. The card was developed in cooperation with the Relief Organization for Austria's Blind and Visually Impaired.

More information is available on the UniCredit Bank Austria AG corporate website in the Sustainability section. 

In Germany, UniCredit Bank AG provides visually impaired customers with Braille notation on their saving cards.

In 2011, we worked to make our branches and ATMs wheelchair-accessible wherever possible. In the Czech Republic, all newly opened branches were designed to be wheelchair-accessible, while in Croatia more than 90 percent of ATMs and roughly 35 percent of branches were made accessible to customers with disabilities. In Bulgaria, several conveyor lifts and one lift platform were installed in branches to assist disabled individuals.