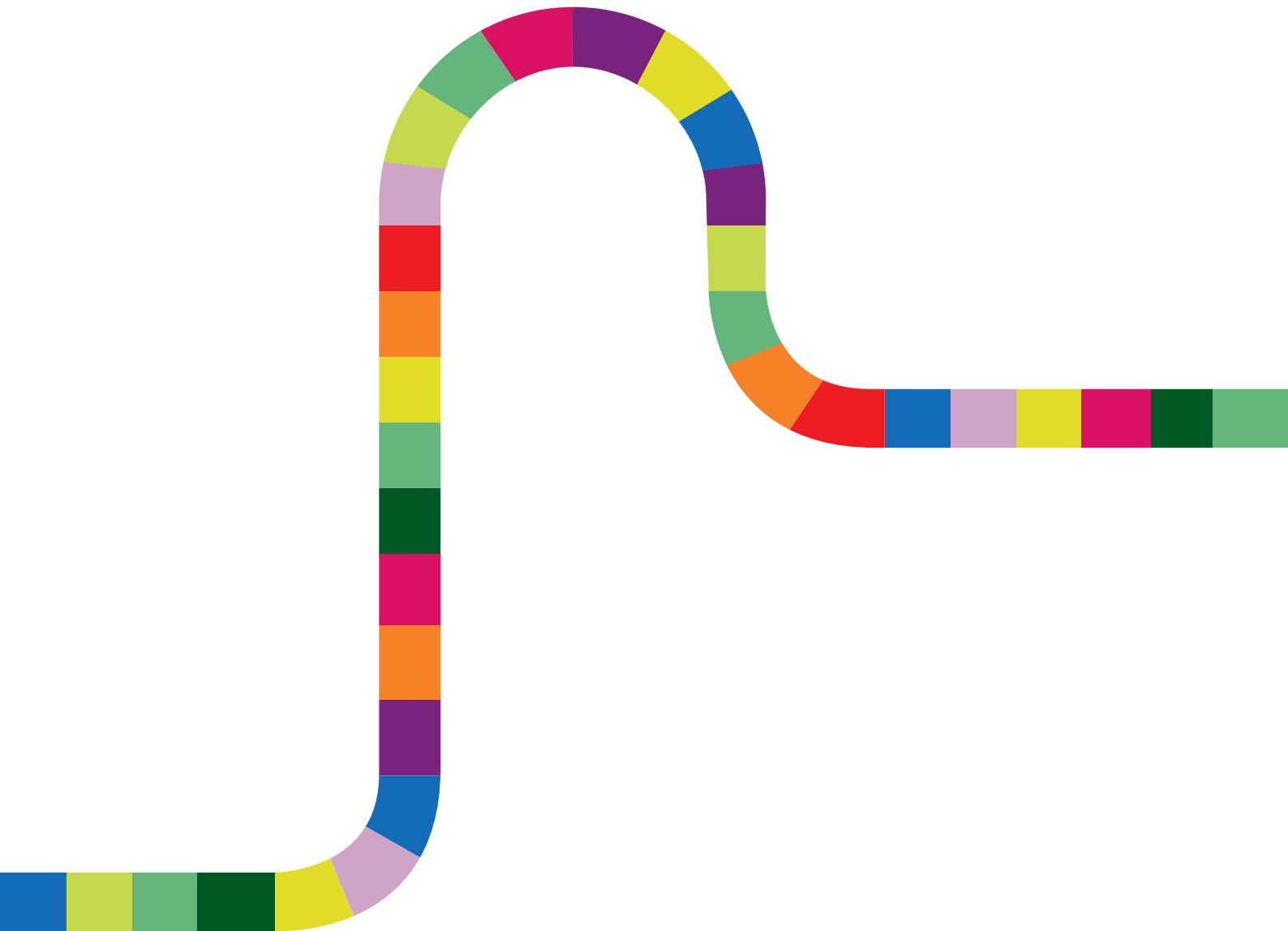





For whatever
life brings





Our commitment to sustainability is deeply embedded in the way we run our business at UniCredit. It is a commitment to creating real value for our stakeholders. It enables us to contribute to sustainable growth and development, to further economic and social progress, and to enhance the communities we serve.

This Sustainability Report outlines many of our activities and demonstrates how we work with our stakeholders to address a wide range of real-life challenges and opportunities. We realize that part of maintaining a sustainable approach to business is being prepared for the unexpected... *and for whatever life brings.*

So this year's Sustainability Report draws its design inspiration from the highs and lows of real life, with graphics that contrast some of life's pleasanter aspects with a few of its less enjoyable ones.

Ultimately our business is about understanding the needs of all our stakeholders and playing a positive role in helping them seize opportunities and meet whatever challenges come along.

As banking professionals, we see it as our duty to pursue sustainability with the interests of each of our stakeholders in mind, whether they are our customers, our employees, our shareholders or financial regulators and the public at large.

REPORT STRUCTURE

This is the 10th edition of the UniCredit Sustainability Report (the report), an annual publication that summarizes the connections among the business strategies, the management of stakeholder relationships, and the principal activities engaged in by our Group during the reporting period ending on December 31, 2010.

The 2010 Sustainability Report comprises two parts: a main section that principally contains qualitative descriptions, and a supplement that includes technical appendixes pertaining to the chapters of the main section.

The report was written in conformity with the Sustainability Reporting Guidelines & Financial Services Sector Supplement published by the Global Reporting Initiative (GRI) in 2008.

We declare our reporting status to be Application Level A+.

In accordance with the above-mentioned guidelines, the GRI and Global Compact Index can be found on page 80.

As in previous years, the process of defining content and determining materiality was based on GRI principles (materiality, stakeholder inclusiveness, sustainability context and completeness). Furthermore, the process adopted in 2010 was shaped by focus group reactions to the 2009 report, as described in the Our Approach chapter.

Unless otherwise noted, the organizational scope of the report corresponds to that of the 2010 Consolidated Reports and Accounts, from which the economic and financial data contained within the report are derived.

For information not centrally available at the Group level, the data-gathering process was conducted through the systematic use of GRI-compliant CSR cards. This process involved main legal entities of the Banking Group, as of December 31, 2010, based in Italy, Germany, Austria, Bulgaria, Croatia, the Czech Republic, Hungary, Romania and Russia. In addition to these countries, environmental data also encompasses entities based in Bosnia and Herzegovina, Serbia, Slovakia and Slovenia. Any limitations to the above-described scope are clearly disclosed throughout the report.

An important future priority will be to extend the report's scope by further standardizing data-gathering procedures.

In order to guarantee the reliability of reported information, we included directly measurable data while limiting the use of estimates wherever possible. The data is based on the best information available or on sample analyses. Estimated figures, as well as restatements of data previously published, are clearly disclosed as such.

This report was subject to the limited review of KPMG S.p.A., in accordance with the criteria established by the International Standard on Assurance Engagements 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB).

A KPMG S.p.A. report describing their completed activities and pertinent conclusions related to this document may be found on page 84.

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“ Sustainable practices now play an even greater role in the success of a bank. At UniCredit, we consider banking and sustainability two aspects of a single discipline. ”

Dear Stakeholders,

The events of recent years have triggered some significant changes in the way business is done around the world. Sustainable practices now play an even greater role in the success of a bank.

At UniCredit, we consider banking and sustainability two aspects of a single discipline.

This is the point of view we have affirmed in our mission, which clearly defines our commitment: we have shifted the emphasis of our business to enhance the delivery of strong returns to our shareholders by generating greater value for our customers, employees, communities and other stakeholders. In each of these relationships we strive to combine excellence with simplicity. At UniCredit, that is what we mean when we speak about sustainability.

First and foremost, sustainability is an investment in our enterprise. This investment requires that we provide our colleagues with the right tools and strategies to build enduring relationships with all our stakeholders.

It is vital to firmly establish a culture of sustainability, starting with the full engagement of our colleagues, for they are our most important asset. Listening, promoting diversity and inclusion, investing in skills and training – these are the areas where we are now focusing our efforts. We are also working to instill an understanding that compliance is not simply a legal requirement, but rather that it embodies the spirit of our mission. This work will ensure that everyone at UniCredit is prepared and motivated to generate value for our customers.

At the same time, with our customers in mind, we have taken decisive action in matters of governance. We have strengthened individual responsibility and promoted transparency and simpler processes. The decentralized decision-making processes implemented with the *One for Clients (One4C)* program serve as a clear example of how we are moving closer to our customers. *One4C* means that our clients have access to dedicated contacts who can provide them with timely responses.

Staying close to our customers is one of the keys to ensuring that our relationships with them remain fully sustainable. As part of that process, we have expanded our commitment to financial education. In doing so, one of our objects is to trigger a virtuous cycle, in which more knowledgeable customers are able to generate well-informed choices that can be used to improve the bank's services.

Supporting our customers' long-term growth means fostering the sustainable development of the communities we serve. To this end, we promote three tools that we consider fundamental to the competitiveness of any enterprise today: innovation, internationalization and management training.

Each of these commitments is consistent with the essence of our mission, which we also apply to UniCredit's strategic planning. Our long-term plans, which now look five years ahead, will encompass sustainability-related goals, including colleague engagement, customer satisfaction and reputation. We believe that meeting these goals is the prerequisite to achieving the financial targets we have set for ourselves.

To ensure that we succeed at meeting our goals on all fronts, we continue to strengthen and harmonize our Groupwide reporting channels. To do its job effectively, management needs access to an accurate and complete overview of the company's business activities and relationships with stakeholders. Consistent reporting allows us to identify areas for improvement, shape new strategy and measure the effectiveness of initiatives. This is why we are investing in integrating our reporting processes and in incorporating relevant operational, perceptual, commercial and financial indicators.

We firmly believe that these activities, when taken together, will ultimately permit the successful convergence of short-term and long-term objectives.

It is with this belief in mind that we are facing the challenges of the new year and confirming our commitment to sustainability and dialogue with all stakeholders.

Federico Ghizzoni



Chief Executive Officer, UniCredit



Our support for the UN Global Compact

We reaffirm our support for the principles of the UN Global Compact.

They clearly express our commitment to human rights, fair working conditions, the environment and the fight against corruption.

Highlights

UniCredit operates in 22 countries, with more than 162,000 employees and over 9,600 branches.

UniCredit benefits from a strong European identity, extensive international presence and broad customer base.

Its strategic position in Western and Eastern Europe gives the Group one of the region's highest market shares.

(currency amounts are shown in € million)

OPERATING INCOME	26,347
OPERATING PROFIT	10,864
NET PROFIT	1,323

SHAREHOLDERS' EQUITY	64,224
CORE TIER 1 RATIO	8.58%
TIER 1 RATIO	9.46%

EMPLOYEES¹	over 162,000
BRANCHES²	over 9,600
TOTAL ASSETS	929,488

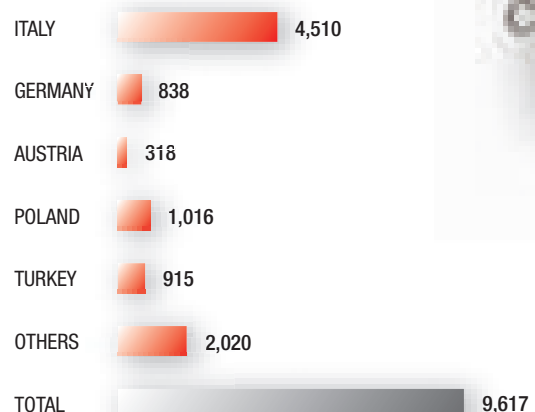
1. Data as at December 31, 2010. FTE = "Full Time Equivalent": number of employees counted for the rate of presence. Figures include all employees of subsidiaries consolidated proportionately, such as Koç Financial Services Group employees.

2. Figures include all branches of subsidiaries consolidated proportionately, such as Koç Financial Services Group branches.

WHERE WE OPERATE

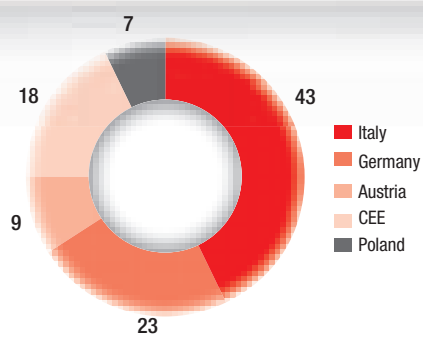
- AUSTRIA
- AZERBAIJAN
- BOSNIA AND HERZEGOVINA
- BULGARIA
- CROATIA
- CZECH REPUBLIC
- ESTONIA
- GERMANY
- HUNGARY
- ITALY
- KAZAKHSTAN
- KYRGYZSTAN
- LATVIA
- LITHUANIA
- POLAND
- ROMANIA
- RUSSIA
- SERBIA
- SLOVAKIA
- SLOVENIA
- TURKEY
- UKRAINE

Branches by Country²

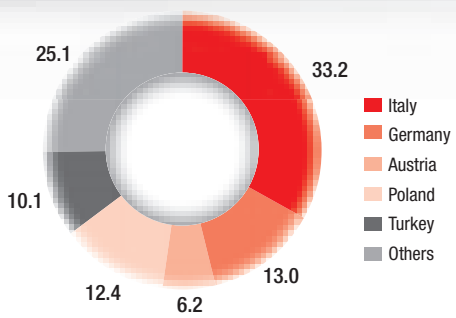




Revenues by Region (%)



Employees by country¹ (%)



Focus

AUSTRIA, GERMANY AND ITALY

UniCredit has a strategic position in Austria, Germany and Italy - three countries accounting for more than one-third of the GDP of all European Union economies combined. Together, they comprise one of the continent's wealthiest transnational regions.

GDP per capita in each of these countries is higher than the average for the European Union (EU) as a whole. In particular Germany ranks first in terms of GDP per capita among the four largest EU economies, surpassing France, the United Kingdom and Italy.

UniCredit has one of the largest banking networks in each of its three core Western European countries, providing access to 318 branches in Austria, 838 in Germany and 4,510 in Italy. Each of these countries is also closely linked to the growing economies of Central and Eastern Europe.

In terms of economic performance, all our core countries last year resumed positive growth after the unprecedented slowdown recorded in 2009. As a matter of fact, the emergence of the sovereign debt crisis in Greece, which had important spill-over effects on such other countries as Ireland, Spain and Portugal, did not materially affect growth prospects in our core countries.

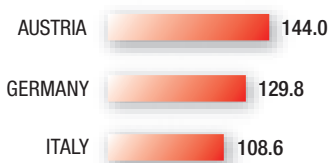
This is because, from a structural point of view, the three countries in which UniCredit operates have enjoyed over the last few years a more balanced growth model compared to the affected countries, with a very low level of private sector indebtedness and a more cautious handling of public finance.

Real economic growth is expected to continue at an average annual rate of about 1.6 percent in Austria, 1.8 percent in Germany and 1.1 percent in Italy from 2011 to 2015, which would surpass the rates achieved over the previous five-year period.

Another favorable development is that domestic demand is becoming an increasingly important engine of economic development in this region. The result should be a more sustainable pattern of growth, no longer exclusively export driven.



GDP Per Capita¹



Market Share² (%)



1. Nominal GDP per capita as at December 31, 2010 (EU27=100). Estimate of Nominal GDP per capita within the EU27 as at December 31, 2010 (last update March 10, 2011).

2. Market Share in terms of Total Customer Loans as at December 31, 2010.

Source: Eurostat, UniCredit Research.

CENTRAL AND EASTERN EUROPE

UniCredit is a market leader in Central and Eastern Europe (CEE), where it has a broad network of roughly 3,900 branches.

The Group's regional footprint is broad, with a direct presence in 19 countries where it ranks among the top five in 12 countries.* The CEE now accounts for 17.7 percent of the Group's revenues.

UniCredit has a long history in this dynamic region, which accounts for nearly half of all its employees. The Group is therefore well positioned to benefit from the process of economic convergence that has been generating higher living standards and a better business environment in these countries.

UniCredit's market position in the region provides its local banks with substantial competitive advantages, including the sharing of best practices, significant economies of scale, access to international markets and strong brand recognition. Furthermore, the Group's diversified portfolio in this region enables modular growth and increased market penetration for its global product factories.

After a challenging 2009, in 2010 CEE economies showed convincing signs of recovery, benefiting from stronger external demand and in some cases from a recovery in domestic demand. Among the EU members, Poland was a top performer. As the only EU country not to suffer a recession in 2009, it posted a GDP gain of almost 4 percent last year.

Overall, Turkey was the fifth-largest emerging market worldwide and the fastest-growing European economy in 2010, boasting a gain in real GDP in excess of 7 percent.

Russia benefited from higher oil prices and a strong sovereign balance sheet, which permitted the government to support domestic demand while increasing foreign investment in the latter part of the year. Only Romania and Croatia remained in recession in 2010. However, their more difficult circumstances were offset by reform and fiscal consolidation.

3. Market Share in terms of Total Assets as at December 31, 2010. Market Share in Azerbaijan and Kyrgyzstan not available. * as at September, 2010.

4. Pro-forma (Ukrsotsbank + UniCredit Bank Ukraine).

Source: UniCredit Research, UniCredit CEE Strategic Analysis.



Market Share³ (%)

