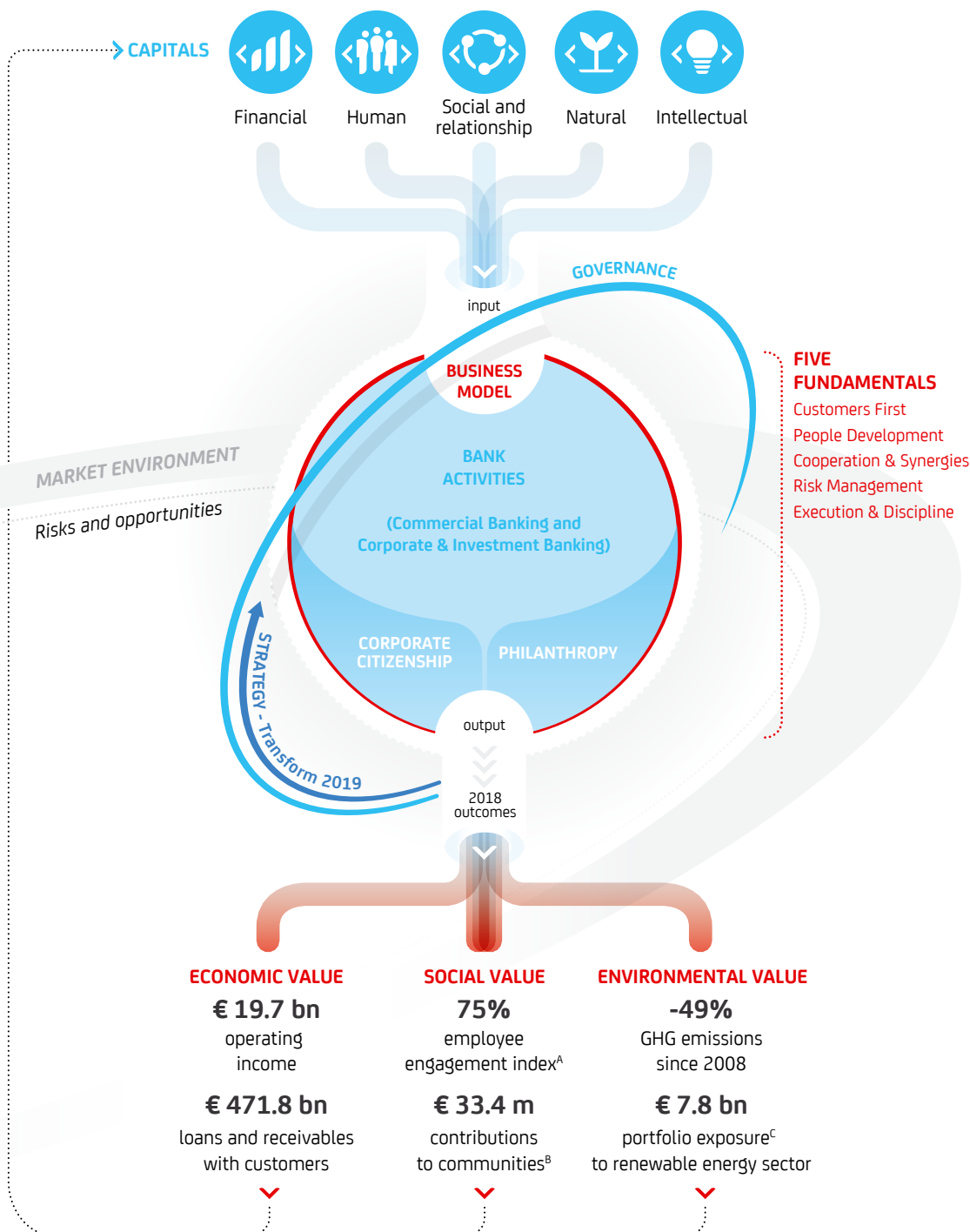


# Our Value Creation over time

We need to ensure we continue to create tangible value for our shareholders, clients and colleagues by providing real solutions to real needs. This is what Banking that matters means. We are One Bank, One UniCredit, a simple, winning, pan-European commercial bank with a fully plugged-in Corporate and Investment Bank (CIB), delivering a unique Western, Central and Eastern European network to our extensive client franchise.



A. Data refer to the last *People Survey* edition, carried out in 2017.

B. Impacts from Business Innovation for Social Impact amounts to additional €5.6 million, related to *Social Impact Banking* project. For more information, please refer to Social and relationship Capital chapter.

C. EAD, Exposure at Default.

Since the launch of our *Transform 2019* strategy in December 2016, UniCredit has achieved strong business growth and robust financial performance with the confidence and support of stakeholders. Our progress on these fronts proves that our strategy is on the right track. Serving our customers to the best of our abilities is our number one priority. To achieve this, we rely on highly qualified, committed employees and our ability to work together effectively and create synergies as *One Bank, One UniCredit*. In the future, we will continue to ensure we only take appropriate risks and remain committed to executing our strategy.

Our business model allows our Group to interact with the market environment in a sustainable way. This simple business model, which can easily be reproduced in every market where our Group operates, makes it possible to transform our resources and relationships into results which, in turn, help us to achieve our strategic goals and create value over the short, medium and long-term.

Our value creation process also relies on robust business ethics. Our approach to banking must be responsible, starting from fairness and respect towards all stakeholders. UniCredit considers that the way in which results are achieved is as important as the actual results. Value creation for UniCredit does not just mean to generate financial value, but also added value with regards to human capital, society and environment.

In addition to our business ethics culture, we depend on certain resources and relationships to create value. We work to manage our financial, human, social and relationship, natural and intellectual capital in a responsible manner.

Understanding how the company's capitals, strategic pillars and business model are interconnected and interact is the key to our path towards integrated thinking, which is essential to properly develop our

value creation process over time. This means being able to detect changes in the external environment, including evolving concerns from stakeholders and the limitation of natural resources, in order to find internal responses to address expectations and generate value.

In this process, stakeholder listening is of the utmost importance. Intercepting stakeholders' needs and expectations results in decisions such as our offer of responsible lending products, savings, payment and investment products, or the focus on empowering individuals, so they can improve their quality of life and better their financial stability. We also provide funding to small, medium and large businesses and contribute to financing the development of key sectors, thus contributing to economic growth, job creation and innovation in the countries where the Group is present.

By fostering financial literacy, promoting inclusion and gender equality and conserving natural resources, we help improve the well-being of individuals and protect the environment. As a result of our approach and by means of our business model, we also contribute to achieving the United Nations' Sustainable Development Goals (SDGs).<sup>1</sup> We monitor our progress towards SDGs via measurable KPIs resulting from the management of material topics and related risks and opportunities.

The core of our business is therefore to support customers and stakeholders in managing social and environmental challenges and financing their investments for a sustainable future. In this effort we are making continuous steps towards the completion of our path of integrating more and more sustainability into our business strategies, under the guidance of the Board of Directors and senior management. To support this endeavour we also rely on our *Five Fundamentals* which remain and shall remain the behaviours we expect to see from all our employees to reach our targets.

1. Refer to the Stakeholder Engagement chapter for more information.