


One Bank, One UniCredit.

Corporate Governance Overview

Banking that matters. |  **UniCredit**

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Corporate Governance overview



Our **corporate governance** adheres to current provisions as well as to the recommendations laid out in the Italian Corporate Governance Code, a soft law that identifies the corporate governance standards and best practices for Italian listed companies based on the comply or explain principle, with disclosure of the reasons for failure to comply in the yearly corporate governance report

Our governance system is continuously monitored to assess the level and efficacy of our governance efforts

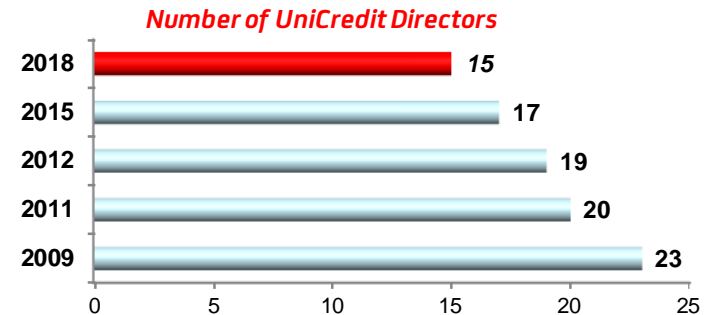
Main components of our governance

- the Articles of Association, the Regulations for the **Shareholders' Meeting** and the **Corporate Bodies and Committees** Regulation, providing the framework for our governance
- the **Integrity Charter**, stating ethical and deontological principles that the Group recognizes as its own and expects to be observed by all those who work to achieve our objectives
- the **Code of Conduct**, defining general rules of conduct, aiming to promote our compliance culture and commitment to sustainability
- the **Code of Ethics**, adopted pursuant to Italian Legislative Decree no. 231/2001 for the Holding Company and its Italian subsidiaries
- the **Group Compensation Policy**, establishing an approach consistent with sustainable remuneration and its standardized implementation, with specific reference to senior management
- the Group Managerial Golden Rules, guidelines outlining our organizational model and establishing managerial and functional responsibilities for all key processes



Focus on the 2017 / 2019 review

- Although the minimum & maximum range of directors established in the Articles of Association has remained unchanged, the **number** of UniCredit Directors **steadily decreased** over the last years



As result of the review of our corporate governance system planned in the event of the 2018 renewal of Board of Directors, to improve the Company governance and align the same to the best national and international practices, the following **goals** have been reached:

2017

- July, approved the **process for identifying the candidates** for the post of the Board of Directors' member
- December, amended the Articles of Association in order to:
 - empower also the outgoing Board of Directors, in the event of its renewal, the **faculty to file its own list of candidates**
 - **increase** from one **to two** the number of **minority Directors**

2018

- February - April, **size of the Board of Directors reduced** from 17 **to 15**, **number of Vice Chairmen reduced** from 3 **to 1**, as well as its **tenure** equal to maximum 3 mandates

2019

- February – March
 - increased diversity: **women on Board equal to 40%**
 - assigned to the Board of Statutory Auditors of the functions of the Supervisory Body pursuant to the Legislative Decree no. 231/2001, starting from its renewal for the 2019 – 2021 financial years



Shareholders structure

MAJOR SHAREHOLDERS (>3%)

Shareholders	% of ordinary share capital ⁽¹⁾
1 Aabar Luxembourg S.A.R.L.	5.028%
2 Dodge & Cox	5.009% ⁽²⁾

(1) on share capital as at January 24, 2019

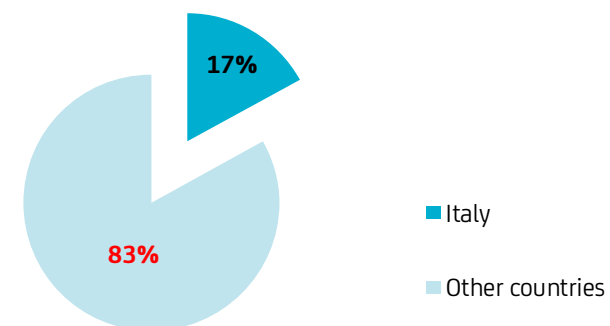
(2) non-discretionary asset management

SHARE CAPITAL

Ordinary shares	2,230,176,665
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GEOGRAPHICAL BREAKDOWN

AS AT DECEMBER 31, 2018

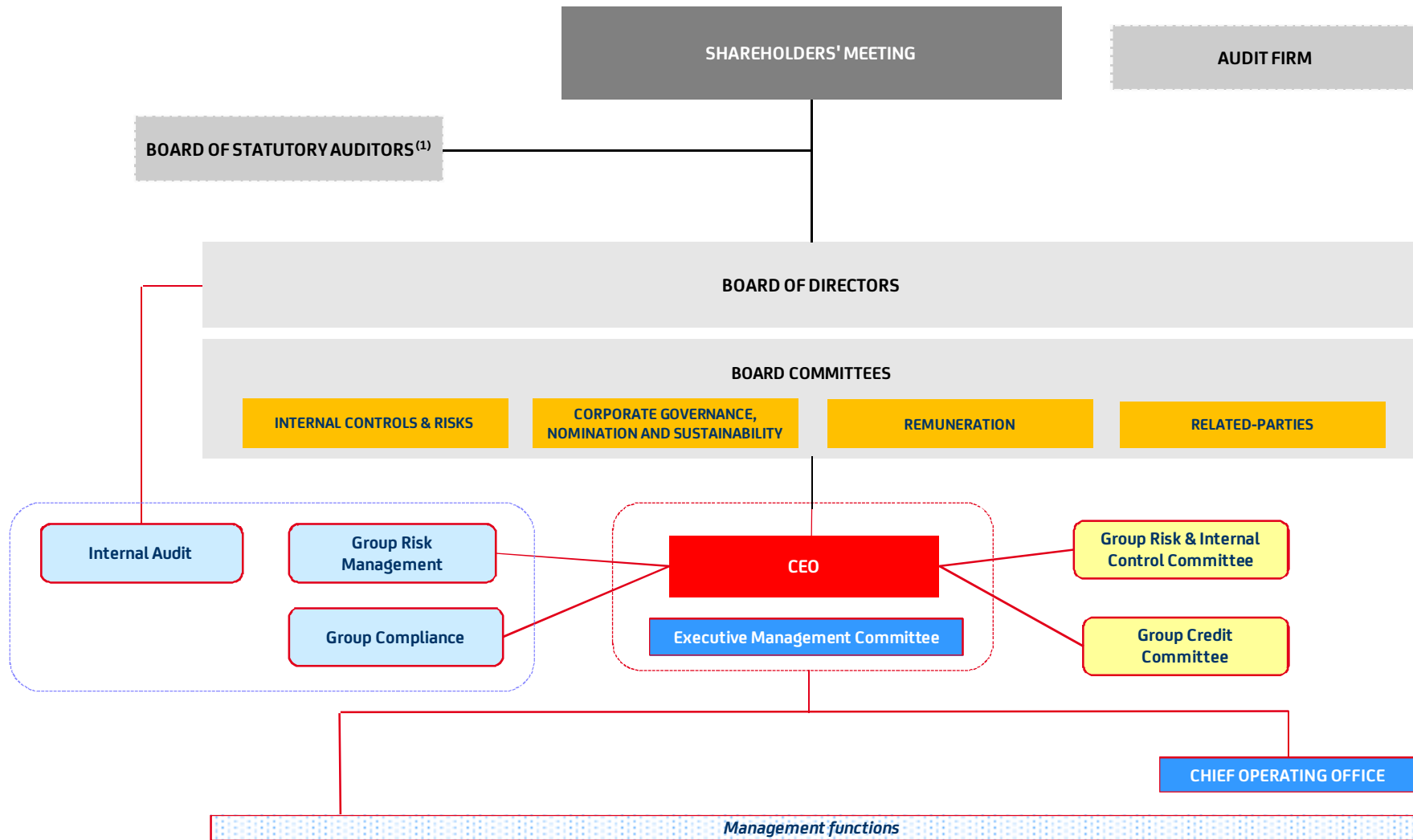


FURTHER INFORMATION

Presence of Shareholders agreements	NO
Presence of controlling Shareholders	NO



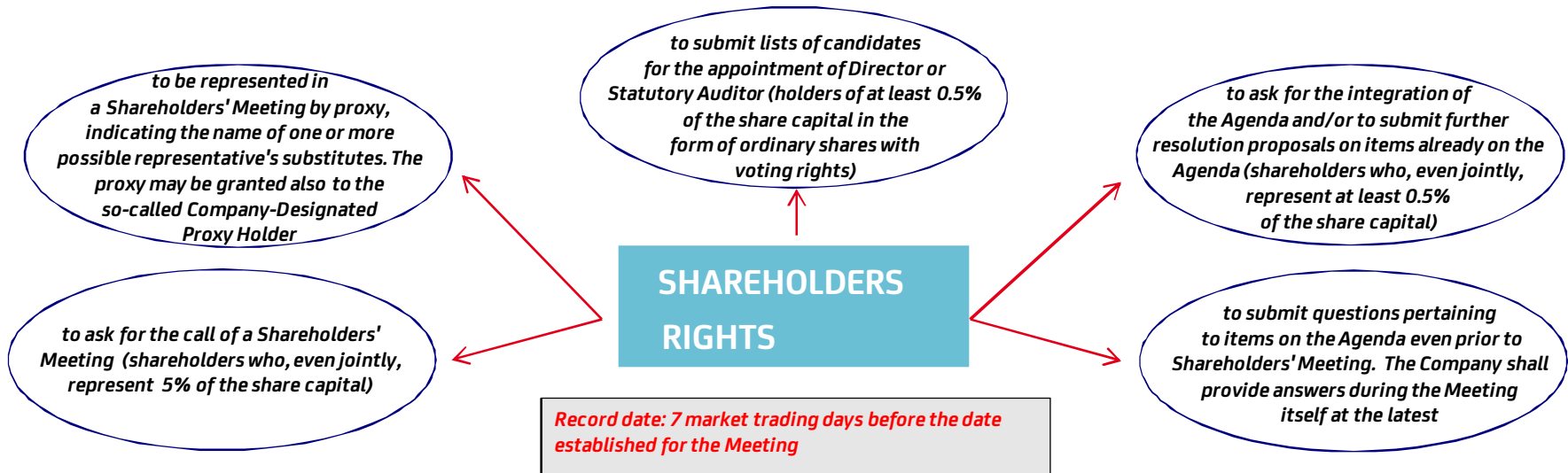
Organizational and Governance structures



(1) IN FEBRUARY 2019, THE UNICREDIT BOARD OF DIRECTORS HAS RESOLVED ON THE ASSIGNMENT TO THE BOARD OF STATUTORY AUDITORS OF THE SUPERVISORY BODY'S DUTIES PURSUANT TO THE LEGISLATIVE DECREE NO. 231/2001, STARTING FROM THE RENEWAL OF THE CONTROL BODY FOR THE 2019-2021 FINANCIAL YEARS



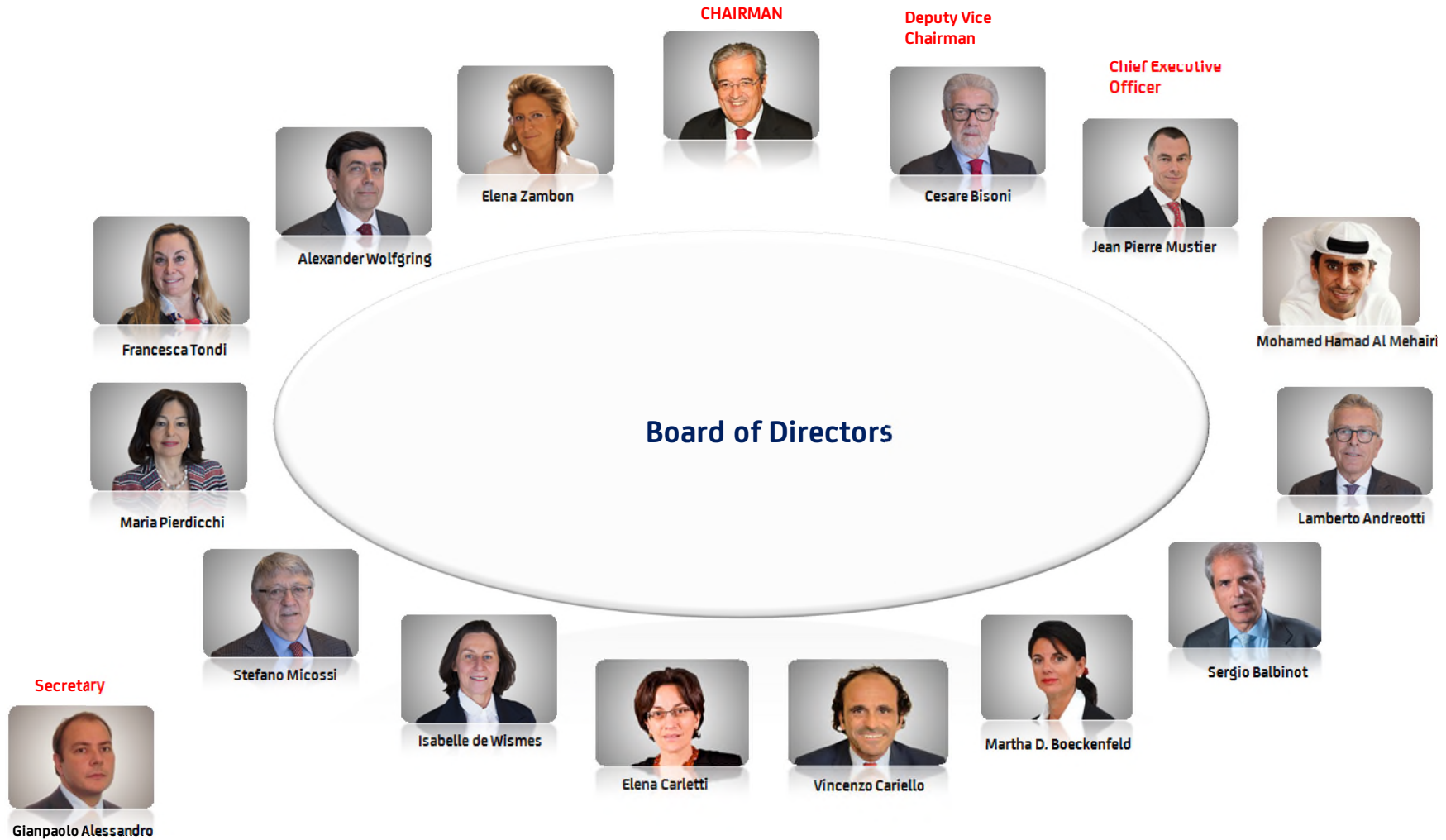
Shareholders' Meetings



Voting rights	<p>Ordinary session</p> <ul style="list-style-type: none"> financial statements approval, resolution on net profit allocation appointment of the Directors and Statutory Auditors, granting of a mandate for the external auditing to an audit firm, resolving on the connected fees approval of the remuneration and incentive policies and practices criteria to determine the compensation to be granted in the event of early termination of employment or early retirement from office 	<p>Quorum for resolutions</p> <p>absolute majority</p> <p><i>[higher only for the approval of a ratio of variable to fixed remuneration of employees higher than 1:1]</i></p>	<p>Each ordinary share gives the holder the right to cast one vote</p> <p>AGM notice and Board proposals – available at the latest 30 days before the AGM date (40 days in case of renewal of the corporate bodies)</p>
	<p>Extraordinary session</p> <ul style="list-style-type: none"> amendments to the Articles of Association capital increases mergers and de-mergers appointment, replacement and powers of the official receivers/trustees in bankruptcy 	<p>Quorum for resolutions</p> <p>with favorable vote of at least 2/3 of the share capital represented in the Meeting</p>	<p>Analytical voting disclosure</p> <p>Financial calendar available at the latest by January 30th</p>




Board of Directors



Board of Directors



Fabrizio Saccomanni



Chairman

First appointment date
November 2017

Independent as per TUF

Non-Executive

Attendance % **100**

Born in Rome (Italy)
on November 22, 1942

POSTS HELD IN OTHER COMPANIES*

None

Role played by the Chairman

- is responsible for ensuring that the corporate governance system functions effectively, also with regard to any aspects related to internal and external communications;
- is an interlocutor for the Board of Statutory Auditors and the Board Committees;
- while remaining neutral, the Chairman promotes dialogue among executive and non-executive members, seeking the active participation of non-executive members in the Board's proceedings so that the resolutions it reaches are the result of adequate debate and an informed and aware contribution from all of its members

CHAIRMAN REPLACEMENT PROCEDURE

Where absent or impeded, the Chairman is replaced by the Deputy Vice Chairman. Where both the Chairman and Deputy Vice Chairman are absent or impeded, the meeting is chaired by the oldest Director

Cesare Bioni



Deputy Vice Chairman

First appointment date
May 2015

Independent as per
Articles of Association /
Code and TUF

Non-Executive

Attendance % **100**

Born in Caslino d'Erba (Como, Italy)
on October 1, 1944

POSTS HELD IN OTHER COMPANIES*

None

Member of the Board Committees

- Corporate Governance, Nomination and Sustainability
- Related-Parties (**Chairman**)



Board of Directors



Jean Pierre Mustier



Chief Executive Officer

First appointment date
June 2016

Non Independent

Executive

Attendance % **100**

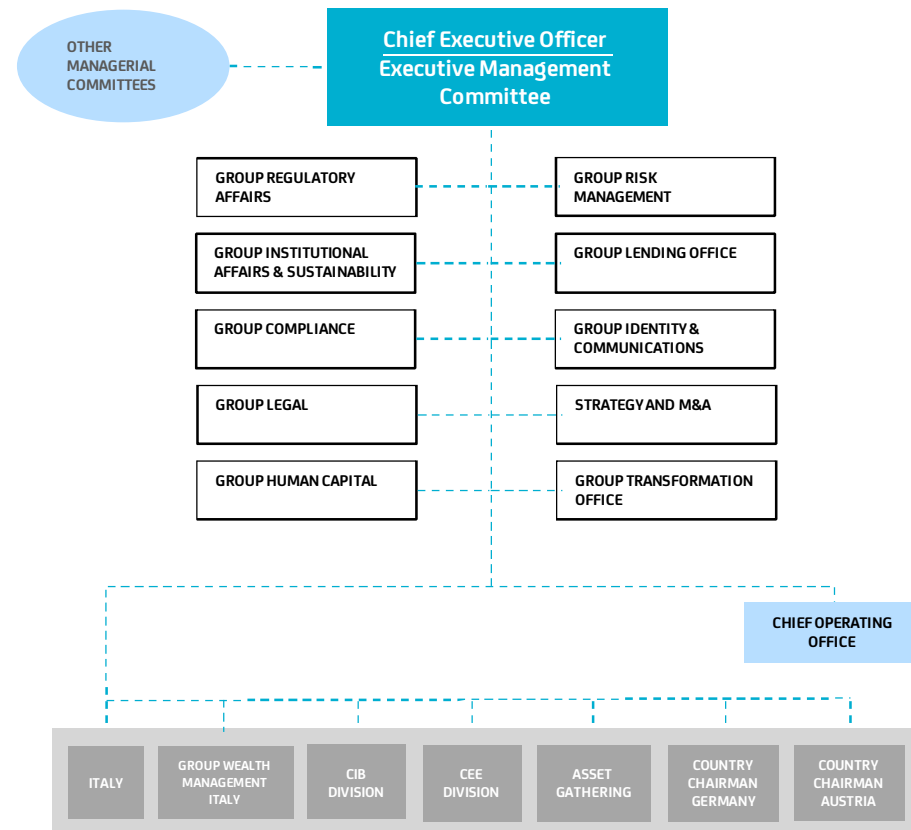
Born in Chamalières (France) on January 18, 1961

POSTS HELD IN OTHER COMPANIES*

None







Director in charge of the internal controls and risks management system

Organizational Structure



Board of Directors



Mohamed Hamad Al Mehairi		Lamberto Andreotti		Sergio Balbinot	
	<p>Born in Al Ain (UAE) on December 6, 1975</p> <p>POSTS HELD IN OTHER COMPANIES*</p> <ul style="list-style-type: none"> Member of the supervisory body of Companies of the Mubadala Investment Company Group Director of Emirates Investment Authority 		<p>Born in Rome (Italy) on July 6, 1950</p> <p>POSTS HELD IN OTHER COMPANIES*</p> <ul style="list-style-type: none"> Director of DowDuPoint 		<p>Born in Tarvisio (Udine, Italy) on September 8, 1958</p> <p>POSTS HELD IN OTHER COMPANIES*</p> <ul style="list-style-type: none"> Member of the supervisory body of Companies of the Allianz Group
<p>Director</p> <p>First appointment date October 2015</p> <p>Independent as per Articles of Association / Code and TUF</p> <p>Non-Executive</p> <p>Attendance % 100</p>		<p>Director</p> <p>First appointment date April 2018</p> <p>Independent as per Articles of Association / Code and TUF</p> <p>Non-Executive</p> <p>Attendance % 100</p>	<p>Member of the Board Committee</p> <ul style="list-style-type: none"> Remuneration (Chairman) 	<p>Director</p> <p>First appointment date June 2016</p> <p>Independent as per TUF</p> <p>Non-Executive</p> <p>Attendance % 100</p>	
Martha Dagmar Boeckenfeld		Vincenzo Cariello		Elena Carletti	
	<p>Born in Lünen (Germany) on September 2, 1965</p> <p>POSTS HELD IN OTHER COMPANIES*</p> <ul style="list-style-type: none"> Chairman of DFG – Deutsche Fondsgesellschaft Invest S.E. Member of the supervisory body of Companies of the Generali Holding Ltd Group Member of the supervisory body of Companies of the Luxembourg Fund Companies Group 		<p>Born in Arezzo (Italy) on December 23, 1965</p> <p>POSTS HELD IN OTHER COMPANIES*</p> <p>None.</p>		<p>Born in La Spezia (Italy) on September, 8 1969</p> <p>POSTS HELD IN OTHER COMPANIES*</p> <p>None</p>
<p>Director</p> <p>First appointment date September 2016</p> <p>Independent as per Articles of Association / Code and TUF</p> <p>Non-Executive</p> <p>Attendance % 94.12</p>	<p>Member of the Board Committee</p> <ul style="list-style-type: none"> Internal Controls & Risks 	<p>Director (minority)</p> <p>First appointment date April 2018</p> <p>Independent as per Articles of Association / Code and TUF</p> <p>Non-Executive</p> <p>Attendance % 90.91</p>	<p>Member of the Board Committee</p> <ul style="list-style-type: none"> Related-Parties 	<p>Director</p> <p>First appointment date February 2019</p> <p>Independent as per Articles of Association / Code and TUF</p> <p>Non-Executive</p> <p>Attendance % ==</p>	<p>Member of the Board Committees</p> <ul style="list-style-type: none"> Internal Controls & Risks Remuneration



Board of Directors



<p style="text-align: center;">Isabelle de Wismes</p>  <p>Born in Alençon (France) on February 14, 1958</p> <p>POSTS HELD IN OTHER COMPANIES*</p> <p>None</p> <p>Director</p> <p>First appointment date April 2018</p> <p>Independent as per Articles of Association / Code and TUF</p> <p>Non-Executive</p> <p>Attendance % 100</p> <p style="text-align: center;">Member of the Board Committee</p> <ul style="list-style-type: none"> Internal Controls & Risks 	<p style="text-align: center;">Stefano Micossi</p>  <p>Born in Bologna (Italy) on October 27, 1946</p> <p>POSTS HELD IN OTHER COMPANIES*</p> <p>None</p> <p>Director</p> <p>First appointment date April 2018</p> <p>Independent as per Articles of Association / Code and TUF</p> <p>Non-Executive</p> <p>Attendance % 100</p> <p style="text-align: center;">Member of the Board Committees</p> <ul style="list-style-type: none"> Corporate Governance, Nomination and Sustainability (Chairman) Related-Parties 	<p style="text-align: center;">Maria Pierdicchi</p>  <p>Born in Schio (Vicenza, Italy) on September 18, 1957</p> <p>POSTS HELD IN OTHER COMPANIES*</p> <ul style="list-style-type: none"> Independent Director of Autogrill S.p.A. Independent Director of Luxottica Group Independent Director of Aurora SA <p>Director</p> <p>First appointment date April 2018</p> <p>Independent as per Articles of Association / Code and TUF</p> <p>Non-Executive</p> <p>Attendance % 100</p> <p style="text-align: center;">Member of the Board Committee</p> <ul style="list-style-type: none"> Internal Controls & Risks
<p style="text-align: center;">Francesca Tondi</p>  <p>Born in Livorno (Italy) on May 16, 1966</p> <p>POSTS HELD IN OTHER COMPANIES*</p> <ul style="list-style-type: none"> Director of Angel Academe Nominee <p>Director (minority)</p> <p>First appointment date April 2018</p> <p>Independent as per Articles of Association / Code and TUF</p> <p>Non-Executive</p> <p>Attendance % 100</p> <p style="text-align: center;">Member of the Board Committee</p> <ul style="list-style-type: none"> Corporate Governance, Nomination and Sustainability 	<p style="text-align: center;">Alexander Wolfgring</p>  <p>Born in Vienna (Austria) on September 17, 1962</p> <p>POSTS HELD IN OTHER COMPANIES*</p> <ul style="list-style-type: none"> Member of the supervisory body of Companies of the AVZ Group <p>Director</p> <p>First appointment date May 2013</p> <p>Independent as per Articles of Association / Code and TUF</p> <p>Non-Executive</p> <p>Attendance % 100</p> <p style="text-align: center;">Member of the Board Committees</p> <ul style="list-style-type: none"> Internal Controls & Risks (Chairman) Corporate Governance, Nomination and Sustainability 	<p style="text-align: center;">Elena Zambon</p>  <p>Born in Vicenza (Italy) on October 15, 1964</p> <p>POSTS HELD IN OTHER COMPANIES*</p> <ul style="list-style-type: none"> Member of the supervisory body of Companies of the Zambon Group Director of Ferrari N.V. <p>Director</p> <p>First appointment date May 2015</p> <p>Independent as per Articles of Association / Code and TUF</p> <p>Non-Executive</p> <p>Attendance % 88.24</p> <p style="text-align: center;">Member of the Board Committees</p> <ul style="list-style-type: none"> Corporate Governance, Nomination and Sustainability Remuneration



Board of Directors composition

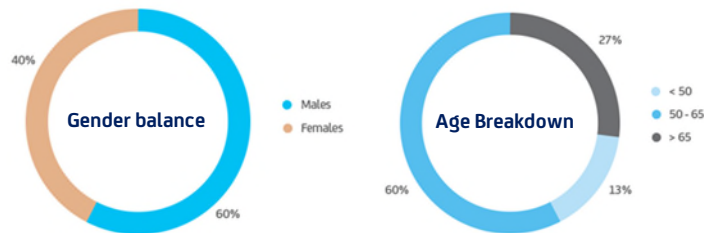
BOARD COMPOSITION

Balance of executive and non-executive Directors

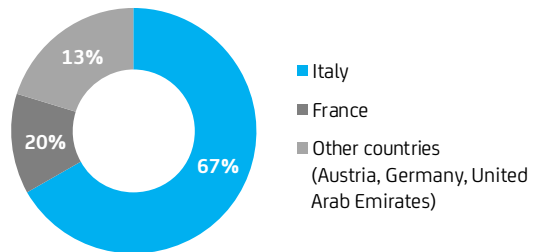
1 CEO executive 14 non-executives

Board independence

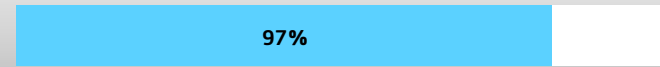
12 as per Articles of Association and Corporate Governance Code 14 as per TUF



Geographical mix (%)



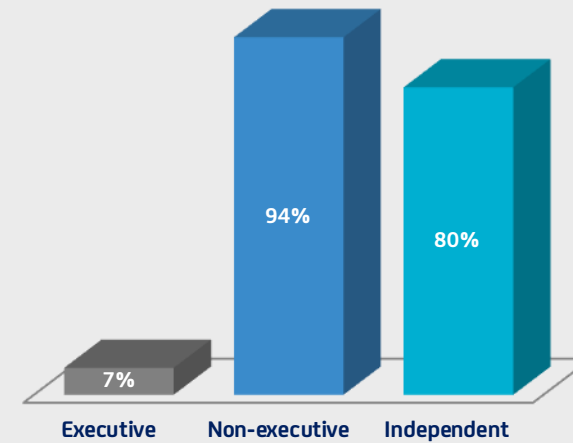
2018 Board meeting attendance



average attendance (Directors in office as at December 31, 2018)

2018 Board Length of tenure

2 years



40% Women on Board

13% Minorities



Board of Directors - skills and expertise



DIRECTORS COMPETENCIES (%)



- The skills and expertise show an optimal balance in the Board of Directors composition
- Almost all of the Directors have financial and international markets competencies, as well as international experience

Qualitative-quantitative composition

The composition of the Board quantitatively and qualitatively corresponds to the theoretical profile approved by the Board itself on February 2018

Individual suitability

the experience, integrity and independence requirements, as well as time commitment, including the maximum number of offices that Directors may hold at the same time were abided by:

- ✓ the experience gained by all Directors is in line with the requirements provided for by the theoretical profile, considering that they possess a **good understanding and experience in more than 2** of the required **areas of competence** envisaged by the aforesaid profile
- ✓ **all** Directors **declared their ability to commit sufficient time** to duly perform their duties, also including sitting on Board Committees, if applicable
- ✓ the **Directors comply with the permitted number of offices under CRD IV provisions** (also on the basis of their declarations)

Collective suitability

- ✓ the Directors' profiles matched with the ideal overall Board composition: **on average** the Directors possess **6 areas of competence out of nine** identified by the Board; **all the core competencies are covered** within the same
- ✓ personal qualities, as well as age and gender diversity (the **female** component is **well above the quota established** by current provisions), fully comply with the profile indications



Board of Directors - skills and expertise



	DIRECTOR NAME	International experience	Banking Governance	Banking Business	Legal & Regulatory	Strategic Planning	Risk & Control	Accounting & Audit	Financial & International Markets	Sustainability
1	Fabrizio Saccomanni									
2	Cesare Bisoni									
3	Jean Pierre Mustier									
4	Mohamed Hamad Al Mehairi									
5	Lamberto Andreotti									
6	Sergio Balbinot									
7	Martha Dagmar Boeckenfeld									
8	Vincenzo Cariello									
9	Elena Carletti									
10	Isabelle de Wismes									
11	Stefano Micossi									
12	Maria Pierdicchi									
13	Francesca Tondi									
14	Alexander Wolfgring									
15	Elena Zambon									
		14	10	10	9	8	11	10	14	6



Board Committees



Controlli Interni & Rischi

All members are independent according to the Italian Corporate Governance Code and the Articles of Association

All members meet the experience required by the applicable provisions, in particular concerning risk and control and the majority in accounting and audit

CHAIRMAN



Alexander Wolfgring

MEMBERS



Martha Dagmar Boeckenfeld



Elena Carletti



Isabelle de Wismes



Maria Pierdicchi

Non-executive

100 %

Independent

100 %

Meetings attendance

98 %

average attendance

Corporate Governance, Nomination and Sustainability

All members are independent according to the Italian Corporate Governance Code and the Articles of Association

A minority Director sit on the Committee

CHAIRMAN



Stefano Micossi

MEMBERS



Cesare Bioni



Francesca Tondi



Alexander Wolfgring



Elena Zambon

Non-executive

100 %

Independent

100 %

Meetings attendance

93 %

average attendance






Board Committees



Remuneration




All members are independent according to the Italian Corporate Governance Code and the Articles of Association

CHAIRMAN	MEMBERS
 Lamberto Andreotti	 Elena Carletti  Elena Zambon
<p>Non-executive</p> <p style="text-align: center;">100 %</p>	
<p>Independent</p> <p style="text-align: center;">100 %</p>	
<p>Meetings attendance</p> <p style="text-align: center;">93 %</p> <p style="text-align: center;">average attendance</p>	

Related-Parties

All members are independent according to the Italian Corporate Governance Code

A minority Director sit on the Committee

CHAIRMAN	MEMBERS
 Cesare Bisoni	 Vincenzo Cariello  Stefano Micossi
<p>Non-executive</p> <p style="text-align: center;">100 %</p>	
<p>Independent</p> <p style="text-align: center;">100 %</p>	
<p>Meetings attendance</p> <p style="text-align: center;">100 %</p> <p style="text-align: center;">average attendance</p>	



Our sustainability governance

Sustainability as integral to the governance of our Group

Chairman
Board of Directors

CORPORATE
GOVERNANCE,
NOMINATION AND
SUSTAINABILITY
COMMITTEE

CEO
Executive Management Committee

Group Sustainability & Foundation

- **Supports** the Corporate Governance, Nomination and Sustainability Committee in performing its activities
- **Drafts** the annual Group Integrated Report, which discloses the Group's sustainability performance
- **Guides** the ESG (Environmental, Social and Governance) reputational risk prevention process and utilizes relevant tools to monitor environmental and social trends and related risks
- **Dialogues** with institutional investors interested in ESG topics (including Socially Responsible Investors), specialized rating agencies and analysts

- **Our corporate governance system is strengthened** by the assignment of **responsibility for overseeing sustainability issues** to the Corporate Governance, Nomination and Sustainability Committee (CGN&S Committee).
- The CGN&S Committee **makes proposals regarding the Group's environmental and social strategy, annual objectives and targets, monitoring their implementation and examining related reporting.** It also supervises the Group's sustainability evolution in light of international guidelines and principles on the subject, monitoring the Group's performance. Furthermore, it keeps abreast of stakeholder concerns, and examines the annual Group Integrated Report prior to submission to the Board of Directors for approval.
- In 2018, the CGN&S Committee met various times to **focus on sustainability issues**, in particular to discuss and evaluate UniCredit's latest **materiality matrix** with the objective of **increasing the integration of sustainability issues in our business strategy**, review progress in the field of **business ethics** and participate in **specific training.**
- The Group Sustainability & Foundation unit, part of the Group Institutional Affairs & Sustainability department, **supports the CGN&S Committee** in its activities and **assists senior management in developing strategies that integrate sustainability considerations into the value creation process and generate long-term benefits for all stakeholders.** The unit is also charged with monitoring key performance indicators and communicating UniCredit's sustainability approach and results to external audiences.



Remuneration of the non-executive Directors and of the Board of Statutory Auditors members

- The remuneration of the non-executive Directors and of the Board of Statutory Auditors members of UniCredit is
 - represented only by a **fixed component**
 - determined on the basis of the **importance of the position** and the time required for the performance of the tasks assigned

- The compensation paid to non-Executive Directors and Statutory Auditors is **not linked to the economic results achieved by UniCredit** and they do not take part in any incentive plans based on stock options or, generally, based on financial instruments

For any further information reference is made to the 2019 Group Compensation Policy available on UniCredit website, in the section dedicated to 2019 Shareholders' Meeting



Remuneration of the Chief Executive Officer, the sole executive Director sitting on the Board of Directors and employee of the Company

In compliance with applicable regulations, the adoption of a maximum ratio between variable and fixed remuneration of 2:1 has not changed - for the personnel belonging to the business functions, as resolved by the Annual General Meeting on May 13, 2014, and confirmed in the following AGMs

FIXED REMUNERATION

Base salary is appropriate in the specific market for the business in which an individual works and for the talents, skills and competencies that the individual brings to the group. The relevance of fixed compensation weight is sufficient to reward the activity rendered even if the variable part of the remuneration package were not paid due to non-achievement of performance goals.

As per the request by the CEO Jean Pierre Mustier to the Board of Directors in 2016, to set the right tone from the top, as well as to fully align his interests with all stakeholders, specific conditions are applied to his remuneration effective January 1, 2107.

In particular, his fixed remuneration was reduced by 40%. With reference to 2018, the Chief Executive Officer therefore received a total fixed remuneration of € 1.2 m, including director's remuneration.

VARIABLE REMUNERATION

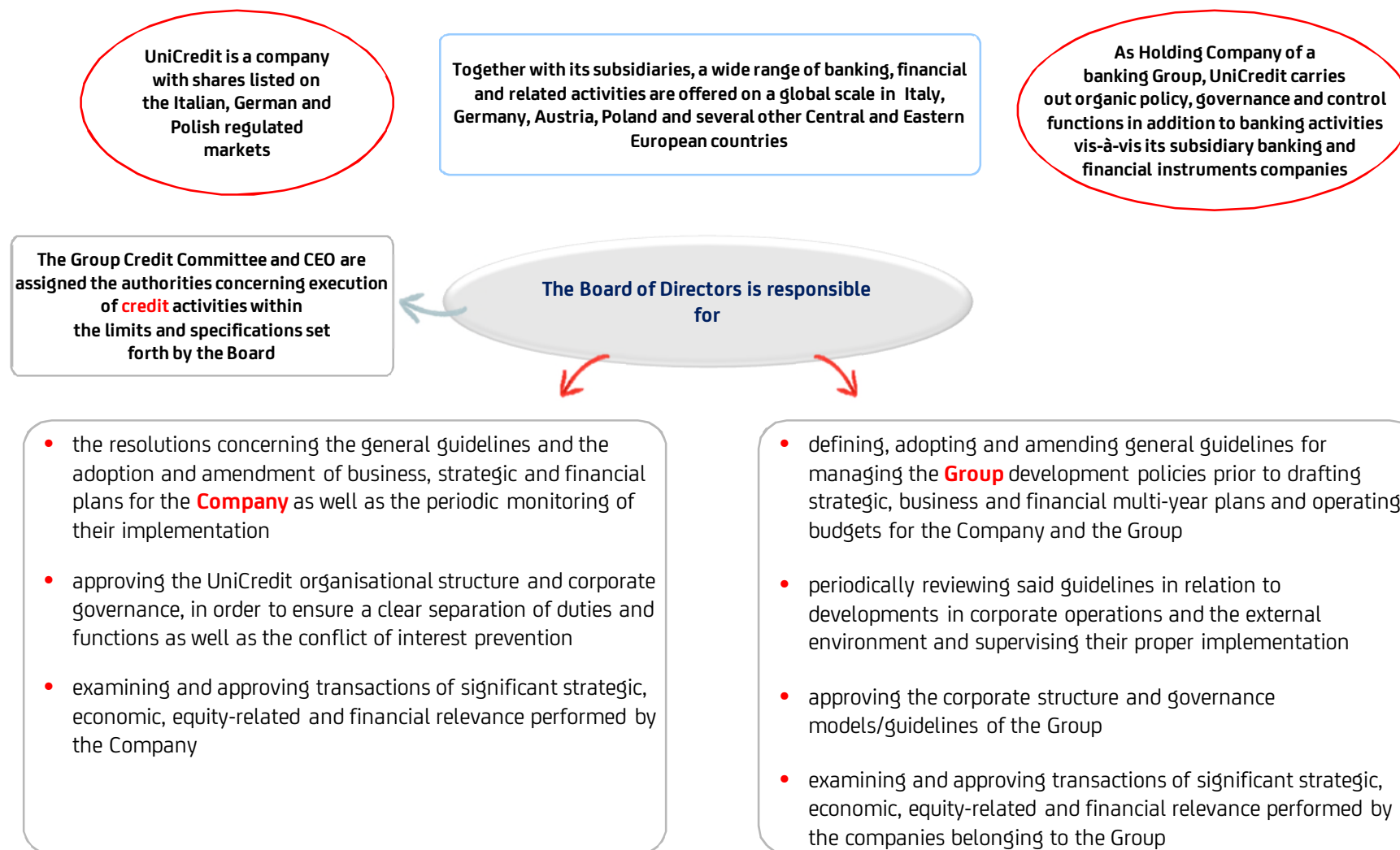
For the whole time horizon of the Strategic Plan Transform 2019, the variable remuneration for the Group Chief Executive Officer is covered by the 2017-2019 Long Term Incentive Plan, tied to Strategic Plan targets and overall aligned to the Risk Appetite Framework.

The actual evaluation of the overall LTI Plan, including the appraisal of performance targets, will be carried out at the end of the three years performance period (i.e. at the end of 2019 on end-of-Plan targets).

For any further information reference is made to the 2019 Group Compensation Policy available on UniCredit website, in the section dedicated to 2019 Shareholders' Meeting



Board of Directors role



Succession planning process



Executive Development Plan (EDP) is the process currently in place aimed at enhancing the quality of our **Succession Pipeline for our Group Sustainability**
The EDP sessions allow meaningful people discussion and calibration where business needs are the drivers of the process

The **Executive Development Plan**:

- embraces all Group Executives in an annual performance appraisal and development process with both Local and Group Top Management involvement
- is strictly linked with the UniCredit Competency Model, which is based on Our Five Fundamentals
- ensures the Group sustainability by focusing on succession planning
- provides basis for creating individual development paths

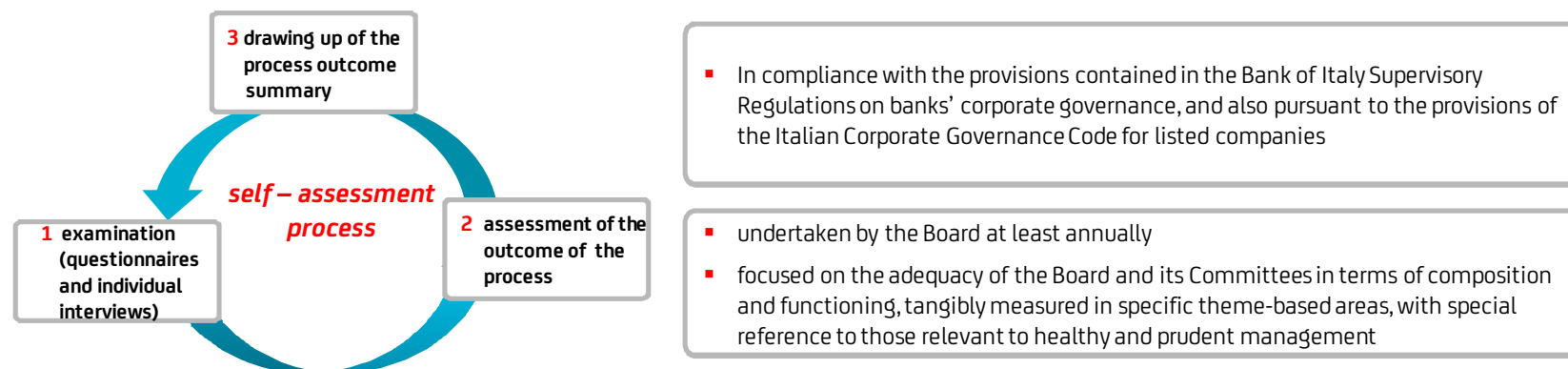
In the last edition (2018), ca. **3,600** executives **were involved**: their appraisals and succession plans were discussed and validated by the Group's Top Management through dedicated EDP sessions

The outcome of the Process, including possible successors for the Top Executive positions, are submitted to the **Corporate Governance, Nomination and Sustainability Committee** and to the Board of Directors

Succession plans that result from the EDP sessions are the basis for the evaluation of possible candidates in case of new appointments, e.g. if an anticipated or unforeseen replacement of Executives is needed



Processo di self-assessment (sul Consiglio di Amministrazione e i Comitati consiliari)



The process is undertaken with the assistance of an **external consultant** chosen, taking into account his/her skill, the professional experience acquired by him/her in corporate governance, and the need to be neutral, objective and independent in judgment – the hallmarks of the self-assessment process

The results of the 2018 Board Review define a positive aggregated picture of the effectiveness of the Board and its Committees. All components operate in a transparent and effective way, meeting national and international Corporate Governance best practices

In particular, such results highlight the **following strengths**:

- right mix of gender, age and seniority in the current composition of the Board: among competence areas, a stronger coverage of risk management, control and financial regulation
- Board dynamics have grown rapidly, building a solid base to be developed further. All members appreciate the open discussion and interaction among Directors and with the management
- the role and the effort of the Chairman in facilitating discussion and contribution, as well as organizing Agenda and building team spirit and work, are recognised and appreciated
- Board committees are considered very capable of preparing the analysis and the discussion of specific subjects

Some improvement insights have been brought up and specifically:

- greater engagement on strategic issues and decisions rather than technical issues
- greater visibility and understanding of local geographies and business
- identification of digital technology and banking business as the major competence areas to be developed, to effectively engage and support the management in implementing business strategy
- succession strategy to be further considered
- pre-meeting documents, to be shared more in advance to allow a deeper analysis



Internal Controls System

Internal Controls System : key element of the overall corporate governance system

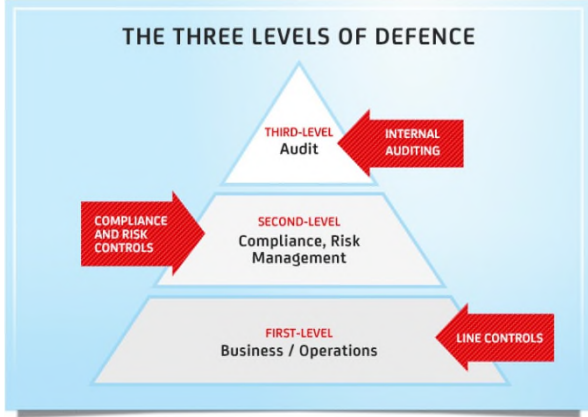
Comprises regulations, functions, structures, resources, processes and procedures in order to ensure that the following aims are achieved:

- the implementation of corporate strategies and policies is verified
- the risk is within the boundaries set by the bank (Risk Appetite Framework)
- the assets value is protected and losses are covered
- corporate processes are effective and efficient
- bank information and IT procedures are safe and reliable
- the risk of the bank being involved, even unintentionally, in unlawful activities (particularly those related to money laundering and terrorism financing) is prevented
- operations conform to law, supervisory regulations, policies, regulations and internal procedures

Organization of the Internal Controls System based on:

- control bodies and functions; information flows and coordination procedures; Group Governance mechanisms
- Board of Directors** defines the internal controls system and risk management guidelines, ensuring that the Group's main risks are identified, measured, managed and monitored adequately
- Internal Controls & Risks Committee** supports the Board in its assessment and decision-making activities relating to the internal controls and risks management system
- Board of Statutory Auditors** oversees the completeness, adequacy, functioning and reliability of the internal controls system
- CEO** that is supported in managing and overseeing the internal controls system by the Group Risk & Internal Control Committee, a managerial committee chaired by the CEO himself

Three-level control functions



Related parties and associated persons

Global Policy "Transactions with related parties, associated persons and corporate officers ex Sec. 136 TUB
(CONSOB Regulation no. 17221/2010 – Bank of Italy Circular no. 263/2006)

Member of the Combined Perimeter as defined by the enforced internal regulation

Transactions of Greater Significance

at least one of the "relevance ratios", applicable according to the transaction specificity, higher than 5%

Board of Directors' Role

- resolves on the UniCredit transactions of greater significance, except for the transactions falling within the competence of the Shareholders' Meeting
- issues opinions on the subsidiaries' transactions of greater significance
- receives periodic information flows on the transactions of UniCredit and of the Subsidiaries

Related-Parties Committee's Role

- become involved in the case of greater significance transactions – if deemed necessary by the Committee, through one or more delegate members – in the negotiation phase and in the preliminary phase through the receipt of a complete and timely information flow with right to request information and issue observations
- formulate prior and motivated opinions on the transactions of UniCredit and of the subsidiaries, with regards to the interest in finalizing the transactions as well as on the convenience and the substantive correctness of the relevant conditions

Transactions of Minor Relevance of significant amount

the transaction value is between € 1 billion and the amount for the "greater relevance transactions" threshold

Board of Directors' Role

- resolves on the UniCredit transactions of lesser relevance with a significant amount, except for the transactions falling within the competence of the Shareholders' Meeting
- issues opinions on the subsidiaries' transactions of lesser relevance with a significant amount
- receives periodic information flows on the transactions of UniCredit and of the Subsidiaries

Related-Parties Committee's Role

- formulate prior and motivated opinions on the transactions of UniCredit and of the subsidiaries, with regards to the interest in finalizing the transactions as well as on the convenience and the substantive correctness of the relevant conditions



Board of Statutory Auditors



* AUDITOR APPOINTED FROM THE SLATE VOTED BY A SHAREHOLDERS' MINORITY

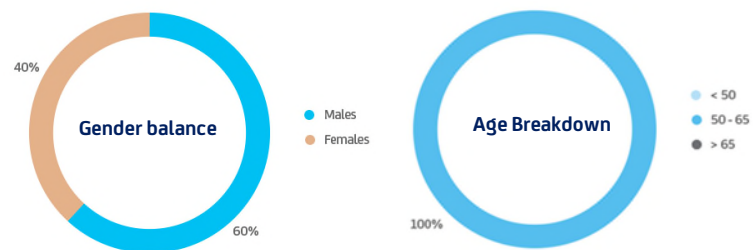
The corporate body is, *inter alia*, in charge of supervising

- compliance with laws, regulations and the Articles of Association
- the adequacy of the Company's organizational, managerial and accounting structure as well as of the overall functionality of the internal controls system
- financial disclosures process, the external auditing of the individual and consolidated financial statements and the independence of the external audit firm
- compliance with the provisions contained in the Legislative Decree no. 254/2016 on the disclosure of non-financial information

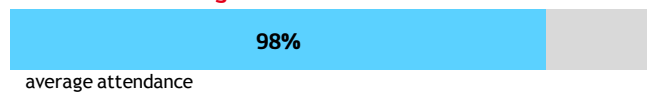
Starting from its renewal for the 2019-2021 financial years, the 231 Supervisory Body's duties will be carried out by the Board of Statutory Auditors

Board Independence

All as per Italian Corporate Governance Code and TUF



2018 Board meeting attendance



Disclaimer

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