

## EMPLOYEE SHARE OWNERSHIP PLAN 2010 (ESOP)

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### UPDATE ON ESOP 2008/2009 & LAUNCH OF 2010 PLAN

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This presentation does not replace and/or supersede in any case the Directors' Reports concerning the relevant items on the Agenda of the ordinary and extraordinary shareholders' meeting scheduled on April, 20 2010 and published on the website [www.unicreditgroup.eu](http://www.unicreditgroup.eu).  
Such Directors' reports are therefore the only documents with legal effect that the shareholders shall make reference to in order to obtain all the necessary information to duly exercise their voting rights.

Shareholders' Meeting – Ordinary session

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April, 2010

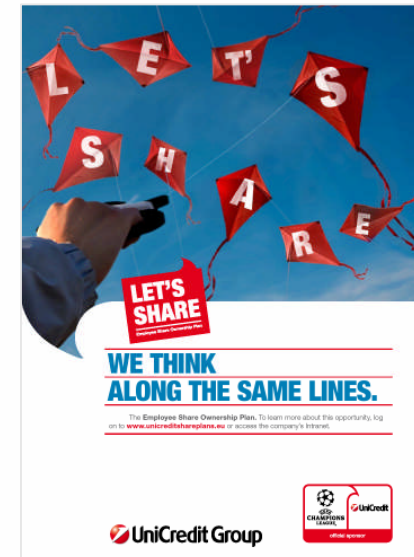
# ESOP: Sharing in our future success



UPDATE ON ESOP 2008/2009 & LAUNCH OF 2010 PLAN



- UniCredit affirms the value of share ownership as a valuable **tool for enabling the engagement, affiliation and alignment of interests** between shareholders, management and the general employee population.
  - Employee Share Ownership Plan **rewards the continued support & commitment** of our people throughout the organization who can make a difference by contributing to our success with day by day decisions, actions, efforts and behaviors.
  - the Plan offers the possibility to **purchase UniCredit shares at favorable conditions.**
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- The Plan was created with the **aim of being launched annually** and each year the offering remains subject to the **approval of the Board of Directors and Shareholders' Meeting:**
    - **1<sup>st</sup> edition** of the Plan was **launched in 2008** in 5 countries;
    - **2<sup>nd</sup> edition** in 2009 was **extended in 10 countries;**
    - it is proposed to **replicate the Plan in 2010** continuing to **seek possibilities for increasing the number of participating countries**, taking into account any local legal, fiscal & operational constraints.

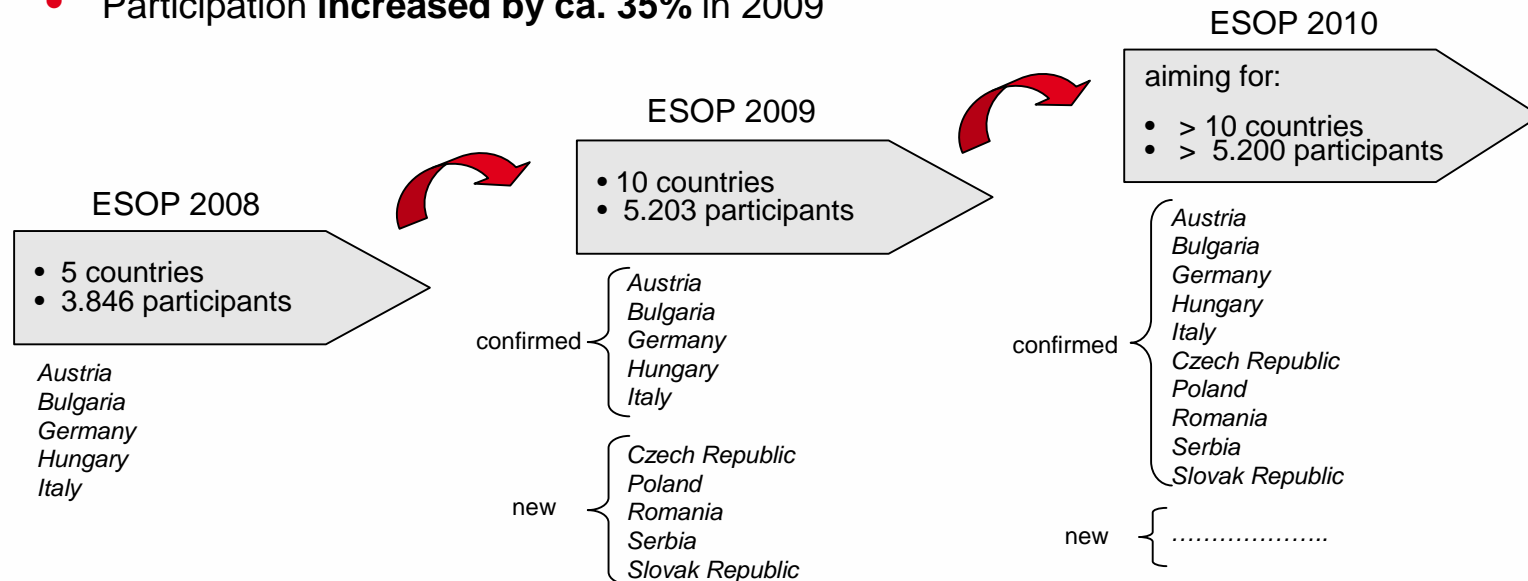


# UPDATE ON ESOP 2008 & 2009



UPDATE ON ESOP 2008/2009 & LAUNCH OF 2010 PLAN

- **High interest** in the Plan: **more than 13,000** employees accessed the dedicated website:
  - **easier IT platform** and **simplified application process in 2009** compared to 2008
- In 2008, **3,846** participants:
  - **3,62%** of the eligible population (with higher rate in Italy: 5%)
  - **66% return on individual investment** considering UniCredit share price appreciation and Free Shares allocated on Jan, 18 2010
  - Overall Plan participants invested ca. € 9 mln, determining:
    - nr. **5,305,400 Investment Shares** purchased
    - nr. **278,650 Discount Shares** assigned
    - nr. **1,018,108 Matching Shares** assigned
- In 2009, **5,203** participants:
  - **4%** of the eligible population (with higher rate in Italy: 6.5 %)
  - Participation **increased by ca. 35%** in 2009



## ESOP 2010

### Identical features as previous plan editions



UPDATE ON ESOP 2008/2009 & LAUNCH OF 2010 PLAN —

- Plan participants can buy UniCredit shares at **favorable conditions**, receiving **1 free share** (*Discount share*) for every 20 shares purchased at market price (*Investment shares*).
- Furthermore, Plan participants will receive **1 additional free restricted share** (*Matching share*) for every 5 shares bought at discount (considering *Investment & Discount shares*).

The overall potential benefit for participants in terms of free shares (Discount & Matching) is ca. **26% of their investment**.

- **After 3 years**, Plan participants will have access to the Free shares (*Discount + Matching*). The entitlement to the *Matching shares* (but not the *Discount shares*) is subject to the **employment status** of the Participant in the UniCredit Group during the 3-year lock-up period.

The ESOP provides for the use of **shares to be purchased on the market** with **no diluting impact on share capital**.

# ESOP 2010

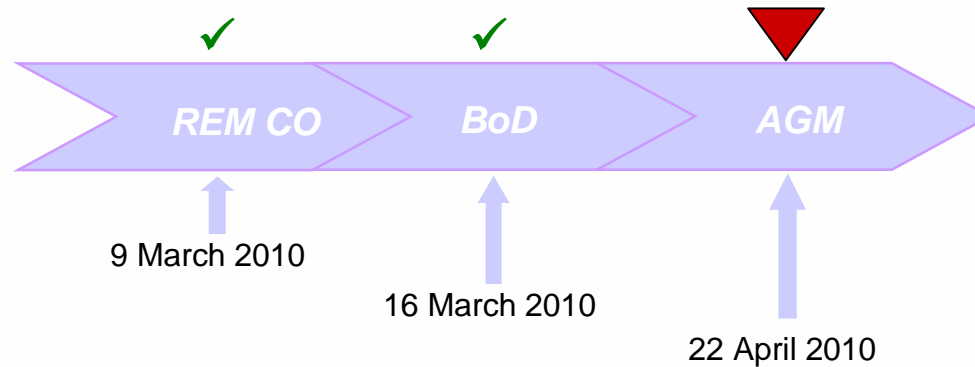
## Approval request & implementation timeline



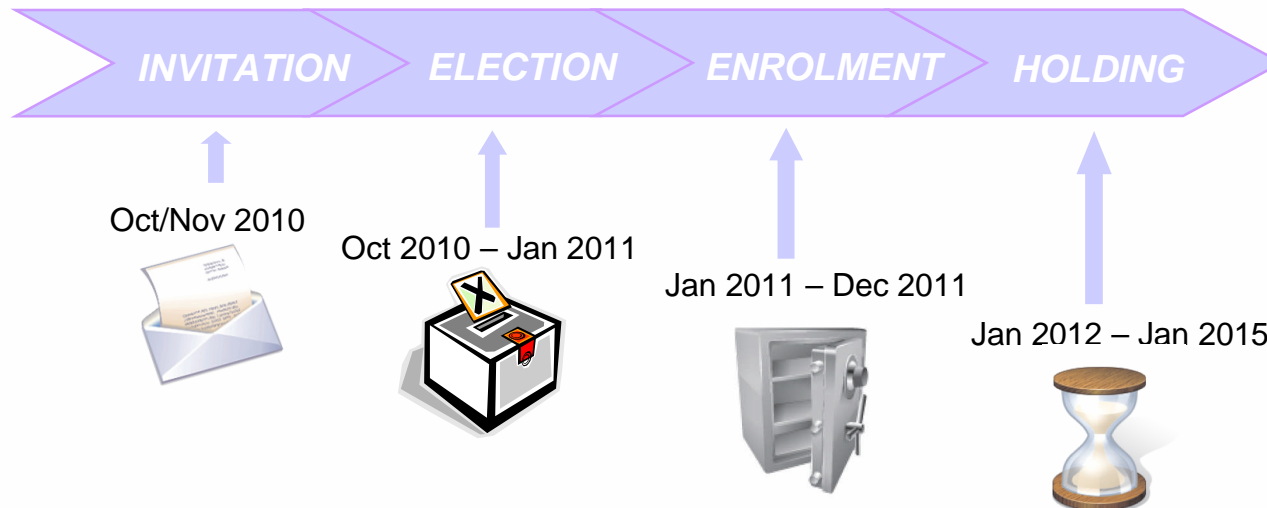
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- It is submitted for approval to this Shareholders' Meeting the "UniCredit Group Employee Share Ownership Plan 2010" ("ESOP 2010") aiming at offering to employees of the Group the possibility to invest in UniCredit shares at favorable conditions.

### APPROVAL TIMELINE



### IMPLEMENTATION TIMELINE



## APPENDIX

# ESOP 2010: step by step (1/5)



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## 1. INVITATION (Oct/Nov, 2010):

### Employees are invited to the Plan



- HR of the local employing company will send **communication** [e-mails/letters] to eligible employees, inviting them to the Plan;
- Participants are invited to access **Plan website** with ID & password;
- Website gives access to **Application** Form, Brochure and Plan rules;
- In order to submit the Application Form, employees will need to give **data privacy consent**;
- Participants are required to have a **current account** operated by a bank which is part of the UniCredit Group; the current account needs to be linked to a **securities account**.\*

\* In some countries it will be considered to further customise the standard process based on the absence of a local banking operation which is part of the UniCredit Group.

# ESOP 2010: step by step (2/5)

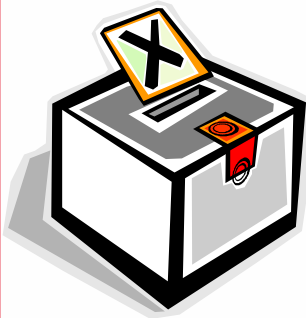


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## 2. ELECTION (Oct 2010 - Jan 2011):

Employees choose to enter the Plan & define a “contribution amount”



- Participants can **elect** to participate in the Plan in one of two ways:
  - (a) **monthly contributions** to start in January 2011; OR
  - (b) **a one-off contribution** in March and/or May and /or Oct 2011
- Total contributions **cannot exceed** the lower of:
  - (a) 6.5% of annual gross base salary, AND
  - (b) € 20,000
- **Minimum** contribution is € 50 per month (€ 600 for one-off)\*;
- Contribution amount can be **changed** during the Election Period;
- Elections are made **electronically** through the dedicated website.

(\*) To allow everyone to participate, variation of these limits is considered on a country basis due to the low minimum salary in certain countries

# ESOP 2010: step by step (3/5)



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## 3. ENROLMENT (Jan 2011 - Dec 2011):

- A. Investment:** Monthly or one-off contributions will be used to purchase shares on behalf of the Participant (**Investment Shares**).
- Contributions are effected by **Direct Debit** from the participant's current account and by sending the funds to the Broker via the local UniCredit banking network;
  - One-off contributions will be effected during March, May, Oct 2011;
  - Participants can stop making contributions at any moment while changes (increase/decrease of contributions) can only be made during March, May and October 2011 – by giving instructions prior to the 15th calendar day of each month.
  - Shares are purchased during the last Business Day of each month;
  - Investment Shares features:



Purchased monthly and allocated monthly to the participants;

Participant name will appear on share register;

Participants enjoy shareholder rights (voting/dividends) from date of purchase

Investment Shares can be sold during Enrolment – losing any right to Free Shares (Discount and Matching)

# ESOP 2010: step by step (4/5)



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## 3. ENROLMENT (CONTINUED)

- B. Discount:** Discount Shares will be allocated at the end of the Enrolment Period (Jan 2012). Participants receive 1 free share for every 20 shares purchased, rounded down.

### Discount shares features:

Discount Shares are locked up during the Holding period (until Jan 2015)  
 Discount Shares are not forfeitable even if Investment Shares are sold  
 Participants enjoy shareholder rights from date of allocation (Jan 2012)

- C. Matching:** at the same time (Jan 2012)\* UniCredit grants 1 free restricted share for every 5 shares deriving from the share-purchasing at discount.

### Matching Shares features:

Matching Shares are locked up during the Holding period (until Jan 2015)  
 Participants lose Matching Shares if they leave the Group (unless a good leaver)  
 Participants lose Matching Shares if they sell Investment Shares during Holding period  
 Participants enjoy shareholder rights from date of allocation (Jan 2012)  
 Participants will not receive dividends on Matching Shares until end of Holding period



(\* ) or at the end of the Holding Period in the case of the Alternative Structure – see next page

# ESOP 2010: alternative structure



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## 3. ENROLMENT (CONTINUED)

### D. Rights:

- Where possible, Participants will be “owners” of Matching Shares from date of grant and will get dividends and voting rights.
- But **in some countries this gives rise to an immediate tax charge**, even though they may lose these free shares (to the extent that shares have not yet Vested).
- To solve this problem, in these countries, the participants will be granted a **“Right” to the shares (Matching Shares), instead of real shares.**
- Rights will be granted at the end of the Enrolment Period (Jan 2012).
- Rights features:



At end of Holding Period (Jan 2015), Participants will receive actual shares for the Rights  
 Participants lose Rights if they leave the Group (unless “good leaver”) in Holding Period  
 Participants lose Rights if they sell Investment Shares before the end of Holding Period  
 Participants do not enjoy any shareholder rights from the date of allocation (Jan 2012)  
**Dividend Cash Equivalents** on (vested) shares will be paid in respect of the Rights at end of Holding Period

# ESOP 2010: step by step (5/5)



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## 4. HOLDING (Jan 2012 – Jan 2015):



- **3 years restriction** period;
- Participants receive **dividends** for Investment & Discount Shares;
- Dividends or Dividend Cash Equivalents on Matching Shares are paid to Participants at the end of the Holding Period;
- If Participants **sell, assign, transfer or pledge** their Investment Shares during the Holding Period then the Matching Shares (but not the Discount Shares) will be forfeited;
- In case of **forfeiture of the Matching Shares**, the Broker will sell the Matching Shares back to the market and the sale proceeds are returned to UniCredit;
- If the **employment relationship is terminated**, the Matching Shares (but not the Discount Shares) are lost except in case of “Good Leaver Reason” (e.g. death, disability, redundancy, retirement);
- In case of a “Good Leaver”, the Matching Shares are not lost - provided that the Investment Shares are not sold during the Holding Period.