



**UNICREDIT
BOARD OF DIRECTORS' RULES
AND REGULATIONS**

September 2011 edition

PREAMBLE

The rules and regulations of UniCredit's Board of Directors (the "Regulations"), shall be adopted in compliance with the provisions of clause 23, paragraph 2 of the Articles of Association governing the functioning and jurisdiction of the Board, in accordance with the relevant legal and regulatory provisions, the Company's Articles of Association as well as in light of the principles and rules contained in the Corporate Governance Code issued by Borsa Italiana S.p.A..

The Regulations are available on the Company's website.

SUMMARY

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1. COMPOSITION

The Articles of Association states that the Board of Directors (the "Board") may be comprised of between 9 and 24 directors, and that directors will hold a three financial year term of office unless a shorter term is decided when the directors are appointed. Directors shall vacate their office on the date of the Annual General Meeting called to approve the financial statements for the last year of their term.

Currently, there are 22 Board members whose term expires on the date of the shareholders' meeting called to approve the financial statements for the last financial year of their term in office.

According to clause 20 of the Articles of Association, directors shall be elected on the basis of a slate mechanism; at least three elected Board members must fulfill the independence requirements for statutory auditors pursuant to Legislative Decree nr. 58 dated February 24, 1998, and at least five of the additional independence requirements indicated by the Corporate Governance Code issued by Borsa Italiana S.p.A.. The independence requirements set out by current legislation and those envisaged by Corporate Governance Code may apply to the same person.

2. GENERAL PRINCIPLES – DIRECTORS' ROLES AND RESPONSIBILITIES

In pursuing the company's priority purpose of seeking to create shareholder value, Directors shall perform their duties and make their decisions independently and with full knowledge of the facts. Consistently with this aim, in fulfilling their duties Directors shall also take into account the UniCredit Group guidelines and policies and the benefits deriving from belonging to the Group. Directors shall accept their position only if they believe they can devote sufficient time to the diligent performance of their duties, also bearing in mind the number of positions as director or statutory auditor they hold in other companies listed on regulate markets (both in Italy and overseas), securities firms, banks, insurance companies, or other large corporations. Based on information received from Directors, the Board shall draft an annual report on corporate governance and ownership structures specifying the positions as director or statutory auditor held by Directors in the aforesaid companies.

The Board established the requirements that UniCredit Directors shall possess, in addition to the requirements as set forth by the current laws and regulations, assuring the good functioning of the Board of Directors and the threshold of the number of offices in supervisory, managerial and controlling bodies that UniCredit Directors and Directors of the companies belonging to the Group can hold (i) in companies not belonging to UniCredit Group and (ii) in companies controlled by or associated with UniCredit, as well as the procedure to be followed in case of appointment and whenever the threshold is exceeded, as illustrated in the attachments sub A) "The "profile" of UniCredit Directors" and sub B) "Limit to the maximum number of offices held by UniCredit Directors" that are an integral part of the Regulations.

All Directors are required to preserve the documents and information they acquire in the course of fulfilling their duties in the utmost confidentiality, and to comply with the

procedures adopted by UniCredit for the internal management and public disclosure of such documents and information.

Certain Board members are given special duties in relation to specific matters. In designating these Directors, who meet in committees whose functions include providing advice and recommendations, particular importance is attributed to non-executive and/or independent directors; the Board formally acknowledges such Directors based on the provisions contained in the Articles of Association and the Criteria for the Application of the Corporate Governance Code issued by Borsa Italiana.

3. FUNCTIONING

The Board shall be organised and operate in such a way as to ensure the effective performance of its functions. The Board shall meet at the company's premises, or at any suitable place in Italy or abroad, generally at least on a quarterly basis, as well as whenever the Chairman deems it necessary for a meeting to be convened, or when the Chief Executive Officer or at least three Directors ask the Chairman to convene a meeting. The Board may also be convened on the request of one statutory auditor.

Sufficient notice of meetings must be given to all directors and standing auditors, with the exception of urgency. The notice should include the agenda for the meeting so as to give participants the opportunity to meditate on the issues at hand, unless the matters are confidential. As a rule, at least 48 hours prior to the meeting Directors are also provided with documentation supporting the proposals at hand and any other information that may be required to enable them to express their views advisedly on the matters requiring their decision.

The Chairman shall handle the planning of the Board's workload, in relation to the items placed on the agenda, based on input from the Chief Executive Officer.

The Chairman may decide that Board meetings can be held using tele/video conferencing facilities, provided that all attendees can be mutually identified, are able to speak and be heard in real time during discussions, and can receive, transmit and view all relevant documents.

Staff from UniCredit Group may be invited to attend Board meetings when asked to report on specific issues. In particular, the Head of the Internal Audit function, is required generally to report to the Board either directly or through the Internal Controls and Risks Committee every six months or, in the event of important developments, at the earliest scheduled meeting.

Communications made during the meeting and all resolutions passed by the Board shall be recorded in minutes transcribed into the minutes book and signed by the Chairman of the meeting and the secretary. The minutes shall be submitted to the approval of the next Board meeting and must be available for consultation upon request by Directors and Statutory Auditors. When required by current legislation, a copy of the minutes containing the resolutions taken by the Board shall also be forwarded to the Supervisory Authority.

4. JURISDICTION

The Board is invested with all powers of administration, with the exception of matters required by law to be decided by the Shareholders' Meeting; such powers are to be exercised according to the provisions, duties and jurisdiction set forth by current regulatory and legal provisions, the Articles of Association and the general regulations contained in the Corporate Governance Code issued by Borsa Italiana S.p.A..

Among the aforesaid powers, the Board shall have exclusive jurisdiction on matters pertaining to:

- A) determining the criteria for coordinating and managing Group Companies, and executing the instructions imparted by the Bank of Italy, within the scope of the powers attributed by the relevant laws and regulations to the Holding Company; instructing the Group Companies to this effect and supervising their effective implementation. The Board is also therefore responsible for:
 - A.1) defining the general guidelines for the management of Group development policies with a view to drafting long term strategic, business and financial plans and yearly budgets for the Company and the Group, and for adopting and amending the plans and supervising their proper implementation;
 - A.2) examining and approving the corporate governance system of UniCredit, the corporate structure and governance models/guidelines of the Group;
 - A.3) examining and approving transactions of strategic, economic, equity-related and financial relevance conducted by the Company or the companies belonging to the Group; accordingly, the Board shall define general criteria for identifying transactions of particular relevance, in particular with reference to situations in which one or more directors are interested on their own behalf or on behalf of others, and in general, with reference to transactions with related parties;
 - A.4) approving the acquisition and sale of shareholdings, companies and/or businesses involving investments or divestments that exceed 5% of equity, as recorded in the last set of accounts approved by the Company, and any acquisition or sale of shareholdings that modifies the composition of the Banking Group not included in the business, strategic and financial plans already approved by the Board of Directors, without prejudice to the provisions of article 2361, para. 2, of the Italian Civil Code;
 - A.5) formalising policies for governing risks that the Group may be exposed to, periodically reviewing them to ensure their effectiveness and supervising the actual functioning of risk management and audit processes in compliance with current legal and regulatory provisions. In particular, the Board shall also have jurisdiction over approving policies for managing non-compliance risks;
 - A.6) assessing the adequacy of the organisational, administrative and general accounting structure of UniCredit and its main subsidiaries (to be identified by the

Board of Directors), as arranged by their Chief Executive Officers, with particular reference to the internal audit system and conflict of interest management;

- A.7) defining guidelines for the internal audit system and at least once a year inspecting the adequacy, efficiency and effectiveness of the system, ensuring that all principal corporate risks are being correctly identified and adequately measured, managed and monitored; determining criteria for ensuring the compatibility of such risks with the sound and proper management of the Company. This also requires the Board to:
- approve the guidelines for audit activities, ensuring that the audit function implements the procedures for executing third level audits;
 - define any organisational or personnel changes that may be required to the audit function, with the technical support of the Internal Controls & Risks Committee, and subject to the non-binding opinion of the Chief Executive Officer;
 - at least once a year, having acquired the opinion of the Board of Statutory Auditors and with the technical support of the Internal Controls & Risks Committee, assess the adequacy of the organisational structure and the skills and number of staff operating in the compliance function;
 - analyse periodical reports on the adequacy of the audit and non-compliance risk management system; assess the mechanisms in place for inspecting corporate and Group performance and the relevant accounting details;
 - having acquired the opinion of the Board of Statutory Auditors, approve the appointment/removal of the Head of the Compliance function and of the Head of the Internal Audit function;
 - ensure that the Compliance function is stable and independent, and is able to directly access all Bank and Group Companies activities in addition to any information pertaining to the performance of its duties, also by means of direct conversations with personnel;
 - receive and examine information concerning any significant compliance breaches;
- A.8) defining procedures for the internal management and public disclosure of documents and information concerning the Company, also including price sensitive information;
- A.9) identifying policies concerning the appointment of UniCredit directors and the evaluation of the Board; appointing the directors in the event of cooptation as well as identifying candidates to the position of independent director, to be submitted to the approval of the shareholders' meeting (based also on recommendations received from shareholders);
- A.10) at least once a year, evaluating the size, composition and functioning of the Board and its Committees;

- A.11) defining policies for appointing corporate officers (members of the Board of Directors, Board of Statutory Auditors and Supervisory Board of Group Companies);
- A.12) appointing and removing the Chief Executive Officer, General Manager, Deputy General Managers and other Directors holding strategic responsibilities, Senior Executive Vice Presidents as well as other Heads of Department reporting directly to the Chief Executive Officer;
- A.13) defining policies concerning the appointment and succession planning of the Chief Executive Officer, General Manager, Deputy General Managers and other Directors holding strategic responsibilities as well as Senior Executive Vice Presidents;
- A.14) determining the compensation of UniCredit directors holding specific duties, based on proposals made by the Remuneration Committee and the opinion of the Board of Statutory Auditors, in particular with reference to the compensation of the Chief Executive Officer, and approving Group incentive plans based on financial instruments;
- A.15) based on the compulsory opinion of the Board of Statutory Auditors, appointing and removing the Manager in charge of preparing company's financial reports, including deciding his or her powers, resources and compensation. The Board shall ensure that the aforesaid Manager is granted the powers and resources required to perform the duties attributed as per current legislation, and respects all the relevant administrative and accounting procedures;
- A.16) determining the variable portion of the compensation of the Head of the Compliance function and, subject to the opinion of the Internal Controls & Risks Committee, of the Head of the Internal Audit function, based on criteria and parameters unrelated to the bank's performance;
- B) supervising the general performance of the Company, with particular reference to conflicts of interest; therefore, the Board shall take due notice of information received from delegated corporate bodies and from Board Committees, and periodically compare actual performance with planned performance;
- C) amending the Articles of Association to ensure compliance with applicable legal provisions;
- D) ruling on mergers by incorporation as per articles 2505 and 2505/*bis* of the Italian Civil Code;
- E) ruling on demerger of companies in the situations foreseen by article 2506/*ter* of the Italian Civil Code;
- F) reducing equity in the event of shareholder withdrawals;
- G) specifying which directors may represent the company, besides those indicated in the Articles of Association;

- H) making decisions concerning the organisational structures of the Company and related internal rules and regulations, which the regulations of the Board of Directors determine to be relevant. The latter, with regard to the provision of investment services, include approval of the organisational structure and attribution of the Holding Company's tasks and responsibilities, also in relation to those of the Companies belonging to the Group;
- I) establishment of Board committees;
- J) ruling on the establishment and closing of secondary headquarters, branches, however named, and representative offices.

In addition to the above listed matters that come under its exclusive jurisdiction, the Board of Directors shall also decide on:

- a) the Group yearly capital allocation;
- b) approving policies and processes related to the provision of investment services, periodically inspecting the adequacy of such services and assessing procedures put in place for ensuring their implementation; also as regards the provision of investment services, at least once a year inspecting the organisational structure and attribution of the Holding company's tasks and responsibilities, also in relation to those of the Companies belonging to the Group;
- c) appointing corporate officers (members of the Board of Directors, Board of Statutory Auditors and Supervisory Board) of the main Group Companies;
- d) defining policies concerning the appointment and succession planning of the members of the Group Management Team (Executive Vice Presidents) and Leadership Team (Senior Vice Presidents);
- e) defining the compensation structure of the Chief Executive Officer, General Manager and Deputy General Managers; the compensation policy for the Senior Executive Vice Presidents, Group Management Team (Executive Vice Presidents), Leadership Team (Senior Vice Presidents), Heads of Department reporting directly to the Chief Executive Officer, and Corporate Officers' remuneration policy (members of the Board of Directors, Board of Statutory Auditors and Supervisory Board of the Group Companies).

Lastly, the Board hold exclusive jurisdiction for reporting to shareholders at their general meetings.

The Board may attribute, amend and withdraw powers, define limitations to and methods of exercising the said powers, and decide on the frequency with which delegated bodies must report to the Board on activities performed in the exercise of powers granted to them.

5. DELIBERATION AND DECISIONS

The Board may only validly deliberate and vote provided that the majority of its members are present or represented at the meeting.

All directors must report any interests which they may have on their own behalf or on behalf of third parties in the transaction being voted on, and disclose all the relevant details in accordance with applicable regulatory provisions.

Board Members are entitled to have their No votes or Abstentions, and relative motives, placed on record in the minutes of the meeting.

Board resolutions are passed by majority vote, excluding abstentions, and in the event of a tie, the Chairman shall have the casting vote.

Decisions adopted by the Board of Directors regarding management guidelines and the Group's main strategic initiatives, shall be illustrated by the Chief Executive Officer during Management Board meetings scheduled as envisaged by the Group Regulations for disclosure and advisory purposes.

6. COMMITTEES APPOINTED BY THE BOARD OF DIRECTORS

To ensure that the Board is well informed and advised and can thus effectively assess specific matters falling within its jurisdiction, four committees have been created with the power to provide advice and make proposals; the committees feature limited membership and focus on separate issues. Committees may operate according to procedures considered appropriate and may inter alia split into Sub-Committees.

Committees shall meet regularly and whenever special needs require; Committee meetings will be validly convened when the majority of the members of the Committee attend. Should the Chairman so decide, Committee meetings may be held via tele/video conferencing systems, provided that all attendees can be mutually identified, are able to speak and be heard in real time during discussions, and can receive, transmit and view all relevant documents.

Committee resolutions shall be transcribed briefly by the Secretary, who need not be a member of the Committee; if the Secretary is absent or otherwise prevented from performing this task, the person chairing the meeting will designate a replacement. The minutes contains the reasons for the disagreement expressed by the Committee's members. The Secretary shall preserve the minutes of the meeting for consultation by absent Committee members, Directors and Statutory Auditors.

Each Committee shall draw up its own regulation in keeping with its specific needs.

Members of the Group's Management may be requested to attend Committee meetings to report on specific issues.

Each Committee shall be assigned a budget which may be supplemented to meet specific needs.

A) Permanent Strategic Committee

This Committee is comprised of 10 members, the majority of whom shall be non-executive. Committee members shall ensure that any other corporate positions they may hold in other companies are compatible with the commitment, time and effort required by their office.

The Chairman of the Board and Chief Executive Officer are members by right. The other members shall be chosen based upon their expertise and willingness to accept the office. The Chairman of the Committee is the Chairman of the Board. In principle, the meetings shall be scheduled on a monthly basis (generally one week before each Board meeting) but could be convened whenever necessary to discuss a topic that fall within the scope of the Committee's duties. The meetings will normally be called by the Chairman; however, any two or more Members or two Statutory Auditors can also call a meeting. In this latter case, all the Statutory Auditors are entitled to attend.

The Committee's role is to provide advice and make proposals. The main task of the Permanent Strategic Committee is to provide the Board of Directors with opinions concerning proposals formulated by the CEO to the Board concerning:

- a) the Group 3 Year Plan;
- b) Group yearly budget;
- c) Group yearly capital allocation;
- d) Group yearly strategy related to transactions involving shareholdings (M&A/reorganisations);
- e) approval of transactions on shareholdings above a certain limit (300 million euros for transactions in high-risk countries, and 500 million euros for transactions in low-risk countries);
- f) extraordinary capital allocations and dividend policy, both for the Holding Company and the Group Companies, unless already included in the annual general Capital Allocation guidelines indicated under para. c) above;
- g) other transactions/initiatives of strategic relevance to the Group, such as: decisions to enter new geographical and business markets, high-profile joint ventures with industrial and/or financial Groups.

B) Internal Controls & Risks Committee

The Committee shall be comprised of nine non-executive directors, the majority of whom shall be independent directors.

The Chairman and the Senior Vice Chairman of the Board of Directors shall be members by right. At least one member of the Committee shall be chosen from those elected on minority lists - if presented - in order to ensure greater transparency, responsibility and participation by the various kinds of shareholders. Committee members shall be chosen on the basis of their expertise and willingness to accept the office. The members of the Internal Controls & Risks Committee shall ensure that any other corporate office they accept in other companies is compatible with the commitment and time requirement of Committee membership.

The Chairman shall be elected from among the members other than those that are members by right.

The Committee shall exercise a consultative and proposing function and carry out its duties in plenary session or in Sub-Committees set up within itself with limited membership: (i) the Internal Controls Sub-Committee, (ii) the Risks Sub-Committee and (iii) the Related-Parties Transactions Sub-Committee.

The Internal Controls Sub-Committee and the Risks Sub-Committee shall each comprise six members and shall be chaired by the Internal Controls & Risks Committee Chairman, who shall be a member by right of each Sub-Committee together with the Chairman of the Board of Directors and the Senior Vice Chairman. The Related-Parties Transactions Sub-Committee shall comprise three members having the requisites of independence as defined by the Corporate Governance Code of Borsa Italiana and shall appoint a Chairman from among them.

The Internal Controls & Risks Committee shall normally meet monthly and shall hold a plenary session at least twice a year. The Internal Controls and Risks Sub-Committees shall normally convene on alternate months.

However meetings are called whenever deemed necessary to discuss on relevant topics.

In any event meetings - whether plenary or of the Internal Controls and the Risks Sub-Committees - shall normally be called by the Internal Controls & Risks Committee Chairman; however, any two or more Members or two Statutory Auditors may also call a meeting. In this latter case, all the Statutory Auditors are entitled to attend. The Related-Parties Transactions Sub-Committee shall be called by its Chairman whenever deemed necessary.

In order to carry out its duties, the Internal Controls & Risks Committee shall rely on efficient tools and sufficiently detailed information flows provided by the competent functions, such as to enable the Committee to make all necessary judgments.

The Chairman of the Board of Statutory Auditors or another Statutory Auditor designated by the Chairman of the Board of Statutory Auditors shall attend the meetings of the Internal Controls & Risks Committee and the Internal Controls and the Risks Sub-Committees. Other Statutory Auditors may be invited to attend, along with members of the external auditing firm.

Committee meetings, whether plenary or of the Internal Controls and the Risks Sub-Committees, shall be attended by the Chief Executive Officer, the Heads of Internal Audit and Compliance, the Chief Risk Officer and the Chief Financial Officer, as standing invitees.

The Committee shall establish appropriate relations with the Board of Statutory Auditors in order to carry out activities deemed to be common to the two bodies, each handling the aspects that come within its specific scope.

The matters to be addressed by the Committee in plenary session and by its Sub-Committees are listed below.

However, the Chairman of the Committee may, on the basis of the importance or urgency of any matter, decide to include it in the agenda of the next suitable meeting of the Committee whether plenary or of the Internal Controls and the Risks Sub-Committees. The duties of the Committee shall in any case cover all the risk and control matters within the competence of the Board of Directors.

1. PLENARY MEETINGS: DUTIES OF THE COMMITTEE

The Internal Controls & Risks Committee shall, in its plenary meetings:

- a) support the Board of Directors in defining the guidelines for the internal audit system and at least twice a year in assessing the adequacy, efficiency and effectiveness of the system, by ensuring that all the main corporate risks are being correctly identified and adequately measured, managed and monitored;
- b) examine the half-yearly situations and the annual accounts (both of UniCredit S.p.A. stand-alone and consolidated), based on the reports received from the Manager in charge of drafting the corporate and financial statements, also to verify the proper application and consistency of accounting standards for the purposes of the consolidated financial statements;
- c) examine the guidelines for drawing up the annual budget prepared by the competent function;
- d) support the Board of Directors in determining criteria for ensuring the compatibility of corporate risks with sound and proper management of the Company (risk appetite);
- e) support the Board of Directors in formalising policies for the management of the risks to which the Group is exposed and periodically reviewing them to ensure their long-term effectiveness;
- f) analyse periodical reports prepared by control functions in respect of compliance with regulatory and legal requirements;
- g) assess the work carried out by the Group's external auditing firm(s) and the results set out in their report(s) and Management letter(s);
- h) analyse the reports on their activities made by the management control coordination committees;
- i) establish functional links with similar committees Groupwide.

The Internal Controls & Risks Committee shall report on its activities to the Board after each meeting, and at least every six months, when it meets to approve the financial statements and the interim reports, on the adequacy of the internal control system.

2.1 DUTIES OF THE INTERNAL CONTROLS SUB-COMMITTEE

The Internal Controls Sub-Committee shall cover all control matters, by:

- j) overseeing the Compliance function to ensure that it implements the compliance risk management policies defined by the Board, and that the Internal Audit function implements the Board's guidelines in respect of conducting third level audits;
- k) assessing any remarks contained in the reports received from the Internal Audit and Compliance functions, or from the Board of Statutory Auditors of the companies belonging to the Group, or from third party investigations and/or analyses;
- l) analysing Group guidelines for Audit activity, assessing the adequacy of the annual audit plan prepared by the Head of Internal Audit and, where necessary, requesting that specific audits be performed;
- m) analysing Group guidelines on the matters within the competence of Compliance and monitoring their adoption and implementation;
- n) analysing the periodical reports produced by the control functions Internal Audit and Compliance, however not with reference to legal and regulatory requirements;
- o) assessing the qualitative and quantitative adequacy of the organisational structure of the Compliance and Internal Audit functions and requesting the head of each function to propose changes to their respective organisations, to be implemented, for Compliance, by the CEO and for Internal Audit by the Head of Internal Audit, the latter's proposals to be accompanied by a non-binding opinion of the CEO;
- p) advising on the proposals made by the Chairman of the Board of Directors on the appointment or replacement of the heads of the Internal Audit and Compliance, as well as the variable component of their compensation;
- q) examine the quarterly situations.

2.2 DUTIES OF THE RISKS SUB-COMMITTEE

The Risks Sub-Committee shall cover all risk matters, by:

- r) examining the Group risk assessment;
- s) supporting the Board of Directors in its oversight of the actual functioning of the risk management and control processes (in respect of credit risk, market risk, liquidity risk and operational risk) in compliance with legal and regulatory requirements; and, with regard to credit risk, assisting the Board of Directors in monitoring concentration risk, by industry and individual names;
- t) analysing the periodical reports produced by the Risk Management function, however not with reference to legal and regulatory requirements.

2.3 DUTIES OF THE RELATED-PARTIES TRANSACTIONS SUB-COMMITTEE

This Sub-Committee shall cover all related-parties transaction matters within the role prescribed by legal and regulatory rules, by:

- providing opinions on procedures and procedural changes whereby related-parties transactions are identified and managed in UniCredit and Groupwide;
- providing grounded opinions in respect of related-parties transactions in UniCredit and Groupwide as to the interest of the company that such transaction be completed and the correctness of their terms and conditions;
- being obligatorily involved in large transactions - through the representation of one or more members appointed for this task - during negotiation and origination, obtaining complete and timely information, as well as the option to request information and convey its observations to the delegated bodies and the persons charged with negotiating or originating the transaction.

In respect of each individual transaction, Sub-Committee members shall not be related either to the counterparty or to the related parties involved.

If one Sub-Committee member is the counterparty (or related to the counterparty), he/she shall promptly inform the Chairman of the Board of Directors and the Sub-Committee Chairman and refrain from taking part in the further business of the Sub-Committee in respect of the relevant transaction. In this event the Chairman of the Board of Directors, having gathered the opinion of the Sub-Committee Chairman, shall contact and then appoint without delay another member of the Internal Controls & Risks Committee having the requirements of independence as defined by the Corporate Governance Code of Borsa Italiana, such that the Related-Parties Transactions Sub-Committee shall comprise three non-related members having the requirements of independence. Should such substitute member not be available within the Internal Controls & Risks Committee, the Chairman of the Board of Directors, having gathered the opinion of the Sub-Committee Chairman, may nominate the substitute from among other independent and unrelated Directors.

Substitutes shall receive all the information provided to the other members of the Sub-Committee in good time ahead of the meeting called to express an opinion on the transaction in question.

The decisions taken by the Related-Parties Transactions Sub-Committee shall be attributable solely to its members.

C) Corporate Governance, HR and Nomination Committee

This Committee consists of 7 members, the majority of whom shall be non-executive and independent.

Committee members shall ensure that any other corporate positions they may hold in other companies are compatible with the commitment, time and effort required by their office.

The Chairman of the Board and Chief Executive Officer are members by right. The other members shall be chosen based upon their expertise and willingness to accept the office. The Chairman of the Committee is the Chairman of the Board. In principle, Committee meetings shall be scheduled on a monthly basis (generally one week before each Board meeting) but may be called whenever it is necessary to discuss a topic that falls within the scope of the Committee's duties. Committee meetings shall be called by the Chairman.

The Committee's role is to provide advice and make proposals. In particular, the Committee shall provide the Board of Directors with opinions concerning proposals formulated by the Chairman/CEO to the Board concerning:

- a) the definition of UniCredit's corporate governance system, the corporate structure and governance models/guidelines of the Group;
- b) the definition of policies for appointing UniCredit Directors and policies for evaluating the Board of Directors;
- c) the appointment of the Chief Executive Officer, General Manager, Deputy General Managers and other Directors holding strategic responsibilities, Senior Executive Vice Presidents as well as other Heads of Department reporting directly to the Chief Executive Officer;
- d) the definition of policies concerning the appointment and succession planning of the Chief Executive Officer, General Manager, Deputy General Managers and other Directors holding strategic responsibilities, Senior Executive Vice Presidents, Group Management Team (Executive Vice Presidents) and Leadership Team (Senior Vice Presidents);
- e) the definition of policies for appointing corporate officers (members of the Board of Directors, Board of Statutory Auditors, and Supervisory Board of Group Companies);
- f) the appointment of corporate officers (members of the Board of Directors, Board of Statutory Auditors, and Supervisory Board) of the Main Group Companies;
- g) the designation of candidates to the position of director of UniCredit in the event of cooptation, and of candidates to the position of independent director to be submitted to the approval of the UniCredit shareholders' meeting, based also on recommendations received from shareholders;
- h) the appointment of members of the UniCredit Board Committees, upon the proposal of the Chairman.

D) Remuneration Committee

This Committee consists of 7 members, the majority of whom shall be independent. Committee members shall ensure that any other corporate positions they may hold in other companies are compatible with the commitment, time and effort required by their office.

The Chairman and Senior Vice Chairman of the Board of Directors are members by right. The other members shall be chosen based upon their expertise and willingness to accept the

office. The Chairman of the Committee is the Chairman of the Board. In principle, Committee meetings shall be scheduled on a quarterly basis, but may be called whenever it is necessary to discuss a topic that falls within the scope of the Committee's duties. Committee meetings shall be called by the Chairman.

The Committee's role is to provide advice and make proposals. The main task of the Remuneration Committee is to provide the Board of Directors with opinions concerning proposals formulated by the CEO to the Board concerning:

- a) the remuneration of UniCredit Directors who hold specific duties, and especially the remuneration of the CEO;
- b) the remuneration of UniCredit's Managing Director, in the event that the Managing Director is also the CEO;
- c) the remuneration structure of the CEO, General Manager and Deputy General Managers;
- d) the remuneration policy for the Senior Executive Vice Presidents, Group Management Team (Executive Vice Presidents), Leadership Team (Senior Vice Presidents) and Heads of Department reporting directly to the Chief Executive Officer;
- e) approval of Group incentive plans based on financial instruments;
- f) the remuneration policy for corporate officers (members of the Board of Directors, Board of Statutory Auditors, and Supervisory Board of Group Companies).

In the cases specified under letters a) and b), the proposals that the Committee will be called upon to express its opinion on will be formulated by the Chairman.

The Committee members about whose remuneration the Chairman must express his opinion in respect of their specific positions, shall not attend meetings scheduled to discuss the proposal concerning the aforesaid remuneration.

**ATTACHMENTS TO UNICREDIT
BOARD OF DIRECTORS' RULES AND
REGULATIONS**

THE "PROFILE" OF UNICREDIT DIRECTORS

a) Professional experience requirements

In compliance with the Corporate Governance Code and Supervisory Provisions issued by the Bank of Italy concerning the organisation and governance of banks, it is the belief of the Board of Directors that in order to ensure the effective functioning of the Board, directors should be chosen with due consideration to the size of the UniCredit Group, the complexity and specificity of the sector in which it operates and the international scope of its business activities. Accordingly, the Board has identified certain areas of competency that it believes should be represented on the Board, and requires directors to possess – in addition to the experience requirements as set forth by Ministerial Decree nr. 161 dated 18/03/1998 - adequate knowledge of and experience in preferably two or more of the following areas of competency:

- Familiarity with the banking business and with the management and risks associated with the banking sector: gained through several years of experience as a director, manager or statutory auditor in the financial services sector
- Experience in managing and organising a large corporation: gained through several years of experience as a director, manager or auditor in large scale corporations or groups
- The ability to read and interpret the financial statements of a financial institution: gained through several years of experience as a director, manager or auditor of companies in the financial services sector or in performing professional activities or as university lecturer
- Corporate skills (audit, legal, etc.): gained through several years of experience in auditing or control management with large scale companies or in performing professional activities or as a university lecturer
- International exposure and familiarity with international markets: gained by performing the duties of an entrepreneur or professional over several years in international institutions or agencies, corporations or groups that operate in an international arena

- Familiarity with the socio-political situations and stock markets of the countries in which UniCredit Group has a strategic presence: gained through activities spanning several years in public or private companies or institutions or through research or studies conducted at research centres.

b) Integrity requirements

- Considering the importance of integrity requirements from the reputational standpoint, the Board of Directors recommends that candidates appointed as UniCredit directors beyond possessing the integrity requirements envisaged by both Min. Decree nr. 161 dated 18/03/1998 and Min. Decree nr. 162 dated 30/03/2000, should not be in any situation that might determine a discontinuance of their functions as a director pursuant to section 6 of Min. Decree nr. 161 dated 18/03/1998, and
- have not displayed behaviour which, while not constituting a crime, does not appear to be compatible with the office of a bank director or could seriously jeopardise the reputation of the bank.

Annex B)

LIMIT TO THE MAXIMUM NUMBER OF OFFICES HELD BY UNICREDIT DIRECTORS

1. DETERMINATION OF A FIX THRESHOLD TO THE NUMBER OF OFFICES IN SUPERVISORY, MANAGERIAL AND CONTROLLING BODIES THAT UNICREDIT DIRECTORS CAN HOLD (OUTSIDE THE UNICREDIT GROUP)

1. Chief Executive Officer

- no offices as executive and no more than 2 offices as non-executive or as member of controlling bodies in listed companies, banks, financial and insurance companies or large size companies
- no more than 5 offices overall

2. Chairman

- no offices as executive and no more than 3 offices as non-executive or as member of controlling bodies in listed companies, banks, financial and insurance companies or large size companies in which UniCredit does not hold an equity interest
- no more than 5 offices as non-executive or as member of controlling bodies in the companies mentioned above if there are offices in companies in which UniCredit holds an equity interest of more than 5%
- no more than 8 offices overall

3. Non-executive Directors

- no more than 3 offices as executive
- no more than 5 offices in listed companies, banks, financial and insurance companies or large size companies if the director holds any executive offices
- no more than 7 offices in listed companies, banks, financial and insurance companies or large size companies if the director does not hold any executive office
- no more than 10 offices overall

Explanatory notes

- The following positions are defined **offices as executive**:
 - Chief Executive Officer
 - Member of the Management Board
 - Chairman of the Board of Directors or of the Supervisory Board
 - General Manager
- The following positions are defined **offices as non-executive** or as **member of controlling bodies**:
 - Member of the Board of Directors without delegated powers
 - Member of the Supervisory Board
 - Member of the Board of Statutory Auditors
- The Chairman and the Chief Executive Officer are not allowed to accept offices as members of a Board of Statutory Auditors
- Up to 4 offices held as director or as member of controlling bodies within the same Group (outside of the UniCredit Group) shall be counted as 1 office as executive in listed companies, banks, financial and insurance companies or large size companies; over 4 offices shall be counted as 2 offices as executive in listed companies, banks, financial and insurance companies or large size companies
- The term “large size company” refers to companies with:
 - consolidated revenues in excess of 500 million euros
 - or
 - more than 500 employees
- Besides other offices that are legally defined as incompatible, the rule remains that offices of political or trade-union nature are also incompatible.

2. PROCEDURE TO BE FOLLOWED IN CASE OF APPOINTMENT AND WHENEVER THE THRESHOLD IS EXCEEDED

- Candidates to a seat on the UniCredit Board of Directors must supply the Board with an up to date list of any offices held as director, and as member of controlling bodies. Following their appointment, directors must notify the Board before accepting the

office of director, or member of controlling bodies in other companies subject to limits on the maximum number of offices.

- If the appointment concerns an office in a banking, insurance or financial company (outside UniCredit Group) the Corporate Governance HR and Nomination Committee shall give its advise on the compatibility of such appointment with the office held in UniCredit, provided that the authorization to take up posts as director or general manager in competing companies shall be granted by the shareholders' meeting pursuant to Sect. 2390 of the Italian Civil Code.
- If the limit is exceeded, the Board of Directors evaluates the situation in the interests of the company, and invites the director to take the relevant decisions.
- In case of offices into companies within the UniCredit Group or appointments into companies in which UniCredit holds an equity interest, the Board of Directors must first examine whether the office is in compliance with the limits on the number of offices allowed, and if the limit is exceeded after the appointment, take the relevant determinations.

LIMIT TO THE MAXIMUM NUMBER OF OFFICES HELD BY BOARD MEMBERS

UniCredit	Listed companies and/or banking, financial, insurance companies and/or large companies (Italy and abroad)		Overall offices
	Executive offices ¹	Non-executive offices or positions in controlling bodies ²	
Chief Executive Officer	No	2 ³	
	Executive offices	Non-executive offices or positions in controlling bodies	
Chairman	No	if the offices are held in companies in which UniCredit DOES NOT hold an equity interest	if at least 1 office is held in companies in which UniCredit holds an equity interest of at least 5%
		3 ⁴	5 ⁴
	Executive offices	Non-executive offices or positions in controlling bodies	
Non-executive Directors	3	If executive offices are also held	
		5	
		If executive offices are NOT held	
		7	
		10	

¹ Executive offices are defined as: Chief Executive Officer, Member of the Management Board, Chairman of the Board of Directors or of the Supervisory Board, General Manager

² Non-executive offices are defined as: Member of the Board of Directors without delegated powers, Member of the Supervisory Board, Member of the Board of Statutory Auditors

³ The Chief Executive Officer shall not be member of Board of Statutory Auditors

⁴ Chairman shall not be member of Board of Statutory Auditors