Global Framework Agreement

Human Rights and Fundamental Labour Rights

UNI global union

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UniCredit and UNI Global Union (UNI), hereinafter "the parties", operate in a multinational global market that is generating new challenges.

UNI Global Union is a voice for 20 million workers in service sector companies worldwide. UNI represents employees in 150 countries in all of the world's regions. UNI Finance is the global trade union for the bank and insurance sectors.

The parties want to use this global agreement to strengthen their dialogue regarding human rights and fundamental labour rights, in particular the freedom of association and the right to collective bargaining, in order to support the pursuit of sustainable growth of UniCredit's activities and satisfactory working conditions for UniCredit's employees.

1. Scope of the Agreement

This agreement applies to the legal entities controlled by and integrated into UniCredit's global operations, taking into account the local legal framework of each country where the subsidiary operates.

This agreement provides a framework and does not aim to replace national legislation and/or national or company-wide collective agreements that are currently in force or that may be negotiated in the future where their provisions are more favourable.

Provisions of this agreement between UniCredit and UNI may be more favourable than national legislation in some cases. In such cases, UniCredit will seek to promote the more advantageous articles recognised by this agreement.

UNI is signing this agreement in its own name and on behalf of all its affiliates throughout the world.

UniCredit S.p.A. is signing this agreement in its role of holding company of the banking group with the same name and - in coherence with the group managerial coordination system - in the interest of the UniCredit Group, with the purpose to disseminate and implement all its principles through all the legal entities, both directly and indirectly controlled by UniCredit S.p.A. The list of legal entities belonging to the Group will be sent to UNI Global Union and periodically updated. The list of countries where the Group operates is annexed to this agreement (Annex 1).

2. Commitment to Human Rights

In alignment with the commitments set out in the group's Code of Conduct and General Environmental and Social Principles, UniCredit reaffirms its commitment to observe the United Nations Guidelines on Business and Human Rights, avoid violating human rights, and strive to remedy any harmful effects of its activities and businesses on human rights. It will take reasonable steps to combat and mitigate any violations and remedy them where appropriate.

UniCredit reaffirms its commitment to observe the provisions of the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work[1], including freedom of association and, in particular, the right of all employees to organise, join a trade union and conduct collective bargaining. It reaffirms its support for the OECD

[1] The ILO fundamental conventions are:
Convention 87 on Freedom of Association and Protection of the Right to Organise, 1948;
Convention 98 on the Right to Organise and Collective Bargaining, 1949;
Convention 29 on Forced Labour, 1930;
Convention 105 on the Abolition of Forced Labour, 1957;
Convention 138 on Minimum Age, 1973;
Convention 182 on the Worst Forms of Child Labour, 1999;
Convention 100 on Equal Remuneration, 1951;
Convention 111 on Discrimination (Employment and Occupation), 1958

Guidelines for Multinational Enterprises and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration-5th Edition 2017).

UniCredit reaffirms its commitment to respect all national employment laws, collective agreements and health and safety regulations, as well as internationally recognised and applicable legislation and human rights in all markets where UniCredit conducts operations.

UniCredit reaffirms its commitment to fair employment and working conditions throughout the company taking into account local laws and employment standards and national or company collective agreements where in place and as expressed by the joint declarations signed with the European Works Council (Annex 2).

UniCredit reaffirms its commitment to eliminate discriminations in its labour relations and, in particular, it will recruit women and men on the basis of their specific skills, treat each person with dignity, not discriminate on the grounds of age, social origin, family situation, sex, sexual orientation, disability, political, trade union or religious opinions, or the real or alleged belonging to an ethnic group or nation in accordance with ILO Convention 111.

3. Trade Union Rights

In order to allow employees to exercise their freedom of association, in particular the right of all employees to organise, join a trade union of their choice and undertake collective bargaining, UniCredit will take all the measures necessary to ensure that:

a. UniCredit managers in all countries create a free and open environment for the exercise of the right to freedom of association and do not oppose employees joining a trade union or exercising their rights in their capacity as a trade union member;
b. UniCredit managers in all countries reaffirm their commitment to maintain an environment in which employees are free from intimidation, harassment, or reprisals and retaliation against employees while exercising their rights. UniCredit recognises the employees' right to freely choose a trade union, and will communicate its position of neutrality to all employees. It will not obstruct trade union recognition or representation. Trade unions will be recognised as long as they use the relevant legal procedures for recognition of trade unions and as long as they satisfy the legal requirements for recognition as set out in the relevant law;
c. Once UniCredit recognises a trade union, its managers will guarantee a positive approach to industrial relations and engage in collective bargaining, acting in good faith and trying to reach agreements with trade union representatives.

UniCredit is operative in countries in which the freedom of association and the rights of trade union activities are recognised by local law. The parties agree to jointly evaluate any reports of violations to the aforementioned trade union rights (as described under Art 3. points (a), (b) and (c)) coming from the local unions affiliated to UNI Global Union. Any disagreements concerning the application of this agreement will be handled as set forth in the dispute resolution process (Art.12), which foresees that initial solutions be sought at the local level.

If problems regarding access occur and cannot be resolved locally, each party may seek a ruling from the joint Central Monitoring Committee (Art.11).
UniCredit Trade Union meetings with employees to discuss joining a trade union can take place at the employer's premises and will be organised in such a way as not to disrupt company operations. No agreement will diminish local practice.

4. Combatting Sexual Harassment

According to the ILO, sexual harassment is a form of discrimination under its Convention 111, one of the ILO's fundamental conventions. The Convention affirms that all human beings, whatever their race, creed or sex, have the right to pursue their material well-being and spiritual development in conditions of freedom and dignity, economic security and equal opportunity.

UniCredit and UNI want to be sure that all employees are aware of what constitutes sexual harassment so that they fully understand what is expected from them, know how to report any problems and are able to describe alleged acts in complete confidence.

Sexual harassment is a form of violence that affects women and men at the workplace. The parties also want to combat sexual harassment based on sexual orientation (e.g. Lesbian Gay Bisexual Transgender and Intersex), irrespective of the seniority of the employee or the type of contract they have with UniCredit and address it in the same way.

Sexual harassment violates the principle of equality and harms working relationships. It can take several forms:

- Insults, remarks or inappropriate insinuations about clothing, physique, age, etc.;
- Condescending attitudes with offensive sexual implications;
- Sexual invitations or inappropriate implicit or explicit requests, whether accompanied by threats or not;
- Gestures that could be interpreted as sexual in nature;
- Unjustified physical contact such as fondling, caressing, pinching or physical aggression;
- Creation of a working environment not respectful of sexual orientation and any other individual diversity;
- Asserting sexual or romantic interactions as a condition for employment matters (including hiring, compensation, promotion, access to meetings or other workplace opportunities, and career development more generally).

UniCredit and UNI agree to adopt the needed measures for mitigating the risk of sexual harassment at the workplace.

With regard to this commitment, UniCredit respects the laws and national or company collective agreements under which UniCredit operates. Some provisions of this agreement between UniCredit and UNI may be more favourable than some national legislation. In such cases, UniCredit will seek, through dialogue, to promote more advantageous principles recognised by this agreement to combat sexual harassment at the workplace, while remaining free of any obligation to contravene the laws of any of these countries. This commitment is based on the efforts made by UniCredit and UNI to promote diversity and inclusion of people in the workforce, irrespective of their sex, age, ethnic origin, disability or sexual orientation.

In addition, UniCredit affirms its commitment to combatting sexual harassment committed by customers, clients and subcontractors, putting its employees' wellbeing at the top of its priorities.

UniCredit and UNI foster the creation of a positive working environment, promoting-best practices and practical actions.
UniCredit is committed to and is in the process of adopting and enforcing specific Global Rules and a comprehensive system of internal procedures on preventing harassment, bullying, sexual misconduct and retaliation in the workplace. The specific implementation of these rules and procedures will be subject to previous disclosure to UNI's local affiliates and/or the employee representatives. Elements of these rules and procedures will include:

- All employees will have access to multiple confidential reporting channels;
- UniCredit will properly investigate all reports of sexual harassment;
- Sexual harassment is an offense that, following proper investigation, may be subject to disciplinary procedures irrespective of the seriousness of the offense. Certain offenses may result in formal disciplinary measures.

UniCredit will inform all employees about these rules/procedures and about the responsibilities incumbent on them and may organise training on this issue.

Trade unions affiliated to UNI and that represent UniCredit's employees may wish to organise awareness raising activities and training for their members.

5. Combatting Discrimination and Promoting Diversity

UniCredit commits to combatting discrimination and promoting diversity, equal opportunities, recruitment and retention of disabled workers and respect for equality between women and men.

Diversity may be reflected in differences in sex, age, origin, culture, sexual orientation, nationality, opinions and beliefs, disabilities, family situation, education and trade union membership.

Under no circumstances shall these differences be allowed to influence decisions about recruitment, training, or career management and development.

UNI will encourage greater diversity in trade union representation and personnel among its affiliates.

UniCredit will strive to increase diversity within its teams at every level, in particular at managerial and supervisory levels.

UniCredit intends to continue with and further develop its policy of welcoming employees with disabilities through recruitment, integration, retention and career development.

UniCredit and UNI commit to favouring professional equality between women and men.

The principles of equality between women and men and non-discrimination on a gender basis will be respected and promoted, notably with regard to selection and recruitment procedures, distribution of tasks, promotions, remuneration and professional training. These principles also apply to any changes in working conditions, social benefits, termination of employment contracts and any other matter which has an influence on working life.

6. Positive Working Conditions and Work-life Balance

The new global context presents a growing number of challenges, on the one hand coming from socio-demographic changes and on the other from the digital evolution, which are changing many aspects of our daily life and the way we work.

The ongoing socio-demographic changes are influencing people's needs and expectations in terms of work-life balance.

At the same time, the technological and digital evolution has been triggering sudden changes in people's habits in professional and private life, also leading to new opportunities of flexibility at work.

In light of the current context, UniCredit and UNI agree that an adequate and proportional balance of the different aspects of people's lives has a positive impact on the workplace, engagement, productivity and the overall sense of belonging to the company, as well as improving the quality of life and the wellbeing of employees.

The parties intend to define a group-wide approach to work-life balance by identifying shared guidelines and principles to lead social dialogue in all countries and companies of the group, in full compliance with the respective national labour laws and legal and negotiation contexts.

UniCredit and UNI agree that the promotion of consistent actions and behaviours at all levels of the company structure – starting from executives and managers is the basis of a shift towards a corporate culture oriented to work life balance.

Furthermore, UniCredit recalls the joint declaration signed with the European Works Council on "Work-Life Balance" and its commitment to the Key Principles below:

- People first: people are our main distinctive asset. Respect of people in the workplace and taking care of their evolving personal needs are the basis to develop work-life balance policies.
- High-quality employment: an adequate work-life balance contributes to the improvement of work environment and supports our ambition to be 'the best place to work', increasing the sense of belonging of employees and empowering the overall corporate identity.
- Respect of employees' private life: the opportunities offered by new digital tools facilitate access to communications and impact on work processes and customer service. These opportunities, whose impacts are changing spaces and times of work, have to be managed fully respecting employees' private life, driving the digital evolution in order to improve the quality of professional environment.
- Work-life balance culture: a shift towards a corporate culture effectively oriented to work life balance is based on the promotion of consistent actions and behaviors at all levels of company organisation, in line with personal and business needs.
- Quality of life: an adequate balance between work and personal life positively impacts on workplace, engagement, productivity and the overall sense of belonging to the company, with a consequent and consistent improvement of people's quality of life.
- Equal opportunities and non-discrimination: the accessibility to work-life balance practices for each employee has to be recognized as an opportunity, avoiding any kind of discrimination – according to what already stated in the Joint Declaration on "Equal Opportunities and Non-Discrimination".

7. Healthy and Safe Working Environment

Promotion of healthy and safe working conditions for all employees is a priority for UniCredit.

The parties agree to promote respect for established health and safety standards.

In this context, UniCredit encourages initiatives seeking to improve:

- The physical, mental and social conditions of employees in each entity;
- The prevention of occupational and psychosocial risks.

UniCredit agrees to value and communicate best practices on the matter in order to facilitate their use.

UNI encourages its affiliates to participate in these efforts by signaling possible improvements and encouraging employees to comply with prevention and protection standards set out in local regulations or in directives issued by UniCredit Group that employs them.

8. Responsible Sales

The finance sector plays an important role in the economy, which goes much further than the stability of the financial institutions themselves. It has the responsibility to ensure stable markets and to support the real economy. Thus, the primary purpose of financial institutions is to provide reliable and sustainable financial services.

Furthermore, UniCredit reaffirms its commitment to the following fundamental principles as stated in the joint declaration signed with the European Works Council:

- Customer Centricity: customers' needs are the pillar of our investments. Sales and financial advice activities shall responsibly meet the customers' needs.
- Employees' development: UniCredit will continue providing employees with proper training and indications about the conduct for managing the relationship with customers as for the correct evaluation of their risk attitude on the occasion of financial product advices and sales.

- Sustainable products: the business strategy and practices shall inspire performance excellence through quality of products and services to generate durable value. It shall be reinforced the attention to design and realise products and services focused on customers' needs.
- Organisational Governance: UniCredit will continue to guarantee the improvement of a proper environment that promotes integrity across the institution and the improvement of internal procedures and principles conducive to the responsible sales of products
- Fair and Transparent Business Culture: all processes and products shall be suitable for the customers and managed in a transparent manner.

In this context, the Parties recall the Integrity Charter of the UniCredit Group and the UNI Finance Charter on Responsible Sales.

9. Uni's Commitment

UNI will publicly support UniCredit as a key stakeholder in the improvement of employment standards and will work with UniCredit's Central Management (Labour Policies, Industrial Relations and Welfare's Department) to regularly check UniCredit's employment standards, in the framework of this agreement and the relevant local minimum employment standards.
UNI recognises that employment conditions will vary in accordance with the legal, social and economic conditions in each country.

10. Duration

This agreement is valid for a period of two years. Upon expiry, it is renewable by tacit renewal for a further period of two years but may be terminated by either signatory by giving notice at six months' notice. While it is in force, this agreement may be modified by the means of amendments.

11. Implementation

The parties will communicate this agreement and commitment to its principles to all their respective organisations and structures and will both be responsible for implementing the agreement in good faith. UniCredit will publish this agreement on its website and communicate it to national and local managers, as well as UNI affiliates in the different countries where UniCredit operates.

The parties agree that a joint Central Monitoring Committee responsible for implementing the agreement will meet once a year to discuss progress made in the implementation of the agreement.

This monitoring process will be put in place and managed by UNI and UniCredit Central Management (Labour Policies, Industrial Relations and Welfare Department).

The committee will meet extraordinarily at the request of either of the parties if the circumstances so require.

Both parties shall be equally represented on the monitoring committee, with five UniCredit representatives and five UNI representatives.

12. Settlement of Disputes Concerning this Agreement

The parties agree to a consensual dispute resolution process and shall make all efforts to resolve matters through consultation.

Specific problems of employees or local disputes about collective bargaining shall be dealt with and governed by local conflict resolution procedures.

If a complaint about this agreement cannot be resolved by the relevant national or regional manager, UNI may raise the question with UniCredit's Director of Industrial Relations.

An open and transparent inquiry shall then take place without delay. If the question is still not resolved, it can be referred to the Central Monitoring Committee.
Upon request by either party, and in cases where the two sides agree it may be appropriate, they will make a joint presentation of, and provide information on the Agreement in the country where the dispute is taking place.

In the event that the parties cannot resolve a conflict regarding the implementation of this agreement after discussions during the meeting of the monitoring committee, it may be submitted, by mutual agreement, to a mediator. The mediator will be chosen by the parties jointly. A request for mediation will not be refused by either of the parties without a valid reason.

UNI recognises that this agreement does not imply any contractual right, as this remains exclusively within the scope of the relationship between UniCredit and its local Trade Unions.

UNI agrees that it will not take any public or legal action against or affecting UniCredit concerning the implementation of this agreement without fair prior notice to UniCredit, leaving UniCredit a reasonable period of time to resolve the dispute before any public or legal actions are taken against the company. UNI will honour the commitment as regards any dispute arising at a local or national level.

Milan, January 22nd 2019

for UniCredit

Jean Pierre Mustier
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UNI Global Union
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Annex 1:
Countries - GFA application

1. Austria
2. Bosnia & Herzegovina
3. Brazil
4. Bulgaria
5. Croatia
6. Czech Republic
7. Germany
8. Hong Kong
9. Hungary
10. Ireland
11. Italy
12. Latvia
13. Luxembourg
14. Poland
15. Romania
16. Russia
17. Serbia
18. Singapore
19. Slovakia
20. Slovenia
21. UK
22. USA

Annex 2: UniCredit and European Works Council

Joint Declarations complete list:

1. **The joint declaration on training, learning and professional development**
   (16 December, 2008)

2. **The joint declaration on equal opportunities & non discrimination**
   (14 May, 2009)

3. **The joint declaration on responsible sales**
   (27 May, 2015)

4. **The joint declaration on work-life balance**
   (28 November, 2017)

With the contribution of
the UniCredit European Works Council

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