

# Sidepaths

2019 Group Compensation Policy

## Highlights 2018



## 2018 Results and Compensation Decisions

[Highlights 2018](#)
[Deep Dive on performance and pay](#)

Section I, par. 1.11-1.12 / Section III, chap. 1 & par. 5.2

### Update on Transform 2019 Execution

*Transform 2019* continues to be well ahead of schedule and is delivering tangible results, underpinned by strong commercial performance. See more in [2016-2019 Strategic Plan Transform 2019](#).

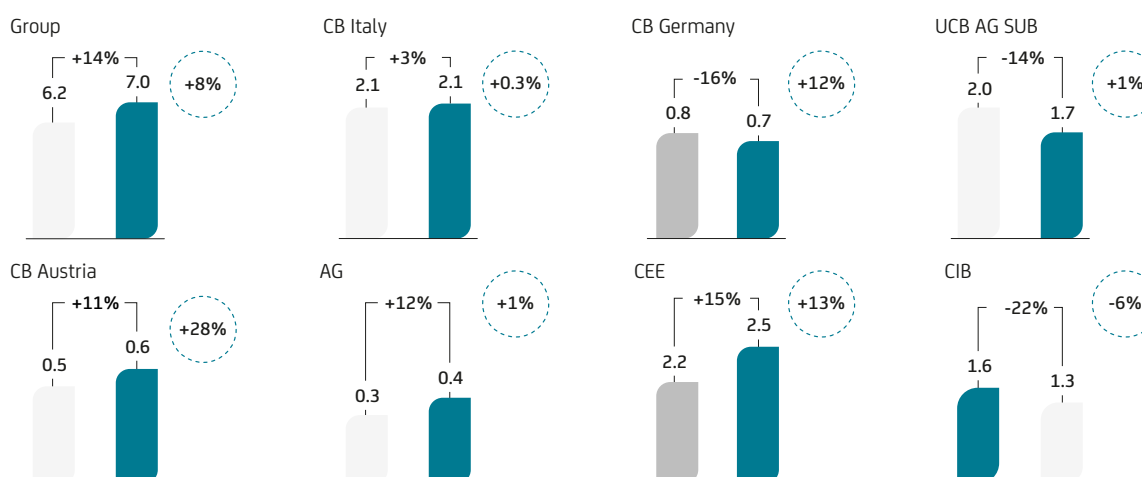
### 2018 Results

The bonus pools dimension for each cluster is related to the actual profitability measures multiplied for the bonus pool funding rate defined in the budgeting phase. This calculation determines the so called “theoretical bonus pool”.

The “theoretical bonus pool” for each cluster was adjusted accordingly to the actual trend of performance of the respective segment.

#### Bonus pool performance metrics (pre bonus)

● FY 2017 ● FY 2018 ● % vs 2018 budget



Data in bn.

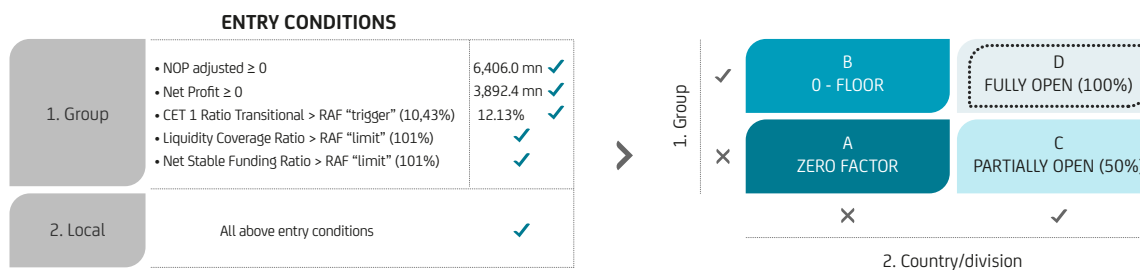
Bonus pool performance metrics pre bonus: Net Operating Profit (Commercial Banking Italy, Commercial Banking Germany, UCB AG SUB, Commercial Banking Austria, CEE); Net Operating Profit Group; Profit Before Taxes (AG); GOP-EL-CoC (CIB).

% vs. 2018 budget calculated neutralizing exchange rate effects.

## 2018 Group Incentive System Rules Application and Bonus Pool Distribution

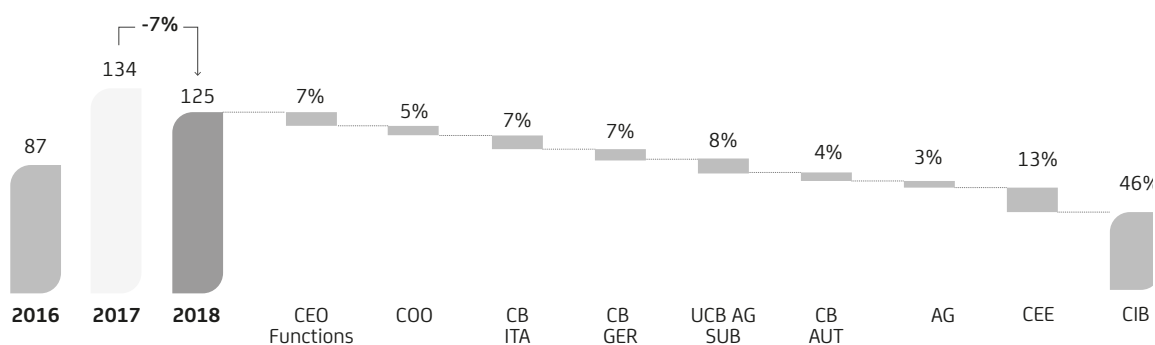
### 2018 Group Incentive System rules application

According to the actual results, approved by the Board of Directors on February 6, 2019, the relevant Entry Conditions have been achieved both at group level and local level. All the 9 bonus pools are in the “fully open 100%” scenario.



### 2018 Bonus pool distribution by segments (~ 1,100 Identified Staff)

The Board of Directors approved the bonus pool amounts mainly grounded on performance results as per Remuneration Committee proposal.



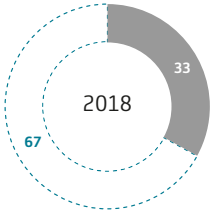
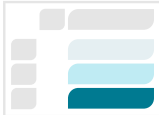
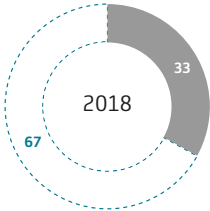
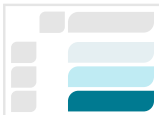
Data in mln Euro. 2018 not including 2017-2019 LTI pro-rata grant (not awarded) equal to 25 mln Euro.

No annual bonus for the group CEO and the former GM. 2018 assessment and payment for the other Executives with strategic responsibilities have been reviewed by the Remuneration Committee and approved by the Board of Directors, heard the Statutory Auditors and Internal Controls and Risks Committee as relevant.

See more in [Incentive System linked to the Annual Performance](#).

## Compensation for Group CEO and former GM

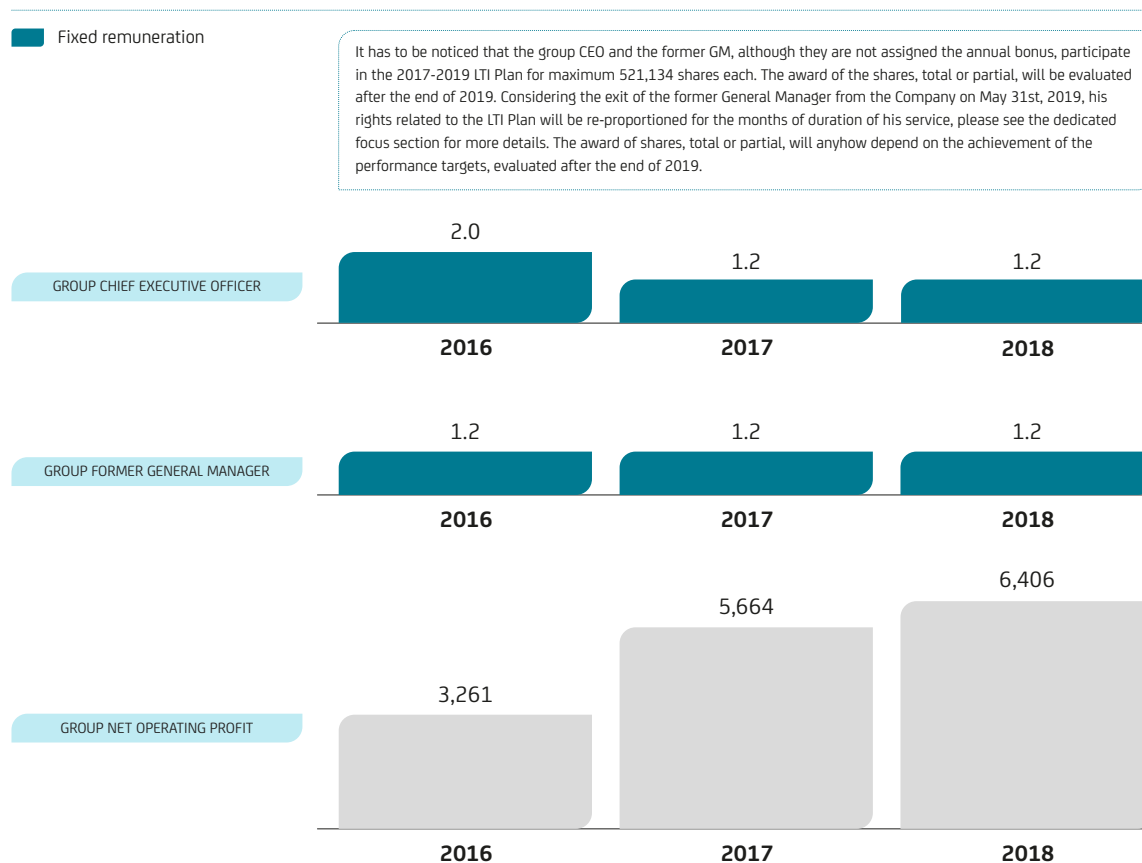
### Overview

Pay component	2018 Payout	Target	Vehicles, vesting and payout	Theoretical Pay Mix
GROUP CHIEF EXECUTIVE OFFICER				
Fixed Remuneration	€ 1.2 m	n.a.	Cash	 <p>2018</p> <p>67</p> <p>33</p> <p>● Fixed compensation 🔗 LTI pro-rata grant (not awarded)</p>
Annual Bonus	No annual bonus is envisaged during the Strategic Plan horizon. Until 2019, the variable remuneration is covered by the 2017-2019 LTI Plan, tied to the Strategic Plan targets.			
2017 - 2019 LTI Plan	The actual evaluation of the overall LTI Plan and the allocation of the possible award will be carried out after the end of 2019.	<p>LTI SCORECARD</p> 	<ul style="list-style-type: none"><li>• 100% UniCredit shares (max 521,134)</li><li>• Cliff vesting of the award</li><li>• 3 performance years + 3 deferral years + 1 additional compulsory holding year</li><li>• Total 7 years of exposure to market price</li></ul>	
FORMER GROUP GENERAL MANAGER				
Fixed Remuneration	€ 1.2 m	n.a.	Cash	 <p>2018</p> <p>67</p> <p>33</p> <p>● Fixed compensation 🔗 LTI pro-rata grant (not awarded)</p>
Annual Bonus	No annual bonus is envisaged during the Strategic Plan horizon. His variable remuneration is covered by the 2017-2019 LTI Plan (pro-rata temporis <sup>1</sup> ), tied to the Strategic Plan targets.			
2017 - 2019 LTI Plan	The actual evaluation of the overall LTI Plan and the allocation of the possible award will be carried out after the end of 2019.	<p>LTI SCORECARD</p> 	<ul style="list-style-type: none"><li>• 100% UniCredit shares (pro-rata temporis)</li><li>• 3 performance years + deferral years + additional compulsory holding years</li><li>• Total 6,2 years of exposure to market price</li></ul>	

For more details, see [2017-2019 LTI Plan](#).

## Link between pay and performance

In the following picture, the remuneration of the CEO and the former GM is represented in connection to the performance of UniCredit over the last three years:



Data in mln.

2016 group Net Operating Profit adjusted excluding ~ € -8.3 bn one offs respectively referred to additional LLP (~8.0 bn), Operating Costs one-offs, mainly IT related (~0.6 bn) and Revenues one offs (~+0.3 bn), mainly related to Visa Europe gain.

## Compensation Structure

[Highlights 2018](#)
[Strategy and Policy](#)

### 2018 Summary Table

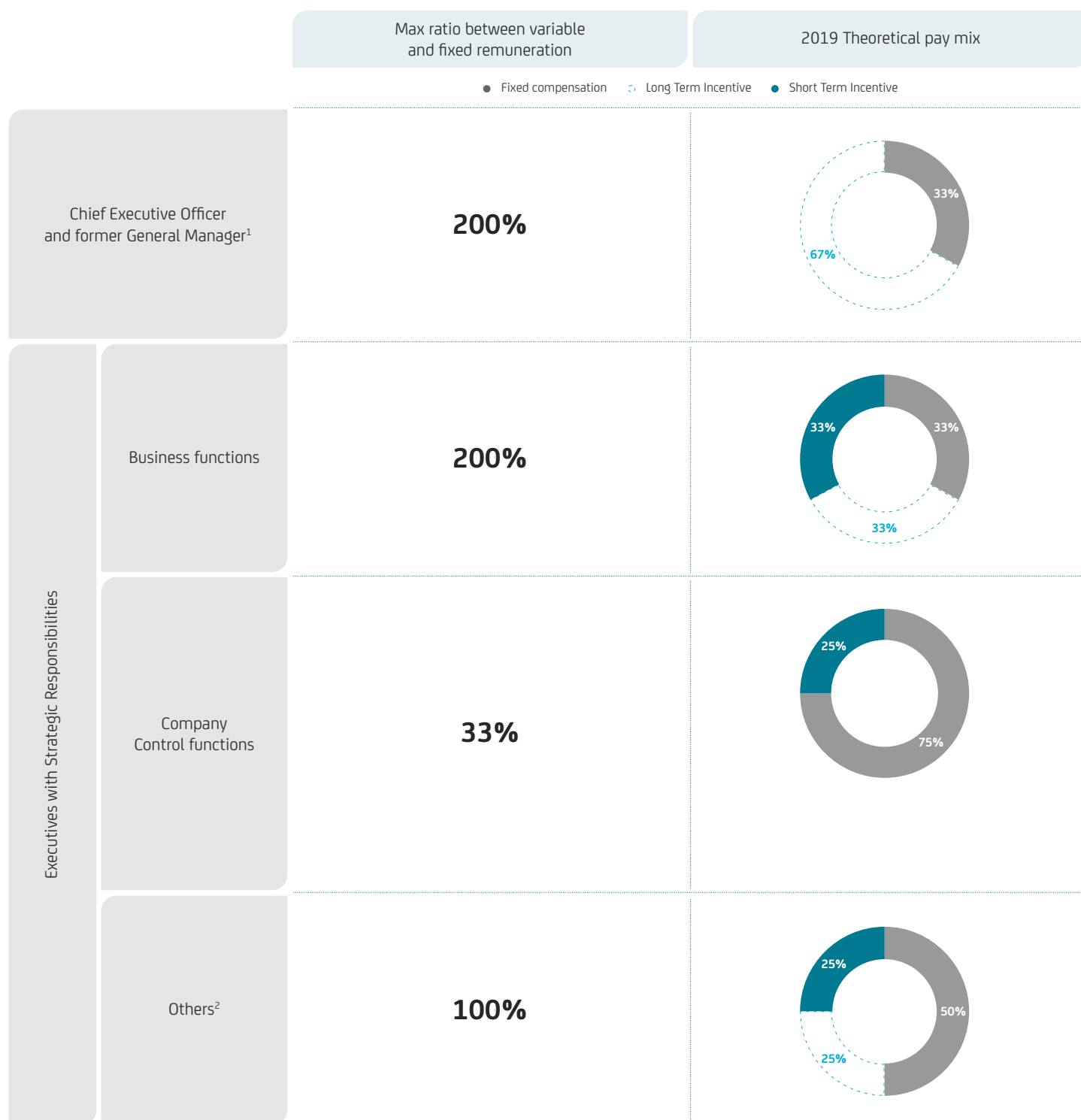
Component	Group CEO and former GM	Other Identified Staff (MRTs) (~ 1,100)	Chairman of the Board of Directors
Fixed Remuneration	€ 1.2 m for the CEO, including director's remuneration € 1.2 m for the former GM	~ € 231 m full year gross	€ 0.87 m total fixed, including attendance fees
Short Term Incentive System	No annual bonus for CEO and former GM is envisaged during Strategic Plan horizon. Until 2019, their variable remuneration is covered by the 2017 - 2019 LTI Plan, tied to Strategic Plan targets	~ € 127 m variable 2018 to be paid over a period up to 6 years, in cash and shares, subject to malus and claw-back clauses	—
Long Term Incentive Plan	Actual evaluation of the overall LTI Plan and allocation of the possible award to be carried out after the end of 2019. Under the 2017-2019 LTI Plan, max 5,320,443 shares to be allocated to potential beneficiaries (CEO and former GM max 521,134 shares each). Considering the exit of the former General Manager from the Company on May 31, 2019, his rights related to the LTI Plan will be re-proportioned for the months of duration of his service. The award of shares, total or partial, will anyhow depend on the achievement of the performance targets, evaluated after the end of 2019.		—
Termination (Severance) and sign-on payments	The CEO Jean Pierre Mustier declared he will renounce to any severance payment for any reason of separation from the bank	~ € 27 m	—

# Ratio between Variable and Fixed Compensation

[Highlights 2018](#)
[Strategy and Policy](#)

Section II, par. 3.1 / Section III, chap. 4

In compliance with the regulatory requirements, the **maximum limit to the ratio between variable and fixed components of the remuneration** has been set, based on different employees' categories.



1. Considering the exit of the former General Manager from the Company on May 31, 2019, his rights related to the LTI Plan will be reproporioned for the months of duration of his service.
2. For Human Resources function the variable compensation is narrower than the fixed one.

# Identified Staff (Material Risk Takers)

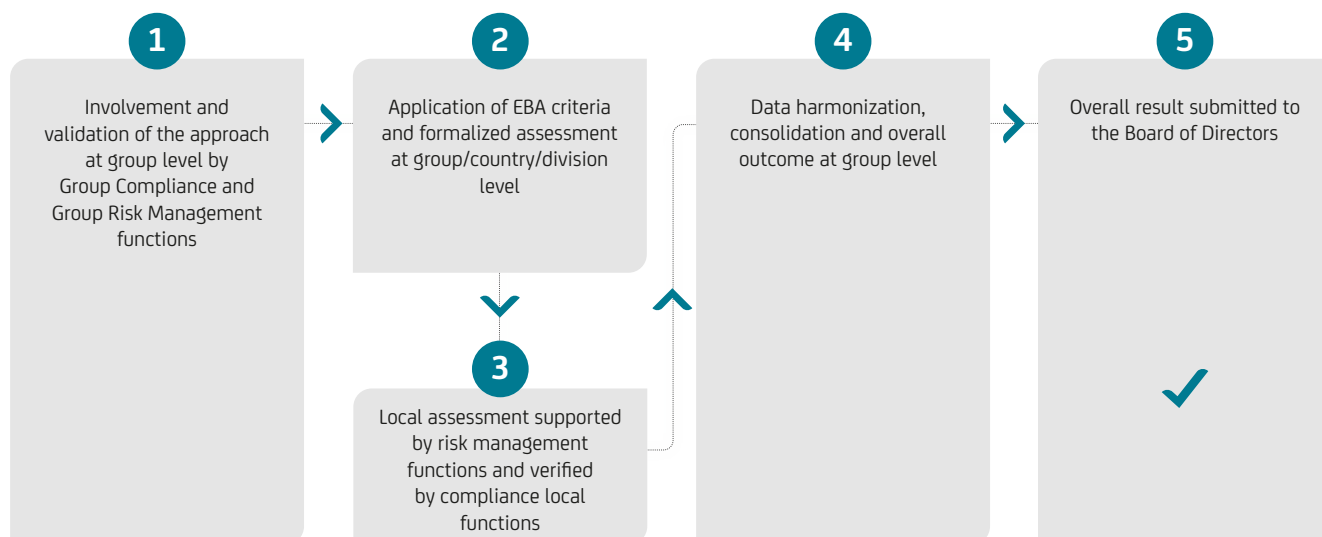
[Highlights 2018](#)
[Governance and Processes](#)

Section II, par. 2.7 / Section III, par. 5.1

[Deep Dive on Remuneration and sound risk management](#)

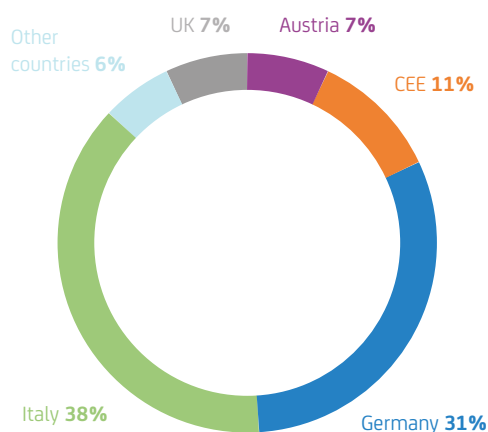
Identified Staff (or Material Risk Takers, i.e. those categories of personnel whose professional activities have a material impact on an institution's risk profile) definition follows a **structured and formalized assessment process** both at group and local level, as requested by the regulators.

## Identification process



## 2019 Identified Staff population

### Geographical distribution of Identified Staff



### Breakdown by business<sup>1</sup>

Max Var/Fix remuneration ≤ 1  
Max Var/Fix remuneration > 1<sup>2</sup>

Nr. of Group Identified Staff by business (% on total group Identified Staff)

GMRT vs FTEs 2018

Business	Max Var/Fix remuneration ≤ 1	Max Var/Fix remuneration > 1 <sup>2</sup>	Nr. of Group Identified Staff by business (% on total group Identified Staff)	GMRT vs FTEs 2018
CIB	3%	97%	304 (32%)	0.35%
CBK GER	51%	49%	202 (21%)	0.23%
CBK ITA	50%	50%	125 (13%)	0.14%
CEE	65%	35%	124 (13%)	0.14%
CEO	96%	4%	116 (12%)	0.13%
COO	93%	7%	45 (5%)	0.05%
CBK AUT	83%	17%	23 (2%)	0.03%
ASSET GATHERING	57%	43%	14 (1%)	0.02%

Identified Staff data refer to the population as per January 2019 providing for an ex-ante definition in line with Regulatory requirements.

1. All absolute figures are rounded up/down to nearest tenth.

2. Percentage of GMRT with Max Var/Fix > 1 on the total staff is equal to 0.6%.



Total number of Identified Staff as of January 2019: ~ 1,000





## Incentive System linked to the Annual Performance

Section II, par. 4.2.1 / Section III, par. 5.2 & 5.3

[Highlights 2018](#)
[Strategy and Policy](#)
[Deep Dive on performance and pay](#)
[Deep Dive on remuneration and sound risk management](#)

Short term incentive systems aim to attract, motivate and retain strategic resources and maintain full alignment with the latest national and international regulatory requirements and with best market practices.

The Group Incentive System (GIS) has provided since 2014 for a “bonus pool” approach, ensuring **a strong link between bonuses and company results** at group and country/division level. GIS envisages an **overall performance assessment at individual level** as well, connecting remuneration, risk and sustainable profitability.

2018 GIS Outcomes

2019 GIS Proxy Summary

2019 GIS Methodology

See the “Deep Dive on remuneration and sound risk management” on the green box

<b>Beneficiaries</b>	Group Identified Staff. The CEO doesn't participate to the Group Incentive System since, until 2019, his variable remuneration is fully covered by the <a href="#">LTI Plan</a> , tied to <i>Transform 2019</i> targets.	
<b>Frequency of the plan</b>	Yearly basis.	
<b>Award</b>	<ul style="list-style-type: none"> <li>● The allocation of the award for the 2019 Group Incentive System is defined on the basis of the determined bonus pool, whose size depends on actual profitability</li> <li>● Individual bonus will be allocated managerially, considering the individual performance appraisal and the Reference Value <sup>A</sup></li> <li>● The individual award limit depends on the beneficiary and must be in line with the provisions related to the ratio between the fixed and the variable remuneration components - see more in <a href="#">Ratio Between Variable and Fixed Compensation</a></li> <li>● Employee's right to receive payouts under the system is conditional on the employment relationship in place at the time of the envisaged award</li> </ul>	
<b>Performance Period</b>	●	1 year
<b>Deferral Period</b>	<ul style="list-style-type: none"> <li>●</li> <li>●</li> </ul>	3-5 years as deferral scheme 1 year for both upfront and deferred shares as retention period

<sup>A</sup>Defined according to the internal and/or external benchmarking analysis on similar roles, the seniority, the maximum ratio between variable and fixed compensation.

## Payout, Vehicles and Vesting

- ca. 55% cash and 45% shares for Senior Management
- Upfront and deferred installments

		2020	2021	2022	2023	2024	2025
Senior Management <sup>1</sup> with variable remuneration > € 430,000	Cash	20% upfront cash		12% deferred cash			12% deferred cash
	Shares		20% upfront shares		12% deferred shares	12% deferred shares	12% deferred shares
Senior Management <sup>1</sup> with variable remuneration ≤ € 430,000	Cash	25% upfront cash		10% deferred cash			10% deferred cash
	Shares		25% upfront shares		10% deferred shares	10% deferred shares	10% deferred shares
Other Identified Staff with variable remuneration > € 430,000	Cash	20% upfront cash	5% deferred cash	5% deferred cash	20% deferred cash		
	Shares		20% upfront shares	15% deferred shares	15% deferred shares		
Other Identified Staff with variable remuneration ≤ € 430,000	Cash	30% upfront cash			20% deferred cash		
	Shares		30% upfront shares	10% deferred shares	10% deferred shares		

Payout view, also including retention period applied to upfront and deferred shares.

1. EVP and above banding and other apical roles foreseen by Bank of Italy Circular 285.

## Entry Conditions

### 1. Group

- NOP adjusted ≥ 0
- Net Profit ≥ 0
- CET1 Ratio Fully Loaded ≥ 11.1%
- Liquidity Coverage Ratio > 2019 RAF "limit" (101%)
- Net Stable Funding Ratio > 2019 RAF "limit" (101%)

### 2. Local

- NOP adjusted ≥ 0
- Net Profit ≥ 0

- **NOP adjusted:** NOP excluding income from buy-back of own debt and from the fair value accounting of own liabilities
- **Net Profit:** Net Profit stated in the Balance Sheet, excluding any extraordinary items as considered appropriate by the Board of Directors upon Remuneration Committee proposal. In case of issues with capital and/or liquidity requirements at Legal Entity (LE) level, the related Bonus Pool size could be impacted, even if the Entry Conditions at Group level are fully satisfied.
- **CET1 Ratio Fully Loaded:** CET1 capital ratio is the CET1 capital of the institution expressed as a percentage of the total risk exposure amount (RWA). CET1 requirement recommended by ECB in its letter on variable remuneration policy issued on January 2019. For the next years, in case Authorities recommendations change the threshold will be updated accordingly. In case Authorities recommendations are not applicable, RAF Trigger will be applied. The CET1 ratio requirement envisaged by the ECB letter on variable remunerations, is increased from 10.4% to 11.1% mainly according to the "linear path" towards the "fully loaded" requirement completed on January 1, 2019. 2018 SREP capital demand (i.e. the sum of Pillar 2 requirement and Pillar 2 Guidance) to be applied to the Group in 2019, are confirmed at the levels in place last year.
- **Liquidity Coverage Ratio:** it aims to ensure that the bank maintains an adequate level of not restricted "High Quality Liquid Assets" in a sufficient quantity to cover the overall 'Net Cash Outflows', over a period of thirty days, under gravely stressed conditions specified by Supervisors.
- **Net Stable Funding Ratio:** s defined as the amount of available stable funding relative to the amount of required stable funding and measures, under a long term perspective, the sustainability terms of maturities between asset and liabilities.

## Performance Metrics

Individual performance appraisal is based on 2019 Scorecard, including 5/8 goals split into two sections:

- From 4 to 6 goals from our catalogue (KPI Bluebook), based on priorities and annual strategies (overall weight 70%)
- From 1 to 2 goals possibly customized by business/division (overall weight 30%)

Each goal has the same weight within each section.

At individual level it will be also considered the respect of provisions of law, group's compliance rules, Company policies or integrity values, Code of Conduct and the application of claw-back clauses, as legally enforceable. Moreover, each participant has to complete Compliance mandatory trainings courses and, for impacted roles, the periodic customer due diligence, within a pre-defined threshold in order to be entitled to the bonus.

## Board Discretion

The application of a further discretionary range up to +20% in the faculty of Board of Directors is foreseen with respect to the theoretical bonus pool (after the check of Entry Conditions and the Risk/Sustainability adjustment), while there is no limit to a downward discretionary adjustment of the bonus pool.

## Allocated Shares

- Maximum value of the 2019 GIS is ~ € 170 m
- Expected impact on UniCredit share capital of ~ 0.72%, assuming that all free shares are distributed
- Overall dilution for all other current outstanding group equity-based plans equal to ~ 1.7%

## Recovery Provisions

[Malus clause \(Zero Factor\)](#) and [claw-back](#) applicable.

## Sound Risk Management

- Performance metrics for bonus pool funding are risk adjusted or risk related, in order to guarantee long term sustainability, regarding company financial position and to ensure compliance with regulation
- Bonus pools are based on the risk weighted results of each country/division and may be furtherly revised up/downwards, on the basis of the Group CRO assessment, which brings to the application of possible multipliers for the adjustment of the theoretical bonus pool
- Individual performance appraisal and incentive allocation is based on 5/8 goals scorecard. Among the goals based on priorities and annual strategies 1 shall be a Risk one, half shall be related to sustainability
- Payment structure includes shares, deferral and retention period, malus and claw-back mechanism applicable

# Long Term Incentive Plan

Section II, par. 4.2.2 / Section III, par. 5.5

[Highlights 2018](#)
[Strategy and Policy](#)
[Deep Dive on performance and pay](#)
[Deep Dive on remuneration and sound risk management](#)

The 2017-2019 LTI Plan is aimed at:

- Aligning senior management interests to the **long term value creation** for the shareholders, to share price and group performance appreciation
- Sustaining a **sound and prudent risk management**, orienting the performance management measurement on a multi-year horizon
- Retain **key group resources** for the achievement of the mid-long term group strategy



For the CEO and former GM the variable remuneration is entirely covered by the 2017-2019 LTI Plan. Their annual Scorecard is represented by the LTI Plan Scorecard until 2019.



Proxy Summary	Main Features	Performance Metrics (LTI Scorecard)	Overall Assessment and BoD Discretion
---------------	---------------	-------------------------------------	---------------------------------------

See the “Deep Dive on remuneration and sound risk management” on the green box

## Beneficiaries

The potential beneficiaries of the LTI Plan are:

- Chief Executive Officer and General Manager
- Senior Executive Vice Presidents of UniCredit
- Executive Vice Presidents of UniCredit and of the Legal Entities of the group
- Other Key roles ~200 beneficiaries, including selected Talents not belonging to the aforementioned clusters

The personnel belonging to Corporate Control Functions is not included in the Plan.

## Frequency of the plan

Started in 2017.

## Award

Amount at stake:

- 100% of total max variable remuneration for the CEO and the former GM (the latter on a pro-rata basis)
- 50% of variable remuneration for SEVPs
- 30% of variable remuneration for EVPs of UniCredit and of the Legal Entities of the group
- Smaller amounts for other Key roles ~200 beneficiaries, including selected Talents not belonging to the aforementioned clusters

One award based on:

- Gateway conditions on profitability, liquidity, capital and risk position
- Achievement of a set of performance conditions focused on group targets, aligned to the Strategic Plan *Transform 2019*

Employee's right to receive payouts under the Plan is conditional on the employment relationship in place at the time of the envisaged payout.

**Performance period** 3 years, covering Strategic Plan horizon.

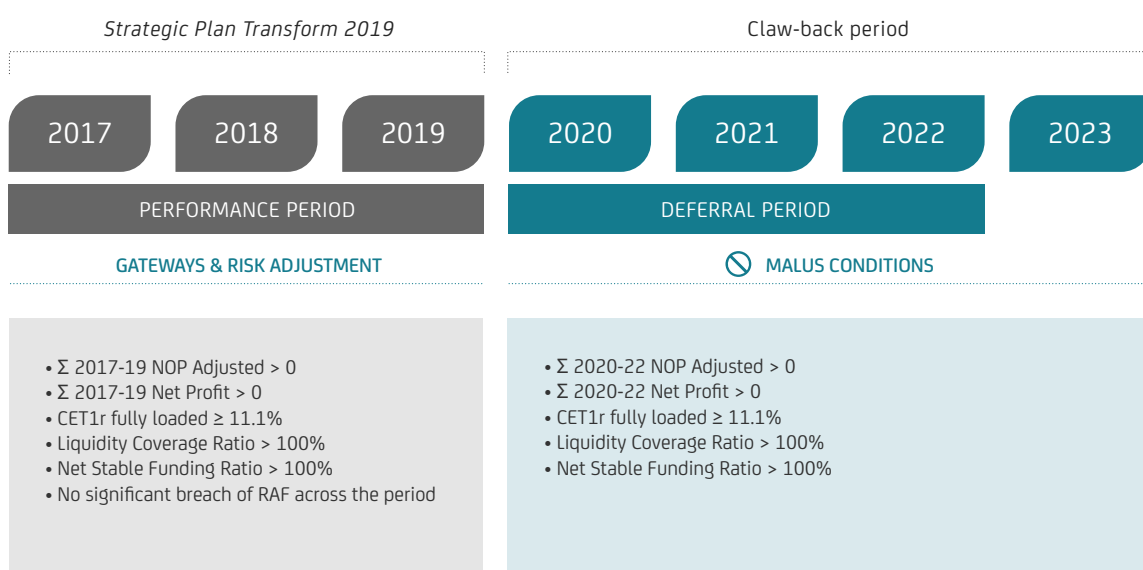
**Deferral period**

- 3 years deferral (Regulatory), subject to “malus” conditions
- Additional compulsory holding years (after which the shares become free to sell, only if share ownership guidelines are respected)

**Payout, vehicles and vesting**

- 100% UniCredit shares
- Cliff vesting of the award for the CEO, rateable vesting for former GM, SEVPs, EVPs and other Key Players
- Claw-back clause foreseen for 5 years after shares vesting

**Gateways, risk adjustment and malus conditions**



- **NOP adjusted:** NOP excluding income from buy-back of own debt and from the fair value accounting of own liabilities
- **Net Profit:** Net Profit stated in the Balance Sheet, excluding any extraordinary items as considered appropriate by the Board of Directors upon Remuneration Committee proposal
- **CET1r fully loaded:** CET1 capital ratio is the CET1 capital of the institution expressed as a percentage of the total risk exposure amount (RWA). CET1 requirement recommended by ECB in its letter on variable remuneration policy issued on January 2019. For the next years, in case Authorities recommendations change the threshold will be updated accordingly. In case Authorities recommendations are not applicable, RAF Trigger will be applied. The CET1 ratio requirement envisaged by the ECB letter on variable remunerations, is increased from 10.4% to 11.1% mainly according to the “linear path” towards the “fully loaded” requirement completed on January 1, 2019. 2018 SREP capital demand (i.e. the sum of Pillar 2 requirement and Pillar 2 Guidance) to be applied to the Group in 2019, are confirmed at the levels in place last year
- **Liquidity Cover Ratio:** the > 100% threshold is defined as limit in 2017 RAF. This threshold is higher than the Minimum Regulatory Target for 2017 (80%). For the next years, in case of change in the Minimum Regulatory Target as more restrictive than the threshold currently used, the same will be updated accordingly
- **Net Stable Funding Ratio:** the > 100% threshold is defined as limit in 2017 RAF, in absence of a Minimum Regulatory requirement for 2017 but foreseen for the 2018 (100%). For the next years, in case of change in the Minimum Regulatory Target as more restrictive than the threshold currently used, the same will be updated accordingly

## Performance metrics

	KPI	Perimeter	Weight	Target <i>Transform 2019</i>	Assessment Criteria	
					Threshold	Payout
Value Creation	ROAC	Group	50 %	9 %	≥ 9 %	100 %
					8% - 9%	0% - 100% <sup>2</sup>
					< 8%	0%
Industrial Sustainability	Cost / Income Ratio	Group	25 %	52 %	≤ 52 %	100 %
					55% - 52%	0% - 100% <sup>2</sup>
					> 55%	0%
Risk	NET NPE <sup>1</sup>	Group	25 %	20.2 bn	≤ 20.2 bn	100 %
					22 - 20.2 bn	0% - 100% <sup>2</sup>
					> 22 bn	0%

1. Net Non Performing Exposure (after provisions).

### Board discretion

- Overall qualitative assessment by the Remuneration Committee and the Board of Directors based on absolute and relative measures (e.g. TSR), further managerial KPIs included in the Plan *Transform 2019* (i.e. cross selling, funding gap, etc.), the market context, the remuneration trends, etc.
- Max + 20% additional payout, unlimited downward discretion (no upward discretion for CEO)
- Assessment outcome limited to 100% of the LTI Plan initial grant

### Allocated Shares

- Max. number of shares to be allocated: ~ 5 m; 521,134 each for the CEO and former GM (on a pro-rata basis)
- Expected impact of the Plan on UniCredit share capital: ~ 0.24% (fully loaded in the 1st year)
- Total dilution for all share plans currently in place: ~ 1.7%

### Recovery Provisions

**Malus and claw-back** applicable in case of evidence of misconduct or gross negligence by the Executive during the performance, deferral period and claw-back period (e.g. breach of code of conduct and other internal rules, especially concerning risks).

### Sound Risk Management

- One award based on gateway conditions on profitability, liquidity, capital and risk position
- It is foreseen a qualitative assessment of the Risk Appetite Framework, carried out through the annual risk dashboard during the Plan time horizon, which could imply a progressive reduction of the incentive until zeroing, in case of material breaches of Risk Appetite Framework across the period
- The Plan scorecard is aligned to the Risk Appetite Framework
- Payout structure includes shares, deferral and retention period, malus and claw-back mechanism applicable

## Remuneration Committee

[Highlights 2018](#)[Governance and Processes](#)

Section II, par. 2.1 / Section III, par. 2.1

Role	The Remuneration Committee performs <b>a fundamental role in supporting Board of Directors</b> oversight of Group Compensation Policy and Incentive Plans design.
Composition	It consists of <b>3 non-executive members</b> , all are independent. The activities are coordinated by the Chairman, chosen among independent members. Visit also the <a href="#">UniCredit Group website</a> .
External Independent Advisor	Starting from 8th October 2018, Willis Towers Watson, in place of PricewaterhouseCoopers (PwC) provides <b>advice on compensation practices, trends and remuneration benchmarking studies</b> . The representatives of PwC are regularly invited to the meetings to discuss specific items on the Committee's agenda.
Activities	During 2018, the Remuneration Committee met 8 times. The key activities included the following:

BoD Submitted to the BoD
 AGM Submitted to the AGM
 AUDIT CRO Participation of other group functions

Topics	January	February	March	May	June	October (2 meetings)	December
Strategy, Policy and Governance	Group Short Term Incentive System	<ul style="list-style-type: none"> <li>2018 Group Incentive System</li> </ul> <span style="border: 1px solid black; padding: 0 2px;">BoD</span> <span style="border: 1px solid black; padding: 0 2px;">AGM</span>					
	Long Term Incentive Plan	<ul style="list-style-type: none"> <li>2017-2019 LTI status progress and individual allocation</li> </ul>					
	Group Policies - new / update		<ul style="list-style-type: none"> <li>2018 Group Compensation Policy</li> </ul> <span style="border: 1px solid black; padding: 0 2px;">AUDIT</span> <span style="border: 1px solid black; padding: 0 2px;">BoD</span> <span style="border: 1px solid black; padding: 0 2px;">AGM</span>				
	Local adaptations					<ul style="list-style-type: none"> <li>Local adaptations to the Group compensation policies and to incentive plan rules in execution of local regulatory requirements, authority requests or managerial decisions</li> </ul>	
Annual Compensation review and decisions	Annual compensation decisions	<ul style="list-style-type: none"> <li>2017 Group Incentive System - distribution of max bonus pool for each segment</li> <li>Capital increase approval for previous incentive plans</li> <li>2017 Group Incentive System - evaluation and payout for CEO, GM and Heads of Control Functions</li> <li>Execution of previous year plans for for CEO, GM and Heads of Control Functions</li> </ul>	<ul style="list-style-type: none"> <li>2017 GIS payout</li> <li>Determination of the remuneration of Directors</li> </ul> <span style="border: 1px solid black; padding: 0 2px;">BoD</span> <span style="border: 1px solid black; padding: 0 2px;">AGM</span>				<ul style="list-style-type: none"> <li>Discussion on 2018 bonus pool distribution</li> </ul>
	Identification of Group Identified Staff (MRTs)				<ul style="list-style-type: none"> <li>2018 Group Identified Staff - assessment methodology and outcomes</li> </ul>	<span style="border: 1px solid black; padding: 0 2px;">BoD</span>	
	Compensation for Executives				<ul style="list-style-type: none"> <li>2017 Bonus Payout and 2018 Group Salary review final update</li> </ul>		<ul style="list-style-type: none"> <li>Compensation packages for CEO, GM, "Dirigente Preposto" and Heads of Control Functions</li> </ul> <span style="border: 1px solid black; padding: 0 2px;">BoD</span>
	Goal setting				<ul style="list-style-type: none"> <li>Goal Setting 2019 for CEO, GM, "Dirigente Preposto" and Heads of Control Functions</li> </ul>	<span style="border: 1px solid black; padding: 0 2px;">BoD</span>	
	Severance payments	<ul style="list-style-type: none"> <li>Report on 2017 severance payments</li> </ul>					
Benchmarks provided by the external independent advisor	Market trends					<ul style="list-style-type: none"> <li>Emerging trends in market compensation practices</li> </ul>	
	Compensation for the Top Management					<ul style="list-style-type: none"> <li>Competitive assessment of the total compensation package for the Top Management</li> </ul>	
Risk and regulations	Other			<ul style="list-style-type: none"> <li>Appointment of the RemCo Secretary</li> <li>Induction session for the new RemCo</li> <li>Start of tender process for the new RemCo Advisor</li> </ul>	<ul style="list-style-type: none"> <li>Distribution of Board of Directors' remuneration and resolution pursuant to Art.2389 of the Civil Code</li> </ul> <span style="border: 1px solid black; padding: 0 2px;">BoD</span>	<ul style="list-style-type: none"> <li>Tender for Remuneration Committee Advisor</li> </ul>	<ul style="list-style-type: none"> <li>Overview on the update of the Circular 285 on "Policies and practices on Remuneration and Incentive"</li> </ul>