



Unlocking...

A better bank

A better world

A better future

Corporate Governance Overview

Milan, March 2023

Empowering
Communities to Progress. |  **UniCredit**

Corporate Governance Overview

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Corporate Governance Overview

Governance framework



- **corporate governance** adherent to current provisions and recommendations laid out in the Italian Corporate Governance Code, soft law identifying the corporate governance standards and best practices for companies listed in Italy, to be applied according to the comply or explain principle
- an ongoing review of our corporate governance system, to improve and align the Company governance to the best national and international practices



Main components of our governance

- Articles of Association, Regulation for the Shareholders' Meeting, Corporate Bodies and Committees Regulation
- Group Remuneration Policy
- Group Managerial Golden Rules

2018

- February - April, **reduction of the size** of the Board of Directors **to 15** and of the **number of Vice Chairs to 1**; **maximum 3 mandates**

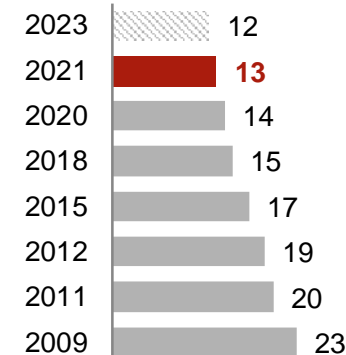
2021

- March - April
 - **strengthened the body's collective suitability** through (i) **broad coverage of financial services**, (ii) **exposure to international markets and geographies**, (iii) **broad range of industrial and digital expertise**, (iv) **increased diversity**
 - **reduction of the size** of the Board of Directors **to 13**

2023

- February, Board of Directors' proposal to the AGM to reduce the size of the Board of Directors to 12

Number of the UniCredit Directors



Corporate Governance Overview

Shareholders' structure

Major Shareholders (>3%) ⁽¹⁾

Shareholders	% of share capital
1. BlackRock Group	5.921% ⁽²⁾
2. Allianz SE Group	3.587%

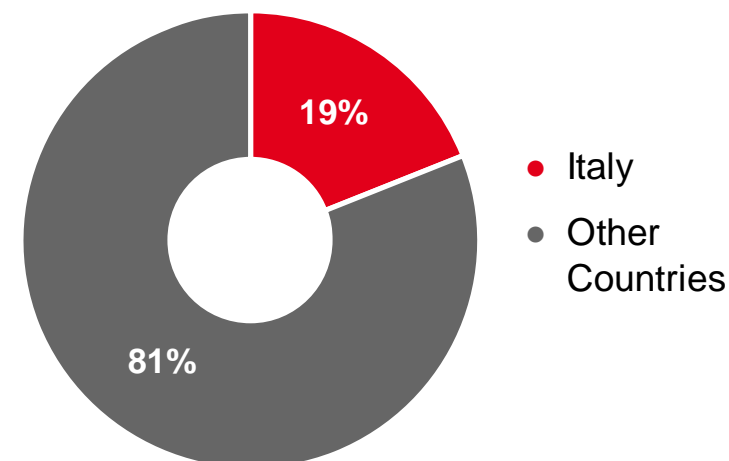
(1) The table shows the information notified by Shareholders pursuant to section 120 TUF following the update disclosed on the Consob website on February 9, 2023. The percentages are calculated on the number of shares representing the share capital, as shown below, which considers the free capital increase registered on February 27, 2023

(2) non-discretionary asset management

Share capital

Ordinary shares	1,940,777,908
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Geographical breakdown as at December 31, 2022



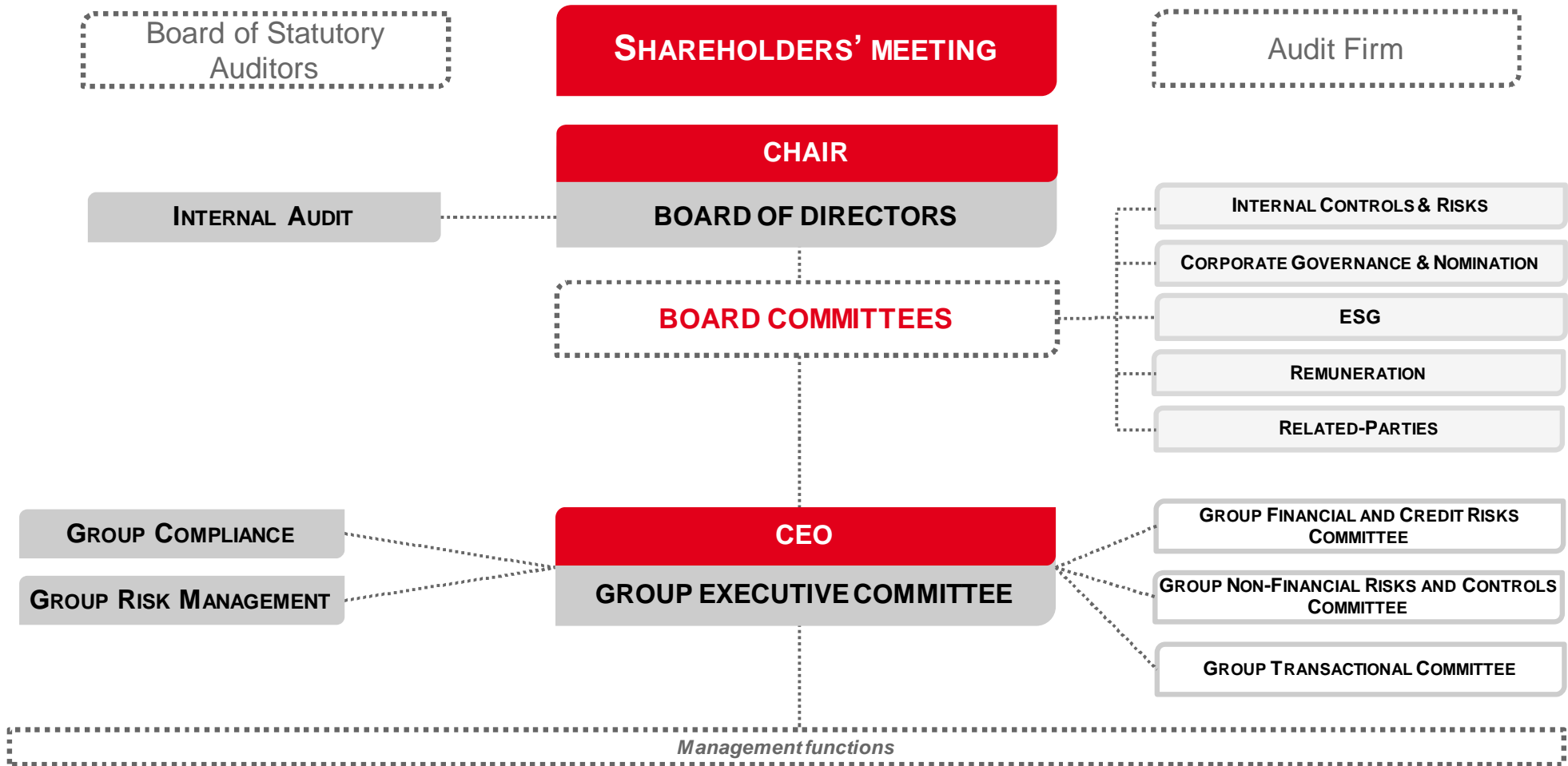
Further information

Shareholders' agreements: **NO**

Controlling Shareholders: **NO**

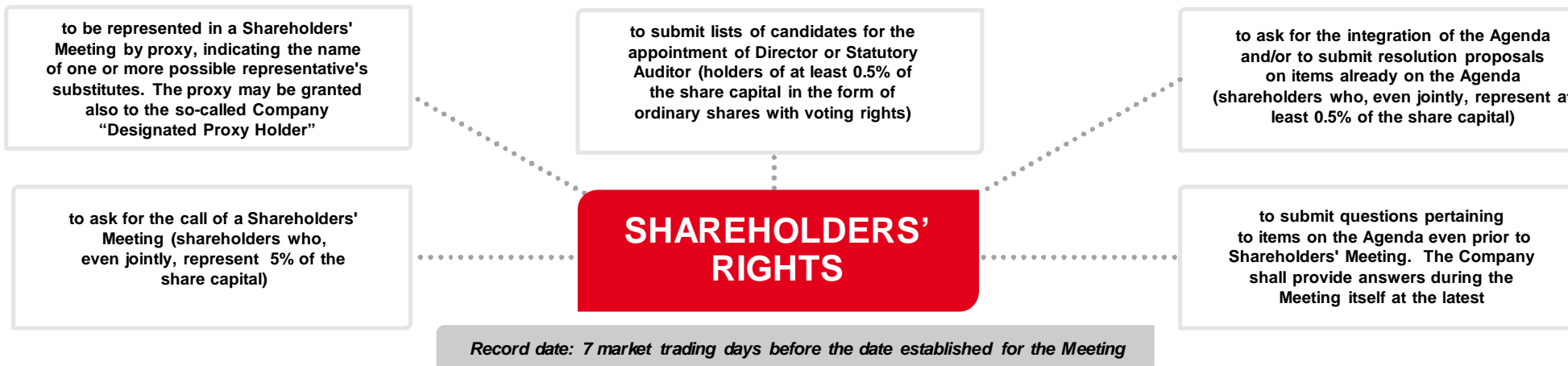


Organizational and governance structures



Corporate Governance Overview

Shareholders' Meetings



VOTING RIGHTS

Ordinary session

- financial statements approval, resolution on net profit allocation
- appointment of 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

Extraordinary session

- amendments to the Articles of Association
- capital increases
- mergers and de-mergers
- appointment, replacement and powers of the official receivers/trustees in bankruptcy

Quorum for resolutions

absolute majority

[higher only for the approval of a ratio of variable to fixed remuneration of employees higher than 1:1]

Quorum for resolutions

at least 2/3 of the share capital represented in the Meeting

Each ordinary share gives the holder the right to cast one vote

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)

Analytical voting disclosure

Financial calendar available at the latest by January 30th



Corporate Governance Overview

Board of Directors



Corporate Governance Overview

Board of Directors

1 2 3 4

PIETRO CARLO PADOAN



Born in Rome (Italy)
on January 19, 1950

Posts held in other listed
companies or large companies:

None

Chairman

First appointment date
October 2020

Independent as per
Code, TUB and TUF

Non-executive

Attendance % **100**

CHAIR REPLACEMENT PROCEDURE

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

LAMBERTO ANDREOTTI



Born in Rome (Italy)
on July 6, 1950

Posts held in other listed
companies or large companies:

▪ **Director of Corteva
Agriscience**

Deputy Vice Chairman

First appointment date
April 2018

Independent as per Code,
TUB and TUF

Non-executive

Attendance % **89**

**Chairman of the Corporate
Governance & Nomination
Committee**

Role played by the Chair

- is responsible for ensuring that the corporate governance system functions effectively, also with regard to any aspect related to internal and external communications;
- is an interlocutor for the Board of Statutory Auditors and the Board Committees;
- while remaining neutral, the Chair promotes dialogue among executive and non-executive positions, 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 effective contribution from all its members;
- manages relations with shareholders and the Supervisory Authorities, in agreement with the CEO



Corporate Governance Overview

Board of Directors

ANDREA ORCEL



Born in Rome (Italy) on May 14, 1963

Posts held in other listed companies or large companies:

- Director of EIS Group Ltd

Chief Executive Officer

First appointment date
April 2021

Executive

Attendance % 100

VINCENZO CARIELLO



Born in Arezzo (Italy) on December 23, 1965

Posts held in other listed companies or large companies:

- Director of A2A S.p.A.

Director

First appointment date
April 2018

Independent as per Code, TUB and TUF

Member of the Related-Parties Committee

Non-executive

Attendance % 100

ELENA CARLETTI



Born in La Spezia (Italy) on September 8, 1969

Posts held in other listed companies or large companies:

None

Director

First appointment date
February 2019

Independent as per Code, TUB and TUF

Chairwoman of the Internal Controls & Risks Committee

Member of the Related-Parties Committee

Non-executive

Attendance % 100

JEFFREY ALAN HEDBERG



Born in Philadelphia (USA) on October 29, 1961

Posts held in other listed companies or large companies:

- Director of Companies in the Wind Tre Group

Director

First appointment date
April 2021

Independent as per Code, TUB and TUF

Chairman of the Remuneration Committee

Member of the ESG Committee

Non-executive

Attendance % 89

BEATRIZ LARA BARTOLOME'



Born in Buenos Aires (Argentina) on November 30, 1962

Posts held in other listed companies or large companies:

- Sole Director of the AHAOW Moment S.L.

Director

First appointment date
February 2020

Independent as per Code, TUB and TUF

Member of the ESG Committee

Non-executive

Attendance % 100



Corporate Governance Overview

Board of Directors

1 2 3 4

LUCA MOLINARI



Born in Atessa (Chieti, Italy) on May 15, 1973

Posts held in other listed companies or large companies:

- **Director at Sanad Group**

Director

First appointment date
April 2021

Independent as per Code,
TUB and TUF

Non-executive

Attendance % **100**

Member of the Remuneration
Committee

MARIA PIERDICCHI



Born in Schio (Vicenza, Italy) on September 18, 1957

Posts held in other listed companies or large companies:

- **Director of Autogrill S.p.A., Aidexa Holding (ex PBI S.p.A.) and HUBLAB Eccellenze d'Impresa S.r.l.**

Director

First appointment date
April 2018

Independent as per Code,
TUB and TUF

Non-executive

Attendance % **100**

Chairwoman of the Related-
Parties Committee

Member of the Internal
Controls & Risks Committee

FRANCESCA TONDI



Born in Livorno (Italy) on May 16, 1966

Posts held in other listed companies or large companies:

- **Director of Piraeus Financial Holdings SA and Piraeus Bank SA**

Director

First appointment date
April 2018

Independent as per Code,
TUB and TUF

Non-executive

Attendance % **95**

Chairwoman of the ESG
Committee

Member of the Internal
Controls & Risks Committee

RENATE WAGNER



Born in Heltau (Romania) on September 29, 1974

Posts held in other listed companies or large companies:

- **Member of the management/supervisory body of Companies of the Allianz SE Group**

Director

First appointment date
April 2021

Independent as per TUB
and TUF

Non-executive

Attendance % **79**

Member of the Remuneration
Committee

ALEXANDER WOLFGRING



Born in Vienna (Austria) on September 17, 1962

Posts held in other listed companies or large companies:

- **Member of the supervisory body of Companies of the AVZ Group**

Director

First appointment date
May 2013

Independent as per TUF

Non-executive

Attendance % **100**

Member of the Internal
Controls & Risks Committee

Member of the
Corporate Governance &
Nomination Committee



Corporate Governance Overview

Board Committees

Internal Controls & Risks

The majority of the members **is independent** according to the Italian Corporate Governance Code and the TUB. All members are independent according to the TUF. «A **minority**» Director sits on the Committee

All members **have the experience required by the applicable provisions**, covering the provided areas of competence related to risk and control as well as accounting and audit

CHAIR



Elena Carletti

MEMBERS



Maria Pierdicchi



Francesca Tondi



Alexander Wolfgring

Non-executives

100%

Independent

75%

2022 meetings attendance

98%

average attendance

Corporate Governance & Nomination

Made up by 2 Directors, following the resignation of Director Mr. Jayne-Anne Gadhia

The members **are independent** according to the TUF; a member is also independent according to the Italian Corporate Governance Code and the TUB

CHAIR



Lamberto Andreotti

MEMBERS



Alexander Wolfgring

Non-executives

100%

Independent

50%

2022 meetings attendance

97%

average attendance



Corporate Governance Overview

Board Committees

ESG

All members

- ✓ **are independent** according to the Italian Corporate Governance Code, the TUB and the TUF
- ✓ **«a minority»** Director sits on the Committee

CHAIR



Francesca Tondi

MEMBERS



Jeffrey Alan Hedberg



Beatriz Lara Bartolomé

Non-executives

100%

Independent

100%

2022 meetings attendance

100%

average attendance

Remuneration

The majority of the members **is independent** according to the Italian Corporate Governance Code

All members **are independent** according to the TUB and the TUF

Some members have specific technical know-how and experience on financial matters or remuneration policies

CHAIR



Jeffrey Alan Hedberg

MEMBERS



Luca Molinari



Renate Wagner

Non-executives

100%

Independent

67%

2022 meetings attendance

93%

average attendance



Corporate Governance Overview

Board Committees

Related-Parties

All members

- ✓ **are independent** according to the Italian Corporate Governance Code
- ✓ **«a minority»** Director sits on the Committee

CHAIR



Maria Pierdicchi

MEMBERS



Vincenzo Cariello



Elena Carletti

Non-executives

100%

Independent

100%

2022 meetings attendance

98%

average attendance



Corporate Governance Overview

Board of Directors composition

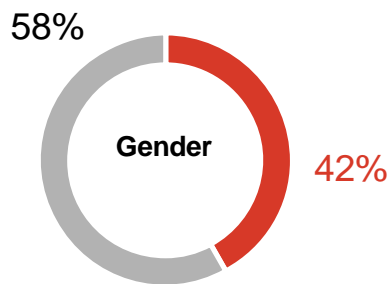
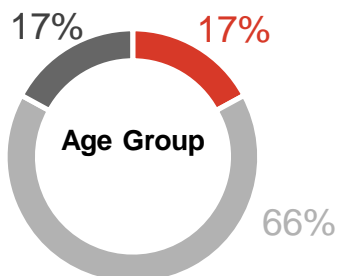
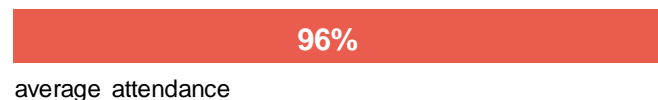
Executives and non-executives Directors

1 CEO executive
11 non-executives

Independent Directors

9 according to the Corporate Governance Code; 10 according to the TUB; 11 according to the TUF

2022 meetings attendance

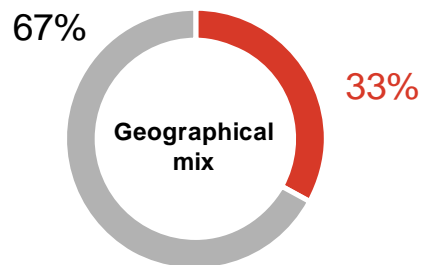
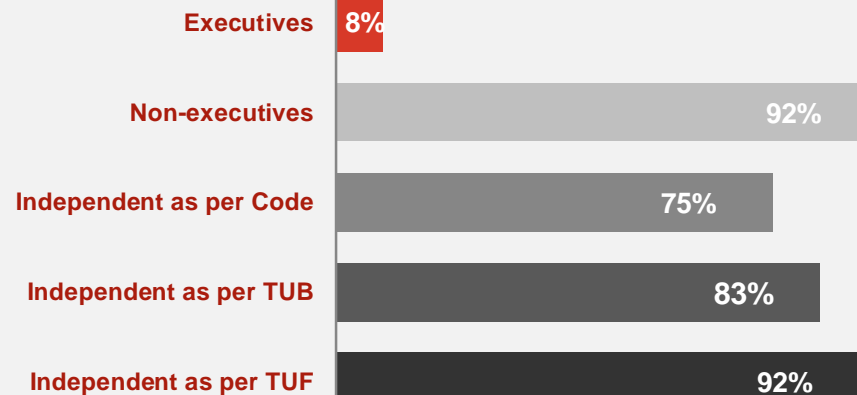


2022 tenure length

3.6 years

■ <50 ■ 50 - 65 ■ >65

■ Female ■ Male



■ Other Countries ■ Italy

17% Minorities



Corporate Governance Overview

Board of Directors composition

1

2

Board skills



Quali-quantitative composition

The current Board composition qualitatively and quantitatively matches the theoretical profile approved in March 2021

Individual suitability

- ✓ **all Directors declared their ability to commit sufficient time** to duly perform their functions, including sitting on Board Committees, where applicable
- ✓ *the experience gained by all Directors is in line with the requirements identified in the theoretical profile, considering that - in addition to their international experience - they possess a good understanding of and experience in more than two areas of competence envisaged in the profile itself*

Collective suitability

- ✓ *the personal qualities of Directors, as well as age and gender diversity, fully comply with the indications of the theoretical profile*
- ✓ **on average, the Directors possess 7 areas of competence identified by the Board; all the relevant core competencies are covered by the Board**



Corporate Governance Overview

ESG Governance

UniCredit's ESG governance has been significantly strengthened in recent years, underpinning the drive to further integrate ESG criteria into the Group's overall business strategy

Several structures are involved in ESG governance and management at three main levels: **corporate bodies oversight**, **steering and coordination**, and **implementation and execution**. Below a summary is provided of the principal functions involved

- The **Board of Directors** defines the overall strategy of the Bank, which incorporates the Group's ESG strategy, overseeing its implementation over time
- The **ESG Committee (ESGC)** supports the Board of Directors in fulfilling its responsibilities with respect to the ESG components
- The **Group Executive Committee (GEC)** is the Group's most senior managerial committee, chaired by the CEO. Within its mission it defines the overall ESG strategy. It ensures the effective steering, coordination and control of the Group business regarding strategic topics, such as the ESG-related matters
- The **Group Strategy & ESG** and **Group Stakeholder Engagement** functions together serve as a **CEO Office** which deals with all initiatives which are critical for the CEO, such as strategy, M&A, the further integration of ESG criteria in the business of the company, stakeholder management, and regulatory affairs
- The **Group ESG** function, part of the Group Strategy & ESG function, steers the definition and implementation of the Group's ESG strategy. It ensures the ESG framework is consistent with the Group's principles and Purpose and with relevant international standards and practices. It is also tasked with, inter alia, monitoring and disclosing the Group's ESG impacts and results, and with overseeing the adoption of relevant policies and standards. Its activities are divided into three offices: **ESG Strategy and Implementation**; **ESG Service Excellence**; **ESG Metrics, Policies and Disclosure**
- The **Group Risk Management** function supports the CEO in defining the Group Risk Appetite proposal which is to be shared with the GEC, the Internal Controls & Risks Committee (IC&RC) and the Board of Directors. It also interacts with the IC&RC and the ESGC on ESG risk matters

FOCUS

- Within Group Risk Management, the **Group Climate Risk and Risk Governance** function oversees climate related and environmental risks, and the newly established **Climate & Environmental Credit Analysis** function manages the integration of climate and environmental factors in the various phases of the credit risk cycle

FOCUS: ESG COMMITTEE

The Committee's work includes:

- overseeing ESG and sustainability-related developments in terms of international guidelines, principles, market developments etc, monitoring the positioning of the Group
- information-gathering, consultative and proposition-making actions so as to ensure the alignment of Group policies with UniCredit's ESG principles and objectives.

In **2022** the Committee supported the Board of Directors in its appraisal of a broad spectrum of **ESG topics**:

10

Meetings held

22

Items reviewed

4

Main thematic areas of work



Corporate Governance Overview

Board of Directors' role

UniCredit is a company with shares listed on the Milan, Frankfurt, Warsaw regulated markets

Together with its subsidiaries, a wide range of banking, financial and related activities are offered on a global scale in Italy, Germany, Austria and several other Central and Eastern European countries

As Holding Company of a banking Group, UniCredit carries out organic policy, governance and control functions in addition to banking activities vis-à-vis its banking, financial and instrumental subsidiaries

The CEO is entrusted with authorities concerning execution of **credit activities** within the limits and specifications set forth by the Board

The Board of Directors is responsible for



- the resolutions concerning the general guidelines and the adoption and amendment of business, strategic and financial plans for the **Company** as well as the periodic monitoring of their implementation
- approving the UniCredit organisational structure and corporate governance, in order to ensure a clear separation of duties and functions as well as the conflict-of-interest prevention
- examining and approving transactions of significant strategic, economic, equity-related and financial relevance performed by the Company

- defining, adopting and amending general guidelines for managing the **Group** development policies prior to drafting strategic, business and financial multi-year plans and operating budgets for the Company and the Group
- periodically reviewing said guidelines in relation to developments in corporate operations and the external environment and supervising their proper implementation
- approving the corporate structure and governance models/guidelines of the Group
- examining and approving transactions of significant strategic, economic, equity-related and financial relevance performed by the companies belonging to the Group



Corporate Governance Overview

Succession Planning process



UniCredit has in place a structured process, aimed at managing and developing the leadership pipeline across the Group, called **Succession Planning** related to all Group Executives, including the Chief Executive Officer position

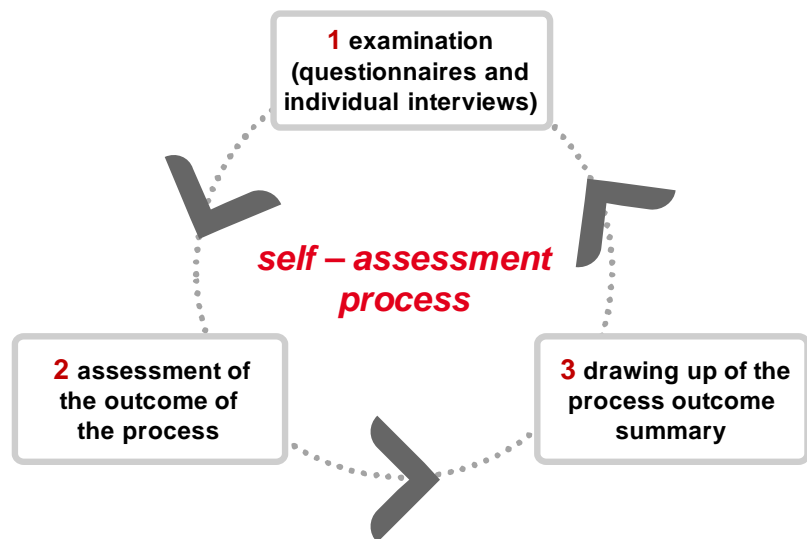
Succession Planning

- It is integrated with the **Performance Management** and based on the **Group Values**
 - It ensures the **business continuity** and **sustainability** and is updated on a **yearly basis**
 - It provides with the basis for **career plans definition and succession for Executives**
- As a rule, a results summary is discussed by the **Corporate Governance & Nomination Committee** and submitted to the **Board of Directors** to provide information
 - The Succession Planning's results serve as the reference point for the **evaluation of possible candidates and decisions on new appointments**



Corporate Governance Overview

Self-assessment process



- In compliance with the Bank of Italy Supervisory Regulations on banks' corporate governance, and in line with the recommendations of Article 4 of the Italian Corporate Governance Code
- undertaken by the Board at least annually
- focused on the adequacy of the Board and its Committees in terms of composition and functioning, tangibly measured in specific theme-based areas, with special reference to those relevant to sound and prudent management

The process is undertaken with the assistance of an **external consultant**, selected 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 2022 review highlight a positive overall picture of the conduct of the Board of Directors and its Committees, demonstrating that these bodies operate effectively and transparently, in accordance with the best national and international corporate governance practices

In particular the **following strengths** are highlighted for the Board: (i) Directors have a positive attitude, shared values and pride of belonging; (ii) the quality of discussion is generally high and all Directors feel they can freely express their views; (iii) the relationship between the Board and management is positive, open and transparent; (iv) there is clear recognition from the non-executive Directors for the great effort in deploying UniCredit Unlocked strategic plan by the CEO and the management team and the Board feels fully engaged in supporting the transformation; (v) Board is fully informed, both in Board meetings and in-between Board meetings when necessary; (vi) the relationship between the Chair and the CEO is constructive with the right amount of support and challenge; (vii) the quality of the Committees' work and the support provided by them to the activity of the Board is highly appreciated

A number of **areas on which attention should be focused in order to make the Board of Directors' actions even more effective** emerged, including:

- organizing as many opportunities as possible for the Board to meet in person and spend time together both in the boardroom and in informal sessions, such as off-site or Company events;
- planning a Strategy session to cover both an update on progress against UniCredit Unlocked and long-term strategy (it would ideally be held off-site);
- addressing the occasional delays on paper delivery also improving accessibility with a new online portal;
- reflecting on the current format of certain management presentations to make them shorter and more effective;
- in addition to the existing permanent induction program, carrying out further trainings and development programmes for all Directors to be implemented in 2023



Corporate Governance Overview

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 comply with law, supervisory regulations, policies, regulations and internal procedures

Organization of the Internal Controls System based on:

- controls bodies and functions; information flow 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 who is supported in managing and overseeing the internal controls system by the managerial committee Group Executive Committee and the Group Risks/Controls Committees (i.e., Group Financial and Credit Risk Committee and Group Non-Financial Risks and Controls Committee), chaired by the CEO himself

Layers of the Internal Controls System



Corporate Governance Overview

Related-parties and associated persons

Global Policy "Transactions with related parties, associated persons and corporate officers ex Section 136 TUB (CONSOB Regulation no. 17221/2010 – Bank of Italy Circular no. 285/2013)

Member of the Combined Perimeter as defined by the internal regulation

Transactions of Greater Significance

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

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, except for those falling within the competence of the Shareholders' Meeting and those with controlled/associated companies without significant interests
- issues opinions on the subsidiaries' transactions
- receives periodic information flows on the transactions which are not subject to exemption

Related-Parties Committee's role

- becomes involved – if deemed necessary by the Committee, through one or more delegate members – in the negotiation and in the preliminary phase through the receipt of a complete and timely information flow with right to request information and issue observations;
- formulates 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



Corporate Governance Overview

Board of Statutory Auditors

Composition

CHAIRMAN*



Marco Rigotti

Permanent Auditor*



Antonella Bientinesi

**Board of
Statutory
Auditors of
UniCredit**

Permanent Auditor



Claudio Cacciamani

Permanent Auditor



Guido Paolucci

Permanent Auditor



Benedetta Navarra

* Auditor appointed from the slate voted by a Shareholders' minority

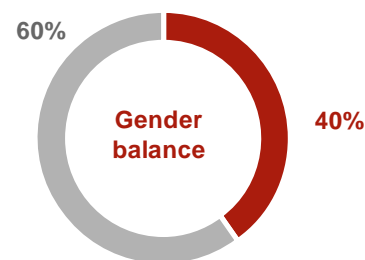
The corporate body is, among other things, in charge of supervising:

- compliance with laws, regulations and 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 disclosure 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

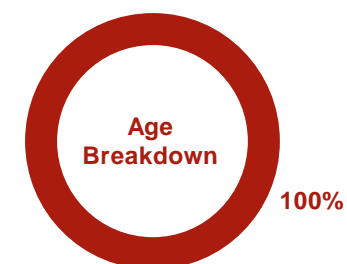
Starting from its renewal for the 2019-2021 financial years (UniCredit AGM April 11, 2019), the 231 Supervisory Body's duties are carried out by the Board of Statutory Auditors

Independence

ALL according to the Corporate Governance Code, TUB and TUF



■ Female ■ Male



■ 50 - 65

2022 meetings attendance



average attendance



Disclaimer

- *This Presentation may contain written and oral “forward-looking statements”, which includes all statements that do not relate solely to historical or current facts and which are therefore inherently uncertain. All forward-looking statements rely on a number of assumptions, expectations, projections and provisional data concerning future events and are subject to a number of uncertainties and other factors, many of which are outside the control of UniCredit S.p.A. (the “Company”). There are a variety of factors that may cause actual results and performance to be materially different from the explicit or implicit contents of any forward-looking statements and thus, such forward-looking statements are not a reliable indicator of future performance. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law. The information and opinions contained in this Presentation are provided as at the date hereof and are subject to change without notice. Neither this Presentation nor any part of it nor the fact of its distribution may form the basis of, or be relied on or in connection with, any contract or investment decision*
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