

# Training to be “banking smart”.



At UniCredit we understand that strong professional skills are the key to sustainable results. We invest in our people to reinforce our customer service, risk management and leadership capacity through training, coaching and mentoring. To date, we have issued more than 47,000 professional certifications to our colleagues in Italy. In 2011 roughly 100,000 hours of training were dedicated to invigorating our Group's culture of risk management.

*Personal bankers in Stari Grad, Sarajevo, during their workshop on the real estate market in Sarajevo*

# Our People

PRIORITIES 2012

Maintain a high level of engagement and commitment in our workforce while improving organizational efficiency. Provide clear and regular communications to our colleagues on our progress in achieving the strategic plan's goals, highlighting issues and actions related to our business and customer targets

Make further improvements to our leadership pipeline by

- refining our leadership development processes and promoting gender diversity in executive positions
- investing in training programs that reflect the contents of our Global Job Model catalogue and improving their quality by implementing innovative and efficient learning methods

## Priorities 2011

### Engage employees

Strengthen our employees' engagement by raising their awareness of sustainability through an integrated communications and training plan

### Enhance leadership and development

Increase transparency and simplicity through the enhancement of our HR processes and tools

Increase the professional competence of our employees through continued investments in technical and risk management training programs, leveraging the opportunities developed by the UniCredit Risk Academy

## Key achievements 2011

**Achieved:** We increased our employees' understanding of organizational changes through transparent communication. To raise their awareness of sustainability, we dedicated UniCredit Day 2011 to discussing sustainability groupwide, and we provided training to roughly 2,800 employees

**Achieved:** We worked to align our HR processes within the Global Job Model framework, creating consistency in the management and development of our employees groupwide. We mapped nearly all positions in our Global Job Catalogue and approximately 90 percent of our employees were informed of job titles and bands within the Global Job Model. In addition, we implemented a standardized recruitment process

**Achieved:** The Risk Academy expanded its offerings, and more than 5,400 employees participated in its program

# Our People

Our commitment to long-term value creation and to achieving the targets of the UniCredit Strategic Plan demands responsibility, discipline and execution. It requires that our leaders are accountable, while our workforce is empowered, driven and motivated. With this in mind, our additional efforts in 2011 aimed to:

- **engage employees:** through listening, high-quality social dialogue and continuous communications
- **enhance leadership and development:** through a sustainable leadership pipeline by investing in the quality and accountability of our leaders, and by supporting our employees' professional growth with strong development programs that balance efficiency and quality
- **foster inclusion and diversity:** investing in an inclusive work environment where diversity is valued for yielding innovation and new perspectives

Our Engagement Index maintained its 2010 level of 73 percent, indicating stability in our employees' feeling that they are a part of UniCredit. Moreover, the comparison with our 2010 results demonstrates that our efforts to address issues considered critical by our employees had a positive impact. Our commitment to communicate our bank's strategy clearly and transparently is reflected in the improvement of our score on Clarity of Goals and Objectives. Our colleagues are fully aware of what is expected of them and have a clear understanding of our bank's goals. And although they continue to request additional information on our Group's strategy, their perceptions of this topic have improved. We will continue to address this need by keeping them informed with clear and regular communications on achievements related to the strategic plan.

Responses also demonstrated an improved focus on external customers, which is in line with the strategic plan's objectives and our investment in achieving positive customer impact.

With regard to Integrity/Corporate Sustainability, there was an increase in our employees' perceptions of our bank's ability to play an active role in supporting local communities and to act responsibly with respect to the environment. This increase was attributable to the investment we made in raising employee awareness of sustainability issues. For further information, see the related section in this chapter and the Environment chapter.

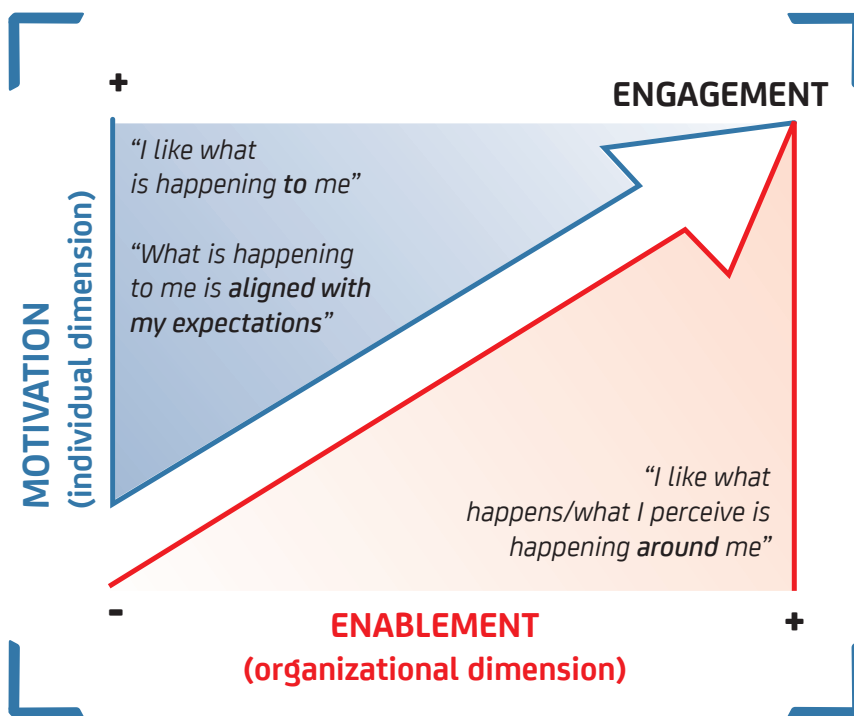
In order to enable our Group to focus more effectively on our strengths and key areas for improvement, we introduced a new two-dimensional analysis model in 2011 that accounts

## Engage employees

### Listening

Listening to our employees' needs and expectations remains key to improving their engagement. The People Survey is an essential part of this process. In 2011, we launched our sixth edition of the survey, with roughly 115,000 questionnaires completed and a 72 percent participation rate.

**Engagement Index confirmed at 73%**



for both individual (motivation) and organizational (enablement) variables. The rationale behind this new model is simple. Better understanding the results of our People Survey requires that we consider how people are “enabled” by our organization (employees’ perception of what is happening within the company), as well as how they are individually “motivated” (what they feel is happening to them).

According to our new analysis, the survey results revealed that our employees are proud to be part of UniCredit. They have a strong sense of belonging and are confident about their capacity to support our Group’s goals.

Regarding areas of improvement, colleagues are asking management for greater understanding of and interest in their career satisfaction. They would also like a clearer vision of the future, particularly in connection with personal development and growth.

We are committed to addressing the issues highlighted by the People Survey 2011 through specific action plans, which will be implemented at the country level.

## Promoting social dialogue

We are committed to facilitating social dialogue that enables organizational simplification, cost management and a refocusing of our business. Because ensuring long-term growth within our strategic plan demands tough decisions, cooperation with employee representatives is critical. It helps improve colleagues’ understanding of UniCredit’s strategy and decisions, thereby helping strengthen our vision of the future.

We work to assure constructive social dialogue groupwide. At the Group level, our employee representatives are regularly updated on the progress of major projects and initiatives. At the national level, and in compliance with our Group strategies, local banks and employee representatives meet to address their goals, align their respective needs, requirements and expectations, and finalize agreements.

This continuous flow of information and interaction between management and employees provide regular opportunities for consultation, most importantly during the UniCredit European Works Council (EWC) meetings.

In 2011, the EWC continued to address complex matters. This included fostering a culture of shared social responsibility, careful listening and accountability with respect to both domestic and global needs.

Regarding employee representatives’ rights to information and consultation, details on the UniCredit Strategic Plan were submitted to the UniCredit EWC Select Committee directly after Board approval and prior to its being made public.

The following week, our top management presented the plan to the 44 employee representatives at the 2011 EWC Second Ordinary Meeting in order to solicit feedback, facilitate a better understanding of the plan and demonstrate their constructive partnership. Active discussions took place, capturing the spirit of social dialogue at UniCredit.

Because the plan’s guidelines and goals differ by country, UniCredit works at both the Group and local level to ensure standards of social dialogue and to maintain adherence to all relevant labor laws.

Cooperation between management and employee representatives also resulted in the implementation of the 2010 agreement on voluntary early retirement in Italy and alignment of compensation with European and Group standards in Croatia. In the Czech Republic, an internal coaching system to support employees’ professional growth was developed.

For further information on the UniCredit EWC’s achievements, see the Supplement.





# Our People

## Communicating

Reaching our strategic targets requires that we account for sustainable objectives in our choices, while ensuring that employees are aware of the rationale for our decisions. That is why significant effort went into explaining the strategic plan, with a groupwide communication campaign launched immediately after the plan's approval.

On November 15, our CEO explained the plan to colleagues in Italy through a live broadcast watched by more than 8,000 people. An online Q&A addressing a variety of important questions about the plan was also accessed by more than 60,000 colleagues in three days. And interviews with our CEO and General Manager were broadcast on our Group's internal radio station, UniRadio.

A communication kit was prepared for use at the country level by managers responsible for delivering the plan's key messages. Moreover, various local initiatives were established that explained to employees the impact of the plan on their daily activities.

At the divisional level, significant efforts were made to explain UniCredit's strategy and organizational changes to our employees. The Corporate & Investment Banking division, for example, held two roadshows. The first show, *Let's Share Our Vision and Priorities*, was held in five cities for an audience of more than 1,300 employees. The second one, *Our Vision 2015*, was held following the announcement of the strategic plan and was attended by more than 1,000 colleagues.

In 2012, we will support colleagues in their understanding of how we are achieving the plan's goals by regularly

highlighting issues and actions related to our business and customer satisfaction targets. Moreover, we will measure the effectiveness of these efforts by monitoring our colleagues' feedback.

## Increasing sustainability awareness

By increasing our colleagues' awareness of sustainability issues, we are able to build on their engagement.

In 2011, comprehensive efforts were made to:

- increase awareness and interest in sustainability at UniCredit
- explain the significance of existing initiatives when it comes to sustainable performance
- inspire employees to make our business more sustainable through their everyday behavior

In September, these efforts were kicked off groupwide by dedicating UniCredit Day 2011 to sustainability. Entitled *Making the Difference, Every Day*, this event focused on sharing the vision of our CEO and top management.

Colleagues were asked to think about the meaning of sustainability and how acting in a sustainable way can make a difference in our relationships with clients, colleagues and communities. The takeaway, explained through real examples from our everyday work life, was that sustainability at UniCredit impacts everything we do.

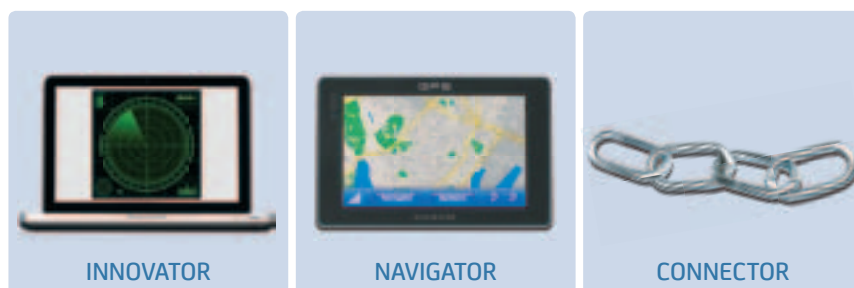
A training program was also created to explore the concept and application of sustainability at UniCredit:

- sustainability labs were organized in three Central Eastern Europe (CEE) hubs, raising awareness of the topic and relevant projects. These labs

## Focus

### How can you make the difference every day?

To generate curiosity about UniCredit Day 2011, prior to the event an online interactive quiz was available to employees groupwide. By answering a series of short questions, they explored their attitudes toward sustainability in a fun and engaging way. They also learned more about their potential roles in UniCredit's sustainability efforts and in making the difference every day.



The quiz results showed how they could help make our business more sustainable, either by being forward-looking (Innovators), business-focused (Navigators) or engaged with customers and local communities (Connectors). More than 15,500 individuals from nearly 30 countries took the quiz, demonstrating their interest in and curiosity about sustainability.

actively involved CEE colleagues and supported a common understanding of the concept of sustainability and best practices

- a comprehensive, multi-channel training program was organized in Italy, which included workshops with union representatives, HR senior managers and HR business partners to discuss UniCredit's sustainability approach. Classroom and online training courses were also made available to all employees roughly 2,800 colleagues participated in these trainings

In 2012, we will continue strengthening our colleagues' ability to apply sustainability concepts to their daily work.

## Enhance leadership and development

In 2011, we worked to strengthen our sustainable leadership pipeline, further ensuring a reliable supply of managers appropriate to meet the challenges of the current economic environment. We continued to invest in our employees' skills in order to enhance leadership, management of complexity, ability to operate in a multicultural context, risk management, execution and ability to manage interests of different stakeholders.

### Refining a development framework

The UniCredit Competency Model and the Global Job Model are the basis for the management and development of our employees.

The Competency Model, defined by our top management, guides our professional behavior and decision-making. It was revised in 2011 to better align our

### The UniCredit Competency Model

**5 fundamentals to make the difference**  
**Our Competency Model**


**CUSTOMER FIRST**  
Client Obsession

**LET'S DO IT NOW**  
Execution and Discipline

**SIMPLY CONNECT**  
Cooperation and Synergies

**BALANCE RISK**  
Risk Management

**UNLOCK POTENTIAL**  
People and Business Development



The five fundamentals:

- put customers first, by building long-term relationships and providing concrete solutions
- ensure that execution and discipline are always managerial priorities to guarantee the implementation of decisions
- foster cooperation and synergy across borders and divisions, and incorporate them into our organization for optimizing and simplifying processes and systems
- cultivate leadership in risk management at all levels of the organization, guaranteeing our strong market reputation
- invest in the development of people and businesses, fostering the full potential of our human capital while enhancing our portfolio of products, services and competencies

behavior with UniCredit's goals, while promoting a consistent leadership approach groupwide. It describes what is expected from all colleagues in order to achieve excellence and meet the evolving needs of our customers.

The Global Job Model is designed to provide UniCredit employees with a clear understanding of their roles and responsibilities, as well as their opportunities for growth. It provides a clear framework for career paths, categorizing all positions within our Group according to Job, Job Level and

Band. The model consists of two key elements:

- a standardized Global Job Catalogue arranged according to business lines, competence lines and countries
- a Global Bands structure, which evaluates and clusters all jobs within nine bands

In 2011, we mapped nearly all positions in the Global Job Catalogue, communicated job titles and bands to almost all employees, and worked to integrate all major HR processes into the Global Job Model.

# Our People

## FOCUS

### UniCredit HR processes

UniCredit HR processes are managed in a consistent and standardized way, based on the UniCredit Competency Model and the Global Job Model.

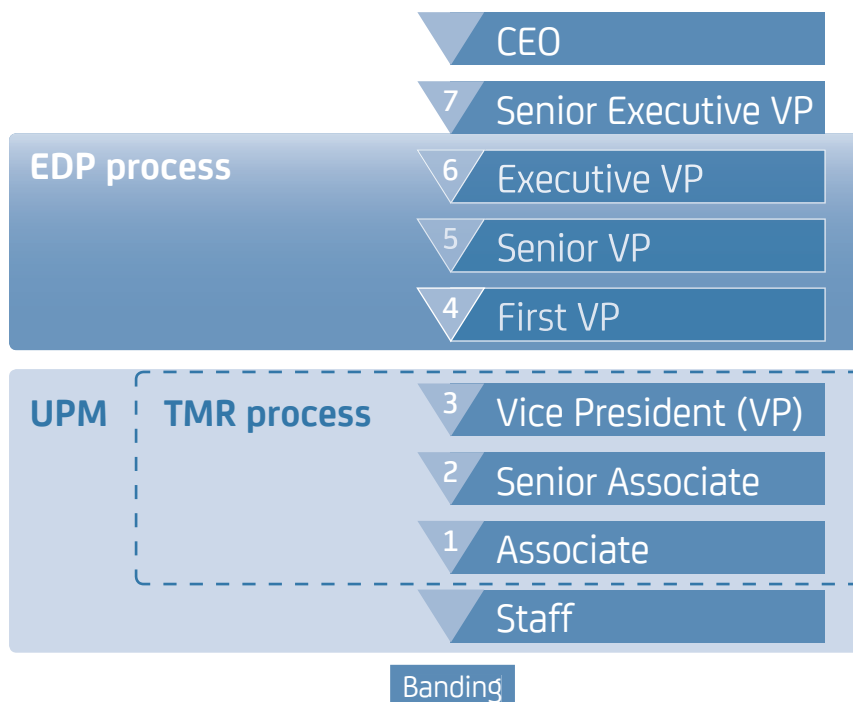


**UniCredit Performance Management (UPM)**, our Group's performance appraisal and development process, is consistent with the roles and competencies defined in the job profile content of the Global Job Catalogue. Global job and band definitions are used to assess readiness for career development.

**Career Maps** make use of the Global Job Model to identify the skills needed for advancement and the jobs that foster these skills. They provide a framework for career development, enabling talent to identify the most suitable positions in which to grow and advance within UniCredit.

**Training programs for business and competence lines** are being developed based on the job profiles in the Global Job Catalogue. In 2011, we launched a training catalogue for competence lines. In 2012, training programs for the competence lines will be improved in those countries where the relevant competence lines are present.

**The Executive Development Plan (EDP) and the Talent Management Review (TMR)** are annual review processes for Group executives and talent, which make it possible to plan, manage and develop a sustainable Group leadership pipeline. These processes ensure continuity by regularly assessing performance and skills, defining career and succession plans, and identifying activities to support leadership development. People eligible for the EDP and TMR, and the development and career opportunities open to them, are determined based on banding defined by the Global Job Model.



## Building upon our leadership pipeline

In 2011, we enhanced the EDP and TMR processes to better foster the professional and managerial growth of our leaders and talent. In doing so, we built a sustainable leadership pipeline at UniCredit, while aligning the quality of our leadership with business objectives and economic challenges.

These processes are developed internally and are managed directly by business functions with support and facilitation from Human Resources. They enable us to identify, assess and develop our current and future leadership, while supporting a gender-balanced leadership pipeline. For further information, see the Foster inclusion and diversity section of this chapter.

In 2011, more than 5,000 managers and roughly 3,000 talents were involved in these processes groupwide. For the top 600 managers, five day-long discussions were organized, in

which the CEO, the General Manager, the Chief Operating Officer, the Head of Corporate and Investment Banking, and the Head of Group Human Resources took part. In these discussions, succession plans were developed by top management, the managers of business functions, and the heads of each division and country.

A summary of these sessions and the resulting succession plans were presented by the CEO to the Board of Directors.

These discussions led to concrete measures to promote individual development. They are also designed to allow our Group to regularly monitor coverage of key executive positions, reducing turnover, and ensuring effective managerial and leadership development at UniCredit.

## Providing leadership development programs

The leadership development programs available to UniCredit executives

and talent include initiatives and learning opportunities based on our UniCredit Competency Model. Leadership development is linked to the organization's mission and strategic goals, as well as to individual aspirations, performance and potential. Among others, our offerings include:

**The Development Center:** This three-day program combines assessment, learning and feedback activities that help identify top talent to include in our leadership pipeline. Of the 24 employees who were identified as top talent in 2010, 80 percent have since been promoted or assigned additional responsibilities. In 2011, 60 new talented employees participated in the program.

**Mentoring:** In a shift toward an open mentoring approach, our mentees now choose their mentors based on competencies and learning objectives. This approach includes career mentoring as well as situational and topical mentoring. It entails one-on-one and group interactions. As a result of the new approach, the number of participants grew from 35 in 2010 to 400 in 2011, with around 40 percent of our mentors being executive vice presidents. Of the mentees, more than 40 percent were female.

**400 participants involved in mentoring programs**

**Coaching:** Learning can be strengthened with a focus on how to make more effective choices. In 2011, 118 employees – 81 men and 37 women – received coaching, up from



# Our People

70 in 2010. Our coaches are drawn from senior staff across different UniCredit divisions and competence lines. Each coach must complete a professional training course on coaching and agree to abide by the UniCredit Coaching Code of Ethics.

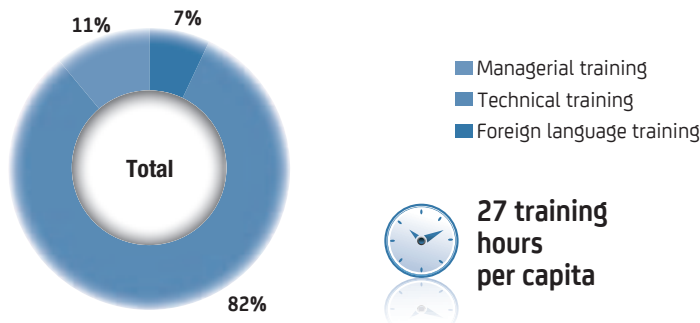
## Investing in professional training

In 2011, despite the challenging macroeconomic environment, we continued to invest in training. Although the training per capita decreased by 5 hours, we kept on providing training focused on sustainable results, while maintaining quality and achieving efficiency. We continued to invest in retraining programs aimed at supporting employees' internal re-deployment and in activities that reinforce our customer-centric approach and culture of risk management.

Specifically, we accomplished the following:

- we improved the quality of our e-learning solutions, making them more engaging and user-friendly
- we transformed several training centers in Italy into multi-use spaces that incorporate the latest educational techniques
- we introduced new learning channels that increase the accessibility of training to all employees (e.g., live meetings, tutorials and webinars)
- we invested in part-time and full-time professional internal trainers in order to ensure access to specialized skills and to increase efficiency. We doubled our pool of internal trainers, including personnel from four countries, from 500 to 1,000, thus achieving our goals for 2011. We developed their skills with

## Percentage of training hours, breakdown by type of training, 2011<sup>A</sup>



<sup>A</sup> This data is based on 73 percent of the total Head Count. Training hours include e-learning, classroom training and training on the job.

a new training course called Top3 and by creating the WeLearn knowledge-sharing platform

As of today, we provided more than 47,000 professional certifications to our colleagues in Italy. For our colleagues in other countries, we launched a pilot project, the Foreign Certification Path, which will be completed in 2012.

Our main priority in 2012 is to further align our training programs with the needs of our employees and our

business, as well as with the job profiles defined in the Global Job Model. Moreover, we will continue to increase the number of trainers, expand the WeLearn platform and publish the International Trainers Club newsletter.

**We provided more than 47,000 professional certifications to our colleagues in Italy**

## The UniCredit Risk Academy, 2011

The Risk Academy is designed to build a stronger and more effective culture of risk management throughout our Group. Launched in 2010, the academy provides education in risk-related issues. In 2011, the number of applicants to the program increased significantly.

Area	Targets for participants	Participants	Hours
Risk Diploma - Core Curriculum	3,300	3,456	79,488
Risk Diploma - Masterclasses	800	1,721	13,744
Risk Master Series	60	97	2,160
Strategic Learning Lab	60	72	1,080
Tailor-made training <sup>A</sup>	not applicable	106	53
<b>Total</b>	<b>4,220</b>	<b>5,452</b>	<b>96,525</b>

<sup>A</sup> New training activity launched in 2011.

## FOCUS

### The Induction Program

We focused special attention on newly hired colleagues to help familiarize them with our corporate culture. For example, we launched a new international induction program in Italy, Germany, Austria, Poland, Romania and Russia, which aims to strengthen colleagues' understanding of UniCredit and their sense of belonging. In 2011, roughly 840 recent hires participated in this program.

The induction program uses our mission statement as a framework to discuss:

- our identity, mission, market positioning, brand positioning and organizational structure
- our approach to sustainability
- HR strategy, processes, development tools and Industrial Relations
- UniCredit's banking activities and products
- compliance and risk management as fundamental to generating sustainable value for shareholders

### Foster inclusion and diversity

In keeping with our mission and values and in line with our Joint Declaration on Equal Opportunity and Non-Discrimination, we continued to invest in a culture of inclusion. We are aware that a diversified workforce – in terms of gender, culture, background, age and abilities – guarantees a plurality of perspectives, fosters innovation and contributes to an engaging work environment.

In addressing diversity, we take a multi-stakeholder approach that accounts for the differing needs of our customers, employees and communities. With this in mind, we carried out several initiatives.

In Germany in 2009, we were the first bank to start a Women's Council. Through this council, female decision-makers from different social and economic fields engage in a dialogue and voice their opinions on economic and social issues pertinent to women. By the end of

2011, this council was comprised of roughly 30 female entrepreneurs and managers, including a number of bank customers. This body has also played an important role in UniCredit Bank AG's mentoring activities, pairing 21 female middle managers with council mentors. Additionally, mentors from the bank provided professional support to female entrepreneurs. This initiative will be repeated in 2012.

In Serbia, a Lady Branch was opened, contributing to the acquisition of 25 new small business clients managed by women. The branch also serves as a regular location for events involving female entrepreneurs, including seminars on successful communication, assertiveness and stress management.

### Promoting gender balance

In 2011, creating a more gender-balanced leadership pipeline remained a priority. Our top management confirmed their commitment to this goal by setting a target of making 30 percent of

UniCredit S.p.A. Board of Directors and the boards of our subsidiaries female when they are next renewed.

**We are aiming to make 30% of UniCredit S.p.A. Board of Directors female**

Additional initiatives have been launched to address this issue. Improvement can be seen in the composition of the Executive Development Program, which saw a 3 percent increase in the number of female participants since 2010. In UniFuture, a leadership development program, the percentage of women grew from 15 percent in 2010 to 21 percent in 2011.

However, women still remain underrepresented at the top levels of our organization. As we strive to unlock the full potential of our workforce, 59 percent of which is female, we are working to assess the

## FOCUS

### EDP and TMR gender distribution

In the Executive Development Program, 27 percent of participants are female. In the Talent Management Review, 44 percent are female. The number of female executives in the EDP grew by 3 percent from 2010 to 2011, while the number of woman in the TMR remained stable.

Process	Total 2011	Female 2011	% Female in 2011	Total 2010	Female 2010	% Female in 2010	Δ YoY female %
EDP	5,055	1,370	27%	5,289	1,248	24%	3%
TMR	2,935	1,283	44%	3,178	1,404	44%	0%

### The Gender Balance Program

The pillars:

#### MEASUREMENT

- establish KPIs Groupwide, to be supported by a new measurement and reporting system
- track and monitor HR processes to assess the number of female executives being recruited and promoted throughout our Group

#### CAREER DEVELOPMENT

- identify investment priorities with the object of leveraging the yearly EDP cycle
- establish tailored career plans and a mentoring program with a focus on our female talents
- define a monitoring process that will enable us to evaluate results

#### WORK LIFE BALANCE

- introduce new work-life programs aimed at helping employees, both male and female, effectively manage professional and personal challenges
- evaluate programs that offer greater work-life flexibility with respect to working hours (e.g., part-time employment, telework)

#### COMMUNICATION & SUSTAINABILITY

- update the communication plan and related internal and external tools to ensure that stakeholders are informed about and involved in our gender diversity initiatives

#### BEST PRACTICES

- ascertain internal and external best practices and extend their implementation Groupwide

impact of our current initiatives. For this purpose, a cross-functional, cross-border Gender Balance Program was launched at the end of 2011. Five working groups, each led by both an HR executive and a business leader, were formed to identify activities that will contribute to the professional development of our female employees. The project will be implemented in 2012.

We continued to leverage the UniCredit Women's International Network (UWIN) to strengthen our female leadership. In 2011, our efforts concentrated primarily on a mentoring initiative and the *Shaping My Future* program, a learning experience that aims at improving individual ability to plan professional and personal life. In Italy, 14 sessions of the program were held, with more than 200 colleagues participating. Eight more sessions were held in Austria, the Czech Republic and Romania.

In Italy, the network elaborated on the theme of women's leadership by organizing several theatrical performances. *La Scelta* (The Choice) was held in Rome, Pescara

and Trento, and *Sahara Blue – Esperienze di Donne Viaggiatrici* (Experiences of Women Travelers) was held in Milan and Turin.

UniCredit also supports and participates in the initiatives of Valore D, an association of which UniCredit is founding member, that helps Italian companies promote the career development of talented women.

### Supporting people with disabilities

At UniCredit, inclusion also means creating a work environment that minimizes the barriers faced by the disabled. We believe in addressing special needs in order to guarantee equal opportunity to all our employees.

In this spirit, we have provided English lessons to visually impaired or deaf colleagues. We have also trained employees to interact effectively with disabled colleagues and to help manage disabilities in the workplace. In total, approximately 200 people participated in these training activities.

In keeping with this approach, UniCredit Bank Austria AG appointed a disability manager to identify and facilitate necessary assistance to both employees and customers with disabilities. For further information, see the Communities chapter. As a result, UniCredit Bank Austria AG received the DiversCity Award in 2011 for promoting and utilizing staff diversity in an exemplary manner.

### Enhancing work-life balance

Guaranteeing equal opportunity to all our employees includes supporting their well-being and enhancing their work-life balance at all stages of their careers.

In 2010, we conducted a qualitative survey to better understand how we can align our services and benefits with employee needs.

In 2011, we carried out the *Welfare and Work-Life Balance Survey* in Italy, in which roughly 21,500 people took part. The survey was conducted to gauge the awareness of our employees regarding their company, welfare, benefit and work-life balance options. Their responses showed that they highly value their welfare and work-life balance options, and are satisfied with their current benefits and services, despite some

differences of opinion depending on gender and geographical area. However, colleagues expressed that they would like their benefits to be better adapted to their needs at different stages of life.

Based on the survey results, we will initiate a pilot program of the *UniCredit Welfare Plan* in Italy in the first half of 2012, with the goal of creating a work environment that improves our employees' work-life balance. Through the welfare plan, colleagues can select services suitable to their needs and invest in accessing to additional or enhanced services.

