



## UniCredit European Works Council STATEMENT

On December 13th, the Select Committee of the UniCredit European Works Council (UEWC) met the Head the Personnel of the UniCredit Group, Mr Paolo Cornetta, who presented the 2019 Group Strategic Plan. Later, the Select Committee followed the London Capital Market Day presentations by the Top Management.

The “2019 Transformation Plan” hinges around five main pillars:

- 1- Strengthen and optimize capital
- 2 - Improve asset quality
- 3 - Transform the operating model
- 4 - Maximise the commercial bank value
- 5 - Adopt a steering and lean Group Corporate Center

During its plenary session on December 15th 2016, the UniCredit European Works Council, analysed the contents of the 2019 Group Strategic Plan.

While recognising some positive aspects, such as the initiatives aimed at reducing the huge stock of Non-Performing Loans, the significant Group recapitalisation and the announced reduction in Management remuneration, the UniCredit European Works Council is highly critical and decisively against the business plan which envisages:

- huge sacrifices by the Group’s employees given the drastic reduction in FTEs;
- additional cuts in HR costs;
- a weak growth strategy with limited revenues boost;
- the disposal of Pioneer, Bank Pekao, and part of the Group’s stake in Fineco;
- the massive closure of branches, which will dramatically and too quickly reduce our capillary foothold in the different geographies
- the exit from some important countries

The difficulties currently experienced by the UniCredit Group result from wrong decisions made by the Top Management in the past. Once again, it is the employees who will have to pay the heavy burden of the reorganisation and of the relaunch strategies of the Group. In the difficult economic environment of the last few years, employees have always supported the Group with their strenuous commitment, skills and professionalism.

The UniCredit European Works Council firmly states that all the steps envisaged by the Strategic Plan must be supported by an effective relaunch of social dialogue involving members of all geographies. Dialogue should aim at reaching socially sustainable agreements and a proper governance of the effects of the digitalization strategy.

The UniCredit European Works Council’s priority is to sign a Global Framework Agreement with UNI, to set the general terms and conditions for the Group to safeguard the employees’ working conditions.

Milan, December 15, 2016

**UniCredit European Works Council**