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DETERMINATION AND DISTRIBUTION OF VALUE ADDED^A (€/000)



Item	2014	2013
10 Interest income and similar revenues	21,741,871	22,647,214
20 Interest expense and similar charges	-9,680,036	-10,729,408
40 Fee and commission income	9,070,316	8,808,521
50 Fee and commission expense (excluded external networks' expense)	-1,302,717	-1,331,371
70 Dividend income and similar revenue	402,484	260,916
80 Gains and losses on financial assets and liabilities held for trading	635,516	1,227,638
90 Fair value adjustments in hedge accounting	-9,046	-17,127
100 Gains and losses on disposal of:	686,260	2,369,973
a) loans	16,953	-3,194
b) available-for-sale financial assets	622,536	1,927,397
c) held-to-maturity investments	4,114	3,618
d) financial liabilities	42,657	442,152
110 Gains and losses on financial assets/liabilities at fair value through profit or loss	58,073	211,273
130 Impairment losses on:	-4,520,392	-13,643,631
a) loans	-4,178,413	-13,621,465
b) available-for-sale financial assets	-248,594	-146,600
c) held-to-maturity investments	-242	-466
d) other financial assets	-93,143	124,900
150 Premiums earned (net)	-	246
160 Other income (net) from insurance activities	-	-2,430
220 Other net operating income	1,224,845	1,129,529
240 Profit (loss) of associates: gains or losses on disposal	211,225	46,736
270 Gains and losses on disposal of investments	319,359	-7,404
310 Total profit or loss after tax from discontinued operations	-124,126	-760,471
A. TOTAL ECONOMIC VALUE GENERATED	18,713,632	10,210,204

Item	2014	2013
180 b) other administrative expense (excluded indirect taxes and duties and donations)	-4,694,355	-4,594,869
ECONOMIC VALUE DISTRIBUTED TO SUPPLIERS	-4,694,355	-4,594,869
180 a) staff expense (included external networks' expense)	-8,486,314	-9,256,807
ECONOMIC VALUE DISTRIBUTED TO EMPLOYEES AND SUPERVISED WORKERS^B	-8,486,314	-9,256,807
330 Minority Interests	-380,199	-381,662
Net profit attributable to shareholders	^c	-
ECONOMIC VALUE DISTRIBUTED TO SHAREHOLDERS	-	-
180 b) other administrative expense: indirect taxes and duties	-866,390	-777,088
290 Tax expense (income) related to profit or loss from continuing operations: current tax, adjustment to current tax of prior years, reduction of current tax for the year	-1,597,257	-1,262,988
ECONOMIC VALUE DISTRIBUTED TO PUBLIC BODIES & INSTITUTIONS	-2,463,647	-2,040,076
180 b) other administrative expense: donations	-8,002	-8,739
Net profit allocated to the charitable funds	-	-
ECONOMIC VALUE DISTRIBUTED TO COMMUNITY	-8,002	-8,739
B. TOTAL ECONOMIC VALUE DISTRIBUTED	-16,032,517	-16,282,153
C. TOTAL ECONOMIC VALUE RETAINED	-2,681,115	6,071,949

A. The comparative figures at December 31, 2013 have been restated:

- due to the effect of the new accounting standards IFRS 10 and IFRS 11 coming into effect, together with the revisions of IAS 27 and IAS 28 as from January 1, 2014, with retroactive effect from January 1, 2013, as referred to in Part A - Accounting Policies under Section 5 - Other Matters;

- due to the reclassification of the contribution made to the Italian Interbank Deposit Protection Fund (FITD), relating to movements that had already been authorized, from item 190 Net provisions for risks and charges and from item 220 Other net operating income to item 130.d) Impairment losses on other financial transactions.

B. The economic value distributed to employees and supervised workers excluded expenses for financial advisors.

C. For the proposals to the Shareholders' Meeting on the distribution to shareholders please refer to the specific Board of Directors' reports in relation.

MAIN PARTNERSHIPS AND AFFILIATIONS¹

Determination
and distribution
of Value Added

**Main
partnerships
and affiliations**

Selection
of 2014
awards

Legal entities	Organization	Description
UniCredit SpA	Utenti Pubblicità Associati (UPA)	UPA is owned and operated by companies with a common interest in resolving concerns related to advertising. UPA is aligned with the Istituto dell'Autodisciplina Pubblicitaria (IAP) in its efforts to defend and promote responsible advertising as a vehicle for consumer information, market competition and social welfare
	Valore D	Valore D is an Italian association of 115 national and multinational companies. Its mission is to increase and support female representation in top positions at major Italian companies
	Executive Corporate Learning Forum (ECLF)	The ECLF is a community of top executives from major global corporations. The community has the strategic responsibility to foster large-scale learning and transformation processes
	Italian Association of Investor Relations (AIR)	AIR is a professional association of investor relations executives in Italy that promotes the professional stature of its members while spreading awareness of their role within a variety of financial institutions
	UN Global Compact Global Compact Network Italy Foundation	The Global Compact is a strategic policy initiative, promoted by the United Nations at national level via local networks, for businesses committed to aligning their operations and strategies with 10 universally accepted principles related to human rights, labor, anti-corruption practices and the environment
	London Benchmarking Group (LBG)	LBG is the internationally recognized standard for measuring corporate community investment
	The United Nations Environment Programme Finance Initiative (UNEP FI)	UNEP FI is an initiative promoted by the United Nations addresses pressing, current issues in sustainable finance
	Carbon Disclosure Project (CDP)	The CDP promotes understanding of the potential impacts of climate change on shareholder value
	WWF International	WWF is the world's largest, most experienced independent conservation organization. Its mission is to end the degradation of the planet's natural environment and build a future in which humans live in harmony with nature
	Forum per la Finanza Sostenibile	Forum per la Finanza Sostenibile is a non-profit forum that promotes a culture of social responsibility in Italy's finance industry
	Fondazione Sodalitas	Fondazione Sodalitas seeks to: promote sound management in the nonprofit sector; promote corporate social responsibility; enhance relationships between academia and the corporate sector; and build partnerships among companies, nonprofits, universities and other institutions
	European Banking Federation (EBF)	EBF is the voice of the European banking sector, uniting 32 national banking associations in Europe that together represent some 4,500 banks - large and small, wholesale and retail, local and international -
	The Management Development Network	The Management Development Network is an international membership organization. It is a forum for information, research, networking and debate on innovation and best practice in management development with 800 member organizations from academia, business, public service and consultancy in 81 countries
	European Council on Foreign Relations (ECFR)	ECFR is an award-winning international think tank that aims to conduct cutting-edge independent research; provide a safe meeting space for policy-makers, activists and intellectuals to share ideas; offer a media platform to get Europeans talking about their role in the world
	OECD Development Centre's Emerging Markets Network (EMNet)	OECD Development Centre's Emerging Markets Network looks into emerging economies and their role in global economic, social and environmental challenges. EMNet holds three meetings per year in Paris on Asia, Africa and Latin America to discuss hot economic and business trends and drivers taking a regional perspective

Legal entities	Organization	Description	
UniCredit SpA	Institute for International Finance (IIF)	IIF is a leading global association of financial institutions. Its mission is to support members in prudently managing risks and to develop constructive proposals that contribute to the public debate on financial legislation	
	Association for Financial Markets in Europea (AFME)	AFME is an association actively engaged in the advocacy activities towards the EU institutions on a wide range of regulatory issues	
	International Capital Market Association (ICMA)	ICMA is a self-regulatory association committed to promote resilient and well-functioning international debt capital markets and repo market, which are key for economic growth and financial stability	
	European Financial Services Round Table (EFR)	EFR is an organization of Chairmen and Chief Executives of Europe's leading banks and insurance companies. The purpose of the EFR is to contribute to the European public policy debate on issues relating to financial services and to the financial stability	
	European Banking Group (EBG)	EBG is attended by the Chairmen or CEOs of the 12 major EU banks. The EBG mission is to raise the public policy awareness on critical issues which affect (or are likely to affect) the EU banking sector and the real economy	
	Enbicredito	Enbicredito promotes and supports social dialogue, through training and retraining, agreed and stipulated between ABI and the trade unions	
	Fondazione Prosolidar Onlus	Prosolidar is a foundation founded by the National Fund of the credit industry for solidarity projects	
	Ente Nazionale Sordi Onlus (ENS)	The mission of ENS is the integration of deaf people in society, the promotion of their growth, autonomy and full human realization	
	Ministero dell'Interno - OF2CEN, Polizia Postale e delle Comunicazioni	OF2CEN (On-line fraud cyber centre and expert network) is a European project against the advanced cyber crime	
	The European Money and Finance Forum (SUERF)	SUERF is a member-based association aimed at bringing together financial practitioners, central bankers and academics. The focus of the Association is on the analysis, discussion and understanding of financial markets and institutions, the monetary economy, the conduct of regulation and monetary policy	
	European Foundation Center (EFC)	EFC purpose is to strengthen and spread organized philanthropy in the interest of civil society, in Europe and the world over	
	Grantmakers Eastern Forum	Grantmakers Eastern Forum purpose is to help and sustain steady development of philanthropy and civil society in communities and states in wider Europe	
	Associazione Italiana Fondazioni ed Enti di Erogazione (Assifero)	Assifero's mission is to become the benchmark of institutional philanthropy in Italy by increasing the number, cohesion, resources and the impact of providing institutions	
	Pioneer Global Asset Management SpA	United Nations Principles for Responsible Investment (UNPRI)	The UNPRI initiative is an international network of investors working to put the six principles for responsible investment into practice
	UniCredit Bank AG	B.A.U.M. e.V. and Sustainability Leadership Forum	This German campaign promotes environmental awareness and responsibility among business managers
		Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e.V. (VfU)	VfU is an industry-specific body for environmental management at financial institutions
German Competence Center against Cybercrime (G4C)		G4C is an independent association active against cyber crime in Germany	
German Network of companies with Corporate Citizenship activities (UPJ)		UPJ is the German national network of engaged businesses and local non-profit intermediary organizations. UPJ projects and programs are aimed at creating new connections between businesses, civil society organizations and public authorities thus contributing to solve societal challenges and to shape sustainable communities	
Joblinge		Joblinge is an initiative to support young people with difficult backgrounds (e.g. crime, drug addiction, not graduated at school) in giving them a qualification program	

1. Each UniCredit subsidiary with a banking license is generally member, where they exist, of the local economic chamber and the local banking association.

MAIN PARTNERSHIPS AND AFFILIATIONS

▶ Determination
and distribution
of Value Added

▶ **Main
partnerships
and affiliations**

▶ Selection
of 2014
awards

Legal entities	Organization	Description
UniCredit Bank Austria AG	Forschungsgesellschaft für Wohnen, Bauen und Planen (FGW)	FGW purpose is lobbying for social/sustainable housing
	The Financial Markets Association (ACI)	ACI is an association of wholesale financial market professionals
	Vereinigung Österreichischer Investmentgesellschaften (VÖIG)	VÖIG is an association of investment management firms; its membership represents 100% of the assets managed by Austrian investment fund management companies and real estate investment fund management companies
	Austrian Society for Environment (ÖGUT)	ÖGUT is a nonprofit organization that works to stimulate discussion and innovation on environmental issues through the involvement of NGOs, businesses and government
	Kuratorium Sicheres Österreich (KSÖ)	KSÖ organizes events to strengthen community relationships, while addressing economic challenges and other issues in the corporate, political and media sectors
	klimaaktiv	klimaaktiv develops and provides quality standards, education and training of professionals, advice, information and a large partner network
Bank Pekao SA	Loan Market Association (LMA)	LMA mission is to improve liquidity, efficiency, and transparency of the consortium credit market in Europe, Middle East, and Africa by way of providing sound and widely accepted practices in this field
	The International Project Finance Association (IFPA)	IFPA is an independent association which focuses on promoting and representing the interests of public and private organizations involved in project financing world-over
	Polish Association of Capital Investors (PSIK)	PSIK is aimed at developing the private equity/venture capital sector in the country
	Warmińsko-Mazurski Business Club	The purpose of Warmińsko-Mazurski Business Club is to initiate, develop, and intensify the collaboration with the regional and national authorities
UniCredit Bulbank AD	Bulgarian Human Resources Management and Development Association (BHRMDA)	BHRMDA is a non-governmental organization established to support and develop professionals in human resource management and development and to raise the status of the profession as a whole
	National Committee of Bulgaria for the World Energy Council (NCBWEC)	NCBWEC manages Bulgaria's participation in WEC activities and participates in international energy projects organized by WEC
	Bulgarian Donors' Forum	The forum unites, represents and assists major charitable givers in Bulgaria. Members of the forum provide nearly 60% of their contributions from private funds, which are then given annually to charities in Bulgaria
	The Council of Women in Business	The Council of Women in Business is aimed at disseminating good management practices and introducing programs fostering the professional development of women in small and mid-sized businesses and their growth in managerial positions
	Bulgarian Association for Leasing (BAL)	Among the main aims and goals of the Bulgarian Association for Leasing are: improving of the competitiveness of the Bulgarian leasing industry through creating of competitive advantages of the leasing as financing product; promoting of fair competition practices on the Bulgarian leasing market; collecting and publishing of quantitative data on the Bulgarian leasing market
	The European Bank for Reconstruction and Development (EBRD)	EBRD helps businesses flourish. Through our financial investments, business services and involvement in high-level policy dialogue, we're well-placed to promote entrepreneurship and change lives

Legal entities	Organization	Description
Zagrebačka banka DD	Green Building Council of Croatia (GBC)	The GBC is a nonprofit organization and countrywide platform for the promotion of sustainable construction practices
	Information Systems Audit and Control Association (ISACA)	As an independent, global nonprofit association, ISACA engages in the development, adoption and use of globally accepted, industry leading knowledge and best practices related to information systems
	The Prof. dr. Marijan Hanžeković Foundation	This foundation promotes the study of finance and encourages scholars and researchers, particularly among younger generations, to engage in the discipline
UniCredit Bank Czech Republic and Slovakia a.s.	The Union of Banks and Insurance Companies (SBP)	SBP is an association of employers in the area of the financial and insurance sectors with the basic objective to protect the common interests of the members of the Union, in particular in the social area
	Business Alliance of Slovakia (BAS)	BAS is a professional association representing selected entrepreneurs and employers operating throughout Slovakia. The main objective of BAS is the improvement of formal and informal business environment rules in Slovakia within the broader context of society development
UniCredit Bank Hungary Zrt	Joint Venture Association	This association assimilates the views of its members and supports them in meeting challenges related to business conduct and organizational decision-making
UniCredit Tiriac Bank SA	European Professional Women's Network	This nonprofit membership organization supports women in reaching their professional objectives through online and face-to-face programs (e.g., mentoring), events and professional and business enhancement tools
	The Council of Banking Employers in Romania (CPBR)	Among the main objectives, the Council seeks to: promote cooperation with public authorities; contribute to increasing levels of industry standards and financial literacy in Romania; contribute to new legislative initiatives (or amendments of existing legal framework) on areas of interest; promote fair competition; bring together undertakings that aspire to good corporate governance, business ethics and best practices
	National Association for Information Systems Security (ANSSI)	The association aligns the efforts and builds upon the experiences of information security professionals for the promotion of standards and best practices in their field
	HR Club	The HR Club is an association of human resources professionals in Romania. Its mission is to encourage HR development by supporting and promoting best practices in the field
UniCredit Bank Serbia Jsc	Foreign Investors Council (FIC)	The FIC is a business association that assists Serbia in embracing and developing a modern market economy
	Associazione Serbian-Italian Business Council (SIBC)	SIBC is designed to promote and develop the economic relations between Serbia and Italy, promoting the development of economic relations and educational and trade, industrial and cultural relations in the private sectors of the two countries with particular reference to strategic sectors for economic growth
Ao UniCredit Bank	Russian Union of Industrialists and Entrepreneurs (RSPP)	RSPP is an independent non-governmental organization that maintains regular contact with governmental authorities to keep them informed about the effectiveness of current laws and to protect the interests of industrialists and entrepreneurs
	International Security Managers Guild (ASIS)	ASIS provides support to security managers at large and medium-sized multinationals, synthesizing their expertise to further the development, organization, assimilation and sharing of knowledge within their discipline. It seeks to enhance professional standards in their industry while creating a more secure corporate environment

SELECTION OF 2014 AWARDS

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Company	Award
UniCredit SpA	CRF Institute: Top Employer, Top Employer Italy 2014
	Premio Guido Carli to our CEO. Among the motivations of this awards there are: an efficient welfare system, flexible working hours, support and assistance to the UniCredit Employees
	Federazione Relazioni Pubbliche Italiana (Ferpi): second classified at the Oscar di Bilancio
	Global Finance Magazine: Best treasury & Cash management provider award for Italy, Best arranger of loans for CEE
	Special mention to Subito Banca at the Awards for innovation in banking services ABI
	AIFIn Award dedicated to innovation in the banking, insurance and financial sector - Cerchio d'oro - for the categories: Innovative bank of the year 2014, Wealth management products and services, New services, Assistance services, distribution channels and customer experience
	AIFIn corporate responsibility prize for its efforts to communicate its sustainable banking activities (winner of Premio Banca e Territorio 2014 - categoria Iniziative di comunicazione RSI e Bilancio Sociale)
UniCredit Bank AG	EMEA Finance Magazine: Best Investment Bank in Italy
	FKI-award (Frauen-Karriere-Index = women-career-index) from Ministry of family affairs of the Bundesrepublik Deutschland award of the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth: classified within the top 5 companies in Germany
	German CSR Award (Deutscher CSR-Preis), classified: first in the Corporate CO ₂ reduction category, first in the Best CSR video category, within the top 3 in the Diversity category, within the top 3 in the Cultural Engagement category
	LEED Platinum certification of the Arbellapark branch in Munich
	Elite Report 2014: Best asset manager
UniCredit Bank Austria AG	Focus Money: Beste Bank für den Mittelstand
	Best recruiter 2014
	CRF Institute: Top Employer Austria 2014 and Top Employer Europe 2014
Bank Pekao SA	University of St. Gallen: Österreichs Kundenorientiertester Dienstleister 2013 - Austrian most customer-oriented service provider
	EMEA Finance Magazine: Best foreign investment bank in Poland
	CRF Institute: Top Employer 2014
	Business Forum: 2013 Innovations
	Forbes: second classified in the category Best Bank for Businesses
	Bank Gospodarstwa Krajowego: leader of the minimis guarantees
UniCredit Bank DD	Global Finance Magazine: Best sub custodian bank in Poland
	Eurobuild Awards 2014: Bank of the year
	Money.pl: Best mobile solution for retail customers in the Polish banking sector, Best mobile solution for SME
UniCredit Bank AD Banja Luka	Banke Financial Magazine: Golden BAM for ROA

Company	Award
UniCredit Bulbank AD	EMEA Finance Magazine: Best Bank in Bulgaria
	Euromoney magazine: Best cash management 2014
	Global Finance Magazine: Best bank in Bulgaria 2014, Best Trade Finance Bank in Bulgaria 2014, Best sub custodian Bank in Bulgaria for 2014, Best Foreign Exchange Providers in Bulgaria for 2014
	The Banker magazine: Bank of the year 2014 in Bulgaria
	Capital: Capital Top 100 Chart - Top bank in Stability and risk category
	Ministry of Finance: Primary dealer of securities that has purchased the largest number of securities in the primary market in 2014, Primary dealer of securities that has purchased the largest number of securities in the primary market 2014 for its own account
	Lessor of the year 2014: UniCredit Leasing
	European financial marketing association (Efma): second classified in the in Digital Distribution category
	Bulgarian Donors' Forum: second classified in the category Largest contribution by the voluntary labor of employees
	Consensus Economics: first classified for precision of the forecasts about GDP and inflation
	PR Awards 2014: Event of the year in Bulgaria for the UEFA Champions League Trophy Tour
	Card Payments Forum: most innovative bank product for 2013 for cash money transfer
	Bulgarian Human Resources Management and Development Association: Best HR strategy for leadership development within the organization 2013
	CRF Institute: Top Employer Europe 2014
Zagrebačka Banka DD	EMEA Finance Magazine: Best Bank in Croatia 2014, Best Investment Bank in Croatia 2014, Most innovative bank in the CEE & CIS in Croatia
UniCredit Bank Czech Republic and Slovakia a.s.	CRF Institute: Top Employers Europe 2014
	Euromoney magazine: Best Private Bank
	Hospodarske noviny daily - 2014 Best Bank in CR - 3 rd classified in the category Best bank, 3 rd classified in the category Most client's friendly
UniCredit Bank Hungary Zrt	EMEA Finance Magazine: Best Bank in Hungary 2014
	Global Finance Magazine: Best sub custodian Bank in Bulgaria for 2014
	Euromoney magazine: Best cash management 2014
	MasterCard: 3 rd classified in the category The Socially Responsible Bank of the Year, 2 nd classified in the category Bank of the Year 2014
UniCredit Ţiriac Bank SA	Hungarian Donor Forum: Senior Award
	CRF Institute: Top Employers Europe 2014
	Euromoney magazine: Private Banking Award
Ao Unicredit Bank	Ziarul Financiar: Top Transactions Award
	Romania Superbrands 2014 Award
	CRF Institute: Top Employers Europe 2014
UniCredit Banka Slovenija DD	Renaissance Credit Bank: classified within the top 3 in the category Effectiveness of the network
	JPMorgan Chase Bank, New York: 2014 Quality Recognition Award
	Euromoney magazine: Best cash management 2014
PJSC Ukrsofsbank	EMEA Finance Magazine: Best Bank in Slovenija
	Global Finance Magazine: Best sub custodian Bank
	Global Finance Magazine: Best Trade Finance Bank in Ukraine in 2014
	Business Magazine: third classified in the banks reliability rating

GOVERNANCE



Governance

UniCredit SpA is an Italian company with shares listed on the Milan, Frankfurt and Warsaw regulated markets adopting the traditional management and control system and as a bank, parent company of the UniCredit banking Group, carries out, in addition to banking activities, organic policy, governance and control functions vis-à-vis its subsidiary banking, financial and instrumental companies pursuant to the provisions of Section 61 of the TUB.

The overall corporate governance framework of UniCredit¹ has been defined in the light of current provisions, also of a regulatory nature, and the recommendations of the Italian Corporate Governance Code for listed companies².

Moreover, UniCredit is also subject to the provisions contained in the Supervisory Regulations issued by Bank of Italy and, in detail, with regards to the corporate governance issues, to the relevant Supervisory Regulations on banks corporate governance in being.

UniCredit, as issuer of shares also listed on the Frankfurt and Warsaw regulated markets, also fulfils the legal and regulatory obligations related to listings on said markets as well as the provisions on corporate governance contained in the Polish Corporate Governance Code issued by the Warsaw Stock Exchange. Notwithstanding that, the UniCredit corporate governance structure is not influenced by non-Italian legal provisions.

Governance framework

UniCredit encourages all its staff, external collaborators and commercial partners to be inspired by the principles of transparency and sound management. This approach complies with current legislation and is in line with the fundamental principles governing the pursuit of individual goals.

UniCredit's corporate governance adheres to current rules and regulations as well as to the recommendations laid out in the Italian Corporate Governance Code for listed companies. UniCredit has developed a governance system that is regularly verified and updated to ensure that UniCredit complies with the evolving regulatory environment and operating practices. This system continuously monitors markets to assess the level and efficacy of our governance efforts.

Components of UniCredit's governance include:

- the Articles of Association, which set forth corporate governance provisions aimed at ensuring the proper operation of corporate management
- the Regulations for the Shareholders Meeting, governing the conduct of ordinary and extraordinary meetings and, mutatis mutandis, meetings of special categories of shareholders
- the Rules and Regulations for the Board of Directors, governing its working and jurisdiction, in accordance with relevant legal and regulatory provisions, UniCredit by-laws, and principles and criteria set out in the Italian Corporate Governance Code for listed companies
- the Group Compensation Policy, establishing an approach consistent with sustainable remuneration and its standardized implementation across UniCredit, with specific reference to the senior management
- the Group Managerial Golden Rules (GMGR)³, which are guidelines for principles of governance within UniCredit, outlining our organizational model and establishing managerial and functional responsibilities for all key processes that ensures also the implementation of the Strategic Plan

1. For detailed information on the UniCredit corporate governance system, please refer to the UniCredit SpA Report on Corporate Governance and Ownership Structure available to the public on the Company website, Governance Section.

2. Since 2001 UniCredit has adopted the Italian Corporate Governance Code for listed companies, that according, inter alia, to the major international markets' experience, identifies the corporate governance standards and best practices for listed companies recommended by the Italian Corporate Governance Committee - based on transparency, accountability and a long-term perspective - to be applied according to the comply or explain principle that requires the explanation in the corporate governance report of the reasons of failure to comply with one or more recommendations contained in its principles or criteria.

3. The Group Managerial Golden Rules (GMGR) are a set of guidelines which, in defining clear Group governance principles, delineate the organization model, establishing managerial/functional responsibilities in Group key processes. In particular the GMGR define the government system based on the Competence Line (Planning, Finance & Administration, Risk Management, Compliance, Legal, Internal Audit, Human Resources, Organization and Identity & Communications), Business Line, Product Line, Key Business Function, Key Service Function and Service Line concept, as well as the most important working rules between the Holding Company and Legal Entities in key processes, which requires a centralized view and leverages on specific strengths and competences throughout the whole Group. The Heads of the Competence Lines and the functions/business lines/products/services of the Holding Company mentioned have a direct role and - without overriding the responsibilities of the corporate bodies of the Legal Entities - have specific guidance, coordination and controlling authority with reference to the corresponding functions of the Legal Entities (e.g., define budget objectives, monitor the implementation of policies and models, express prior non-binding opinions with reference to the definition of the internal organizational structure, etc.)

UniCredit culture permeates both its operations and the way to conduct business and ensures the proper addressing, coordination and control of our Group activities and the management of related risks. It sees its own foundation on an additional consistent system of rules. They are represented by:

- Integrity Charter
- Code of Conduct, which defines general principles of conduct, aiming to promote our culture of compliance and our commitment to sustainability
- Global Rules, which are Group rules issued by UniCredit - coherently with the GMGR principles - to manage significant activity in terms of compliance with the regulation and/or risk management. The Global Rules consist of:
 - Global Policies, which establish the overall model, macro-processes (e.g.: responsibilities of the parent company and entities, interaction and coordination mechanisms)
 - Global Operational Instructions, providing operational, technical and methodological supplements to the Global Policy, ensuring the correct application of the models, rules and principles of governance as defined by the Global Policy
- Service contracts between UniCredit and its related subsidiaries, which formally regulate the provision of inter-company services and ensure transparency regarding the services provided and the related compensation

Governance structures

UniCredit has adopted a traditional management and control system based on the existence of two corporate bodies whose members are appointed by the Shareholders' Meeting: the Board of Directors, in charge of the strategic supervision and the management of the company, and the Board of Statutory Auditors, responsible for supervising management. Legal accounting supervision is entrusted by the Shareholders' Meeting to an external auditing firm, on proposal of the Board of Statutory Auditors, in compliance with relevant current laws.

This traditional management system, envisaging specific obligations for the Shareholders' Meeting, allows for the clear exchange of views between management and shareholders on fundamental elements of governance. These elements include appointing and removing directors, appointing members to the Board of Statutory Auditors, granting a mandate for the external auditing to an auditing firm, approving all connected fees. They also encompass the approval of financial statements, the allocation of profit and the resolutions on the remuneration and incentive policies and practices provided for by the current provisions.

All the members of the Board of Directors and the Board of Statutory Auditors are appointed by the Shareholders' Meeting on the basis of a proportional representation mechanism (voto di lista). This voting system features lists of the candidates who are competing against one another to ensure the election of minority shareholders representatives. The structure of the above-mentioned corporate bodies ensures they are gender-balanced in compliance with current regulations and provisions.

As at December 31, 2014, the UniCredit Board of Directors is composed of 19 members, including the Chairman and the Chief Executive Officer, and their term of office will expire on the date of the Shareholders' Meeting called upon to approve the 2014 financial statements⁴.

In compliance with the current provisions, the Board of Directors establishes its qualitative and quantitative composition deemed to be optimal for the correct performance of the Board of Directors' functions and expresses its opinion on the maximum number of offices that the directors may hold.

The Board, before the appointment of the supervisory body, informs the shareholders about the composition deemed to be optimal in order for the choice of the candidates to take into consideration the expertise required. It goes without saying that the shareholders may carry out their own assessment on the best composition of the supervisory body and file candidacies consistent with same, giving the reasons for any difference vis-à-vis the analyses carried out by the Board.

4. For detailed information on the appointment process, please refer to the procedures specified in Clause 20 of the Articles of Association available on the UniCredit website at the following address <https://www.unicreditgroup.eu/en/governance/system-policies/articles-of-association.html>.

GOVERNANCE



As regards the qualitative and quantitative composition of the Board of Directors and the profile for candidates to the position of Director, the maximum number of offices that the directors may hold as well as the gender composition criteria for the supervisory body, reference is made to the document Qualitative and Quantitative Composition of the UniCredit SpA Board of Directors published on the Company's website, Governance Section. The composition of the Board in office at December 31, 2014, is qualitatively balanced as far as concerns all the expertise areas laid down by the theoretical profile. All the Directors have turned out to meet the minimum professional experience requirements. All the expertise areas were accounted for by the Board and each was met by at least two thirds of the Directors.

The number of positions held by the Board Members in other companies listed on regulated markets (both in Italy and abroad), as well as in financial services companies, banks, insurance companies or other large companies, is regularly reported in the Corporate Governance Report.

The Board of Directors is supported by five committees⁵ which have the authority to give advice and submit proposals to the board, i.e.:

- the Permanent Strategic Committee
- the Internal Controls & Risks Committee
- the Corporate Governance, HR and Nomination Committee
- the Remuneration Committee
- the Related-Parties and Equity Investments Committee

The Permanent Strategic Committee has been voluntarily set up and does not perform any of the functions of one of the Board Committees envisaged by the Italian Corporate Governance Code for listed companies.

The Internal Controls & Risks Committee, the Corporate Governance, HR and Nomination Committee and the Remuneration Committee have been set up pursuant to the Italian Corporate Governance Code for listed companies while the Related-Parties and Equity Investments Committee has been set up in compliance with the CONSOB regulatory provisions and the Bank of Italy Supervisory Regulations.

The above mentioned committees may operate according to the procedures considered appropriate and may, inter alia, divide into sub-committees. For example, the Internal Controls & Risks Committee performs its duties either in plenary sessions or with limited membership within its two sub-committees, the Internal Controls Sub-Committee and the Risks Sub-Committee.

Board self-evaluation

In compliance with the provisions set forth by the Italian Corporate Governance Code for Listed Companies and abiding by the Bank of Italy's regulations, the Board of Directors regularly undertake a yearly self-evaluation on the size, composition and running of the Board itself and of its Committees.

Up to now the Board activities concerning the environmental and social issues have not been the object of any evaluation.

Induction initiatives and recurring training

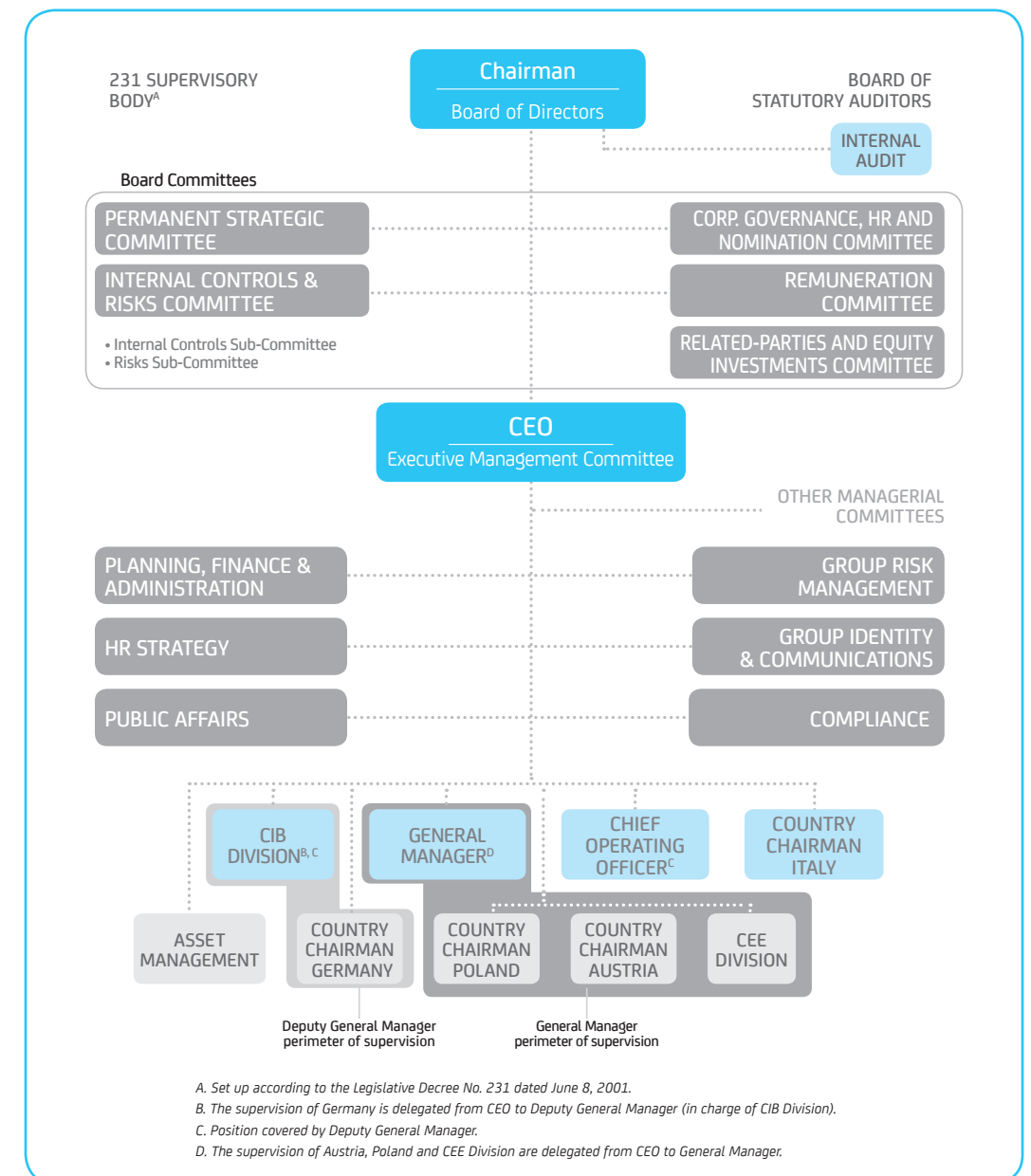
In 2014 the actions undertaken aimed at providing Directors with an adequate knowledge of the macro-economic scenarios, of the markets' developments and of the sector's regulatory framework continued. Moreover, strategic, legal and regulatory as well as business topics have been the object of training sessions and were examined in detail, in order to ensure both knowledge and awareness of the Group risk profile.

Within said actions, inter alia, there have been organized meetings open to all the Directors having as subject the Group strategy and the checking of its planning as well as the drafting of the strategic plan; there were also organized meetings, open also to the Statutory Auditors and the Top Management, regarding the long term Group strategy as well as innovative products and multichannelling.

⁵ For detailed information on the functions performed by the UniCredit Board Committees, please refer to the relevant area of the corporate website and the UniCredit SpA Report on Corporate Governance and Ownership Structure available to the public on the Company website, Governance Section.

Organizational structures

Organizational and governance structures (as of 31.12.2014)



Following the decision made by the Board of Directors on August 5, 2014, relating to the separation of the Legal & Compliance Competence Line - through which the Board decided to maintain Compliance activities under direct reporting to the CEO and to transfer Legal activities to report directly to the Deputy General Manager/ Chief Operating Officer - the new roles of the Compliance CL and the Legal CL have been approved in December 2014. The new Group Legal department has also been established, which reports directly to the COO and is

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responsible, in coordination with the corresponding functions of Group companies, for ensuring the correct identification and management of Group legal risks through the control of legal matters involving UniCredit SpA and their supervision at Group level.

UniCredit Group organization reflects an organizational and business model which maintains a divisional structure that applies to the management of our Corporate Investment Banking (CIB) business and products and to our business in Central and Eastern Europe; global control is applied to Global Banking Services (GBS), while our country and bank entities possess autonomy for specific activities. This guarantees increased proximity to the client and faster decision making processes. The organizational structure is comprised of:

- the Chief Executive Officer (CEO), who has overall responsibility for all regional businesses reporting to him from Italy, Germany, Austria, Poland and Central and Eastern Europe; directly oversees the Italian business; delegates the supervision of Austria, Poland and the Central and Eastern Europe Division to the General Manager; and delegates the supervision of Germany to the Deputy General Manager responsible for the CIB Division. The CEO is supported in running the group by the General Manager and two Deputy General Managers (one is the Chief Operating Officer and the other is responsible for CIB Division), as appointed by the Board of Directors, who operate in the areas of competence to which they have been assigned
- the General Manager (GM), who is responsible for some cross-Group activities such as:
 - the management of strategic marketing activities
 - assisting the Chief Executive Officer in managing the Internal Control System (ICS) to ensure its effective functioning
 - fostering, also through the other competent functions, an ongoing dialogue and relationship with the Group's regulators
- the CIB Division, which is a global division that covers multinational customers (Multinationals), selected Large Corporate clients with a strong potential need for investment banking products; Financial and Institutional Groups (FIG) customers; and global business lines, including Global Transaction Banking (GTB), Global Financing & Advisory (F&A), and Markets
- the Chief Operating Officer (COO), who is responsible for all management decisions involving organizational, operational and service functions (including HR) – such as Organization, ICT, Operations, Security, Real Estate - and also uses the Group's Global Service Factories to provide support for the sustainable growth of Group business, ensuring the high quality of Group services while optimizing its cost structures and internal processes
- the Central and Eastern Europe Division, which coordinates the Group's activities in 19 Central and Eastern European countries, aligning them with a single comprehensive business vision for the region
- the Country Chairman Italy, who is responsible for the coordination, control and development of activities for the Individuals segment (including Mass Market, Personal Banking and Private Banking) and Small Business and Corporate segments (which include the former Medium Enterprises segment) of the Italian perimeter, overseeing a retail network divided into seven Regions, as well as the Private Banking network and the Special Network Italy, dedicated to customers in difficult situations
- the Asset Management Product Line, which is responsible for the development of asset management in all geographic areas by guiding, coordinating and monitoring the development of business activities on a global level
- the functions called Competence Lines (Planning, Finance & Administration, Risk Management, Legal, Compliance, Internal Audit, Human Resources, Organization and Identity & Communications), which oversee the guidance, coordination and control of UniCredit activities and manage related risks

The CEO is also supported by a Senior Management Body called the Executive Management Committee (EMC). The EMC is set up, with consultative functions, with the aim of ensuring an effective steering, coordination and control of Group business as well as an effective alignment of the Holding Company with the different business and geographies.

In particular, the EMC discusses topics of a strategic nature relating to:

- Group Performance Management at consolidated (Group) level (budget, quarterly results)
- alignment on key topics related to capital, risks and liquidity
- commercial and business strategies related to topics with a strong international and cross content (e.g. payments, multichannel, CRM, etc.)
- external customer satisfaction
- regulatory developments and Internal Control System topics with a strong international/cross content
- HR and GBS topics as well as Group strategic projects with a strong international/cross content
- other key managerial topics which need to be discussed by the EMC

The EMC can discuss both Group/Cross Country topics and specific topics of regional character.

The EMC is composed of the following members: CEO (Chairman), General Manager, Deputy General Managers (COO and CIB Division Head), Chief Financial Officer (CFO), Group Chief Risk Officer (Group CRO), Head of HR Strategy, Group Compliance Officer, Country Chairman Austria, Country Chairman Germany, Country Chairman Italy, Country Chairman Poland, Heads of CEE Divisions, Head of Asset Management, Head of Asset Gathering.

The head of Internal Audit attends the meetings as a permanent guest. The co-heads of Group Legal may attend the meetings, upon invitation by the President of the Committee, on the basis of the topics

Internal Control System

The internal control system is an essential element of the overall governance system of banks. It plays a central role in their organization and can ensure an effective risk management in order to ensure that the banks' activities will be in line with the corporate strategies and policies as well as founded on healthy and prudent management principles.

An effective and efficient internal controls system is, in fact, a prerequisite for the creation of value in the medium-long term, for safeguarding the quality of the activities, for a correct risk perception and for an appropriate allocation of capital.

The UniCredit Group internal controls system is based on:

- control bodies and functions, involving, each one within its respective competence, the Board of Directors, the Internal Controls & Risks Committee, the Officer in charge of the internal controls and risks management system, the Board of Statutory Auditors, as well as the corporate functions with specific tasks to that regard
- coordination procedures among the parties involved in the internal controls and risks management system
- Group Governance mechanisms

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Board members' compensation⁶

The compensation paid to non-executive directors is not linked to the economic results achieved by UniCredit. Non-executive directors are not beneficiaries of incentive plans utilizing stock options or, more generally, of any plan that makes use of financial instruments.

The remuneration for members of the administrative and auditing bodies of UniCredit is represented only by a fixed component, determined on the basis of the importance of the position and the time required for the performance of the tasks assigned. This policy applies to non-executive directors as well as statutory auditors and the Supervisory Body members.

In consideration of this policy and market practices, the Ordinary Shareholders' Meeting on May 11, 2012 had resolved to assign to UniCredit's Board of Directors a total annual amount of €2,800,000, including €1,235,000 for Directors holding offices on the Board's Committees and on other bodies of the company attended to by Directors (including the Supervisory Body pursuant to Legislative Decree 231/2001). Also confirmed was the attendance fee of €400 for each meeting of the Board of Directors, of the Board's Committees and of the other bodies of the company attended to by Directors, even if these meetings were held on the same day.

Further to the aforesaid Shareholders' Meeting of May 11, 2012, similarly to what was done for the other Board Committees, the Board set respectively at €36,000 and €18,000 the remuneration for the Chairman and for the Director, non-executive member, of the Supervisory Body pursuant to Leg. Decree 231/2001. Furthermore the compensation for the Chairman of the Internal Controls & Risks Committee was defined as €176,000.

Pursuant to sect. 2,389, paragraph 3 of the Italian Civil Code, the Board of Directors meeting held on June 25, 2012 also established, after consultation with the Board of Statutory Auditors, to give UniCredit's Directors vested with particular offices an additional remuneration consisting of a fix annual amount for each year of their term of office, whose amounts are reported in the Group Compensation Policy.

The Annual Shareholders' Meeting of May 11, 2013, regarding the creation of a related-parties and equity investments committee, distinct from the Internal Controls and Risk Committee, in order to assign a remuneration to Directors participating on the Committee because of the enlargement of their accountabilities and consistent with the remuneration assigned to Directors participating on other Board Committees, decided to increase from €1,235,000 to €1,343,000 the annual amount to be assigned to Directors for the participation to Board Committees and to other company bodies; fixing, as a consequence, the overall amount of the allowance to be assigned to Directors at €2,908,000, and confirming the attendance fee of €400 for the participation in meetings.

As repeatedly underlined, non-executive directors do not take part in any incentive plans based on stock options or, generally, based on financial instruments.

As mentioned above, the remuneration for UniCredit's Statutory Auditors is represented by a fixed component only.

In light of the above, the Ordinary Shareholders' Meeting held on May 11, 2013, while appointing the Board of Statutory Auditors, resolved an annual compensation of €140,000 for the Chairman of the Board of Statutory Auditors and of €100,000 for each standing Statutory Auditor, plus an attendance fee of €400 for every meeting of the Board of Statutory Auditors they attend. Alternate Auditors do not receive any compensation unless they are asked to join the Board of Statutory Auditors in permanent substitution of a standing member.

6. For more details, refer to the Annual Compensation Report, published within the 2014 Group Compensation Policy, on UniCredit's corporate website (www.unicreditgroup.eu).

No Statutory Auditor is beneficiary of any incentive plan, including those based on stock options or, generally, on financial instruments.

The Remuneration Committee provides advice and opinions on proposals submitted to the Board, also availing itself with the support of an external consultant, regarding - amongst other topics - the remuneration policy for corporate officers (members of the Board of Directors, Board of Statutory Auditors, and of Supervisory Board of Group Companies).

The Remuneration Committee avails itself with the services of Mercer, an external independent advisor, providing advice on compensation practices and trends, as well as up-to-date remuneration benchmarking studies. It has been evaluated in advance that such an advisor is not in any position which might impair its independence. Mercer has collaborated with the Remuneration Committee since 2007.

The CEO is the only executive director who sits on the Board of Directors, and a portion of his remuneration is linked to UniCredit's financial results. This arrangement is in line with the policy applied to the UniCredit management team, of which the CEO is a member.

Compensation for Top Management

UniCredit's approach to compensation is performance-based, market-aware and aligned with our business strategy and stakeholder interests. To ensure competitiveness and effectiveness of remuneration, as well as transparency and internal equity, the principles of sustainable conduct and performance define the key pillars of the Group Compensation Policy.

The compensation policy framework is designed to assure the consistency of the remuneration elements and systems, while also conforming to our Group's long-term strategies and principles of sound risk management.

The framework provides a balance between fixed and variable components of remuneration and includes mechanisms to defer the payment of a consistent portion of performance bonuses, which is then subject to further performance conditions. Risk-weighted mechanisms are applied to variable compensation, ensuring that remuneration remains linked to sustainable results.

The Board of Directors, on June 21, 2011 identified the Chief Executive Officer, the General Manager, the Deputy General Managers and the other members of the Executive Management Committee (Chief Financial Officer, Chief Risk Officer, General Counsel & Group Compliance Officer and Group Head of HR) as well as the Head of Internal Audit as the executives with strategic responsibilities, to the ends of the application of all statutory and regulatory instructions.

This definition was confirmed in the resolution made by the Board on March 15, 2013, which, in the framework of an overall review of the managerial committees, replaced references to the Executive Management Committee with ones to the newly established CEO Office, having the same composition.

For 2013, according to our Group Compensation Policy and to the recommendations of the national and international authorities, the fix and variable components of the compensation of the CEO (the sole executive director sitting on the Board of Directors and employee of the Company) - consistently with the other Executives with strategic responsibilities - are balanced through the ex-ante definition of the relative weight of different components of the remuneration, considering also the company's strategic goals, risk management policies and other elements influencing the firm's business. Within the 2014 Group Compensation Policy, and consistent with CRD IV, it has been provided for the determination of the maximum ratio of variable remuneration as compared to fixed remuneration.

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The fixed component is defined based on appropriate market awareness and in such a way as to be sufficient to reward the activity rendered even if the variable part of the remuneration package were not paid due to the non-achievement of performance goals.

The CEO, as well as other executives with strategic responsibilities - in line with most recent laws, provisions and recommendations issued by regulators and international bodies (such as CRD IV, Bank of Italy, Financial Stability Board, European Banking Authority) - have a balanced part of their remuneration linked to the economic results of UniCredit, taking also into consideration the overall profitability, weighted by risk and cost of capital, as well as sustainability goals (based on capital and liquidity ratios). Such variable compensation is linked to the achievement of specific goals that, in compliance with the Board of Directors' Regulation, were previously approved by the Board upon the proposal of the Remuneration Committee and heard the opinion of the Board of Statutory Auditors.

Ex-ante defined metrics that reflect categories of our Group Risk Appetite Framework align executives' remuneration to sustainable performance and value creation for shareholders in a medium to long-term perspective. Specific individual goals are set out taking into consideration the market practices and the role assigned within the Group, through the systematic use of specific indicators aimed at strengthening the sustainability of our business, such as the satisfaction both of internal and external customers, risk and financial sustainability indicators and profitability measures also related to the industry peers.

The 2013 variable incentive systems provide for a cap on variable pay, whose target values are established considering the defined pay mix and whose maximum payout cannot exceed 150 percent of the target value. For 2014, according to CRD IV, it is established that the variable remuneration cannot be higher than a defined ratio of the fixed portion.

It is also foreseen that the deferral in cash and shares of 80 percent of incentives, including 20 percent of upfront shares with payout, will be subject to the achievement of future performance conditions over the following financial years. The measure and duration of the deferral are aligned with the provisions set by regulators and are consistent with the characteristics of the business and with the company's risk profiles.

For the heads of the Control functions, targets, pursuant to the provisions of Bank of Italy, are established by the Board of Directors in line with the tasks assigned to them and avoiding, unless good reasons exist, goals connected to the bank's performance. In the decision making process related to Company Control Functions are also involved the Board of Statutory Auditors (for the Manager in charge of preparing the company's financial reports and for the Head of Internal Audit), the Internal Controls and Risks Committee (with regards to the Heads of Internal Audit and Legal & Compliance functions).

Since 2000, UniCredit has launched equity based incentive plans for its Top Management (including also the CEO and executives with strategic responsibilities).

The CEO benefits also from the Share Plan resolved by the Shareholders' Meeting of April 29, 2011, which provided for the granting in three instalments totalling 252,070 in UniCredit ordinary shares. The first and second tranche were granted during 2012 and 2013. In 2013, referring to such plan, a further allocation of 568,181 shares in two tranches of 284,090 and 284,091 shares was defined, for 2015 and 2016 respectively.

For the CEO, the sole member of the Board of Directors to benefit from equity-based incentive systems, as well as for the General Manager and the Deputy General Managers, there exist specific share ownership guidelines.

The 2014 Group Incentive System, as approved by UniCredit Board of Directors on January 21, 2014, is applied to Group Identified Staff and provides for a bonus pool approach that takes into consideration most recent national and international regulatory requirements and directly links bonuses with company results at the Group and country/division levels, further ensuring a link between profitability, risk and reward by providing for:

- allocation of a variable incentive defined on the basis of the determined bonus pool
- definition of a balanced structure of upfront (following the performance evaluation) and deferred payments, in cash and in shares, to be paid over a period of up to six years
- distributions of share payments that take into account the applicable regulatory requirements regarding the application of share retention periods
- risk adjusted measures in order to guarantee long-term sustainability of the company's financial position and to ensure compliance with regulations
- a malus clause (Zero Factor) that applies in case specific thresholds (profitability, capital and liquidity) are not met at both the Group and country/division levels

As already mentioned regarding Board Members, the Remuneration Committee provides advice and opinions on proposals submitted to the Board, also availing itself with the support of an external consultant, regarding, amongst other topics:

- the remuneration of UniCredit Directors who hold specific duties, and especially the remuneration of the CEO
- the remuneration structure of the CEO, General Manager and Deputy General Managers
- the approval of Group incentive plans based on financial instruments

The Remuneration Committee avails itself with the services of Mercer, an external independent advisor, providing advice on compensation practices and trends, as well as up-to-date remuneration benchmarking studies.

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The Ombudsman Network and the System of Values

To ensure widespread adherence to the Values stated by of our Integrity Charter and to address situations in which our Group's values may have been breached, we adopted specific intervention models in 2006.

From that year until the end of 2011, the model was the Restorative Justice System (RJS); this was then replaced in the beginning of 2012 with the System of Values (SoV). While both models aim to repair relationships in situations where one or more employees feel that the Group Values have been breached, they differ in the role for the Ombudsmen Network. In the SoV, ombudsmen more broadly manage all cases and act, when needed, as mediators - a task that was previously delegated to external professionals.

The results of the SoV have been very positive. The Ombudsmen Network is active in 13 countries, which is the majority of those where our Group is present, providing significant coverage for the UniCredit commercial banking network. At the end of 2014, the Ombudsmen Network was comprised of 27 people, organized as central, deputy and, where needed, local ombudsmen. During the year, the network underwent notable changes:

- appointment of the new Germany central ombudsman, Wilfling Reinhard, to replace Gunter Guderley, who left after three and a half years of valuable service
- establishment of the new Slovak Republic team, with Josef Tyll as its central ombudsman, taking on broader duties from his position as central ombudsman in Czech Republic, with Rudolf Hanuljak assuming the responsibility of local ombudsman
- interruption of the service in the Baltic Countries, following the Group decision to close from the banking activity in this Area

It bears reminding that among the many personal and professional qualities required in ombudsmen, the most valuable are independence and impartiality. In order to ensure these qualities, ombudsmen are chosen among retired senior managers with a deep knowledge of our Group and organization whenever possible.

To further safeguard its independence, the network has a direct report line with the UniCredit SpA Chairman of the Board of Directors through the Group ombudsman.

During the years, both the RJS and SoV models have dealt with a substantial number of cases of perceived breach of Group values.

In the past three years, the SoV managed 399 cases in the countries where it is currently applied, at a steady annual rate of 130 in 2012, 124 in 2013 and 145 in 2014. The total number of perceived breach of values cases Groupwide increases to 401 when the two cases (one in 2012 and another in 2013) managed in Baltic countries are included.

Cases by country and tools used, 2012-2014

Country	Total	Pending cases	Closed cases	Not admitted cases	Renounced cases	Other	Total number of cases deploying tools	Tool used		
								Meetings	Notice	Other
Italy	83	4	79	19	29	4	27	12	5	10
Germany	26	1	25	0	5	0	20	18	2	0
Austria	26	4	22	1	0	0	21	2	12	7
Poland	101	4	97	9	29	4	55	14	28	13
Bulgaria	39	0	39	0	0	0	39	26	13	0
Croatia	29	0	29	11	0	2	16	5	9	2
Czech Republic	23	0	23	2	2	0	19	17	2	0
Hungary	29	1	28	4	12	2	10	7	3	0
Romania	8	0	8	2	6	0	0	0	0	0
Russia	2	0	2	0	0	0	2	1	1	0
Serbia	10	0	10	0	4	0	6	6	0	0
Slovakia	4	0	4	1	0	0	3	1	0	2
Slovenia	19	0	19	2	3	0	14	6	4	4
Total	399	14	385	51	90	12	232	115	79	38

Overall, in the last three years 60.3 percent of the cases brought to the ombudsmen have been resolved through the use of the tools specifically envisaged by the SoV (Meeting; Notice; Others) while 23.4 percent have seen the petitioner renounce the case during the process. Only 13.2 percent of the cases have not been admitted.

Cases have been renounced due to a number of reasons. In some, the case was resolved by the ombudsman without the need to activate any of the tools; in others, the petitioner realized that the supposed value violation was insubstantial; and in others, he or she preferred to wait for a natural solution or transferred to another job position.

In 2014, the Ombudsmen Network addressed its highest annual number of cases since the introduction of the SoV, with 145 cases (approximately +16 percent with respect to 2013). This was led by a surge in cases in Italy, mainly due to more effective communication and to focused efforts by the new ombudsmen team on a range of issues.

Cases by country and tools used, 2014

Country	Total	Pending cases	Closed cases	Not admitted cases	Renounced cases	Other	Total number of cases deploying tools	Tool used		
								Meetings	Notice	Other
Italy	44	4	40	8	10	0	22	7	5	10
Germany	7	1	6	0	2	0	4	3	1	0
Austria	11	4	7	0	0	0	7	0	0	7
Poland	32	4	28	5	9	0	14	3	6	5
Bulgaria	9	0	9	0	0	0	9	8	1	0
Croatia	12	0	12	3	0	0	9	3	5	1
Czech Republic	10	0	10	0	0	0	10	10	0	0
Hungary	8	1	7	1	3	2	1	1	0	0
Romania	4	0	4	1	3	0	0	0	0	0
Russia	1	0	1	0	0	0	1	1	0	0
Serbia	2	0	2	0	1	0	1	1	0	0
Slovakia	1	0	1	1	0	0	0	0	0	0
Slovenia	4	0	4	1	1	0	2	0	0	2
Total	145	14	131	20	29	2	80	37	18	25

Since the introduction of intervention models in 2006, discrimination has been confronted as a severe breach of our Group values. Employees may appeal to an ombudsman if they feel discriminated against due to their race, religion, physical disabilities, sex or age.

In the last three years, discrimination cases have been low, with only nine recorded. Of those cases, six were due to alleged age discrimination, two due to alleged physical disabilities discrimination and one due to alleged sexual discrimination.

In 2015, UniCredit, mainly through the Group Internal Communications and Human Resources departments, will continue efforts to improve communication with employees about Group Values and the SoV intervention model. The dialogue within each bank, and among the ombudsmen in the countries where the network has been implemented, will continue to be encouraged and maintained.

RISK MANAGEMENT & COMPLIANCE



Managing environmental and social risks

We are aware that the interdependencies between economic activity, ecosystems and natural resources present risks for our business. Sound risk management requires a deep understanding of many aspects of risk, including environmental and social related risks and their effects on financial results and the balance sheet. It also demands a fundamental level of technical risk knowledge across an organization, reinforced communications at all levels and a mindset geared to anticipating changes in the macroeconomic environment.

UniCredit is committed to promoting sustainable solutions in its financing and investment decisions and has adopted an integrated, multifaceted approach to managing the environmental and social risks associated with its financial products and services.

Through the *Group General Principles for Credit Activities* and other special policies and practices, UniCredit assesses and manages not only traditional economic and financial impacts, but also non-financial impacts including environmental, social and other related reputational risk impacts associated with the environmental and social performance of its customers.

To this end, UniCredit implements and integrates the Equator Principles (EP) in applicable financing project transactions, adopts detailed special policies for sectors sensitive to environmental and social risks. Furthermore, over the last years, we have started to develop and test models that assess potential environmental and social impacts and externalities related to the UniCredit portfolio. In keeping with our commitments, we work to disseminate across our Group a strong risk culture that includes social and environmental issues among its priorities.

Equator Principles implementation

UniCredit has adopted the EP as a risk management framework for determining, assessing and managing environmental and social risk in projects. The EP are primarily intended to provide a minimum standard for due diligence to support responsible risk-related decisions.

In 2003, UniCredit was among the world's first signatories of the ten principles that constitute the EP. Since then, our Group has actively contributed to the framework's development. These activities have provided UniCredit with valuable experience, facilitating the implementation of the framework groupwide and contributing to our further engagement with stakeholders.

The EP apply to project finance advisory, project finance, project-related corporate loans and bridge loans across all industry sectors¹. We work in partnership with our clients to identify, assess and manage environmental and social risks and impacts in a structured way on an ongoing basis. The EP are based on the International Finance Corporation Performance Standards on Environmental and Social Sustainability and the World Bank Group Environmental, Health and Safety Guidelines.

An EP Advisory has also been formed to oversee and support the implementation of the EP across the Group.

The framework of the EP is embedded in our various internal policies, providing a minimum standard for due diligence and impact mitigation and supporting sustainable decision-making groupwide. These include our *Special Credit Policy Project Finance Transactions* and our *Global Policy on Structured Trade and Export Finance*. Among the roles, responsibilities and principles laid out in these policies, they define the EP-based process for non-financial risk evaluation for specific projects. Further, the EP Non-Binding Opinion is incorporated in our approval process along with an internal *EP Screening Tool* that focuses on category A and B projects².

Independent environmental and social experts are used to assist our transaction team where applicable, and in accordance with the EP. Loan document covenants are reviewed by the specialized transaction team, internal legal department and - where appropriate - technical, environmental and social specialists.

1. For more information, refer to the EP framework (<http://www.equator-principles.com/>).

2. Projects with potential significant (for Category A) and limited (for Category B) adverse social or environmental impacts. For more information, refer to the EP framework.

We regularly conduct training to enhance the capacity building and the implementation of the EP within our organization. In 2014, roughly 50 employees belonging to the risk competence line and business divisions, including Corporate and Investment Banking, attended our specially-designed training. Participants received state-of-the art teaching that introduced them to the revised EPs (Equator Principles III) and the underlying revised IFC Performance Standards while building on peer-to-peer knowledge sharing and providing practical examples for evaluating financial, environmental and social risks, among other issues.

The EP Advisory, together with Group Sustainability, represents UniCredit in the EP Association. As a Steering Committee member and participant in various task forces and working groups (including the External Relations, Social Risks and Regional Outreach Working Groups), UniCredit has been actively involved in the activities and development of the EP framework.

2014 Equator Principles - Number of projects financed by risk category

Risk Category ^A	2014 ^B	2013 ^B	2012 ^B
Category A	4	3	6
Category B	10	9	5
Category C	3	10	11
Total	17	22	22

A. Category A - Projects with potential significant adverse social or environmental impacts that are diverse, irreversible or unprecedented; Category B - Projects with potential limited adverse social or environmental impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures; Category C - Projects with minimal or no social or environmental impacts.

B. Projects financed within UniCredit Bank AG, UniCredit SpA and UniCredit Bank Austria AG. All projects reported refer to project finance transactions; no project related corporate loans falling under the EP reached financial close during the reporting period.

2014 Equator Principles - Number of projects financed by risk category and sectors

Sector	Category A	Category B	Category C
Resources ^A	2	0	0
Energy	1	5	2
Infrastructure	1	5	1
Total	4	10	3

A: Including oil&gas, mining and metals.

2014 Equator Principles - Number of projects financed by risk category and regions

Region	Category A	Category B	Category C
Europe: EU	1	8	3
Extra EU	2	2	0
North America and Mexico	1	0	0
Total	4	10	3

2014 Equator Principles - Number of projects financed by designated country³ and that received an independent review⁴

Designated Country & Independent Review	Category A	Category B	Category C
Designated Country	2	5	3
Independent Review	4	10	-

3. Designated Countries are those countries deemed to have robust environmental and social governance, legislation systems and institutional capacity designed to protect their people and the natural environment. The list of Designated Countries can be found on the Equator Principles Association website.

4. Independent Review is a review of the Assessment Documentation including the ESMPs, ESMS and Stakeholder Engagement process documentation carried out by an Independent Environmental and Social Consultant.

RISK MANAGEMENT & COMPLIANCE



EuroChem's Usolskiy project is set on one of the world's largest potash deposits, in the Perm region of Russia. UniCredit plays a key role in the financing of this facility as a Mandated Lead Arranger and Account Bank, and we strongly supported the efforts to assess and mitigate the environmental and social impacts of the mine. EuroChem is scheduled to commence production at the facility in 2017, supplying the strongly expanding demand for potash in the fertilizer and agricultural sectors, which is driven by population growth and changes in habits. UniCredit and the other senior lenders, together with an external advisor, assessed the mining project's compliance with local and World Bank Standards as well as the EPs. Several audits and environmental and social impact studies have been completed to ensure the project has adopted appropriate design criteria for best practices and procedures. Eurochem itself conducted a rigorous Environmental and Social Impact Assessment (ESIA) and implemented a comprehensive Environmental and Social Action Plan, which were both reviewed by the lenders and their external advisor. These measures are not required under Russian law, however, in order to comply with EP III standards, EuroChem agreed to undertake these steps. In December, an independent consultant confirmed that the project complies with applicable standards, including Environmental and Social Management System requirements. Usolskiy is the first fertilizer project in Russia to comply with EP III standards.

In Mersin, Turkey, UniCredit successfully completed the financing of the Mersin Integrated Health Campus, which is a public-private partnership with the Turkish government. A senior loan with a tenor of 15 years was provided by UniCredit for the project, which consists of the construction of an integrated health campus with a total capacity of 1,259 beds, the refurbishing of the hospital facilities and the supply of medical equipment. The ESIA for the project, conducted by an external consultant, was undertaken in consideration of the IFC Environmental, Health and Safety Guidelines; it has been assessed for its potential environmental and social impacts, including waste and waste water generation as well as increases in noise and traffic.

UniCredit also participated in a European Bank for Reconstruction and Development (EBRD) initiative for the long-term financing of a green field wind project named Land Power SA and owned by the investor LUKERG Renew GmbH, a 50/50% joint venture between ERG Renew, member of the ERG Group and OAO LUKOIL. The project, close to Tulcea, Romania, entered in full commercial operation in 2014 with an installed capacity of 84 MW. The wind farm comprises 42 Vestas V90 turbines of 2MW each and is connected through 36 Km of underground electrical cables to a new MV substation located in Topolog. Under the Romanian incentive scheme for renewable energy, it receives Green Certificates that will be traded on the open market and shall be used by the electricity distributors to ensure a certain renewable portion in the electricity sold. In compliance with the EPs and EBRD's Performance Requirements, an ESIA was conducted in 2008 to evaluate the ecological baseline and impacts on birds and bats, and another voluntary and improved ESIA was conducted in 2010. Further supplementary analysis was also commissioned by the EBRD. However, the project was deemed Category A under the EPs⁵. The ESIA package has detailed key actions that the client must implement to achieve EPs and EBRD requirements, which include further monitoring of related biodiversity aspects by independent experts and adoption of adaptive management procedures.

Another project financed by UniCredit, L'ecoparc and C.A.P Energies, is a portfolio of windfarms sponsored by Glennmont Partners, with an installed capacity of 20.4 MW. Located in northern France, these windfarms using Senvion MM92 turbines are currently under construction and expected to be in operation by the end of 2015. An ESIA conducted in accordance with French regulatory requirements identified no significant non-mitigated potential social and environmental impacts. France is considered to have the second largest wind potential in Europe, and the French government has set a target of generating 25 GW in wind power as part of its obligation under the EU renewables directive. This requires France to meet 23 percent of its energy demand with renewable energy sources by 2020. Today France is far from reaching this target, with production from wind accounting for 3.3 percent of its national electricity consumption, but this portfolio of wind farms will bring the country one step closer.

5. Definition of EPs Category A: Projects with potential significant adverse social or environmental impacts which are diverse, irreversible or unprecedented.

Environmental, social and reputational risk policies

Certain sectors and activities require a customized approach to ensure that transactional and related risks are comprehensively understood. We have developed detailed guidance policies for sectors material to UniCredit that are sensitive to environmental and social risks.

These policies take into account generally accepted international agreements, guidelines and standards (including the International Finance Corporation's Performance Standards, the World Bank Group's Environmental, Health and Safety Guidelines and the UN Global Compact principles) or other practices widely adopted by specific industries and affected stakeholders. Our Group considers these international agreements, guidelines and standards a representation of best practices for assessing and avoiding potential environmental and social impacts. Through the implementation of appropriate management and mitigation measures on the part of our clients and counterparts, UniCredit aims to avoid or limit the risks associated with such transactions or projects.

UniCredit's current environmental, social and reputational risk policies are applied to a number of sectors, including water infrastructure (Dams), nuclear energy and coal-fired power generation.

The criteria for these policies are regularly reviewed so that all key emerging environmental and social standards as well as additional relevant impacts are taken into account in financing decision processes. When necessary, external experts are involved in these processes.

Environmental, social and reputational risk policies

Policy	Policy latest version	Objective	Recent developments and risk mitigation
Defense/ Armaments	December 2011	Regulate financial involvement with companies from the defense/armaments industry in order to minimize social, reputational and credit risk	Our position statement, including the key criteria UniCredit applies to the defense/armaments industry, is disclosed on our website. In our Italian operations, we annually integrate the statement with additional data such as the total number of government-authorized defense-related exports connected to our customers, as well as the percentage of our loans that go to customers from the defense sector. We also regularly update our internal country risk classification system to ensure that our analyses account for emerging defense-related issues and risks
Nuclear Energy	June 2013	Regulate financial involvement and address the challenges posed by the nuclear energy sector in order to minimize environmental, social, reputational and credit risk	The position statement, including the key criteria UniCredit applies to the nuclear energy sector, is disclosed on our website. Following our 2013 policy review aimed at reinforcing the internal assessment pertaining to the financing of products/services for the nuclear energy sector, we conducted a 2014 training program together with an external expert to facilitate the consistent implementation of this policy Groupwide. The training aimed to further clarify our policy's criteria and ensure that all related criteria and standards are fully understood and correctly and consistently addressed during assessment processes. It involved roughly 100 of our relationship managers (including senior bankers), risk managers and other functions involved in due diligence processes

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Continued: Environmental, Social and Reputational Risk Policies

Policy	Policy latest version	Objective	Recent developments and risk mitigation
Mining	July 2014	Provide standards and guidelines that address the risks associated with the financing of mining operations	<p>The position statement on the mining industry is disclosed on our website. In 2014, Group Sustainability and CRO functions reviewed the mining policy by considering input from internal and external stakeholders, including customers, industry experts and relevant specialists within our CIB and CEE divisions. The review aimed to:</p> <ul style="list-style-type: none"> - ensure criteria and standards included in the policy are updated and address all related environmental and social potential impacts and emerging risks (including salient human rights impacts) - support a consistent implementation across all our legal entities by considering local market peculiarities across our operations - clarify the scope of the policy and reputational risk assessment - ensure a better alignment with industry best practices <p>As in our effective training conducted for the nuclear sector, we will hold specialized industry internal training also for the mining sector in 2015</p>
Water Infrastructure (Dam)	February 2012	Provide standards and guidelines that address risks associated with financing large water infrastructure projects such as dams	<p>The position statement, including the key standards and criteria applied in this sector, is published on our website</p>
Coal-fired Power	November 2014	Provide standards and guidelines that address the risks associated with financing coal fired power industry	<p>UniCredit developed a new sector policy for coal-fired power generation following an extensive, in-depth analysis across ten key countries in our network, engaging internal and external stakeholders on issues such as local energy strategies, the impact of emissions, and country-specific technological and regulatory developments.</p> <p>The new policy defines specific criteria and standards to assess the potential environmental and social impacts of coal-fired power generation projects and transactions and, through the implementation of appropriate management and mitigation measures on the part of Group clients or counterparts, to limit associated impacts and risks in our portfolio. Particular attention is given to compliance with relevant regulation and locally effective international conventions, standards and treaties. Some chief concerns are greenhouse gas emissions, environmental damage or degradation, including habitat and biodiversity loss and contamination of groundwater, surface water, sediments, soil and air. In 2015, we will launch a training program to further clarify our policies criteria and assessment processes, ensuring consistent implementation across all our legal entities and business lines</p>

The policies are directly applicable to UniCredit SpA and addressed to all Group legal entities that engage – whether through lending or other forms of financial assistance - with such sectors. Their adoption is subject to monitoring by the parent company's CRO functions.

UniCredit's policies define specific internal processes to consistently identify, assess and monitor potential environmental and social risks. Screening records and tools are implemented in our standard risk and compliance check to support the performance of comprehensive due diligence.

Transactions are generally screened by the legal entity responsible at both the transactional and the client level. A record of the screening is integral to the compliance assessment, and must be completed before approval is granted. More than 300 transactions were assessed in 2014 for environmental, social and reputational risk issues out of which roughly 230 were related to our sector policies.

Decisions regarding transactions that have been assessed high risk, as defined by applicable policies and the competent committees of the local legal entities, are escalated to the parent company for approval. Assessments must be regularly updated as part of the annual credit lines renewal process.

Relevant project transactions that contain intrinsically higher risks require an independent expert or third-party review (e.g. ESIA or equivalent) to rigorously identify, quantify and, where appropriate, mitigate and monitor environmental and social risks.

Internal reporting concerning exposure and various risk indicators is managed by risk functions in both the local legal entities and the parent company. On a quarterly basis, the Group Operational and Reputational Risk function submits to the Group Operational and Reputational Risk Committee a report concerning the non-binding opinions issued over the period. This report provides an overview of the number of transactions declined, approved and approved with conditions during the risk assessment process.

UniCredit further monitors other indirect environmental and social impacts and related risks by periodically analyzing country portfolio exposures. These analyses leverage information from business intelligence providers on environmental, social and governance risks within the most sensitive sectors, including those regulated by special policies and other relevant sectors.

Likewise, UniCredit's Group Sustainability and CRO functions regularly develop and test methodologies that analyze and calculate externalities of investments not captured in traditional profitability assessments. Such work, for example, assesses the overall environmental impacts of our Group's lending portfolio in specific sectors by estimating the so called financed emissions and the monetary costs linked to pollution's impact on human health, ecosystems, climate change and the exploration of reserves of natural resources⁶.

6. Refer to Natural Capital Section for more details.

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Compliance

Further to the decision taken by the Board of Directors at its meeting on August 5, 2014, on the splitting of Legal & Compliance Competence Line, Compliance became a Competence Line itself on December 1, 2014, directly reporting to the Group CEO and under the lead of the Group Compliance Officer.

In addition, Compliance reports to UniCredit corporate bodies (the Board of Statutory Auditors, Internal Controls and Risk Committee and Board of Directors). Coherently with the aforesaid reorganization, the management structure has been updated to ensure the presence of the Group Compliance Officer as a member of the Executive Management Committee (EMC), the Group Risk Committee, the Group Credit Committee and the Internal Control Coordination Committee, as well as a permanent guest in the CEO Office.

The Compliance function is organized in a similar way across the major countries in which the Group operates (e.g. more established and larger structures in UniCredit Bank AG, UniCredit Bank Austria AG and Bank Pekao SA), while in other countries it is organized more generically, due to the size and range of businesses of the legal entities.

The mission of Compliance is to supervise the management of compliance risk, according to a risk-based approach. This approach regards the whole of our corporate activities and is directly executed by the different Compliance competence line structures. Compliance facilitates the advancement of UniCredit business interests in alignment with relevant laws, regulations, internal policies and best practices, to provide effective service to clients and to help safeguard the Group's franchise and reputation as well as uphold its values.

At the Group level, Compliance is split among different departments, each of which is aimed at managing the risks identified by external or internal actors.

The activities performed by the Global Compliance Risk Assessment, Reporting, QAR and 263 department aim to:

- support management in defining and updating processes and products in compliance with new and existing applicable requirements
- periodically assess, through compliance risk assessment and second-level control methodologies, the compliance risk level of the applicable regulatory areas to identify and monitor the appropriate mitigation actions

Among the activities performed by the Global Regulatory Counsel department are the issuance of Global Rules on Compliance regulatory areas and the monitoring of their systematic adoption by Group entities. Some of the mechanisms put in place to mitigate risks include the control and monitoring of the percentage of approval and implementation of Group-wide rules.

The Global Compliance Education department deals with training courses organized Group-wide. As part of the mandatory Global Compliance training, subject-specific modules provide UniCredit colleagues with the high-level principles and information they need to understand their Compliance responsibilities. To ensure colleagues have demonstrated their understanding of each training topic, all mandatory Global Compliance modules contain a test which must be passed in order to complete the course.

The mechanisms for monitoring the effectiveness of Compliance management include:

- periodic monitoring of compliance risk and reporting by Group Compliance functions to corporate bodies on compliance risk assessment and second-level controls; mitigation actions monitoring
- continuous enhancement by the Global Compliance Risk Assessment, Reporting, QAR and 263 department of the above monitoring and reporting activity by extending the Compliance coverage in terms of regulatory areas and Group entities involved; updating and fine-tuning risk assessments and second-level controls Compliance methodologies
- a Compliance framework definition process to supply all local Compliance functions the latest updates on global regulatory requirements and to support them in their local processes
- systematic internal surveys to collect internal customer satisfaction information about Compliance function service quality and effectiveness

- periodic Quality Assurance Review activities to verify the level of standards achieved by Compliance structures and the effectiveness and efficiency of the main Compliance processes

The above methodologies aim to: assess the quality of local Compliance processes (including completeness and consistency of the above main Compliance processes implementation and execution); evaluate our adherence to the Global Compliance Rules by local Compliance structures; assure the correct execution of the processes and activities through the analysis of the main Compliance processes of advisory, assurance, control and risk assessment.

Other mechanisms in place include the issuance of Global Rules on Compliance regulatory areas and the monitoring of their systematic adoption by Group entities. For education and training concerns, the roll-out and completion rates of training courses are monitored and reported to the Group Compliance Officer and Group Statutory Committees.

In order to illustrate 2014 activities regarding our management approach to Compliance, it is worth mentioning the following initiatives:

1. The completion of the Global Compliance Road Map, a 30-month comprehensive program focused on:
 - the improvement and enhancement of Compliance processes and controls
 - the establishment of a consistent Compliance culture and Group-wide approach
 - the identification and development of dedicated training programs
2. Internal Controls System: In response to the 15th update of the Circular 263 from Banca d'Italia (the Italian institution in charge of managing the risk of non-compliance for all banks), which concerns the Internal Controls System and extends the coverage of the Compliance function, an Indirect Coverage Model was defined. It foresees the cooperation between Compliance and 10 specialized structures which are in charge of providing guidance on specific regulation and performing second-level controls according to Compliance guidelines in order to evaluate the residual Compliance risk
3. Innovare Insieme: Launched in September 2014, the project aims to improve relationships with internal clients by increasing proactivity and involvement, reducing time-to-market and facilitating the development and integration of Compliance colleagues through an efficient communication strategy and increased training opportunities

With respect to the enhancement of the compliance controls system, as planned in 2013, over the course of 2014, second-level controls were extended to our Group's major indirect subsidiaries and common processes were disseminated among other relevant subsidiaries.

To further harmonize tools and practices in key compliance areas, Compliance in 2014 improved IT tools used Group-wide for the management of non-compliance risks in key areas (e.g. Anti-Money Laundering activities, Market Abuse and Conflicts of Interest).

In 2014, Compliance also continued educational initiatives aimed at improving the quality of activities and resources. The Global Compliance Education team strongly contributed to the development of a culture of compliance also through the launch of a new Compliance Academy website with new features in November 2014. Throughout the year, the Compliance Officer Development Program, which was re-launched in November as the Group Compliance Academy, supported UniCredit Compliance staff. As of December 2014, 896 colleagues were able to access relevant content.

In the near future, a main goal of the Competence Line will be the prompt detection, analysis and monitoring of forthcoming regulations that trigger relevant changes at Group and local levels and affect the operations of our Group. Staying abreast of regulatory changes is especially important given the new role of the European Central Bank. To achieve its goals, the Competence Line will continue to develop its skills and capabilities, further promoting and reinforcing a Compliance culture that is fully built on a risk-based approach.

Policies

Anti-Money Laundering

The Global Policy on Anti-Money Laundering and Counter-Terrorism Financing (hereinafter the AML Policy), issued in June 2011, builds on the Global Compliance Guidelines and sets out detailed policy statements on issues such as the risk assessment and classification of clients and the minimum due diligence standards for the Know Your Customer process. The AML Policy sets out the framework by which the Group manages its money laundering and terrorist financing risk and establishes minimum standards for the Legal Entities' Anti-Money Laundering (AML) programs.

Other official documents related to Anti-Money Laundering and Counter-Terrorism Financing that build upon and provide more detail than the AML Policy include:

- Global Policy: Financial Sanctions
- Global Compliance Policy on Group Restrictions on Iranian Business
- Global Compliance Operational Instructions: Standards for Monitoring Global Controls on AML
- Global Operational Instructions: AML Compliance Risk Assessment & Customer Due Diligence
- Global Operational Instructions: Correspondent Banking AML Standards
- Global Operational Instructions on Politically Exposed Persons
- Global Operational Instructions on Private Banking AML Standards
- Global Operational Instructions on Indirect Sanctions Risk

Mechanisms for monitoring the effectiveness of the Group's approach to anti-money laundering and counter-terrorism financing include: second level controls design and implementation (controls are one of the dimensions included in the risk assessment process), control storage and reporting. Details of the tests for the effectiveness of second level controls are set out in the Operational Instructions on Controls Monitoring Standards. The AML GOI and Technical Instructions are updated and aligned to follow changes in relevant regulations. Both the controls catalogue and the monitoring plan of each Legal Entity are annually validated by the Global AML function. The attributes of each control are documented in detail in the second level controls database (in each LE, the details of control results are properly stored). In addition, monthly information pertaining to management is collected from the Legal Entities and quarterly reports are submitted to Executive Group Committees.

As a part of ongoing activities, in 2014 updates were issued to the Financial Sanctions Policy, Restrictions on Business Involving OFAC/EU Sanctioned Parties and the AML Correspondent Banking Operational Instruction. In addition, the Operational Instructions on Risk Assessment, Customer Due Diligence Provisions and Periodic Review were revised and consolidated into a single Operational Instruction.

With respect to the priorities addressed in 2014, a set of consistent approaches and information technology tools for AML management and for countering-terrorism financing were implemented. This project, named AML IT system, was rolled out in three legal entities. A new sanctions screening tool was also implemented in 10 legal entities. Quality Assurance on AML IT system roll-outs was completed in four legal entities, and substantial progress was made at most other such entities. Testing and fine-tuning of the payment filter configurations is ongoing. Furthermore, the tactical and strategic solutions for correspondent banking monitoring have been assessed with the assistance of an external consulting firm.

Future goals include: continuance of Quality Assurance on AML IT systems and ongoing testing of payment filter configurations, roll-out of AML IT systems to four additional legal entities, roll-out of tactical correspondent banking monitoring to three hub countries and subsequently a strategic solution to one or maximum two hub countries, and issuance of operational instructions on trade finance.

Anti-Corruption

Our Group's approach to preventing corruption and bribery is set out in the Global Compliance Policy on Anti-Corruption and its associated Operational Instructions.

The Global Compliance Policy on Anti-Corruption is addressed to all Group entities and applies to officers and members of strategic, control and executive bodies, employees, tied agents (e.g. financial advisors) and temporary Group employees (hereinafter Employees). Further, the Policy applies across all Group business activities and shall be applied in compliance with legal requirements and regulations locally in force.

The UniCredit Anti-Corruption Policy aims to:

- define principles and rules for identifying and preventing potential acts of corruption (as defined below) to protect the integrity and reputation of our Group
- provide general information to employees on measures taken by each Group legal entity to identify, mitigate and manage corruption risks

For the purposes of the Anti-Corruption Policy, an act of corruption is defined as the giving, offering, promising, receiving, accepting, demanding or soliciting of money, gifts or other benefits in order to obtain or retain an undue advantage in the course of business activities, irrespective of:

- whether the recipient of the act of corruption is a domestic or a foreign individual, a public official or a private individual
- where the act is committed
- whether the result of such act entails an actual undue advantage or the improper performance of a function or activity

The following mechanisms have been put in place to monitor the effectiveness of the Group approach to anti-corruption and anti-bribery: escalation procedures employed for significant and strategic issues, quarterly management information requested to hub entities (Italy, Germany, Austria, Poland), analysis and testing of results stemming from activities related to second-level controls management, Compliance Risk Assessment processes performed for each regulatory area in every single Legal Entity within our Compliance perimeter, as well as Internal Audit reviews. The last two mechanisms (the process of Compliance Risk Assessment and Internal Audit inspections) generate risk mitigation actions that need to be completed on time to ensure the management of the risks identified.

From a Risk Assessment perspective, the major potential risk identified and assessed in the Anti-Bribery and Corruption area are:

1. proper implementation of the policies and procedures articulating the legal entities anti-bribery position and how it will mitigate the specific bribery risks faced
2. existence and level of operation of formal responsibility at a senior management level for ensuring anti-bribery and corruption systems and controls
3. proper identification and prioritization of the bribery risks faced
4. monitoring of the risk of bribery and control failures due to a lack of awareness and understanding of the policies and procedures
5. proper keeping of books, records and accounts (e.g. potentially corrupt payments)
6. monitoring of the risk of failure to report actual or suspected incidents of bribery internally and to the necessary relevant external authorities
7. presence of the top management commitment in preventing bribery
8. monitoring the risk that an intermediary pays bribes on behalf of the Group
9. monitoring the risk that a supplier of services pays bribes on behalf of the Group
10. monitoring the risk that a supplier of goods pays bribes to UniCredit Group employees
11. ensure that due diligence has been carried out before a proprietary investment in order to avoid that UniCredit Group becomes liable for corruption
12. appropriate Giving and Events expenditure in order to avoid improper influence, or to create the impression of bribery
13. appropriate Charitable Donations management aimed at avoiding that they are made to ingenerate the expectation of obtaining/retaining a business advantage

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14. appropriate offer of employment management aimed at avoiding that they are made to ingenerate the expectation of obtaining a business advantage

The risk assessment activities of non-compliance are performed through a dedicated Risk Assessment and quarterly second level controls. In the event of non-compliance cases, corrective actions are assigned to mitigate actual significant risks.

The Global Compliance Policy on Anti-Corruption is applied in all main Countries in perimeter¹ and all banks performed the above mentioned Risk Assessment.

UniCredit has zero tolerance towards acts of corruption, prohibits facilitation payments and does not permit any transfers of value to public officials without approval. UniCredit also forbids political donations. Each local legal entity is responsible for the development and implementation of an effective local anti-corruption program.

UniCredit monitors incidents of corruption related to both employees and business partners and maintains a Whistleblowing Policy and processes for: engagement of intermediaries, engagement of third parties for proprietary mergers and acquisitions, gifts and entertainment, offers of employment, charitable contributions, etc. All these are mechanisms in place at UniCredit in order to prevent corruption incidents. Incidents monitoring and following actions are held at the Legal Entity level, although no significant incidents have been escalated to the Group level in the past year. For privacy reasons, we do not disclose the results of these activities.

More detailed guidance is also available on the following risk areas: charitable donations and sponsorships, offers of employment and suppliers and contractors.

UniCredit is committed to making charitable donations and sponsorships in good faith for legitimate purposes, as well as to sponsoring events and organizations in the communities where we do business. Under no circumstances may sponsorships or charitable donations be made as an inducement to obtain any advantage considered improper under applicable local laws. To mitigate the risk that any charitable donations or sponsorships may be made or may be perceived to have been made as an act of corruption, appropriate and proportionate risk-based due diligence must be undertaken on the individual or organization in question before any sponsorship or charitable donation may be undertaken. Every charitable donation and sponsorship needs to be made openly and transparently. This means establishing transparent criteria for the selection of recipients and reporting on major donations made by listing them in a publicly accessible manner.

Offers of employment must never be made with the intent to unduly influence anyone. To avoid the impression that an offer of employment, either temporary or permanent, or an offer of any other temporary position or attachment could be an act of corruption, such offers may not be made to anybody - including customers, business partners or public officials (or persons known to be closely associated with them) - other than through the normal competitive hiring process. The normal hiring process of each Group entity should be documented.

UniCredit may be held liable for acts of corruption committed by suppliers or contractors acting on behalf of our Group, whether or not our company had knowledge of the acts in question. Therefore, it is important that suppliers and contractors be subject to appropriate review and assessment, both before being engaged and on an ongoing basis, in order to mitigate this risk.

With reference to the communication and training, as before mentioned the Anti-Corruption Global Policy is addressed to all the Group Companies and applies to all members of strategic, control and executive bodies, employees, tied agents (e.g. financial advisors) and temporary employees of the Group. In particular with reference to UniCredit SpA strategic and executive bodies as recipients, they are made aware of the existence and update of the Global Policy and are responsible for complying with it.

For the same reasons they are involved in the dedicated training programs and subject to the mandatory training related to anti-corruption.

In particular in 2014, the members of the EMC² attended the two sessions of the Top Management Training, face-to-face training directly held by the Compliance Head. This training provided an overview on the matters in Compliance scope, covering the main jurisdictions which the Group is based in. Anticorruption was included in the session held on Jan. 8th 2014.

Other 2014 activities related to the Anti-Corruption Policy include: the updating and consolidation of the Global Policy on Anti-Corruption; the issuing of operational instructions that provide more detailed requirements with regard to Offers of Employment, Charitable Donations & Sponsorships and Supplier and Contractor Relationships; the establishment of a Global Register of cases escalated to Global AML; the organization of an Anti-Corruption offsite and training for local Anti-Bribery and Corruption Officers; the enhancement of our reporting mechanism for anti-corruption issues; the appointment of an Anti-Corruption Officer in Russia.

In the future, our Group aims to undertake a detailed gap analysis of the requirements in the newly-consolidated Anti-Corruption Policy across legal entities. This work will track and report on gaps that are identified to ensure that each Legal Entity has undertaken an appropriate anti-corruption risk assessment. It will also incorporate new quarterly management information from the hub countries into management reporting and track the results of anti-corruption second-level controls Group-wide.

Anti-Trust

UniCredit's approach to the subject of antitrust and unfair commercial practices is based on two different Group Rules based on European sources (while the previous policy was based on Italian laws and regulations only):

- Guidelines on Antitrust and Unfair Commercial Practices at a Group Level, approved in December 2011
- Operational Instructions on Antitrust and Unfair Commercial Practices, approved in May 2012 and updated in June 2014, which set up processes and more specific rules, at Group level too

Through these Group Rules on Antitrust and Unfair Commercial Practices, UniCredit aims to:

- strengthen the effectiveness of any initiatives at Group level on Antitrust and Unfair Commercial Practices matters
- enhance transparency vis-à-vis stakeholders for a higher level of protection of both the competition and the consumers

The Guidelines on Antitrust and Unfair Commercial Practices provide a set of high-level rules each Group Company must comply with, in order to set minimum standards group-wide. These Guidelines, particularly, inform the Group Companies and employees' behavior on the following matters:

- agreements (horizontal and vertical)
- abuse of dominant position
- concentrations (mergers and acquisitions)
- unfair commercial practices

The Operational Instructions on Antitrust and Unfair Commercial Practices, on the other hand, set up more detailed rules, roles, responsibilities and organizational processes for handling antitrust and unfair commercial practice matters that Group Companies are requested to comply with.

As at December 31, 2014, nearly all Group Companies had approved and adopted the Guidelines; meanwhile, the implementation process of the updated Operational Instructions of June 2014 had already successfully begun.

One of our goals related to Antitrust and Unfair Commercial Practices for the next future is to increase the implementation of the updated Operational Instructions group-wide, so that at least the key banks of the Group have adopted the Operational Instructions themselves by the end of 2015.

1. UniCredit SpA, UniCredit Bank AG, UniCredit Bank Austria AG, Schoellerbank Aktiengesellschaft, Bank Pekao SA, Ao Unicredit Bank, UniCredit Bank Czech Republic and Slovakia a.s., Zagrebačka Banka DD, UniCredit Bulbank AD, UniCredit Bank Hungary Zrt, UniCredit Ţiriac Bank SA, Unicredit Bank DD, UniCredit Bank AD Banja Luka, UniCredit Bank Serbia Jsc, UniCredit Banka Slovenija DD, PJSC Ukrsofsbank.

2. The Executive Management Committee (EMC) is a Senior Management Body. The EMC is set up, with consultative functions, with the aim of ensuring an effective steering, coordination and control of Group business as well as an effective alignment of the Holding Company with the different business and geographies.

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As part of our commitment on Antitrust and Unfair Commercial Practices, the Compliance Risk Assessment and the Second Level Controls, which aim to identify, monitor and manage compliance risks in this regulatory area, are the main mechanisms in place to assess the effectiveness of our compliance with Antitrust and Unfair Commercial Practice rules.

Main legal actions regarding anti-competitive behavior, antitrust, monopoly practices and corrupt practices

COUNTRY	DESCRIPTION OF MAIN LEGAL ACTIONS, 2014
Bulgaria	In 2014, 38 civil lawsuits were filed by consumers against UniCredit Bulbank for alleged unfair commercial practices related to pricing and the manner in which pricing is calculated (mainly concerning interest rates)
Hungary	In July 2014, new legislation came into force in Hungary as part of a comprehensive settlement regarding household loans. This new legislation introduced a rebuttable presumption that contract clauses stipulating the right of banks to unilaterally change terms and conditions without client consent (in the case of consumer credits between 2004-2014) are unfair and - consequently - null and void. Banks had the right to defend their respective clauses in front of the court within a set period of time. UniCredit Bank Hungary Zrt initiated judicial proceedings to rebut the legal presumption that terms allowing for unilateral changes to consumer contracts are unfair and thus null and void. The bank, however, failed to rebut such legal presumption
Romania	In 2014, the National Consumer Protection Authority (hereinafter, the NCPA) fined UniCredit Ţiriac Bank SA RON 5,000 (roughly €1,100) for alleged unfair commercial practices. The bank successfully appealed the fine that was thus annulled by the Court. The proceedings are not yet closed, as the NCPA has still the right to appeal such Court's decision
	A second civil lawsuit was filed in 2014 against UniCredit Ţiriac Bank SA for the alleged breach of several legal provisions, including those related to unfair commercial practices. The proceedings are currently ongoing
	A third civil lawsuit was filed in 2014 against UniCredit Ţiriac Bank SA for the alleged breach of legal provisions related to unfair commercial practices, among others. The Court has admitted this case, however the proceedings remain ongoing, since the bank can still file an appeal following the decision of the court
Romania	A fourth civil lawsuit was filed in 2014 against UniCredit Ţiriac Bank SA, for the alleged breach of legal provisions related to unfair commercial practices, among others. The Court dismissed the lawsuit, determining that it should have been filed against UniCredit Consumer Financing IFN SA, and not UniCredit Ţiriac Bank SA. Subsequently, the lawsuit was filed against UniCredit Consumer Financing IFN SA and the proceedings are currently ongoing
Russia	In 2014, the Federal Antimonopoly Service (hereinafter, the FAS) initiated administrative proceedings after an insurance company filed a complaint related to the refusal of Ao UniCredit Bank (formerly, Zao UniCredit Bank) to distribute insurance policies issued by such insurance company. During the information gathering stage presented before the FAS, the bank successfully defeated the complaint. The case is therefore closed with FAS finding in favor of the Bank and no fine was levied

Continued: Main legal actions regarding anti-competitive behavior, antitrust, monopoly practices and corrupt practices

COUNTRY	UPDATE ON LEGAL ACTIONS LISTED AS ONGOING IN THE 2013 SUSTAINABILITY REPORT
Italy	In December 2012, the Italian Antitrust Authority (hereinafter, the AGCM) requested information from, and commenced proceedings against, UniCredit SpA (hereinafter, UniCredit), alleging unfair trade practices relating to advertising campaigns for deposit accounts (Conto Risparmio Sicuro). In July 2013, the AGCM fined UniCredit €250,000. UniCredit appealed the fine before the Regional Court (Tribunali Amministrative Regionali, or TAR) and proceedings are ongoing
	Following the AGCM's decision to uphold allegations that UniCredit had engaged in unfair trade practices regarding a loan advertising campaign, in February 2012 UniCredit appealed the decision to the TAR. Proceedings are ongoing
	In July 2011, the TAR overturned the fine imposed by the AGCM in November 2010 on UniCredit and other banks for alleged collusion to restrict competition in the debit and credit card markets. In November 2011, the AGCM appealed the TAR's decision to the Italian administrative tribunal in second instance. As of 2014, the proceedings are still pending
Austria	With reference to allegations that UniCredit Bank Austria AG incorrectly advised customers on derivatives transactions (e.g., OTC options), criminal charges against two employees of UniCredit Bank Austria AG and the bank were dismissed in 2011. As of December 2014, 11 civil proceedings were pending
Poland	In 2001, the Polish Office of Competition and Consumer Protection (hereinafter, the UOKiK) launched proceedings against operators of the Visa and Europay systems, as well as Polish banks issuing Visa and MasterCard credit cards. The proceedings involved alleged anti-competitive practices affecting the Polish payment cards market. In November 2013, the Court of Competition and Consumer Protection issued a judgment on a 2006 UOKiK decision that the interchange fee in Poland - charged for every non-cash payment transaction made with a Visa or MasterCard card - was set through an agreement among 20 Polish banks. The court partially upheld the decision of UOKiK, however reduced the fine initially imposed on the bank from PLN 16.6 million (roughly €4 million) to PLN 14 million (roughly €3.3 million). The court's judgment is not final, as the bank filed an appeal on February 7, 2014. The appeal has yet to be recognized
	In October 2011, the UOKiK informed Bank Pekao SA of proceedings to determine whether the bank violated collective consumer interests by transferring information on expiring customer obligations to the Credit Information Bureau in breach of the Ministry of Finance regulations and the Polish Act on competition and consumer protection. In April and November 2012, the UOKiK revised its resolution to initiate proceedings by adding new allegations. In a December 28, 2012 decision, received on January 3, 2013, the UOKiK fined the bank PLN 1.8 million (roughly €450,000). The bank appealed in January 2013 and proceedings are ongoing
Bulgaria	In 2013, thirty-six civil cases were filed against UniCredit Bulbank AD for alleged misleading commercial practices related to pricing, price calculation and the existence of particular price advantages mainly related to interest rates. The highest amount of claimed compensation was €41,971 for the principal and €5,533 for the interest on late payment. In 2014, 12 of these civil cases were closed
Croatia	A company initiated proceedings with the Croatian Competition Agency (hereinafter, the CCA), alleging Zagrebačka Banka DD violated antitrust regulations regarding the provision of electronic account services by entering into a business contract (along with another Croatian bank) with only one IT service provider. The CCA rejected these proceedings on the basis that there was no legal ground to commence them ex officio
	The National Bank of Croatia (hereinafter, the CNB) began proceedings against Zagrebačka Banka DD related to the warnings on overdue debts (dunning letters), alleging the bank abused its dominant position by imposing charges on such dunning letters. In July 2013, after the Anti-Monopoly Agency assumed sole responsibility for dealing with such cases, the bank submitted a detailed response to CNB's preliminary findings and the Authority thus decided to terminate all proceedings
	In October 2013, the CCA requested data and documentation to help it gain greater insight into the payment cards market. Zagrebačka Banka DD provided the agency with the requested information. The bank has not received any further information from CCA regarding this matter

RISK MANAGEMENT & COMPLIANCE



Continued: Main legal actions regarding anti-competitive behavior, antitrust, monopoly practices and corrupt practices

COUNTRY	UPDATE ON LEGAL ACTIONS LISTED AS ONGOING IN THE 2013 SUSTAINABILITY REPORT
Hungary	The Hungarian Competition Authority (hereinafter, the GVH) began a cartel investigation of seven Hungarian banks, including UniCredit Bank Hungary Zrt, in connection with foreign currency mortgage loan repayments (early repayment). In 2013, the GVH fined UniCredit Bank Hungary Zrt HUF 306,300,000 (roughly €1 million), which the bank has appealed and a decision is pending
	The GVH began an investigation into UniCredit Bank Hungary Zrt regarding an advertising campaign that ran from April 25 to October 31, 2008 promoting loans that were free of initial charges. As some elements of the advertisement were considered misleading, the GVH imposed a fine of HUF 8,000,000 (roughly €25,000) against the bank. After the dismissal of the bank's first and second appeals, UniCredit Bank Hungary Zrt filed an extraordinary appeal. The Supreme Court rendered its final decision to uphold the original decision of the GVH
	The Hungarian Financial Supervisory Authority (hereinafter, the HFSA) fined UniCredit Bank Hungary Zrt HUF 5,000,000 (roughly €16,000) in connection with its execution of the foreign exchange prepayment law. In 2013, proceedings involving the bank's appeal in second instance were interrupted due to the merger of the HFSA and the National Bank of Hungary, and a decision is still pending
	In 2012, the GVH began a cartel investigation of the Hungarian Banking Association, the International Training Centre for Bankers and 38 Hungarian banks (including UniCredit Bank Hungary Zrt), all of which participated in the BankAdat system, the interbank database for Hungarian credit institutions. This investigation is ongoing
Romania	In 2013, the NACP fined UniCredit Ţiriac Bank SA RON 10,000 (roughly €2,200) for unfair commercial practices. The bank appealed and the fine was changed to a warning. The NACP successfully appealed this decision in November 2014 and UniCredit Ţiriac Bank SA paid the fine of RON 10,000 (approximately €2,200)
	In 2013, following a complaint, the NACP fined UniCredit Ţiriac Bank SA RON 5,000 (roughly €1,100) for unfair commercial practices. Following the dismissal of the bank's appeal, UniCredit Ţiriac Bank SA paid the fine of RON 5,000 (approximately €1,100)
Russia	In June 2013, the FAS initiated administrative proceedings against Zao UniCredit Bank for the alleged violation of advertising regulations. The bank was found guilty by the FAS, although no fines were imposed. In August 2013, the bank appealed the ruling. In 2014, the court dismissed the bank's appeal and the proceedings are therefore closed
	In August 2013, the FAS fined Zao UniCredit Bank RUB 100,000 (roughly €2,000) for the alleged violation of advertising regulations. In September 2013, the bank appealed the ruling but the court dismissed the appeal. The proceedings are therefore closed
	A Zao UniCredit Bank mortgage customer from the Nizhegorodskiy region complained to the St. Petersburg anti-monopoly regulator (FAS) that Zao UniCredit Bank (currently Ao UniCredit Bank) had violated Federal Law No. 135-FZ of July 26, 2006 on Protection of Competition. Specifically, it is alleged that the bank violated Article 11, Prohibition of Agreements Restricting Competition or Concerted Actions of Economic Units. The client alleged that Zao UniCredit Bank drove him to obtain insurance that he did not need, and that he was driven to procure services from a specific insurance company. The bank successfully demonstrated that it complied with applicable laws and the proceedings were closed without any fines being levied

Conflicts of Interest

Following a recent process review UniCredit has published new set of rules for governing conflicts of interest:

- the Global Policy on Conflicts of Interest, which was approved in March 2013, sets forth principles and rules to help employees identify and manage conflicts of interest. It provides general information on what measures the Group has taken to detect, manage and record such conflicts of interest. In particular, with reference to conflicts arising from the outside business interests of employees, the provision of investment services, investment activities and ancillary services (as defined by the EU Markets in Financial Instruments Directive)

and the provision of specific financial services. This policy also applies to business conflicts (i.e. conflicts related to the provision of investment banking services), conflicts connected to banking services and activities and conflicts related to organizational issues

- the Global Operational Instructions on Conflicts of Interest were approved in June 2014. They replace the previous global compliance policy, Conflicts of Interest - Focus on Outside Business Interest, which was issued in 2011. The new set of operational instructions serve to integrate the Global Policy on Conflicts of Interest by detailing the processes, roles and responsibilities adopted by the Group for the identification, management and recording of conflicts of interest, with a special focus on the categories contained within the Global Policy

Lastly, the Process Regulation was established to delineate at local level operative processes, rules and responsibilities related to conflict of interest issues.

As a part of ongoing activities, in 2014 the project to progressively implement a Group-level the conflict of interest management model was successfully completed in UniCredit International Bank (Luxembourg) SA and UniCredit CA-IB Poland SA.

After the release to senior management in August 2013, an information technology tool for the declaration, collection and reporting of personal interests regarding outside business interests (OBI) was released to all employees of UniCredit SpA (over 41,000 employees) in February 2014. By the end of the year, over 98 percent of UniCredit employees had completed the OBI questionnaire and over 800 notifications were sent for evaluation to line managers, human resources business partners and the compliance function. In 2014, a similar project to implement the OBI model was kicked off in UBIS and FinecoBank SpA. Both of these legal entities plan to provide their employees with an OBI IT tool in 2015.

With reference to conflict of interest matter, the following activities have been planned for the near future:

- issue technical instructions for processes (e.g. related to the Group IT Tools) in alignment with Group rules
- issue a consolidated law that merges all current COI rules into a single rule
- extend the process of business conflicts check to further areas such as local corporate networks and CEE countries
- define a minimum set of controls to be applied Groupwide

Data Protection

UniCredit had always ensured the compliance with data protection rules by adopting the principles set forth in the Italian legislation implementing Directive 95/46/EC through dedicated internal rules, particularly: the Global Compliance Guidelines on Privacy (known as the Guidelines), further specific internal implementing regulations as well as basic security measures, which are updated as necessary to meet international standards. The Guidelines have been transmitted to all companies within our Group to be implemented in compliance with local applicable laws and regulations.

In 2014, UniCredit took an active role in the legislative debate concerning the adoption of a new EU regulation designed to replace part of Directive 95/46/EC, by participating in the related consultation held by the European Commission and by providing feedback on the proposals for amendments subsequently made by the European Parliament.

UniCredit strongly hopes that this proposed EU regulation will be adopted quickly in order to standardize laws and regulations on data protection in force locally in EU member states.

Consequently, UniCredit intends to prepare a new policy based on such EU regulation although the date of its approval is presently unknown and may not occur before the end of 2015.

As part of our commitment to data protection, the Compliance Risk Assessment and the Second Level Controls aim to identify, monitor and manage UniCredit's compliance risks in this regulatory area. They comprise the central mechanism in place to assess the effectiveness of our compliance with data protection legislation.

STAKEHOLDER ENGAGEMENT



Materiality Matrix

Main stakeholder involved ^A	Material topic	Definition	Boundaries for material topics ^B		Main reference chapter of the Integrated Report
			Internal	External	
All ^C	Bank Leadership	Having a well recognized competent top management able to provide a clear medium long term strategic vision	• Group	• Customers • Communities • Investors	• Governance
All	Compliance	Installing a culture of compliance	• Group	• Customers • Regulators • Suppliers	• Risk Management & Compliance
All	Environmental Impact	Taking responsibility for the potential direct and indirect environmental impacts of our business decisions	• Group	• Customers • Regulators • Suppliers	• Natural Capital
All	Fair Business Behavior	Maintaining high standards for fair business practices and expecting senior management and employees to treat all stakeholders with fairness, respect and reciprocity, according to the Integrity Charter	• Group	• Customers • Investors • Suppliers	• Governance
All	Human Rights	Respecting and supporting human rights within our sphere of influence, while ensuring our Group is not indirectly complicit in human rights abuse	• Group	• Customers • Responsible Investors • Regulators • Suppliers	• Risk management & Compliance
All	Risk Culture	Enhancing our risk management and risk awareness Groupwide	• Group	• Customers • Regulators	• Risk management & Compliance
Colleagues	Corporate Identity	Committing to raising employees' awareness of sustainability issues, leveraging on employees as first ambassadors of the bank	• Group		• Our Purpose & Identity • Human Capital
Colleagues	Diversity and Inclusion	Fostering and improving a culture of inclusion, fairness and respect by promoting equal opportunities in the workplace so all colleagues can maximize their potential	• Group		• Human Capital
Colleagues	Employees' Development	A commitment to enhancing colleagues' professional skills and accelerating their professional development	• Group		• Human Capital
Colleagues	Performance management	Developing systems based on transparent and fair mechanisms to ensure all employees are capable of performing to the best of their abilities	• Group		• Human Capital
Colleagues	Work-life balance	Demonstrating concern for employees' well-being and the balance between their professional and personal lives; creating a work environment in which everyone feels at ease and is motivated to build positive relationships with customers	• Group		• Human Capital
Customers	Customer Proximity	Being close to customers, understanding their needs and promptly providing local families and companies with a wide range of specialized products/services on request	• Group	• Customers	• Strategic Plan • Social and Relationship Capital
Customers	Dynamic Bank	Being proactive, acting promptly and promoting innovation	• Group	• Customers	• Strategic Plan • Intellectual Capital

Main stakeholder involved ^A	Material topic	Definition	Boundaries for material topics ^B		Main reference chapter of the Integrated Report
			Internal	External	
Customers	Lean and Transparent Organization	Guaranteeing lean and efficient bank procedures and transparent decision making processes	• Group	• Customers	• Strategic Plan • Social and Relationship Capital
Customers	Quality and value	Offering high quality products and services that are good value for money	• Group	• Customers	• Strategic Plan • Social and Relationship Capital
Customers	Responsible Finance	Committing to environmental, social and governance issues through dedicated products in portfolio	• Group	• Customers • Responsible Investors	• Natural Capital • Social and Relationship Capital
Customers	Simplicity and transparency	Enhancing our trust and credibility by proposing simple and easy to understand products/ services, as well as proactive, effective and clear communications and transparent decision-making processes	• Group	• Customers	• Strategic Plan • Social and Relationship Capital
Customers	Support to Business	Being close to companies by developing products and services that support their economic growth (e.g., innovation, internationalization, research and development)	• Group	• Customers	• Strategic Plan • Social and Relationship Capital
Communities	Aging of Population ^D	Managing increased life expectancy rates in the interest of all stakeholders	• Group	• Communities • Customers	• Social and Relationship Capital
Communities	Community Proximity	Understanding territorial issues and responding to local needs to better support social development and positively impact communities	• Group	• Communities	• Social and Relationship Capital
Communities	Employment	Contributing indirectly to raising employment levels by developing products and services that both support ongoing business activities and help identify new business opportunities	• Group		• Social and Relationship Capital
Communities	Financial education	Helping citizens – customers and non-customers alike – to improve their financial knowledge and make more informed financial decisions	• Group	• Communities • Customers	• Social and Relationship Capital
Communities	Research and Innovation	Developing products and services to support research and innovation intensive industries and to contribute to social and economic progress as well as the well-being of countries	• Group	• Customers	• Social and Relationship Capital
Investors	Clear Approach to Markets	Maintaining transparent relationships with financial markets by disclosing information that is useful for investors to understand our competitive positioning and bank business trends	• Group	• Investors	• Social and Relationship Capital
Regulators	Financial Stability	Building a long-term foundation for financial stability while supporting customers in an uncertain environment; providing tangible support for regulatory discussions to create a better financial system	• Group	• Regulators	• Risk Management & Compliance • Social and Relationship Capital
Suppliers	Procurement ^D	Managing procurement with an integrated and transparent strategy that increasingly includes social and environmental responsibility criteria for the entire purchasing chain for goods/services, and promotes the implementation of sustainable business practices by our suppliers	• Group	• Suppliers	• Natural Capital

A. Main stakeholder groups that raised and/or are impacted by the material topic.
 B. Reporting of data and information for topics that are material outside the organization is limited to the Group activities. The Geographical location where the topic is material refers mainly to the 15 Countries where the Group has significant operations (refer to the Report Structure of the Integrated Report for more information). Internal and external refers to the main subjects that impact the topic.
 C. Includes Colleagues, Customers, Communities, Investors, Regulators, Suppliers.

D. Topic monitored but not material.

HUMAN CAPITAL¹

Portrait in numbers

Percentage and number of employees by country and gender, 2012-2014

Country	Female 2014	Male 2014	Head Count 2014	Head Count 2013	Head Count 2012
Italy	44.0%	56.0%	50,924	51,099	52,597
Germany	55.5%	44.5%	22,452	23,059	24,259
Austria	55.6%	44.4%	10,949	11,125	11,522
Poland	77.4%	22.6%	19,921	19,996	20,380
Bosnia and Herzegovina	71.9%	28.1%	1,688	1,728	1,784
Bulgaria	76.7%	23.3%	4,550	4,508	4,667
Croatia	75.7%	24.3%	4,475	4,910	5,060
Czech Republic	61.9%	38.1%	2,915	2,924	3,011
Hungary	68.8%	31.2%	2,357	2,477	2,494
Romania	70.8%	29.2%	5,095	4,880	4,638
Russia	67.9%	32.1%	4,560	4,202	4,115
Serbia	62.9%	37.1%	1,135	1,095	1,052
Slovakia	69.1%	30.9%	1,408	1,493	1,591
Slovenia	65.7%	34.3%	618	631	660
Ukraine	78.5%	21.5%	6,149	7,516	8,248
Other ^A	36.6%	63.4%	1,721	1,722	20,043
Total	58.3%	41.7%	140,917	143,365	166,121

A. Other: Azerbaijan, Brasil, China, India, Ireland, Latvia, Luxembourg, Netherlands, Taiwan, United Kingdom, United States of America.

Percentage of employees by employment tier, 2012-2014

Employment tier	2014	2013	Employment tier	2012
Top Management	0.07%	0.12%	Senior Management	0.32%
Executive	0.61%	0.90%	Executive & Middle Management	13.41%
Middle Management	8.93%	8.83%	Staff	86.27%
Staff	90.39%	90.15%	Total	100.00%
Total	100.00%	100.00%		

Percentage of employees by employment tier and gender, 2012-2014

Employment tier	2014		2013		Employment tier	2012	
	Female	Male	Female	Male		Female	Male
Top Management	0.02%	0.14%	0.04%	0.23%	Senior Management	0.12%	0.60%
Executive	0.20%	1.19%	0.44%	1.55%	Executive & Middle Management	8.27%	20.74%
Middle Management	4.74%	14.78%	4.66%	14.70%	Staff	91.61%	78.66%
Staff	95.04%	83.89%	94.87%	83.51%	Total	100.00%	100.00%
Total	100.00%	100.00%	100.00%	100.00%			

Percentage of employees by gender and contract type, 2012-2014

Gender	2014		2013		2012	
	Fixed-term	Permanent	Fixed-term	Permanent	Fixed-term	Permanent
Female	3.30%	55.00%	3.10%	55.38%	2.90%	55.98%
Male	1.61%	40.09%	1.64%	39.89%	1.48%	39.64%
Total	4.91%	95.09%	4.74%	95.26%	4.38%	95.62%

Percentage of employees by employment tier and education level, 2014^A

Employment tier	Degrees over the High School Diploma	High School	Other	Total
Top Management	88.24%	2.94%	8.82%	100.00%
Executive	69.97%	15.92%	14.11%	100.00%
Middle Manager	58.98%	29.35%	11.68%	100.00%
Staff	44.15%	44.48%	11.37%	100.00%

A. Data represents 98.09% of the population.

Percentage of employees by employment tier and length of employment, 2014^A

Employment tier	0-10	11-20	21-30	>31	Total
Top Management	57.73%	26.80%	6.19%	9.28%	100.00%
Executive	44.50%	30.24%	16.45%	8.81%	100.00%
Middle Management	30.50%	31.67%	24.59%	13.24%	100.00%
Staff	41.27%	22.94%	22.03%	13.76%	100.00%

A. Data represents 99.30% of the population.

Percentage of employees by employment tier and age, 2014^A

Employment tier	up to 30 years	31-40 years	41-50 years	above 51 years
Top Management	0.00%	0.01%	0.03%	0.03%
Executive	0.00%	0.11%	0.30%	0.21%
Middle Management	0.10%	2.22%	3.93%	2.72%
Staff	13.02%	25.73%	26.90%	24.69%
Total	13.12%	28.07%	31.17%	27.65%

A. Data represents 99.30% of the population.

1. The data in this part of Supplement applies to UniCredit's employees as of December 31, 2014-2013-2012. Our employee data does not include external staff (e.g. interns or consultants). The number reflects all employees of fully and proportionately consolidated entities. The data represents 100% of the population unless otherwise noticed.

During the first quarter of 2014 the scope of consolidation underwent changes mainly due to the introduction of IFRS 10 and IFRS 11, effective from January 1, 2014. 2013 figures were restated accordingly.

Starting from 2014 some tables show a new category Top Management in substitution of the previous Senior Management in order to be better aligned to the new adoption of the Global Job Model and Global Banding implemented in 2013. The decrease registered between 2013 and 2014 in number of Top Managers and Executives reflects the roll-over of their new definitions through the different legal entities. This alignment impacts all tables involving employment tiers, and will be progressively extended to the whole Group in the next couple of years.

HUMAN CAPITAL



Percentage of employees leaving employment by reasons, 2012-2014

Reason for leaving the Group	2014	2013	2012
Retirement - employees who left to retire ^A	6.12%	4.67%	5.37%
Restructuring - employees who left due to a common agreement or industrial plan negotiated with trade unions	5.75%	16.46%	10.96%
Individual agreements - employees who left due to individual or one-to-one agreements	24.19%	20.89%	19.26%
Employee resignation - employees who resigned	39.84%	36.45%	41.48%
Employer dismissal - employees who left the bank involuntarily	12.11%	8.85%	7.84%
Other - all remaining reasons, including ending of temporary contracts	11.98%	12.68%	15.09%
Total	100.00%	100.00%	100.00%

A. Retirements triggered by restructuring have been reported under restructuring rather than retirement.

Turnover by country, 2014^A

Country	Incoming employees		Outgoing employees	
	Number	Percentage	Number	Percentage
Italy	777	1.53%	931	1.83%
Germany	1,052	4.69%	1,607	7.16%
Austria	197	1.80%	600	5.48%
Poland	687	3.45%	1,130	5.67%
Bosnia and Herzegovina	92	5.45%	142	8.41%
Bulgaria	595	13.08%	553	12.15%
Croatia	158	3.53%	178	3.98%
Czech Republic	367	12.59%	376	12.90%
Hungary	235	9.97%	354	15.02%
Romania	980	19.23%	761	14.94%
Russia	787	17.26%	681	14.93%
Serbia	114	10.04%	68	5.99%
Slovakia	179	12.71%	284	20.17%
Slovenia	38	6.15%	51	8.25%
Ukraine	652	10.60%	2,018	32.82%
Other ^B	257	14.93%	219	12.73%
Total	7,167	5.09%	9,953	7.06%

A. Turnover rates are calculated as follows: for incoming employees (Employees hired in 2014)/(Total employees at the end of 2014)*100; for outgoing employees (Employees who left the Group in 2014)/(Employees at the end of 2014)*100.

B. Other: Azerbaijan, Brasil, China, India, Ireland, Latvia, Luxembourg, Netherlands, Taiwan, United Kingdom, United States of America.

Turnover by gender^A and age^B, 2014

Gender	Incoming employees		Outgoing employees	
	Number	Percentage	Number	Percentage
Female	4,203	5.12%	6,369	7.75%
Male	2,964	5.04%	3,584	6.10%

Age	Incoming employees		Outgoing employees	
	Number	Percentage	Number	Percentage
Up to 30	4,704	25.62%	3,741	20.38%
31 - 40 years	1,769	4.50%	2,670	6.80%
41 - 50 years	543	1.25%	1,356	3.11%
Above 51 years	151	0.39%	2,186	5.65%

A. Turnover rates are calculated as follows: for incoming employees (Employees hired in 2014)/(Total employees by gender at the end of 2014)*100; for outgoing employees (Employees who left the Group in 2014)/(Employees by gender at the end of 2014)*100.

B. Turnover rates are calculated as follows: for incoming employees (Employees hired in 2014)/(Total employees by age at the end of 2014)*100; for outgoing employees (Employees who left the Group in 2014)/(Employees by age at the end of 2014)*100.

Differential^A between female and male employee gross salaries^B by country and employment tier^C, 2014^D

The percentage represents the weighted averages of women's average gross salary compared to men's.

Country	Executive	Middle Management	Staff
Italy	81.9%	86.7%	89.4%
Germany	62.6%	84.5%	85.2%
Austria	104.9%	88.9%	84.7%
Poland	80.2%	80.7%	75.3%
Bosnia and Herzegovina	87.2%	89.6%	92.3%
Bulgaria	Not applicable	89.6%	73.2%
Croatia	61.4%	90.8%	98.8%
Czech Republic	0.0%	65.5%	68.4%
Hungary	73.1%	85.9%	85.2%
Romania	47.9%	96.0%	83.7%
Russia	0.0%	99.8%	73.0%
Serbia	103.3%	88.6%	91.5%
Slovakia	Not applicable	89.4%	74.2%
Slovenia	Not applicable	94.5%	88.7%
Ukraine	0.0%	97.2%	75.8%
Other ^E	Not applicable	Not applicable	Not applicable

A. The ratio were calculated as follows: (total gross salary of female employees/total female)/(total gross salary of male employees/total male).

B. Gross salary: the full year fixed amount paid to an employee for performing his/her duties. It includes allowances provided related to specific positions.

C. The decrease registered between 2013 and 2014 in number of Top Managers and Executives reflects the roll-over of their new definitions through the different legal entities. This alignment impacts all tables involving employment tiers, and will be progressively extended to the whole Group in the next couple of years.

D. Data represents 81% of the population.

E. Other: Azerbaijan, Brasil, China, India, Ireland, Latvia, Luxembourg, Netherlands, Taiwan, United Kingdom, United States of America.

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Differential^A between female and male employee total remuneration^B by country and employment tier^C, 2014^D

The percentage represents the weighted averages of women's average remuneration compared to men's.

Country	Executive			Middle Management			Staff		
	Female	Male	Average	Female	Male	Average	Female	Male	Average
Italy	77.3%	86.3%	81.8%	86.3%	86.3%	86.3%	89.4%	89.4%	89.4%
Germany	45.3%	78.2%	61.7%	78.2%	78.2%	78.2%	83.2%	83.2%	83.2%
Austria	100.6%	86.6%	93.6%	86.6%	86.6%	86.6%	84.2%	84.2%	84.2%
Poland	92.7%	83.3%	88.0%	83.3%	83.3%	83.3%	76.8%	76.8%	76.8%
Bosnia and Herzegovina	81.5%	88.5%	85.0%	88.5%	88.5%	88.5%	91.9%	91.9%	91.9%
Bulgaria	Not applicable	86.5%	86.5%	86.5%	86.5%	86.5%	73.3%	73.3%	73.3%
Croatia	67.7%	83.2%	75.4%	83.2%	83.2%	83.2%	98.3%	98.3%	98.3%
Czech Republic	0.0%	59.4%	29.7%	59.4%	59.4%	59.4%	66.4%	66.4%	66.4%
Hungary	58.3%	80.8%	69.5%	80.8%	80.8%	80.8%	84.0%	84.0%	84.0%
Romania	43.7%	93.7%	68.7%	93.7%	93.7%	93.7%	83.4%	83.4%	83.4%
Russia	0.0%	98.0%	49.0%	98.0%	98.0%	98.0%	73.0%	73.0%	73.0%
Serbia	98.7%	87.4%	93.0%	87.4%	87.4%	87.4%	90.3%	90.3%	90.3%
Slovakia	Not applicable	85.3%	85.3%	85.3%	85.3%	85.3%	74.0%	74.0%	74.0%
Slovenia	Not applicable	91.9%	91.9%	91.9%	91.9%	91.9%	89.0%	89.0%	89.0%
Ukraine	0.0%	103.0%	51.5%	103.0%	103.0%	103.0%	76.7%	76.7%	76.7%
Other ^E	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

A. The ratios were calculated as follows: (total remuneration of female employees/total female)/(total remuneration of male employees/total male).

B. Total remuneration: gross salary plus additional amounts such as bonuses including cash and/or available equity shares to reward individual performance and Company's results and any other no one-off payments.

C. The decrease registered between 2013 and 2014 in number of Top Managers and Executives reflects the roll-over of their new definitions through the different legal entities. This alignment impacts all tables involving employment tiers, and will be progressively extended to the whole Group in the next couple of years.

D. Data represents 81% of the population.

E. Other: Azerbaijan, Brasil, China, India, Ireland, Latvia, Luxembourg, Netherlands, Taiwan, United Kingdom, United States of America.

Diversity management

Percentage of permanent employees by gender and employment status, 2012-2014

Gender	2014		2013		2012	
	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time
Female	87.23%	54.35%	88.56%	54.34%	89.62%	55.22%
Male	12.77%	45.65%	11.44%	45.66%	10.38%	44.78%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Percentage of female with part-time contracts out of all women by employment tier, 2012-2014

Employment tier	2014	2013	2012
Executive & Middle Management	10.27%	9.18%	3.29%
Staff	18.36%	18.80%	17.00%

Percentage of employees by gender and educational level, 2014^A

Gender	Degrees over the High School Diploma	High School Diploma	Other
Female	60.09%	58.77%	52.28%
Male	39.91%	41.23%	47.72%
Total	100.00%	100.00%	100.00%

A. Data represents 98.09% of the population.

Number and percentage of employees promoted to higher contractual job grade by country and gender, 2014

Country	Number		Percentage	
	Female	Male	Female	Male
Italy	806	810	49.88%	50.12%
Germany	594	652	47.67%	52.33%
Austria	149	128	53.79%	46.21%
Poland	254	116	68.65%	31.35%
Bosnia and Herzegovina	68	33	67.33%	32.67%
Bulgaria	12	3	80.00%	20.00%
Croatia	227	87	72.29%	27.71%
Czech Republic	92	94	49.46%	50.54%
Hungary	43	50	46.24%	53.76%
Romania	126	55	69.61%	30.39%
Russia	20	34	37.04%	62.96%
Serbia	7	7	50.00%	50.00%
Slovakia	43	22	66.15%	33.85%
Slovenia	8	6	57.14%	42.86%
Ukraine	452	109	80.57%	19.43%
Other ^A	20	48	29.41%	70.59%
Total	2,921	2,254	56.44%	43.56%

A. Other: Azerbaijan, Brasil, China, India, Ireland, Latvia, Luxembourg, Netherlands, Taiwan, United Kingdom, United States of America.

Number of employees in protected categories by country, 2014^A

Country	2014
Italy	3,371
Germany	1,013
Austria	401
Poland	230
Bosnia and Herzegovina	16
Bulgaria	113
Croatia	28
Czech Republic	19
Hungary	15
Romania	11
Russia	84
Serbia	0
Slovakia	7
Slovenia	2
Ukraine	204
Other ^B	4

A. Employees in protected categories are reported according to the requirements of applicable local laws. If accepted by local laws alternative solutions are implemented. Due to privacy reasons the employment tier breakdown is not reported.

B. Other: Azerbaijan, Brasil, China, India, Ireland, Latvia, Luxembourg, Netherlands, Taiwan, United Kingdom, United States of America.

Training

Our Group received roughly €4,389,325 in 2014 by leveraging our capacity to cover training costs with public funds.

Training hours per capita by employment tier, gender and training type, 2014

Training type	Top Management		Executive		Middle Management		Staff	
	Female	Male	Female	Male	Female	Male	Female	Male
Managerial training	5.60	2.36	10.11	8.43	8.30	7.11	1.82	2.46
Technical training	6.20	11.29	13.09	9.09	14.05	13.70	21.37	26.84
Foreign language training	8.00	3.89	1.59	2.62	2.81	1.95	1.98	2.38

This data was drawn from a population that represented 89.1 percent of employees. Training hours included e-learning, classroom instruction and on-the-job training. In 2014, we conducted 67,945 hours of trainings in our Markets in Financial Instruments Directive (MiFID) courses.

Industrial Relations¹

At UniCredit, we strongly believe in the importance of social dialogue, particularly within Group labor practices. We believe that social dialogue enhances our cooperation, listening skills and ability to understand domestic and global labor needs.

This Groupwide approach enabled us to achieve high standards of social dialogue in recent years, thus helping us to navigate the turbulent financial crisis.

Today, we remain committed to improving the level of UniCredit's social dialogue in every country of operation and leverage our strong European identity.

Thus, our Group's employees may be represented by trade unions, works councils or other representatives relevant to the industrial relations system in their country.

This model is carried out over different levels: at national level, we comply with labor laws and the local industrial relations systems, while at European and Group levels, the UniCredit European Works Council (EWC) brings Employees' representatives together to meet the Group Top Management.

Founded in 2007, the UniCredit EWC is a governance body towards whom the information and consultation right is granted on transnational Group activities that significantly affect the employees interests. It currently counts 43 members, representing 19 countries (Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Germany, Hungary, Ireland, Italy, Luxembourg, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Turkey, Ukraine, United Kingdom).

A tangible result of our commitment in social dialogue at European level is represented by two joint declarations we have signed in cooperation with this body: the Joint Declaration on Equal Opportunities and Non Discrimination and the Joint Declaration on Training, Learning and Professional Development.

Finally, in 2014, EWC key initiatives included:

- two ordinary meetings of the EWC with the participation both of EWC Members and the Top Management (e.g. CEO, COO, CFO, General Manager, Head of HR) covering different topics from the Group Results, to key HR strategies and priorities with a comprehensive and dedicated consultation session with the Top Management
- five select committee meetings. The EWC elects a Select Committee among its members, comprising 7 Employees' Representatives in addition to the President, that represents the EWC's point of contact with Central Management. According to the EWC Founding Agreement, the Select Committee has the right to organize meetings about specific topics, in order to ensure the continuous and timely flow of information to all members of the EWC between two general meetings.

1. This data is drawn from the following subset of Group entities unless stated otherwise:

- Italy: FincoBank SpA, Pioneer Global Asset Management SpA, Pioneer Investment Management SGRPA, UniCredit Business Integrated Solutions SCpA, UniCredit Leasing SpA, UniCredit SpA
- Germany: UniCredit Bank AG, UniCredit Business Integrated Solutions SCpA, UniCredit Global Business Services GmbH
- Austria: UniCredit Bank Austria AG, UniCredit Business Integrated Solutions Austria GmbH
- Poland: Bank Pekao SA, UniCredit Business Integrated Solutions Austria GmbH, UniCredit Business Integrated Solutions SCpA
- Bosnia and Herzegovina: UniCredit Bank AD Banja Luka, UniCredit Bank DD, UniCredit Leasing d.o.o.
- Bulgaria: UniCredit Bulbank AD
- Croatia: Zagrebačka Banka DD
- Czech Republic: UniCredit Bank Czech Republic and Slovakia a.s., UniCredit Business Integrated Solutions SCpA
- Hungary: UniCredit Bank Hungary Zrt, UniCredit Business Integrated Solutions SCpA, UniCredit Leasing Hungary Zrt
- Romania: Pioneer Asset Management SAISA, UniCredit Business Integrated Solutions SCpA, UniCredit Business Partner GmbH, UniCredit Consumer Financing IFN SA, UniCredit Leasing Romania SA, UniCredit Tiriak Bank SA
- Russia: Ao UniCredit Bank
- Serbia: UniCredit Bank Serbia Jsc
- Slovakia: UniCredit Bank Czech Republic and Slovakia a.s., UniCredit Business Integrated Solutions SCpA
- Slovenia: UniCredit Banka Slovenija DD
- Ukraine: PJSC Ukrsofsbank

Moreover, in particular in Italy in 2014, the company signed with Trade Unions two important agreements related to the 2018 Strategic Plan. The first one manages the Strategic Plan occupational effects, while the second agreement is a Protocol that manages the initiatives to revamp the Group. They have been both signed on 28th of June with some further integrations.

In Poland, the negotiation with Trade Unions introduced on May 2014 a New Work Regulation of Bank Pekao, a very important document that specifies both Bank and Employees' duties concerning work's organization (i.e. working time and mandatory training).

Percentage of employees covered by collective bargaining agreements, 2014^A

Country	2014
Italy	100.0%
Germany	
UniCredit Bank AG	52.3%
UniCredit Business Integrated Solutions SCpA	54.6%
UniCredit Global Business Services GmbH	55.0%
Austria	100.0%
Poland	
Bank Pekao SA	76.3%
UniCredit Business Integrated Solutions Austria GmbH	100.0%
UniCredit Business Integrated Solutions SCpA	100.0%
Bosnia and Herzegovina	100.0%
Bulgaria	100.0%
Croatia	100.0%
Czech Republic	100.0%
Hungary	Not applicable ^B
Romania	
UniCredit Tiriak Bank SA	
Pioneer Asset Management SAISA	Not applicable ^C
UniCredit Consumer Financing IFN SA	
UniCredit Leasing Romania SA	
UniCredit Business Partner GmbH	100.0%
UniCredit Business Integrated Solutions SCpA	100.0%
Russia	100.0%
Serbia	Not applicable ^B
Slovakia	100.0%
Slovenia	100.0%
Ukraine	100.0%

A. The collective bargaining agreement refers to national, sector and company level.

B. There is no collective bargaining agreement at the branch and country level as of yet.

C. No collective bargaining agreement of any kind is in place.

HUMAN CAPITAL



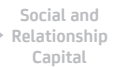
Notice period typically provided to employees and their elected representatives prior to implementing significant operational changes that could affect them substantially

Country	Notice period specified in collective bargaining agreements	Legal number of days notice	Notes
Italy	Yes	25	The Italian labor law states that unions must be informed and consulted 25 days before any change becomes effective. The National Collective Bargaining Agreement of the credit sector provides for different notification and consultation procedures, which may vary from 15 to 50 days depending on the nature of the changes undertaken
Germany	No	No	National regulations do not specify the number of weeks notice typically provided for consulting employee representatives. The information must be provided to the Works Council as soon as management makes any decision, thus making substantial negotiations about the implementation of measures possible. The employer and Works Council must reconcile their interests, and major alterations may not begin, unless this reconciliation of interest is achieved or at least attempted
Austria	No	No	Labor Law states that is mandatory to inform employees, and requests to give notice to individual employees five days prior the event, but no specific period is declared for organisational changes
Poland			
Bank Pekao SA	Yes	90	
UniCredit Business Integrated Solutions Austria GmbH	Yes	30	The notice period for collective significant changes already results from the labor law
UniCredit Business Integrated Solutions SCpA			
Bosnia and Herzegovina	No	15	Notice period for organizational changes is specified by labor law and the legal number of days notice depends on years of working experience
Bulgaria	Yes	45	
Croatia	Yes	14	Notice period is specified by the Labor Law
Czech Republic	Yes	60	At least 2 months notice period according to the local Labour Law
Hungary	No	30	The notice period is typically 30 days. The Works Council must be informed by the company and has 15 days to respond. After this period, changes may be implemented. No agreement is needed, only the timely provision of information

Continued: Notice period typically provided to employees and their elected representatives prior to implementing significant operational changes that could affect them substantially

Country	Notice period specified in collective bargaining agreements	Legal number of days notice	Notes
Romania			
UniCredit Ţiriac Bank SA			
Pioneer Asset Management SAISA	No	20	As indicated in the labor code, there is a dismissal notice period of 20 working days, beginning the day after the restructuring decision is announced
UniCredit Consumer Financing IFN SA			
Unicredit Leasing Romania SA			
UniCredit Business Partner GmbH			
UniCredit Business Integrated Solutions SCpA	Yes	20	
Russia	No	60	
Serbia	No	30	
Slovakia			
UniCredit Bank Czech Republic and Slovakia a.s.	No	30	
UniCredit Business Integrated Solutions SCpA	No	60	It is regulated by Labor Law - it depends on the length/duration of employment. If it is more than 1 year and less than 5 - 2 months notice period; if the employment duration is more than 5 years, the notice period is 3 months. For employment duration less than 1 year the notice period is 1 month
Slovenia	Yes	8	When requested, the employer must provide information to the trade union in a timely manner. If the trade union does not respond within eight working days, it is considered to have no comment. If, however, the trade union provides feedback within eight working days, the employer is required to respond within five working days
Ukraine	Yes	60	

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Welfare, health and safety, work-life balance²

We support the well-being of our employees and their families by providing welfare and work-life balance services that respond to their needs, including the supplementation of public services (e.g., enhancing public health assistance with specific coverage provided by our Group). These benefits are defined at the country level due to differences in local laws and practices.

In nearly all countries, part-time and fixed-term employees are offered the same benefits that are offered to full-time and permanent employees. In several countries, colleagues are provided with certain benefits following an initial work period. Moreover, employees in most countries have the option to go on sabbatical for personal reasons or training purposes.

Retirement plans offered to employees, 2014

Country	Principal retirement plans
Italy	In Italy, among the complementary pension plans, there are both defined performance funds (whose performances, which come to fruition once the retirement requirements are reached, are known in advance as they are set by the fund statute) and defined contribution plans (whose performances depend on the results of the asset management). Complementary pension plans can also be classified as external or internal pension funds, where external funds are legally autonomous from the Group, while internal funds are accounting items entered into UniCredit SpA's balance sheet, whose creditor counterparts are the employees enrolled (both active and retired). Both these categories are closed and, as such, they do not allow new subscriptions. The only exception is represented by the individual capitalization section of the Fondo Pensione per il Personale delle Aziende del Gruppo UniCredit. Within this section (which counted approximately 35,000 enrolled active employees in 2014) subscribers can distribute their contribution - depending on their own risk appetite - among four investment lines (Insurance, Short, Medium and Long Term) characterized by different risk/yield ratios. In addition, always in this section, the enrolled employees may open complementary pension plan positions in favor of their family members dependent for tax purposes
Germany	In Germany, there are a variety of defined benefit plans that derive from our company's history. Several are final pay plans, where the pension entails a certain percentage of the last monthly gross salary received by the employee. Others are career average plans, where a percentage of an employee's average annual gross salary is converted into a fixed pension amount. These plans are closed to new beneficiaries. Currently, there are two career average plans. One is closed for new entries, the other one is the only open plan for new entries. Regarding this second plan, a certain percentage of the monthly gross salary is used as a fixed pension amount. In the event of a surplus in assets under management, employees have the option to credit the profits to their individual pension accounts

2. This data is drawn from the following subset of Group entities unless stated otherwise:

- Italy: FincoBank SpA, Pioneer Global Asset Management SpA, Pioneer Investment Management SGRPA, UniCredit Business Integrated Solutions SCpA, UniCredit Leasing SpA, UniCredit SpA
- Germany: UniCredit Bank AG, UniCredit Business Integrated Solutions SCpA, UniCredit Global Business Services GmbH
- Austria: Pioneer Investments Austria GmbH, Schoellerbank Aktiengesellschaft, UniCredit Bank Austria AG, UniCredit Business Integrated Solutions Austria GmbH, UniCredit Leasing (Austria) GmbH
- Poland: Bank Pekao SA, UniCredit Business Integrated Solutions Austria GmbH, UniCredit Business Integrated Solutions SCpA
- Bosnia and Herzegovina: UniCredit Bank AD Banja Luka, UniCredit Bank DD, UniCredit Leasing d.o.o.
- Bulgaria: UniCredit Bulbank AD, UniCredit Consumer Financing AD, UniCredit Leasing AD
- Croatia: Zagrebačka Banka DD
- Czech Republic: UniCredit Bank Czech Republic and Slovakia a.s., UniCredit Business Integrated Solutions SCpA
- Hungary: UniCredit Bank Hungary Zrt, UniCredit Leasing Hungary Zrt, UniCredit Business Integrated Solutions SCpA
- Romania: UniCredit Business Partner GmbH, UniCredit Business Integrated Solutions SCpA, UniCredit Consumer Financing IFN SA, UniCredit Leasing Romania SA, UniCredit Ţiriac Bank SA
- Russia: Ao Unicredit Bank
- Serbia: UniCredit Bank Serbia Jsc
- Slovakia: UniCredit Bank Czech Republic and Slovakia a.s., UniCredit Business Integrated Solutions SCpA
- Slovenia: UniCredit Banka Slovenija DD
- Ukraine: PJSC Ukrsofsbank

Continued: Retirement plans offered to employees, 2014

Country	Principal retirement plans
Austria	UniCredit Bank Austria AG Pioneer Investments Austria GmbH Schoellerbank Aktiengesellschaft UniCredit Leasing (Austria) GmbH UniCredit Business Integrated Solutions Austria SCpA
Poland	No plans
Bosnia and Herzegovina	No plans
Bulgaria	No plans
Croatia	No plans
Czech Republic	UniCredit Bank Czech Republic and Slovakia a.s. UniCredit Business Integrated Solutions SCpA
Hungary	No plans
Romania	No plans
Russia	Defined contribution plan
Serbia	No plans
Slovakia	UniCredit Bank Czech Republic and Slovakia a.s. UniCredit Business Integrated Solutions SCpA
Slovenia	No plans
Ukraine	Defined contribution plan

Welfare system, 2014^A

Country	National mandatory welfare system	Voluntary company welfare system
Italy	Yes	Yes
Germany	Yes	Yes
Austria	Yes	Yes
Poland	Yes	No
Bosnia and Herzegovina	Yes	No
Bulgaria	Yes	Yes
Croatia	Yes	No
Czech Republic	UniCredit Bank Czech Republic and Slovakia a.s. UniCredit Business Integrated Solutions SCpA	Yes No
Hungary	UniCredit Bank Hungary Zrt UniCredit Leasing Hungary Zrt UniCredit Business Integrated Solutions SCpA	Yes Yes Yes
Romania	UniCredit Ţiriac Bank SA UniCredit Consumer Financing IFN SA UniCredit Leasing Romania SA UniCredit Business Integrated Solutions SCpA UniCredit Business Partner GmbH	Yes No Yes Yes
Russia	Yes	Yes
Serbia	Yes	No
Slovakia	Yes	Yes
Slovenia ^B	Yes	No
Ukraine	Yes	Yes

A. The welfare system includes pension plan and/or health insurance plans, in accordance with different local laws. Any employee can access voluntary company welfare systems where available.

B. There was a voluntary system which was covered by the Legal Entity in 2013. Due to a cost rationalization intervened in 2014, the Legal Entity is not covering the voluntary system anymore. The employees can still contribute on an individual basis.

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Contribution by employees and/or employers to the voluntary company pension system

Country	Contribution from employer	Contribution from employee
Italy ^A	2% or 3%	Minimum 2%
Germany	2.5 % of gross income up to gross yearly income of €71,400	2.5 % of gross income up to gross yearly income of €71,400
Austria		
UniCredit Bank Austria AG		
Pioneer Investments Austria GmbH	2.9% or more	Arrangements between the pension fund and employee are made on an individual basis
Schoellerbank Aktiengesellschaft		
UniCredit Leasing (Austria) GmbH		
UniCredit Business Integrated Solutions Austria GmbH	2.5% of the yearly gross salary	Voluntary: arrangements between the pension fund and employee are made on an individual basis
Poland	Not applicable	Not applicable
Bosnia and Herzegovina	Not applicable	Not applicable
Bulgaria	Not applicable	Not applicable
Croatia	Not applicable	Not applicable
Czech Republic		
UniCredit Bank Czech Republic and Slovakia a.s.	Approximately €900	Not specifically required
Unicredit Business Integrated Solutions SCpA	Not applicable	Not applicable
Hungary		
UniCredit Bank Hungary Zrt	No	Maximum 6% of the yearly gross salary
UniCredit Leasing Hungary Zrt		
UniCredit Business Integrated Solutions SCpA	No	Up to 50% of the actual minimal wage
Romania		
UniCredit Ţiriac Bank SA		
UniCredit Consumer Financing IFN SA	Not applicable	Not applicable
Unicredit Leasing Romania SA		
UniCredit Business Partner GmbH		
UniCredit Business Integrated Solutions SCpA	100 RON (approximately €22) of the monthly salary	Voluntary
Russia	Contribution 7% of the monthly gross salary	Contribution 7% of the monthly gross salary
Serbia	Not applicable	Not applicable
Slovakia		
UniCredit Bank Czech Republic and Slovakia a.s.	180 € yearly	Minimum 120 € yearly
UniCredit Business Integrated Solutions SCpA	180 € yearly	Voluntary
Slovenia	Not applicable	Not applicable
Ukraine	Not applicable	Not applicable

A. The reported contribution percentages refer to the second section of the Fondo Pensione per il Personale delle Aziende del Gruppo UniCredit, the pension fund currently open to new participants.

Transition assistance programs to support employees, 2014^A

Country	The program includes:				
	Pre-retirement planning for intended retirees	Retraining for those intending to continue working	Severance pay	Job placement services	Assistance transitioning to non-working life (training, counseling)
Italy	No	Yes	Yes	Yes/only for Executives	Yes
Germany					
UniCredit Bank AG	Yes	Yes	Yes	Yes	No
UniCredit Global Business Services GmbH	Yes	No	Yes	Yes	No
UniCredit Business Integrated Solutions SCpA					
Austria					
UniCredit Bank Austria AG					
Pioneer Investments Austria GmbH	Yes	Yes	Yes	Yes	Yes
Schoellerbank Aktiengesellschaft					
UniCredit Leasing (Austria) GmbH					
UniCredit Business Integrated Solutions Austria GmbH	Yes	No	Yes	Yes	No
Poland					
Bank Pekao SA	No	No	Yes	No	No
UniCredit Business Integrated Solutions Austria GmbH	No	No	Yes	Yes	No
UniCredit Business Integrated Solutions SCpA					
Bosnia and Herzegovina					
UniCredit Bank AD Banja Luka	No	No	Yes	Yes	No
Unicredit Bank DD	Yes	No	Yes	Yes	No
Bulgaria	No	No	Yes	No	No
Croatia	No	Yes	Yes	No	No
Czech Republic					
UniCredit Bank Czech Republic and Slovakia a.s.	Yes	Yes	Yes	Yes	No
Unicredit Business Integrated Solutions SCpA	No	Yes	Yes	Yes	No
Hungary					
UniCredit Bank Hungary Zrt	No	No	Yes	Yes	Yes
UniCredit Leasing Hungary Zrt					
UniCredit Business Integrated Solutions SCpA	No	No	Yes	No	No
Romania					
UniCredit Ţiriac Bank SA					
UniCredit Consumer Financing IFN SA	Yes	Yes	Yes	No	Yes
Unicredit Leasing Romania SA					
UniCredit Business Integrated Solutions SCpA	No	No	Yes	No	No
UniCredit Business Partner GmbH					
Russia	No	No	Yes	No	No
Serbia	No	No	Yes	No	No
Slovakia					
UniCredit Bank Czech Republic and Slovakia a.s.	No	Yes	Yes	Yes	No
UniCredit Business Integrated Solutions SCpA	No	Yes	Yes	No	No
Slovenia	No	No	Yes	No	No
Ukraine	No	No	Yes	No	No

A. In some cases, the programs are provided only in case of company restructuring/reorganization.

HUMAN CAPITAL



Health and safety management³

Health and safety at work is a key issue that goes far beyond meeting the obligations set out by law. Instead, it must be seen as a core value whose ultimate goal is to guarantee well-being at work through a combination of actions and systems.

UniCredit has launched many initiatives to help reach this objective, while of course also ensuring compliance with the law. These include:

- adequate evaluation of risks (e.g., analysis and verification of staff work activities, including the nature of the job, the job's instruments, work spaces, individual and collective protection measures, technical infrastructure and contractual matters - both for internal and contracted positions)
- realizing a higher level of wellness at work through dedicated initiatives, workshops and training

Formal joint management-worker health and safety committees, 2014^A

Country	Existence of a formal joint management worker health and safety committee	Level at which the committee operates
Italy	No	Not applicable
Germany	Yes	Legal entity
Austria	Yes	Legal entity
Poland		
Bank Pekao SA	Yes	Legal entity
UniCredit Business Integrated Solutions Austria GmbH	No	Not applicable
UniCredit Business Integrated Solutions SCpA	No	Not applicable
Bosnia and Herzegovina ^B	Yes	Legal entity
Bulgaria	Yes	Legal entity
Croatia	Yes	Legal entity
Czech Republic	No	Not applicable
Hungary	No	Not applicable
Romania	Yes	Legal entity
Russia	No	Not applicable
Serbia	No	Not applicable
Slovakia	No	Not applicable
Slovenia	No	Not applicable
Ukraine	No ^C	Not applicable

A. If present, all the employees are represented by a formal management-worker health and safety committee.

B. Refers to UniCredit Bank AD Banja Luka.

C. In Ukraine, a country level committee takes care of all employees in health and safety issues.

3. This data is drawn from the following subset of Group entities unless stated otherwise:

- Italy: Pioneer Global Asset Management SpA, Pioneer Investment Management SGRPA, UniCredit Business Integrated Solutions SCpA, UniCredit Leasing SpA, UniCredit SpA
- Germany: UniCredit Bank AG, UniCredit Business Integrated Solutions SCpA, UniCredit Global Business Services GmbH
- Austria: Domus Clean Reinigungs GmbH, Pioneer Investments Austria GmbH, Schoellerbank Aktiengesellschaft, UniCredit Bank Austria AG, UniCredit Business Integrated Solutions Austria GmbH
- Poland: Bank Pekao SA, UniCredit Business Integrated Solutions Austria GmbH, UniCredit Business Integrated Solutions SCpA
- Bosnia and Herzegovina: UniCredit Bank AD Banja Luka, UniCredit Bank DD, UniCredit Leasing d.o.o.
- Bulgaria: UniCredit Bulbank AD, UniCredit Consumer Financing AD, UniCredit Leasing AD
- Croatia: Zagrebačka Banka DD
- Czech Republic: UniCredit Bank Czech Republic and Slovakia a.s., UniCredit Business Integrated Solutions SCpA
- Hungary: UniCredit Bank Hungary Zrt, UniCredit Leasing Hungary Zrt, UniCredit Business Integrated Solutions SCpA
- Romania: UniCredit Ţiriac Bank SA, UniCredit Business Partner GmbH, UniCredit Business Integrated Solutions SCpA, UniCredit Consumer Financing IFN SA, UniCredit Leasing Romania SA
- Russia: Ao Unicredit Bank
- Serbia: UniCredit Bank Serbia Jsc
- Slovakia: UniCredit Bank Czech Republic and Slovakia a.s., UniCredit Business Integrated Solutions SCpA
- Slovenia: UniCredit Banka Slovenija DD
- Ukraine: PJSC Ukrsofsbank

Formal agreements with employees' representatives on health and safety issues, 2014^A

Country	Existence of formal agreements with employees' representatives	Brief description
Italy	No	
Germany		
UniCredit Bank AG	No	
UniCredit Business Integrated Solutions SCpA	Yes	Key factors were listed for maintaining a healthy workforce in an Occupational Health and Safety joint declaration for the private and public banking sectors in 2010. This list included respect for and trust toward employees, further development of measures to maintain and promote the health of employees, and strengthening preventative care methods. It also acknowledged that health prevention already plays an important role in the banking sector
UniCredit Global Business Services GmbH	Yes	
Austria	No	
Poland	No	
Bosnia and Herzegovina	No	
Bulgaria	Yes	
Croatia	Yes	An agreement between health and safety representatives of the workers and the employer addresses all health and safety issues
Czech Republic	Yes	
Hungary		
UniCredit Bank Hungary Zrt	No	
UniCredit Leasing Hungary Zrt	No	
UniCredit Business Integrated Solutions SCpA	Yes	
Romania	Yes	
Russia	No	
Serbia	No	
Slovakia		
UniCredit Bank Czech Republic and Slovakia a.s.	No	
UniCredit Business Integrated Solutions SCpA	Yes	
Slovenia	No	
Ukraine	No	

A. The employees' representatives may refer to Trade Unions, Work Council, etc.

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Rates of injury, occupational diseases and absenteeism, 2014^A

Country	Injury ^B		Occupational diseases ^C		Absentee ^D	
	Female	Male	Female	Male	Female	Male
Italy	2.64	1.80	0.96	0.77	6.95	6.22
Germany	4.02	1.90	0.04	0.01	6.49	4.47
Austria	1.35	0.56	0.02	0.01	8.76	6.43
Poland	0.36	0.68	0.10	0.07	6.13	3.01
Bosnia and Herzegovina	0.00	0.00	0.13	0.02	5.53	1.61
Bulgaria	0.56	0.00	0.05	0.00	4.88	2.11
Croatia	0.59	0.00	0.24	0.05	4.81	3.00
Czech Republic	1.20	0.97	0.01	0.00	5.36	2.19
Hungary	1.83	1.36	0.07	0.18	8.39	2.60
Romania	0.00	0.35	0.00	0.05	5.63	2.69
Russia	0.00	0.00	0.00	0.00	3.44	2.79
Serbia	0.00	0.00	0.00	0.00	1.21	1.02
Slovakia	0.59	0.00	0.00	0.00	3.90	1.64
Slovenia	1.36	2.52	0.31	0.41	6.79	2.79
Ukraine	0.00	0.00	0.13	0.31	5.78	1.94

A. This data was drawn from a population that represented 91.2 percent of the total employees. Injuries are recorded as per applicable local law. Country to country comparison can be misleading due to different tracking systems and differences in local laws.

B. This was calculated as follows: (total no. of workplace injuries/total working hours)*1,000,000.

C. This was calculated as follows: (total no. of days of absence due to injuries/total working hours)*1,000.

D. This was calculated as follows: (total no. of days of absence/total working hours)*1,000. Days of absence refers to: injuries, illness, strikes and other reasons (e.g. medical controls, election days).

Employee Security-related initiatives

The Strategic Security Analysis and Assets Protection Unit is responsible for regularly monitoring the security of countries where UniCredit Group is present, covering all security aspects that may have influence on travelling/expatriate staff. During 2014, the Unit strengthened its initiatives to protect all UniCredit travelling staff in more than 70 countries including direct support for Legal Entities in Austria, Germany, Poland and CEE region. As part of the service we offer, employees were promptly given accurate travel advice for their destination and informed when to change or cancel business trips. Due to our effective and dedicated approach, no UniCredit staff experienced threatening or unsafe situations while travelling in 2014.

Additionally, the Strategic Security Analysis and Assets Protection Unit has been prepared and delivered hundreds of Security Assessments and Special Reports, including Special Reports on Ebola and on Ukraine in order to raise security awareness among staff in the UniCredit Group and related to the different Security Risks.

According to operational agreement between UniCredit and the Italian Ministry of Foreign Affairs that was signed in October 2011, the Strategic Security Analysis and Assets Protection Unit has established a permanent flow and exchange of information on business trips of UniCredit staff. This enables us to improve the security of UniCredit travelling staff by improving our capability to rapidly react in the event that any UniCredit staff experience dangerous or critical situations abroad. The Strategic Security Analysis and Assets Protection Unit has been actively promoting this agreement within the Security department and throughout the Group itself thus far enhancing the sustainability of UniCredit initiatives.

Disputes concerning labor, welfare issues and administrative bodies⁴

Number of disputes concerning labor issues

Country	Opened prior to 2014	Opened in 2014	Closed in 2014	Open as Dec. 31, 2014
Italy	906	192	313	785
Germany				
UniCredit Bank AG	16	38	21	33
UniCredit Business Integrated Solutions SCpA	5	3	5	3
UniCredit Global Business Services GmbH				
Austria				
UniCredit Bank Austria AG	25	11	12	24
UniCredit Business Integrated Solutions GmbH	2	6	4	4
Poland				
Bank Pekao SA	70	19	10	79
UniCredit Business Integrated Solutions Austria GmbH	1	2	2	1
UniCredit Business Integrated Solutions SCpA				
Bosnia and Herzegovina	30	15	4	41
Bulgaria	13	10	6	17
Croatia	28	4	3	29
Hungary				
UniCredit Bank Hungary Zrt	2	2	4	0
UniCredit Leasing Hungary Zrt				
Romania				
UniCredit Ţiriac Bank SA				
Pioneer Asset Management SAISA	15	7	19	3
UniCredit Consumer Financing IFN SA				
Unicredit Leasing Romania SA				
Russia	1	3	1	3
Serbia	9	1	0	10
Slovakia				
UniCredit Business Integrated Solutions SCpA	2	0	1	1
Ukraine	3	2	1	4

Number of disputes concerning welfare issues

Country	Opened prior to 2014	Opened in 2014	Closed in 2014	Open as Dec. 31, 2014
Italy	127	6	36	97
Russia	0	1	0	1

Number of disputes concerning administrative bodies

Country	Opened prior to 2014	Opened in 2014	Closed in 2014	Open as Dec. 31, 2014
Italy	3	0	1	2
Poland				
Bank Pekao SA	18	5	3	20
Bulgaria	0	1	1	0
Russia	0	3	0	3

4. The tables under this paragraph refer to the perimeter defined at page 46 - Industrial Relations. Due to improved data collection processes, some figures may differ from data presented in the 2013 Sustainability Report.

HUMAN CAPITAL

Social and
Relationship
Capital

Parental leave

Parental leave options

Country	Mandatory absence from the workplace (mandatory parental leave after birth)		Legally granted optional absence (usable after mandatory parental leave)		Additional absence granted by the company (usable after optional parental leave)	Differences in the application of legally granted optional absence to full-time and part-time employees, and/or permanent and temporary employees	Differences in the application of the additional absence granted by the company, to full-time and part-time employees, and/or permanent and temporary employees
	Women	Men	Women	Men			
Italy	90 to 120 days, depending on whether the mother took leave from the workplace 30 to 60 days before giving birth. Mandatory absence from the workplace (before and after giving birth) must amount to 150 days	1 day	180 days	120 days	For both man/woman: - in case of illness of the child from 3 to 8 years: 10 extra days off per year (not paid) in addition to the 5 days foreseen by law - to facilitate the integration of the child in the kindergarten: 10 extra days off for each child (not paid) If both relatives work in the company, the days off do not double	None	None
Germany	56 days	None	Up to 1,095 days starting from child's birth	Up to 1,095 days starting from child's birth	365 days for both women and men	Yes	Yes
Austria	56 days	None	A mother and a father can take a total of 680 days, with the option to overlap for one month and reduce the overall duration by one month	680 days	365 days	None	None
Poland	Not available				None	Not applicable	Not applicable
Bosnia and Herzegovina	42 days	42 days, but a father can only use leave in cases where a mother is unable to	323 days	323 days	None	Not applicable	Not applicable
Bulgaria	42 days	None	730 days	15 days after baby's discharge from hospital	None	Not applicable	Not applicable
Croatia	98 days	None	110 days	180 - Mothers and fathers can alternate days	None	Not applicable	Not applicable
Czech Republic	196 days	-	1,306 days	1,306 days	None	Not applicable	Not applicable
Hungary	168 days	None	Up to 1,095 days starting from child's birth	915 days, but not concurrently with the mother	None	Not applicable	Not applicable

Continued: Parental leave options

Country	Mandatory absence from the workplace (mandatory parental leave after birth)		Legally granted optional absence (usable after mandatory parental leave)		Additional absence granted by the company (usable after optional parental leave)	Differences in the application of legally granted optional absence to full-time and part-time employees, and/or permanent and temporary employees	Differences in the application of the additional absence granted by the company, to full-time and part-time employees, and/or permanent and temporary employees
	Women	Men	Women	Men			
Romania	42 days	30 days	365 days	335 days	None	Not applicable	Not applicable
Russia	140 days	None	Up to 1,095 days starting from child's birth	Up to 1,095 days starting from child's birth. Mothers and fathers can alternate days	None	Not applicable	Not applicable
Serbia	90 days	None	270 days	-	None	Not applicable	Not applicable
Slovakia	42 days	-	1,153 days	1,153 days, but not concurrently with the mother	None	Not applicable	Not applicable
Slovenia	365 days	-	30 days	-	None	Not applicable	Not applicable
Ukraine	126 days	-	Up to 1,095 days starting from child's birth	969 days beginning from the end of the mother's mandatory parental. The mother and the father also have the option to alternate their days of leave	10 days for women	Not applicable	Not applicable

SOCIAL AND RELATIONSHIP CAPITAL



Customer distribution

Number of customers by division and country as of December 31, 2014^A

Family & SME Division	Number
Italy - IT (UniCredit SpA)	7,560,331
Germany - DE (UniCredit Bank AG)	1,912,951
Austria - AT (UniCredit Bank Austria AG)	1,602,471

Corporate Banking Division	Number (excluding CIB)
Italy - IT (UniCredit SpA)	43,511
Germany - DE (UniCredit Bank AG)	353,441
Austria - AT (UniCredit Bank Austria AG)	104,074

Private Banking Division	Number
Italy - IT (UniCredit SpA)	142,945
Germany - DE (UniCredit Bank AG)	44,159
Austria - AT (UniCredit Bank Austria AG, Schoellerbank Aktiengesellschaft)	25,721

Asset Gathering	Number
Italy - IT (FinecoBank SpA)	963,991

CEE Retail Division	Number
Bosnia and Herzegovina - BA (UniCredit Bank DD, UniCredit Bank AD Banja Luka)	1,206,205
Bulgaria - BG (UniCredit Bulbank AD)	1,010,708
Croatia - HR (Zagrebačka Banka DD)	1,051,601
Czech Republic - CZ (UniCredit Bank Czech Republic and Slovakia a.s.)	546,923
Hungary - HU (UniCredit Bank Hungary Zrt)	383,362
Romania - RO (UniCredit Ţiriac Bank SA)	559,292
Russia - RU (Ao Unicredit Bank)	1,577,543
Serbia - RS (UniCredit Bank Serbia Jsc)	244,273
Slovenia - SI (UniCredit Banka Slovenija DD)	137,699
Ukraine - UA (PJSC Ukrasotsbank)	2,028,431

A. Poland: for 2014 only aggregate figure is available. The total number of customers is 4,888,675.

Continued: Number of customers by division and country as of December 31, 2014

CEE Corporate Banking Division	Number
Bosnia and Herzegovina - BA (UniCredit Bank DD, UniCredit Bank AD Banja Luka)	4,858
Bulgaria - BG (UniCredit Bulbank AD)	11,255
Croatia - HR (Zagrebačka Banka DD)	7,363
Czech Republic - CZ (UniCredit Bank Czech Republic and Slovakia a.s.)	18,048
Hungary - HU (UniCredit Bank Hungary Zrt)	9,269
Romania - RO (UniCredit Ţiriac Bank SA)	8,935
Russia - RU (Ao Unicredit Bank)	6,679
Serbia - RS (UniCredit Bank Serbia Jsc)	3,462
Slovenia - SI (UniCredit Banka Slovenija DD)	2,750
Ukraine - UA (PJSC Ukrasotsbank)	4,656

CEE Private Banking Division	Number
Bulgaria - BG (UniCredit Bulbank AD)	1,421
Croatia - HR (Zagrebačka Banka DD)	2,938
Czech Republic - CZ (UniCredit Bank Czech Republic and Slovakia a.s.)	4,396
Hungary - HU (UniCredit Bank Hungary Zrt)	1,014
Romania - RO (UniCredit Ţiriac Bank SA)	2,736
Russia - RU (Ao Unicredit Bank)	1,727
Slovenia - SI (UniCredit Banka Slovenija DD)	340
Ukraine - UA (PJSC Ukrasotsbank)	876

SOCIAL AND RELATIONSHIP CAPITAL



Customer satisfaction

To measure, analyze and express customer satisfaction levels across the Group, UniCredit has chosen to use the TRI*M Index, an approach developed by an Industry World Leader, TNS Infratest. The use of a trademarked external methodology guarantees that methodology and results are in line with the highest and strongest quality standards. It also allows us to make consistent comparisons not only with competitors but also with businesses from other industries. Additionally, the use of a third-party approach is even more important because the TRI*M Index is a component of UniCredit's compensation system. Customer satisfaction levels are measured at least once a year across all Group countries, while additional periodical surveys could be carried out in line with local needs.

Retail TRI*M index results^A

Country	2014	2013	2012	2014 competitors' / market ^B TRI*M index results
Italy	65	63	60	56
Germany	71	69	68	70
Austria	66	67	71	68
Poland	61	59	58	59
Bosnia and Herzegovina				
UniCredit Bank AD Banja Luka	89	87	91	76
UniCredit Bank DD	90	82	82	
Bulgaria	81	80	80	67
Croatia	81	77	75	73
Czech Republic	70	74	72	71
Hungary	68	67	73	55
Romania	68	72	69	66
Russia	86	87	86	79
Serbia	93	94	89	74
Slovakia	84	84	82	79
Slovenia	79	89	82	59
Ukraine ^C	-	61	59	-

A. In Germany and Austria, the term Retail segment refers to individual clients (i.e. Mass Market and Affluent). In Italy, Poland and CEE, Retail segment refers to individual clients (i.e. Mass Market and Affluent) and Small Businesses.

B. Competitors' TRI*M 2014 for Italy, Germany, Austria and Poland. Market TRI*M 2014 for CEE countries.

C. Customer satisfaction surveys were not carried out in 2014.

In 2014, survey results confirmed UniCredit's leading position in the majority of the countries it serves. The Retail segment performed well overall, with Italy and CEE attaining best-in-class status.

Corporate TRI*M index results^A

Country	2014	2013	2012	2014 competitors' TRI*M index results
Italy	52	51	49	59
Germany	69	66	63	62
Austria	62	61	71	71
Poland	66	63	60	62
Bosnia and Herzegovina				
UniCredit Bank AD Banja Luka	88	80	72	78
UniCredit Bank DD	76	83	78	
Bulgaria	85	81	79	76
Croatia	82	82	81	73
Czech Republic	77	74	75	67
Hungary	70	70	71	57
Romania	78	73	77	77
Russia	86	89	87	79
Serbia	84	82	75	85
Slovakia	77	78	75	72
Slovenia	78	73	79	54
Ukraine ^B	-	77	71	-

A. In Germany and Austria, the term Corporate segment refers to Small, Medium and Large Companies. In Italy, Poland and CEE, Corporate segment refers to Medium and Large Companies only.

B. Customer satisfaction surveys were not carried out in 2014.

The Corporate segment improved scores overall compared to 2013, especially in Germany and Poland. In Germany and CEE, the Corporate segment attained best-in-class status.

Private Banking TRI*M index results

Country	2014	2013	2012
Italy	65	62	61
Germany	80	79	76
Austria ^A	82	77	75
Poland	77	71	72
Bulgaria	98	98	98
Croatia	102	101	102
Czech Republic	88	86	87
Hungary	78	79	80
Romania	83	85	85
Russia	94	93	84
Serbia ^B	-	-	102
Slovakia	99	96	98
Slovenia	84	78	85
Ukraine ^B	-	88	89

A. Results refer only to UniCredit Bank Austria AG.

B. Customer satisfaction surveys were not carried out in 2014.

Handling complaints

UniCredit's approach to complaints management is driven by the belief that a continuing dialogue and swift responses are fundamental to addressing and improving our service quality and customer satisfaction. Clients can submit their complaints through a number of channels, including email, written letter or in person at one of our branches. Complaints are then managed locally or centrally, depending on the subject or type.

As per our Global Compliance Guidelines - Complaint Management, updated in September 2014 and implemented Groupwide, a complaint is any form of dissatisfaction expressed by a current, potential or former customer, certainly recognizable regarding the manner in which the Group has managed a banking, finance or insurance transaction or service. Each UniCredit legal entity develops and regulates its own complaint management processes and defines the methods and timing applied to settling complaints in accordance with their type and the manner of communication chosen by the customer.

Family & SME/Retail division: number of recorded complaints^A

Country	2014		2013		2012	
	Recorded (written + verbal)	Written	Recorded (written + verbal)	Written	Recorded (written + verbal)	Written
Italy	332,163	28,369	300,631	19,661	359,039	21,259
Germany	84,653	15,199	102,219	8,108	229,088	9,034
Austria ^B	41,518	1,626	44,407	1,754	-	-
Poland ^C	17,023	17,023	-	-	-	-
Bosnia and Herzegovina	4,266	946	5,025	365	4,883	578
Bulgaria ^D	2,361	2,361	2,285	2,285	2,071	2,071
Croatia	42,608	5,131	37,283	4,638	35,309	4,925
Czech Republic	7,735	4,271	8,254	4,477	5,672	3,355
Hungary	7,767	3,717	8,341	4,371	7,864	3,759
Romania	5,199	3,055	3,545	2,402	1,721	1,615
Russia	28,798	25,254	24,257	21,790	25,005	21,683
Serbia	513	503	547	464	417	308
Slovakia	3,845	3,698	2,640	2,371	2,315	2,300
Slovenia	1,775	925	1,797	1,560	827	475
Ukraine	9,296	2,457	11,395	2,815	10,100	3,700

A. Totals are not provided because definitions and recording methods have not been completely aligned across all countries.

B. In 2012, data are not available due to IT changes.

C. In Poland all complaints are considered as written. The number of complaints referring to 2013 and 2012 were not published due to confidentiality issues.

D. In Bulgaria there is no distinction between written and verbal complaints. All the complaints are considered as written.

Socially Responsible Investments (SRI)

By becoming a signatory to the United Nations Principles for Responsible Investment (UNPRI) in March 2009, Pioneer Global Asset Management SpA joined an initiative launched by the UN Secretary-General to advance six best-practice principles among asset owners and investment managers. In alignment with its commitment to the UNPRI, Pioneer Global Asset Management SpA expanded its Proxy Voting Policy to include environmental, social and corporate governance (ESG) issues.

Moreover, Pioneer Global Asset Management SpA has defined its search, investment, control and monitoring processes to ensure their alignment with the transparency guidelines of the European Sustainable Investment Forum (Eurosif). Pioneer Global Asset Management SpA provides several asset-management products that are designed to maximize returns while adhering to ethical and sustainable principles. Portfolio Managers holds responsibility within the organization for ESG screening of assets in the portfolios:

- Pioneer Obbligazionario Euro Corporate Etico a distribuzione (Euro Bond Ethical Corporate Fund)**
 The fund's investment strategy is designed to achieve capital appreciation over the medium term. This is accomplished by investing in fixed income instruments issued by companies with business models that meet high standards of social, human and ecological responsibility.
- Pioneer Funds - Global Ecology**
 The fund's investment strategy is designed to achieve capital appreciation over the medium-to-long term. This is accomplished by investing at least two-thirds of the fund's assets in a range of equities and equitylinked instruments issued by companies manufacturing or producing environmentally friendly products or technologies that help to create a cleaner, healthier environment. Such companies include those operating in the fields of air pollution control, alternative energy, recycling, waste incineration, wastewater treatment, water purification and biotechnology.
- Pioneer Funds Austria - Ethik Fonds**
 This is a balanced fund designed to achieve long-term capital growth while generating regular returns. The basic fund portfolio is composed of 30% global equities and 70% euro bonds. An investment is considered ethical when the issuer's business model meets established sustainability standards.

Fund performance (%)

	One year (as of Dec. 31, 2014)		Three years annualized (as of Dec. 31, 2014)	
	Fund	Benchmark	Fund	Benchmark
Pioneer Obbligazionario Euro Corporate Etico a distribuzione	6.61	7.87	7.98	7.92
Pioneer Funds - Global Ecology	1.92	19.50	16.14	18.17
Pioneer Funds Austria - Ethik Fonds	12.50	Not available ^A	9.80	Not available ^A

A. The Fund has no declared benchmark in the Prospectus.

Assets subject to positive and negative environmental or social screening (in € million)

	Assets under management (as of Dec. 31, 2014)	Assets under management (as of Dec. 2013)
Pioneer Obbligazionario Euro Corporate Etico a distribuzione	470	282
Pioneer Funds - Global Ecology	1,060	1,094
Pioneer Funds Austria - Ethik Fonds	38	23
Total assets under management at Pioneer Global Asset Management SpA, including regular funds	201,030	173,925

Financial inclusion

Percentage of total branches in sparsely settled or economically disadvantaged areas as of December 31, 2014^A

Country	Percentage
Italy	19%
Germany	6%
Poland	100%
Bosnia and Herzegovina ^B	100%
Bulgaria	100%
Croatia ^B	100%
Czech Republic	76.1%
Hungary	45.9%
Romania	100%
Russia ^B	100%
Serbia ^B	100%
Slovakia	74.3%
Slovenia	100%
Ukraine ^B	100%

A. Relating to EU Countries, in order to identify disadvantaged areas, we used the NUTS classification (Nomenclature of territorial units for statistics: a hierarchical system for dividing up the economic territory of the EU). In particular, we considered those Regions at level 2 of the NUTS classification whose GDP (Gross Domestic Product) per inhabitant is less than 75% of the Community average (http://ec.europa.eu/regional_policy/archive/policy/region/index_en.htm). Based on this classification, there are no sparsely settled or economically disadvantaged areas in Austria.

B. In these countries we considered as disadvantaged areas the whole territory, since the a study of the IMF published in April 2014 these countries are considered developing economies (<http://www.imf.org/external/Pubs/ft/weo/2014/01/pdf/text.pdf>).

Adherence to legal standards and voluntary codes related to marketing and communications

UniCredit follows the Code of Marketing Communication Self-Regulation disseminated by the Istituto dell'Autodisciplina Pubblicitaria (IAP), which commits its subscribers to transparent and honest advertising¹.

UniCredit is also a member of the Utenti Pubblicità Associati (UPA), which supports the IAP. All UniCredit entities follow the regulations disseminated by these bodies, particularly when local codes do not provide guidance on topics covered by the UPA.

In 2011, the IAP alleged that UniCredit was not properly aligned with certain standards. UniCredit took action accordingly and resolved the issue by modifying the advertising in question.

In 2014, all advertising campaigns were brought to the attention of the IAP before their launch and, in some instances, were changed in accordance with current regulations.

All advertising and communication activities at UniCredit are managed by our Group Identity & Communications department, which is responsible for assuring the effective application of the IAP's code, as well as the oversight of the UniCredit Supervisory Body.

In advertising related to investment products, all texts are submitted to the Commissione Nazionale per le Società e la Borsa (CONSOB) in Italy to ensure that they may be evaluated for regulatory compliance and consistency with the principles of truth and transparency.

1. Visit www.iap.it for more information.

Security

The new Group Chief Security Officer (GCSO), appointed in June 2014, announced the new Group Security approach, aimed to be and to be perceived as the best provider of security services in the marketplace, by Business, by People, improving Group's performance through a Risk Driven Approach aiming at enhancing Resilience through business continuity; reducing the number/impacts of unexpected events; safeguarding the Group's Assets; protecting our people.

In order to achieve the abovementioned approach and strategy, the GCSO defined a new Security Target Surface at Group level, which was presented in November 2014 at the Global Security Conference. In details, the following Security building blocks were illustrated:

- Information protection (e.g. confidential and personal data activities)
- Business Continuity (e.g. business continuity, crisis management, pandemics activities)
- Assets' Safeguard and fraud prevention (e.g. the branches, employees and Top Management and Group's assets safeguard as well as frauds prevention, investigation and mitigations activities)
- Methodologies, Monitoring & Reporting. (e.g. methodologies development as well as planning, reporting, budget and events monitoring)

The mentioned Security Target Surface sets the basis to start the reorganization of the Group Security mission, structures and responsibilities.

The GCSO exercises the Global Governance and coordinates the Security functions at Group level following the Group Managerial Golden Rules which envisage strong functional links between the Holding Company's structure and the corresponding functions of the main Legal Entities. On the basis of this governance system, the Head of the Key Services Function (KSF) has specific powers vis-à-vis the Head of the corresponding function on some defined topics (e.g. on organizational changes). In this context, in order to govern the Security at Group level, the Head of the Security KSF may issue Global Rules on the security global topic which are implemented at local level according to local laws/regulations and peculiarities.

UniCredit Security leverages on the Global Security Service Line in UniCredit Business Integrated Solutions SCpA in charge of both physical and ICT security, also on the basis of a specific outsourcing agreement with regards to the Italian perimeter.

As far as Security Governance is concerned, in 2014, UniCredit developed several activities related to methodologies (e.g. Legal Entities monitoring perimeter enlargement), monitoring (e.g. Risks Maps, 2015 Security Risks Plans and main security costs at Group level) and reporting (e.g. new reporting content), laying the basis for a Security Risk Assessment new approach. In parallel, activities related to the reinforcement of the Security Community at Group level (e.g. regular Security Council meetings, ad hoc CSOs workshops) were performed.

In 2014, Strategic Security Analysis and Assets Protection Unit enhanced the security of business by providing country security risk analyses (related to e.g. organized crime, terrorism, reputation, etc.) to the UniCredit employees. Initiatives to protect all UniCredit travelling staff were reinforced.

Remaining the protection of the UniCredit customers' personal data a key factor, during 2014 some initiatives were developed as well as regulations within UniCredit SpA were issued related to the protection of personal data.

In addition to be above and more in details, the Group Security's 2014 main achievements were the following:

- Review of the Security Target Surface at Group level aimed at implementing a risk driven approach
- 2015 Security Risks Map at Group level

- Update of the General Information Security Policy (with the involvement of other competent functions) to be compliant with new requirements of Bank of Italy (263 regulation)
- New internal regulatory framework and ongoing project to enhance Group Business Continuity management towards resilience
- Achievement of the satisfactory Group reaction to the simulation of a national crisis
- Awareness initiatives for all the Management (including Top Management) about Business Continuity topics and the related strategic guideline
- Several Security Reports issued
- Monthly Security Council Meetings and Annual Global Security Conference organized

Robberies trend, 2013-2014

As of 2014, in Italy¹, there were 83 robberies. Thanks also to the specific security countermeasures adopted in the last years, 45 were unsuccessful. The trend shows a decrease compared to 2013 (-31 percent successful events). In Ukraine, there was a significant increase of lootings of branches due to the loss of control of the territories occupied by the separatists (€10 million estimated damages).

In Germany, Austria, Poland and CEE, the number of successful robberies remained limited up to 5 cases in 2014.

Thefts trend, 2013-2014

With regard to thefts consisting mainly of attacks on ATMs, in Italy an increase of successful cases from 34 in 2013 to 56 in 2014 was registered. Specifics security countermeasures were timely adopted, down turning the trend in the course of the year.

In Germany, Austria, Poland and CEE, the ATM attacks remained a marginal phenomenon, registering only 6 successful cases in 2014, compared to the 5 of the previous year.

Germany registered a steep increase of economic damage due to burglaries (about €0.9 million), confirming the general trend in the country.

Card frauds trend, 2013-2014

During the year 2014, notwithstanding the increase at Group level of the number of cases (+13 percent), the related economic damage decreased (-4 percent). This result was strongly influenced by the reduction of the on-line card frauds component in Italy, Croatia, Bulgaria e Hungary, characterized by more relevant amounts.

Online fraud trend, 2013-2014

A general increasing trend of on-line frauds is identifiable at a Group level (about +€2.1 million economic damage). Particularly, in Poland the mitigation countermeasures timely put in place contained the economic damages.

¹ This type of phenomenon is more prevalent in Italy than in other European countries.

NATURAL CAPITAL

Environmental performance indicators¹Scope 1: direct GHG emissions (tons CO₂ eq), 2012-2014^A

Country	2014	2013	2012
Italy	40,134	45,757	44,605
Germany	14,516	16,107	16,744
Austria	3,052	3,413	3,148
CEE	9,757	10,711	12,546
Total	67,459	75,988	77,043

A. GHG emissions from sources owned or controlled by our Group. Data for 2014 covers 80% (direct energy consumption) and 72% (road travel) of population (a full-time equivalent of more than 122,000).

Scope 2: indirect energy GHG emissions (tons CO₂ eq), 2012-2014^A

Country	2014	2013	2012
Italy	122,090	135,298	141,567
Germany	78,741	84,617	85,841
Austria	24,946	26,589	26,391
CEE	55,198	60,412	61,197
Total	280,975	306,916	314,996

A. GHG emissions from purchased electricity, steam and heating/cooling consumed by equipment or systems owned or controlled by our Group. The table above reflects the use of emission factor averages of the national grids. Data for 2014 covers 80% of population (a full-time equivalent of more than 122,000).

Scope 3: other indirect GHG emissions (tons CO₂ eq), 2012-2014^A

Country	2014	2013	2012
Italy	6,679	6,605	6,724
Germany	3,257	3,392	3,391
Austria	1,182	1,532	1,205
CEE	2,036	1,562	1,624
Total	13,154	13,091	12,944

A. GHG emissions from employee business travel and from using paper and disposing of paper, glass and plastic. Data for 2014 covers 91% (paper use), 72% (air and train travel) and 78% (paper, glass and plastic disposal) of population (a full-time equivalent of more than 122,000).

Energy consumption per employee (GJ/capita), 2012-2014^A

Country	2014	2013	2012
Italy	34	38	38
Germany	42	47	45
Austria	54	54	52
CEE	25	27	28

A. Data for 2014 covers 80% of population (a full-time equivalent of more than 122,000).

1. Data for 2014 have been collected involving 61 legal entities (a full-time equivalent of more than 122,000) operating in Italy, Germany, Austria, Poland and in Central and Eastern Europe (CEE) countries. The CEE countries included are: Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Romania, Russia, Serbia, Slovakia, Slovenia and Ukraine.
Due to improved data collection and calculation processes and to periodical updates of GHG emission factors, several figures may differ from data presented in the 2013 Sustainability Report. Country-to-country comparisons may be misleading as different tracking systems should be taken into account.

Copy paper consumption per employee (kg/capita), 2012-2014^A

Country	2014	2013	2012
Italy	55	55	66
Germany	32	38	37
Austria	43	49	54
Poland	40	40	50
CEE	60	60	61

A. Data for 2014 covers 91% of population (a full-time equivalent of more than 122,000).

Roughly 85 percent of the paper used Groupwide is Total Chlorine-Free (TCF) or Elementary Chlorine-Free (ECF) and 70 percent is certified by the Forest Stewardship Council (FSC).

Water usage per employee (m³/capita), 2012-2014^A

Country	2014	2013	2012
Italy	31	29	23
Germany	22	19	19
Austria	29	27	27
Poland	13	14	14
CEE	14	14	14

A. Data for 2014 covers 92% of population (a full-time equivalent of more than 122,000).

Waste production per employee (kg/capita), 2012-2014^A

Country	2014	2013	2012
Italy	87	101	89
Germany	341	362	389
Austria	184	178	168
CEE	161	204	178

A. Data for 2014 covers 78% of population (a full-time equivalent of more than 122,000).

Percentage of waste by disposal method, 2013-2014^A

Country	Valuable materials separated and recycled		Waste incinerated		Waste disposed in landfills		Special waste treatment	
	2014	2013	2014	2013	2014	2013	2014	2013
Italy	95.22%	91.85%	1.65%	1.41%	3.14%	2.62%	0.00%	4.12%
Germany	68.70%	65.71%	31.24%	34.26%	0.00%	0.00%	0.06%	0.02%
Austria	93.98%	94.42%	6.02%	5.58%	0.00%	0.00%	0.00%	0.00%
CEE	18.47%	16.23%	5.77%	4.28%	72.00%	77.10%	3.77%	2.39%

A. Data for 2014 covers 78% of population (a full-time equivalent of more than 122,000).

