

Human Capital

We support our colleagues throughout their professional lives by listening to their needs, valuing their skills, implementing training programmes and development plans and promoting diversity, inclusion and work-life balance.

OUR STOCKS OF CAPITAL



RESULTS

- **75%** engagement index
- **More than 33** training hours per capita
- Increased female presence in our management

COMMUNITY IMPACTS



2019 PRIORITIES

- Continuing - consistent with our approach to ethics and respect - to promote a positive and respectful working environment, by fostering a work-life balance
- Continuing to promote diversity and inclusion, also leveraging on our international footprint and our capacity to develop our talents



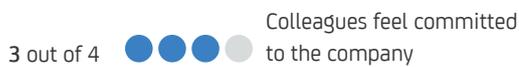
Foster engagement

Our employees are our Group's strongest asset and their engagement is essential to our viability.

Listening and involving

We regularly measure UniCredit's overall engagement index, which currently stands at 75 percent.¹ This result is a testament to the pride our people take in belonging to the Group and supporting its values. Our next Group employee survey is scheduled for 2019.

Engagement index



To ensure their involvement, we updated our employees on the progress of our strategy and performance throughout the year. Our Group intranet hosted extensive information which was further bolstered with local newsletters in all our main geographic areas. Senior management actively participated in the effort to communicate our key achievements and results across the Group.

Furthermore, our CEO and other senior managers informed employee representatives of the status of the strategic plan during the 2018 meeting with the UniCredit European Works Council (EWC).

Building a positive environment

In order to achieve an engaging and positive work environment and be recognised as the best place to work by our employees, UniCredit remains committed to promoting a corporate culture based on work-life balance.

At the end of 2017, our Group signed a Joint Declaration on Work-Life Balance with the EWC in order to provide global guidelines and principles to promote work-life balance initiatives across the Group.² Following this, in 2018 a global action plan and a tailored communication campaign were launched. Under this approach, specific initiatives are developed locally, with regular alignments across different countries to ensure consistency

in the Group with the principles defined at central level. It additionally ensures a monitoring process by Group management and the EWC which assesses the implementation of the Joint Declaration.³

We also launched *UniCredit Connect*, our first transnational welfare initiative whereby employees can leverage a network of Group colleagues to benefit from programmes such as au-pairs, language exchanges, home exchanges and global mobility. The pilot phase involved six different countries in 2018.

Enhance skills

We strive to be an employer of choice and invest in attracting, managing and developing talent. We want to be a company where people can fully demonstrate their skills, abilities and qualities.

Recruiting talent

In order to guarantee sustainable support to transform the Group, we continue to invest in the best available talent.

- A new communication campaign expressing the way we work and the promise UniCredit makes to current and future employees was developed through an extensive engagement process that involved over a year:
- 5,300 talented employees through an internal survey
- 40 executives through dedicated one-on-one interviews
- 50,000 outside talented people through an external survey.

In 2018, 116 promising recent graduates were hired through our *Impact International Graduate Programme*.

During the 2013-2018 period, through this programme UniCredit hired young high potential colleagues coming from 24 different countries with an average age of 25. They are offered an 18-month customised programme that includes dedicated learning initiatives and job rotations in different UniCredit countries and areas.

1. *People Survey* is a listening initiative carried out by UniCredit since 2003. Since *People Survey* is not carried out annually, data refers to the edition of 2017.

Refer to the 2017 Integrated Report for more information.

2. Refer to the 2017 Integrated Report for more information.

3. Refer to the Supplement – Human Capital section for more information.

Managing performance

At UniCredit we have implemented processes to set goals, assess performance and define career development based on the following key principles: empowering managers to make decisions about their employees, rewarding merit and performance, encouraging individual development and learning, increasing transparency and fostering a culture of constructive feedback.

UniCredit Performance Management is the Group-wide appraisal and development process which is applicable to all employees. The behaviours expected of employees are based on our *Five Fundamentals*.⁴ All employees receive a performance review from their manager. This process ensures a common approach to performance management and decision-making with regard to reward, career development and learning opportunities.

In addition, our annual review of UniCredit executives and employees on the executive track enables our Group to define career and succession plans that ensure a sustainable leadership pipeline.

Our Five Fundamentals



Developing skills

We invest in initiatives to foster the professional development of colleagues and to ensure they can support UniCredit's objectives.

In 2018, our senior managers shared their career progression through personal, short storytelling videos in the *My Professional Journey* initiative. They explained the importance of continuous learning, hard work and the right attitude in order to grow and achieve success at UniCredit. They received more than 145,000 page views, confirming that readers find this topic extremely interesting.

For current and future Group leaders, the *Leadership Curriculum* provides a global dedicated learning environment to advance their leadership skills and their ability to play key roles in a challenging business environment.

• In partnership with top-tier business schools, we offered these leadership programmes to 758 employees from 16 different countries over the course of the year.

In 2018, specific learning solutions were designed to support first-time managers in shaping their leadership approach. A digital toolkit was also developed to help managers perform their daily activities.

Professional growth in specific competence and business lines was offered over the course of 2018 using the modular and flexible format of our functional academies in fields such as Risk, Compliance, HR and Audit. In particular, a new risk learning programme was developed for all Group employees.⁵

In addition, training opportunities specific to local business needs in each country and division were provided across our Group countries in order to enhance professional skills and empower employees in their roles.

We completed a total of more than 33 training hours per capita in 2018 thanks to our investments in professional skills development.

Value diversity and inclusion

We have a richly diversified workforce and are committed to an inclusive working environment where all our employees can fully demonstrate their talent and skills, use their experiences and express their different perspectives. Our approach aims to enhance quality of life at work, thereby fostering an environment of respect, equal opportunities and non-discrimination, as outlined in our Joint Declaration on Equal Opportunities and Non-Discrimination.⁶

To reinforce our commitment, a new position of Group Diversity and Inclusion Manager was created in 2018 alongside a Diversity and Inclusion Committee (comprised of our CEO and other senior managers) to monitor initiatives and the progression of the diversity targets set by UniCredit.

4. Refer to Integrated Report 2016 for more information.

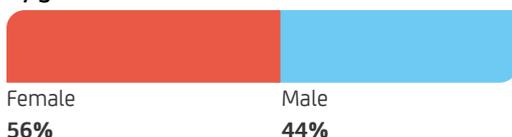
5. Refer to the Risk Management and Compliance chapter for more information.

6. Refer to the Supplement – Human Capital section for more information.

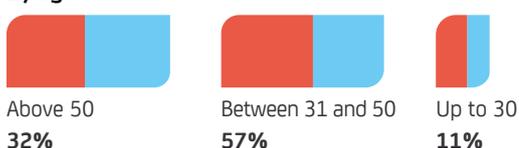


Our workforce

By gender



By age



Promoting gender balance

UniCredit's workforce is 56 percent female and our Group remains committed to achieving more gender balance in our leadership.

As part of this commitment, as in previous years we have been consistently investing in activities designed to support the growth and development of female colleagues at all levels of the organisation. In 2018, a dedicated Group leadership development programme was launched for 29 of our female executives.

Since 2013, we have maintained a Global Policy on Gender Equality. The policy sets out principles and guidelines to ensure a level playing field where all employees, regardless of gender, can realise their full potential. Our gender equality guidelines apply to company processes and practices in the areas of recruitment and internal appointments, professional development, remuneration, work-life balance, information and education. This policy also outlines roles and responsibilities for its application and a monitoring process through a gender balance dashboard of KPIs.

In 2018, UniCredit joined the HM Treasury Women in Finance Charter in the UK to give its full support to helping improve gender diversity in the financial services sector in the UK and worldwide.⁷ Joining this initiative is part of UniCredit's Group-wide diversity action plan that follows a number of decisive actions already taken to reach a more balanced gender distribution at all levels.

By signing the UK Women in Finance Charter, the Group committed to reaching 20 percent (+/-1 percent) of women in senior leadership roles by 2022.

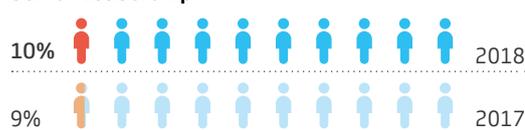
At the end of 2018, this percentage stood at 10 percent, an increase of 1 percentage point from the previous year.

7. Refer to UniCredit press release from July 11, 2018 for more information.

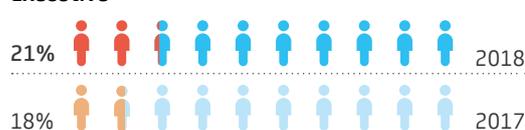
The Group is committed to gender pay equality. UniCredit has put in place a range of initiatives: a principle of equal pay embedded in the Group Compensation Policy, annual monitoring based on internal methodology carried out before and after the annual compensation review cycle and ongoing creation of awareness at all levels of management.

Female presence in management

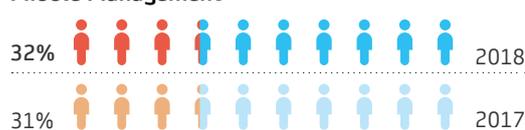
Senior Leadership



Executive



Middle Management



Supporting colleagues with disabilities

In our continued commitment to supporting people with disabilities, in 2018 for the first time in the Italian banking sector we appointed a Disability Manager. This role has been established to listen to the needs of colleagues who live with disabilities and improve their quality of life and family life. The Disability Manager performs a guiding role and acts as a link between various company functions to promote inclusion at all levels.

Inclusion activities carried out during the year include workshops involving also managers of colleagues with disabilities, learning and awareness building initiatives, and dedicated roundtables open to all employees.

In Austria, we won the Disability Matters Award 2018 for being a model workplace for employees with disabilities.