Solidarity
and innovation
for development

UniCredit Foundation
Report and Accounts 2014
Solidarity and innovation for development
CHAIRMAN’S LETTER
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Report and Accounts
FOUNDATION BODIES

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Dear Reader

The year 2014 brings three years of work by the UniCredit Foundation Board to a close. A period during which the Foundation’s social commitment has been inspired by a number of guidelines, focusing on specific areas of concern.

Among the main areas I would like to mention here, pole position was very much occupied by our support for elderly people in difficult economic and social conditions. An area that saw us committed to 36 projects, including 14 Alzheimer Cafés in Italy. The second intervention area focused on youth unemployment, supporting 33 projects and creating more than 300 jobs.

Finally, we have also continued to promote the commitment of UniCredit employees to solidarity initiatives, thanks to two major participatory programs: the “Gift Matching Program” and “Your Choice, Your Project”. With respect to the first, during the last three year period we have supported a total of 1,600 projects through donations, for a total of €8.7 million (with more than half of this sum donated directly by our UniCredit colleagues). At the same time, no less than 57,000 colleagues from 11 different countries have been involved in “Your Choice, Your Project”.

How have we achieved these goals? We have used two main instruments: support for social business and development of social innovation. “The world is on the threshold of a revolution that will generate long term changes in the way we deal with social problems... This new approach is based on a number of convictions that are now widely held throughout society: to fight poverty, for example, investments are more effective than donations; and again: matching social motivations with economic motivations makes interventions more effective.” These are some of the most significant points made by Sir Ronald Cohen, Chairman of the Taskforce on social impact set up by the G8, which we look at in greater detail on page 9 below.

The approach we have used to develop our interventions is very much in line with that indicated by Cohen. On the one hand, by reinforcing already existing or even start-up social businesses (i.e. non profit organizations involved in solidarity
activities which also operate in welfare services and assets markets) with sound development plans, through the transfer of both financial resources and know how. On the other, we also worked with partners identified and selected on the basis of their ability to develop innovative interventions that are capable of satisfying new emerging needs on territories, together with an ability to network with public institutions, profit sector entities and other social private sector organizations which are active in their communities.

It is also important to note that some of our initiatives have been mentioned in the report, “A map of social enterprises and their eco-system in Europe”, produced by the European Commission. Clear recognition of UniCredit Foundation’s ability to carry out its mission in a modern and effective manner. The very fact that this type of high social impact solidarity approach (with benefits of an external but also internal character for the Bank) has been adopted by a major economic institution like UniCredit is a direct result of our awareness that the wealth we create must also be used to improve collective social conditions. Especially in a period of economic recession like the one we have experienced over the last three years.

But let’s take a look at the figures.

The following pages will provide you with a hands-on view of the initiatives we are supporting, clearly setting out the results we have achieved. As is now customary, our financial statements focus on five areas: Entrepreneurship & Social Innovation; Advocacy & Social Inclusion; Employee Community Involvement; Centre of Expertise for Non Profits. I therefore invite you to read the following pages, where you will find details on the projects that, better than many words, represent our way of being knowledgeable and efficient social actors.

Pleasant reading,
The allocation of funds for the year 2014 shows that 44% of the resources were used for the design, implementation and management of UniCredit Foundation projects in Central and Eastern Europe, in Austria, Germany and Italy. A total of 44% was allocated to activities that the Foundation proposed to UniCredit employees through the Employee Community Involvement initiatives (Gift Matching Program). Lastly, 12% of the funds were used to cover general administration costs.

### Notes

Your Choice, Your Project: projects accompanied by this symbol are those that UniCredit employees voted for as part of their involvement in the Foundation’s activities. The winning projects were assigned an additional grant by the Foundation.
Never before has the social enterprise sector been at the top of European and Italian agendas to the extent it has in recent months. On a Community level, an unequivocal signal arrived with the 2014/2020 program, which explicitly states that the European Social Fund must actively support the creation of social enterprises as sources of employment, especially for those groups of people who, for various reasons, face difficulties in their search for a job (e.g. youngsters who have been unemployed for a long time, people with disabilities and those belonging to rural communities). Within this context, the Brussels Commission has defined social enterprises as “organizations that are positioned between the public and private sector: although they operate on a commercial basis, their primary objective is to serve the communities in which they are located.”

In January 2014 the same Commission convoked more than 2,000 social entrepreneurs to attend the “Social Entrepreneurs: Have Your Say” Forum. That summit generated a joint document (so-called “Strasburg Declaration”) which sets out the European agenda for the next seven years. The Declaration states: “Europe’s social and economic model must be reinvented. We need development that is fairer, greener and rooted in local communities. A model that valorises social cohesion as a genuine source of collective wellbeing. Social enterprises are recognised as a vehicle for social and economic cohesion throughout Europe, helping to construct a more pluralist and resilient social economy.”

Various documents have been produced in recent months by the Commission, analysing social enterprises from various points of view. Of these the most important is perhaps the report, “A Map of Social Enterprises and their Eco-Systems in Europe,” published at the end of 2014, setting out the state of the social enterprise sector in Europe (EU + Switzerland). The analysis was carried out between April 2013 and August of 2014 and constitutes a follow-up to the Social Business Initiative. Of the 29 countries examined, it is clear that 20 recognise (naturally, each with its own interpretation) social business as a specific category.

For Italy, there are two reference regulations: the first concerns social cooperatives, Law 381 of 1991, with the second focusing on social businesses, Law 155 of 2006. Last August, however, the Italian government presented a draft bill on the Tertiary sector, to be discussed in parliament. The declared aim is to “construct a new participatory Welfare System, one based on an expanded version of social governance that includes the participation of individuals, intermediary bodies and the Tertiary sector in the decision-making and implementation process for social policies. This will help to modernize organizational structures and provide welfare services, cut waste and reconstitute the relationship between State and citizens, between public and private, in accordance with the principles of equity, efficiency and social solidarity.” The text also indicates the need for a review of current social business regulations.

The focus on regulations reflects a still more marked trend, one that views entrepreneurship and social innovation as key instruments which can be used to satisfy emerging needs. There are a host of indications that this is the line being taken.

In the same report, “A map of Social Enterprises and their Eco-Systems in Europe,” some support programs are mentioned that could help sustain social businesses in various target countries. These include projects supported by our Foundation in Bulgaria, Croatia, Czech Republic, Hungary, Romania, Slovakia and Slovenia, with more details of the same set out in the following pages.

Turning to Italy, the essential features of the European approach - which views social businesses as an instrument combining social with economic development - were very much to the fore in the convention, “Creating Social Businesses and Good Economics Using Assets Confiscated from the Mafia: We Can Do It!” organized by UniCredit Foundation. “The assets confiscated and allocated for social use,” explained Libera’s national Chairman, Don Luigi Ciotti, “have made a radical difference in the fight against various Mafia groups and represent an opportunity to achieve social and economic regeneration. Assets which have been used to create hope, dignity and employment.” An approach which has seen UniCredit Foundation and UniCredit investing € 1.2 million in ten projects in various Italian regions.

Finally, 2014 was also the year in which the G8 Taskforce’s work on social impact was completed, with our Foundation taking an active part (see the Taskforce Chairman’s intervention on this page). Conclusions which were set out in the form of recommendations to national governments - with the latter, as of this year, responsible for drafting new regulations to construct a social and economic ecosystem that actively supports and encourages social businesses.
The world is on the threshold of a revolution that will introduce long term changes to the way we tackle social problems. The force driving this revolution is called “social impact investment”. An innovative approach that can exploit, in a coherent and coordinated way, the potential of entrepreneurship, innovation and capital. The first signs of this change are already visible in some sectors, e.g. reductions in convict recidivism, care for the elderly and youngsters in difficulty, financial inclusion and social housing. Impact investment is growing fast. It is estimated that $45,000 billion dollars of stock is committed, at least in part, by international funds in investments that have environmental and social implications. One need only consider the results which this kind of money could have if even just a small fraction of it were allocated to social impact initiatives. Social impact investments comprise those investments focused on specific and identified social targets whose results can be measured. The financial crisis demands a convergence of financial instruments focused on social objectives. This naturally requires a modification of the paradigms that regulate capital markets. A new dimension must be introduced. Alongside risk and investment - typical of the 20th century - we must now add impact.

All around us we are witnessing a growing demand on the part of people who want to work in activities that are committed to “improving” the world in which we live. This is matched by an increase in the number of entrepreneurs who want to develop innovative instruments that can have a positive effect on the problems facing us in the societies in which we all live and work. This twofold trend is also generating a change in the way we think about philanthropy. The question is no longer how much is donated but what is the level of impact achieved. This new approach is in turn based on a number of beliefs that are now widely shared throughout society. For example, in the fight against poverty investments are more effective than donations, as is flanking social goals with economic goals. To conclude: the problems of society in the 21st century are too wide-ranging and complex to be resolved solely by government or the Third sector. A new paradigm is not only a working hypothesis; it is an essential approach to which there are no alternatives.

Ronald Cohen
Chairman of the G8 Taskforce on social impact
The Social Innovation Award 2014 sought to identify the best idea for making the city of St. Pölten (capital of Lower Austria) a better place to live and work in, focusing on the promotion of the concept of community (in German: “Wir-Gefühl” – Enjoying fellowship with others). The prize was awarded to the “Trust Network” idea (“Das Netzwerk des Vertrauen”). Nobody knows better than the inhabitants what is the most effective way to improve St. Pölten - this is very much the project’s point of departure. The idea also involves the creation of a virtual network, comprising the sites of those taking part (citizens, tradesmen, schools etc.), where contributions can be shared and exchanged. The construction of this community network will be represented symbolically by a street event, with a cord physically uniting all the network nodes.

The Social Business Fund 2014 is an instrument available to social companies which seek to develop their activities on a larger scale or refocus their activity to make it more profitable. The objective is to support businesses that can achieve economic autonomy and sustainability over the medium term. To take part in the call the applicant must be a non profit organization that allocates 100% of its profits to its social mission. The fund only commits investments to already existing and consolidated businesses. Start-ups are therefore excluded from the competition. On the other hand, the selection criteria include specialisation in ecological and organic production, ability to collect funds and involve local communities, ability to network with public institutions, for profit companies, individuals and other entities in the social private sector. 57 applications to participate were received in January 2015, with 4 finalists who will receive financial support. The project partner is Mozaik, leader in the development of social businesses in Bosnia and Herzegovina where, since 2011, it has supported the development of more than one thousand formal and informal activities. Mozaik, cooperates also with the World Bank.

Co-financed and realised in partnership with the Bulgarian Center for Not-For-Profit Law, the project has made three calls (respectively 2013/14 – 2014/15 – 2015/16) in favour of the development of social entrepreneurship. Every year 20/25 non profit organizations are selected which can attend training courses to learn how to optimise the effectiveness of their business plan and their ability to present it to potential partners. Once the training period has ended, the jury selects the winning organizations, which share an award of € 15,000. Employees of UniCredit Bulbank can also allocate an additional grant by voting for one of the winners. In the first edition 20 business plans were admitted to the competition (out of 24 participants): eight of them went through to the final phase. The three winners were Transformers Association (first place) and two NGOs - Hold Me Association and Protection and Love and Trust Association - which both shared second place. During the course of the second edition, of 25 participants 17 organizations formulated their own business plans. Of these 7 finalists will present their entrepreneurial idea to the jury, which will select 3 winners.
Social Business Award  Croatia

The project implemented by Impact Hub from Zagreb and UniCredit Foundation, in collaboration with Zagrebačka Banka, explores two distinct initiatives.

**UniCredit Foundation Awards (February 2015 - July 2015)**

The award will be assigned to three businesses that use the income from their business to meet social needs. Two of them must come from The Inkubator 2014 program, while one of them must be external. The latter will be selected through an open call to businesses that comply with The Inkubator 2014 criteria. The Program covers administrative costs relative to the opening of a social business, including brand registration.

**ZaBa Start 2014 (January 2015 – March 2015)**

Impact Hub from Zagreb, a key-partner in the Zaba Start project, has coordinated a space for the training and instruction of 20 participants, all of whom received a discount of 20% on list prices. Lessons were given by a pool of professionals who collaborate with Impact Lab on subjects related to social impact and the generation of change relative to emerging needs on a social level.
This is one of the “historic” projects supported by the Foundation since 2008. For many children and teenagers, especially in urban areas characterised by problematic social structures and significant levels of immigration, “street gangs” are often the most important and sometimes the only point of reference. This was the point of departure for the intervention method promoted by the Buntkicktgut Association which uses football as an instrument to help children and teenagers to positively integrate with their reference communities.

Starting in 2013, at the suggestion of the Foundation, the Buntkicktgut Association has embraced economic self-sustainability, achieved through a franchising strategy that aims to replicate the model in other German cities in addition to Munich. Within this context, a partnership was launched with Social Entrepreneurship Akademie (Sea). In 2014, in addition to a significant increase in activities and social impact, which made it possible to structure the method into a true social franchising that is now recognised throughout Germany as a model for the growth and development of youngsters, the first Buntkicktgut international network was established.

The objectives for the current year are fully in line with progress achieved to date and aim, on the one hand, at guaranteeing an ever greater level of economic sustainability and, on the other, at extending the presence of the association to other cities, strengthening its social business system. Moreover, in 2016 exporting the model beyond German borders will focus on Austria, Poland, Serbia and Hungary.
The fourth edition of the UniCredit Carta E Call for proposals started on 15 December 2014 regarding the development of “Social cohesion strategies to help youngsters”, aimed at Italian non profit organizations that can develop labour inclusion projects for disadvantaged youngsters. Through this call UniCredit Foundation seeks to encourage projects that contribute to the social cohesion of youngsters, facilitating their ability to positively integrate with the socio-economic sector.

The aim of the call was to support projects that comply with the Foundation’s principles, focusing on jobs for youngsters aged between 15 and 29 who live in particularly difficult situations. The period for submission of proposals closed on 26 January 2014. To take part in the Call non profit organizations had to qualify as ONLUS (Non Profit Social Utility Organization in compliance with Legislative Decree no. 460 of 4 December 1997) and have been in operation for at least 3 years. Proposals involving projects lasting from 24 to 36 months were admitted.

The projects will be selected by the Ethics Charter Committee within UniCredit, in collaboration with the Cergas of Bocconi University in Milan. Each of the seven organizations receiving the award will be paid € 60,000, taken from an ad hoc fund established thanks to contributions collected using UniCreditCard Flexia Classic E. The credit card, without any additional cost for the owner, collects 2,000ths of any expenditure made and allocates the same to a fund for initiatives and projects, focusing on solidarity and support for people in difficulty.

In a second phase, as part of the Your Choice, Your Project internal initiative, more than 50,000 Italian UniCredit employees can vote for their favourite project among the seven selected. On the basis of the votes cast, each project will receive a proportional amount of money out of a total of € 80,000.
Throughout Italy 106 youngsters have had job opportunities thanks to this competition, promoted by four private Italian Foundations (Fondazione “Aiutare i bambini”, Fondazione San Zeno, Fondazione UMANA MENTE and UniCredit Foundation), working together to combat youth unemployment in Italy.

The overall allocation for the initiative, which started in October 2013, totals € 600,000, to be assigned in favour of projects realised by non-profit organizations.

More specifically, there will be two financing tracks. Thanks to the “Occupiamoci!” competition the following have received financing: 8 projects involving internships (3 in the North, 2 in the Centre and 3 in the South), for a total of € 240,000 and 67 beneficiaries; 6 projects in the social entrepreneurship area (2 in the North, 2 in the Centre and 2 in the South), for a total of € 360,000 and 39 beneficiaries. The winning projects have received grants: a maximum of € 35,000 per project involving internships and a maximum of € 60,000 for social entrepreneurship activities. The projects selected involve youngsters aged between 16 and 29 who live in socially disadvantaged circumstances. More specifically, such circumstances comprise: youngsters who have abandoned their studies, are being looked after by social services, are exiting from drug rehabilitation programs, ex-convicts, unaccompanied foreign minors and single women with children.

Youngsters who - in a social context like that in Italy where youth unemployment is constantly increasing and has now exceeded the alarming figure of 40% - have even less opportunities open to them and for whom a job can represent a decisive, life-changing opportunity.

The following are the six award winning projects in the social entrepreneurship area:

- **Trattoria Bar...Beta** (Bussolengo - VR)
  Professional training for youngsters with drug addiction problems.

- **Turin Farmer’s Market 2.0** (Torino)
  Development of a sustainable social business from an economic point of view based on direct commercial relations between farmers and consumers.

- **Dalla tazzina al piatto** (Forlì)
  Commercialisation of oyster mushrooms produced using a substrate composed of recycled coffee dregs.

- **Pump Street** (San Benedetto del Tronto - AP)
  Printing and online sale of clothing with customized prints.

- **Diritti e Sviluppo** (Latiano - BR)
  Establishment of a social business based on collection of used cloths and other recycled materials which are then repaired and sold.

- **GOEL Bio** (Gioiosa Jonica - RC)
  Realisation of a production laboratory for natural and biological cosmetics in order to commercialise a bioecocosmetics line.
An Italian-Roma restaurant or a permanent workshop dedicated to children, families and youngsters in Scampia? Both! - In other words: Chikù. This is the name of an innovative project which the Foundation has promoted in one of the most problematic districts of Naples.

Chikù - thanks not least to its location, above the Scampia Auditorium, with a panoramic view over the Villa Comunale (City Park) – is an open space, convivial and innovative in its proposal and vitality, its ability to combine different languages and styles, a place where people can meet, reflect, suggest and help create their city, starting with advocacy and active participation courses.

The menus are inspired by Italian and Roma traditions and are open to any type of cultural fusion and/or variation of recipes, ingredients and flavours. But the initiative’s “secret” dish? - The prospect of quickly becoming self-sustainable.

Since 2013 La Kumpania, created from a “some are Roma...some are not” project, has been the first social business in the field of intercultural gastronomy created by Roma and Italians which tries to provide concrete solutions in terms of economic and social emancipation and the fight against discrimination, starting with a complex area like that of Scampia.

An important activity that has already won two awards for social innovation – “Naples 2.0” and UNAOC – and has obtained support for its business start-up from UniCredit Foundation and Fondazione CON IL SUD. Since 2014 it also enjoys the support of Fondazione Peppino Vismara.
The intervention, promoted by UniCredit Foundation in collaboration with Ashoka, aims to research and support innovative business projects, within a social economy context, offering entrepreneurial subjects both support instruments and know how. Created in 1980, Ashoka is the largest network of social entrepreneurs in the world. Ashoka has been working in Poland since 1995. The project seeks to identify a group of social businesses in their start-up or acceleration phases (maximum 10) which could benefit from a structured program combining financial support, mentoring, consultancy and networking as part of Ashoka’s national and international network. The organizations will be selected through a competition that focuses on identifying and strengthening the solutions that could have the highest impact relative to Ashoka’s main intervention areas (economic development, welfare, education and the environment). Finally, a new edition of the initiative Your Choice, Your Project will be organized (assigning an extra-grant to the project that receives most votes from employees) during which all Bank Pekao employees will be provided with more details about the social businesses that have been supported.
Support to social entrepreneurship  
Czech Republic and Slovakia

The program has been implemented by VIA Foundation in the Czech Republic and by Provida Foundation in Slovakia. In both cases the aim is to reinforce the entrepreneurial ability of social businesses in the two countries through enhancement of innovative businesses with measurable social impact, supporting them with grants, consultancy and training. An initiative inspired by the idea that the creation of social value by a business of this type must not only impact the business itself or its stakeholders but also the wider community within which it operates.

**Better Business**

**COUNTRY**  
CZECH REPUBLIC  
**REGION** NATIONAL  
**DURATION** SEPTEMBER 2013/MARCH 2015  
**PARTNER** VIA FOUNDATION

The aim of the program is to support social businesses that have generated innovative intervention models and which at the same time clearly demonstrate the potential to become financially sustainable, scalable and replicable. The target, however, has not been confined to organizations or companies with specifically social missions (like the social inclusion of fragile subjects or the creation of job opportunities). In point of fact the initiative has been widely available to all company organizations that demonstrate high (and measurable) social impact.

The program has been developed in two phases. The first, lasting 4 months, coincided with the selection of 12 organizations that enjoyed the support of experts under various headings (workshops, customized consultancy etc.) in order to verify or recalibrate their business idea.

In the second phase, on the other hand, 8 projects were selected, each of which also received economic support (up to a maximum of € 12,000). The Naruc Association, owner of the social company Pastafidli, and as part of the Your Choice, Your Project program, was assigned an additional sum of € 5,000.

**Can fish fly?**

**COUNTRY** SLOVAKIA  
**REGION** NATIONAL  
**DURATION** SEPTEMBER 2013/MARCH 2015  
**PARTNER** PROVIDA FOUNDATION

The project has two main targets. First: to support the best entrepreneurial activities committed to the social sector on the basis of economic autonomy, scalability and replicability. Second: in the design phase, to assist the most innovative ideas and entrepreneurs in identifying solutions to welfare problems.

Overall 97 applications to take part in the project were received. Of these 10 were selected to take part in the "Investment grant program" phase, which at the end of the process selected 4 winning proposals, each of which received € 12,000 in financial support.

One of these, Centrum Svetielko, also received an additional grant of € 5,000 as winner of the Your Choice, Your Project program.

In addition, a total of 8 organizations took part in the second phase of the program called “Incubator”, thanks to which the candidates were able to acquire the professional instruments required to define their business plan. A final grant was assigned to the organization with the most convincing entrepreneurial proposal.
The Foundation continues its commitment to support social entrepreneurship in Romania which started in 2012, in cooperation with NESsT, a non profit entity specializing in the development of social business, active since 1997 in emerging countries, Central and Eastern Europe and Latin America. Thanks to the support of UniCredit Foundation, in recent years two competitions have been organized on a national level and two calls in collaboration with UniCredit Tiriac and UniCredit Business Integrated Solutions in Romania, in addition to strengthening of the incubation activities that help grow the financial sustainability and social impact of those businesses which have received assistance. In total, the Foundation’s support has been translated into 12 venture grants for the same number of social businesses, together with capacity building actions for a larger number of organizations. More specifically, the targets of these actions were the most vulnerable subjects, including people affected by disabilities, women excluded from the employment market, groups belonging to ethnic minorities and communities that live at economic subsistence levels. During the course of 2015, with the new project, “Competition and Capacity Building Support to Social Enterprises in Romania”, a new edition of the competition for social business will be launched, together with the strengthening of incubator activities. The intervention will focus on various regions in the country, especially those that are less developed. The initiative therefore proposes, on the one hand, to identify new social businesses/entrepreneurs (between 7 and 10) that are able to generate income and employment through a sustainable business idea that also has positive social impact; on the other, to further support social businesses that are included in NESsT’s current portfolio (at the moment, nine) in their activities’ consolidation and expansion process. Finally, there will be a new edition of Your Choice, Your Project open to the votes of colleagues in Romania (UniCredit Tiriac and UniCredit Business Integrated Solutions) in order to assign an extra-grant to a number of social businesses among those selected during the course of the competition.
Ana and Vlade Divac Foundation, together with UniCredit Bank and UniCredit Foundation, have launched a second call for the development of social businesses in Serbia as part of the “Idea for a better tomorrow” project. The first edition closed with the following result: 3 social businesses (Company Strawberry Energy for mini solar power plant, Association Serbia Film Commission for developing base of locations for filming in Serbia, Company Stap&Kanap for production of Hot & Sweet jam) and 4 informal groups committed to the start-up of businesses with social impact all received financial support. In the second edition only existing social businesses will be supported, not those in the start-up phase. More specifically, the project seeks to develop the ability of social businesses to access markets and achieve financial autonomy. This goal will be achieved through a specific capacity building project organized by Smart Kolektiv which will include a series of interventions: training in how to develop business ideas, company consultancy, business mentoring, focus group, meetings with potential private investors, reciprocal knowledge and resources sharing, as well as economic support in the form of a grant.

The main goal of the “Things” project is to offer practical and innovative learning experience that can inspire, activate and promote technological instruments for social change through responsible economic initiatives aimed at younger age groups within the population. On the basis of the experience of NetSquared Istanbul (Net2Ist), the project will provide, through direct and online instruments, support for those youngsters who intend to launch a social start-up. Relative to those instruments implemented, mention must be made of an important communication campaign via social media and through workshops (with 25 associations already taking part from the more than 40 that have submitted applications) and the launch of a call (“Challenge”) to identify the best ideas offering effective and high social impact solutions. In addition to financial support, the projects selected will also receive mentoring and targeted tutoring to support the development of their business plans.
To improve the living standards of individuals and families through the promotion of self-entrepreneurship. This is the aim of the call launched jointly by UniCredit Foundation and UniCredit Bank Hungary in October 2013, with 44 organizations responding and taking part. The winning activities included: Habitat for Humanity Hungary for the project “Construction Material Bank” (housing support for lowest income categories, thanks to which 53 families have improved their housing conditions); Munka-Kör Foundation, which aims to improve employment opportunities for those with hearing disabilities (99 deaf people have found jobs); Snéberger Foundation, which promotes the social mobility of Roma children (110 students took part in one of the music courses held by the Foundation). As part of Your Choice, Your Project, the winning organization, Munka-Kör Foundation, was also awarded an extragrant.
**EUROPEAN SOCIAL INNOVATION COMPETITION**

**EUROPE**
The second European competition for innovation in the social field came to an end on 11 December 2013. The competition, organized in memory of Diogo Vasconcelos, invited European citizens to propose new solutions to reduce unemployment levels. The award of €30,000 was won by three projects (out of a total of 1,254 participants): From waste to wow! QUID project (Italy); Urban Farm Lease (Belgium); Voidstarter (Ireland).

**SOCIAL INNOVATION IN AGEING - THE EUROPEAN AWARD**

**EUROPE**
Following an initiative by the King Baudouin Foundation, UniCredit Foundation together with the Catalan La Caixa Foundation sponsored a European award for “Social Innovation and Ageing”.
The aim of the financing was to support people, organizations and partnerships that develop and implement social innovations in the field of active and healthy ageing.
The three winners were assigned awards of €10,000.

**MY COMMUNITY CONTEST FOR THE DEVELOPMENT OF SOCIAL ENTREPRENEURSHIP IN 2013**

**CROATIA**
Social entrepreneurship, local craftsmanship, environmental and employment innovation.
These are the goals which Zagrebačka Banka places at the heart of the latest edition of the annual Moj Zaba Start competition, with UniCredit Foundation organizing the call relative to social entrepreneurship: “My Community Contest for the Development of Social Entrepreneurship in 2013”.
A total of 36 organizations were invited to submit their project idea.
Five of these, after selection, received business plan financing.

**COMMUNITY NURSERIES**

**ITALY**
The project, begun in 2012 in collaboration with Fondazione Aiutare i Bambini Onlus, aims at supporting the development and opening of nursery schools managed by non profit organisations. The focus of the project is very much that of “community nurseries”, which can meet the demand for childcare services of both bank employees and citizens living in areas surrounding the main UniCredit branches. To date 7 nursery schools have been opened in Milan, Catania, Brescia, Genoa, Palermo, Turin and Trieste. The last two in 2014.

**F&ASIBLE**

**SERBIA**
The “F&ASible - Financial and Advisory Support to make the emerging of the Serbian social economy feasible” project is a pilot initiative that aims to support the growth of the social economy in this Balkan country.
The project has accompanied the implementation of six social businesses selected by the Investment Committee from among 17 proposals received in response to a call. Each social business selected has received support in the form of a grant from our partner, Grupa 484, and an equivalent credit line managed by UniCredit Bank Serbia.

**SOCIAL BUSINESS AWARD**

**SLOVENIA**
The call, promoted by UniCredit Foundation in partnership with UniCredit Banka Slovenia, was launched in October 2012 with the aim of supporting organizations having a major social impact and committed to providing pragmatic responses to the most urgent needs arising in their respective communities.
25 projects were entered in the competition, three of which received financial support: the Dobrina cooperative (support for small local and family agriculture); Kings of the Street association (social inclusion of the homeless through commercialisation of second hand clothes); and the Jazon social business (employment of the disabled in ecological and recycling activities).
According to European Commission data, there are 120 million people on our continent who are at risk of poverty and social exclusion. It is no surprise therefore that the need for sustainable and inclusive growth is at the heart of the 2014/2020 strategy launched by Brussels. The goal: to lift at least 20 million people from poverty within the next five years. Looking at the figures in greater detail one notes that more than 20% of people at risk are in the over 65s age range, while a further 27% are children. How can we overcome this challenge? The European Platform against Poverty and Social Exclusion, the instrument which Europe has adopted to achieve its target, explicitly provides for the participation in this battle (in point of fact the Commission actually uses the word “fight”) of not only non governmental organizations and social partners, but also social economy actors as well as those from the world of business, foundations and international think tanks.

An invitation to which UniCredit Foundation can only respond with a decisive - “Count us in!” The foundation's interventions are specifically focused on initiatives and projects that promote the integration of vulnerable subjects (above all, minors and the elderly), within a context of long term sustainability and development.

The aim is to initiate, in social contexts that clearly lack resources, virtuous recovery and development processes. To achieve this goal the Foundation accompanies its actions with widespread awareness, advocacy and networking activities. As part of this approach in Italy, it is also important to point out the continuing growth and success of the Alzheimer Café format.

Alzheimer Cafés – the subject of an important convention promoted by the Foundation last September entitled: “Alzheimer: social crisis and possible solutions” – are characterised by their provision of spaces where those suffering from this illness can, together with their family members, enjoy regular, structured meetings and benefit from the kind of support services they need.

The social needs which these structures are designed to satisfy go beyond the specific requirements of those who are ill and also embrace the needs of family members - who find themselves having to deal with not just practical matters and the economic costs of assistance but also a host of objective psychological difficulties due to the progressive physical and cognitive deterioration of their loved ones. These Centres offer a new approach to awareness of the illness and those who suffer from it, bringing a social view of dementia to light, aimed at contextualising the pathological aspects of the illness, within a daily regime that is also sustainable for the caregiver. At the same time, the long term sustainability of initiatives has been one of the core criteria in the allocation of financing, in order to ensure that the benefits introduced by the Cafés persist over time. UniCredit Foundation’s intervention must therefore be carried out in three phases: implementation of an effective assistance model; financing and support for the growth of new structures throughout Italy; creation of a permanent working group tasked with accompanying the expansion of the network over time. “For some years now,” declares the Chairman of UniCredit Foundation, Maurizio Carrara, “we have set ourselves the goal of systematically contributing to the creation and reinforcement of a network that generates social cohesion and assistance strategies for people affected by neurodegenerative illnesses linked to ageing, offering support to both the relatives of those who are ill and to those who take care of them on a daily basis. We very much see our activity as helping to construct virtuous models which can be replicated in other contexts, both public and private. Indeed, we feel that the problem of assistance for the non-autonomous elderly represents a formidable crisis, one that could seriously threaten the social fabric of our communities in the coming decades.”
If we take a careful look at the current level of need in Italy as regards non-autonomy and, more specifically, Alzheimer’s disease and other chronic degenerative illnesses, there is a significant body of data available that must clearly be taken into account. In Italy non-autonomous people constitute 4% of the population – in other words 2.3 million people. Even more alarming, this is a minimum estimate, and one that is continually increasing. Relative to this need, our system responds more or less as follows: 20% of needs are to some extent dealt with by public services; 40% are dealt with directly by families together with caregivers (there are 800,000 caregivers in Italy); a further 40% receive no help at all. Further, it must also be borne in mind that there are considerable differences between one region and another – so much so that in many cases citing national data can be extremely misleading. Clearly, we are facing an enormous problem. So what can we do? To respond we have to start with what we cannot do. For example, it is difficult to foresee any provision, over the coming years, of additional welfare resources. Moreover, it looks as though it will even prove impossible to allocate more resources to a specific category of patients - without taking away resources from other categories. In all probability we will find ourselves juggling with a few symbolic interventions which will have no real, significant effect and will therefore offer no practical solutions for the great mass of people in need.

Given the size of the demand, we must come up with new approaches if we are to overcome the problems facing us. For example, there may be space for new social entrepreneurship. Let's start from a very simple fact: today three out of four families already pay for the cost of a caregiver. However, they operate in a market conditioned by a one-to-one approach which is extraordinarily inefficient and ineffective. Instead of creating more social cohesion, this approach reduces it further by isolating the elderly and their families. Three elderly people who each live alone in their respective homes have many more problems than three fragile elderly people who are physically closer to each other and are all helped by the same caregiver network. The first task, therefore, is to more effectively bring families and patients together i.e. construct adaptable, flexible shared services for payment. In other words, we are talking about day centres, Alzheimer Cafés, shared or condominium caregivers and protected apartments.

However, entrepreneurial approaches, including innovative ones, must be flanked by a new public policy. And the first task of the latter must be to support and facilitate the creation of brokers (via dialogue between public, non profit and private sectors) who reconnect families and recalibrate the supply of services. A supply which must eliminate those services that generate low levels of added value, aiming instead at counselling and family guidance, thereby leaving day centres and RSA to look after smaller numbers of patients who are suffering from chronic illnesses. Public funding and higher standards can then be concentrated on the latter.

Francesco Longo
Professor of Company Economics and Public Administration at Bocconi University, Milan
The third edition of the call for proposal (as with the first dating back to 2011) was dedicated to projects that support families with elderly members (partially or completely non self-sufficient), through actions that encourage their active participation within the community, the development of social housing initiatives and reduce loneliness. The Scientific Committee, coordinated by UniCredit Foundation in collaboration with Bocconi University of Milan, assessed 348 projects and identified seven winners:

- **Vedogiovane Coop. Soc.,** for the project “Condominium Caregiver” – Novara and Borgomanero
  The basic idea of the project is to share a single Caregiver within a single condominium or with nearby condominiums. Each family can use the services of the Caregiver solely for the period of time required, thereby reducing costs significantly. In addition, given that the Caregiver works locally he or she can always be reached should any urgent needs arise.

- **Fondazione Martinelli,** for the project: “The Decentralized Hospice: the other Baggia: new ways of living and a support network for the elderly and the entire community” – Cinisello Balsamo (MI)
  The project encourages accommodation solutions for the elderly using innovative methods. These include mutual support in apartments owned by Fondazione Martinelli in Cinisello Balsamo, the “Decentralized Hospice” with networking of elderly people who are not completely autonomous, residents in nearby apartments/condominiums and cohousing between elderly and younger citizens.

- **Associazione Neuropsiche,** for the project “Us to You: Specialized home support and home adaption service for the management of people with dementia and to ensure they are able to be self-sufficient to the best of their abilities” – Romano d’Ezzelino (VI)
  The project comprises two types of action: 1) Remote Webinar: interactive online seminars with an expert in the sector focusing on subjects like prevention, recognition and management of cognitive and behavioural disturbances; 2) home interventions to modify and adapt the environment, promoting safer, tranquil management and encourage greater expression of residual abilities.

- **Soccorso Clown Coop. Soc.,** for the project: “Action for the Elderly” – Rome
  Clown-therapy seeks to rehabilitate the cognitive and relational functions of patients affected by acute physical illness (especially strokes) who have been admitted to the Geriatrics Ward in the Agostino Gemelli University Teaching Hospital in Rome. The aim is to encourage reawakening of the mind and slow down any acute decline in overall cognitive functions and attention levels.

- **ANTEAS Cosenza,** for the project: “Solidarity Vegetable Gardens” – Cosenza, Rende and Castrolibero
  This project involves the realisation of 100 vegetable gardens, each approximately 40 sq.m., on three separate areas of land. These will promote the autonomy of elderly persons, offering them an opportunity to keep fit and enjoy themselves, enhancing socialisation and psycho-physical wellbeing.

- **Corrallo Coop. Soc.,** for the project: “Sweet Home” – Siracusa, Lentini, Carlfentini and Francofonte
  The beneficiaries of the intervention are 32 elderly people affected by Alzheimer’s and 64 of their family members. “Sweet Home” works with these users through the provision of socio-assistance services which can also be integrated with health services.

Moreover, during the course of 2014, a special version of ‘Your Choice, Your Project’ will be open for the first time to clients of the Group: the total award is € 80,000 to be divided among seven projects proportional to the results of the vote. The project which received most votes was “Sweet home”.

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**UNICREDIT CARTA E 2013 CALL FOR PROPOSAL: SOCIAL COHESION STRATEGIES FOR THE THIRD AGE**

**COUNTRY**
ITALY

**REGION**
NATIONAL

**DURATION**
24/36 MONTHS

**PARTNER**
VEDOGIOVANE COOP. SOC. • FONDAZIONE MARTINELLI • ASSOCIAZIONE NEUROPSICHE • AUSER FIRENZE • SOCCORSO CLOWN COOP. SOC. • ANTEAS COSENZA • CORALLO COOP. SOC.
Continuing its strategic decision to help reinforce an assistance network dedicated to elderly persons affected by neurodegenerative disturbances, and more specifically patients affected by Alzheimer’s disease, UniCredit Foundation has financed two new Alzheimer Cafès with a two-year allocation of € 25,000 for each project.

The initiatives were selected through a competition open to participants in the first “Training course for the development of Alzheimer Café technical-management skills”, organized in collaboration with AFMA Verona and realised at the end of 2013.

The two projects selected by the Examining Commission were:

- “Alzheimer Caffè Alto Vicentino”, realised by Associazione Rindola Impresa Sociale (Neuropsychological Rehabilitation Centre) di Vicenza a San Vito di Leguzzano (VI)
- “Al Caffè d’Enrichetta”, realised by Cooperativa Sociale Ricerca & Progetto di Campobasso
For the “Alzheimer: Social Crisis and Possible Solutions” Convention UniCredit Foundation presented the project “@lzheimer: an app for solidarity”. The application was realised by ICT Innovation Scouting and Execution di UniCredit and is a mobile application for Apple systems (available for Smartphone and Tablet), designed to act link up with Alzheimer Cafès, patients and the people who every day care for those affected by this grave neurodegenerative illness. The real and concrete help provided by the Cafès is now flanked by a tool that can monitor patients, including outside the care and support centres, or simply provide useful advice. The application offers free information services and interactive instruments to help keep patient minds active, monitors the evolution of the illness and gathers clinical data and personal stories. Using the app it is also possible to make donations to the network of Alzheimer Cafès throughout Italy supported by UniCredit Foundation.

Some 21 million visitors are expected in Milan during the six months of the Expo, of whom 30% will be foreigners. Among the latter it is estimated 210,000 people will have special needs, with at least half having problems related to significant disabilities – and with 50,000 of the latter requiring structured accompaniment. The “Expofacile!” project, promoted by LEDHA (League for the rights of the disabled), will provide Milan and Lombardy with an information structure that encourages and permits the participation of everybody in the event, regardless of their psycho-physical condition. More specifically, the project will create a database to collect, organize and make available a vast array of information on accessibility and tourist events and locations in the Milan area. It will also set up a Technical Monitoring Unit focusing on critical factors and good practices in the accommodation and hospitality system, relative to those who have specific needs.
The 2014 edition of the traditional call for proposals regarding social inclusion, conceived by Bank Austria Corporate Sustainability, was managed for the second consecutive year on a regional basis in collaboration with UniCredit Foundation, together with the active participation of the Bank’s employees and clients, as well as that of all citizens interested in the initiative.

The aim was to make the call as accessible as possible to the non profit associations that are active in the various areas (all nine of the federated states that comprise the Austrian Republic were involved: Burgenland, Carinthia, Lower Austria, Upper Austria, Salzburg, Styria, Tyrol, Vorarlberg and Vienna).

More than 150 projects were submitted in response to the Call. A jury selected a shortlist of the best projects for each region. The proposals, always on a regional basis, were then voted on by employees, clients and public with one winning project selected for each region. The most popular subjects included youth problems, conflict prevention and asylum seekers’ integration.

Thanks to previous support by UniCredit Foundation, in 2014 Joblinge opened two new sites in Hamburg and Stuttgart, with the total for the network on a national level now standing at no less than 12 sites, while the number of youngsters helped has increased from 1,626 to 2,396 - representing a 47% increase. This is a mentoring project aimed at youngsters in difficulty: youths from socially difficult backgrounds who find themselves in transit between school and work. During the first phase HVB employees took on regular “one to one” meetings with youngsters who had been previously selected by Joblinge.

These informal type meetings represented a real opportunity for comparison and exchange, with examples of both personal and professional success. Approximately 70% of those who completed the training period succeeded in finding a job that was appropriate for their character and professional abilities.

The challenge in coming years will be to extend the network to as many as 20 sites and by 2020 include some 10,000 youngsters in the program. More specifically, Joblinge intends to set up new branches in Berlin (considered the capital of youth unemployment in Germany) as well as in Mannheim, Heidelberg and Ludwigshafen. It may also be possible to make inroads into South and East European countries, where youth unemployment rates have reached alarming levels.
UNICREDIT FACTORING CALL FOR THE DEVELOPMENT OF NEW ALZHEIMER CAFÈS ITALY

In 2012 UniCredit Foundation dedicated a specific call for proposals to support the creation of Alzheimer Cafès. Via this call, financed by UniCredit Factoring, four associations were awarded with a three-year contributions to support the establishment of such Cafès in Turin, Verona, Naples and Palermo.

The projects, that also continued in 2014, ensured the support of highly specialized personnel and volunteers, and can be easily and effectively introduced into the wider range of available personal care services.

EQUAL OPPORTUNITIES FOR EVERYONE ESTONIA

Improving the quality of life and facilitating the labour and social integration (via specific workshops) of young disabled people with neuropsychological deficits who reside in the southern districts of the country. This is the aim of the project set up in partnership with Maarja Village Foundation. A total of 60 people have benefited from this innovation to date. Ten of these have also completed their training phase at the Maarja Village Foundation workshop.

STEP BY STEP TO SELF-RELIANCE LATVIA

The intervention comprises two main goals: professional guidance and on the job training on the one hand; the development of entrepreneurial skills and support for startups on the other. The general aim has been to promote the integration of youngsters experiencing particular difficulty within the jobs market. Scores of beneficiaries have been involved. Among the projects devised, a business plan has been financed in the market garden sector.
SUPPORTING YOUTH IN THE COMMUNITY
POLAND
The initiative launched in 2011 and concluded in January 2014 was promoted by UniCredit Foundation to identify and support social cohesion projects for youngsters at risk of marginalization or in need of greater education and training opportunities. The interventions developed on a national level and, more specifically, in urban areas have involved various subjects including professional guidance, the development of youngsters’ intellectual, social and physical skills and the collective empowerment of the reference community.
Among the initiatives the following are particularly outstanding: “I can do it” in collaboration with Wiosna Association; “Street is not for children” in partnership with Guardian Angels’ house – Children and youth association; and “Start to count on yourself” in cooperation with Foundation for Poland.

SOCIAL INCLUSION PROJECT AND COMMUNITY DEVELOPMENT
UKRAINE
The program was developed in partnership with EEF-East Europe Foundation, a member organization of the Eurasia Foundation Network and has as its aim the economic and social development of disadvantaged communities in the Ukraine regions of Zhytomir, Poltava and Cherkasy. The intervention comprised four distinct projects that have been managed together with the same number of locally active NGOs: “Association of regional development of the village of Zhovtneve”; “Zhytomyr regional association of social workers”; “Uman City Charitable Foundation of Social Assistance” and “Pyryatyn Rayon Council of Veterans”.

Employee Community Involvement

If we take a look at the list of the 500 largest American companies in terms of turnover, drawn up each year feature by Fortune magazine, we can see that approximately 90% of companies involve their employees in community service activities. And there's more.

According to the eighth edition of Deloitte’s “Volunteer Impact Survey”, taking part in volunteer activities in the workplace considerably increases the likelihood that workers will feel proud, loyal and satisfied. More specifically, those who take part in solidarity projects are twice as likely to feel their company culture is a positive one (56% as against 28%). Workers are prouder to work for their company (55% as against 36%). And they demonstrate greater company loyalty (52% as against 33%).

The writing is on the wall: the age of nice-to-do is fast fading. The conclusions set out in Deloitte’s research are highly significant. Employee involvement, especially of younger members, leads to companies “being repaid” not just in terms of more satisfied workers but also in terms of loyalty.

A strategically focused volunteer programme can be one of the most critical elements a talented employee takes into consideration when deciding to remain with his present company or move on.

In recent years, at least on the other side of the Atlantic, there has been considerable refinement of the criteria that should be applied when choosing the type of projects to be implemented. The key factor is measurement of impact generated in the reference community.

Once again, Deloitte’s research makes it abundantly clear that “more than eight out of ten companies (84% to be precise) feel that company volunteer work is decisive in the success of non profit organization projects within their area”. This is because, as Evan Hochberg, National Director of Community Involvement in Deloitte Services LP, points out: “non profit organizations no longer look for simple volunteer workers but volunteers with high level, specific skills that can be really effective in achieving a specific goal.” Skills which, in the majority of cases, are acquired and developed through professional and company work.

Studies carried out therefore amply vindicate the principle stated by Professor Adam M. Grant of the University of Pennsylvania in his October 2012 article in the Academy of Management Review (to date the most important scientific contribution on Employee Community Involvement) entitled: “Giving time, time after time: work design and sustained employee participation in corporate volunteering.” “Participation in solidarity activities on a corporate level increases the tendency of workers to identify with and trust their employers.”

“The main reason employees participate in social programs”, confirms Debbie Haski-Leventhal – author of a study in 2013 on behalf of the Macquarie Graduate School of Management (MGSM) into how Corporate volunteering improves employee engagement – “is that it makes the worker’s own job more meaningful. Not just in terms of solidarity but also as regards stronger team spirit. Which is why it is important for companies to recognise and demonstrate interest in this type of activity.”

Turning to Italy, the latest report from Osservatorio Socialis (2013 data) indicates that despite high levels of motivation relative to corporate reputation, the primary advantage observed by companies involved in social responsibility activities concerns significant improvements in internal company climate and level of employee involvement: 46% of companies share this opinion; on the other hand, only 36% note any effective benefit in terms of company reputation.

“At the centre of all company social responsibility strategies, including those that focus on respect for the environment and which, over the last two years, have been adopted by the majority of Italian companies involved in social responsibility, consideration must always be given to employees,” concludes Roberto Orsi, Director of Osservatorio Socialis, “their behaviour, valorisation and level of involvement.”
ADDED VALUE THROUGH EMPLOYEE INVOLVEMENT

Social commitment is not just an aim of our Foundation but an instrument for sharing and growth, involving employees who work in 17 countries round the world. To realise this objective the Group has defined 3 important projects together with the Foundation: “Gift Matching Program”, “Your Choice, Your Project” and “Rest-Cent” (this one involving employees in Germany), described in more detail in the following pages.

These are long term strategies that embody a specific company conception: social responsibility is an integral part of our Group mission, production processes and organization. In 2000 the European Council in Lisbon defined social responsibility as a new strategic objective, aimed at increasing and sustaining the competitiveness of Europe’s economy relative to its competitors. We have fully embraced this approach, an approach that finds its maximum expression in the CSR, able to create company capital inside and outside the company, and making it possible in turn to generate greater economic value. This is because internal, positive and systematic community-oriented relations are essential in optimising company results.

Take the “Gift Matching Program”, for example. In recent years this has grown considerably, both quantitatively and qualitatively, involving an ever larger number of participants. Today it is undoubtedly an asset, one which, together with others, contributes to our banking Group’s positive image, both internally and externally.

Generating and creating solidarity instruments that are made available to employees is not an obstacle to our work. On the contrary, it represents an opportunity, generating ideas, promoting positive relationships and bringing communities closer together. This is how UniCredit Foundation sees its mission. A mission that embraces the active participation of all Group employees, from so many different countries and cultures round the world.

Paolo Cornetta,
Head of Human Resources,
UniCredit
Proposed for the first time in 2003, the year UniCredit Foundation was founded, the Gift Matching Program is an initiative which the Foundation has adopted to support UniCredit employees in their approach to philanthropy, following in the footsteps of the major Anglo-Saxon corporate Foundations.

This is how it works: groups of employees can make a donation in favour of a non profit organization of their choosing. UniCredit Foundation, in line with the level of funding allocated for the project, matches these donations by providing the organizations in question a sum equal to that donated by its employees.

In other words it is a program that valorises the direct commitment and the initiative of our employees. In this way they can actively contribute to solidarity projects that they themselves have proposed.

The Gift Matching Program is based on a specific regulation that is available to all UniCredit employees, guaranteeing the Program’s equity and transparency.

In 2014, 473 projects received support and 15,532 employees participated by donating a total of €1.8 million. Overall, from its beginning, the Program supported 4,400 projects with donations amounting to €40 million, of which €21 million raised by employees and a further €19 million integrated by UniCredit Foundation.
“In prima persona” (or “Our Joint Efforts” in the English version) is the title of the publication that UniCredit Foundation has been printing for the last three years setting out, page after page, a complete review of the projects supported by the Gift Matching Program. The latest edition, that of 2013, can be downloaded in PDF format from the Foundation website: www.unicreditfoundation.org/pubblicazioni

A REPORT IN TWO LANGUAGES

12TH EDITION

Numbers

473 PROJECTS WERE SUPPORTED

1,815,050 € DONATED BY COLLEAGUES

15,532 DONOR EMPLOYEES

Data relative to period 1st January 2014
28 November 2014
The reader will have realized while going through these pages that some of the descriptions of the projects have been marked with the ‘Your Choice, Your Project’ logo. The wording on the logo is the same as the name of the initiative designed to involve employees in the decision making process that was extended to include all of UniCredit Foundation’s activities. The mechanism is simple: after a nationwide competition or a preliminary scouting in different regions and an ensuing selection process, the projects that the Foundation will support in each individual country are presented to the employees of the UniCredit Group. At this point, a click of the mouse is all that is required to express a preference and indicate to the Foundation which project should receive an additional donation. In this way employees can participate directly in the decisional processes that direct the philanthropic activities of our Group. Moreover, some colleagues have gone further and have participated in person as volunteers in field projects. In 2014 ‘Your Choice, Your Project’ celebrated four years of activity. In these years tens of thousands of colleagues have been involved in the initiative and a great number of projects have been awarded.

INTERVENTION AREAS

1. Job opportunities for young people at risk of social exclusion

2. Support and assistance for vulnerable groups, including the non self-sufficient elderly

3. Development of initiatives at the community level particularly in deprived areas for minors and young people (informal and extra-curricular education, vocational training, activities to prevent social exclusion and psycho-social help for minors and families)

4. Implementation of networks of volunteers with professional skills and setting up of local care centres

5. Fostering of social enterprises capable of self sustainability over the medium term
The formula of Rest-Cent is simple: the net salaries of employees of HVB are rounded off to the nearest euro and they donate the remaining cents to non profit German associations which they select through a special vote. The amount raised is then integrated to a maximum defined by the Foundation. A great number of colleagues participated to the initiative that will see its fourth edition in 2015. Over the last three years more than €100,000 have been donated in support of Germany’s Third sector.

The associations supported in 2014 were: SOZIALHELDEN e.V.; Wellcome gGmbH; KINDERWELTEN and Hofgründer.de.
1,291 books of tickets sold for a total of 9,609 spectators, with an average of 1,922 spectators for each Open Rehearsal. These are the figures for the 2014 edition of “La Scala Philharmonic Orchestra Meets the City”. During a press conference held last July the non profit associations, all dedicated to providing assistance for elderly citizens, were presented with the money that had been collected, which was allocated as follows: € 30,555 net margin for Caritas Ambrosiana; € 38,059 for Auser Volontariato Milano; € 35,133 for Fondazione Progetto Arca Onlus; and € 29,827 for Seneca Onlus.

The 2015 edition will comprise five Open Rehearsals, the first dedicated to the city, the others in support of four different non profit organizations, all firmly rooted in the Milan area – and appropriately so given the iconic role played by La Scala in the life of the city.

The four organizations are: UILDM (Unione Italiana Lotta alla Distrofia Muscolare), Handicap…Su la Testa!, iSemprevivi Onlus and Progetto Itaca. The format will be the usual one: UniCredit Foundation will make a payment directly to Associazione Orchestra Filarmonica della Scala, which will cover all organization costs relative to the evening rehearsals (rent, communication, masks, SIAE etc.). All monies from ticket sales will go directly to the non profit organization matched with the specific Open Rehearsal in question – and hence without the same having to incur any costs relative to the organization of the evening.

A final note: since last year there has been an ad hoc web site on line: www.filarmonica.it/proveaperte. In addition to the calendar of performances and an archive of news and information concerning previous editions, the site also contains descriptions of the social projects which are being supported and those associations which have been project partners in recent years.
various musical sections, difficulties and key movements in great masterpieces. And on the other, we all feel we are contributing to an important voluntary project.

Any particular memories that stand out?
I have vivid memories of last year’s performance. You immediately feel the Philharmonic is an Italian orchestra, a great Opera orchestra. It has a spellbinding ability to enhance the melodic elements. When it plays a many-layered score, one that is harmonically rich and architectonically complex, you always feel the term “cantabile” has to be applied to it. Of course, that doesn’t mean we ignore the profundity of the piece, or impoverish its spirit, but we know how to express that spirit transparently, with brilliance, emphasising the melody. It’s absolutely delightful working with them, constructing the execution of an entire musical program, with the public taking an active part in the entire process.

Which raises a moot point - how does your performance and that of the orchestra change during an open rehearsal compared to a normal performance, especially as it affects your relationship with the public?
Not as part of an everyday dish, but something richer, more profound. And during the Open Rehearsals the word ‘routine’ is absolutely taboo: with the public watching and listening, you have to justify every decision you make.
As regards initiatives connected to support for non-profits and to the development of philanthropy, UniCredit Foundation acts as a centre of expertise for the entire UniCredit Group. The aim is to provide a specific professional contribution, on the one hand, to support the development of the non-profit sector in the best and most innovative way and, on the other, to raise awareness within and outside UniCredit of the importance of strategic philanthropy as an instrument to support solidarity in the relevant communities.

Considering the increasingly complex needs emerging within the community, it is no longer possible to have a real impact on social fragility without fostering a knowledge and awareness of the vital role modern philanthropist activities play.

Along with traditional solidarity interventions, the Foundation together with UniCredit has begun to plan and implement forms of assistance that make the ability to respond to a complex social demand compatible with the need for sustainability, so that interventions in the field have a self-sufficient based economic perspective.

With this in mind and with the aim of functioning like a steering committee for non-profit activities, UniCredit Foundation is collaborating with the Private Banking Division to offer a range of services for their clients who would like to “invest” in solidarity initiatives.

Following the Philanthropy Advisory model that begins with the wishes of the client and focuses on his personal humanitarian approach, a philanthropic profile is created and appropriate tools suggested as to the best way to become involved. This could be: a direct donation to an organization identified by the Foundation as being particularly efficient and effective; the establishment of one’s own foundation; the activation of a fund, using the instrument of philanthropic brokerage, managed by the Foundation on behalf of the benefactor.

The centre of expertise is also engaged in supporting UniCredit business activities that involve the Third sector and in best practices exchange on an international level. The Foundation also collaborates with Universo Non Profit, the commercial division that deals specifically with the banking needs of those in the private social sector; the Foundation, in fact, is currently involved in developing activities with clients they serve and those they could poten-
tially serve. Equally, the Foundation’s decision to fi-
nance social enterprises, those already established
as well as those in the start-up phase, places the
bank in a position that enables it to also act as a
provider of credit for the non profit system.

UniCredit Foundation, moreover, has contributed to
fostering best practices among the diverse coun-
tries where it operates, assisting local banks in their
choice of social interventions.
The Call for four “Fondo Gianesini” Study/Research Grants is an initiative that has been established thanks to a donation made by a private Verona citizen, in collaboration with UniCredit Foundation and Verona University. The goal is to finance four graduates, undergraduates or research doctors, helping them to further their experience abroad in the fields of Economics and Medicine. More specifically, two of the four Study Grants, valued at € 25,000 each, have been allocated to the Department of Economic Sciences and two to the University’s School of Medicine and Surgery. All candidates had to submit a research project, to be realized abroad, lasting between 9 and 12 months. The winning projects were selected by a Commission, nominated by the University, including an external member nominated by UniCredit Foundation. “This first edition,” declared Maurizio Carrara, Chairman of UniCredit Foundation, “represents an excellent example of strategic philanthropy. The synergy created between donor, university and those professionals who drafted the Call, selection of projects and provision of funding has been translated into virtuous social innovation models - while at the same time satisfying the philanthropic requirements of those who have decided to invest in the future of our society.” On 18 December 2014, in an official public ceremony, and in the presence of Prof. Sartor, Rector of Verona University, the names of the winners were announced: Claudio Daminato and Chiara Nardi for the Department of Economic Sciences; and Michele Pighi and Michela Quaranta for the School of Medicine and Surgery.
All the Foundation’s projects are monitored in their implementation and execution. In 2014 Deloitte ERS – Enterprise Risk Services carried out agreed verification procedures relative to accounting and administration for the following projects:

- Your Choice Your Project Ukraine - Social inclusion projects (EEF-East Europe Foundation)
- Step by step to self-reliance (SOS Children’s Villages Latvia)
- Social Enterprise: Increasing opportunities for marginalized communities (NESsT Romania)
- My Community Contest for the Development of Social Entrepreneurship in 2013 (NESsT)
- Goods for Good - (Kings of the Street Association)
- The Construction material bank (Habitat for Humanity Foundation)
- I can do it (Wiosna Association)
- Ideas for a better tomorrow (Ana and Vlade Divac Foundation)
- Call for social cohesion strategies for Third Age – Grandparents with us (La Cisile Società Cooperativa Onlus)
- Hands in pasta (phase 1) - Call for social cohesion strategies for youngsters (Madre Teresa Cooperativa Sociale)
- Jump into job (N.O.I. Nuovi Orizzonti Informatici Società Cooperativa Sociale Onlus)
- The best lunch (Società Cooperativa Sociale Azione Sociale)
- Spes@labor.com - Call for social cohesion strategies for youngsters (Cooperativa Sociale Le Soleil)
- A bridge for life (Fondazione Exodus Onlus)
- Cascina Carla and Bruno Caccia (Associazione ACMOS)
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A) Breakdown of the Securities Portfolio held for assets management as at 31 December 2014  58
B) Breakdown of the Funds Portfolio held for assets management as at 31 December 2014  59

REPORT OF THE BOARD OF AUDITORS  61
Dear Board Members,

We kindly ask you to approve the 2014 Accounts presented here which show an operating deficit of €25,760 that will be subtracted from the Operating Reserve.

The Chairman
Maurizio Carrara
### BALANCE SHEET AS AT 31 DECEMBER 2014  (AMOUNTS IN EURO)

#### ASSETS

<table>
<thead>
<tr>
<th>C) Floating assets</th>
<th>31/12/14</th>
<th>31/12/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>II - Receivables</td>
<td>8,921,149</td>
<td>9,252,272</td>
</tr>
<tr>
<td>5) Due from others</td>
<td>18,839</td>
<td>28,823</td>
</tr>
<tr>
<td>III - Short-term financial assets not classified as fixed assets</td>
<td>6,009,679</td>
<td>5,994,641</td>
</tr>
<tr>
<td>2) Other securities</td>
<td>6,009,679</td>
<td>5,994,641</td>
</tr>
<tr>
<td>IV - Liquid assets</td>
<td>2,892,631</td>
<td>3,228,808</td>
</tr>
<tr>
<td>1) Bank deposits</td>
<td>2,836,686</td>
<td>3,197,663</td>
</tr>
<tr>
<td>2) Cash held at asset management companies</td>
<td>55,445</td>
<td>30,645</td>
</tr>
<tr>
<td>3) Cash and cash equivalents on hand</td>
<td>500</td>
<td>500</td>
</tr>
</tbody>
</table>

**TOTAL ASSETS**: 8,921,149 9,252,272

#### LIABILITIES

<table>
<thead>
<tr>
<th>A) Net Equity</th>
<th>31/12/14</th>
<th>31/12/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>I - Operating reserve</td>
<td>4,067,132</td>
<td>4,092,892</td>
</tr>
<tr>
<td>1) Surplus/Deficit on operations</td>
<td>-25,760</td>
<td>759,522</td>
</tr>
<tr>
<td>2) Surpluses of previous years</td>
<td>4,029,892</td>
<td>3,270,370</td>
</tr>
<tr>
<td>II - Endowment fund</td>
<td>63,000</td>
<td>63,000</td>
</tr>
<tr>
<td>D) Payables, with separate indication for each item of the amounts due after the following period</td>
<td>4,854,017</td>
<td>5,159,380</td>
</tr>
<tr>
<td>2) Payables for contributions to be disbursed</td>
<td>4,734,029</td>
<td>5,013,536</td>
</tr>
<tr>
<td>2.1) Projects in countries where the Group is present</td>
<td>1,787,135</td>
<td>1,948,874</td>
</tr>
<tr>
<td>due within the following period</td>
<td>1,420,084</td>
<td>1,561,274</td>
</tr>
<tr>
<td>after the following period</td>
<td>367,051</td>
<td>387,600</td>
</tr>
<tr>
<td>2.2) Projects involving personnel of the Group</td>
<td>2,276,894</td>
<td>2,564,662</td>
</tr>
<tr>
<td>due within the following period</td>
<td>2,246,763</td>
<td>2,403,830</td>
</tr>
<tr>
<td>after the following period</td>
<td>30,131</td>
<td>160,832</td>
</tr>
<tr>
<td>2.3) Specific projects</td>
<td>670,000</td>
<td>500,000</td>
</tr>
<tr>
<td>due within the following period</td>
<td>320,000</td>
<td>250,000</td>
</tr>
<tr>
<td>after the following period</td>
<td>350,000</td>
<td>250,000</td>
</tr>
<tr>
<td>6) Accounts payable</td>
<td>85,339</td>
<td>111,417</td>
</tr>
<tr>
<td>7) Tax payables</td>
<td>18,465</td>
<td>23,521</td>
</tr>
<tr>
<td>8) Social security payables</td>
<td>0</td>
<td>2,090</td>
</tr>
<tr>
<td>12) Other payables</td>
<td>16,184</td>
<td>8,816</td>
</tr>
</tbody>
</table>

**TOTAL LIABILITIES**: 8,921,149 9,252,272

#### MEMORANDUM ACCOUNTS 31/12/14

Commitment by Fondazione per il Sud to make donations to fund specific projects.  
144,980
### REPORT ON OPERATIONS FOR FINANCIAL YEAR 2014 (AMOUNTS IN EURO)

#### REVENUES

<table>
<thead>
<tr>
<th></th>
<th>31/12/14</th>
<th>31/12/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Revenues from ordinary operations</td>
<td>3,963,245</td>
<td>3,849,906</td>
</tr>
<tr>
<td>1.1) Contributions received</td>
<td>3,963,245</td>
<td>3,849,906</td>
</tr>
<tr>
<td>4) Financial income and gains</td>
<td>145,820</td>
<td>92,892</td>
</tr>
<tr>
<td>4.1) From Bank deposits</td>
<td>13,350</td>
<td>24,542</td>
</tr>
<tr>
<td>4.4) From other assets</td>
<td>132,470</td>
<td>68,350</td>
</tr>
<tr>
<td>7) Other Income</td>
<td>540,310</td>
<td>933,519</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>4,649,375</td>
<td>4,876,317</td>
</tr>
</tbody>
</table>

#### EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>31/12/14</th>
<th>31/12/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Expenses of ordinary operations</td>
<td>4,124,695</td>
<td>3,528,916</td>
</tr>
<tr>
<td>1.1) Projects in countries in which the Group is present</td>
<td>1,364,000</td>
<td>909,200</td>
</tr>
<tr>
<td>1.2) Projects involving personnel of the Group</td>
<td>2,055,624</td>
<td>2,100,000</td>
</tr>
<tr>
<td>1.3) Specific projects</td>
<td>670,000</td>
<td>500,000</td>
</tr>
<tr>
<td>1.4) Studies and expenses for feasibility, assessment and promotion of projects</td>
<td>35,071</td>
<td>19,716</td>
</tr>
<tr>
<td>6) General administrative costs</td>
<td>550,440</td>
<td>587,879</td>
</tr>
<tr>
<td>6.1) Employees</td>
<td>212,017</td>
<td>300,195</td>
</tr>
<tr>
<td>6.2) Other operating expenses</td>
<td>338,423</td>
<td>287,684</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td>4,675,135</td>
<td>4,116,795</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>31/12/14</th>
<th>31/12/13</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING SURPLUS</strong></td>
<td>0</td>
<td>759,522</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td>4,675,135</td>
<td>4,876,317</td>
</tr>
</tbody>
</table>

The amounts recovered from projects completed or not implemented are as follows:

- 31/12/14: 540,310
- 31/12/13: 933,519
NOTES TO THE ACCOUNTS FOR FINANCIAL YEAR 2014

Preliminary Information

UniCredit Foundation was established on March 5, 2003 as Unidea – UniCredit Foundation, with an endowment of € 63,000.

It is a not for profit private foundation and is registered in the Registry of Entities of the Prefecture of Milan under number 414.

The purpose of the foundation is to promote, implement and management support actions in the field of solidarity, assistance and charity, orienting its commitment in particular in countries where the UniCredit Group has a presence.

The Foundation’s Bodies are: the Board of Directors, the Chairman and the Board of Auditors.

Contents and form of the Financial Statements

The Financial Statements have been prepared in accordance with the recommendations issued by the “Non-profit Company Committee” of the “Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili” (Italian National Accounting Board). The accounting principles and valuation criteria have been applied consistently over time and have not been changed unless otherwise noted.

The Financial Statements consist of the Balance Sheet, the Report on Operations and the Notes to the Accounts and are accompanied by the Annual Report above.

The 2014 financial year closed with an operating deficit of € 25,760 covered by partial use of operating surpluses from previous years.

The statements are audited by the Board of Auditors.

Since the Foundation does not conduct commercial business, it is not subject to VAT and it is also not subject to income tax due to the nature of its income, but is subject to IRAP (Regional Business Tax).
Accounting principles and valuation criteria

Income and expenses are reported on an accrual basis with the exception of contributions received which are recorded on a cash basis. Accrual of the costs from ordinary activities is determined on the basis of the spending resolutions deliberated by Board of Directors.

**Assets**

**FLOATING ASSETS**

- Receivables are posted at their face value which is the same as their estimated realizable value.
- **Short-term financial assets not classified as fixed assets — Other securities** includes securities in the portfolio for asset management purposes, as well as own securities, held until used by the institution. These securities are all listed at market value understood as the price reported on the last trading day of the period, including any accrued income due.
- **Liquid assets** are reported at face value.

**Liabilities**

**NET EQUITY**

- The Operating Reserve consists of operating results for the current and previous periods.
- The Endowment Fund is recognized at face value and represents the value of contributions made at the time the Foundation was founded.
- **Payables, with separate indication for each item of amounts due after the following period.**
  
  Payables are reported at their face value.
  
  - **Payables for contributions to be disbursed** represent the Foundation’s commitment for projects that have been approved but not funded. They are broken down by the type of project supported.
  
  Accounts payable include amounts owed with respect to invoices or bills received as well as the amount of any invoices/bills to be received for services received but not invoiced by the end of the year.
  
  - **Tax payables** include the advance withholding tax on the income of self-employed workers, taxes withheld from workers and the amount of IRAP tax due.
  
  - **Social security payables** reflect the amount of social security contributions accrued but not paid for people employed.
  
  - **Other payables** represent all remaining payables which, by their nature, are not included in the previous items, including the substitute tax on asset management earnings that have accrued and are owed to the asset management company, which acts as withholding agent.

**Memorandum accounts**

These represent commitments approved by third parties to make donations to fund specific project.

**Expenses**

- **Expenses** from ordinary activities include all contributions and expenses for projects approved during the period by the Board of Directors.
- General administrative costs reflect the costs incurred by the Foundation during the reporting period to conduct its operations.

**Revenues**

- **Revenues from ordinary operations** represent the donations received during the period.
- **Financial income and gains** represent bank interest and income from investments in asset management accounts. Income is reported net of expenses and taxes.
- The item **Other Income** brings together the remaining revenues, which by nature cannot be included in the previous categories, including sums recovered due to restructuring of financial commitments relative to projects and surpluses recovered on projects completed or not implemented.
COMMENTS ON THE BALANCE SHEET AND ON THE REPORT OF OPERATIONS (AMOUNTS IN EURO)

Assets

<table>
<thead>
<tr>
<th></th>
<th>31/12/2014</th>
<th>31/12/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>C) Floating assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>II - Receivables</td>
<td>8,921,149</td>
<td>9,252,272</td>
</tr>
<tr>
<td>5) Due from others</td>
<td>18,839</td>
<td>28,823</td>
</tr>
</tbody>
</table>

Receivables due from others include the balance of prepayments for IRAP and INAIL taxation, prepaid credit cards provided to workers.

<table>
<thead>
<tr>
<th></th>
<th>31/12/2014</th>
<th>31/12/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>III - Short-term financial assets not classified as fixed assets</td>
<td>6,009,679</td>
<td>5,994,641</td>
</tr>
<tr>
<td>2) Other securities</td>
<td>6,009,679</td>
<td>5,994,641</td>
</tr>
</tbody>
</table>

Other securities for 2014 are essentially in line with the previous year.

Asset management includes:

- Italian and European government securities of € 4,891,013 measured at market value on the last business day of December 2014 and including accrued interest of € 45,600. A breakdown of the securities portfolio as at 31 December 2014 is provided in the table in Annex A;
- European Bond Securities Funds for a total value of € 1,118,665 measured on the basis of values of the units of those Funds at 31 December 2014. Annex B provides information on the composition of and movements related to the above-mentioned funds portfolio.

<table>
<thead>
<tr>
<th></th>
<th>31/12/2014</th>
<th>31/12/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>IV - Liquid assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1) Bank deposits</td>
<td>2,892,631</td>
<td>3,228,808</td>
</tr>
<tr>
<td>2) Cash held at asset management companies</td>
<td>55,445</td>
<td>30,645</td>
</tr>
<tr>
<td>3) Cash and cash equivalents on hand</td>
<td>500</td>
<td>500</td>
</tr>
</tbody>
</table>

Bank deposits represent the total of current account balances held at UniCredit S.p.A.

Cash held at asset management companies is the cash generated from the asset management relationship indicated under Other securities.

Cash and cash equivalents on hand is the balance of petty cash used for current expenses.
Commitment by Fondazione per il Sud to make donations to fund specific projects

<table>
<thead>
<tr>
<th></th>
<th>31/12/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>144,980</td>
</tr>
</tbody>
</table>

These represent commitments by third parties to fund specific projects.
The contribution from Fondazione per il Sud will be allocated to an already existing project, approved on 6 June 2011, named Innovazione Sociale per Napoli, which will be paid starting from 2015.

<table>
<thead>
<tr>
<th></th>
<th>31/12/2014</th>
<th>31/12/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A) Net equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I - Operating reserve</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The operating reserve amounts to <strong>€ 4,004,132</strong> and represents the difference between the operating deficit for the year of € 25,760 and the surpluses from previous years of € 4,029,892.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>II - Endowment reserve</td>
<td></td>
<td></td>
</tr>
<tr>
<td>This amount – totalling <strong>€ 63,000</strong> – was contributed when the Foundation was established.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Changes in Net Equity are indicated in the table below.

<table>
<thead>
<tr>
<th></th>
<th>Operating reserve</th>
<th>Endowment fund</th>
<th>Total net equity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Start of year</strong></td>
<td>4,029,892</td>
<td>63,000</td>
<td>4,092,892</td>
</tr>
<tr>
<td><strong>Operating result for the period</strong></td>
<td>-25,760</td>
<td>-25,760</td>
<td></td>
</tr>
<tr>
<td><strong>Balance as at 31/12/14</strong></td>
<td>4,004,132</td>
<td>63,000</td>
<td>4,067,132</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>31/12/2014</th>
<th>31/12/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>D) Payables with separate indication for each item of the amounts to be paid after the following period</strong></td>
<td>4,854,017</td>
<td>5,159,380</td>
</tr>
</tbody>
</table>
Payables for contributions to be disbursed totalled €4,734,029 and represented the Foundation’s commitment to projects that have been approved with disbursements to occur in future periods.

The following table provides a breakdown of projects by type and by disbursement period.

<table>
<thead>
<tr>
<th>Payables Due</th>
<th>Within the following period</th>
<th>After the following period</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Projects in countries in which the Group is present</strong></td>
<td>1,420,084</td>
<td>367,051</td>
<td>1,787,135</td>
</tr>
<tr>
<td>Social Enterprise Countries CEE (BG-RO-RS-SI-HU)</td>
<td>42,910</td>
<td>75,000</td>
<td>117,910</td>
</tr>
<tr>
<td>Renewal Buntkicktgut goes Franchise - From Social Project to Social Business - Germany 2013</td>
<td>12,500</td>
<td>4,934</td>
<td>17,434</td>
</tr>
<tr>
<td>Buntkicktgut goes Franchise - From Social Project to Social Business - Germany 2012</td>
<td>7,500</td>
<td>2,612</td>
<td>10,112</td>
</tr>
<tr>
<td>JOBLINGE - jointly against youth unemployment - Germany 2012</td>
<td>5,743</td>
<td>-</td>
<td>5,743</td>
</tr>
<tr>
<td>F&amp;Asible - Serbia</td>
<td>46,575</td>
<td>-</td>
<td>46,575</td>
</tr>
<tr>
<td>Your Choice, Your Project - Social Entrepreneurship in Croatia</td>
<td>53</td>
<td>-</td>
<td>53</td>
</tr>
<tr>
<td>“Support to social entrepreneurship” in Czech Republic and Slovakia</td>
<td>1,825</td>
<td>-</td>
<td>1,825</td>
</tr>
<tr>
<td>Call for tender UniCredit Carta E 2011 Social Cohesion Strategies for Third Age - Italy</td>
<td>21,159</td>
<td>-</td>
<td>21,159</td>
</tr>
<tr>
<td>Social innovation for Naples</td>
<td>88,520</td>
<td>-</td>
<td>88,520</td>
</tr>
<tr>
<td>Grameen Italy</td>
<td>-</td>
<td>14,654</td>
<td>14,654</td>
</tr>
<tr>
<td>Alzheimer Caffè Italy</td>
<td>8,553</td>
<td>-</td>
<td>8,553</td>
</tr>
<tr>
<td>Philanthropic activities</td>
<td>145,000</td>
<td>-</td>
<td>145,000</td>
</tr>
<tr>
<td>Community nurseries project</td>
<td>42,618</td>
<td>-</td>
<td>42,618</td>
</tr>
<tr>
<td>Call for tender for establishment or implementation of 2 Alzheimer Caffè</td>
<td>30,000</td>
<td>30,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Call for tender UniCredit Carta E 2012 Social Cohesion Strategies for Young People - Italy</td>
<td>43,949</td>
<td>-</td>
<td>43,949</td>
</tr>
<tr>
<td>UniCredit Factoring for Alzheimer Caffè</td>
<td>45,000</td>
<td>50,317</td>
<td>95,317</td>
</tr>
<tr>
<td>Call for tender for 2013 Occupiamoci!</td>
<td>54,565</td>
<td>-</td>
<td>54,565</td>
</tr>
<tr>
<td>Call for tender UniCredit Carta E Social Cohesion Strategies for Third Age - Italy</td>
<td>200,000</td>
<td>111,996</td>
<td>311,996</td>
</tr>
<tr>
<td>Social entrepreneurship tender in Bosnia and Herzegovina 2014</td>
<td>68,000</td>
<td>6,209</td>
<td>74,209</td>
</tr>
<tr>
<td>Social Award Austria 2014</td>
<td>2,500</td>
<td>-</td>
<td>2,500</td>
</tr>
<tr>
<td>Social Innovation Award Austria 2014</td>
<td>32,500</td>
<td>-</td>
<td>32,500</td>
</tr>
<tr>
<td>Initiatives with European Foundation Center 2014</td>
<td>28,714</td>
<td>-</td>
<td>28,714</td>
</tr>
<tr>
<td>Competition - Capacity Building Support to Social Enterprises in Romania</td>
<td>55,000</td>
<td>2,828</td>
<td>57,828</td>
</tr>
<tr>
<td>Social entrepreneurship tender in Serbia 2014</td>
<td>56,900</td>
<td>1,089</td>
<td>57,989</td>
</tr>
<tr>
<td>The Inkubator: Social Business in Croatia 2014/2015</td>
<td>42,000</td>
<td>46,412</td>
<td>88,412</td>
</tr>
<tr>
<td>The Scala Philharmonic Orchestra meets the city 2014/2015</td>
<td>39,000</td>
<td>-</td>
<td>39,000</td>
</tr>
<tr>
<td>“Exofacile” project</td>
<td>65,000</td>
<td>-</td>
<td>65,000</td>
</tr>
<tr>
<td>Buntkicktgut goes Franchise - From Social Project to Social Business - Germany 2014</td>
<td>58,000</td>
<td>7,000</td>
<td>65,000</td>
</tr>
<tr>
<td>JOBLINGE - jointly against youth unemployment 2014</td>
<td>36,000</td>
<td>4,000</td>
<td>40,000</td>
</tr>
<tr>
<td>&quot;Things&quot;: Social Business in Turkey</td>
<td>30,000</td>
<td>-</td>
<td>30,000</td>
</tr>
<tr>
<td>Support to social entrepreneurship in Poland</td>
<td>110,000</td>
<td>10,000</td>
<td>120,000</td>
</tr>
<tr>
<td><strong>Projects involving UniCredit employees</strong></td>
<td>2,246,763</td>
<td>30,131</td>
<td>2,276,894</td>
</tr>
<tr>
<td>Gift Matching Program 2014</td>
<td>2,000,000</td>
<td>-</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Restcent - Initiative - Germany</td>
<td>28,700</td>
<td>30,131</td>
<td>58,831</td>
</tr>
<tr>
<td>ECI – Three-year programme</td>
<td>218,063</td>
<td>-</td>
<td>218,063</td>
</tr>
<tr>
<td><strong>Specific projects</strong></td>
<td>320,000</td>
<td>350,000</td>
<td>670,000</td>
</tr>
<tr>
<td>Call for tender UniCredit Carta E 2014 Social Cohesion Strategies for Young People - Italy</td>
<td>220,000</td>
<td>350,000</td>
<td>570,000</td>
</tr>
<tr>
<td>Gianesini Fund initiatives</td>
<td>100,000</td>
<td>-</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td>4,734,029</td>
</tr>
</tbody>
</table>
Accounts payable amounted to €85,339 and mainly included amounts owed to UniCredit S.p.A. in relation to the cost of personnel seconded to the Foundation.

Tax payables totalled €18,465 and included the worker-related advance withholding tax paid to the tax authorities in the month of January 2015 and the balance of IRAP due for 2014.

Other payables totalled €16,184 and consisted of the substitute tax on asset management earnings accrued as at 31 December 2014 and not yet withheld by the asset management company.
## Expenses

<table>
<thead>
<tr>
<th>Category</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Expenses of ordinary operations</td>
<td>4,124,695</td>
<td>3,528,916</td>
</tr>
<tr>
<td>These can be broken down as follows:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1) Projects in countries in which the Group is present</td>
<td>1,364,000</td>
<td>909,200</td>
</tr>
<tr>
<td>1.2) Projects involving personnel of the Group</td>
<td>2,055,624</td>
<td>2,100,000</td>
</tr>
<tr>
<td>1.3) Specific projects</td>
<td>670,000</td>
<td>500,000</td>
</tr>
<tr>
<td>1.4) Studies and expenses for feasibility, assessment and promotion of projects</td>
<td>35,071</td>
<td>19,716</td>
</tr>
</tbody>
</table>

This year expenses from ordinary operations include item 1.3) Specific projects in order to highlight these activities.

This point includes the Gianesini Fund and the Call for tender UniCredit Carta E (in 2013 the latter was included in item 1.1 Projects in countries in which the Group is present, for an amount of € 500,000. The 2013 financial statements have therefore been appropriately reclassified).

Below is a breakdown by category of the Foundation’s main areas of intervention: Social Entrepreneurship and Social Innovation (€ 662,500); Social Inclusion (€ 701,500).

### Social Entrepreneurship and Social Innovation

- Social entrepreneurship tender in Bosnia and Herzegovina 2014: € 85,000
- Social Innovation Award Austria 2014: € 32,500
- Tower Parade 2014 Initiative: € 60,000
- Competition-Capacity Building Support to Social Enterprises in Romania: € 90,000
- Social entrepreneurship tender in Serbia 2014: € 90,000
- The Inkubator: Social Business in Croatia 2014/2015: € 90,000
- Buntkicktgut goes Franchise From Social Project to Social Business 2014: € 65,000
- Support to social entrepreneurship in Poland: € 120,000
- “Things”: Social Business in Turkey: € 30,000

### Social Inclusion

- Initiatives with European Foundation Center 2014: € 45,000
- Social Award Austria 2014: € 62,500
- Increase of philanthropic activities (April 2014): € 154,000
- Support for SOS Children’s Villages - Bulgaria: € 10,000
- Call for tender Social Cohesion Strategies for the Third Age – Italy: € 10,000
- Call for tender for establishment or implementation of 2 Alzheimer Caffè: € 60,000
- The Scala Philharmonic Orchestra meets the city 2014/2015: € 195,000
- “Expofacile!” project: € 125,000
- JOBLINGE-jointly against youth unemployment 2014: € 40,000

During the financial year 2014, in support of the social initiatives of employees of the UniCredit Group, the Gift Matching Program was approved, which as usual consists of a contribution by the UniCredit Foundation to supplement the donations made by employees of UniCredit in favour of non profit organizations.

This initiative was put under the item Projects involving personnel of the Group with total expenses of € 2,000,000.
Studies and expenses for feasibility, assessment and promotion of projects

The expenses accruing to this period totalled €35,071.

The following table shows a breakdown by type of expenses.

<table>
<thead>
<tr>
<th>Expenses for promotion activities:</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses for promotion activities:</td>
<td>23,696</td>
<td>12,420</td>
</tr>
<tr>
<td>Research</td>
<td>0</td>
<td>6,000</td>
</tr>
<tr>
<td>Seminars/Conferences for projects development</td>
<td>19,875</td>
<td>2,420</td>
</tr>
<tr>
<td>Publications</td>
<td>3,821</td>
<td>4,000</td>
</tr>
<tr>
<td>Preliminary expenses and feasibility studies for projects</td>
<td>11,375</td>
<td>7,296</td>
</tr>
</tbody>
</table>

General administrative costs

<table>
<thead>
<tr>
<th>6) General administrative costs</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>6) General administrative costs</td>
<td>550,440</td>
<td>587,879</td>
</tr>
</tbody>
</table>

These are the expenses incurred for the performance of activities aimed at achieving the Foundation’s goals and they decreased from 2013 to 2014 by 6%. The breakdown of this item is as follows:

<table>
<thead>
<tr>
<th>6.1) Employees</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1) Employees</td>
<td>212,017</td>
<td>300,195</td>
</tr>
<tr>
<td>6.2) Other operating expenses</td>
<td>338,423</td>
<td>287,684</td>
</tr>
</tbody>
</table>

Employees

The Foundation does not have its own employees and uses staff seconded from the UniCredit Group for which it is debited. Of the 6 persons present at the start of 2014, one finished his period of secondment at the end of April and another finished it at the end of November. The latter will be replaced as of April 2015.

Please note that, in keeping with the treatment adopted in 2013, a portion of personnel expenses incurred during the year (€184,542) was charged to the Employee Community Involvement – Three-Year Program, due to the fact that the program required a significant commitment by personnel for the activities and initiatives to promote employees involvement.
Other operating expenses (€ 338,423) were made up of the following:

<table>
<thead>
<tr>
<th>Category</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees for professionals and professional services and consultancies</td>
<td>229,299</td>
<td>145,276</td>
</tr>
<tr>
<td>Taxes and withholdings:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• IRAP</td>
<td>15,683</td>
<td>16,834</td>
</tr>
<tr>
<td>• Revenue stamps and various indirect taxes</td>
<td>220</td>
<td>326</td>
</tr>
<tr>
<td>Other:</td>
<td>73,481</td>
<td>100,500</td>
</tr>
<tr>
<td>• Entertainment expenses</td>
<td>2,467</td>
<td>1,183</td>
</tr>
<tr>
<td>• Stationery, printing and office equipment</td>
<td>2,018</td>
<td>3,348</td>
</tr>
<tr>
<td>• Travel expenses</td>
<td>7,187</td>
<td>11,479</td>
</tr>
<tr>
<td>• Rent</td>
<td>47,587</td>
<td>47,587</td>
</tr>
<tr>
<td>• Postage and Telephone</td>
<td>10,242</td>
<td>11,259</td>
</tr>
<tr>
<td>• Various (subscriptions, publications, membership fees, etc.)</td>
<td>3,980</td>
<td>15,364</td>
</tr>
<tr>
<td>• Legal&amp;Compliance</td>
<td>0</td>
<td>6,921</td>
</tr>
<tr>
<td>• Insurance</td>
<td>0</td>
<td>2,109</td>
</tr>
<tr>
<td>• Contingent Liability</td>
<td>0</td>
<td>1,250</td>
</tr>
<tr>
<td>Events</td>
<td>19,740</td>
<td>24,748</td>
</tr>
</tbody>
</table>

The increase over the previous period is mainly attributable to an increase in payments to professionals following the modification of a project collaboration contract, converted into professional performance and entered in 2013 under the Personnel item.

Revenues

1) Revenues from ordinary operations

<table>
<thead>
<tr>
<th>Category</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
</table>
| Contributions received, totalling € 3,963,245 with an increase of around 2.8% compared to 2013, represent the donations received from the various companies of the UniCredit Group (€ 3,347,500) as well as the contributions listed below destined for the execution of specific projects (€ 615,745), as described in the Annual Report.

Ordinary contributions

- Contributions from Group companies: 3,963,245
  - UniCredit Factoring S.p.A.: 3,347,500
  - Fineco Bank S.p.A.: 2,007,500
  - Yapi ve Kredi Bankasi A.S.: 1,200,000

Contributions for specific projects: 615,745

- UniCredit S.p.A. for call for tender UniCredit Carta E: 500,000
- Gianesini Fund: 100,099
- UniCredit Group Employees for “Balkans Flood” Project and others: 15,646

4) Financial income and gains

<table>
<thead>
<tr>
<th>Category</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1) From bank deposits</td>
<td>13,350</td>
<td>24,542</td>
</tr>
<tr>
<td>4.4) From other assets</td>
<td>132,470</td>
<td>68,350</td>
</tr>
</tbody>
</table>

The item From bank deposits totalling € 13,350, consists entirely of interest accrued on current accounts. Income is reported net of taxes.
The item **From other assets** includes income from asset management accounts with a special risk profile (Mixed Bond management line, with a predominant monetary component of 60% and a medium/long-term bond component of 40%). The management line therefore has an overall ‘Modified Duration’ of 2 years. Income is reported net of fees, expenses and taxes.

When compared with the previous period, a net improvement can be seen due to the changes in market conditions.

<table>
<thead>
<tr>
<th>7) Other Income</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recovery of remainders of projects completed or not implemented</td>
<td>540,310</td>
<td>933,519</td>
</tr>
</tbody>
</table>

The item **Other income** total is **€ 540,310** and represents the current recoveries of the year for completed projects, as detailed below.

<table>
<thead>
<tr>
<th>Year</th>
<th>Description</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>Call for tender for utilization of confiscated Mafia assets - Italy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>210,416</td>
</tr>
<tr>
<td></td>
<td>Community healthcare: families, family social workers and local networks - Italy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6,789</td>
</tr>
<tr>
<td>2011</td>
<td>Call for tender “7 nurseries for 7 regions. Family support for childcare” - Italy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20,000</td>
</tr>
<tr>
<td></td>
<td>ECI Bank Austria Employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,000</td>
</tr>
<tr>
<td>2012</td>
<td>Villaggio della legalità e corresponsabilità Serafino Famà</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>66,000</td>
</tr>
<tr>
<td></td>
<td>Cascina Carla and Bruno Caccia</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6,000</td>
</tr>
<tr>
<td>2013</td>
<td>Social Innovation Award</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,381</td>
</tr>
<tr>
<td></td>
<td>Social Award (Regional call for social inclusion)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,000</td>
</tr>
<tr>
<td></td>
<td>Libere Terre Joniche - Isola di Capo Rizzuto</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6,000</td>
</tr>
<tr>
<td></td>
<td>Gift Matching Program 2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>205,840</td>
</tr>
<tr>
<td>2014</td>
<td>Tower Parade 2014 Initiative</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>9,884</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>540,310</strong></td>
</tr>
</tbody>
</table>

As at 31 December 2014, the Foundation had no employees, but used the services of 4 individuals seconded from UniCredit.

The Foundation does not hold, nor did it acquire or sell during the year, any shares of the Founder or of any companies of the UniCredit Group.

Members of the Board of Directors and Board of Auditors receive no compensation.

Milan, March 31, 2015

The Chairman

Maurizio Carrara
<table>
<thead>
<tr>
<th>Type of Securities</th>
<th>Face Value</th>
<th>Market Value</th>
<th>Exchange Value</th>
<th>Accrued Interest</th>
<th>Closing Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUSTRIA 4.3 15092017</td>
<td>75,000</td>
<td>111,405</td>
<td>83,554</td>
<td>945</td>
<td>84,499</td>
</tr>
<tr>
<td>BTP 01 AGO 2034 5%</td>
<td>14,000</td>
<td>131,2687</td>
<td>18,378</td>
<td>289</td>
<td>18,667</td>
</tr>
<tr>
<td>BTP 5% 01/09/2040</td>
<td>14,000</td>
<td>132,1301</td>
<td>18,498</td>
<td>234</td>
<td>18,732</td>
</tr>
<tr>
<td>BTP 3.5% 01/12/2018</td>
<td>80,000</td>
<td>110,3201</td>
<td>88,256</td>
<td>231</td>
<td>88,487</td>
</tr>
<tr>
<td>BTP 3.5% 01-11-2017</td>
<td>75,000</td>
<td>107,9747</td>
<td>80,981</td>
<td>435</td>
<td>81,416</td>
</tr>
<tr>
<td>BTP 4.5% 15/07/2015</td>
<td>407,000</td>
<td>140,236</td>
<td>416,100</td>
<td>8,411</td>
<td>424,511</td>
</tr>
<tr>
<td>BTP 4.50% 01/05/2023</td>
<td>81,000</td>
<td>121,64</td>
<td>98,528</td>
<td>604</td>
<td>99,132</td>
</tr>
<tr>
<td>BTP 4.75% 15/09/2016</td>
<td>47,000</td>
<td>107,24</td>
<td>50,403</td>
<td>660</td>
<td>51,063</td>
</tr>
<tr>
<td>BTP NOV 2027 6.5%</td>
<td>26,000</td>
<td>145,4651</td>
<td>37,821</td>
<td>280</td>
<td>38,101</td>
</tr>
<tr>
<td>BTP NOV 2029 5.25%</td>
<td>72,000</td>
<td>132,7143</td>
<td>95,554</td>
<td>627</td>
<td>96,181</td>
</tr>
<tr>
<td>BUNDES 2.75% 08/04/2016</td>
<td>329,000</td>
<td>103,55</td>
<td>340,679</td>
<td>6,619</td>
<td>347,298</td>
</tr>
<tr>
<td>BUNDES 1.75% 09/10/2015</td>
<td>209,000</td>
<td>101,165</td>
<td>211,435</td>
<td>832</td>
<td>212,267</td>
</tr>
<tr>
<td>CCT APRILE 2018</td>
<td>295,000</td>
<td>101,0899</td>
<td>298,215</td>
<td>746</td>
<td>298,961</td>
</tr>
<tr>
<td>CCT EU FLOAT 15/12/2015</td>
<td>543,000</td>
<td>100,55</td>
<td>545,986</td>
<td>237</td>
<td>546,223</td>
</tr>
<tr>
<td>CCTEU 2.117% 01 NOV 2018</td>
<td>260,000</td>
<td>104,04</td>
<td>270,504</td>
<td>861</td>
<td>271,365</td>
</tr>
<tr>
<td>CCTS FLOAT 15-10-2017</td>
<td>101,000</td>
<td>100,71</td>
<td>101,717</td>
<td>212</td>
<td>101,929</td>
</tr>
<tr>
<td>CTZ 30 GIUGNO 2015</td>
<td>526,000</td>
<td>99,862</td>
<td>525,274</td>
<td>-</td>
<td>525,274</td>
</tr>
<tr>
<td>EEC 3.125% 27/01/2015</td>
<td>73,000</td>
<td>100,185</td>
<td>73,135</td>
<td>2,112</td>
<td>75,247</td>
</tr>
<tr>
<td>SPAGNA 3.75% 31/10/2015</td>
<td>507,000</td>
<td>102,75</td>
<td>520,942</td>
<td>3,178</td>
<td>524,120</td>
</tr>
<tr>
<td>SPAGNA 2.10% 30/04/2017</td>
<td>61,000</td>
<td>103,34</td>
<td>63,037</td>
<td>860</td>
<td>63,897</td>
</tr>
<tr>
<td>SPAGNA 4% 30/07/2015</td>
<td>313,000</td>
<td>102,05</td>
<td>319,416</td>
<td>5,283</td>
<td>324,699</td>
</tr>
<tr>
<td>SPAGNA 5.5% 30/07/2017</td>
<td>109,000</td>
<td>112,25</td>
<td>122,352</td>
<td>2,530</td>
<td>124,882</td>
</tr>
<tr>
<td>SPANISH GOV 3% 30-04-2015</td>
<td>345,000</td>
<td>100,83</td>
<td>347,863</td>
<td>6,948</td>
<td>354,811</td>
</tr>
<tr>
<td>SPGB 3.25 30-04-2015</td>
<td>113,000</td>
<td>103,35</td>
<td>116,785</td>
<td>2,466</td>
<td>119,251</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,891,013</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
B) Breakdown of the Funds Portfolio held for assets management as at 31 December 2014

(Amounts in €)

<table>
<thead>
<tr>
<th>Type of securities</th>
<th>Shares</th>
<th>Market Value</th>
<th>Exchange Value</th>
<th>Accrued Interest</th>
<th>Closing Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMUNDI FUNDS MONEY MARKET EUR CL</td>
<td>2,336.718</td>
<td>101.77</td>
<td>237,808</td>
<td>-</td>
<td>237,808</td>
</tr>
<tr>
<td>BGF-EUR SHORT DUR BOND EUR D2</td>
<td>4,730.06</td>
<td>16.13</td>
<td>76,296</td>
<td>-</td>
<td>76,296</td>
</tr>
<tr>
<td>DB PORTFOLIO EURO LIQ</td>
<td>3,090.15</td>
<td>77.09</td>
<td>238,220</td>
<td>-</td>
<td>238,220</td>
</tr>
<tr>
<td>DEUTSCHE INV I EURO-BONDS (SHORT) FC</td>
<td>395.57</td>
<td>151.6</td>
<td>59,968</td>
<td>-</td>
<td>59,968</td>
</tr>
<tr>
<td>FILDELITY EURO SHORT TERM BOND</td>
<td>903.79</td>
<td>25.83</td>
<td>23,344</td>
<td>-</td>
<td>23,344</td>
</tr>
<tr>
<td>HSBC EURO SHORT TERM BOND I</td>
<td>2.809</td>
<td>12,928.6</td>
<td>36,316</td>
<td>-</td>
<td>36,316</td>
</tr>
<tr>
<td>ING L LIQUID EURIBOR 3M A</td>
<td>151.46</td>
<td>1,029.22</td>
<td>155,886</td>
<td>-</td>
<td>155,886</td>
</tr>
<tr>
<td>LYXOR EFT BOT MTS EX-BANK IT</td>
<td>1,849</td>
<td>101.52</td>
<td>187,710</td>
<td>-</td>
<td>187,711</td>
</tr>
<tr>
<td>PARVEST BOND EURO SHORT TERM I CAP</td>
<td>77</td>
<td>129.05</td>
<td>9,937</td>
<td>-</td>
<td>9,937</td>
</tr>
<tr>
<td>PIONEER SF CURVE 1-3 YRS H</td>
<td>61.971</td>
<td>1,210.76</td>
<td>75,032</td>
<td>-</td>
<td>75,032</td>
</tr>
<tr>
<td>SCHRODER EURO SHORT TERM BOND C</td>
<td>2,387.79</td>
<td>7.6</td>
<td>18,147</td>
<td>-</td>
<td>18,147</td>
</tr>
</tbody>
</table>

Total 1,118,665
To the Board of Directors

The Financial Statements as at 31 December 2014, drafted by the Chairman and submitted for our attention, consist of the Balance Sheet, the Statement of Operations and the Notes to the Accounts, and are accompanied by the Mission Statement. They show the following results:

**Balance Sheet**
- Assets: Euro 8,921,149
- Liabilities: Euro 4,854,017
- Net Equity: Euro 4,067,132

**Statement of Operations**
- Expenses: Euro 4,675,135
- Revenues: Euro 4,649,375
- Operating deficit: Euro 25,760

The Notes to the Accounts include all the information considered relevant in order to present a true and accurate picture of the situation. The Mission Statement describes in detail the activities carried out by the Foundation during this twelfth year of activity.

During the year we have carried out the necessary audits in order to ensure compliance with the Law and with the Articles of Association as well as to check the financial operations of the Foundation, the accuracy of its accounting books and the integrity of the values of the Foundation, as required by the Articles of Association.

Our audit of the Financial Statements has been carried out in accordance with the auditing standards recommended by the "Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili" and, in accordance with these standards, we have made reference to the provisions of law regulating the Financial Statements, as detailed in the accounting standards issued by the above mentioned National Council.

We wish to emphasize that the Financial Statements are based on the accruals principles of accounting, except for contributions received, which are accounted on a cash basis. The exception to the general rule, on which we agree, has been adopted in accordance with the principle of prudence, to prevent use of funds that are not yet available.

On the basis of the audits carried out during the year and on these Financial Statements, we express a positive opinion on the approval of these Financial Statements and on the proposal to cover the operating deficit by the use of the available Reserve, as indicated by the Chairman.

Milan, March 27, 2015

The Board of Auditors

Giorgio Loli, Chairman

Elisabetta Magistretti, Regular Auditor

Michele Paolillo, Regular Auditor
UniCredit Foundation
Registered office: Via San Protaso, 3
Registration in the juridical persons
register of the Prefecture of Milan
under number 414, on May 21, 2003
Tax Code: 97342960156