2014 GROUP COMPENSATION POLICY

Letter From the Chairman

Dear Fellow Shareholders,

As a major European bank, we face competition and complexity on a daily basis. And because UniCredit's market is now global, we must work harder, with a strong sense of accountability.

We honor this duty and strive to create sustainable value for all our stakeholders by responsibly managing risk, quickly adapting to increasingly strict regulatory requirements, and improving the overall environment within our company.

During the past year, our Group's strong focus on becoming fully accountable has been reflected in our improved remuneration system. This system embraces comprehensive compensation policies that enable us to successfully achieve strategic goals. Our approach has been to strictly comply with all national and international regulatory requirements with a focus on performance, market knowledge and business strategies aimed at value creation for stakeholders.

In today's rapidly changing business environment, a competitive remuneration system is essential to preserve the delicate balance between the achievement of strategic goals and recognition of the merits of our people, who are our company's most important asset. In this context, the relationship between motivation and compensation is particularly important. It inspires colleagues to align themselves with company goals, increasing their sense of belonging. And it enables the company to assess their professional conduct as it relates to the implementation of our corporate mission.

Our focus on diverse means of remuneration reflects our commitment to provide organizational and social rewards that, beyond their pecuniary nature, fit very well with our wider view of what compensation should be. We are focused not only on attracting, retaining and motivating highly-skilled workers, but also on rewarding those who embody company values in managing Group activities. Our purpose is to provide rewards that are clearly linked to the creation of long-term value.

I am proud to present our redefined compensation proposal for 2014. Our new approach to variable compensation defines and allocates based on performance to further strengthen the link between profitability, risk and remuneration. It is an advanced system designed to satisfy and retain those people who actively participate in company life and consistently help us become a more customer-centric organization.

The key points of our remuneration policy will remain transparency and proactive dialogue with all involved parties, so that we can create real value for our shareholders and all other stakeholders.

Sincerely,
Giuseppe Vita
Chairman

Table of Contents

SECTION I: EXECUTIVE SUMMARY

Our Compensation Policy

The implementation of the principles set in our **Group Compensation Policy provides the framework for the design of reward programs across the Group**. Policy standards ensure that compensation is aligned to business objectives, market reality and shareholders' long term interests.

UniCredit compensation approach has been consolidated over time under our Group governance, to be compliant with most recent national and international regulatory requirements and connected with performance, market-awareness and aligned with business strategy and shareholder interests.

The key pillars of our **Group Compensation Policy (Section II)** reflect most recent regulations in terms of remuneration and incentive policies and practices, in order to build year-by-year – in the interest of all stakeholders – remuneration systems aligned with long-term strategies and goals, linked with company results, adequately adjusted in order to take into account all risks, consistent with capital and liquidity levels needed in order to face all activities and, in any case, to avoid distorted incentives that could bring to breach of law or to an excessive risk taking.

Consolidation of 2013 Remuneration Policy	New features within 2014 Remuneration Policy
1. Key Pillars - Clear and transparent governance - Compliance with regulatory requirements & principles of good business conduct - Continuous monitoring of market trends & practices - Sustainable pay for sustainable performance - Motivation and retention of all employees, with particular focus on talents and mission – critical resources **2. Regulatory alignment, including:** - Capital Requirement Directive (CRD IV) - Bank of Italy "*Disposizioni in materia di politiche e di prassi di remunerazione e incentivazione nelle banche e nei gruppi bancari*", consultation paper - EBA Regulatory Technical Standards (RTS) **3. Compensation benchmarking** - Peer group update performed by the Remuneration Committee independent external advisor, for compensation benchmarking in order to support salary review, especially for management **4. Performance measurement** - KPI Bluebook review, framework for performance measurement and evaluation of Group Executives. Key Performance Indicators (KPI) are certified with the involvement, among others, of *Finance*, *Risk*, *Compliance* and *Audit* Group functions **5. Severance payouts** - Continuous alignment with regulations/contract timely in force - Severance payouts shall not exceed the ones provided by law/National Labor agreement locally applicable - In case of lack of such regulations, any severance beyond the notice period shall not exceed 24 month of total compensation	**6. "Identified Staff" assessment** - Identification of ca. 900 employee as 2014 "Identified Staff" - Assessment performed at Country/Division level and Group Consolidation - Application of EBA RTS combination of core qualitative & quantitative criteria which are common at European level **7. Ratio between variable and fixed compensation** - Introduction of the 2:1 cap as upper limit to the ratio of the variable and the fixed component of the remuneration for all employees, with the exclusion of Company Control Function (for which a more conservative approach is provided) - Case by case approach for salary review due to cap application to a very limited number of Identified Staff, only in those areas/business and roles where competitiveness may be an issue in terms of retention - Overall impact of fix salary review for Group Executives, as per cap application, of +3,2%, offset by a decrease of the variable compensation equal to -8,5%. In any case, no fix compensation review has been considered for Top Management as consequence of the cap **8. Incentive System** - Introduction of a "bonus pool" approach: top down allocation of the available pool instead of the individual bonus opportunity as in the current system - Increased connection of remuneration, risk and sustainable profitability, with a direct link to the Risk Appetite Framework - Entry conditions aligned with performance and risk metrics at Group and Country/Division level - Individual performance appraisal based on 4 and 8 core goals, of which at least half sustainability and at least one KPI risk adjusted or belonging to the category "enhance risk & control culture" - 2014 bonus structure provides for upfront and deferred installments, in cash/shares, paid over a period of 6 years and subject to future performance conditions

Highlights of our Compensation Approach: 2013 consolidation and 2014 new features

1. **Key Pillars**
   The key pillars of our Group Compensation Policy (Governance, Compliance, Continuous monitoring of market practices, Sustainability, Motivation & retention) ensure the competitiveness and effectiveness of remuneration, transparency and internal equity.

2. **Regulatory alignment**
   Group Remuneration Policy is aligned to the latest national and international regulatory requirements. Full compliance of compensation policies and processes is assured through involvement of Company Control functions such as Compliance, Audit and Risk Management that also guarantee the coherence with the Risk Appetite Framework, in line with sector regulations.

3. **Compensation benchmarking**
   With specific reference to Group Executive population, Remuneration Committee defines, supported by an independent external advisor, a list of selected competitors that represent our Group-level peers (disclosed on chapter 3, Remuneration Report) with regard to whom compensation benchmarking analysis is performed. As policy target, Executives total compensation is set between market median and upper quartile, with individual positioning defined considering specific performance, potential and people strategy decisions and UniCredit performance over time.

4. **Performance measurement**
   The KPI (Key Performance Indicators) Bluebook, is the framework for performance measurement & evaluation of Group Executives, and provides guidelines for the assignments of the goals. The categories of the main indicators of financial and non financial Group performance, annually defined within the KPI Bluebook, are certified with the involvement of Human Resources, Planning Finance and Administration, Risk Management, Compliance, Sustainability, Group Stakeholder and Service Intelligence and Audit functions, which reflect Group's core operating profitability.

5. **Severance payout**
   All severance payouts take into consideration the long-term performance, in terms of shareholder added-value, do not reward failures or abuses and shall not exceed the ones provided by Law/National Labor agreement locally applicable. In case of lack of such regulations, any severance beyond the notice period shall not exceed 24 months of total compensation and shall be scaled proportionally to the length of service.

6. **"Identified Staff" assessment**
   "Identified staff" population have been updated ensuring full compliance with current regulations. The identification has followed a structured evaluation process both at Group and local level, based on the application of core qualitative and quantitative criteria common at European level. The result of the evaluation process for the definition of "Identified Staff" has led to the identification of approximately 900 employees for 2014.

7. **Ratio between variable and fix compensation**
   In line with most recent regulations – as deemed applicable – it is set a maximum limit to the ratio between the variable and the fix component of compensation. UniCredit, coherently with the powers recognized under the mentioned legislation, has deemed appropriate to establish, in general, a ratio between the former and the latter component of the remuneration of 2:1, unless of course, the legislation in force in each country provides for a lower cap. This ratio is applicable to the remuneration components of all employees, with the exception of Company Control Functions personnel, in order to ensure a strong link between pay and performance. This decision, moreover, allows: to maintain competitiveness in the market, being also the direction in which the main peers are expected to move; to limit the unleveled playing field in the markets where the cap is not present; a greater flexibility of cost structure and alignment with multi-year performance avoiding the decrease of deferred compensation.

Consistently with regulatory guidelines, no compensation review has been considered for Top Management as consequence of the application of the cap to the variable remuneration, while for the remaining "identified staff", a case by case approach have been followed just in those areas/ businesses where competitiveness may be an issue.

8. **Group Incentive System**
New 2014 Group Incentive System introducing the bonus pool approach provides for the allocation of a performance related bonus composed of 50% cash and 50% shares, paid out over 6 years period (1 year upfront and 5 years deferral), well above the latest regulatory requirements, ensuring the alignment with shareholders' interests and subject to malus and clawback conditions, as legally enforceable. Individual bonus is defined in line with available pool, considering individual performance evaluation based on risk adjusted indicators. Within the System, the link between profitability, risk and reward is assured via the application of an "entry condition" that determines the possible application of the malus condition (Zero Factor) based on risk adjusted Profitability, Capital and Liquidity KPIs set at both Group and Country/Division level.

2013 Results & Compensation Decisions

For 2013, the Board of Directors of UniCredit, has taken into consideration the evaluations of the Remuneration Committee and the guidelines of the regulatory authorities on variable remuneration.

The evaluation regarding compensation decisions, as done also in the previous years, was supported by a rigorous Group governance process in order to guarantee coherence and transparency for all involved actors.

The Board has expressed a sincere appreciation for the high professionalism demonstrated by the Management during a particularly difficult year and for the initiatives that make UniCredit today a bank even more ready to benefit from all the opportunities presented in our Strategic Plan.

However, considering the overall context, this year it was considered opportune not to proceed with the allocation of bonuses to the Group Top Management, regardless of the achievement of individual results, whose evaluation have not been taken into account for the purposes of information provided in this compensation policy document.

Within this framework, coherently with the Group Compensation Policy, the Board resolved for a bonus payout particularly selective for the remaining population, focusing on those Group entities that have achieved a solid and sustainable performance. Overall, the bonus that will be paid to the first ca. 120 Group Executives shows a reduction of over 60% compared to the bonus opportunities, and 80% of them will be deferred in the following years subject to the achievement of additional future performance conditions.

2013 CEO, GM and DGMs variable and fix compensation data

	CEO	GM	DGMs
Fix *(Euro/000)*	1.964	1.301	2.201
Bonus 2013 (Euro/000)	0	0	0
LTI Plan 2011 *(# Shares)*	84.024	-	-

Focus on CEO Performance

- Looking forward to 2014, **the goals for the CEO** defined and approved by UniCredit Board of Directors as the core drivers of performance in the following year are represented by:

  1. Achievement of Economic Profit at Group level within Risk Appetite Framework
  2. Specific risk management goal at Group level (paragraph 5.3 for details)
  3. Achievement of positive Net Operating Profit at Group level, in line with budget expectations
  4. Execution of Company strategic vision with focus on growth, capital reallocation and efficiency, at Group level and on qualitative evaluation base
  5. Achievement of Common Equity Tier 1 ratio at Group level, in line with budget expectations
  6. Progress at Group level on commercial lending activities on the basis of risk and credit methodologies

7. Focus on value creation for shareholders monitoring: Customer Satisfaction, People Engagement and Reputation at Group level
8. Development of a strong and sustainable Group risk culture.

- In the event of possible resignation, dismissal/ revocation or termination, the annual remuneration used to define the possible indemnity due is governed by the ordinary provisions of the Italian law and National Labor Agreement for Banking Industry Executives.

Our Compensation Disclosure

The **Annual Compensation Report (Section III)** provides the description of our compensation practices and the implementation outcomes of Group incentive systems, as well as remuneration data with a focus on non-executive directors and the 'identified staff', defined in line with regulatory requirements.

The Report includes also the **disclosure requested by the Italian National Commission for Listed Companies (Consob)** in sect. 84-quater of Issuers Regulation Nr. 11971, as amended by act no. 18049 / December 23, 2011, referring to members of administrative and auditing bodies, general managers and other key management personnel.

Moreover, in the Annex of the document it is disclosed **specific information on equity plans approval and execution**, as requested by section 114-bis of legislative decree 58/1998 ("Testo Unico della Finanza" – "TUF").

Full disclosure on compensation payout amounts, deferrals and ratio between variable and fix component of remuneration for the "identified staff" is provided in the Annual Compensation Report (paragraph 7.1, Remuneration Report), including data regarding Directors, General Managers and other key management personnel categories.

Details of our variable compensation costs and ratio between variable and fix component of remuneration at Group level can be found in the Report (chapter 7).

SECTION II: GROUP COMPENSATION POLICY

Contents

1. Introduction

1.1 Reflecting Our Mission and Values

We, UniCredit people, are committed to generate sustainable value for our customers. As a leading European bank, we are dedicated to the development of the communities in which we live, and to being a great place to work. We aim for excellence and we consistently strive to be easy to deal with.

Finalizing these continuous commitments will allow us to create sustainable value for our shareholders.

Our set of values is based on integrity as a condition to transform profit into value for our stakeholders: our leadership team and all our employees are fully committed to the Values embedded within the Group Integrity Charter. We, also through appropriate compensation mechanism aim to attract, retain and motivate a highly qualified, diverse, global workforce capable of creating a competitive advantage and to reward those who reflect our standards of consistently ethical behavior in conducting sustainable business.

By upholding the standards of sustainability behaviors and values which drive our Group mission, our compensation strategy represents a key enabler to enhance and protect our reputation and to create long-term value for all Group stakeholders.

These standards define the principles of a Group Compensation Policy which, relying on our governance model, sets the framework for a consistent and coherent design, implementation and monitoring of compensation practices across our entire organization. Within this common policy framework, guidelines are defined to implement compensation programs and plans that reinforce sound risk management policies and our long-term strategy. In so doing, we most effectively meet the specific and evolving needs of our different businesses, market contexts and employee populations, and ensure that business and people strategies are always appropriately aligned with our remuneration approach.

1.2 The Pillars of Our Compensation Policy

UniCredit compensation approach is performance-oriented, market-aware and aligned with business strategy and stakeholder interests. To ensure the competitiveness and effectiveness of remuneration as well as transparency and internal equity, the principles of sustainable conduct and performance define the key pillars of our Group Compensation Policy.

The Pillars of Our Compensation Policy
Clear and transparent governance
Compliance with regulatory requirements & principles of good business conduct
Continuous monitoring of market trends & practices
Sustainable pay for sustainable performance
Motivation and retention of all employees, with particular focus on talents and mission-critical resources

2. Governance

Efficient corporate and organizational governance structures are an essential prerequisite for the pursuit of our company's objectives. UniCredit has clear and rigorous governance and rules existing, in order to establish coherence and transparency also with specific reference to compensation.

2.1 Corporate Governance

Our Compensation Governance Model aims to assure control of Group-wide remuneration practices by ensuring that decisions are made in an independent, informed and timely manner at appropriate levels, avoiding conflicts of interest and guaranteeing appropriate disclosure in full respect of the general principles defined by regulators.

The Board of Directors has established a *Delegation of Powers* system to appropriately regulate effective decision-making processes throughout the organisation.

The Remuneration Committee, instituted in 2000, is vested with the role of advising the Board of Directors on Group Remuneration Strategy. Availing itself also of the support of an independent external advisor, the Committee analyzes and monitors international market compensation trends, practices and pay levels to provide advice to the Board of Directors with particular reference to Senior Executives. The Group Compensation Policy, as drawn up by the Group HR function with the involvement of the Group Risk function, is validated by the Group Compliance function for all compliance-related aspects. On an annual basis, the Group Compensation Policy, as proposed by the Remuneration Committee, is submitted to the Board of Directors for approval. The policy is then presented to the shareholders' Annual General Meeting for approval, in line with regulatory requirements.

2.2 Organisational Governance

On the basis of our *Group Managerial Golden Rules*, our model of organizational governance aims to ensure coherent management across the entire Group within a common framework while allowing for sufficient flexibility in decision-making capability to meet business-specific needs and guarantee the respect of local laws, regulatory and governance requirements and processes.

Our governance model is based on the *Global Job Model,* a system that describes and evaluates all jobs within UniCredit Group and supports the management of people and processes in a global, simple and consistent way. By clustering comparable roles across our different businesses and markets, the Global Job Model allows the homogeneous identification across the entire Group of delegation levels and the coherent design, implementation and monitoring of programs and policies.

The principles of the Group Compensation Policy apply across the entire organization and shall be reflected in all remuneration practices applying to all employee categories across all businesses, including staff belonging to external distribution networks, considering their remuneration specifics. Once approved by UniCredit Annual General Meeting, the Policy is formally adopted by competent bodies in the relevant Legal Entities across the Group, in accordance with applicable local legal and regulatory requirements.

With specific reference to the Group Executive population as defined by the Global Job Model, the Group HR function establishes guidelines and coordinates a centralized and consistent management of compensation and incentive systems. Below Group Executive level, as relevant and appropriate for each employee category, each Division, Competence Line and Country is accountable for the respect of the Group policy.

3. Compliance

Compliance with laws, rules and regulations and integrity in conduct and behaviors are essential elements of our way of doing business, which by its very nature is based on trust. By fully complying not just with the letter but also with the spirit of relevant legal and regulatory requirements, we protect and enhance our company reputation in the short and long term. Compliant compensation guarantees that all our remuneration policies, practices and programs avoid conflicts of interest between roles within the Group or vis-à-vis customers and are consistent with ethical codes of conduct, our company values and business strategy, guaranteeing its long-term sustainability.

Compliance function is vested with the role to "verify whether the company compensation system is consistent with the objective of complying with regulations, Statute and any other code of ethics or other standards of conduct applicable to the bank" (Bank of Italy). Upon performing its activity in this context, Compliance function through its structures:

- defines – within its remit and with reference to the Regulations in place from time to time – a specific set of Compliance drivers to support the design – by HR functions – of compliant incentive systems
- validates, for all aspects that fall within its perimeter, the Group Compensation Policy and – referring to local Regulations – the incentive systems for Group personnel as drawn up by HR functions.

In compliance with regulatory requirements and in the spirit of transparency and accountability which forms the basis of the trust placed in us by our stakeholders, UniCredit undertakes to guarantee proper disclosure of information with regard to the strategic approach and process by which our compensation policy is defined and by which compensation practices are designed. We support any law or regulatory initiative which implies an enhancement of transparency requirements and, subject to the limits set by privacy and data protection laws and by the opportunity of not eroding our competitive advantage, we wish to make clear to all our stakeholders what we do, how and why. Information about our compensation policy and remuneration approach is published in the Financial Statement, Annual Compensation Report, Corporate Governance Report and in other publications as required, which may be available for consultation also via our company website.

4. Continuous Monitoring of Market Trends and Practices

We aim to adopt remuneration practices capable of guaranteeing distinctive and effective compensation solutions that best drive our overall business strategies and people development. Our continuous monitoring of market trends and awareness of international practices contributes to sound formulation of competitive compensation as well as transparency and internal equity.

At Group level, we analyze the overall compensation trends of the market in order to make informed decisions about our compensation approach. With specific reference to the Group Executive population, an independent external advisor supports the definition of a list of selected competitors that represent our Group-level peers with regards to whom compensation benchmarking analysis is performed. This Peer Group is defined by the Remuneration Committee considering our main European competitors in terms of market capitalization, total assets, business scope and dimension. On the basis of constant benchmarking, we aim to adopt competitive ranges in compensation levels, pay-mix and total reward structures for effective retention and motivation of our critical resources.

At Country/Division level and as appropriate throughout the organization and businesses, benchmarking and trends analysis may be conducted considering relevant peer groups to assure competitive alignment with the market of reference. Salary and compensation structures defined on the basis of business or market-specific benchmarking must, in any case, be fully aligned with the general principles of the Group Compensation Policy, with particular reference to the pillars of compliance and sustainability.

5. Sustainability

Our Group's greatest strength is our solid and rigorous commitment to our customers, to our people, to our investors, to the communities we serve, to our core values and to sustainability in everything we do.

Our approach of *sustainable pay for sustainable performance* drives us to set coherent standards for the mechanisms by which we establish compensation levels and payouts *(sustainable pay),* as well as the results and behaviors we aim to incentivate *(sustainable performance)*. All incentive systems at all organizational levels are required to contribute to the sustainability of the Group by aligning individual goals and behaviors to our common long term mission.

5.1 Sustainable pay

Pay is considered sustainable to the extent that a direct link is maintained between pay and performance and that rewards are consistent with long-term stakeholder value creation. The mechanisms by which we set compensation levels and payout should:

- **formulate a balanced total compensation structure**
  - UniCredit, in line with the applicable regulations, pays particular attention in avoiding disequilibrium towards variable compensation which may induce behaviours not aligned with the company's sustainable business results and risk appetite.
  - in line with most recent regulations – where applicable[1] – is set a maximum limit to the ratio between the variable and the fix component of compensation. UniCredit, coherently with the powers recognized under that legislation, has deemed appropriate to establish, in general, a ratio between the former and the latter component of the remuneration of 2:1, unless of course, the legislation in force in each country provides for a lower cap. This ratio is applicable to the remuneration components of all employees, with the exception of Company

[1] For employees belonging to Asset Management business, not defined as "identified staff", taking into consideration the actual regulatory framework and in the absence of any specific indication from the competent authorities, it is deemed applicable the relevant sector legislation, which is not providing for a cap to the variable component of the compensation.

Control Functions personnel, for which a more conservative approach is provided

- is set an appropriate mix between short and long-term variable compensation as applicable and relevant on the basis of market and business specifics and line of sight, and in line with Group' long term interests

▪ **assure a direct link between pay and performance**

- align incentive payout levels with overall company risk and cost-of-capital adjusted profitability
- guarantee financial sustainability and affordability of bonus opportunity and program effectiveness, setting also caps on performance-related payouts as appropriate and consistent with market practice in the context of our specific businesses
- maintain adequate flexibility and managerial discretion in incentive system design such as to manage payout levels in consideration of overall Group, Country/Division performance results and individual achievements
- aim for appropriate differentiation of payout, adopting a meritocratic approach to selective performance-based reward
- design incentive systems to set minimum performance thresholds below which zero bonus will be paid
- take into consideration the long-term performance in terms of shareholder added-value for the calculation of any severance payouts prescribed or suggested by the specific market of reference, as well as any local legal requirements, collective/individual contractual provisions, and any individual circumstances, including the reason for termination
- avoid any severance provision exceeding the ones provided by Law/National Labor agreement locally applicable. In case of lack of such regulations, any severance beyond the notice period shall not exceed 24 months of total compensation and shall be scaled proportionally to the length of service

▪ **adopt a multi-year view of performance**

- ensure that pay moves over time in the same direction as sustainable profitability
- evaluate the opportunity to phase, as foreseen by regulatory requirements, performance-based incentive payout to coincide with the risk timeframe of such performance by subjecting the payout of any deferred component of performance-based compensation to the actual sustainable performance demonstrated and maintained over the deferral timeframe, so that the variable remuneration takes into account the time trend of the risks assumed by the bank (i.e. malus mechanisms)
- consider claw back actions as legally enforceable on any performance-based incentive paid out on the basis of a pretext subsequently proven to be erroneous

▪ **ensure incentive systems uphold compliance in their mechanisms, in organizational processes and in the behaviors and conduct rewarded**

- include clauses for zero bonus in circumstances of non-compliant behavior or qualified disciplinary action, subjecting payout to the absence of any proceeding undertaken by the company for irregular activities or misconduct of the employee with particular reference to risk underwriting, sales processes of banking and financial products and services, internal code of conduct or values breach
- incentive systems, plans and programs must be formalised in legally solid and technically precise terms such as to uphold their validity in all circumstances
- assure independence between front and back office functions in order to guarantee the effectiveness of cross-checks and avoid conflict of interest, with a particular focus on trading activities, as well as ensuring the appropriate independence levels for the functons performing control activities
- evaluations and appraisals linked to compensation must be, as far as possible, available for the scrutiny of independent checks and controls
- evaluate all incentive systems, programs and plans against the degree to which they enhance our overall company reputation which is one of the foundations of our sustainable competitiveness. Any potential reputation risk posed by any feature, consequence or implication of a remuneration practice must necessarily lead to its modification or elimination.

▪ **prove alignment to our Group guidelines regarding non standard compensation**

- non standard compensation are those compensation elements not usually provided

under our Group Compensation Policy and are considered exceptions (for instance welcome bonus, guaranteed bonus, special award, retention bonus)
- awards are limited only to specific situations related to hiring phases, launch of special projects, achievement of extraordinary results, high risk of leaving for Group Executives and mission critical roles
- awards must in any case be in accordance with regulations time to time in force (e.g. cap on the ratio between variable and fix remuneration, technical features fixed by regulation for bonus payout) and subject to malus conditions and claw back actions, as legally enforceable and where applicable
- awards are subject to UniCredit governance processes and are periodically monitored and disclosed as for regulatory requirements.

5.2 Sustainable performance

Performance is considered sustainable to the extent that it contributes to the achievement of our company mission over time, to the creation of long-term value for all stakeholders and to the enhancement of our reputation, in adherence to our Integrity Charter values. Sustainable performance refers to *actual results achieved* (the "what" of performance) and the *means by which they are achieved* (the "how" of performance):

- **align performance measures with shareholder interests and firm-wide risk-adjusted profitability**
  - consider performance on basis of annual achievements and on their impact over time
  - establish coherence between annual objectives and sustainable, risk-adjusted value creation
  - include reflection of the impact of individual's/business units' returns on the overall value of related business groups and organization as a whole
  - base performance evaluation upon profitability and other drivers of sustainable business with particular reference to risk, cost of capital and efficiency
  - consider the customer as the central focus of our Mission, placing customer satisfaction in the forefront of all incentive systems, at all levels, both internally and externally
  - design forward-looking incentive plans which balance internal key value driver achievement with external measures of value creation relative to the market
  - establish reward not on the sole basis of financially-based objectives and mechanisms but also on other performance measures as appropriate, for example risk management, adherence to Group values or other behaviours

- **encourage sound risk-management practices**
  - incentive systems must not in any way induce risk-taking behaviors in excess of the Group's strategic risk appetite; in particular they should be coherent to the Risk Appetite Framework ("RAF")
  - evaluate performance in terms of risk-adjusted profitability and provide for risk-weighted systems and mechanisms

- **adopt a multi-perspective view of sustainable performance results and quality**
  - maintain an adequate mix of financial goals with non-financial (quantitative and qualitative) performance objectives
  - use both absolute and relative performance achievement metrics as appropriate and relevant, where relative performance-based measures are based on comparison of achieved results to those of market peers
  - reinforce sustainability of quality performance over time.

6. Motivation and Retention

We aim to attract, motivate and retain the best resources capable of achieving our company mission in adherence to our Group values. Effective compensation strategies represent a key driver to positively reinforce employee commitment, engagement and alignment with organisational goals. Our total compensation approach provides for a balanced package of fix & variable, monetary and non-monetary elements, each designed to impact in a specific manner the motivation and retention of employees.

6.1 Base Salary and ratio between variable and fix component of the overall remuneration

The fix component of compensation remunerates the role covered and the scope of responsibilities, reflecting the experience and skills required for each position, as well as the level of excellence demonstrated and the overall quality of the contribution to business results. The relevance of fix compensation weight is such as to reduce the risk of excessively risk-oriented behaviors, to discourage initiatives focused on short-term results which might jeopardize mid and long-term business sustainability and value creation, and to allow a flexible bonus approach.

Specific pay-mix guidelines for the weight of fix versus variable compensation are defined with respect to each target employee population and, with particular reference to the Group Executive population, the Remuneration Committee establishes:

- the criteria and guidelines to perform market benchmarking analysis for each position in terms of compensation levels and pay-mix structure, including the definition of specific peer groups at Group, Country/Divisional and Regional level and the list of preferred external "executive compensation providers"
- the target positioning in terms of compensation value in line with relevant market's competitive levels, defining operational guidelines to perform single compensation reviews as necessary
- the compensation structure for top positions, defining the mix of fix and variable compensation elements, consistently with market trends and internal analyses performed
- the remuneration policy for Company Control Functions, providing for total compensation weighted in favor of the fix part, in order to ensure the requirements of independence, professionalism and authority.

Moreover, the Board of Directors annually approves the criteria and features of the Group Executive incentive plans, ensuring the appropriate balance of variable reward opportunities within the pay-mix structure.

6.2 Variable Compensation

All payments depending on performance, independently from how it is measured (profitability/revenues/etc. goals) or on other parameters (e.g. length of service) are considered variable remuneration.

Variable compensation aims to remunerate achievements by directly linking pay to performance outcomes in the short, medium and long term, and risk adjusted. To strengthen the alignment of shareholders' interest and the interests of management and employees, performance measurement reflects the actual results of the Company overall, the business unit of reference and the individual. As such, variable compensation constitutes a mechanism of meritocratic differentiation and selectivity. Adequate range and managerial flexibility in performance-based payouts are an inherent characteristic of well managed, accountable and sustainable variable compensation, which may be awarded via mechanisms differing by time horizon and typology of reward.

Incentives remunerate the achievement of performance objectives, both quantitative and qualitative, by providing for a variable bonus payment. An appropriately balanced performance-based compensation element is encouraged for all employee categories as a key driver of motivation and alignment with organisational goals, and is set as a policy requirement for all business roles. The design features, including performance measures and pay mechanisms, must avoid an excessive short-term focus by reflecting the principles of this policy, focusing on parameters linked to profitability and sound risk management, in order to guarantee sustainable performance in the medium and long term. In alignment with specific strategies that contribute to our overall mission, the characteristics of incentive systems also reflect the requirements of specialized businesses.

With particular reference to trading roles and activities, organizational governance and processes as well as risk-management practices provide the structure for a compliant and sound approach, whereby levels of risk assumed are defined (using specific indicators, for example Value at Risk) and monitored centrally by the relevant Group functions. This structure reinforces our consistent remuneration approach which adopts performance measures based on profitability rather than revenues, and risk-adjusted rather than absolute indicators.

Group common guidelines on the key elements of Executive contracts ensure alignment with regulatory requirements and also with Audit recommendations, in particular regarding contract elements with specific regulatory provisions, such as variable compensation and severance provisions. Group guidelines provide for the eligibility to variable compensation to be mentioned in the Executive contracts, as well as the reference to separate communication providing details of variable compensation plans. Amounts related to variable pay and any technical details of payments (vehicles used, payment structure, time schedule) are included in separate communication and are managed in strict adherence to governance and delegation of authority rules.

To support the design of remuneration and incentive systems, and with particular reference to network roles and governance functions, the following "*compliance drivers*" have been defined by Compliance Holding function:

- maintenance of an adequate ratio between financial and non financial goals
- promotion of a customer-centric approach which places customer needs and satisfaction at the forefront and which will not constitute an incentive to sell unsuitable products to clients
- create incentives that are appropriate in avoiding potential conflicts of interest with customers, having fairness as the objective in dealing with customers and the endorsement of appropriate business conduct
- avoidance of incentives on a single product/financial instrument, as well as single banking product
- avoidance of incentives with excessively short timeframes (e.g. less than three months)
- indicate clearly in all rewarding system communications and reporting phases that the final evaluation of employee's achievements cannot disregard a formal verification of compliant behavior to the rules and regulations - external and internal - and to Code of Conduct. In particular, adopt systems of performance evaluation that keep adequate evidence of this approach (the performance is evaluated also on the basis of evidence of Compliance, Risk Management and Audit findings)
- for the purpose of granting incentive, take into account any disciplinary sanctions and/or sanctions by regulatory authorities imposed on the resource. In the presence of these measures, the possible allocation of the incentive will require a written explanation, which will make possible a case-by-case verification of the managerial decisions
- maintenance of adequate balance of fixed and variable compensation elements also with due regard to the role and the nature of the business performed. The fix portion is maintained sufficiently high in order to allow the variable part to decrease, and in some extreme cases to drop down to zero
- among the non-financial goals (quantitative and qualitative), include, where relevant, goals related to Risk as well as to Compliance (e.g. credit quality, operational risks, application of MIFID principles, products sale quality, respect of the customer, Anti Money Laundering requirements fulfillment)
- qualitative measures must be accompanied by an ex ante indication of objective parameters to be considered in the evaluation, the descriptions of expected performance and the person in charge for the evaluation
- provide – where applicable – individual goals for employees in Company Control Functions that reflect primarily the performance of their own function (to minimise potential conflicts of interest)
- avoid financial goals for Company Control Functions (i.e. Compliance, Audit and Risk Management) and, for Planning Finance & Administration functions, limiting the goals of this type, or excluding them – where necessary – for the structures dedicated to pure control activities; this in order to ensure adequate degree of independence with respect to business subject to controlling activities
- define – for the Commercial network roles - quantitative (financial and non-financial) goals aimed at sale of risk-controlled, sustainable, quality products
- define – for personnel providing investment services and activities – incentives that are

not only based on financial parameters, but also take into account the qualitative aspects of the performance; this in order to avoid potential conflicts of interest in the relationship with customers[2];

- take into account, even in remuneration systems of the external networks (financial advisors), the principles of fairness in relation with customers, management of legal and reputational risks, protection and loyalty of customers, compliance with the provisions of law, regulatory requirements, and applicable self-regulations
- non-financial quantitative measures should be related to an area for which the employee perceives a direct link between her/his behaviors/actions towards the customers and the trend of the indicator
- set and communicate ex-ante clear and pre-defined parameters as drivers of individual performance
- the entire evaluation process must be conveniently put in writing and documented.

Within network roles incentive systems, particular attention is put on "Commercial Campaigns".

Commercial Campaigns may be organized after the evaluation and authorization of the competent Product Committee. Commercial Campaigns represent business actions aimed at providing guidance to the sales network towards the achievement of the period's commercial targets (also intermediate, for instance on a half-year basis) and with a direct impact on the budget and related incentive systems. Among the distinctive features of commercial campaigns, there is the expectation of the award - in cash or non-monetary reward. Commercial Campaigns can also have the function to accelerate the achievement of certain objectives of the incentive system. The grant of awards related to a Campaign will be subordinated to behaviors compliant with the external and internal regulations. Under no circumstances may the system of remuneration and evaluation of the sales network employees constitute an incentive to sell products unsuitable to the financial needs of the clients. In particular the following "compliance drivers" have been defined:

- setting-up of the incentive mechanisms using criteria which are consistent with the best interest of the client and coherently with relevant regulatory provisions (e.g. MiFID)
- ensuring consistency between a Campaign's objectives with the objectives set when defining the budget and when assigning targets to the sales network
- avoidance of "commercial campaigns" on a single financial or banking product/financial instrument
- inclusion of clauses for zero bonus payment in case of relevant non-compliant behaviour or qualified disciplinary actions
- avoidance of campaigns which – not being grounded an objective and customer interests related basis – may directly or indirectly lead to breaching the rules of conduct regarding clients
- avoidance of campaigns lacking a clear indication of the targets and of the maximum level of incentive to be granted for achieving those targets
- avoidance – in general – of campaigns that link incentives not only to the targets assigned to specific roles/structures (e.g. advisors, agencies) but also to the budget of the higher territorial structure.

6.3 Group Incentive Systems

Incentive systems are considered critical components of the sustainable pay for sustainable performance approach that supports our business mission over time. Group incentive systems aim to attract, motivate and retain strategic resources - Group Executives, talents, mission critical players and other identified staff - and maintain full alignment with the latest national and international regulatory requirements and with best market's practices.

With particular reference to the Executive population, common and homogeneous compensation guidelines are defined at Group level. Recognizing the accountability of our leaders for Group business performance, incentives take into account overall risk and do not induce risk-taking in excess of the Group risk appetite, and reflect the impact of business units' returns on the overall value of related business groups, the organization as a whole and the

[2] In line with latest ESMA requirements, with reference to MIFID remuneration policies and practices

achievement of risk management and other sustainability goals.

Payout is based on a bonus pool approach providing for a comprehensive performance measurement at individual and at Group/Country/Division level and it provides for the elimination of the predetermined individual "bonus opportunity". Moreover, the payout is phased to coincide with an appropriate risk time horizon. The design features of Executive incentive plans are aligned with shareholder interests and long-term, firm-wide profitability, providing for an appropriate allocation of a performance related incentive in cash and in shares, upfront and deferred.

Reward is directly linked to performance, which is evaluated on the basis of results achieved and on the alignment with our leadership model and values. The Executive Development Plan (EDP) as the Group-wide framework for Executive performance management is a cornerstone of fair and coherent appraisal across the organization.

Each year, detailed information about our compensation governance, key figures and the features of Group incentive systems is fully disclosed in the Annual Compensation Report.

6.4 Benefits

A range of various benefits completes the offer to employees as part of a total compensation package which aims to reflect internal equity and overall coherence of our remuneration systems, catering to the needs of different categories as appropriate and relevant. Our employees may enjoy welfare benefits that are supplementary to social security plans and are intended to provide substantial guarantees for the well-being of staff and their family members during their active career as well as their retirement. In addition, special terms and conditions of access to various banking products and other services may be offered to employees in order to support them during different stages of their lives. In coherence with our governance framework and Global Job Model, benefits are aligned against common criteria for our Group Executive population and for each employee category, while benefits plans are established on the basis of local regulations and market practices.

UniCredit affirms the value of share ownership as a valuable tool for enabling the engagement, affiliation and alignment of interests between shareholders, management and the general employee population. The Employee Share Ownership Plan rewards the continued support and commitment of our people throughout the organization who can contribute to our success with day by day decisions, actions, efforts and behaviors. The possibility is therefore considered, from time to time and as appropriate in light of local legal and tax requirements, to offer employees the opportunity to invest and participate in the future achievements of the Group through share-based Plans whereby employees can purchase UniCredit shares at favorable conditions.

SECTION III: ANNUAL COMPENSATION REPORT

Contents

1. Introduction

This Annual Compensation Report discloses all relevant Group compensation-related information and methodologies with the aim of increasing stakeholders' awareness of our compensation policies, practices and outcomes, demonstrating their coherence with business strategy and performance, responsible remuneration and sound risk management. The report provides ex post information on 2013 outcomes as well as ex ante disclosure for 2014 approach, covering both our "identified staff" population and corporate bodies' members.

Remuneration solutions implemented in 2013, provided for:

- compliance of incentive structures with all relevant regulations, including deferred and equity incentives based on financial instruments
- comprehensive performance measurement to foster sound behaviors aligned with different types of risk.

Over the year we constantly remained abreast of ongoing changes in national and international regulations, both in Italy and in other countries where the Group operates. Among main innovations in the regulatory framework, we highlight the following: on January 1, 2014 the Capital Requirements Directive (CRD IV) entered into force, providing for a cap on variable remuneration for Identified Staff and asking local regulators to issue regulations for local implementation; Bank of Italy issued on December 13, 2013 a consultation document which, in its final release, will replace the "Disposizioni in materia di politiche e prassi di remunerazione e incentivazione nelle banche e nei gruppi bancari" issued in 2011, in order to introduce CRD IV requisites; finally, the European Banking Authority published on December 16, 2013 the Regulatory Technical Standards, qualitative and quantitative criteria which are common at European level in order to define "Identified Staff" population.

In July 2013 we participated in the European Banking Authority's ("EBA") remuneration benchmarking exercise and data collection of high earners, through which it was reported to Bank of Italy information regarding remuneration for 2011 and 2012 of all staff and of "identified staff", including the number of individuals in pay brackets of at least 1 mln Euros.

In 2013 we continued our annual structured dialogue with international investors and proxy advisors, obtaining valuable feedback on our compensation approach and specific inputs for an effective compensation disclosure, considering Italian specifics and international standards.

The Annual Report, a unique document providing complete and comprehensive information on compensation, includes also this year disclosure referring to members of administrative and auditing bodies, general managers and other key management personnel as per the applicable regulation by the Italian National Commission for Listed Companies (Consob) issued in December 2011.

2. Governance & Compliance

UniCredit's corporate governance framework assures, among other things, clarity and accountability in decision-making regarding remunerations.

2.1 Remuneration Committee

The Remuneration Committee performs an integral role in supporting Board oversight of Group Compensation Policy and plans design.

The Remuneration Committee was established by the Board of Directors in June 2000, at that date it had been established as the Remuneration and Nomination Committee, then canceled by the Board of Directors on January 11, 2006 with the creation of two new Committees named respectively Corporate Governance, HR and Nomination Committee and Remuneration Committee. It's current members have been appointed on May 29, 2012, further to the election of the new Board of Directors resolved by the Shareholders' Meeting of May 11, 2012. On May 11, 2013 Mr. Alexander Wolfgring succeeded to Mr. Friedrich Kadrnoska, who resigned with the same effective date.

As also established in the Board's Charter and described in the Group official website, the Remuneration Committee consists of 5 non-executive members, the majority of whom are independent.

The Chairman of the Board and Stand-in Chairman are members by right. The other members are chosen based upon their expertise and willingness to accept the office. The Chairman of the Committee is the Chairman of the Board of Directors. Three members of the Committee - among whom both the Chairman and the Stand-in Chairman - also serve on the Internal Controls & Risks Committee.

All Committee's members meet the professionalism criteria set forth by the current Laws and Regulatory requirements. Each one of the members has a specific technical know-how on the matters overseen by the Committee; some of them in particular have developed also experiences in the accounting and finance areas.

The independence of sitting members is verified by the Board on the basis of criteria implementing the Corporate Governance Code ("Code") issued by Borsa Italiana and pursuant to Section 148, paragraph 3 of Legislative Decree No. 58/98 ("Testo Unico della Finanza" – "TUF"). The table at the end of this chapter reports the details regarding the independency status of the members of the Committee.

The works of the Committee are coordinated by its Chairman, who meets the independency criteria set by "TUF".

The role of the Remuneration Committee is to provide advice and opinions on proposals submitted to the Board, also availing itself with the support of an external consultant, as relevant and opportune regarding:

- the remuneration of UniCredit Directors who hold specific duties, and especially the remuneration of the Chief Executive Officer (CEO)
- the remuneration of UniCredit General Manager, in the event that the General Manager is also the CEO
- the remuneration structure of the CEO, General Manager (GM) and Deputy General Managers (DGM)
- the remuneration policy for the Senior Executive Vice Presidents (SEVP), Group Management Team (Executive Vice Presidents - EVP), Leadership Team (Senior Vice Presidents - SVP) and Heads of Department reporting directly to the CEO
- the approval of Group incentive plans based on financial instruments
- the remuneration policy for corporate officers (members of the Board of Directors, Board of Statutory Auditors, and of Supervisory Board of Group Companies).

In the cases specified under first three points, the proposals that the Committee will be called upon to express its opinion on, will be formulated by the Chairman.

Within the scope of its responsibilities, the Remuneration Committee:

- presents to the Board of Directors proposals related to the definition of the Group Compensation Policy, to be then presented for approval to the Shareholders' Meeting, including the eventual proposal to increase to 2:1 the ratio between variable and fix remuneration
- periodically assesses the adequacy of the Compensation Policy, monitoring international practices, industry trends and compensation levels expresses by the Bank's main competitors (peers), making proposals for possible corrective measures and/or the management of particular/exceptional cases
- makes proposal for the definition of the performance goals linked to the variable part of the remuneration of the CEO, GM and DGMs, as well as the Heads of the Company Control Functions
- verifies the actual achievement of the same goals and monitors the application of the Compensation Policy approved by the Shareholders' Meeting as well as the enactment of the decisions made by the Board of Directors.

The Committee members whose remuneration is subject to discussion and/or object of the provision of an opinion by the same Committee, in respect of their specific positions, do not attend the relevant scheduled meetings.

Members of the Group's top management team, and among them - as per Bank of Italy request - the Heads of the Risk (Chief Risk Officer) and Internal Audit, may be invited to attend Committee meetings with regard to specific issues. In 2013 the Group Head of HR always attended the meetings as guest. The CEO is generally not present during Remuneration Committee meetings and in 2013 he participated, as attendee, to January 22, 2013 sitting.

The Chairman invited the Head of Internal Audit to attend one meeting of the Remuneration Committee in 2013, in relation to the annual audit performed on the Group incentive systems, whose results have been then discussed in the Board of Directors and presented to the Shareholders' meeting.

The Remuneration Committee, through its Chairman, has access to all the information and corporate functions as required for performing its duties, and for this purpose relies on the support of the corporate head office structures.

The Committee avails itself with the services of Mercer, an external independent advisor, providing advice on compensation practices and trends, as well as up-to-date remuneration benchmarking studies. It has been evaluated in advance that such an advisor is not in any position which might impair its independence. Mercer collaborates with the Committee since 2007 and has been its independent advisor also for 2013. The representatives of Mercer were regularly invited to attend meetings to discuss specific items on the Committee's agenda.

During the year, the spending requirements of the Committee are met by its own specific budget, which may be supplemented to meet specific needs. In particular in 2013, by means of its budget, the Remuneration Committee was able to get the advice of Mercer to get the updated information needed for the decisional processes.

In 2013 the Remuneration Committee met 7 times. The meetings had an average duration of one hour and fifteen minutes. As a rule, the Committee meetings are scheduled on a bimonthly basis. As of April 2014, 4 meetings of the Committee have been held this year. Minutes are taken of each meeting of the Remuneration Committee and placed on record by the Secretary designated by Committee itself.

During 2013 the key activities of the Remuneration Committee included:

- final evaluation of Group sustainable performance parameters and risk-reward alignment, as required by law under Bank of Italy provisions
- monitoring and analyzing the remuneration system evolution in relation to the change of the reference scenario and to the recommendations and provisions as set out by Supervisory Authorities and main international institutions, in particular regarding the European Directive "Capital Requirement Directive IV" and its implementation in member States
- drawing up the 2013 Group Compensation Policy, supported by the Human Resources and Compliance and Risk Management functions, for submission to the Board and subsequent approval of the Annual Shareholders' Meeting
- updating the Group Incentive System in line with regulatory requirements which emerged and evolved over the year
- monitoring the coherent implementation of the policies and systems as well as the execution of the delegated powers
- monitoring external market trends, including benchmarking analysis provided by Mercer against the peer group, to formulate informed proposals to the Board.

The main topics discussed by the Committee are also submitted to the attention of the Board of Statutory Auditors, in advance over their submission to the Board of Directors.

The following table summarizes the composition of the Committee in 2013 and, in addition to the information on the independency of the members, provides details regarding their attendance to the meetings that have been called during the year.

REMUNERATION COMMITTEE (YEAR 01/01/2013 - 31/12/2013)

Office	Name	Indipendependency according to Code	Indipendependency according to TUF	*	**	***	****
MEMBERS CURRENTLY IN OFFICE							
Chairman	Vita Giuseppe	No	Yes	P	7	100%	
Deputy Vice Chairman	Fois Candido	No	Yes	M	7	86%	
Director	Bochniarz Henryka	Yes	Yes	M	7	86%	
Director	Caltagirone Alessandro	Yes	Yes	M	7	71%	
Director	Wolfgring Alexander	Yes	Yes	M	3	100%	(1)
MEMBERS NO LONGER IN OFFICE							
Director	Kadrnoska Friedrich	Yes	Yes	M	4	50%	(2)

Notes

(*) This column reports the office covered in the Committee (P= Chairman; M=Member)

(**) This column reports the number of meetings called during the period in which the office has been covered

(***) This column reports the percentage of participation to the committee's meetings (nr. of meetings attended / nr. of meetings held during the actual period in which the office has been covered during the year)

(****) This column reports by means of notes the start and end dates of the office for the directors who have not been members of the Committee for the whole year

(1) office covered till 11th May 2013

(2) office covered from 11th May 2013

2.2 *The Role of Company Control Functions: Compliance, Risk Management and Audit*

Group Compliance function's key contributions in 2013 included:

- validation of the 2013 Group Compensation Policy submitted to the Board for subsequent approval of the Annual General Meeting on May 11, 2013
- validation of the 2013 Group Executive Incentive System, including individual goals for the CEO, GM, DGMs and Heads of Control functions
- participation – within its role and remit – in the 2014 Group Incentive System design, and System compliance evaluation
- preparation – in collaboration with the Human Resources function – and distribution of Group guidelines for the development and management

of 2014 incentive systems for below Executive population

- preliminary compliance evaluation of "incentive frameworks" for Group Below Executive population in Control Functions and Competence Lines
- participation in specific HR Compensation initiatives (for instance: review of "KPI Bluebook"; review of definition of "Identified Staff" for the application of Group Incentive System)
- analysis of specific expectations regarding "non-standard" compensation.

In 2014, the Compliance function will continue to operate in close co-ordination with the Human Resources function to support not only in the validation but also in the design and definition of compensation policy and processes.

The link between compensation and risk is maintained also in 2013 with the involvement of the Risk Management function in compensation design and the definition of an explicit framework to base remuneration within an overarching Group Risk Appetite Framework so that incentives to take risk are appropriately constrained by incentives to manage risk. In particular, the Board of Directors and Remuneration Committee draw upon the input of involved functions to define the link between profitability, risk and reward within Group incentive systems.

Internal Audit of the 2013 Remuneration policies and practices

The Group Audit Department performed the annual audit on the Group variable remuneration system as requested by Bank of Italy in October 2009. The objective was to perform a follow-up of the recommendations issued in 2013 and to assess the correct implementation of the 2013 remuneration process, verifying in particular both the integrity/ completeness of information provided to the Remuneration Committee and the adherence of implementations based on Remnueration Committee decisions.

The results of the audit were presented to the Remuneration Committee on 2nd April 2014.

The population in scope included the following categories as defined by HR Compensation Unit:

1. identified staff:

- executives - CEO, GM, Deputy GM, SEVP, EVP
- employees (SVP and below) materially impacting on Group risk exposure in terms of liquidity, credit and market risks with bonuses equal or above Euro 500k;

2. other selected roles – remaining SVPs and employees in specific roles (below SVP) in CIB division impacting market, credit and liquidity risks, with bonuses equal or above Euro 100k.

The annual Internal Audit assessment resulted in a satisfactory rating, based on the overall correct implementation of the bonus mechanism, as decided and modified by UnCredit Remuneration Committee and Board of Directors. To be noted that the Remuneration Committee and the Board of Driectors, in light of the particular performance of the Group in 2013, have decided exceptionally to apply a different mechanism to the bonus determination moving away from the Group gate to a selective approach.

Although this decision is within the discretionary power of the Board of Directors, it created some implementation complexity, since the new approach had not been ruled in detail ex ante. Overall, once clarified, the new ex post rules have been applied correctly with limited exceptions.

There still persist, however, some areas of improvement since not all the previous audit recommendations have been fully implemented. In particular:

- definition of escalation process for severances contracted not in line with standards defined by internal guidelines
- better formalization of performance appraisal when discretionary power of the manager is applied in the evaluation
- stricter correspondence of KPIs assigned with those listed in the KPI Bluebook.

Going forward, the 2014 bonus mechanism will be significantly changed introducing bonus pool based on the performance at Group and Country/Division level.

3. Continuous Monitoring of Market Trends and Practices

Remuneration Committee and Board of Directors make informed decisions on compensation, in line with business strategy and based on appropriate market awareness.

Key highlights of total compensation policy defined this year with the support of continuing external benchmarking and trends analysis provided by the independent external advisor to the Remuneration Committee include:

- definition of executive compensation policy with particular reference to the design of the Group incentive systems defined for 2014

- pay recommendations based on specific benchmarking analysis against our defined peer group to inform any decision.

Compensation levels and ratio between fix and variable component of overall remuneration for Executives and management are planned, managed and reviewed based on our strategic framework and also aligned with UniCredit relative performance over time. As policy target, total compensation is set between market median and upper quartile, with individual positioning defined considering specific performance, potential and people strategy decisions. Base salaries are 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 level of fix pay should be sufficient so that inappropriate risk-taking is not encouraged.

The peer group used at Group level to benchmark compensation policy and practice with particular reference to the senior executive population is defined by the Remuneration Committee upon proposal of the independent external advisor on the basis of criteria including: comparability of size, complexity and business model, presence in customer, talent and capital markets, risk and legal-socio-economic environment.

The peer group is subject to annual review to assure its continuing relevance. For 2013, the pan – European peer group was confirmed from previous year:

2013 UniCredit Group peers
As approved by the Remuneration Committee, the peer group is comprised of the financial institutions shown below: - *Banco Santander* - *Banque Populaire CE* - *Barclays* - *Banco Bilbao Vizcaya Argentaria* - *BNP Paribas* - *Credit Agricole* - *Credit Suisse* - *Deutsche Bank* - *HSBC* - *Intesa Sanpaolo* - *Nordea Bank* - *Royal Bank of Scotland* - *Société Générale* - *UBS*

4. Compensation of Directors and Executives with Strategic Responsibilities

The remuneration for members of the administrative and auditing bodies of UniCredit is represented only by a fix component, determined on the basis of the importance of the position and the time required for the performance of the tasks assigned. This policy applies to non-Executive Directors as well as Statutory Auditors and the Supervisory Body members (pursuant to Legislative Decree 231/2001).

4.1 Non-Executive Directors Compensation

The compensation paid to non-executive directors is not linked to the economic results achieved by UniCredit. In fact the remuneration for UniCredit's non-executive Directors is represented only by a fix component, determined on the basis of the importance of the position and the time required for the performance of the tasks assigned.

In light of the above, the Ordinary Shareholders' Meeting held on May 11, 2012 considering market practices had resolved to assign to UniCredit's Board of Directors, for each year of activity, the overall annual amount of Euro 2,800,000, including Euro 1,235,000 for the Directors holding offices in the Board's Committees and in the other bodies of the Company attended by Directors (including the Supervisory Body pursuant to Legislative Decree 231/2001). It had been also confirmed the attendance fee of Euro 400 for each meeting of the Board of Directors, of the Board's Committees and of the other bodies of the Company attended by Directors, even if these meetings were held on the same day.

Further to the aforesaid Shareholders' Meeting of May 11, 2012, similarly to what was done for the other Board's Committees, the Board had set respectively at Euro 36,000 and Euro 18,000 the remuneration for the Chairman and for the Director, non-executive member, of the Supervisory Body pursuant to Legislative Decree 231/2001. Furthermore the compensation for the Chairman of the Internal Controls & Risks Committee had been defined as Euro 176.000.

Pursuant to Sect. 2389, paragraph 3 of the Italian Civil Code, the Board of Directors held on June 25, 2012 had also established, after consultation with the Board of Statutory Auditors, to give UniCredit's Directors vested with particular offices an additional remuneration consisting of a fix annual amount for each year of their term of office, whose amounts (pro-rated for the actual period during which the offices have been covered within the year) are reported in the Table 1 published in chapter 8, as per Sect. 84-quater (Annex 3A, Schedule 7-bis) of Consob Issuers' Regulation.

The Annual Shareholders' Meeting of May 11, 2013, regarding the creation on February 2013 of the "Related – parties and equity investments committee", distinct from the Internal Control & Risk Committee, in order to assign a remuneration to Directors participating to the Committee, because of the enlargement of their accountabilities and consistently with the remuneration assigned to Directors participating to other Board Committees, has decided an increase from Euro 1.235.000 to Euro 1.343.000 the annual amount to be assigned to Directors for the participation to Board Committees and to other company bodies; fixing, as a consequence, the overall amount of the allowance to be assigned to Directors at Euro 2.908.000, confirming the attendance fee of Euro 400 for the participation to meetings.

As repeatedly underlined, non-executive directors do not take part in any incentive plans based on stock options or, generally, based on financial instruments.

- *Indemnities to directors in the event of resignations, dismissal or termination of employment following a public purchase offer (as per Sect. 123/bis, paragraph 1, letter i), of TUF):*

None of the Directors have contracts containing clauses envisaging the payment of indemnities, or the right to keep post-retirement benefits, in the event of resignations or dismissal/revocation without just cause or if the employment relationship is terminated following a public purchase offer. In case of early termination of the mandate, the ordinary law provisions would therefore apply.

The individual employment, as Executive, of the Chief Executive Officer, Mr. Federico Ghizzoni, is today governed - also with regards to the event of resignations, dismissal/revocation or termination - by the ordinary provisions of the law and National Labor Agreement for Banking Industry Executives dated February 29, 2012. In such context, the annual remuneration used to define the possible indemnity due in the above mentioned instances would include the fix remuneration, any other continuative compensation and the average of the variable pay (inclusive of the components paid in equity - such as for example free shares, restricted shares, performance shares - with the only exclusion of the valorization of the stock options potentially assigned within long term incentive plans) received in the last three years prior to the termination. The actual amount of such indemnity – in terms of months of compensation considered – is then bound to vary depending on the events which led to the termination and on the relationship's duration.

Non-executive Directors do not receive, within incentive plans, UniCredit subscription rights. For the Chief Executive Officer no specific provisions are provided with reference to the right to keep, in case of termination, the options received and the plans' provisions apply.

For none of the Directors currently in office, provisions exist regarding the establishment of advisory contracts for a term following the termination of the directorship, nor the right to keep post retirement perks. No agreements exist either providing compensation for non-competition undertakings.

The compensation paid to the Board of Statutory Auditors is in no way linked to the economic results achieved by UniCredit. In fact the remuneration for UniCredit's Statutory Auditors is represented only by a fix component, determined on the basis of the importance of the position and the time required for the performance of the tasks assigned.

In light of the above, the Ordinary Shareholders' Meeting held on May 11, 2013, while appointing the Board of Statutory Auditors, resolved an annual compensation of Euro 140.000 for the Chairman of the Board of Statutory Auditors and of Euro 100.000 for each standing Statutory Auditor plus an attendance fee of Euro 400 for every meeting of the Board of Statutory Auditors they attend.
Alternate Auditors do not receive any compensation unless they are actually asked to join the Board of Statutory Auditors in substitution of a standing member.

No Statutory Auditor is beneficiary of any incentive plan, including those based on stock options or, generally, on financial instruments.

4.2 Compensation of Executives with Strategic Responsibilities

The Board of Directors, on June 21, 2011 has identified as "Executives with strategic responsibilities" – to the ends of the application of all statutory and regulatory instructions – the Chief Executive Officer, the General Manager, the Deputy General Managers and the other members of the Executive Management Committee (Chief Financial Officer, Chief Risk Officer, General Counsel & Group Compliance Officer and Group Head of HR) as well as the Head of Internal Audit of UniCredit.

Such definition has been substantially confirmed in the resolution made by the Board on March 15, 2013 which, in the framework of an overall review of the managerial committees, replaced the references to the Executive Management Committee with the ones to the newly established "CEO Office", having the same composition.

For 2013, according to our Group Compensation Policy and to the recommendations of the national and international authorities, the fix and variable components of the compensation of the CEO (the sole executive director sitting on the Board of Directors and employee of the Company) – consistently with the other Executives with strategic responsibilities – are balanced through the ex ante definition of the relative weight of different components of the remuneration, considering also the company's strategic goals, risk management policies and other elements influencing firm's business. Within the 2014 Group Compensation Policy, consistently with CRD IV, it has been provided for the determination of the maximum ratio of variable remuneration compared to fix.

The fix component is defined based on appropriate market awareness and in such a way to be 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.

The CEO, as well as the other Executives with strategic responsibilities – in line with the most recent laws, provisions and recommendations issued by regulators and international bodies (such as for example CRD IV, Bank of Italy, Financial Stability Board, European Banking Authority) – have a balanced part of their remuneration linked to the economic results of UniCredit, taking also into consideration the overall profitability, weighted by risk and cost of capital, as well as sustainability goals (based on capital and liquidity ratios). Such variable compensation is linked to the achievement of specific goals which, in compliance with the Board of Directors' Regulation, are previously approved by the Board upon proposal of the Remuneration Committee and heard the opinion of the Board of Statutory Auditors.

Ex ante defined specific metrics that reflect categories of our Group Risk Appetite Framework align Executives' remuneration to sustainable performance and value creation for the shareholders in a medium/long term perspective. Specific individual goals are set out taking into consideration the market practices and the role assigned within the Group, through the systematic use of specific indicators aimed at strengthening the sustainability of business, such as, for example, the satisfaction both of internal and external customer, risk and financial sustainability indicators and profitability measures also related to the industry peers.

2013 variable incentive systems provide for a cap to the variable pay, whose target values are established considering the defined pay mix and whose maximum payout cannot exceed 150% of the target value. For 2014, according to CRD IV, it is established that the variable remuneration cannot be higher that a defined ratio of the fix.

It is also foreseen the deferral in cash and shares of 80% of the incentive, including 20% of upfront shares with payout subject to the achievement of future performance conditions over the following financial years. The measure and duration of the deferral are aligned with the provisions set by regulators and are consistent with the characteristics of the business and with the company's risk profiles.

For the Heads of the Control Functions the targets, pursuant to the provisions of Bank of Italy, are established by the Board of Directors in line with the tasks assigned to them and avoiding, unless good reasons exist, goals connected to the Bank's performance. In the decision making process related to Company Control Functions are also involved the Board of Statutory Auditors (for the Manager in charge of preparing company's financial reports and for the Head of Internal Audit), the Internal Controls and Risks Committee (with regards to the Heads of Internal Audit and Legal & Compliance functions).

In particular, for 2013, the individual goals of the Heads of the Internal Audit and Legal & Compliance functions are not connected – according to the provisions set forth by the Board of Directors Regulation – to the Company's performance. For the Heads of the Risk Management function and the Manager in charge of preparing company's financial reports, the Board of Directors has verified the existence of valid reasons to insert goals linked to the performance results of UniCredit only in a very limited measure. More information regarding our compensation approach for Company Control Functions is provided further in chapter 5.5.

For 2013, the target pay-mix for the Executives in Control Functions has been defined in advance setting a minimum 51% weight of fixed compensation in the overall package, thus guaranteeing a well-balanced total compensation. Detailed pay mix information is included in chapter 7.2.
Since 2000, UniCredit has launched equity based incentive plans for the Top Management (therefore including also the CEO and the Executives with strategic responsibilities).

The 2013 Group Incentive System provides for 50% of the annual incentive to be deferred and paid in the five following years through the granting of UniCredit shares. The number of such shares is set at the beginning of the deferring period, thus creating a link between the evolution of the share price and the actual value of the incentive. More information regarding the 2013 incentive plans implementation and outcomes is provided in chapter 5.2.

The CEO benefits also from the Share Plan resolved by the Shareholders' Meeting of April 29, 2011 , which provides for the granting in three installments of overall 252,070 UniCredit ordinary shares. The first and second tranche of 84,023 shares have been actually granted during 2012 and 2013. In 2013, referring to such plan, a further allocation of 568.181 shares in two tranches of 284.090 and 284.091 shares has been defined, respectively for 2015 and 2016. More information is reported at Table 3A, drafted according to Consob Issuers' Regulation nr. 11971 and published in the following chapter 8.

For the CEO, sole member of the Board of Directors to benefit from equity based incentive systems, as well as for the GM and the DGM, are in place share ownership guidelines, detailed further in paragraph 6.2.

5. Group Compensation Systems

5.1 Target population

The European Banking Authority has issued on December 16, 2013 the Regulatory Technical Standards (RTS)[3] on criteria for the identification of categories of staff having a material impact on the risk profile of the institution, with the aim of ensuring an adequate harmonization among European Countries, through a common approach.
Starting as early as 2010, UniCredit conducted every year, in alignment with specific regulation, the self-evaluation process to define Group's "identified staff" population to whom, according to regulators, specific remuneration rules apply.

In 2014, "Identified Staff" population has been reviewed guaranteeing full compliance with regulatory requirements (EBA RTS issued on December 16, providing for the extension of evaluation criteria; Bank of Italy "Disposizioni in materia di politiche e prassi di remunerazione e incentivazione nelle banche e nei gruppi bancari", consultation paper issued on December 13, 2013).

The definition of 2014 "Identified Staff" followed a structured assessment process both at Group and local level, based on common qualitative and quantitative criteria at European level.

The application of qualitative criteria brought, based on role, decisional power and senior accountability of staff, to the identification of senior management staff, risk takers and staff in control functions, regardless of their remuneration; quantitative criteria have been used as residual criteria in order to include in the "Identified Staff" category those employees whose overall compensation reflects the contribution they provide for the achievement of company goals and the impact of their professional activity on its risk profile.

The result of the assessment process for the definition of "Identified Staff" brought to the identification of a total number of approximately 900 resources for 2014[4].

[3] European Banking Authority (EBA) – final report – Regulatory Technical Standards on criteria to identify categories of staff whose professional activities have a material impact on an institution's risk profile under Article 94 (2) of Directive 2013/36/EU
[4] Identified Staff data refers to the population at the date of February 25, 2014, providing for an ex ante definition, in line with regulatory requirements.

As a result of the analysis and as approved by the Board upon Remuneration Committee proposal, we reconfirmed for 2014 the following categories of staff as "identified staff": Group CEO, Group Executives responsible for day-to-day management (GM, DGM, SEVP and EVP), executive positions in Company Control Functions (Audit, Risk Management and Legal & Compliance) and executive positions in Planning, Finance and Administration function, as they are responsible at Group level for strategic decisions which may have a relevant impact on the institution's risk profile and we included Senior Vice President (SVP) population, Board Members/Senior Management/other specific roles in Group's Legal Entities, as per Group-wide application of qualitative criteria.

The application of quantitative criteria led to the identification of employees:

- with overall remuneration equal or greater than Euro 500,000
- within the 0.3% of staff who have been awarded the highest total remuneration
- who have been awarded total remuneration that is equal to or greater than the lowest total remuneration awarded to a member of staff who is a member of senior management, identified within Executive Vice President and above population.

Moreover, it has been considered "Identified Staff" also that population having an impact on institution's risk profile, in alignment with specific local regulations.

Target population represents approximately 0.6% of the Group employee population.

Compensation data and vehicles used for the target population in 2013 are disclosed in chapter 7 of this Report.

5.2 2013 Systems Implementation & Outcomes

In 2013 Group incentive systems were implemented within the framework of our policy and governance. The following plans were offered last year to our target population on a differentiated basis:

- 2013 Group Incentive system that provides for allocation of a performance related bonus in cash and shares, upfront and deferred over up to 5 years period.
- Share plan for talents and other Group mission critical players

2013 Group Incentive System

The 2013 Group Incentive System provides for the allocation of a performance related bonus in cash and free ordinary shares over 5 years, based on a multi-perspective assessment of operational & sustainability drivers (as set in the individual Performance Screen) and on the application of an overall risk/sustainability factor, related to annual Group profitability, solidity and liquidity results (Group Gate/Zero Factor).

In 2013, UniCredit stated a Net Loss of Euro 14 bln, due to the completion of the balance sheet restructuring, booking extraordinary costs in order to reach a credit coverage of 52%, same level before crisis, in line with our main European competitors. Such extraordinary costs are mainly related to new credit provisions accounting for Euro 7,2 bln mainly in Italy, where it has been adopted a strict and prudent evaluation criteria for non performing loans and relevant securities. These provisions regard past operations and do not imply a rise in non performing loans. Moreover, an impairment regarding a part of our goodwill and customer relationships has been performed for Euro 9,3 bln. This is a pure accounting element that has no impact on our Group capital ratios.
The measures adopted in this sense are a necessary step in order to prepare our Strategic Plan actions for 2013-18.

For 2013, UniCredit Board of Directors has taken into consideration Remuneration Committee's proposals and regulatory guidelines regarding variable remuneration.

The assessment related to remuneration decisions, as already happened in past years, has been supported by a strict Group governance process in order to guarantee consistency and transparency to all involved parties.

The Board of Directors has expressed its sincere appreciation for the great professionalism demonstrated by the Management during a particularly difficult year and for the initiatives that make UniCredit today being a Bank even more prepared to catch all the opportunities illustrated in our Strategic Plan. Nevertheless, taking into account the general environment, this year it has been considered appropriate not to proceed with the allocation of bonuses for the Group Top Management, irrespective of individual performance achievements.

Within this framework, consistently with Group Compensation Policy, the Board has decided a particularly selective bonus payment for the remaining population, focusing on Group segments which achieved solid and sustainable performance. Overall, bonus that will be paid to top ca. 120 Group Executives show a decrease of more than 60% compared with target opportunities and 80% of them will be deferred in following years and linked with the achievement of future performance conditions.

In line with Group governance, 2013 evaluations and payouts for CEO, GM, DGMs, Heads of Company Control Functions, Heads of Group Finance, Planning & Administration function and Human Resources function are reviewed by the Remuneration Committee and approved by the Board, heard the Statutory Auditors and Internal Controls & Risks Committee as relevant.

The total amount of variable compensation for the identified staff, detailed in chapter 7.1, is sustainable given the bank's financial position and does not limit bank's ability to hold an adequate level of capital.

Upon the assessment of achievement level for goals defined for 2013, and subsequent Board approval on March 11, 2014 it was promised the allocation of ca. 10 mln. UniCredit ordinary shares to 850 Group Executives and other selected roles, to be done in 2016, 2017, and 2018 conditional to the application of Zero Factor for 2015, 2016, and 2017 respectively. Therefore, 2013 Group Incentive System would entail an expected impact on UniCredit share capital of approximately 0.2%, assuming the achievement of Group performance thresholds provided by Zero Factor.

Share Plan for Talents and Other Group Mission Critical Players

The plan was offered in 2011 with the aim to motivate and retain strategic resources and to align beneficiaries and shareholder interests, rewarding long term value creation through the share price appreciation.

Upon Board decision on March 11, 2014 a number of ca. 1.2 mln. ordinary shares will be allocated to 858 beneficiaries of the Plan which were selected by their fit with corporate values and consistent behaviors, the strategic relevance and impact of the position covered and performance achievements, as well as the retention imperative to focus on Group high potential talents. The plan provides for UniCredit free ordinary shares allocation in 3 equal installments over a 3 year period, subject each year to the application of a Zero Factor related to Group profitability, solidity and liquidity results in the previous year and in absence of any individual/values compliance breach as well as the continuous employment condition.

Local coordination and specific programs

Group Incentive System elements are fully applied across the Executive population, with local adaptations on the basis of regulatory and/or business specifics, consistent with our overall Group approach. Being fully compliant with the principles of the plans, local adaptations allow the achievement of the same results if the implementation of the plans should have some adverse effects (legal, tax or other) for the Group companies and/or beneficiaries residing in countries where the Group is present.

Implementation approach of Group incentive plans for the Executive population fully complies with Bank of Italy requirements and European guidelines, and at the same time considers:

- continuous need to demonstrate compliance to each national regulator
- local pressure to adopt alternative solutions as necessary according to host regulators
- implementation subject to annual Audit separately in each jurisdiction
- further progression required to reconcile local differences and home/host regulatory roles.

The Board of Directors was authorized by the Shareholders' meeting to make appropriate changes for the implementation of the plans in compliance with legal and/or tax regulations in countries where the Group is present, and provided for the use of different solutions. For example, among the others, for Zagrebačka Banka in Croatia, in line with Croatian National Bank (CNB) requests, it has been implemented the use of local company shares instead of UniCredit shares for the execution of Group incentive plans, as well as the use of a local Gate linked to performance, in addition to the extension of the payment period and to the change in the bonus payout structure

With due consideration of binding regulations of local financial supervision authority in Poland, it is deemed opportune for Pekao Bank to use company performance parameters and shares (local Gate and Pekao shares).

As done in previous years, for Group Executives in Pioneer Global Asset Management SpA, a share-based incentive plan based on Pioneer shares is offered in addition to the standard Group system, ensuring full compliance with regulator recommendations for increased autonomy of Asset Management businesses in banking groups.

For the general employee population, specific systems are implemented, considering market local practices.
In accordance with regulatory framework and with our governance, HR function in strict collaboration with Compliance function manages on an annual basis the process of compliance review of incentive systems for below Executives population, with the main goals to ensure conformity of incentive systems below Executives with the Group Compensation Policy and compliance guidelines, and also to be in line with the relevant regulations on the matter of incentive systems.

5.3 2014 Group Incentive System

The 2014 System, as approved by UniCredit Board of Directors on January 21, 2014, provides for a “bonus pool” approach which takes into consideration most recent national and international regulatory requirements and directly links bonuses with company results at Group and Country/Division level, furtherly ensuring link between profitability, risk and reward providing for:

- allocation of a variable incentive defined on the basis of the determined bonus pool
- definition of a balanced structure of upfront (following the moment of performance evaluation) and deferred payments, in cash and in shares, to be paid over a period of up to 6 years
- distributions of share payments which take into account the applicable regulatory requirements regarding the application of share retention periods
- risk adjusted measures in order to guarantee long term sustainability regarding company financial position and to ensure compliance with regulations
- a malus clause (Zero Factor) which applies in case specific thresholds (profitability, capital and liquidity) are not met at both Group and Country/Division level.

The bonus pool is a process that includes the following steps:

- **bonus funding:**
  - bonus pools are defined based on expected Group and Country/Division performance
  - bonus pools are defined in the budget phase as a percentage of a funding KPI determined at Group and Country/Division level (e.g. Net Operating Profit)

- **bonus distribution**:
  - consistency with Group performance and sustainability is ensured through specific entry conditions set at both Group and Country/Division level
  - distribution is risk adjusted in order to guarantee sustainability with respect to company’s financial position based on risk appetite framework and further performance analysis done by Planning Finance and Administration function
  - application of a malus clause in case specific profitability, liquidity and capital thresholds are not reached at Group and Country/Division level

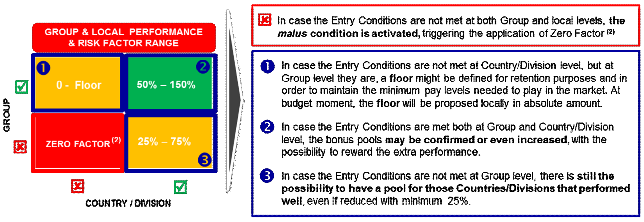
- **bonus allocation:**
  - individual performance appraisal is based on 4 – 8 goals. Other optional targets and relevant behaviors could be considered by the manager for the overall performance appraisal. For each role, goals are selected from our catalogue of main key performance indicators (“KPI”). Further details in Chapter 5.4
  - individual bonus will be allocated to beneficiaries on the basis of bonus pool, individual performance appraisal, internal benchmark for specific position and market and bonus cap determined by Shareholders’ Meeting.

Bonus funding and distribution

Appropriate bonus pools are defined in the budget phase for each of the external segments and subgroups as a percentage of their Funding KPI considering: historical data analysis, expected profitability, business strategy, previous year pool and market context/external benchmarking.
The budget is submitted to the approval of UniCredit Board of Directors. Quarterly accruals are based on actual results, with adjustments made throughout the year with Q1, Q2 and Q3 forecast being affected by performance trends.

Bonus pools are proposed bottom-up from the Countries/Divisions based on last official forecast data of the year and considering the assessment of both Group and Country risk-adjusted forecasted results.

The "Entry Condition" is the mechanism that determines the possible application of malus clause (Zero Factor) on the basis of performance indicators in terms of profitability, capital and liquidity defined at both Group and Country/Division level.



In order to align to regulatory requirements, in case both at Group and Country/Division level set KPIs are not met, a Zero Factor will apply to the Executive/"Identified Staff" population whereas for below Executive population, a significant reduction will be applied. Moreover, it will be also considered the individual respect of provisions of law, Group's compliance rules, Company policies or integrity values, Code of Conduct and clawback clauses, as legally enforceable.

In case Zero Factor is not activated, bonus pool adjustments will be applied within respective ranges based on the assessment of Country/Division & Group performance and risk factors.

In case Country/Division is in a malus condition while the entry conditions are met at Group level, a floor might be defined for retention purposes and in order to maintain the minimum pay levels needed to play in the market.

In any case, as requested by regulations as per Bank of Italy "Disposizioni", the final evaluation of Group sustainable performance parameters and the alignment between risk and remuneration will be assessed by Remuneration Committee and defined under the governance and accountability of the Board of Directors.

The Board of Directors does not take into account, when deciding bonus, balance sheet "extraordinary items" which do not impact operational performance, regulatory capital and liquidity (e.g. goodwill impairment).

Moreover, following potential changes in current regulations and/or in relation to potential extraordinary and/or unpredictable contingencies which can impact the Group, the company or the market in which it operates, the Board of Directors, having heard the opinion of Remuneration Committee, maintains the right to amend the system and relevant rules.

Appraisal and bonus allocation

Individual performance appraisal is based on 4-8 goals, of which at least half sustainability, originated from the *Group Competency Model*, framework in which the Executives are assessed within the Executive Development Plan processes. Moreover there is the possibility to include additional targets on top of the 4-8 core goals, to be taken into consideration within the overall performance assessment.

Competencies and behaviors considered as relevant can be taken into account by the manager for the overall performance appraisal.

ILLUSTRATIVE

S sustainability drivers

#	CORE GOALS	REFERENCE PERIMETER	REFERENCE TARGET
1	Economic Profit (EVA) within risk appetite framework RISK ADJUSTED S	Group	delta y/y
2	Risk Management Goal (EL % + Coverage Ratio ITA, DE, AU, CIB; Average PD of managerial portfolio CEE & Poland) RISK ADJUSTED S	Group	vs qualitative assessment based on CRO report
3	Net Operating Profit (GOP after net LLP) RISK ADJUSTED	Business division	vs budget
4	Effectiveness of Group Internal Control System S	Group	vs qualitative assessment
5	Strategic projects implementation: Multichannel, Payment and Internationalization S	Group	vs qualitative assessment
6	Support in developing a strong and sustainable risk and compliance culture S	Group	vs qualitative assessment
7	Stakeholder Value: Customer satisfaction (TRI*M external); People Engagement, Reputation S		vs qualitative assessment

+

The goals appraisal system is based on a 1-5 rating scale with a descriptive outcome.

Below	Almost meets	Meets	Exceeds	Greatly Exceeds

The managerial bonus allocation is done on the basis of available bonus pool, individual performance appraisal and internal benchmarks for specific roles and markets.

2014 Bonus Payout Illustration

CASHFLOW VIEW

2014 BONUS STRUCTURE

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
	CASH	CASH	CASH	SHARES	SHARES	SHARES
EVP & above & other identified staff with bonus >500k	20%	15%	15%	20%	15%	15%
SVP & other identified staff with bonus <500k	30%	10%	10%	30%	10%	10%

The number of shares to be allocated in the respective installments shall be defined in 2015, on the basis of the arithmetic mean of the official market price of UniCredit ordinary shares during the month preceding the Board resolution that evaluates 2014 performance achievements.

The payout of incentives will be done through upfront and deferred installments – in cash or in UniCredit ordinary shares – within a 6 years period:

- in 2015 the first installment of the total incentive will be paid in cash
- in 2016-2020 period the remaining part of the total incentive will be paid in cash or UniCredit shares installments
- all the installments are subject to the application of the Zero Factor of the previous year to the year of payment (so called malus mechanism) and to clawback conditions, as legally enforceable.

The payment structure has been defined in line with Bank of Italy provisions requiring a share retention period of for upfront and deferred shares. The implementation of the share retention periods may be carried out in line with the fiscal framework, as applicable at the relevant time in countries where the Group in present, either via the allocation of restricted shares or the promise of shares that shall subsequently be allocated at the end of the intended retention period. In line with national market practices, a minimum threshold will be introduced, below which no deferral mechanisms will be applied, accordingly with relevant regulatory indications. For EVP and above population, no thresholds will apply, regardless the bonus amount.

2014 Group incentive system provides for an expected impact on UniCredit share capital of approximately 0.66%, assuming that all free shares for employees have been distributed. The overall dilution for all other current outstanding Group equity-based plans equals 1.44%.

5.4 Comprehensive Performance Management

The Group Incentive System is supported by an annual performance measurement framework assuring coherence, consistency & clarity of performance objectives with business strategy, and encouraging and rewarding desired behaviors and risk orientation. Our performance management process ensures all Executives know what is expected from them and includes a rigorous review of their goals achievements.

Starting in 2010, a specific process is performed annually with the involvement of key relevant functions (Human Resources, Planning, Finance and Administration, Risk Management, Compliance, Sustainability, Audit, Group Stakeholder and Service Intelligence) to define and review each year the so-called KPI Bluebook (KPI - key performance indicators) which serves as the framework for performance measurement & evaluation of Group Executives through a set of goals and guidelines is provided in order to support managers and HR in defining Performance Screens.

The KPI Bluebook maps 8 categories of core drivers (Value Creation, Profitability, Commercial, Efficiency, External Relative, Stakeholder Value, Enhance Risk & Control Culture, Support and Control functions). The last two categories have been introduced in 2013 in order to enhance Risk, Compliance and Control Culture by having a category that focuses on "pure risk KPIs" validated by Risk Management function and to improve the quality and relevance of goals and performance management for support & control functions.

A list of goals is provided in a so called "KPI dashboard".

<u>Categories of core drivers and examples of KPIs under each category</u>

1. VALUE CREATION
- Economic Profit (EVA)
- Economic Profit on Economic Capital (Pillar II)
- Risk Adjusted Capital Efficiency (RACE)

2. PROFITABILITY
- Profit Before Tax (PBT)
- Net Profit
- Net Fees / Total Revenues

3. COMMERCIAL
- Deposit Volumes
- New Client Acquisition
- Commercial Funding Gap

4 . EFFICIENCY
- Cost / Income
- Total direct costs
- Delta FTEs

5 . EXTERNAL RELATIVE
- NOP/Tangible Assets
- Leverage Ratio
- Cost of Risk

6. STAKEHOLDER VALUE
- TRI*M (External Customer Satisfaction)
- Reputation Index
- People Engagement Index

7. ENHANCE RISK & CONTROL CULTURE
- Reputational Risk Management effectiveness
- Common Equity Tier 1 ratio
- Expected Loss % + Coverage ratio on impaired portfolio

8. SUPPORT & CONTROL FUNCTIONS
- Internal communication effectiveness
- Internal validation effectiveness
- Management – Efficiency of Audit Reporting

The 8 categories represent Group financial and non-financial performance and are mapped into 5 clusters of similar businesses (Group/Subgroup, Commercial Banking, Wealth Management, Investment/Markets, Non-Commercial) to help identify the most relevant standardized KPIs (all certified by relevant functions) according to the role of each Executive, with specific focus on risk-adjusted, sustainability-driven metrics and economic measure.

The KPI Bluebook provides as well guidelines for:

- goal-setting: to help in selecting, combining & weigthing goals
- target-setting: to help in defining a target reference for expected performance
- guidelines to help managers set goals with a risk perspective in mind by considering the main risks that the business/function itself could positively affect & mitigate
- guidelines for setting and evaluating qualitative goals
- guidelines for an accurate goals selection for Company Control Functions, in order to ensure their independency.

2014 KPIs defined and approved by UniCredit Board of Directors as the core drivers of performance for UniCredit CEO include goals related to Group profitability, risk management focus and sustainability indicators such as progress on commercial lending activities on the basis of risk and credit methodologies and execution of company strategic vision with focus on growth, capital reallocation and efficiency.

2014 CEO Performance screen

GOAL SETTING 2014
CHIEF EXECUTIVE OFFICER

S *sustainability drivers*

#	CORE GOALS	REFERENCE PERIMETER	REFERENCE TARGET
1	Economic Profit (EVA) within risk appetite framework	Group	delta y/y
2	Risk Management Goal (EL % + Coverage Ratio ITA, DE, AU, CIB; Average PD of managerial portfolio CEE & Poland)	Group	vs qualitative assessment based on CRO report
3	Net Operating Profit (GOP after net LLP)	Group	vs budget
4	Execution of Group strategic vision with focus on growth, capital reallocation and efficiency	Group	vs qualitative assessment
5	Common Equity Tier 1 ratio	Group	vs budget
6	Progress on commercial lending activities on the basis of risk and credit methodologies	Group	vs qualitative assessment
7	Stakeholder Value: Customer satisfaction (TRI*M external); People Engagement, Reputation	Group	vs qualitative assessment based on ad hoc reports
8	Development of a strong and sustainable Group risk culture	Group	vs qualitative assessment

For the rest of the Top and Senior Management of the Group, the KPIs representing profitability and risk management are reflected also in their Performance Screens, with differences given by the perimeter of reference and the relevant activities.

5.5 *Compensation of Company Control Functions*

In line with regulatory framework, a specific ratio between variable and fix compensation is defined for Company Control functions (Audit, Legal and Compliance, Risk Management) and for purely control related roles in Planning, Finance and Administration. The fix compensation must be appropriate to the level of responsibility and commitment associated with the role. The incentive mechanisms are consistent with the assigned tasks and are independent from the results obtained in the areas under their control. In any case the ratio between the variable and the fix component of the remuneration must be balanced towards the fix one.
Incentive plans for Executives in Company Control Functions are, therefore, implemented in line with specific policies which assure independence in order to avoid conflict of interest.
Goals are defined to measure individual performance related to the activities of the specific control function:

- in order to assure independency of the function, no economic measure must be selected for Legal & Compliance, Audit and Risk Management functions

- for purely control related roles in Finance function (i.e. Manager charged with preparing the financial reports) no selection of any economic measure must be considered
- for Chief Risk Officer roles, or – where present – roles reporting to them which are responsible for Risk Management and Credit activities, selection of goals in individual scorecards should directly reflect correlation and integration among the Risk Management and Credit, in order to correctly balance individual responsabilities.

In line with regulatory requirements, incentive mechanisms for the control functions have to be “in accordance with the achievement of the objectives linked to their function, independent of the performance of the business areas they control" (CRD IV).

Following regulatory requirements, the Group incentive system already provides for a goal setting scheme excluding financial goals for company control functions.

Moreover, in order to further limit connection with business results and to maintain the adequate independence level of the Control Functions (as guaranteed in previous years with "Alternative Group Gate“), a specific governance process will be followed, providing for:

- malus condition is activated for the Control Functions providing a reduction of bonus pool until 50% of the budgeted figure
- bonus pool for Company Control Functions can be phased out to zero only in presence of an exceptionally negative situation (e.g: Core Tier 1 Ratio dropping under the minimum regulatory requirement) within an escalation process including a governance step in the Board.

Since 2011, in line with Bank of Italy and Internal Audit recommendations, we have started the implementation of a specific pay-mix policy for control functions providing for the adjustment between fixed and variable compensation. The pay-mix policy aims to avoid conflict of interest by defining limits on pay-mix in line with regulatory indications.

This year, in line with recent regulatory requirements and with the phased approach followed in previous years to balance the paymix, the ratio between variable and fix compensation is:

- balanced toward the fix component of the remuneration
- aligned with the cap provided by the relevant regulator.

6. Employee Share Ownership

UniCredit affirms the value of share ownership as a valuable tool for enabling the engagement, affiliation and alignment of interests between shareholders, management and the general employee population.

6.1 Employee Share Ownership Plan

In 2008 the UniCredit Group Employee Share Ownership Plan “Let’s Share” (The Plan) was launched for the first time, offering to employees the possibility to invest in UniCredit ordinary shares at favorable conditions. So far, more than 10,000 individuals have participated in “Let’s Share” from 13 countries overall: Austria, Bulgaria, Czech Republic, Germany, Hong Kong, Hungary, Italy, Luxembourg, Poland, Romania, Serbia, Slovakia and the United Kingdom.

The Plan offers to participants the opportunity to purchase UniCredit shares, receiving a 25% discount in the form of free shares granted by the Company, subject to a 1-year holding period. The Plan provides for the use of shares to be purchased on the market with no diluting impact on share capital.

Subject to Annual General Meeting approval, we continue to seek possibilities for increasing the number of participating countries, taking into account any local legal, fiscal and operational constraints.

6.2 Share Ownership Guidelines

Share ownership guidelines articulate minimum levels for company share ownership by covered Executives, aiming to align managerial interests to those of shareholders by assuring appropriate levels of personal investment in UniCredit shares over time. As part of our total compensation approach, we offer equity incentives that provide for opportunities of share ownership. The ownership of UniCredit shares by our Group leaders is a meaningful and visible way to show our investors, the public and our people that we believe in our Company.

The Board approved at the end of 2011 the currently applicable share ownership guidelines which, in light of the share retention requirements of Bank of Italy, apply to the CEO, GM and DGM as shown in the following table:

Share ownership levels:
2013 guidelines set the following minimum levels: ▪ 2 x annual base salary for Group CEO ▪ 1 x annual base salary for GM and DGM

The established levels should be reached within 5 years from first actual share grant. Covered Executives are also expected to refrain from entering into schemes or arrangements that specifically protect the unvested value of equity granted under incentive plans. Such clauses are contained in all relevant incentive plan rules and apply to all beneficiaries, since involvement in such schemes undermines the purpose of the incentive at risk. Any form of hedging transaction shall be considered in breach of Group compliance policies with such consequences as provided for under enforceable rules, provisions and procedures.

Detailed disclosure about the number of shares held by, as well as the number of UniCredit stock options and performance shares granted to, Directors, General Managers and other key management personnel is provided in the tables contained in chapter 8.

7. Compensation data

7.1 2013 Remuneration outcomes

(€ thousand)	*Aggregate Compensation Amounts* [5]			
	Number of incumbents[6]	Fixed & other non-performance related pay	Variable pay related to 2013 performance	
			Cash	Equity
CEO[7]	1	1.964	0	0
Other Executive Directors[8]	0	0	0	0
Non-Executive Directors[9]	19	4,733	0	0
GM[10]	1	1,301	0	0
DGM & SEVP[11]	9	7.309	1,367	0
Executives in Control Functions[12]	38	15.548	863	0
EVP[13]	86	27.784	6.165	0
Other identified staff[14]	21	6.328	3.258	0

Fix & other non-performance related pay to the identified staff includes also severance and sign-on payments totaling Euro 3.363.493 made during the financial year to 8 beneficiaries (the highest severance paid to a single person was equal to Euro 1.015.000). The payments were determined in line

[5] Considering pro-rata amounts for incumbents in office for part of the year
[6] Counting as 1 each incumbent over the year
[7] As per Bank of Italy staff category recommendation: category A. Chief Executive Officer
[8] As per Bank of Italy staff category recommendation: category B. Other Executive Directors
[9] As per Bank of Italy staff category recommendation: category C. Non-Executive Directors
[10] As per Bank of Italy staff category recommendation: category D. General Manager
[11] SEVP positions, excluding SEVPs in Control Functions (reported separately). As per Bank of Italy staff category recommendation: category E. Heads and managers responsible for the main lines of business, company functions, geographic area and those reporting directly to supervisory bodies
[12] SEVP and EVP positions in Audit, Legal&Compliance, Risk, Planning, Finance and Administration and HR. As per Bank of Italy staff category recommendation: category F. Heads and managers responsible for Control Functions. HR is assimilated by Bank of Italy to a Control Function for remuneration purposes only. Within UniCredit organization governance model, HR is subject to guidelines aimed to avoid conflict of interests for remuneration purposes.
[13] EVP positions, excluding EVPs in Control Functions (reported separately). As per Bank of Italy staff category recommendation: category G. Other employees who, individually or collectively, materially impact firm risk profile
[14] Employees having a material impact on Group risk exposure in terms of credit, market and liquidity risk, with annual variable remuneration above Euro 500,000. As per Bank of Italy staff category recommendation: category H. Employees and collaborators with high remuneration not included in the previous categories

with Group Policy guidelines and relevant legal and contractual framework.

(€ thousand)	Deferred Compensation					
	Paid out in 2013 *Based on multi-year performance achieved*		Outstanding *Based on future performance*			
			Vested		Unvested	
	Cash	Equity[15]	Cash	Equity[16]	Cash	Equity[17]
CEO	0	333	0	0	0	5.068
Other Executive Directors	0	0	0	0	0	0
Non-Executive Directors	0	0	0	0	0	0
GM	0	0	0	0	0	1.132
DGM & SEVP	3.139	889	0	0	2.542	10.002
Executives in Control Functions	3.007	892	971	0	2.290	10.791
EVP	8.979	3.771	0	0	9.414	39.362
Other identified staff	3.651	1.550	0	0	6.725	18.777

Deferred amounts paid out in 2013 include payouts based on demonstrated multi-year performance achievements. Amounts shown as outstanding deferred compensation represent the potential gain on deferred awards that remain subject to future performance. These amounts are not related to nor indicative of the benefit (if any) that may ultimately be realized on the cash award or the underlying stock options/shares that may become exercisable or be actually allocated.

Deferred equity paid out in 2013 to “other identified staff” category, it refers to employees in Corporate & Investment Banking Division regarding the 2011 performance. Considering the verification that Zero Factor condition has been achieved, it is provided the allocation of the respecitve tranche of the deferred shares promised in 2011 under the 2010 plan and the respecitve tranche of the deferred shares promised in 2012 under the 2011 plan.

[15]Amounts shown as equity compensation reflect the market value of the shares at the date of actual grant or the difference between the market value of the shares and the strike price of the stock options at the date of exercise

[16]Based on the “Hull&White” option pricing model, the fair value estimates of the equity instruments as at 01/01/2014 would be (€ thousand): 2; 0; 0; 13; 14; 12; 24 and 0 respectively, for each of the categories for which data is disclosed in the table

[17]Economic value of financial instruments weighted by the probability of achieving the performance as at 01/01/2014 would be (€ thousand): 1,081; 0; 0; 983; 9,160; 9,517; 35,150 and 17,011 respectively, for each of the categories for which data is disclosed in the table

Performance Stock Options and Performance shares under 2011 - 2013 UniCredit Group Long Term Incentive Plan were not allocated, provided that the performance conditions specified in the Rules have not been achieved.

Vested cash refers to 2011-2013 LTI Cash Plan approved by the Board of Directors in 2010. The plan, as approved, was offered to 100 mission critical resources selected from across the entire Group with the final payout in 2014. The total incentive opportunity equal to ca. Euro 3.3 mln is linked to objective and performance at Group and Country/Division level. Considering the achievement of the results, the total incentive to be distributed is approximately Euro 3 mln to nr. 79 beneficiaries

The unvested component refers to cash and equity awards to which the right has not yet matured and for which any potential future gain has not been yet realized and remains subject to future performance.

The value of shares shown as unvested equity is calculated considering the arithmetic mean of the official market price of UniCredit shares during the month preceding the Board’s resolution on share based plans execution on March 11, 2014.

All stock options granted under existing Group LTI plans represent zero gain for the beneficiaries as long as the entry conditions will not allow the exercise.

The total compensation costs at Group level totaled Euro 8,649 mln. in 2013, with a slight decrease fom previous year, out of which the variable compensation pool amounted Euro749 mln.

7.2 2014 Remuneration Policy

	Target Total Compensation	
	Fixed & other non-performance related pay	**Target variable performance-related pay**
NON-EXECUTIVE DIRECTORS		
Chairman and Vice Chairmen	100%	0%
Directors	100%	0%
Statutory Auditors	100%	0%
GROUP EMPLOYEE POPULATION		
Business Areas	88%	12%
Corporate Centers/ Support functions	89%	11%
Overall Group Total	88%	12%

Total compensation policy for non-Executive Directors, Group Executives and for the overall Group employee population demonstrates in particular how:

- remuneration of the non-Executive Directors, as approved by the AGM, does not include variable performance-related pay
- Group Executives are offered opportunities for variable compensation in line with their strategic role, regulatory requirements and our *pay for performance* culture
- the general employee population is offered a balanced pay-mix in line with the role, scope and business or market context of reference.

In line with Capital Requirements Directive (CRD IV) has been established a specific limit to the ratio of the variable and fix component of the compensation.

7.3 Benefits Data

Our employees enjoy welfare, healthcare and life balance benefits that supplement social security plans and minimum contractual requirements. These benefits are intended to provide substantial guarantees for the well-being of staff and their family members during their active careers as well as in retirement.

In Italy, among the complementary pension plans, there are both defined performance funds (whose performances, which come to fruition once the retirement requirements are reached, are known in advance as they are set by the fund statute) and defined contribution plans (whose performances depend on the results of the asset management).

Complementary pension plans can also be classified as external or internal pension funds, where external funds are legally autonomous from the Group, while internal funds are accounting items entered into UniCredit S.p.A.'s balance sheet, whose creditor counterparts are the employees enrolled (both active and retired).
Both these categories are closed and, as such, they do not allow new subscriptions. The only exception is represented by the individual capitalization section of the "*Fondo Pensione per il Personale delle Aziende del Gruppo UniCredit*". Within this section (which counted approximately 35.000 enrolled active employees in 2013) subscribers can distribute their contribution – depending on their own risk appetite – among four investment lines (Insurance, Short, Medium and Long Term) characterized by different risk/yield ratios. In addition, always in this section, the enrolled employees may open complementary pension plan positions in favor of their family members dependent for tax purposes.

Moreover, in most countries where UniCredit is present, retirement plans are available for the employees.

More details and information can be found in our Sustainability Report and the relevant Supplement.

7.4 Information Pursuant Sect. 84-quater Consob Issuers Regulation Nr. 11971

A set of tables presents in the following pages the information that the Company is required to provide as per Section 84-quater of Consob's Issuer Regulation nr. 11971.

For a more detailed understanding of the methodological criteria underlying the information reported in the various tables, reference is made to Annex 3A of the said Consob Regulation.

In particular:

TABLE 1: Compensation paid to members of the administrative and auditing bodies, to general managers and to other Executives with strategic responsibilities

Provides, at an individual level and on an accrual basis, the details of the compensation paid to the members of the Board of Directors, Board of Statutory Auditors and General Managers.

For the other 7 executives with strategic responsibilities – who, as said, are represented by the remaining members of the CEO Office (former EMC) plus the Head of Internal Audit – the information is provided on an aggregate basis.

The overall compensation paid by UniCredit S.p.A. to the Board of Directors for 2013 amounts to Euro 7.076.270.
The overall compensation paid by UniCredit S.p.A.to the Board of Statutory Auditors for 2013 amounts to Euro 656.386.

The "Fair value of equity compensation" (column 7) does not represent a value actually paid to/gained by the beneficiaries of equity plans, being instead the cost that the Company is booking - on an accrual basis and during the vesting period - in consideration of the provision of the incentives based on financial instruments. More details on such plans are provided at the following Table 2 and Table 3A.

TABLE 2: Stock Options assigned to the Members of the Administrative Body, to General Managers and other executives with strategic responsibilities

Nor the non-executive members of the Board of Directors, nor the members of the Board of Statutory Auditors benefit from any incentive plan, be it based on financial instruments or cash.

Only the CEO and some other executives with strategic responsibilities benefit from Stock Option/Performance Stock Options plans launched by the Company in the previous years.

At current prices, all stock options, for which it could be possible to exercise the right (“vested”), are largely underwater.

TABLE 3A: Incentive plans based on financial instruments other than stock options, in favor of members of the administrative body, general managers and other executives with strategic responsibilities

The table reports - additionally to the shares granted within UniCredit medium and/or long term incentive equity plans - also the number of shares promised and/or granted in connection with the deferral of the annual incentive systems.

TABLE 3B: Monetary Incentive Plans in Favor of Members of the Administrative Body, General Managers and other executives with strategic responsabilities

Provides the details of all the cash incentives accrued during the year in favor of the Chief Executive Officer, General Manager and other executives with strategic responsibilities. Neither the non-executive members of the Board of Directors, nor the Statutory Auditors receive any variable compensation.

In view of the Zero Bonus decision for the Group Top Management, no incentives related to 2013 performance have been paid to the CEO, GM and the other executives with strategic responsibilities.

The Heads of Internal Audit and Compliance functions received for 2013 payments linked to the alternative structure of the long term incentive plans for control functions.

Information on the investments held by the members of the administrative and auditing bodies, by general managers and by other executives with strategic responsibilities

Table 1 and Table 2, drafted in compliance with schedule 7-ter, provide the shareholding in UniCredit or its controlled/associated companies held by the members of the administrative and auditing bodies and general managers and by other executives with strategic responsibilities, respectively.

8. Compensation Tables

Consob Issuers Regulation nr. 11971 - Annex 3A / Schedule 7-bis

TABLE 1: Compensation paid to members of the administrative and auditing bodies, to general managers and to other executives with strategic responsibilities.

Amounts in Euro

(A)	(B)	(C)		(D)	(1)						(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Office	Period for which office was held		Office expiry	Fixed compensation						Compensation for committee participation	Variable non-equity compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance indemnity for end of office or termination of employment
					Emoluments resolved by the Shareholders' Meeting	Attendance tokens	Lump sum expense reimbursements	Compensation for specific offices ex sec. 2389 Italian Civil Code	Employment fixed salary	Total		Bonuses and other incentives	Profit sharing					
Giuseppe Vita	Chairman of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	125.000	5.200		1.375.000		1.505.200					(a) -199.671	1.305.529		
	Chairman of the Permanent Strategic Committee	01/01/2013	31/12/2013	approv. AR 2014		3.600				3.600						3.600		
	Chairman of the Corporate Governance, HR and Nomination Committee	01/01/2013	31/12/2013	approv. AR 2014		4.400				4.400						4.400		
	Chairman of the Remuneration Committee	01/01/2013	31/12/2013	approv. AR 2014		2.800				2.800						2.800		
	Member of the Internal Controls and Risks Committee	01/01/2013	31/12/2013	approv. AR 2014	36.000	2.000				38.000						38.000		
	Member of the Internal Controls Sub-Committee	01/01/2013	31/12/2013	approv. AR 2014		1.600				1.600						1.600		
	Member of the Risks Sub-Committee	01/01/2013	31/12/2013	approv. AR 2014		1.600				1.600						1.600		
	(I) Compensation in the company preparing the financial statements				161.000	21.200		1.375.000		**1.557.200**					**-199.671**	**1.357.529**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				161.000	21.200		1.375.000		**1.557.200**					**-199.671**	**1.357.529**		
Candido Fois	Deputy Vice Chairman of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	80.000	5.200		155.000		240.200				6.368		246.568		
	Member of the Permanent Strategic Committee	01/01/2013	31/12/2013	approv. AR 2014	36.000	3.200				39.200						39.200		
	Member of the Remuneration Committee	01/01/2013	31/12/2013	approv. AR 2014	36.000	2.800				38.800						38.800		
	Member of the Internal Controls and Risks Committee	01/01/2013	31/12/2013	approv. AR 2014	36.000	2.000				38.000						38.000		
	Member of the Internal Controls Sub-Committee	01/01/2013	31/12/2013	approv. AR 2014		1.600				1.600						1.600		
	Member of the Risks Sub-Committee	01/01/2013	31/12/2013	approv. AR 2014		1.600				1.600						1.600		
	(I) Compensation in the company preparing the financial statements				188.000	16.400		155.000		**359.400**				**6.368**		**365.768**		
	(II) Compensation from subsidiaries and associates				75.727	6.500		150.000		**232.227**						**232.227**		
	(III) Total				263.727	22.900		305.000		**591.627**				**6.368**		**597.994**		

(a) Voluntary waiver of 20% of the overall compensation received for the year 2012

(A)	(B)	(C)		(D)	(1)						(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Office	Period for which office was held		Office expiry	Fixed compensation						Compensation for committee participation	Variable non-equity compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance indemnity for end of office or termination of employment
					Emoluments resolved by the Shareholders' Meeting	Attendance tokens	Lump sum expense reimbursements	Compensation for specific offices ex sec. 2389 Italian Civil Code	Employment fixed salary	Total		Bonuses and other incentives	Profit sharing					
Vincenzo Calandra Buonaura	Vice Chairman of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*4.400*		*155.000*		239.400				6.368		245.768		
	Member of the Permanent Strategic Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*3.200*				39.200						39.200		
	Member of the Corporate Governance, HR and Nomination Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*4.000*				40.000						40.000		
	(I) Compensation in the company preparing the financial statements				*152.000*	*11.600*		*155.000*		**318.600**				**6.368**		**324.968**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*152.000*	*11.600*		*155.000*		**318.600**				**6.368**		**324.968**		
Luca Cordero di Montezemolo	Vice Chairman of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*4.000*		*155.000*		239.000						239.000		
	Member of the Permanent Strategic Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*2.800*				38.800						38.800		
	Member of the Corporate Governance, HR and Nomination Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*2.000*				38.000						38.000		
	(I) Compensation in the company preparing the financial statements				*152.000*	*8.800*		*155.000*		**315.800**						**315.800**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*152.000*	*8.800*		*155.000*		**315.800**						**315.800**		
Fabrizio Palenzona	Vice Chairman of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*5.200*		*155.000*		240.200						240.200		
	Member of the Permanent Strategic Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*3.200*				39.200						39.200		
	Member of the Corporate Governance, HR and Nomination Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*4.000*				40.000						40.000		
	(I) Compensation in the company preparing the financial statements				*152.000*	*12.400*		*155.000*		**319.400**						**319.400**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*152.000*	*12.400*		*155.000*		**319.400**						**319.400**		
Federico Ghizzoni	Chief Executive Officer	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*5.200*		*340.000*	*1.471.586*	1.896.786				306.085	37.037	2.239.908	1.378.486	
	Member of the Permanent Strategic Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*3.600*				39.600						39.600		
	Member of the Corporate Governance, HR and Nomination Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*4.400*				40.400						40.400		
	(I) Compensation in the company preparing the financial statements				*152.000*	*13.200*		*340.000*	*1.471.586*	**1.976.786**				**306.085**	**37.037**	**2.319.908**	**1.378.486**	
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*152.000*	*13.200*		*340.000*	*1.471.586*	**1.976.786**				**306.085**	**37.037**	**2.319.908**	**1.378.486**	

(A)	(B)	(C)		(D)	(1)						(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Office	Period for which office was held		Office expiry	Fixed compensation						Compensation for committee participation	Variable non-equity compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance indemnity for end of office or termination of employment
					Emoluments resolved by the Shareholders' Meeting	Attendance tokens	Lump sum expense reimbursements	Compensation for specific offices ex sec. 2389 Italian Civil Code	Employment fixed salary	Total		Bonuses and other incentives	Profit sharing					
Mohamed Ali Al Fahim	Member of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*4.800*				84.800						84.800		
	(I) Compensation in the company preparing the financial statements				*80.000*	*4.800*				**84.800**						**84.800**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*80.000*	*4.800*				**84.800**						**84.800**		
Manfred Bischoff	Member of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*4.400*				84.400						84.400		
	Member of the Permanent Strategic Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*2.000*				38.000						38.000		
	(I) Compensation in the company preparing the financial statements				*116.000*	*6.400*				**122.400**						**122.400**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*116.000*	*6.400*				**122.400**						**122.400**		
Henryka Bochniarz	Member of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*4.400*				84.400						84.400		
	Member of the Remuneration Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*2.400*				38.400						38.400		
	(I) Compensation in the company preparing the financial statements				*116.000*	*6.800*				**122.800**						**122.800**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*116.000*	*6.800*				**122.800**						**122.800**		
Alessandro Caltagirone	Member of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*4.400*				84.400						84.400		
	Member of the Corporate Governance, HR and Nomination Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*4.000*				40.000						40.000		
	Member of the Remuneration Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*2.000*				38.000						38.000		
	(I) Compensation in the company preparing the financial statements				*152.000*	*10.400*				**162.400**						**162.400**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*152.000*	*10.400*				**162.400**						**162.400**		

(A) Name and surname	(B) Office	(C) Period for which office was held		(D) Office expiry	(1) Fixed compensation: Emoluments resolved by the Shareholders' Meeting	(1) Fixed compensation: Attendance tokens	(1) Fixed compensation: Lump sum expense reimbursements	(1) Fixed compensation: Compensation for specific offices ex sec. 2389 Italian Civil Code	(1) Fixed compensation: Employment fixed salary	(1) Fixed compensation: Total	(2) Compensation for committee participation	(3) Variable non-equity compensation: Bonuses and other incentives	(3) Variable non-equity compensation: Profit sharing	(4) Non-monetary benefits	(5) Other remuneration	(6) Total	(7) Fair value of equity compensation	(8) Severance indemnity for end of office or termination of employment
Francesco Giacomin	Member of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*5.200*				85.200						85.200		
	Member of the Internal Controls and Risks Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*2.000*				38.000						38.000		
	Member of the Internal Controls Sub-Committee	01/01/2013	31/12/2013	approv. AR 2014		*1.600*				1.600						1.600		
	(I) Compensation in the company preparing the financial statements				*116.000*	*8.800*				**124.800**						**124.800**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*116.000*	*8.800*				**124.800**						**124.800**		
Helga Jung	Member of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*4.400*				84.400						84.400		
	(I) Compensation in the company preparing the financial statements				*80.000*	*4.400*				**84.400**						**84.400**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*80.000*	*4.400*				**84.400**						**84.400**		
Friederich Kadrnoska	Member of the Board of Directors	01/01/2013	11/05/2013		*28.712*	*800*				29.512						29.512		
	Member of the Remuneration Committee	01/01/2013	11/05/2013		*12.921*	*800*				13.721						13.721		
	Member of the Internal Controls and Risks Committee	01/01/2013	11/05/2013		*12.921*	*0*				12.921						12.921		
	(I) Compensation in the company preparing the financial statements				*54.554*	*1.600*				**56.154**						**56.154**		
	(II) Compensation from subsidiaries and associates				*1.817*					**1.817**						**1.817**		
	(III) Total				*56.371*	*1.600*				**57.971**						**57.971**		
Marianna Li Calzi	Member of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*5.200*				85.200				6.368		91.568		
	Member of the Internal Controls and Risks Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*2.000*				38.000						38.000		
	Member of the Internal Controls Sub-Committee	01/01/2013	31/12/2013	approv. AR 2014		*1.600*				1.600						1.600		
	Entitled to attend the Risks Sub-Committee	01/01/2013	31/12/2013			*1.600*				1.600						1.600		
	Member of the Related Parties and Equities Investments Sub-Committee	01/01/2013	19/02/2013			*1.200*				1.200						1.200		
	Chairman of the Related Parties and Equities Investments Committee	19/02/2013	31/12/2013	approv. AR 2014	*31.167*	*3.600*				34.767						34.767		
	(I) Compensation in the company preparing the financial statements				*147.167*	*15.200*				**162.367**				**6.368**		**168.735**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*147.167*	*15.200*				**162.367**				**6.368**		**168.735**		

(A)	(B)	(C)		(D)	(1)						(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Office	Period for which office was held		Office expiry	Fixed compensation						Compensation for committee participation	Variable non-equity compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance indemnity for end of office or termination of employment
					Emoluments resolved by the Shareholders' Meeting	Attendance tokens	Lump sum expense reimbursements	Compensation for specific offices ex sec. 2389 Italian Civil Code	Employment fixed salary	Total		Bonuses and other incentives	Profit sharing					
Luigi Maramotti	Member of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*4.800*				84.800						84.800		
	Member of the Permanent Strategic Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*3.600*				39.600						39.600		
	Member of the Corporate Governance, HR and Nomination Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*4.400*				40.400						40.400		
	Member of the Internal Controls and Risks Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*2.000*				38.000						38.000		
	Member of the Risks Sub-Committee	01/01/2013	31/12/2013	approv. AR 2014		*1.600*				1.600						1.600		
	Entitled to attend the Internal Controls Sub-Committee					*1.600*				1.600						1.600		
	(I) Compensation in the company preparing the financial statements				*188.000*	*18.000*				**206.000**						**206.000**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*188.000*	*18.000*				**206.000**						**206.000**		
Giovanni Quaglia	Member of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*5.200*				85.200					(b) 3.068	88.268		
	Member of the Corporate Governance, HR and Nomination Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*4.000*				40.000						40.000		
	Member of the Related Parties and Equities Investments Committee	19/02/2013	31/12/2013	approv. AR 2014	*31.167*	*3.600*				34.767						34.767		
	(I) Compensation in the company preparing the financial statements				*147.167*	*12.800*				**159.967**					**3.068**	**163.035**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*147.167*	*12.800*				**159.967**					**3.068**	**163.035**		
Lucrezia Reichlin	Member of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*4.400*				84.400						84.400		
	Member of the Permanent Strategic Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*2.800*				38.800						38.800		
	Member of the Internal Controls and Risks Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*2.000*				38.000						38.000		
	Member of the Risks Sub-Committee	01/01/2013	31/12/2013	approv. AR 2014		*1.600*				1.600						1.600		
	Entitled to attend the Internal Controls Sub-Committee					*800*				800						800		
	Member of the Related Parties and Equities Investments Sub-Committee	01/01/2013	19/02/2013			*400*				400						400		
	Chairman of theSupervisory Body ex D.Lgs. 231/2001 (pro-tempore)	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*3.200*				39.200					(b) 690	39.890		
	(I) Compensation in the company preparing the financial statements				*188.000*	*15.200*				**203.200**					**690**	**203.890**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*188.000*	*15.200*				**203.200**					**690**	**203.890**		

(b) Integration of 2012 compensation

(A) Name and surname	(B) Office	(C) Period for which office was held		(D) Office expiry	(1) Fixed compensation: Emoluments resolved by the Shareholders' Meeting	(1) Attendance tokens	(1) Lump sum expense reimbursements	(1) Compensation for specific offices ex sec. 2389 Italian Civil Code	(1) Employment fixed salary	(1) Total	(2) Compensation for committee participation	(3) Variable non-equity compensation: Bonuses and other incentives	(3) Profit sharing	(4) Non-monetary benefits	(5) Other remuneration	(6) Total	(7) Fair value of equity compensation	(8) Severance indemnity for end of office or termination of employment
Lorenzo Sassoli de Bianchi	Member of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*4.800*				84.800						84.800		
	Member of the Internal Controls and Risks Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*1.600*				37.600						37.600		
	Member of the Internal Controls Sub-Committee	01/01/2013	31/12/2013	approv. AR 2014		*1.600*				1.600						1.600		
	Member of the Related Parties and Equities Investments Sub-Committee	01/01/2013	19/02/2013			*1.200*				1.200						1.200		
	Member of the Related Parties and Equities Investments Committee	19/02/2013	31/12/2013	approv. AR 2014	*31.167*	*3.600*				34.767						34.767		
	(I) Compensation in the company preparing the financial statements				*147.167*	*12.800*				**159.967**						**159.967**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*147.167*	*12.800*				**159.967**						**159.967**		
Alexander Wolfgring	Member of the Board of Directors	11/05/2013	31/12/2013	approv. AR 2014	*51.507*	*2.400*				53.907				4.053		57.959		
	Member of the Remuneration Committee	11/05/2013	31/12/2013	approv. AR 2014	*23.178*	*800*				23.978						23.978		
	Member of the Internal Controls and Risks Committee	11/05/2013	31/12/2013	approv. AR 2014	*23.178*	*1.200*				24.378						24.378		
	Member of the Risks Sub-Committee	11/05/2013	31/12/2013	approv. AR 2014		*800*				800						800		
	Entitled to attend the Internal Controls Sub-Committee					*800*				800						800		
	(I) Compensation in the company preparing the financial statements				*97.863*	*6.000*				**103.863**				**4.053**		**107.915**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*97.863*	*6.000*				**103.863**				**4.053**		**107.915**		
Anthony Wyand	Member of the Board of Directors	01/01/2013	31/12/2013	approv. AR 2014	*80.000*	*5.200*				85.200						85.200		
	Member of the Corporate Governance, HR and Nomination Committee	01/01/2013	31/12/2013	approv. AR 2014	*36.000*	*3.200*				39.200						39.200		
	Chairman of the Internal Controls and Risks Committee	01/01/2013	31/12/2013	approv. AR 2014	*176.000*	*2.000*				178.000						178.000		
	Chairman of the Internal Controls Sub-Committee	01/01/2013	31/12/2013	approv. AR 2014		*1.600*				1.600						1.600		
	Chairman of the Risks Sub-Committee	01/01/2013	31/12/2013	approv. AR 2014		*1.600*				1.600						1.600		
	(I) Compensation in the company preparing the financial statements				*292.000*	*13.600*				**305.600**						**305.600**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*292.000*	*13.600*				**305.600**						**305.600**		

(A)	(B)	(C)	(D)	(1)						(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Office	Period for which office was held	Office expiry	Fixed compensation						Compensation for committee participation	Variable non-equity compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance indemnity for end of office or termination of employment
				Emoluments resolved by the Shareholders' Meeting	Attendance tokens	Lump sum expense reimbursements	Compensation for specific offices ex sec. 2389 Italian Civil Code	Employment fixed salary	Total		Bonuses and other incentives	Profit sharing					
TOTAL BOARD	(I) Compensation in the company preparing the financial statements			*2.878.918*	*220.400*		*2.335.000*	*1.471.586*	6.905.904				329.241	-158.875	7.076.270	1.378.486	
	(II) Compensation from subsidiaries and associates			*77.544*	*6.500*		*150.000*		234.044						234.044		
	(III) Total			*2.956.461*	*226.900*		*2.485.000*	*1.471.586*	7.139.947				329.241	-158.875	7.310.313	1.378.486	

(A)	(B)	(C)		(D)	(1)						(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Office	Period for which office was held		Office expiry	Fixed compensation						Compensation for committee participation	Variable non-equity compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance indemnity for end of office or termination of employment
					Emoluments resolved by the Shareholders' Meeting	Attendance tokens	Lump sum expense reimbursements	Compensation for specific offices ex sec. 2389 Italian Civil Code	Employment fixed salary	Total		Bonuses and other incentives	Profit sharing					
Maurizio Lauri	Chairman of the Board of Statutory Auditors	01/01/2013 11/05/2013	11/05/2013 31/12/2013	approv. AR 2015	*136.401*	*18.800*				155.201				6.368		161.569		
	(I) Compensation in the company preparing the financial statements				*136.401*	*18.800*				**155.201**				**6.368**		**161.569**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*136.401*	*18.800*				**155.201**				**6.368**		**161.569**		
Giovanni Battista Alberti	Standing Auditor	11/05/2013	31/12/2013	approv. AR 2015	*64.011*	*11.200*				75.211				4.053		79.264		
	(I) Compensation in the company preparing the financial statements				*64.011*	*11.200*				**75.211**				**4.053**		**79.264**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*64.011*	*11.200*				**75.211**				**4.053**		**79.264**		
Cesare Bisoni	Standing Auditor	01/01/2013 11/05/2013	11/05/2013 31/12/2013	approv. AR 2015	*98.219*	*19.600*				117.819				6.500		124.319		
	(I) Compensation in the company preparing the financial statements				*98.219*	*19.600*				**117.819**				**6.500**		**124.319**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*98.219*	*19.600*				**117.819**				**6.500**		**124.319**		
Enrico Laghi	Standing Auditor	11/05/2013	31/12/2013	approv. AR 2015	*64.011*	*10.800*				74.811				4.053		78.864		
	(I) Compensation in the company preparing the financial statements				*64.011*	*10.800*				**74.811**				**4.053**		**78.864**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*64.011*	*10.800*				**74.811**				**4.053**		**78.864**		
Vincenzo Nicastro	Standing Auditor	01/01/2013	11/05/2013		*34.569*	*7.600*				42.169				2.333		44.502		
	(I) Compensation in the company preparing the financial statements				*34.569*	*7.600*				**42.169**				**2.333**		**44.502**		
	(II) Compensation from subsidiaries and associates				*1.967*	*400*				**2.367**				**179**		**2.546**		
	(III) Total				*36.536*	*8.000*				**44.536**				**2.512**		**47.048**		
Michele Rutigliano	Standing Auditor	01/01/2013	11/05/2013		*34.569*	*7.200*				41.769				2.333		44.102		
	(I) Compensation in the company preparing the financial statements				*34.569*	*7.200*				**41.769**				**2.333**		**44.102**		
	(II) Compensation from subsidiaries and associates				*50.000*	*1.600*				**51.600**						**51.600**		
	(III) Total				*84.569*	*8.800*				**93.369**				**2.333**		**95.702**		

(A)	(B)	(C)		(D)	(1)						(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Office	Period for which office was held		Office expiry	Fixed compensation						Compensation for committee participation	Variable non-equity compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance indemnity for end of office or termination of employment
					Emoluments resolved by the Shareholders' Meeting	Attendance tokens	Lump sum expense reimbursements	Compensation for specific offices ex sec. 2389 Italian Civil Code	Employment fixed salary	Total		Bonuses and other incentives	Profit sharing					
Maria Enrica Spinardi	Standing Auditor	11/05/2013	31/12/2013	approv. AR 2015	*64.011*	*11.200*				75.211				4.053		79.264		
	(I) Compensation in the company preparing the financial statements				*64.011*	*11.200*				**75.211**				**4.053**		**79.264**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*64.011*	*11.200*				**75.211**				**4.053**		**79.264**		
Marco Ventoruzzo	Standing Auditor	01/01/2013	11/05/2013		*34.569*	*7.600*				42.169				2.333		44.502		
	(I) Compensation in the company preparing the financial statements				*34.569*	*7.600*				**42.169**				**2.333**		**44.502**		
	(II) Compensation from subsidiaries and associates																	
	(III) Total				*34.569*	*7.600*				**42.169**				**2.333**		**44.502**		
Federica Bonato	Alternate Auditor	11/05/2013	31/12/2013	approv. AR 2015														
	(I) Compensation in the company preparing the financial statements																	
	(II) Compensation from subsidiaries and associates				*20.153*	*2.000*	*985*			**23.138**				**1.742**		**24.880**		
	(III) Total				*20.153*	*2.000*	*985*			**23.138**				**1.742**		**24.880**		
Massimo Livatino	Alternate Auditor	01/01/2013	11/05/2013															
	(I) Compensation in the company preparing the financial statements																	
	(II) Compensation from subsidiaries and associates																	
	(III) Total																	
Beatrice Lombardini	Alternate Auditor	11/05/2013	31/12/2013	approv. AR 2015														
	(I) Compensation in the company preparing the financial statements																	
	(II) Compensation from subsidiaries and associates																	
	(III) Total																	

(A)	(B)	(C)		(D)	(1)						(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Office	Period for which office was held		Office expiry	Fixed compensation						Compensation for committee participation	Variable non-equity compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance indemnity for end of office or termination of employment
					Emoluments resolved by the Shareholders' Meeting	Attendance tokens	Lump sum expense reimbursements	Compensation for specific offices ex sec. 2389 Italian Civil Code	Employment fixed salary	Total		Bonuses and other incentives	Profit sharing					
Paolo Domenico Sfameni	Alternate Auditor	01/01/2013 11/05/2013	11/05/2013 31/12/2013	approv. AR 2015														
	(I) Compensation in the company preparing the financial statements																	
	(II) Compensation from subsidiaries and associates				*15.091*					**15.091**						**15.091**		
	(III) Total				*15.091*					**15.091**						**15.091**		
TOTAL STATUTORY AUDITORS	**(I) Compensation in the company preparing the financial statements**				*530.360*	*94.000*				**624.360**				**32.026**		**656.386**		
	(II) Compensation from subsidiaries and associates				*87.210*	*4.000*	*985*			**92.196**				1.921		**94.117**		
	(III) Total				*617.571*	*98.000*	*985*			**716.556**				**33.947**		**750.502**		

(A)	(B)	(C)		(D)	(1)						(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Office	Period for which office was held		Office expiry	Fixed compensation						Compensation for committee participation	Variable non-equity compensation		Non-monetary benefits	Other remuneration	Total	Fair value of equity compensation	Severance indemnity for end of office or termination of employment
					Emoluments resolved by the Shareholders' Meeting	Attendance tokens	Lump sum expense reimbursements	Compensation for specific offices ex sec. 2389 Italian Civil Code	Employment fixed salary	Total		Bonuses and other incentives	Profit sharing					
Roberto Nicastro	General Manager	01/01/2013	31/12/2013						*1.301.040*	1.301.040				248.045		1.549.085	274.175	
	(I) Compensation in the company preparing the financial statements								*1.301.040*	**1.301.040**				**248.045**		**1.549.085**	**274.175**	
	(II) Compensation from subsidiaries and associates																	
	(III) Total								*1.301.040*	**1.301.040**				**248.045**		**1.549.085**	**274.175**	
Other Executives with strategic responsibilities	**(I) Compensation in the company preparing the financial statements**								*5.890.105*	**5.890.105**		(c) **576.041**		**681.489**	**373.084**	**7.520.719**	**820.629**	
	(II) Compensation from subsidiaries and associates																	
(total 7 subjects)	**(III) Total**								*5.890.105*	**5.890.105**		**576.041**		**681.489**	**373.084**	**7.520.719**	**820.629**	

(c) No bonus, upfront or deferred, linked to 2013 performance has been awarded to the Executives with startegic responsibilities, inclusive of the Chief Executive Officer and General Manager. The amount refers to the payment of long term cash incentives, based on a three years performance evaluation, for the heads of internal control functions

Consob Issuers Regulation nr. 11971 - Annex 3A / Schedule 7-bis

TABLE 2: Stock Options Assigned to the Members of theAdministrative Body, to General Managers and Other Executives with Strategic Responsibilities

			Options Held at Star of the Year			Options Assigned During the Year						Options Exercised During the Year			(14)	(15)	(16)
A	B	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)			
Name and Surname	Office	Plan	Number of Options	Exercise Price	Period of Possible Exercise (from..to)	Number of Options	Exercise Price	Period of Possible Exercise (from..to)	Fair Value at Assign. Date	Assignment Date	Market Price of Underlying Shares upon Assignement of Options	Number of Options	Exercise Price	Market Price of Underlying Shares on Exercise Date	Options Lapsed During the Year (Number)	Options Held at the End of the Year	Options Relevant to the Year (Fair Value)
Federico Ghizzoni	**Chief Executive Officer**																
(I) Compensation in company preparing financial statements		2004 Stock Options	26.882	22,419	03/09/2008 31/12/2017	-	-	-	-	-	-	-	-	-	-	26.882	-
		2005 Stock Options	35.843	26,878	18/11/2009 31/12/2018	-	-	-	-	-	-	-	-	-	-	35.843	-
		2006 Stock Options	32.349	33,205	13/06/2010 31/12/2019	-	-	-	-	-	-	-	-	-	-	32.349	-
		2007 Stock Options	56.137	39,583	15/07/2011 15/07/2017	-	-	-	-	-	-	-	-	-	-	56.137	-
		2008 Stock Options	141.270	23,351	09/07/2012 09/07/2018	-	-	-	-	-	-	-	-	-	-	141.270	-
		2011 Performance Stock Options	672.125	4,010	01/01/2016 31/12/2022	-	-	-	-	-	-	-	-	-	-	672.125	301.593
(II) Compensation from Subsidiaries and Associates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(III) Total			**964.606**	**-**	**-**	**0**	**-**	**-**	**0**	**-**	**-**	**0**	**-**	**-**	**0**	**964.606**	**301.593**
Roberto Nicastro	**General Manager**																
(I) Compensation in company preparing financial statements		2004 Stock Options	161.297	22,419	03/09/2008 31/12/2017	-	-	-	-	-	-	-	-	-	-	161.297	-
		2005 Stock Options	322.595	26,878	18/11/2009 31/12/2018	-	-	-	-	-	-	-	-	-	-	322.595	-
		2006 Stock Options	242.556	33,205	13/06/2010 31/12/2019	-	-	-	-	-	-	-	-	-	-	242.556	-
		2007 Stock Options	210.516	39,583	15/07/2011 15/07/2017	-	-	-	-	-	-	-	-	-	-	210.516	-
		2008 Stock Options	451.235	23,351	09/07/2012 09/07/2018	-	-	-	-	-	-	-	-	-	-	451.235	-
		2010 Performance Stock Options	322.679	11,901	31/03/2014 31/12/2020	-	-	-	-	-	-	-	-	-	-	322.679	-
		2011 Performance Stock Options	611.022	4,010	01/01/2016 31/12/2022	-	-	-	-	-	-	-	-	-	-	611.022	274.175
(II) Compensation from Subsidiaries and Associates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(III) Total			**2.321.900**	**-**	**-**	**0**	**-**	**-**	**0**	**-**	**-**	**0**	**-**	**-**	**0**	**2.321.900**	**274.175**
Other Executives with Strategic Responsibilities																	
(I) Compensation in company preparing financial statements	n. 5 Executives	2004 Stock Options	161.474	22,419	03/09/2008 31/12/2017	-	-	-	-	-	-	-	-	-	-	161.474	-
	n. 5 Executives	2005 Stock Options	320.622	26,878	18/11/2009 31/12/2018	-	-	-	-	-	-	-	-	-	-	320.622	-
	n. 5 Executives	2006 Stock Options	267.807	33,205	13/06/2010 31/12/2019	-	-	-	-	-	-	-	-	-	-	267.807	-
	n. 5 Executives	2007 Stock Options	289.179	39,583	15/07/2011 15/07/2017	-	-	-	-	-	-	-	-	-	-	289.179	-
	n. 5 Executives	2008 Stock Options	793.607	23,351	09/07/2012 09/07/2018	-	-	-	-	-	-	-	-	-	-	793.607	-
	n. 4 Executives	2010 Performance Stock Options	482.605	11,901	31/03/2014 31/12/2020	-	-	-	-	-	-	-	-	-	-	482.605	-
	n. 5 Executives	2011 Performance Stock Option	1.594.767	4,010	01/01/2016 31/12/2022	-	-	-	-	-	-	-	-	-	-	1.594.767	715.596
(II) Compensation from Subsidiaries and Associates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(III) Total			**3.910.061**	**-**	**-**	**0**	**-**	**-**	**0**	**-**	**-**	**0**	**-**	**-**	**0**	**3.910.061**	**715.596**

Consob Issuers Regulation nr. 11971 - Annex 3A / Schedule 7-bis

TABLE 3A: Incentive plans based on financial instruments other than stock options, in favour of members of the administrative body, general managers and other executives with strategic responsibilities

			Financial instruments assigned during previous years and not vested during the year		Financial instruments assigned during the year					Financial instruments vested during the year and not assigned	Financial instruments vested during the year and assignable		Financial instruments relevant to the year
A	B	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Name and surname	Office	Plan	Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair val. on assign. date	Vesting period	Assignment date	Market price upon assignment	Number and type of financial instruments	Number and type of financial instruments	Value on maturity date	Fair Value
Federico Ghizzoni	**Chief Executive Officer**	-	-	-	-	-	-	-	-	-	-	-	-
(I) Compensation in company preparing financial statements		Ordinary Shares UniCredit Plan	84.024	31.12.2013	-	-	-	-	-	-	84.023	295.761	344.822
		Ordinary Shares UniCredit Plan 2013_2015	-	-	568.181	2.000.000	50% 31.12.2014 50% 31.12.2015	11.04.2013	3,52	-	-	-	732.071
(II) Compensation from Subsidiaries and Associates		-	-	-	-	-	-	-	-	-	-	-	-
(III) Total			-	-	-	**2.000.000**	-	-	-	-	-	**295.761**	**1.076.893**
Roberto Nicastro	**General Manager**	-	-	-	-	-	-	-	-	-	-	-	-
(I) Compensation in company preparing financial statements		2010 - Performance share	75.631	22.03.2011 31.12.2013	-	-	-	-	-	-	-	-	-
(II) Compensation from Subsidiaries and Associates		-	-	-	-	-	-	-	-	-	-	-	-
(III) Total			-	-	-	**0**	-	-	-	-	-	**0**	**0**
Other Executives with Strategic Responsibilities		-	-	-	-	-	-	-	-	-	-	-	-
(I) Compensation in company preparing financial statements	n. 4 Executives	2010 - Performance share	142.232	22.03.2011 31.12.2013	-	-	-	-	-	-	-	-	-
	n. 1 Executive	UniCredit Shares promised under UniCredit 2011 Bonus Opportunity Plan	74.188	50% 31.12.2013 50% 31.12.2014	-	-	-	-	-	-	-	-	105.033
(II) Compensation from Subsidiaries and Associates		-	-	-	-	-	-	-	-	-	-	-	-
(III) Total			-	-	-	**0**	-	-	-	-	-	**0**	**105.033**

Consob Issuers' Regulation nr. 11971 - Attachment 3A / Schedule 7-bis

TABLE 3B: Monetary Incentive Plans in Favour of Members of the Administrative Body, General Managers and Other Executives

A	B	(1)	(2)			(3)			(4)
Name and Surname	Office	Plan	Annual Bonus			Previous Years Bonuses			Other Bonuses
			(A)	(B)	(C)	(A)	(B)	(C)	
			Payable / Paid	Deferred	Deferral Period	Non Longer Payable	Payable / Paid	Still Deferred	
Federico Ghizzoni	**Chief Executive Officer**								
(I) Compensation In The Company Preparing the		Bonus Opportunity Plan 2013	-	-	-	-	-	-	-
(II) Compensation from Subsidiaries and Associates		nn	-	-	-	-	-	-	-
(III) Total			**-**	**-**	**-**	**-**	**-**	**-**	**-**
Roberto Nicastro	**General Manager**								
(I) Compensation In The Company Preparing the		Bonus Opportunity Plan 2013	-	-	-	-	-	-	-
(II) Compensation from Subsidiaries and Associates		nn	-	-	-	-	-	-	-
(III) Total			**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other executives with strategic responsibilities									
(I) Compensi nella società che redige il bilancio		Bonus Opportunity Plan 2013	-	-	-	-	-	-	-
		Cah LTI Plans for Control Functions	-	-	-	773.959	576.041	116.667	-
(II) Compensi da controllate e collegate		nn	-	-	-	-	-	-	-
(III) Totale			**-**	**-**	**-**	**773.959**	**576.041**	**116.667**	**-**

Amounts in Euro

Consob Issuers Regulation nr. 11971 - Annex 3A / Schedule 7-ter
TABLE 1: Investments of the Members of the Administrative and Auditing Bodies and General Managers

Name and Surname		Office	Investee Company	Type of Shares	Number of Shares: Held at the End of 2011 (1)	Acquired	Sold	Held at the End of 2012 (1)
BOARD OF DIRECTORS								
Giuseppe Vita		Chairman	UniCredit	ord.	2.350	100.000	950	101.400
		indirect ownership (spouse)	UniCredit	ord.	5.000			5.000
Candido Fois		Deputy Vice Chairman						
Vincenzo Calandra Buonaura		Vice Chairman	UniCredit	ord.	18.231			18.231
Luca Cordero di Montezemolo		Vice Chairman						
Fabrizio Palenzona		Vice Chairman						
Federico Ghizzoni		Chief Executive Officer	UniCredit	ord.	135.023	84.023 (2)		219.046
		indirect ownership (spouse)	UniCredit	ord.	1.500			1.500
Mohamed Ali Al Fahim		Director						
Manfred Bischoff		Director	UniCredit	ord.	14.997			14.997
Henryka Bochniarz		Director						
Alessandro Caltagirone		Director						
Francesco Giacomin		Director						
Helga Jung		Director	UniCredit	ord.	1.213			1.213
Friederich Kadrnoska	(3)	Director						
Marianna Li Calzi		Director						
Luigi Maramotti		Director	UniCredit	ord.	2.288.682			2.288.682
Giovanni Quaglia		Director	UniCredit	ord.	1.000			1.000
Lucrezia Reichlin		Director						
Lorenzo Sassoli de Bianchi		Director						
Alexander Wolfgring	(4)	Director						
Anthony Wyand		Director	UniCredit	ord.	6.123			6.123
BOARD OF STATUTORY AUDITORS								
Maurizio Lauri		Chairman of the Board of Statutory Auditors						
Giiovanni Battista Alberti	(4)	Standing Auditor						
		indirect ownership (spouse)	UniCredit	ord.	1.200			1.200
Cesare Bisoni		Standing Auditor						
Enrico Laghi	(4)	Standing Auditor						
Maria Enrica Spinardi	(4)	Standing Auditor						
		indirect ownership (spouse)	UniCredit	ord.	1.000			1.000
Paolo Domenico Sfameni		Alternate Auditor						
Federica Bonato	(4)	Alternate Auditor	UniCredit	ord.	756			756
Beatrice Lombardini	(4)	Alternate Auditor	UniCredit	ord.	3.775			3.775
Vincenzo Nicastro	(3)	Standing Auditor	UniCredit	ord.	18.000			18.000
Michele Rutigliano	(3)	Standing Auditor						
Marco Ventoruzzo	(3)	Standing Auditor						
Massimo Livatino	(3)	Alternate Auditor						
DIRETTORI GENERALI								
Roberto Nicastro		Direttore Generale	UniCredit	ord.	245.364			245.364

(1) Or start / end date of appointment if different from indicated period
(2) Of which nr. 84.023 free ordinary shares granted during 2013 in execution of the UniCredit Share Plan approved by the Shareholders' Meeting
(3) Office covered from 01/01/2013 to 11/05/2013
(4) Office covered from 11/05/2013 to 31/12/2013

Consob Issuers Regulation nr. 11971 - Annex 3A / Schedule 7-ter
TABLE 2: Investments of Other Executives with Strategic Responsibilities

Number of Executives with Strategic Responsibilities	Investee Company	Type of Share	Number of Shares			
			Held at the End of 2012 (1)	Acquired	Sold	Held at the End of 2013 (1)
7	UniCredit	ord.	390.107 (2)	76 (3)	15.000	375.183 (2)
7	*UniCredit*	*ord. ESOP matching*	*761*	*0*	*761* (3)	*0*

(1) Or start / end date of appointment if different from indicated period
(2) Of which 42 indirect possess
(3) In the month of January 2013, at the end of the lock-up period, the 'UCG ESOP Matching' shares, received within the UniCredit Employee Share Ownership Plan, have been grouped and converted in ordinary shares under the ratio 10 to 1.

2014 COMPENSATION SYSTEMS BASED ON FINANCIAL INSTRUMENTS FOR UNICREDIT GROUP EMPLOYEES

UniCredit Shareholders' Meeting

May 2014

INDEX

5. EXECUTION OF THE “GROUP COMPENSATION SYSTEMS”

5.1 BENEFICIARIES OF THE PLAN

5.2 THE REASONS FOR THE ADOPTION OF THE PLAN

5.3 THE PROCEDURE FOR THE ADOPTION OF THE PLAN AND THE TIMEFRAME FOR THE ASSIGNMENT OF THE FINANCIAL INSTRUMENTS

5.4 THE CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ASSIGNED

1.INTRODUCTION

Pursuant to the provision set forth in Article 114-bis of legislative decree no.58 of February 24th 1998 as well as to the provisions of the issuer adopted by CONSOB with resolution no.11971 of May 14th 1999 (the issuer "regulations") regarding the information to be disclosed to the market in relation to the granting of awarding plans based on financial instruments, the Board of Directors of UniCredit (the board of directors) prepared this information memorandum which will be reported to the Ordinary General Shareholders Meeting of UniCredit on May, 13 2014 which is called to resolve, inter alia, upon the **approval** for 2014 of the following new incentives plans:

- "**2014 Group Incentive System**" is defined in order to reward employees with an incentive payable in cash and / or free UniCredit ordinary shares over a multi-year period, according to the modalities described below and subject to the achievement of specific performance objectives;
- "**2014 Employee Share Ownership Plan of UniCredit Group**" aiming at offering to employees of the Group the possibility to invest in UniCredit shares at favorable conditions.

This Information Memorandum - prepared in compliance with Scheme 7 of Annex 3A to the Issuers Regulation – has also been prepared for the purpose of giving information concerning the **execution** of the following plans already approved by the General Shareholders Meeting of May 11, 2013, May 11, 2012 and of April 29, 2011 and April 22, 2010:

- "**2013 Employee Share Ownership Plan of UniCredit Group**";
- "**Group Compensation Systems**" providing for the grant of free shares and performance stock options to a selected group of Group employees, according to the modalities described below subject to the achievement of specific performance conditions:
    - **2013 Group Incentive System**
    - **2012 Group Incentive System**
    - **2011 Group Executive Incentive System ("Group Executive Plan")**
    - **Share Plan for Group Key Resources ("Share Plan")**
    - **2011-2013 UniCredit Group Long Term Incentive Plan ("LTI Plan")**

Pursuant to the definition set forth in article 84-bis of the issuer regulations, the above mentioned incentive plans, in consideration of their beneficiaries, have the nature of "relevant plans".

2. 2014 GROUP INCENTIVE SYSTEM

Considering provisions of the Bank of Italy regarding compensation policies and practices, which, however, are being revised in order to incorporate the changes introduced by the new guidelines contained in the Capital Requirements Directive 2013/36/EU (CRD IV) that update the overall prudential regulations for banks and investment firms (hereinafter the "Regulation") and in line with the guidelines issued by European Banking Authority (EBA – previously CEBS), UniCredit defined compensation systems based on financial instruments in order to align shareholder and management interests, reward long term value creation, share price appreciation and motivate and retain key Group resources. For this purpose it has been proposed the adoption of the Plan **"2014 Group Incentive System"**, which provides for the allocation of an incentive – in cash and/or free UniCredit ordinary shares – to be granted in a multi-year period, subject to the achievement of specific performance objectives.

2.1 BENEFICIARIES OF THE PLAN

The employees of UniCredit and of its parent companies or subsidiaries that benefit from the 2014 Group Incentive System are circa 1.000 Group Executives and other selected roles that may impact market, credit, liquidity risks as specified in section 2.1.2.

On the basis of the criteria established by Shareholders Meeting, the Board of Directors will be delegated to identify the actual beneficiaries belonging to the categories described in this section 2.1.

2.1.1 Indication of the name of beneficiaries who are members of the board of Directors of UniCredit and of the companies directly or indirectly controlled by UniCredit

Mr. Federico Ghizzoni – CEO of UniCredit - is among the beneficiaries of the 2014 Group Incentive System.

It is worth mentioning that certain potential beneficiaries of the 2014 Group Incentive System, in addition to the exercise of their managing powers connected to their offices, held offices in Management Bodies of companies, directly or indirectly, controlled by UniCredit. In light of the fact that such individuals are amongst the beneficiaries of the 2014 Group Incentive System in their capacity as employees of UniCredit Group, no information as to their name is provided hereto and reference shall be made to the information provided below.

2.1.2 The categories of employees or collaborators of UniCredit and companies controlling or controlled by this issuer.

The employees of UniCredit and of its parent companies or subsidiaries that are defined as Identified Staff and benefit from the 2014 Group Incentive System are defined based on criteria provided by European Banking Authority (EBA) regulatory technical standards issued on 16th of December, as follows:

- Chief Executive Officer (CEO), General Manager (GM), Deputy General Managers (DGMs), Senior Executive Vice Presidents, Executive Vice Presidents (EVP), Senior Vice Presidents (SVP), members of the Management bodies of relevant Group Legal Entities
- Employees with total remuneration greater than €500,000 in the last year
- Employees included within 0,3% of staff with the highest remuneration
- Employees whose remuneration is within the remuneration bracket of senior management and other risk takers
- Other selected roles

2.1.3 Individuals who benefit from the Plan belonging to the following groups:

a) General Managers of UniCredit

Among the potential beneficiaries of the 2014 Group Incentive System, along with the CEO, already mentioned, there is the General Manager, Mr. Roberto Nicastro, who currently carries out management activities of UniCredit or anyway has regular access to privileged information and is authorized to take resolutions capable of influencing the development and prospects of UniCredit in any case.

b) other executives with strategic responsibilities of the financial instrument issuer not classed as "small", in accordance with Article 3, paragraph 1, letter *f*) of Regulation no. 17221 of 12 March 2010, if they have, during the course of the year, received total compensation (obtained by adding the monetary compensation to the financial instrument-based compensation) in excess of the highest total compensation assigned to the members of the board of directors or management board, and to the general managers of the financial instrument issuer;

None of UniCredit executives meets the description; therefore no information is provided in connection thereto.

c) natural persons controlling UniCredit, who are employee or collaborator of UniCredit.

No individual controls UniCredit and, therefore, no information is provided in connection thereto.

2.1.4 Description and numerical indication, broken down according to category :

a) Executives with strategic responsibilities other than those specified under lett. B) of paragraph 2.1.3

Amongst the beneficiaries of the 2014 Group Incentive System, along with the CEO, there are n. 7 executives of UniCredit who have regular access to privileged information and are authorized to take resolutions capable of influencing the development and prospects of UniCredit:

- the General Manager, Mr. Roberto Nicastro (already mentioned);
- the Deputy General Managers, Mr. Paolo Fiorentino and Mr. Jean-Pierre Mustier;
- the Head of Planning, Finance & Administration, Mrs. Marina Natale;
- the Group Chief Risk Officer, Mr. Alessandro Decio;

- the Group Head of Human Resources, Mr. Paolo Cornetta;
- the General Counsel & Group Compliance Officer, Mrs. Nadine Farida Faruque;

b) in the case of "small" companies, in accordance with Article 3, paragraph 1, letter *f*) of Regulation no. 17221 of 12 March 2010, the indication for the aggregate of all executives with strategic responsibilities of the financial instrument issuer;

This provision is not applicable and, therefore, no information is provided in connection thereto.

c) other categories of employees or collaborators for which different characteristics are envisaged for the plan (e.g. executives, middle management, employees etc.);

There are no classes of employees to which different characteristics of the 2014 Group Incentive Systems apply.

2.2 THE REASONS FOR THE ADOPTION OF THE PLAN

2.2.1 The targets which the parties intend to reach through the adoption of the plan.

The 2014 Group Incentive System aims to attract, retain and motivate Group beneficiaries and to align UniCredit incentive system to the most recent national and international regulatory requirements with the aim to define – in the interest of all stakeholders – incentive systems in line with long term company strategies and goals, linked to Group results, adjusted in order to consider all risks, in coherence with capital and liquidity levels needed to cover the activities in place and, in any case, able to avoid misleading incentives that could drive to regulatory breaches or to assume excessive risks for the bank and the system in its whole.

The 2014 Group Incentive System is compliant with Group compensation policy and with the most recent national and international regulatory requirements providing for:
- allocation of a variable incentive defined based on the available bonus pool, individual performance evaluation and bonus reference for specific roles/markets;
- definition of a balanced structure of upfront (following the moment of performance evaluation) and deferred payments, in cash and in shares;
- distributions of share payments which take into account the regulatory requirements regarding the application of share retention periods;
- risk adjusted metrics in order to guarantee long-term sustainability with respect to company's financial position and to ensure compliance with regulatory expectations;
- malus condition (Zero Factor), which applies in case specific thresholds (profitability, capital & liquidity) are not met at both Country/Division and Group levels.

2.2.2 Principal factors of variation and performance indexes taken into account for the assignment of plans based on financial instruments.

Individual bonuses will be allocated managerially based on available bonus pool, individual performance evaluation and bonus reference for specific roles/markets.

Individual performance appraisal is based on 4 – 8 goals. Other optional targets and behaviors, as relevant, could be considered by the manager for the overall performance appraisal.

Incentive payouts shall be made over a multi-year period (2015-2020) in a balanced structure of upfront (following the moment of performance evaluation) and deferred payments, in cash and in shares, subject to continuous employment at each date of payment and as follows:

- in 2015 the first installment of the overall incentive will be paid in cash in absence of any individual values/compliance breach, considering also the gravity of any internal/external findings (i.e. Audit, Bank of Italy, Consob and/or analogous local authorities);
- over the period 2016-2020 the remainder of the overall incentive will be paid in installments in cash and/or UniCredit shares, further subject to the application of the Zero Factor for the year previous to the year of payment and in absence of any individual /values compliance breach, considering also the gravity of any internal/external findings (i.e. Audit, Bank of Italy, Consob and/or analogous local authorities);.
- distributions of share payments takes into account the applicable regulatory requirements regarding the application of share retention periods;

2.2.3 The factors assumed as basis for the determination of the compensation based upon financial instruments, or the criteria for the determination of the aforesaid compensation.

2014 System provides for a different approach for determining and allocating variable remuneration compared with the past, based on the “bonus pool approach”.

Within the new approach the link between profitability, risk and reward is assured by linking directly bonus pools with company results – at Group and local level – cost of capital and risk profiles relevant for the Group as stated in the Group Risk Appetite Framework.

Bonus pools will be defined based on Country/Division and Group performance and allocated to employees according to individual performance, differently from the current system that considers the bonus opportunity set for each individual as the starting point.

At this stage, the 2014 Group Incentive System does not contain an exact indication of the value of *free shares* to be actually allocated to the beneficiaries, rather it merely fixes the maximum number of the free shares to be issued with reference to the Plan. In any case, are already established the criteria that the Board of Directors should follow, in the resolutions that after the Annual Shareholders’ Meeting approval will execute the Plans, to define the actual number of beneficiaries and the number of free shares to be granted.

The 2014 Group Incentive System provides that in 2015 will be formulated the promise to pay the incentive in cash and shares. The percentages of the payments in cash and shares are linked to the beneficiaries’ categories as described in the following points of this document.

The final evaluation of sustainable performance parameters and risk-reward alignment will be reviewed by the Remuneration Committee and defined under the responsibility and governance of the Board of Directors.

2.2.4 The reasons justifying the decision to assign compensation plans based on financial instruments not issued by UniCredit, such as financial instruments issued by its subsidiaries, its parent companies or third parties; in the event the aforesaid financial

instruments are not negotiated on regulated markets, the issuer shall provide information as to the criteria adopted for the calculation of the value attributable to such financial instruments.

The 2014 Group Incentive System does not contemplate the allocation of similar financial instruments.

2.2.5 The evaluations, with respect to the relevant tax and accounting implications, taken into account in the definition of the plans.

The 2014 Group Incentive System definition has not been influenced by significant tax or accounting consideration. In particular, the tax and social securities regime applied to the free shares allocated will be consistent with legislation in place in the countries where the beneficiary is fiscally resident.

2.2.6 The indication as to whether the plan enjoys any support from the special fund for encouraging worker participation in the companies, as provided for under Article 4, paragraph 112, of Law December, 24 2003 n. 350.

The 2014 Group Incentive System is not currently supported by the special fund for encouraging worker participation in the companies, as provided for under sect. 4, paragraph 112, of Law December 24, 2003 n. 350.

2.3 PROCEDURE FOR THE ADOPTION OF THE PLAN AND TIMEFRAME FOR THE ASSIGNMENT OF THE FINANCIAL INSTRUMENTS

2.3.1 Powers delegated to the board of directors by the shareholders' meeting for the implementation of the plan.

The best solution identified to execute the 2014 Group Incentive System is to delegate the Board of Directors, pursuant to sect. 2443 of the Civil Code, the faculty to increase share capital as described in the Director's Report presented to the Extraordinary Shareholders' Meeting called for on May 13, 2014 (in single call).

In force of this delegation, the Board of Directors could resolve:

on one or more occasions for a maximum period of five years - to carry out a free capital increase, as allowed by section 2349 of the Italian Civil Code, for a maximum nominal amount of 28,964,197 UniCredit ordinary shares, to be granted to employees of the Holding Company and of Group banks and companies. Such an increase in capital shall be carried out using the special reserve known as "Provisions Linked to the Medium Term Incentive System for Group Personnel" set up for this purpose and reinstated or increased each year or in accordance with other methods dictated by applicable laws and regulations.

In case the amount of the "Provisions Linked to the Medium Term Incentive System for Group Personnel" does not allow the issuance (full or partial) of UniCredit ordinary shares to service the 2014 System, an equivalent amount in cash will be allocated to the beneficiaries, determined in base of arithmetic mean of the official market price of UniCredit ordinary shares during the month preceding the Board resolution that evaluates performance achievements in 2014.

In particular, in the request to approve the 2013 balance sheet, it is proposed to allocate € 98,294,742.05 to the above mentioned reserve using a portion of statutory reserves made available from the distribution of company profits;

2.3.2 Indication of the individuals in charge of the management of the plan, their powers authority.

The Organizational Unit “Compensation” of the Holding is in charge for the management of the 2014 Group Incentive System, as well as of the definition of the Group’s compensation policy.

2.3.3 Procedures for the amendment of the plans, if any, also in connection with potential variation of the original targets.

No specific procedures for the amendment of the 2014 Group Incentive System are provided for, other than the power of attorney that is provided by the Shareholders’ Meeting to the Chairman and the Chief Executive Officer, also separately, to possibly make changes to the 2014 System.

2.3.4 Description of the modalities for the determination of the availability and assignment of the financial instruments contemplated by the plan.

In order to execute the 2014 Group Incentive System it is provided to delegate the Board of Director to resolve by May, 2015 the promise to grant a maximum number of 28,964,197 UniCredit ordinary shares, subject to the achievement of specific performance objectives, considering in any case that the delegation to increase the share capital, in one or more occasions, not exceeding the above mentioned limit of 28,964,197 can be exercised by May 2019.

For the assignment of the last installment of shares planned for 2020 it will be submitted to one of the future Shareholders’ meetings the proposed integration of the power of attorney, already provided to the Board of Directors, for capital increase to service the above mentioned 2014 System through the issuance of a maximum overall number of 9,500,000 of UniCredit ordinary shares (corresponding to a capital increase of a maximum € 32,239,804.21)

2.3.5 The influence exercised by each director in the determination of the characteristics of the plans; the potential conflict of interest which may trigger the obligation for the relevant director to abstain from exercising his vote in the relevant resolution.

In the determination of the essential characteristics of the 2014 Group Incentive System proposed to the Shareholders’ Meeting, the Board of Directors followed the guidelines and criteria elaborated by the Remuneration Committee of UniCredit.

Since the CEO of UniCredit is among the potential beneficiaries of the 2014 Group Incentive System, the latter has abstained from participating in the definition of the 2014 Group Incentive System.

2.3.6 The date on which the board of directors resolved upon the assignment of the financial instruments contemplated by the plan

The Board of Directors, on January 21, 2014 approved the proposal related to the 2014 Group Incentive System to be submitted to UniCredit Shareholders' Meeting.

Furthermore, in exercising the delegation received by the Shareholders' Meeting, as described in point 2.3.1, the Board of Directors will resolve in one or more occasions to allocate the financial instruments related to the 2014 Group Incentive System.

2.3.7 The date on which the remuneration committee resolved upon the Plan of UniCredit.

The Remuneration Committee on January 14, 2014 positively resolved upon the criteria and the methodology elaborated for the definition of the 2014 Group Incentive System, sharing the reasons and motivations thereof.

2.3.8 The market price of UniCredit ordinary shares, on the dates mentioned in points 2.3.6 and 2.3.7.

The market price of UniCredit ordinary shares, registered on the date of Board of Directors approval of 2014 Group Incentive Systems proposal (January 21, 2014) and on the date of the decision made by the Remuneration Committee of UniCredit (January 14, 2014), resulted equal to € 5.955 and to € 5.985 respectively.

2.3.9 In which terms and modalities UniCredit takes into account, in the determination of the timeframe for the assignment of the plans, of the possible time-coincidence between:
i) such assignment or the decision, if any, adopted thereon by the Remuneration Committee, and
ii) the dissemination of relevant information, if any, pursuant to sect. 114, paragraph 1 of Legislative Decree 58/98; for instance, in cases in which such information is:
a. not already public and capable to positively affect the market quotation, or
b. already published and capable to negatively affect the market quotation.

In relation to the foregoing it is clarified that the resolution of the Board of Directors which approved the proposal to be submitted to the Shareholders' Meeting, has been communicated to the markets, in compliance with the current regulations. It is also clarified that analogous information to the market, if required, will be made available upon any other following resolution adopted by the Board of Directors of the 2014 Group Incentive System.

It is worthwhile clarifying that, although all the resolutions adopted by the Board of Directors are subject to the prior positive opinion of the Remuneration Committee of UniCredit, the information to the market is given only after the relevant resolution of the Board of Directors.

2.4. THE CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ASSIGNED

2.4.1 Description of the compensation plan.

Individual bonuses will be allocated managerially based on available bonus pool, individual performance evaluation and bonus reference for specific roles/markets.

Individual performance appraisal is based on 4 – 8 goals. Other optional targets and behaviors, as relevant, could be considered by the manager for the overall performance appraisal.

Incentive payouts will be made in upfront and deferred installments – in cash and/or UniCredit ordinary shares over a period of 6 years:

- in 2015 the first installment of the overall incentive will be paid in cash in absence of any individual values / compliance breach, considering also the gravity of any internal/external findings (i.e. Audit, Bank of Italy, Consob and/or analogous local authorities);
- over the period 2016-2020 the remainder of the overall incentive will be paid in installments in cash and/or UniCredit shares, further subject to the application of the Zero Factor for the year previous to the year of payment and in absence of any individual /values compliance breach, considering also the gravity of any internal/external findings (i.e. Audit, Bank of Italy, Consob and/or analogous local authorities);
- distributions of share payments takes into account the applicable regulatory requirements regarding the application of share retention periods;

Final evaluation of sustainable performance parameters and risk-reward alignment will be reviewed by the Remuneration Committee and defined under the responsibility and governance of the Board of Directors.

The 2014 Group Incentive System provides that in 2015 the Board of Directors – once verified the achievement of the goals defined for 2014 – will define the percentage of payments in cash and shares established for each category of beneficiaries, as illustrated in the table below:

	2015	**2016**	**2017**	**2018**	**2019**	**2020**
	CASH	***CASH***	***CASH***	***SHARES***	***SHARES***	***SHARES***
EVP & above & other identified staff with bonus >€500k	20%	15%	15%	20%	15%	15%
SVP & other identified staff with bonus <€500k	30%	10%	10%	30%	10%	10%

The number of shares to be allocated in the respective installments following verification of achievement of performance goals shall be defined in 2015, on the basis of the arithmetic mean of the official market price of UniCredit ordinary shares during the month preceding the Board resolution that evaluates 2014 performance achievements. The free UniCredit ordinary shares to be allocated (the maximum number of shares to service the 2014 System is estimated at 38,464,197) will be freely transferable, with the exceptions indicated below.

2.4.2 Indication of the time period for the implementation of the plan also indicating different cycles, if any, of its implementation.

Incentive payouts shall be made over a multi-year period (2015-2020) in a balanced structure of upfront (following the moment of performance evaluation) and deferred payments, in cash and in shares, subject to continuous employment at each date of payment. The free shares related to the 2014 Group Incentive System will be allocated in multiple installments (in the period 2018-2020) subject to the Board assessment in 2015 of the goal achievement set for 2014.

2.4.3 The termination date of the plan

The 2014 Group Incentive System will lapse by May 2020.

2.4.4 The overall maximum number of financial instruments, also in the form of options, assigned over any fiscal years with respect to the beneficiaries namely identified or identified by categories, as the case may be

The maximum number of free shares that the Board of Directors is authorized to allocate within the power of the delegation received by UniCredit Shareholders' Meeting over 5 years is equal to 28,964,197.

For the assignment of the last installment of shares planned for 2020 it will be submitted to one of the future Shareholders' meetings the proposed integration of the power of attorney, already provided to the Board of Directors, for capital increase to service the above mentioned 2014 System through the issuance of a maximum overall number of 9,500,000 of UniCredit ordinary shares

At this stage it is not possible to indicate the maximum number of free shares allocated in each fiscal year during the life of the 2014 Group Incentive System, since the actual definition will be done by the Board of Directors on the basis of the criteria approved by the Shareholders' Meeting.

2.4.5 The procedures and clauses for the implementation of the plan, specifying whether the assignment of the financial instruments is subject to the satisfaction of certain specific conditions and, in particular, to the achievement of specific results, including performance targets; a description of the aforesaid conditions and results

Bonus pools are set as as percentage of specific funding KPI (e.g. NOP pre-bonus) at Countries / Divisions level and considering the "Entry Condition" criteria assessment (based on the evaluation of both Group and Country/Division risk-adjusted forecasted results) and local risk and performance assessment.

The "Entry Condition" is the mechanism that determines the possible application of the malus condition (Zero Factor) based on profitability, capital and liquidity KPIs set at Group and Country/Division level.

In order to align to regulatory requirements, in case both at Group and Country/Division level set KPIs are not met, a Zero Factor will apply to the Executives/Identified Staff population whereas for below-Executives, a significant reduction will be applied.

In case Zero Factor is not activated, bonus pool adjustments will be applied within pre-set ranges based on the assessment of local & Group performance and risk factors.

In case Country/Division is in a malus condition and Group not, a floor will be defined for retention purposes and in order to maintain the minimum pay levels needed to play in the market.

2.4.6 Indication of the restrictions on the availability of the financial instruments allocated under the plan or of the financial instruments relating to the exercise of the options, with particular reference to the time limits within which the subsequent transfer of the stocks to the issuer or third parties is permitted or prohibited

The 2014 Group Incentive System provides that the free UniCredit ordinary shares that will be allocated will be freely transferable, considering the applicable regulatory requirements regarding the application of share retention periods, as described in section 2.2.2.

2.4.7 Description of any condition subsequent to the plan in connection with the execution, by the beneficiaries, of hedging transactions aimed at preventing the effects of potential limits to the transfer of the financial instruments assigned there under, also in the form of options, as well as to the transfer of the financial instruments relating to the exercise of the aforesaid options

In accordance with national and international regulatory guidelines and the 2014 Group Compensation Policy, beneficiaries are required to undertake not to use personal hedging strategies or remuneration and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements. Involvement in any form of hedging transaction shall be considered in breach of Group compliance policies and therefore the relevant rights under the Plan shall automatically expire.

2.4.8 Description of the consequences deriving from the termination of the employment or working relationship

The 2014 Group Incentive System provides that the Board of Directors will have the faculty to identify, in the resolution that will execute the 2014 System, the termination of the beneficiary with the relevant Group employing Company, as cause for the expiring of the right to receive the free shares.

2.4.9 The indication of any other provisions which may trigger the cancellation of the plan

The 2014 Group Incentive System does not provide for any provision which may trigger its cancellation.

2.4.10 The reasons justifying the redemption, pursuant to sect. 2357 and followings of the Italian Civil Code, by UniCredit, of the financial instruments contemplated by the plan; the beneficiaries of such redemption, indicating whether the same is limited only

to certain categories of employees; the consequences of the termination of the employment relationship with respect to such redemption rights

The 2014 Group Incentive System does not provide for the redemption by UniCredit or by another Group company with reference to the free shares.

2.4.11 The loans or other special terms that may be granted for the purchase of stocks pursuant to sect. 2358, paragraph 3, of the Italian Civil Code

The 2014 Group Incentive System does not provide for a loan or other special terms for the purchase of the shares.

2.4.12 The evaluation of the economic burden for UniCredit at date of the assignment of the plan, as determined on the basis of the terms and conditions already defined, with respect to the aggregate overall amount as well as with respect to each financial instrument contemplated by the plan

The estimation of the overall cost expected by UniCredit in relation to the 2014 Group Incentive System at the grant date of the free shares, has been made on the basis of the IAS principles, considering the accounting assumptions on the foreseeable beneficiaries exits before the allocation of the free shares and on the probability to achieve the performance targets related to the allocation of the free shares.

On the basis of these estimations, the overall expected cost for UniCredit at the grant date of the target number of free shares is equal to € 316 mln to be split in 6 years. Depending on actual performance achievements, actual IAS cost of the Plan will vary from € 0 to a maximum of € 348 mln.

At this stage it is not possible to define the exact cost in each year of life of the 2014 Group Incentive System, since the definition of the actual number of the free shares to be allocated is subject to the Board of Directors resolution.

2.4.13 The indication of any dilution on the corporate capital of the issuer resulting from the compensation plan, if any.

The maximum impact of the 2014 System on UniCredit share capital shall be approx. 0.66% in case of the potential allocation of all free shares to employees.

2.4.14 Any limitation to the voting and to the economic rights

At this stage, the 2014 Group Incentive System does not provide for any limitation to the voting or economic rights for the shares allocated.

2.4.15 In the event the stocks are not negotiated on a regulated market, any and all information necessary for a complete evaluation of the value attributable to them

The 2014 Group Incentive System provides only for the use of shares negotiated on regulated markets.

2.4.16 The number of financial instruments belonging to each option

The 2014 Group Incentive System does not provide for options.

2.4.17 The termination date of the options

The 2014 Group Incentive System does not provide for options.

2.4.18 The modalities, time limits and clauses for the exercise of the options

The 2014 Group Incentive System does not provide for options.

2.4.19 The strike price of the options or the criteria and modalities for its determination, with respect in particular to:
a) the formula for the calculation of the exercise price in connection with the fair market value; and to
b) the modalities for the calculation of the market price assumed as basis for the calculation of the exercise price

The 2014 Group Incentive System does not provide for options.

2.4.20 In case the strike price is different from the fair market value as determined pursuant to point 2.4.19.b, the indication of the reasons for such difference

The 2014 Group Incentive System does not provide for options.

2.4.21 The criteria justifying differences in the exercise prices between the relevant beneficiaries or class of beneficiaries

The 2014 Group Incentive System does not provide for options.

2.4.22 In the event the financial instruments underlying granted options are not negotiated on a regulated market, the indication of the value attributable to the same or of the criteria for its determination

The 2014 Group Incentive System does not provide for options.

2.4.23 The criteria for the adjustments required in connection with any extraordinary transaction involving the corporate capital of the issuer as well as in connection with transaction triggering a variation in the number of the financial instruments underlying granted options

The 2014 Group Incentive System does not provide for adjustments applicable in connection with extraordinary transactions involving UniCredit corporate capital (saving the provisions that the Board of Directors may define in the resolution in which the Board will exercise the delegation received from the General Shareholders' Meeting).

3. 2014 EMPLOYEE SHARE OWNERSHIP PLAN OF UNICREDIT GROUP

3.1. BENEFICIARIES OF THE PLAN

The 2014 Employee Share Ownership Plan ("Let's Share for 2015") is addressed to the employees of UniCredit Group equal to circa 150,000.

3.1.1 Indication of the name of beneficiaries who are members of the board of directors of UniCredit and of the companies directly or indirectly controlled by UniCredit.

Mr. Federico Ghizzoni, CEO of UniCredit, is amongst the potential beneficiaries of the Plan Let's Share for 2015.

It is worth mentioning that certain beneficiaries of the Let's Share for 2015 - employees of the UniCredit Group - in addition to the exercise of their managing powers connected to their offices, held offices in Management Bodies of companies, directly or indirectly, controlled by UniCredit. In light of the fact that such individuals are amongst the beneficiaries of the Let's Share for 2015 in their capacity as employees of UniCredit Group, no information as to their names is provided hereto and reference shall be made to the information provided below.

3.1.2 The categories of employees or collaborators of UniCredit and companies controlling or controlled by this issuer.

The Plan Let's Share for 2015 also applies to the following classes of employees of UniCredit and of the main bank and companies of the Group:

- General Managers & Vice General Managers (or similar category in the different jurisdictions in which the Group operates) of UniCredit and of the main bank and companies of the Group.
- Executives (or similar category in the different jurisdictions in which the Group operates) of UniCredit and of the main bank and companies of the Group.
- Middle Managers (or similar category in the different jurisdictions in which the Group operates) of UniCredit and of the main bank and companies of the Group.
- Employees (or similar categories in the different jurisdictions in which the Group operates) of UniCredit and of the main bank and companies of the Group.

3.1.3 Individuals who benefit from the Plan belonging to the following groups:

a) General Managers of UniCredit

Among the potential beneficiaries of the Plan Let's Share for 2015, along with the CEO, already mentioned, there is the General Manager, Mr. Roberto Nicastro, who currently carries out management activities of UniCredit or anyway has regular access to privileged information and is authorized to take resolutions capable of influencing the development and prospects of UniCredit in any case.

b) other executives with strategic responsibilities of the financial instrument issuer not classed as "small", in accordance with Article 3, paragraph 1, letter *f*) of Regulation no. 17221 of 12 March 2010, if they have, during the course of the year, received total compensation (obtained by adding the monetary compensation to the financial instrument-based compensation) in excess of the highest total compensation assigned to the members of the board of directors or management board, and to the general managers of the financial instrument issuer;

None of UniCredit executives meets the description; therefore no information is provided in connection thereto.

c) natural persons controlling UniCredit, who are employee or collaborator of UniCredit.

No individual controls UniCredit and, therefore, no information is provided in connection thereto.

3.1.4 Description and numerical indication, broken down according to category :

a) Executives with strategic responsibilities other than those specified under lett. B) of paragraph 3.1.3

Amongst the beneficiaries of the Plan Let’s Share for 2015, along with the CEO, there are n. 7 executives of UniCredit who have regular access to privileged information and are authorized to take resolutions capable of influencing the development and prospects of UniCredit:

- the General Manager, Mr. Roberto Nicastro (already mentioned);
- the Deputy General Managers, Mr. Paolo Fiorentino and Mr. Jean-Pierre Mustier;
- the Head of Planning, Finance & Administration, Mrs. Marina Natale;
- the Group Chief Risk Officer, Mr. Alessandro Decio;
- the Group Head of Human Resources, Mr. Paolo Cornetta;
- the General Counsel & Group Compliance Officer, Mrs. Nadine Farida Faruque;

b) in the case of "small" companies, in accordance with Article 3, paragraph 1, letter *f*) of Regulation no. 17221 of 12 March 2010, the indication for the aggregate of all executives with strategic responsibilities of the financial instrument issuer;

This provision is not applicable and, therefore, no information is provided in connection thereto.

c) other categories of employees or collaborators for which different characteristics are envisaged for the plan (e.g. executives, middle management, employees etc.);

There are no classes of employees to which different characteristics of the Plan Let’s Share for 2015 apply.

3.2 THE REASONS FOR THE ADOPTION OF THE PLAN

3.2.1 The targets which the parties intend to reach through the adoption of the plan.

With the Plan Let’s Share for 2015, UniCredit aims to reinforce employees’ sense of belonging and commitment to achieve corporate goals.

In particular, the Plan Let’s Share for 2015 aims at offering to employees of the Group the possibility to invest in UniCredit shares at favourable conditions.

At this stage, the Plan Let’s Share for 2015 does not provide for alternative allocation criteria amongst the beneficiaries of the Plan Let’s Share for 2015, since the criteria specified in section 3.2.3 will regularly apply to all the beneficiaries described in section 3.1. except for the “alternative structure” to be presented in the next paragraphs.

3.2.2 Principal factors of variation and performance indexes taken into account for the assignment of plans based on financial instruments.

Considering the goal of the Plan Let’s Share for 2015, no key variables & performance indicators have been considered.

3.2.3 The factors assumed as basis for the determination of the compensation based upon financial instruments, or the criteria for the determination of the aforesaid compensation.

At this stage, the Plan Let's Share for 2015 does not contain an exact indication of the compensation based on *Free Shares* to be allocated to the beneficiaries, rather it merely fixes the maximum and minimum amount they can invest.

The purpose of UniCredit to adopt the Plan Let's Share for 2015 is in line with the strategy adopted in recent years by the Group for maximizing the corporate value and for fostering the sense of belonging and the commitment to achieve the corporate goals of employees.

3.2.4 The reasons justifying the decision to assign compensation plans based on financial instruments not issued by UniCredit, such as financial instruments issued by its subsidiaries, its parent companies or third parties; in the event the aforesaid financial instruments are not negotiated on regulated markets, the issuer shall provide information as to the criteria adopted for the calculation of the value attributable to such financial instruments.

The Plan Let's Share for 2015 does not contemplate the allocation of similar financial instruments.

3.2.5 The evaluations, with respect to the relevant tax and accounting implications, taken into account in the definition of the plans.

The Plan Let's Share for 2015 definition has not been influenced by significant tax or accounting consideration. In particular, it is specified that it will be taken into account the tax regime of employment incomes applicable from time to time in the country where each beneficiary has his/her residency .

3.2.6 The indication as to whether the plan enjoys any support from the special fund for encouraging worker participation in the companies, as provided for under Article 4, paragraph 112, of Law December, 24 2003 n. 350.

The Plan Let's Share for 2015 is not currently supported by the special fund for encouraging worker participation in the companies, as provided for under sect. 4, paragraph 112, of Law December, 24 2003 n. 350.

3.3 PROCEDURE FOR THE ADOPTION OF THE PLAN AND TIMEFRAME FOR THE ASSIGNMENT OF THE FINANCIAL INSTRUMENTS

3.3.1 Powers delegated to the board of directors by the shareholders' meeting for the implementation of the plan.

The Board of Directors, on January, 21 2014, has approved the Plan Let's Share for 2015 proposal to be submitted to the Shareholders' Meeting – Ordinary session of UniCredit called on 13th May 2014 and giving to the Chairman and/or to the Chief Executive Officer, respectively, every opportune powers of attorney to enact the Shareholders resolution, making the appropriate modifications/integrations to the Plan Let's Share for 2015, also in order to be compliant with the laws and regulations in all the different countries in which the Group's companies operate.

3.3.2 Indication of the individuals in charge of the management of the plan, their powers authority.

The Organizational Unit "Compensation" of the Holding is in charge for the management of the incentive plans, including the Plan Let's Share for 2015, as well as of the definition of the Group's compensation policy.

3.3.3 Procedures for the amendment of the plans, if any, also in connection with potential variation of the original targets.

No specific procedures for the amendment of the Plan Let's Share for 2015 are provided for.

3.3.4 Description of the modalities for the determination of the availability and assignment of the financial instruments contemplated by the plan.

The Plan Let's Share for 2015 provides for the following phases:

(a) Election Period: there are two election windows:

1st election window: from 27th November 2014 to 15 th January 2015;

2nd election window: from 27th May 2015 to 15th July 2015;

during these windows, employees participating to the Plan Let's Share for 2015 ("Participants"), will choose the overall amount that they want to invest, up to a maximum contribution of € 6,000 per annum. The minimum annual contribution amount is defined considering the peculiarities of each participating country;

(b) Enrolment Period: from January 2015 to December 2015 the Participants will have the opportunity to buy shares by means of monthly debits on their current account ("monthly" modality) or by payments in one or two instalments made in the months of January or July ("one-off" modality). In case during the Holding Period a Participant leaves the Plan Let's Share for 2015, he/she will lose the Free Shares allocated in accordance with the below point c);

(c) "Free Share": at the beginning of the Enrolment Period (January or July 2015), the Participant will receive an immediate discount equal to 25% on the purchase price in the form of Free Shares; the Free Shares will be subject to lock-up during one year and the Participant will lose the entitlement to the Free Shares if, during the 1-year Holding Period, he/she will no longer be an employee of a UniCredit Group Company, unless the employment has been terminated for one of the specific reasons stated in the Rules of the Plan Let's Share for 2015. In some countries, for fiscal reasons, it will not be possible to grant the Free Shares at the beginning of the Enrolment Period: in that case an alternative structure is offered that provides (at the beginning of the Enrolment period) to the Participants of those countries the right to receive the Free Shares at the end of the Holding Period ("Alternative" Structure);

(d) Holding Period: during the 1-year Holding Period (from January/July 2015 to January/July 2016), the Participants can sell the purchased shares at any moment, but by doing so they will lose the Free Shares in respect of the number of shares sold.

After the end of the 1-year holding period the employees can sell their shares without losing the discount; in particular, the Italian participants can benefit from the fiscal advantage provided for by the Italian law if they maintain the shares for other 2 years.

The Plan Let's Share for 2015 Plan provides for the use of shares to be purchased on the market, therefore it will not have any diluting impact on Holding Company share capital. To that end, Group employees who decide to accept to join the Plan Let's Share for 2015 will give a mandate to a broker, internal or external to UniCredit Group, to purchase the shares and to deposit them in an account opened in their name. In case of substantial changes in the scenario of reference or if the actual participation rate would be higher than expected, it may be required to change this implementation modality by asking, in the case, for the relevant authorizations needed.

3.3.5 The influence exercised by each director in the determination of the characteristics of the plans; the potential conflict of interest which may trigger the obligation for the relevant director to abstain from exercising his vote in the relevant resolution.

In the determination of the essential characteristics of the Plan Let's Share for 2015, the Board of Directors followed the guidelines and criteria elaborated by the Remuneration Committee of UniCredit.

Since the CEO of UniCredit is among the potential beneficiaries of the Plan, the latter has abstained from participating in the definition of the Plan Let's Share for 2015.

3.3.6 The date on which the board of directors resolved upon the assignment of the financial instruments contemplated by the plan.

The Board of Directors on January, 21 2014 resolved upon the Plan Let's Share for 2015 proposal to be submitted to the Shareholders' Meeting – Ordinary session of UniCredit called for May, 13 2014.

3.3.7 The date on which the remuneration committee resolved upon the Plan of UniCredit.

The Remuneration Committee, on January, 14 2014, positively resolved upon the criteria and the methodology elaborated for the definition of the Plan Let's Share for 2015, sharing the reasons and motivations thereof

3.3.8 The market price of UniCredit ordinary shares, on the dates mentioned in points 3.3.6 and 3.3.7.

The market price of UniCredit ordinary shares, registered on the date of Board of Directors approval of Plan Let's Share for 2015 proposal (January, 21 2014) and on the date of the decision made by the Remuneration Committee of UniCredit (January, 14 2014), resulted equal to € € 5.9550 and € 5.985.

3.3.9 In which terms and modalities UniCredit takes into account, in the determination of the timeframe for the assignment of the plans, of the possible time-coincidence between:
i) such assignment or the decision, if any, adopted thereon by the Remuneration Committee, and
ii) the dissemination of relevant information, if any, pursuant to sect. 114, paragraph 1 of Legislative Decree 58/98; for instance, in cases in which such information is:

a. **not already public and capable to positively affect the market quotation, or**
b. **already published and capable to negatively affect the market quotation.**

In relation to the foregoing it is clarified that the resolution of the Board of Directors of January, 21 2014 which approved the proposal to be submitted to the Shareholders' Meeting, has been communicated to the markets, in compliance with the current regulations. It is also clarified that analogous information to the market, if required, will be made available upon any other following resolution adopted by the Board of Directors of the Plan Let's Share for 2015.

It is worthwhile clarifying that, although all the resolutions adopted by the Board of Directors are subject to the prior positive opinion of the Remuneration Committee of UniCredit, the information to the market is given after the relevant resolution of the Board of Directors.

Finally, it is clarified that, with reference to the execution of the Plan Let's Share for 2015, information will be given to the market in compliance with the current regulations.

3.4. THE CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ASSIGNED

3.4.1 Description of the compensation plan.

The Plan Let's Share for 2015 provides for offering to Group employees the possibility to buy on the market UniCredit shares with the following advantages: an immediate discount equal to 25% on the purchase price in the form of Free Shares, whose ownership by Participants will be conditional upon the employment status of the employee with a UniCredit Group company until the expiry of a 1-year restriction period, with the exception of termination for reasons specifically provided for by the Rules of the Plan Let's Share for 2015.

3.4.2 Indication of the time period for the implementation of the plan also indicating different cycles, if any, of its implementation.

The Plan Let's Share for 2015 will last from January 2015 to July 2016 according to the criteria specified in section 3.3.4.

3.4.3 The termination date of the plan

The Plan Let's Share for 2015 will lapse at July 2016.

3.4.4 The overall maximum number of financial instruments, also in the form of options, assigned over any fiscal years with respect to the beneficiaries namely identified or identified by categories, as the case may be

At this stage it is not possible to determine the overall number of shares that will be purchased or assigned with reference to the Plan Let's Share for 2015, since their exact determination is conditioned to the employees' participation & contribution rates and share price at the purchasing date.

3.4.5 The procedures and clauses for the implementation of the plan, specifying whether the assignment of the financial instruments is subject to the satisfaction of certain specific conditions and, in particular, to the achievement of specific results, including performance targets; a description of the aforesaid conditions and results

The Plan Let's Share for 2015 features & implementation clauses are described in the section 3.3.4 above. The execution of the Plan Let's Share for 2015 is not conditioned to the achievement of any result/performance.

3.4.6 Indication of the restrictions on the availability of the financial instruments allocated under the plan or of the financial instruments relating to the exercise of the options, with particular reference to the time limits within which the subsequent transfer of the stocks to the issuer or third parties is permitted or prohibited

The free shares subjected to the Plan Let's Share for 2015 ("Free Share") will be affected by a one year restriction period in which the dividends in favor of the beneficiaries, in particular those referring to the "Free Share", will be set aside for the one year period of restriction and paid by cash and/or nature to the participants of the plan. The beneficiaries leaving during the one year period of restriction – with the exception of the clauses provided by the Plan - will loose the ownership of the "Free Share".

3.4.7 Description of any condition subsequent to the plan in connection with the execution, by the beneficiaries, of hedging transactions aimed at preventing the effects of potential limits to the transfer of the financial instruments assigned there under, also in the form of options, as well as to the transfer of the financial instruments relating to the exercise of the aforesaid options

The Plan Let's Share for 2015 does not provide for conditions subsequent of the type described above.

3.4.8 Description of the consequences deriving from the termination of the employment or working relationship

Before the communication of the Plan Let's Share for 2015 to the employees, the expiry reasons will be defined of the participants' rights to keep the "Free Shares" as allocated, at the end of the 1-year restriction period.

3.4.9 The indication of any other provisions which may trigger the cancellation of the plan

The Plan Let's Share for 2015 does not provide for any provision which may trigger its cancellation.

3.4.10 The reasons justifying the redemption, pursuant to sect. 2357 and followings of the Italian Civil Code, by UniCredit, of the financial instruments contemplated by the plan; the beneficiaries of such redemption, indicating whether the same is limited only

to certain categories of employees; the consequences of the termination of the employment relationship with respect to such redemption rights

The Plan Let's Share for 2015 does not provide for the redemption by UniCredit or by another Group company.

3.4.11 The loans or other special terms that may be granted for the purchase of stocks pursuant to sect. 2358, paragraph 3, of the Italian Civil Code

At this stage, the Plan Let's Share for 2015 does not provide for a loan or other special terms for the purchase of the shares.

An evaluation process is ongoing on the possibility, subject to an agreement with the Unions, that the Italian participants could contribute to the Plan Let's Share for 2015 investing a portion of the company bonus (VAP). The modalities and the timing to make this contribution will be defined in the Regulations of the Plan Let's Share for 2015 that will be submitted to the Board of Directors for information at the moment of the launch of the Plan Let's Share for 2015.

3.4.12 The evaluation of the economic burden for UniCredit at date of the assignment of the plan, as determined on the basis of the terms and conditions already defined, with respect to the aggregate overall amount as well as with respect to each financial instrument contemplated by the plan

At this stage, it is not possible to evaluate the exact economic burden for UniCredit deriving from the adoption of the Plan Let's Share for 2015, since this burden is affected by the overall participation & contribution rates of UniCredit Group employees.

The estimate of the overall accounting cost for the offer of the free shares received by Participants is about € 12 million, under the hypothesis of an expected participation rate of Group employees equal to 5%, with an employees' contribution at maximum of € 6,000. That cost, to be spread over the year in which the Plan extends (from January/July 2015 to January/July 2016), would increase in case of a higher participation rate.

3.4.13 The indication of any dilution on the corporate capital of the issuer resulting from the compensation plan, if any.

Considering the use of shares to be purchased in the market, the adoption of the Plan Let's Share for 2015 will not have any diluting impact on UniCredit share capital.

3.4.14 Any limitation to the voting and to the economic rights

The Plan Let's Share for 2015 does not provide for any limitation to the voting or economic rights for the "Investment Shares". For the "Free Shares" those rights will be subjected to limitations, in particular the beneficiaries will receive the dividends after the 1-year period of restriction. The beneficiaries leaving during the 1-year period of restriction – with the exception of the clauses provided by the Plan Let's Share for 2015 - will loose the ownership of the "Free Share".

3.4.15 In the event the stocks are not negotiated on a regulated market, any and all information necessary for a complete evaluation of the value attributable to them

The Plan Let's Share for 2015 provides only for the use of shares negotiated on regulated markets.

4. EXECUTION OF THE 2013 EMPLOYEE SHARE OWNERSHIP PLAN OF UNICREDIT GROUP

4.1 BENEFICIARIES OF THE PLAN

The 2013 Employee Share Ownership Plan ("Let's Share for 2014") is addressed to the employees of the companies of UniCredit Group in the 13 countries that, since the first launch of the plan, so far have participated in Let's Share (Austria, Bulgaria, Czech Rep, Germany, Hong Kong, Hungary, Italy, Luxembourg, Poland, Romania, Serbia, Slovakia, United Kingdom), covering in total about 75% of the overall Group population.

The Plan Let's Share for 2014 does not provide for the participation of employees of the companies operating in the other countries in which the Group is operating, since for legal, fiscal, operational or organizational reasons it is not possible to implement the Plan Let's Share for 2014 in the terms approved and defined by UniCredit S.p.A.

4.1.1 Indication of the name of beneficiaries who are members of the board of directors of UniCredit and of the companies directly or indirectly controlled by UniCredit

The CEO of UniCredit is amongst the potential beneficiaries of Plan Let's Share for 2014.

It is worth mentioning that certain beneficiaries of the Plan Let's Share for 2014 - employees of the UniCredit Group - in addition to the exercise of their managing powers connected to their offices, held offices in Management Bodies of companies, directly or indirectly, controlled by UniCredit. In light of the fact that such individuals are amongst the beneficiaries of the Plan Let's Share for 2014 in their capacity as employees of UniCredit Group, no information as to their names is provided hereto and reference shall be made to the information provided below.

4.1.2 The categories of employees or collaborators of UniCredit and companies controlling or controlled by this issuer.

The Plan Let's Share for 2014 also applies to the following classes of employees of UniCredit and of the companies of the Group in the participating countries:

- General Managers & Vice General Managers (or similar categories in the different jurisdictions in which the Group operates) of UniCredit and of the companies of the Group in the above mentioned countries.
- Executives (or similar categories in the different jurisdictions in which the Group operates) of UniCredit and of the companies of the Group in the above mentioned countries.
- Middle Managers (or similar categories in the different jurisdictions in which the Group operates) of UniCredit and of the companies of the Group in the above mentioned countries.

- Employees (or similar categories in the different jurisdictions in which the Group operates) of UniCredit and of the companies of the Group in the above mentioned countries.

4.1.3 Individuals who benefit from the Plan belonging to the following groups:

a) General Managers of UniCredit

Among the potential beneficiaries of the Plan Let's Share for 2014, along with the CEO, already mentioned, there is the General Manager, Mr. Roberto Nicastro, who currently carries out management activities of UniCredit or anyway has regular access to privileged information and is authorized to take resolutions capable of influencing the development and prospects of UniCredit in any case.

b) other executives with strategic responsibilities of the financial instrument issuer not classed as "small", in accordance with Article 3, paragraph 1, letter *f*) of Regulation no. 17221 of 12 March 2010, if they have, during the course of the year, received total compensation (obtained by adding the monetary compensation to the financial instrument-based compensation) in excess of the highest total compensation assigned to the members of the board of directors or management board, and to the general managers of the financial instrument issuer;

None of UniCredit executives meets the description; therefore no information is provided in connection thereto.

c) natural persons controlling UniCredit, who are employee or collaborator of UniCredit.

No individual controls UniCredit and, therefore, no information is provided in connection thereto.

4.1.4 Description and numerical indication, broken down according to category :

a) Executives with strategic responsibilities other than those specified under lett. B) of paragraph 4.1.3;

Amongst the beneficiaries of the Plan Let's Share for 2014, along with the CEO, there are n. 7 executives of UniCredit who have regular access to privileged information and are authorized to take resolutions capable of influencing the development and prospects of UniCredit:

- the General Manager, Mr. Roberto Nicastro (already mentioned);
- the Deputy General Managers, Mr. Paolo Fiorentino and Mr. Jean-Pierre Mustier;
- the Head of Planning, Finance & Administration, Mrs. Marina Natale;
- the Group Chief Risk Officer, Mr.Alessandro Decio;
- the Group Head of Human Resources, Mr. Paolo Cornetta;
- the General Counsel & Group Compliance Officer, Mrs. Nadine Farida Faruque;

b) in the case of "small" companies, in accordance with Article 3, paragraph 1, letter *f*) of Regulation no. 17221 of 12 March 2010, the indication for the aggregate of all executives with strategic responsibilities of the financial instrument issuer;

This provision is not applicable and, therefore, no information is provided in connection thereto.

c) other categories of employees or collaborators for which different characteristics are envisaged for the plan (e.g. executives, middle management, employees etc.);

There are no classes of employees to which different characteristics of the Plan Let's Share for 2014 apply.

4.2 THE REASONS FOR THE ADOPTION OF THE PLAN

4.2.1 The targets which the parties intend to reach through the adoption of the plan.

Through the Plan Let's Share for 2014, UniCredit aims at reinforcing the sense of belonging to the Group and the commitment of the employees to achieve the corporate goals.

In particular, the Plan Let's Share for 2014 aims at offering to the employees of the companies of the Group, joining the Plan, the possibility to buy UniCredit ordinary shares at favourable conditions.

The decision to propose the adoption of the Plan Let's Share for 2014 has been taken on the basis of the consideration that, from a financial point of view, plans based on financial instruments reserved to employees, like such Plan Let's Share for 2014, are currently an advantage both for the company that adopts the Plan and for the beneficiaries.

The Plan Let's Share for 2014 does not provide for alternative allocation criteria amongst the beneficiaries of the Plan, since the criteria specified in section 4.2.3 will regularly apply to all the beneficiaries described in section 4.1. except for the "alternative structure" to be presented in the next paragraphs. For fiscal reasons, in some countries the "alternative structure" is providing to the beneficiaries a different timetable for the allocation activities.

4.2.2 Principal factors of variation and performance indices taken into account for the assignment of plans based on financial instruments.

Considering the goals of the Plan Let's Share for 2014, no key variables & performance indicators have been considered to grant the *free shares* as detailed below.

4.2.3 The factors assumed as basis for the determination of the compensation based upon financial instruments, or the criteria for the determination of the aforesaid compensation.

The Plan Let's Share for 2014 does not contain an exact indication of the compensation based on *free shares* to be allocated to the beneficiaries, rather it merely fixes the maximum and minimum amount they can invest.

The purpose of UniCredit to adopt the Plan Let's Share for 2014 is in line with the strategy adopted in recent years by the Group for maximizing the corporate value and for fostering employees' sense of belonging and the commitment to achieve the corporate goals.

4.2.4 The reasons justifying the decision to assign compensation plans based on financial instruments not issued by UniCredit, such as financial instruments issued by its subsidiaries, its parent companies or third parties; in the event the aforesaid financial

instruments are not negotiated on regulated markets, the issuer shall provide information as to the criteria adopted for the calculation of the value attributable to such financial instruments.

The Plan Let's Share for 2014 does not contemplate the allocation of similar financial instruments.

4.2.5 The evaluations, with respect to the relevant tax and accounting implications, taken into account in the definition of the plans.

The Plan Let's Share for 2014 has not been influenced by significant tax or accounting consideration. In particular, it is specified that the income tax regime will be taken into account applicable from time to time in the country where each participant has his/her residency; in Italy, the Plan Let's Share for 2014 structure is qualified for the current favourable tax treatment provided for all employees share ownership plans (Section 51 TUIR) provided that certain conditions are met.

4.2.6 The indication as to whether the plan enjoys any support from the special fund for encouraging worker participation in the companies, as provided for under Article 4, paragraph 112, of Law December, 24 2003 n. 350.

The Plan Let's Share for 2014 is not supported by the special fund for encouraging worker participation in the companies, as provided for under sect. 4, paragraph 112, of Law December 24, 2003 n. 350.

4.3 PROCEDURE FOR THE ADOPTION OF THE PLAN AND TIMEFRAME FOR THE ASSIGNMENT OF THE FINANCIAL INSTRUMENTS

4.3.1 Powers delegated to the board of directors by the shareholders' meeting for the implementation of the plan.

In occasion of the approval of the Plan Let's Share for 2014, the Shareholders' Meeting – Ordinary session of UniCredit has not given any specific powers and functions to the Board of Directors for the execution of the Plan Let's Share for 2014, but has given to the Chairman and/or to the Chief Executive Officer, respectively, every opportune powers of attorney to enact the Shareholders resolution, making the appropriate modifications/integrations to the Plan Let's Share for 2014, also in order to be compliant with the laws and regulations in all the different countries in which the Group's companies operate.

4.3.2 Indication of the individuals in charge of the management of the plan, their powers authority.

The Organizational Unit "Compensation" of the Holding is in charge for the management of the incentive plans, including the Plan Let's Share for 2014, as well as of the definition of the Group's compensation policy.

The Plan Let's Share for 2014 will be managed and administered with the support of a specialized provider external to the Group.

4.3.3 Procedures for the amendment of the plans, if any, also in connection with potential variation of the original targets.

No specific procedures for the amendment of the Plan Let's Share for 2014 are provided for.

4.3.4 Description of the modalities for the determination of the availability and assignment of the financial instruments contemplated by the plan.

The employees of the Group companies who joined the Plan Let's Share for 2014 ("Participants"), have communicated, in the period from November 27, 2013 to January 15, 2014 and/or will communicate in the period from May 27, 2014 to July 15, 2014 the amount to invest for the purchasing of the UniCredit ordinary shares ("Investment Shares"). The Participants have submitted an order to the relevant Bank of the Group to buy - on a monthly or one-off (in January and/or July 2014) basis - UniCredit ordinary shares. The purchase is made during the period between January 2014 and December 2014 ("Enrolment Period") on the market by FinecoBank – the Group company, with registered office in Italy, appointed as unique broker for the Plan Let's Share for 2014– and all the purchased shares are sub-deposited in an account opened in the name of each participant in Société Générale Securities Services (SGSS) as Custodian Bank for the Plan Let's Share for 2014.

At the beginning of the Enrolment Period (January 2014 or July 2014), conditionally to the fact that the participants maintain the ownership of the "Investment Shares", each participant is receiving an immediate discount of 25% on the purchase price in the form of free shares ("Free Share"). The "Free Shares" are locked up for one year (from January/July 2014 to January/July 2015). After this 1-year Holding Period, the participants can freely dispose of all the shares. "Free Shares" are subject to forfeiture if the participants sell their "Investment Shares", or if they leave employment with the Group, before the end of the 1 year holding period, except in the case of termination of employment for special reasons provided for by the Plan Let's Share for 2014.

To Plan 's participants resident in countries where, for fiscal reasons, it will not be possible to grant the "Free Shares" at the beginning of the enrolment period, the right will be offered to receive the "Free Shares" at the end of the Holding Period ("alternative" structure).

4.3.5 The influence exercised by each director in the determination of the characteristics of the plans; the potential conflict of interest which may trigger the obligation for the relevant director to abstain from exercising his vote in the relevant resolution.

In the determination of the essential characteristics of the Plan Let's Share for 2014, approved by the General Meeting on May 11, 2013, the Board of Directors followed the guidelines and criteria elaborated by the Remuneration Committee of UniCredit.

In the implementation of the Plan Let's Share for 2014 also the CEO of UniCredit followed the guidelines and criteria elaborated by the Board of Directors and Remuneration Committee of UniCredit.

4.3.6 The date on which the board of directors resolved upon the assignment of the financial instruments contemplated by the plan.

The Board of Directors on March 15, 2013 resolved upon the Plan Let's Share for 2014approved by the Shareholders' Meeting – Ordinary session of UniCredit on May 11, 2013.

4.3.7 The date on which the remuneration committee resolved upon the Plan of UniCredit.

In view of the definition of the proposal by the Board of Directors, the Remuneration Committee, on March 7, 2013, positively resolved upon the criteria and the methodology elaborated for the definition of the Plan Let's Share for 2014, sharing the reasons and motivations thereof.

4.3.8 The market price of UniCredit ordinary shares, on the dates mentioned in points 4.3.6 and 4.3.7.

The market price of UniCredit ordinary shares, registered on the date of Board of Directors approval of Plan Let's Share for 2014 proposal and on the date of positive opinion expressed by the Remuneration Committee of UniCredit (March 7, 2013), amounted to €3.828 ed €3.844.
On November 27, 2013 – date in which the employees of the Group have been invited to the Plan Let's Share for 2014 – the market price of UniCredit ordinary shares was equal to €5.330.

4.3.9 In which terms and modalities UniCredit takes into account, in the determination of the timeframe for the assignment of the plans, of the possible time-coincidence between:
i) such assignment or the decision, if any, adopted thereon by the Remuneration Committee, and
ii) the dissemination of relevant information, if any, pursuant to sect. 114, paragraph 1 of Legislative Decree 58/98; for instance, in cases in which such information is:

a. **not already public and capable of positively affecting the market quotation, or**
b. **already published and capable of negatively affecting the market quotation.**

It is worthwhile clarifying that, although all the resolutions concerning share-based incentive plans adopted by the Board of Directors are subject to the prior positive opinion of the Remuneration Committee of UniCredit, the information to the market is given only after the relevant resolution of the Board of Directors.

Therefore, with reference to the resolution of the Board of Directors of March 15, 2013 related to the Plan Let's Share for 2014, communication has been given to the markets, in compliance with the current regulations.

With reference to the execution of the Plan Let's Share for 2014, analogous information to the market, as required by the regulations, is made available.

4.4 THE CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ASSIGNED

4.4.1 Description of the compensation plan.

The Plan Let's Share for 2014 provides for offering to Group employees the possibility to invest in UniCredit shares at favourable conditions, by granting a 25% discount on shares purchased on the market within the Plan. The discount is granted in the form of free shares

(“Free Shares”) whose ownership by Participants will be will be conditioned to the employment status of the employee with a UniCredit Group company until the expiry of a 1-year restriction period, with the exception of termination for reasons specifically provided for by the Rules of the Plan Let’s Share for 2014.

4.4.2 Indication of the time period for the implementation of the plan also indicating different cycles, if any, of its implementation.

The phases to implement the Plan Let’s Share for 2014are:

a) Election Period: there are two main election windows:

   a. 1st election window: from 27th November 2013 to 15th January 2014.
   b. 2nd election window: from 27th May 2014 to 15th July 2014.

During the election windows, employees participating to the Plan Let’s Share for 2014 (“Participants”), will choose the overall amount that they want to invest, up to a maximum contribution of € 6,000 per annum. The minimum annual contribution amount is defined considering the peculiarities of each participating country.

b) Enrolment Period: from January 2014 to December 2014 the Participants have the opportunity to buy shares by means of monthly debits on their current account (“monthly” modality) or by payments in one or two instalments made in the months of January or July (“one-off” modality). In case during the Holding Period a Participant leaves the Plan Let’s Share for 2014, he/she will lose the Free Shares allocated to him/her in accordance with the below point c);

c) “Free Shares”: at the beginning of the Enrolment Period (January or July 2014), the Participant will receive an immediate discount equal to 25% on the purchase price in the form of Free Shares;

The Free Shares will be subject to lock-up during 1 year and the Participant will lose the entitlement to the Free Shares if, during the 1-year Holding Period, he/she will no longer be an employee of a UniCredit Group Company, unless the employment has been terminated for one of the specific reasons stated in the Rules of the Plan Let’s Share for 2014. In some countries, for fiscal reasons, it will not be possible to grant the Free Shares at the beginning of the Enrolment Period: in that case an alternative structure is offered that provides (at the beginning of the Enrolment Period) to the Participants of those countries the right to receive the Free Shares at the end of the Holding Period (“Alternative” Structure);

d) Holding Period: during the 1-year Holding Period (from January/July 2014 to January/July 2015), the Participants can sell the purchased shares at any moment, but by doing so they will lose the Free Shares in respect of the number of shares sold.

4.4.3 The termination date of the plan

The Plan Let’s Share for 2014 will lapse at July 2015.

4.4.4 The overall maximum number of financial instruments, also in the form of options, assigned over any fiscal years with respect to the beneficiaries namely identified or identified by categories, as the case may be

At this stage it is not possible to determine the exact overall number of UniCredit ordinary shares purchased or assigned with reference to the Plan Let's Share for 2014, since their exact determination is conditioned to the Participants contribution rates and UniCredit ordinary share price at the purchasing date.

4.4.5 The procedures and clauses for the implementation of the plan, specifying whether the assignment of the financial instruments is subject to the satisfaction of certain specific conditions and, in particular, to the achievement of specific results, including performance targets; a description of the aforesaid conditions and results

The Plan Let's Share for 2014 features & implementation clauses are described in the sections 4.3.4 and 4.4.2 above. The execution of the Plan Let's Share for 2014 is not conditioned to the achievement of any result/performance.

4.4.6 Indication of the restrictions on the availability of the financial instruments allocated under the plan or of the financial instruments relating to the exercise of the options, with particular reference to the time limits within which the subsequent transfer of the stocks to the issuer or third parties is permitted or prohibited

All the free shares acquired trough the Plan Let's Share for 2014 ("Free Shares") are locked up for one year, during which the dividends will be accrued in favour of the Participants: in particular any dividends and other distributions arising from the "Free Shares" will be locked during the Holding Period and will be released (in cash and/or in kind) only at the end of this period.
The participant will lose the ownership of the "Free Share" if, during the 1-year restriction period, he/she will no longer be an employee of a UniCredit Group Company, unless the employment has been terminated for one of the specific reasons stated by the Rules of the Plan Let's Share for 2014.

4.4.7 Description of any condition subsequent to the plan in connection with the execution, by the beneficiaries, of hedging transactions aimed at preventing the effects of potential limits to the transfer of the financial instruments assigned there under, also in the form of options, as well as to the transfer of the financial instruments relating to the exercise of the aforesaid options

The Plan Let's Share for 2014 does not provide for conditions subsequent of the type described above.

4.4.8 Description of the consequences deriving from the termination of the employment or working relationship

Leaving employment before the start of the Enrolment Period: if a Participant leaves employment with any company of UniCredit Group before the start of the Enrolment Period, he will not be entitled to participate in the Plan Let's Share for 2014.

Leaving employment during the Enrolment Period: If a Participant leaves employment during the Enrolment Period, the Investment Shares already acquired shall not be affected but no more Investment Shares will be bought for him and the Free Shares allocated to him under the Plan will lapse. The above mentioned provision will not apply in the event of one of the exceptions below. In these circumstances no more Investment Shares will be bought for him but his right in relation to Investment Shares already acquired shall not be affected. In particular, the entitlement to receive all the Free Shares and to dispose of them as soon as practicable could be maintained upon the explicit agreement with the Company and subject to the Rules of the Plan.

<u>Leaving employment after the Enrolment Period but before the Vesting Date</u>: if a Participant leaves employment with any company of UniCredit Group after the end of the Enrolment Period but before the Vesting Date, his Free Shares will lapse but his rights in respect of Investment Shares shall not be affected. The above mentioned provision will not apply in the event of one of the exceptions set out below. In these circumstances, his rights in relation to the Investment Shares acquired and the Free Shares shall not be affected. In particular, the entitlement to receive all the Free Shares and to dispose of them as soon as practicable could be maintained upon the explicit agreement with the Company and subject to the Rules of the Plan Let's Share for 2014.

The above mentioned provision will not apply if the Participant dies or leaves employment for any of the following reasons provided by the Rules of the Plan Let's Share for 2014:

a. redundancy, ill-health, injury or disability, as established to the satisfaction of the Company or the Participant's employing company;
b. the Participant's employing company ceasing to be a Subsidiary;
c. a transfer (total or partial) of the undertaking in which the Participant works to a legal entity which is not a company of UniCredit Group;
d. retirement with the agreement of the Participant's employing company;
e. re-employment of the Participant in another country with a Member of UniCredit Group that is not participating in the Plan Let's Share for 2014;
f. any other reason agreed upon by the Company in the context of a mutual agreement on termination of the Participant's employment relationship.

The Company must exercise any discretion provided for in this Rule within 90 calendar days after the termination date and the Free Shares will be deemed to have lapsed or not (as appropriate) on the termination date.

4.4.9 The indication of any other provisions which may trigger the cancellation of the plan

The Plan Let's Share for 2014 does not provide for any provision which may trigger its cancellation.

4.4.10 The reasons justifying the redemption, pursuant to sect. 2357 and followings of the Italian Civil Code, by UniCredit, of the financial instruments contemplated by the plan; the beneficiaries of such redemption, indicating whether the same is limited only to certain categories of employees; the consequences of the termination of the employment relationship with respect to such redemption rights

The Plan Let's Share for 2014 does not provide for the redemption by UniCredit or by another Group company.

4.4.11 The loans or other special terms that may be granted for the purchase of stocks pursuant to sect. 2358, paragraph 3, of the Italian Civil Code

The Plan Let's Share for 2014 does not provide for a loan or other special terms for the purchase of the shares.

4.4.12 The evaluation of the economic burden for UniCredit at date of the assignment of the plan, as determined on the basis of the terms and conditions already defined, with respect to the aggregate overall amount as well as with respect to each financial instrument contemplated by the plan

At this stage, it is not possible to evaluate the exact economic burden for UniCredit deriving from the adoption of the Plan Let's Share for 2014, as the calculation of this burden is affected by the overall participation & contribution rates of UniCredit Group employees.

The estimated IFRS2 cost for the offer of the free shares received by participants is about € 4 million, under the hypothesis of an expected participation rate of Group employees equal to 4%, with an employees' average contribution at €2,500. That cost would increase in case of a higher participation rate and it does not include the management and administration costs of the Plan expected to be around € 0.2 million.

4.4.13 The indication of any dilution on the corporate capital of the issuer resulting from the compensation plan, if any.

Considering the use of shares to be purchased on the market, the adoption of the Plan Let's Share for 2014 will not have any diluting impact on UniCredit share capital.

4.4.14 Any limitation to the voting and to the economic rights

The Plan Let's Share for 2014 does not provide for any limitation to the voting or economic rights for the "Investment Shares". The economic rights are suspended for the "Free Shares", because the participants will receive the dividends of those shares only at the end of the 1-year restriction period if, during this period, he/she will remain an employee of a UniCredit Group Company, unless the employment has been terminated for one of the specific reasons stated by the Plan Let's Share for 2014.

4.4.15 In the event the stocks are not negotiated on a regulated market, any and all information necessary for a complete evaluation of the value attributable to them

The Plan Let's Share for 2014 provides only for the use of shares negotiated on regulated markets.

5. EXECUTION OF THE "GROUP COMPENSATION SYSTEMS"

5.1 BENEFICIARIES OF THE PLAN

The UniCredit Board of Directors has resolved on March 11, 2014 to execute the **2013 Group Incentive System,** on April 11, 2013 to execute the **2012 Group Incentive System,** on March 27, 2012 to execute the **2011 Group Executive Incentive System** and the **Share Plan for Group Key Resources** and on March 22, 2011 to execute the **2011-2013 UniCredit**

Group Long Term Incentive Plan, approved by the Ordinary Shareholders Meeting on May 11, 2013, on May 11, 2012, on April 29, 2011 and on April 22, 2010, for the following beneficiaries identified under the relevant plans:

- the "**2013 Group Incentive System**" that provides for the grant of an incentive – in cash and free ordinary shares – to be allocated to Group Executives and other selected roles in a multi-year period (2014-2018) subject to the achievement of specific performance objectives;

- the "**2012 Group Incentive System**" that provides for the grant of an incentive – in cash and free ordinary shares – to be allocated to Group Executives and other selected roles in a multi-year period (2013-2017) subject to the achievement of specific performance objectives. This Plan provides, inter alia, the allocation of the first tranche of the shares promised in 2012, following the verification of the achievement of the Zero Factor provided by the system for the deferral payments to selected resources belonging to the Corporate & Investment Banking Division, also with reference to the 2011 performance (Sustainable Performance Plan 2011).

- the **2011 Group Executive Incentive System** ("Group Executive Plan"), that provides for the allocation of an incentive – in cash or free ordinary shares –to Group Executives and other selected roles in a 4-year period, subject to the achievement of specific performance objectives. This Plan provides the allocation of the first tranche of the shares promised in 2012 to the Executives of the Group, following the verification of the achievement of the Zero Factor provided by the system for the deferral payments and , inter alia, the allocation of the second tranche of the shares promised in 2011, following the verification of the achievement of the Zero Factor provided by the system for the deferral payments to selected resources belonging to the Corporate & Investment Banking Division, also with reference to the 2010 performance (Sustainable Performance Plan 2010).

- the **Share Plan for Group Key Resources** ("Share Plan"), that provides for the allocation of free ordinary shares in a 3-year period to talents and other mission critical players for the achievement of company results.

- the **2011-2013 UniCredit Group Long Term Incentive Plan,** that provides for the allocation of performance stock options and to the promise to grant performance shares to selected group of Executives, Talents and Group Mission Critical Players of the Group subject to the achievement of specific performance objectives; it is specified that in line with the requirements provided by national and international regulators, employees belonging to Legal & Compliance and Audit functions have been excluded from the 2011-2013 Plan, since their compensation can not be linked to financial performance conditions. A specific LTI cash alternative will be granted, linked to their 3-year performance screen achievements & Group Gate results.

5.1.1 Indication of the name of beneficiaries who are members of the board of Directors of UniCredit and of the companies directly or indirectly controlled by UniCredit

Mr. Federico Ghizzoni – CEO of UniCredit - is among the beneficiaries of the 2013 Group Incentive System, of the 2012 Group Incentive System, of the 2011 Group Executive Incentive System and of the Share Plan.

It is worth mentioning that certain potential beneficiaries of the above plans, in addition to the exercise of their managing powers connected to their offices, held offices in

Management Bodies of companies, directly or indirectly, controlled by UniCredit. In light of the fact that such individuals are amongst the beneficiaries of the plans in their capacity as employees of UniCredit Group, no information as to their names is provided hereto and reference shall be made to the information provided below.

5.1.2 The categories of employees or collaborators of UniCredit and companies controlling or controlled by this issuer.

The employees of UniCredit and of its parent companies or subsidiaries that benefit from the Group Compensation Systems (in addition to the Chief Executive Officer of UniCredit) are:

for the **2013 Group Incentive System** :

- General Manager (GM), Deputy General Managers (DGM), Senior Executive Vice Presidents , Executive Vice Presidents (EVP) and other risk takers[1];
- Senior Vice Presidents and other selected roles impacting market, credit, liquidity risks with incentive exceeding € 100,000

for the **2012 Group Incentive System** :

- General Manager (GM), Deputy General Managers (DGM), Senior Executive Vice Presidents (SEVP), Executive Vice Presidents (EVP) and other risk takers[2];
- Senior Vice Presidents (SVP) and other selected roles impacting market, credit, liquidity risks with incentive exceeding € 100,000;

for the **Group Executive Plan**:

- General Manager (GM), Deputy General Managers (DGM), Senior Executive Vice Presidents (SEVP), Executive Vice Presidents (EVP) and other "identified staff"[3];
- Senior Vice Presidents (SVP) and other selected roles impacting market, credit, liquidity risks with incentive exceeding € 100,000;

for the **Share Plan:**

- selected employees of UniCredit and of the main bank and companies of the Group, identified by the Board among the mission critical players for the achievement of company results.

for the **2011-2013 Plan**:

- General Manager and Deputy General Manager; selected Senior Executive Vice Presidents; selected Executive Vice Presidents;
- selected Senior Vice President;
- selected Talents and Mission Critical Players.

5.1.3 Individuals who benefit from the Plan belonging to the following groups:

[1] Employees materially impacting market, credit, liquidity risk at Group level and with an incentive higher than € 500,000

[2] Employees materially impacting market, credit, liquidity risk at Group level and with an incentive higher than € 500,000

[3] Employees materially impacting market, credit, liquidity risk at Group level and with an incentive higher than € 500,000

a) General Managers of UniCredit

Among the potential beneficiaries of the Group Compensation Systems, along with the CEO, already mentioned, there is the General Manager, Mr. Roberto Nicastro, who currently carries out management activities of UniCredit or anyway has regular access to privileged information and is authorized to take resolutions capable of influencing the development and prospects of UniCredit in any case.

b) other executives with strategic responsibilities of the financial instrument issuer not classed as "small", in accordance with Article 3, paragraph 1, letter *f*) of Regulation no. 17221 of 12 March 2010, if they have, during the course of the year, received total compensation (obtained by adding the monetary compensation to the financial instrument-based compensation) in excess of the highest total compensation assigned to the members of the board of directors or management board, and to the general managers of the financial instrument issuer;

None of UniCredit executives meets the description; therefore no information is provided in connection thereto.

c) natural persons controlling UniCredit, who are employee or collaborator of UniCredit.

No individual controls UniCredit and, therefore, no information is provided in connection thereto.

5.1.4 Description and numerical indication, broken down according to category :

a) Executives with strategic responsibilities other than those specified under lett. B) of paragraph 5.1.3

Amongst the potential beneficiaries of the Group Compensation Systems, along with the CEO, there are 7 executives of UniCredit who have regular access to privileged information and are authorized to take resolutions capable of influencing the development and prospects of UniCredit:

- the General Manager, Mr. Roberto Nicastro (already mentioned);
- the Deputy General Managers, Mr. Paolo Fiorentino and Mr. Jean-Pierre Mustier;
- the Head of Planning, Finance & Administration, Mrs. Marina Natale;
- the Group Chief Risk Officer, Mr. Alessandro Decio;
- the Group Head of Human Resources, Mr. Paolo Cornetta;
- the General Counsel & Group Compliance Officer, Mrs. Nadine Farida Faruque;

b) in the case of "small" companies, in accordance with Article 3, paragraph 1, letter *f*) of Regulation no. 17221 of 12 March 2010, the indication for the aggregate of all executives with strategic responsibilities of the financial instrument issuer;

This provision is not applicable and therefore no information is provided in connection thereto.

c) other categories of employees or collaborators for which different characteristics are envisaged for the plan (e.g. executives, middle management, employees etc.);

There are no classes of employees to which different characteristics of the relevant plans apply.

5.2 THE REASONS FOR THE ADOPTION OF THE PLAN

5.2.1 The targets which the parties intend to reach through the adoption of the plan.

The **2013 Group Incentive System** aims to attract, retain and motivate Group beneficiaries and to align UniCredit incentive system to the most recent national and international regulatory requirements and provides for:

- allocation of a variable incentive related to 2013 defined on the basis of individual performance, as well as results at business level and, as relevant, at country and/or Group level;
- definition of a balanced structure of upfront (following the moment of performance evaluation) and deferred payments, in cash and in shares;
- distributions of share payments which take into account the applicable regulatory requirements regarding the application of share retention periods. In particular, the payment structure has been defined considering Bank of Italy provisions requiring a share retention period of 2 years for upfront shares and of 1 year for deferred shares;
- application of an overall risk/sustainability factor, related to annual Group profitability, solidity and liquidity results ("Group Gate") as well as a Zero Factor related to future Group profitability, solidity and liquidity results.

The **2012 Group Incentive System** aims to attract, retain and motivate Group beneficiaries and to align UniCredit incentive system to the most recent national and international regulatory requirements and with the aim to define – in the interest of all stakeholders – incentive systems in line with long term company strategies and goals, linked to Group results, adjusted in order to consider all risks, in coherence with capital and liquidity levels needed to cover the activities in place and, in any case, able to avoid misleading incentives that could drive to regulatory breaches or to assume excessive risks for the bank and the system in its whole.

The **Group Executive Plan** aims to attract, motivate and retain Group Executives and to align UniCredit compensation systems with the latest national and international regulatory requirements with the aim to define – in the interest of all stakeholders – incentive systems in line with long term company strategies and goals, linked to Group results, adjusted in order to consider all risks, in coherence with capital and liquidity levels needed to cover the activities in place and, in any case, able to avoid misleading incentives that could drive to regulatory breaches or to assume excessive risks for the bank and the system in its whole.

The **Share Plan** aims to attract and / or retain selected resources and to align beneficiaries and shareholder interests, rewarding long term value creation and share price appreciation.

The **2011-2013 Plan** aims to reward long term value creation and motivate and retain key Group resources.

5.2.2 Principal factors of variation and performance indexes taken into account for the assignment of plans based on financial instruments.

The **2013 Group Incentive System** establishes that the achievement of goals defined for 2013 shall be verified in 2014 using a multi-perspective balanced approach to evaluate the achieved level of performance on operational & sustainability objectives set within an individual evaluation card ("Performance Screen") and also on other additional goals, as relevant. According to goal achievements, incentive payouts so defined will be made in installments – in cash and/or UniCredit ordinary shares – with the following modalities:

- in 2014 the first installment of the overall incentive, will be payable in cash (1st installment), subject to the application of the 2013 Group Gate ;

- over the period 2015-2018 the remainder of the overall incentive will be payable in installments in cash and/or UniCredit shares, subject to the application of the Zero Factor in each year.

The **2012 Group Incentive System** provides, inter alia, the allocation of the first instalment of the shares promised in 2012, following the verification of the achievement of the Zero Factor provided by the system for the deferral payments to selected resources belonging to the Corporate & Investment Banking Division, with reference to the 2011 performance (Sustainable Performance Plan 2011).

The **Group Executive Plan** provides the allocation of the first tranche of the shares promised in 2012 to the Executives of the Group, following the verification of the achievement of the Zero Factor provided by the system for the deferral payments. It also provides the allocation of the second instalment of the shares promised in 2011, following the verification of the achievement of the Zero Factor provided by the system for the deferral payments to selected resources belonging to the Corporate & Investment Banking Division, also with reference to the 2010 performance (Sustainable Performance Plan 2010);

The **Share Plan** provides for UniCredit free ordinary share allocations in 3 equal installments over a 3 year period; each allocation shall be subject to continuous employment at time of actual grant and application of the Zero Factor – as defined annually by the Board of Directors – related to annual Group profitability, solidity and liquidity results and the absence of any individual values / compliance breach and continuous employment.

The **2011-2013 Plan** provides for the allocation of performance stock options and to the promise to grant performance shares to selected group of Executives, Talents and Group Mission Critical Players of the Group subject to the achievement of specific performance objectives; it is specified that in line with the requirements provided by national and international regulators, employees belonging to Legal & Compliance and Audit functions have been excluded from the 2011-2013 Plan, since their compensation can not be linked to financial performance conditions. A specific LTI cash alternative will be granted, linked to their 3-year performance screen achievements & Group Gate results.

5.2.3 The factors assumed as basis for the determination of the compensation based upon financial instruments, or the criteria for the determination of the aforesaid compensation.

The following are the general criteria that the Board of Directors has followed, in the resolutions that after the Annual Shareholders' Meeting approval has executed the Plan, to define the actual number of beneficiaries and the number of free shares or performance stock options to be granted.

The **2013 Group Incentive System** provides that in 2014 the Board of Directors – once verified the objectives for 2013 – defines the percentages of the payments in cash and shares for the beneficiaries categories.

The **2012 Group Incentive System** provides that in 2013 the Board of Directors – once verified the objectives for 2012 – defines the percentages of the payments in cash and shares for the beneficiaries categories.

The **Group Executive Plan**, provides that in 2012 the Board of Directors – once verified the achievement of the objectives defined for 2011 and 2010 referring to "Sustainable Performance Plan" – defines the percentage of cash and shares payments according to the category of the beneficiaries.

The **Share Plan** provides that the beneficiaries and the number of shares to be granted at individual level will be defined by the Board of Directors according to:

- Relevance for the Group & the need of retention;
- the level of performance / potential - delivery ability, performance and results achieved;
- adherence to corporate values and compliance - knowledge and ability to translate corporate values into behaviors and individual adherence to compliance rules, conduct and behavior.

The **2011-2013 Plan** provides the allocation of performance stock options and the promise to grant performance shares to selected group of Executives, Talents and Group Mission Critical Players of the Group subsequently to the achievement of performance conditions set by the Board of Directors

5.2.4 The reasons justifying the decision to assign compensation plans based on financial instruments not issued by UniCredit, such as financial instruments issued by its subsidiaries, its parent companies or third parties; in the event the aforesaid financial instruments are not negotiated on regulated markets, the issuer shall provide information as to the criteria adopted for the calculation of the value attributable to such financial instruments.

The Group Compensation Systems do not contemplate the allocation of similar financial instruments.

5.2.5 The evaluations, with respect to the relevant tax and accounting implications, taken into account in the definition of the plans.

The Group Compensation Systems have not been influenced by significant tax or accounting considerations.

Furthermore, the tax regime and social security contribution applied to the free shares allocated, will be compliant with the current regulations in the country where the beneficiary is fiscally resident.

5.2.6 The indication as to whether the plan enjoys any support from the special fund for encouraging worker participation in the companies, as provided for under Article 4, paragraph 112, of Law December, 24 2003 n. 350.

The Group Compensation Systems are not currently supported by the special fund for encouraging worker participation in the companies, as provided for under sect. 4, paragraph 112, of Law December, 24 2003 n. 350.

5.3 PROCEDURE FOR THE ADOPTION OF THE PLAN AND TIMEFRAME FOR THE ASSIGNMENT OF THE FINANCIAL INSTRUMENTS

5.3.1 Powers delegated to the board of directors by the shareholders' meeting for the implementation of the plan.

As already mentioned in the Information Memorandum published at the occasion of the General Shareholders' Meeting of May 11, 2013 for the **2013 Group Incentive system**, of May 11, 2012 for the **2012 Group Incentive system,** of the Shareholders' Meeting of April 29, 2011 for the **Executive Incentive plan** and the **Share Plan** and of April 22, 2010 for **2011-2013 Plan** the most efficient instrument identified to execute the Compensation Systems is to delegate the Board of Directors, pursuant to sect. 2443 of the Civil Code, of the power to resolve on one or more occasions to increase share capital in accordance with the following provisions:

with reference to the **2013 Group Incentive System**, the BoD could resolve, within a maximum period of five years, in one or more instances, a free share capital under art. 2349 of the Civil Code, of maximum nr. 42,200,000 UniCredit ordinary shares;

with reference to the **2012 Group Incentive System**, the BoD could resolve, within a maximum period of five years, in one or more instances, a free share capital under art. 2349 of the Civil Code, of maximum nr. 59,700,000 UniCredit ordinary shares;

with reference to the **Group Executive Plan** and the **Share Plan**, the BoD could resolve, within a maximum period of five years, in one or more instances, a free share capital under art. 2349 of the Civil Code, of maximum €103,000,000 corresponding to nr. 206,000,000 ordinary shares (this number has been modified to nr. 31,277,019 ordinary shares due to the grouping operation made on December, 27 2011 and the AIAF factor application related to the operations on share capital made by UniCredit).

with reference to **2011-2013 Plan** the BoD could resolve within a 1-year period, in one or more instances, an increase in share capital under sect. 2441 of the Italian Civil Code for the subscription of a maximum number of 128,000,000 ordinary shares at the service of the exercise of performance stock options; within a 5-year period, in one or more instances, a free increase in share capital under sect. 2349 of the Italian Civil Code of a maximum number of 59,000,000 ordinary shares to the service of the promise to grant performance shares (the amounts would have been redefined in case of performance conditions achievement, due to the grouping operation made on December 27, 2011 and the AIAF factor application related to the operations on share capital made by UniCredit).

5.3.2 Indication of the individuals in charge of the management of the plan, their powers authority.

The Organizational Unit “Compensation” of the Holding is in charge for the management of the incentive plans, including the Group Compensation Systems, as well as of the definition of the Group’s compensation policy.

5.3.3 Procedures for the amendment of the plans, if any, also in connection with potential variation of the original targets.

No specific procedures for the amendment of the Group Compensation Systems are provided for.

5.3.4 Description of the modalities for the determination of the availability and assignment of the financial instruments contemplated by the plan.

In order to execute the plans in accordance with the delegation provided by the Shareholders’ Meeting on May 11, 2013, on May 11, 2012, on April 29, 2011 and on April 22, 2010 the Board of Directors could resolve to approve:

- for **2013 Group Incentive system,** within a maximum period of five years, in one or more instances, the allocation of maximum nr. 42,200,000 free UniCredit ordinary shares, set by the Board of Directors;
- for the **2012 Group Incentive system,** within a maximum period of five years, in one or more instances, the allocation of maximum nr. 59,700,000 free UniCredit ordinary shares, set by the Board of Directors;
- for the **Group Executive Plan** and the **Share Plan**, within a maximum period of five years, in one or more instances, the allocation of a maximum number of 31,277,019 free ordinary shares, set by the Board of Directors.
- for the **2011-2013 Plan**, within a 1-year period, in one or more instances, an increase in share capital under sect. 2441 of the Italian Civil Code for the subscription of a maximum number of 128,000,000 ordinary shares at the service of the exercise of performance stock options; within a 5-year period, in one or more instances, a free increase in share capital under sect. 2349 of the Italian Civil Code of a maximum number of 59,000,000 ordinary shares to the service of the promise to grant performance shares (the amounts would have been redefined in case of performance conditions achievement, due to the grouping operation made on December 27, 2011 and the AIAF factor application related to the operations on share capital made by UniCredit).

5.3.5 The influence exercised by each director in the determination of the characteristics of the plans; the potential conflict of interest which may trigger the obligation for the relevant director to abstain from exercising his vote in the relevant resolution.

In the determination of the essential characteristics of the Group Compensation Systems and of the relevant criteria for the identification of the instruments under the Plan, the Board of Directors followed the guidelines and criteria elaborated by the Remuneration Committee of UniCredit.

Since the CEO of UniCredit is among the potential beneficiaries of the plans, the latter has abstained from participating in the definition of the plans.

5.3.6 The date on which the board of directors resolved upon the assignment of the financial instruments contemplated by the plan

In order to execute the **2013 Group Incentive system,** in accordance with the delegation received by the Shareholders' Meeting, as described in point 5.3.1, the Board of Directors on March 11, 2014 has resolved the promise to grant ca. 10 millions UniCredit ordinary shares to the Group Executives upon verification of the achievement of the performance conditions defined for the participants as described in the following section 5.4.5.

In order to execute the **2012 Group Incentive system,** in accordance with the delegation received by the Shareholders' Meeting, as described in point 5.3.1, the Board of Directors on March 11, 2014 has resolved the allocation of nr. 1,563,096 free UniCredit ordinary shares to nr. 243 beneficiaries belonging to the Corporate & Investment Banking Division with reference to the 2011 performance.

In order to execute the **Group Executive Plan,** in accordance with the delegation received by the Shareholders' Meeting, as described in point 5.3.1, the Board of Directors on March 11, 2014 has resolved the allocation of nr. 4,857,530 free UniCredit ordinary shares to 464 Group Executives with reference to the 2011 performance and the allocation of nr. 891,310 free ordinary shares to nr. 55 beneficiaries belonging to the Corporate & Investment Banking Division with reference to the 2010 performance.

In order to execute the **Share Plan** in accordance with the delegation received by the Shareholders' Meeting, as described in point 5.3.1, the Board of Directors on March 11, 2014 has approved the allocation of nr. 1,186,404 free ordinary shares to nr. 858 beneficiaries (included nr. 84,024 shares related to the allocation of the third instalment of the Plan assigned to CEO in 2011).

Regarding the **2011-2013 Plan**, the Board of March 11, 2014 resoved that performance stock options and the promised performance shares will not be assigned because the performance conditions set were not achieved.

5.3.7 The date on which the remuneration committee resolved upon the Plan of UniCredit.

The Remuneration Committee, on March 6, 2014 and on March 11, 2014 positively resolved upon the conditions to be applied at the execution of the Group Compensation Systems.

5.3.8 The market price of UniCredit ordinary shares, on the dates mentioned in points 5.3.6 and 5.3.7.

The market price of UniCredit ordinary shares, registered on the date of Board of Directors approval of the 2013 Group Compensation Systems execution (March 11, 2014) and on the date of the positive opinion by the Remuneration Committee of UniCredit (March 6, 2014 and March 11, 2014), resulted equal to €5.94 at March 6, 2014 and €6.415 at March 11, 2014.

5.3.9 In which terms and modalities UniCredit takes into account, in the determination of the timeframe for the assignment of the plans, of the possible time-coincidence between:

i) such assignment or the decision, if any, adopted thereon by the Remuneration Committee, and

ii) the dissemination of relevant information, if any, pursuant to sect. 114, paragraph 1 of Legislative Decree 58/98; for instance, in cases in which such information is:

a. **not already public and capable to positively affect the market quotation, or**
b. **already published and capable to negatively affect the market quotation.**

In relation to the foregoing it is clarified that the resolution of the General Shareholders' Meeting has been communicated to the market in compliance with the current regulations. It is also clarified that analogous information to the market is made available upon the resolution adopted by the UniCredit Board of Directors in execution of the Group Compensation Systems.

It is worthwhile clarifying that, although all the resolutions adopted by the Board of Directors are subject to the prior positive opinion of the Remuneration Committee of UniCredit, the information to the market is given only after the relevant resolution of the Board of Directors.

5.4. THE CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ASSIGNED

5.4.1 Description of the compensation plan.

The **2013 Group Incentive System** provides that in 2014 the Board of Directors – once verified the achievement of the goals defined for 2013 - will define the percentage of the payments in cash and shares in relation to the beneficiaries categories as described in the following table:

	2014 (1st installment)	**2015** (2nd installment)	**2016** (3rd installment)	**2017** (4th installment)		**2018** (5th installment)
	Cash	Cash	Shares	Shares	Cash	Shares
CEO, GM, DGM, SEVP, EVP and other "identified staff"	20%	20%	20%	20%	10%	10%
SVP	40%	20%	20%	20%	-	-

Regarding beneficiaries categories defined as other "identified staff" and "other selected roles", it is highlighted that:

- the other "identified staff" and the other selected roles have been identified on the basis of an ex-ante definition of potential "risk-taker" including a functional mapping of job families under Markets & Investment Banking area, impacting credit, market and liquidity risks.

- the payment modalities provided for by the 2013 System shall be consistently applied to bonuses defined for beneficiaries in such categories. In particular full application of system elements will be applied to the other "identified staff" with bonuses above €500,000, while deferral in cash and/or shares will apply proportionally to "other selected roles";

The **2012 Group Incentive System** provides for the grant of an incentive – in cash and free ordinary shares – to be allocated to Group Executives and other selected roles in a multi-year period (2013-2017) subject to the achievement of specific performance objectives.

The **Group Executive Plan** provides for the allocation of an incentive – in cash or free ordinary shares – to Group Executives and other selected roles in a 4-year period, subject to the achievement of specific performance objectives;

The **Share Plan** provides for the allocation to selected Group beneficiaries *free UniCredit ordinary shares*, in 3 equal installments over a 3 year period, subject every year to the application of the Zero Factor - as defined annually by the Board.

The **2011-2013 Plan** provides the allocation of performance stock options and to the promise to grant performance shares to selected group of Executives, Talents and Group Mission Critical Players of the Group subsequently to the achievement of performance conditions set by the Board of Directors

5.4.2 Indication of the time period for the implementation of the plan also indicating different cycles, if any, of its implementation.

The free shares related to the **2013 Group Incentive System** will be allocated in multiple installments (in the period 2016-2018) subject to the Board assessment in 2014 of the goals achievement set for 2013.

The free shares related to the **2012 Group Incentive System** will be allocated in multiple installments (in the period 2015-2017) subject to the Board assessment of the goals achievement set.

The *free shares* related to the **Group Executive Plan** will be allocated in more installments (over 4 years) following the Board assessment of the goals achievement.

The *free shares* related to the **Share Plan** are allocated by UniCredit in 3 equal installments over a 3 year period, subject every year to the application of the Zero Factor - as defined annually by the Board.
The performance stock options and performance share related to the **2011-2013 Plan** will actually be in the availability of beneficiaries, following the evaluation of the Board of Directors on reaching the performance indicators of the Plan calculated over the reference period 2012-2015: Relative Total Shareholder Return (rTSR) e *Economic Profit* di Gruppo (EP).

5.4.3 The termination date of the plan

The **2013 Group Incentive System** will lapse by May 2018.

The **2012 Group Incentive System** will lapse by May 2017.

The **Group Executive Plan** and the **Share Plan** will lapse by May 2016.

The **2011-2013 Plan** will lapse by 2020.

5.4.4 The overall maximum number of financial instruments, also in the form of options, assigned over any fiscal years with respect to the beneficiaries namely identified or identified by categories, as the case may be

The maximum number of *free shares* that the Board of Directors is authorized to allocate for the **2013 Group Incentive System** within the power of the delegation received by UniCredit Shareholders' Meeting is equal to 42,200,000.

The maximum number of *free shares* that the Board of Directors is authorized to allocate for the **2012 Group Incentive System** within the power of the delegation received by UniCredit Shareholders' Meeting is equal to 59,700,000.

The maximum number of *free shares* that the Board of Directors is authorized to allocate for the **Group Executive Plan** and the **Share Plan** within the power of the delegation received by UniCredit Shareholders' Meeting is equal to 206,000,000 (this number has been modified to nr. 31,277,019 ordinary shares due to the grouping operation made on December 27, 2011 and the AIAF factor application related to the operations on share capital made by UniCredit).

The maximum number of *free shares* that the Board of Directors is authorized to allocate with reference to **2011-2013 Plan,** within a 1-year period, in one or more instances, is a maximum number of 128,000,000 ordinary shares at the service of the exercise of performance stock options; within a 5-year period, in one or more instances, is a maximum number of 59,000,000 ordinary shares to the service of the promise to grant performance shares (the amounts would have been redefined in case of performance conditions achievement, due to the grouping operation made on December, 27 2011 and the AIAF factor application related to the operations on share capital made by UniCredit).

At this stage it is not possible to indicate the maximum number of *free shares* allocated in each fiscal year during the life of the Group Compensation Systems, since the actual definition will be done by the Board of Directors on the basis of the criteria approved by the Shareholders' Meeting.

5.4.5 The procedures and clauses for the implementation of the plan, specifying whether the assignment of the financial instruments is subject to the satisfaction of certain specific conditions and, in particular, to the achievement of specific results, including performance targets; a description of the aforesaid conditions and results

Considering the criteria described in the point 5.2.2, the allocation and the exercise of the *free shares* is subject to the achievement of the performance targets set by the Board of Directors. The assessment of the goals achievement should be done by the Board of Directors at the end of the performance period described in point 5.4.2.

5.4.6 Indication of the restrictions on the availability of the financial instruments allocated under the plan or of the financial instruments relating to the exercise of the options, with particular reference to the time limits within which the subsequent transfer of the stocks to the issuer or third parties is permitted or prohibited

The Group Compensation Systems provide that the *free shares* that will be allocated are free from restrictions and, hence, freely transferable as from the date of their issue and carrying the same rights as the ones already in circulation.

5.4.7 Description of any condition subsequent to the plan in connection with the execution, by the beneficiaries, of hedging transactions aimed at preventing the effects of potential limits to the transfer of the financial instruments assigned there under, also in the form of options, as well as to the transfer of the financial instruments relating to the exercise of the aforesaid options

In accordance with national and international regulatory guidelines and the 2014 Group Compensation Policy, beneficiaries are required to undertake not to use personal hedging strategies or remuneration and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements. Involvement in any form of hedging transaction shall be considered in breach of Group compliance policies and therefore the rights to receive shares shall automatically expire.

5.4.8 Description of the consequences deriving from the termination of the employment or working relationship

With the exception of the "good leavers" cases as provided by the Rules, in case of exit of the beneficiary from the Group or in the event that the beneficiary is subject to disciplinary actions by the employer for irregular activities with reference to processes and rules related to i) risk underwriting ii) sales processes of banking and financial services iii) internal code of conduct, the beneficiary will lose the right to receive the free shares; the above unless the Board of Directors, with reference to each single case, decides otherwise.

5.4.9 The indication of any other provisions which may trigger the cancellation of the plan

The Group Compensation Systems do not provide for any provision which may trigger its cancellation.

5.4.10 The reasons justifying the redemption, pursuant to sect. 2357 and followings of the Italian Civil Code, by UniCredit, of the financial instruments contemplated by the plan; the beneficiaries of such redemption, indicating whether the same is limited only to certain categories of employees; the consequences of the termination of the employment relationship with respect to such redemption rights

The Group Compensation Systems do not provide for the redemption by UniCredit or by another Group company with reference to the *free shares* .

5.4.11 The loans or other special terms that may be granted for the purchase of stocks pursuant to sect. 2358, paragraph 3, of the Italian Civil Code

The Group Compensation Systems do not provide for a loan or other special terms for the purchase of the shares.

5.4.12 The evaluation of the economic burden for UniCredit at date of the assignment of the plan, as determined on the basis of the terms and conditions already defined, with respect to the aggregate overall amount as well as with respect to each financial instrument contemplated by the plan

The estimation of the overall cost expected by UniCredit in relation to the Group Compensation Systems at the date of promise to grant the *free shares*, has been made on the basis of the IAS principles, considering the accounting assumptions on the foreseeable beneficiaries exits before the allocation of the *free shares* and on the probability to achieve the performance targets related to the allocation of the *free shares* .

On the basis of these estimations, the overall expected cost for UniCredit at the date of promise to grant the target number of *free shares* is equal to € 599,7 mln to be split in 5 years:

- euro 218 mln for the 2013 Group Incentive System
- euro 222,3 mln for the 2012 Group Incentive System
- euro 141.8 mln for the Group Executive Plan;
- euro 17.6 mln for the Share Plan.

5.4.13 The indication of any dilution on the corporate capital of the issuer resulting from the compensation plan, if any.

The maximum dilution impact of the Group Compensation Systems is amounting to approximately 1%.

5.4.14 Any limitation to the voting and to the economic rights

At this stage, the **2013 Group Incentive System** and the **2012 Group Incentive System** do not provide for any limitation to the voting or economic rights for the shares allocated.

With reference to the **Group Executive Plan**, in accordance with applicable regulatory requirements, any shares to be allocated in the Fourth Bonus installment will be subject to 1 year retention period at the date of the allocation.

At this stage, the **Share Plan** does not provide for any limitation to the voting or economic rights for the shares allocated.

5.4.15 In the event the stocks are not negotiated on a regulated market, any and all information necessary for a complete evaluation of the value attributable to them

The Group Compensation Systems provide only for the use of shares negotiated on regulated markets.

5.4.16 The number of financial instruments belonging to each option

The Group Compensation System does not provide for options.

5.4.17 The termination date of the options

The Group Compensation System does not provide for options.

5.4.18 The modalities, time limits and clauses for the exercise of the options

The Group Compensation System does not provide for options.

5.4.19 The strike price of the options or the criteria and modalities for its determination, with respect in particular to:

a) the formula for the calculation of the exercise price in connection with the fair market value; and to
b) the modalities for the calculation of the market price assumed as basis for the calculation of the exercise price

The Group Compensation System does not provide for options.

5.4.20 In case the strike price is different from the fair market value as determined pursuant to point 5.4.19.b, the indication of the reasons for such difference

The Group Compensation System does not provide for options.

5.4.21 The criteria justifying differences in the exercise prices between the relevant beneficiaries or class of beneficiaries

The Group Compensation System does not provide for options.

5.4.22 In the event the financial instruments underlying granted options are not negotiated on a regulated market, the indication of the value attributable to the same or of the criteria for its determination

The Group Compensation System does not provide for options.

5.4.23 The criteria for the adjustments required in connection with any extraordinary transaction involving the corporate capital of the issuer as well as in connection with transaction triggering a variation in the number of the financial instruments underlying granted options.

The Group Compensation Systems do not provide for adjustments applicable in connection with extraordinary transactions involving UniCredit corporate capital (saving the provisions that the Board of Directors may define in the resolution in which the Board will exercise the delegation received from the General Shareholders' Meeting).

INCENTIVE PLANS BASED ON FINANCIAL INSTRUMENTS

Table no. 1 of scheme 7 of Annex 3A Regulation no. 11971/1999

Date: 11 April 2014

Name or Category (1)	Capacity	Box 1 Financial instruments other than Stock Options (8)						
		Section 1 Instruments related to outstanding plans, approved by previous shareholders meetings' resolutions						
		Date of shareholders meeting resolution	Type of financial instruments (12)	Number of financial instruments (a)	Assignment date (10)	Purchase price of financial instruments, if any	Market price at the assignment date	Vesting period (14)
Federico Ghizzoni	CEO	29/04/11	x	84.024	29/04/11	0	11,433	01/01/2011 31/12/2013
Federico Ghizzoni	CEO	29/04/11	x	568.181	11/04/13	0	3,520	01/01/2014 31/12/2015
Roberto Nicastro	GM	22/04/10	x	75.631	10/03/2011 cpr 22/03/2011 bod/oc	0	11,641	22/03/2011 31/12/2013
3 Key Management Personnel		22/04/10	x	142.232	10/03/2011 cpr 22/03/2011 bod/oc	0	11,641	22/03/2011 31/12/2013
Category of other employees: Managers		22/04/10	x	3.559.554	10/03/2011 cpr 22/03/2011 bod/oc	0	11,641	22/03/2011 31/12/2013
1 Key Management Personnel		29/04/11	x	74.188	20/03/2012 cpr 27/03/2012 bod/oc	0	4,010	27/03/2012 31/12/2014
Category of other employees: Managers		29/04/11	x	15.761.226	20/03/2012 cpr 27/03/2012 bod/oc	0	4,010	27/03/2012 31/12/2014
Category of other employees: Managers		29/04/11	x	2.247.526	20/03/2012 cpr 27/03/2012 bod/oc	0	4,010	27/03/2012 31/12/2014
Category of other employees: Managers		11/05/12	x	18.307.348	11/04/2013 cpr 11/04/2013	0	3,520	11/04/2013 31/12/2016

					cda/oc			

(a) The number of Performance Shares corresponds to the number of not forfeited shares and it was adjusted because of capital operation resolved by UniCreedit General Meeting on December, 15 2011.

Name or Category (1)	**Capacity**	**Box 1 Financial instruments other than Stock Options Section 2 Financial instruments to be assigned on the basis of the decision of: - BoD, as to be proposed to shareholders meeting - competent Body to implement shareholders meeting resolution (9)**						
		Date of shareholders meeting resolution	Type of financial instruments (12)	Number of financial instruments	Assignment date (10)	Purchase price of financial instruments, if any	Market price at the assignment date	Vesting period (14)
Federico Ghizzoni	CEO	N.A.	X	N.A.	N.A.	N.A.	N.A.	N.A.
Roberto Nicastro	GM	N.A.	X	N.A.	N.A.	N.A.	N.A.	N.A.
Key Management Personnel		N.A.	X	N.A.	N.A.	N.A.	N.A.	N.A.
Category of other employees: Managers		N.A.	X	N.A.	N.A.	N.A.	N.A.	N.A.

Name or Category (1)	**Capacity**	**Box 2 Stock Options Section 1 Options relating to outstanding plans approved on the basis of previous shareholders meetings' resolutions (8)**							
		Date of shareholders meeting resolution	Instrument description (12)	Financial instruments underlying the option held at the end of previous year (11) (b)	Financial instruments underlying the options exercised (13) (b)	Assignment date (10)	Exercise price	Market price of underlying shares at the assignment date (c)	Period of possible exercise (from..to)

Federico Ghizzoni	CEO	04/05/04	W	26.882	-	29/06/2004 cpr 22/07/2004 bod/oc	22,419	3,945	03/09/2008 31/12/2017
Federico Ghizzoni	CEO	04/05/04	W	35.843	-	10/11/2005 cpr 18/11/2005 bod/oc	26,878	5,266	18/11/2009 31/12/2018
Federico Ghizzoni	CEO	12/05/06	W	32.349	-	07/06/2006 cpr 13/06/2006 bod/oc	33,205	5,626	13/06/2010 31/12/2019
Federico Ghizzoni	CEO	10/05/07	W	56.137	-	07/06/2007 cpr 12/06/2007 bod/oc	39,583	37,127	15/07/2011 15/07/2017
Federico Ghizzoni	CEO	08/05/08	W	141.270	-	17/06/2008 cpr 25/06/2008 bod/oc	23,351	22,893	09/07/2012 09/07/2018
Federico Ghizzoni	CEO	29/04/11	W	672.125	-	20/03/2012 cpr 27/03/2012 bod/oc	4,010	4,1476	01/01/2016 31/12/2022
Roberto Nicastro	GM	04/05/04	W	161.297	-	29/06/2004 cpr 22/07/2004 bod/oc	22,419	3,945	03/09/2008 31/12/2017
Roberto Nicastro	GM	04/05/04	W	322.595	-	10/11/2005 cpr 18/11/2005 bod/oc	26,878	5,266	18/11/2009 31/12/2018
Roberto Nicastro	GM	12/05/06	W	242.556	-	07/06/2006 cpr 13/06/2006 bod/oc	33,205	5,626	13/06/2010 31/12/2019
Roberto Nicastro	GM	10/05/07	W	210.516	-	07/06/2007 cpr 12/06/2007 bod/oc	39,583	37,127	15/07/2011 15/07/2017
Roberto Nicastro	GM	08/05/08	W	451.235	-	17/06/2008 cpr 25/06/2008 bod/oc	23,351	22,893	09/07/2012 09/07/2018
Roberto Nicastro	GM	22/04/10	W	322.679	-	10/03/2011 cpr 22/03/2011 bod/oc	11,901	11,641	31/03/2014 31/12/2020
Roberto Nicastro	GM	29/04/11	W	611.022	-	20/03/2012 cpr 27/03/2012 bod/oc	4,010	4,1476	01/01/2016 31/12/2022
5 Key Management Personnel		04/05/04	W	161.474	-	29/06/2004 cpr 22/07/2004 bod/oc	22,419	3,945	03/09/2008 31/12/2017
5 Key Management Personnel		04/05/04	W	320.622	-	10/11/2005 cpr 18/11/2005 bod/oc	26,878	5,266	18/11/2009 31/12/2018
5 Key Management Personnel		12/05/06	W	267.807	-	07/06/2006 cpr 13/06/2006 bod/oc	33,205	5,626	13/06/2010 31/12/2019

5 Key Management Personnel		10/05/07	W	289.179	-	07/06/2007 cpr 12/06/2007 bod/oc	39,583	37,127	15/07/2011 15/07/2017
5 Key Management Personnel		08/05/08	W	793.607	-	17/06/2008 cpr 25/06/2008 bod/oc	23,351	22,893	09/07/2012 09/07/2018
4 Key Management Personnel		22/04/10	W	482.605	-	10/03/2011 cpr 22/03/2011 bod/oc	11,901	11,641	31/03/2014 31/12/2020
5 Key Management Personnel		29/04/11	W	1.594.767	-	20/03/2012 cpr 27/03/2012 bod/oc	4,010	4,1476	01/01/2016 31/12/2022
Category of other employees: Managers		04/05/04	W	1.549.379	-	29/06/2004 cpr 22/07/2004 bod/oc	22,419	3,945	03/09/2008 31/12/2017
Category of other employees: Managers		04/05/04	W	4.054.309	-	10/11/2005 cpr 18/11/2005 bod/oc	26,878	5,266	18/11/2009 31/12/2018
Category of other employees: Managers		12/05/06	W	3.136.710	-	07/06/2006 cpr 13/06/2006 bod/oc	33,205	5,626	13/06/2010 31/12/2019
Category of other employees: Managers		10/05/07	W	3.061.240	-	07/06/2007 cpr 12/06/2007 bod/oc	39,583	37,127	15/07/2011 15/07/2017
Category of other employees: Managers		08/05/08	W	9.045.330	-	17/06/2008 cpr 25/06/2008 bod/oc	23,351	22,893	09/07/2012 09/07/2018
Category of other employees: Managers		22/04/10	W	7.009.383	-	10/03/2011 cpr 22/03/2011 bod/oc	11,901	11,641	31/03/2014 31/12/2020
Category of other employees: Managers		29/04/11	W	6.069.507	-	20/03/2012 cpr 27/03/2012 bod/oc	4,010	4,1476	01/01/2016 31/12/2022

(b) The data is refered to the number of Financial instruments underlying the options assigned and not forfeited accordingly to the long term incentive plans and have been adjusted because of the capital operation resolved by UniCredit General Meeting on 29, April 2009 (script dividend), on 15, November 2009 and on 16, December 2011.
c) The market price of the financial instruments at the assignment date for plan 2004, 2005 and 2006 has not been adjusted because of the capital operation.

Name or Category (1)	Capacity	Box 2 Stock Options
		Section 2 Options to be assigned on the basis of the decision of: - BoD, as to be proposed to shareholders meeting X competent Body to implement shareholders meeting resolution (9)

		Date of shareholders meeting resolution	Instrument description (12)	Number of options	Assignment date (10)	Exercise price	Market price of underlying shares at the assignment date	Period of possible exercise (from..to)
Federico Ghizzoni	CEO	N.A.	W	N.A.	N.A.	N.A.	N.A.	N.A.
Roberto Nicastro	GM	N.A.	W	N.A.	N.A.	N.A.	N.A.	N.A.
Key Management Personnel		N.A.	W	N.A.	N.A.	N.A.	N.A.	N.A.
Category of other employees: Managers		N.A.	W	N.A.	N.A.	N.A.	N.A.	N.A.

Footnotes to the table

(1) The issuer shall fill-in a line for each beneficiary namely identified as well as for each category contemplated by the plan; for each individual or category shall be indicated a specific line for: i) each type of financial instrument or option granted (e.g., different exercise prices and/or exercise dates imply different type of options); ii) each plan approved by different shareholders' meetings.

(2) Indicate the name of the members of the board of directors or management body of the issuer and of its subsidiaries or parent companies.

(3) Indicate the name of the General Manager of the shares issuer.

(4) Indicate the name of the individuals controlling the issuer of stocks, who are employee or who render their services to the issuer of stock without being employee of the same.

(5) Indicate the name of other executives with strategic responsibilities of the shares issuer not classed as "small", in accordance with Article 3, paragraph 1, letter *f*) of Regulation no. 17221 of 12 March 2010, if they have, during the course of the year, received total compensation (obtained by adding the monetary compensation to the financial instrument-based compensation) in excess of the highest total compensation assigned to the members of the board of directors or management board, and to the general managers of the financial instrument issuer

(6) Indicate the category of executives with strategic responsibilities for whom there is an indication by category is

(7) Indicate the category of other employees and the category of collaborators not employed by the issuer. The issuer shall fill-in different lines in connection with the categories of employees or collaborators for which the plan provides for different characteristics (e.g., managers, officers, employees).

(8) The relevant data shall refer to financial instruments relating to plans approved by means of:

i) shareholders' resolutions adopted prior to the date on which the competent corporate body approves the proposal to the shareholders' meeting and/or

ii) shareholders' resolutions adopted prior to the date on which the competent corporate body implements the shareholders' resolution;

therefore the table shall indicate:

- in the event under i) above, data adjourned as at the date of the competent body's proposal to the shareholders' meeting (in which case the table is attached to the information document prepared for the shareholders' meeting called to approve the plan);
- in the event under ii) above, data adjourned as at the date of the competent body's resolution implementing the plan, (in which case the table is attached to the information documents to be published following the competent body's resolution implementing the plan);

(9) The data may refer to:

a. the resolution of the board of directors preceding the shareholders' meeting, as to the table attached to the information document submitted to the same; in such event the table shall indicate only the characteristics already defined by the board of directors;

b. the resolution of the corporate body which resolves upon the implementation of the plan following the approval by the shareholders' meeting, in the event the table is attached to the press release to be issued following such last resolution implementing the plan.

In both the aforesaid cases the issuer shall cross out the corresponding box relating to this footnote No. 9. For the data not available the issuer shall indicate in the corresponding box the code "N.A." (Not available).

(10) In case the date of the assignment is different from the date on which the remuneration body (*comitato per la remunerazione*), if any, makes the proposal relating to such assignment, the issuer shall indicate also the date of such proposal highlighting the date of the board of directors or the competent corporate body's resolution with the code "cda/oc" (for the board of directors/competent body) and the date of the proposal of the remuneration body (*comitato per la remunerazione*) with the code "cpr" (for the remuneration body).

(11) The number of options held at the end year, preceding the date in which the shareholder's meeting is called resolve the new allocation.

(12) Indicate for example, in box 1: i) stock of issuer X, ii) financial instrument indexed to issuer Y stock value, and in box 2: iii) option on issuer W stock with physical settlement; iv) option on issuer Z stock with cash settlement, etc..

(13) The number of option exercised from the beginning of the plan until the end year, preceding the date in which the shareholder's meeting is called to resolve a new stock option plan.

(14) Vesting period means the period between the moment in which the right to participate to the incentive system is granted and the moment in which the right may be exercised.