

Do the right
thing!



5. Distribution of a dividend from profit reserves

Director's Report

April 15, 2021

Ordinary and Extraordinary Shareholders' Meeting

Distribution of a dividend from profit reserves

Dear Shareholders,

the Board of Directors proposes to distribute to Shareholders holders of ordinary shares a dividend of €0.12 for each share outstanding and entitled to dividend at payment date, for an amount of €268,100,000.00 from available profit reserves. For the payment of the dividend the Board of Directors proposes you to use a portion of the “Statutory reserve”.

For the 2020 financial year, the Board of Directors on 10 February 2021 updated the “Dividend Policy” for the remuneration to the Shareholders approved by the strategic plan “Team 23”, consistently and within the limits of what is indicated by the European Central Bank (“ECB”) in its recommendation issued on 15 December 2020 on the distribution of dividends during the COVID-19 pandemic; in such recommendation, the ECB considered generally not prudent to make distributions or shares buy-backs in amounts exceeding 15% of the accumulated profits for the financial years 2019 and 2020 of a given credit institution, or higher than 20 basis points in terms of the common equity tier 1 ratio, whichever is lower.

The distributable amount, calculated pursuant to the ECB recommendation, is equal to €446,788,534.90, of which: (i) approximately 60%, equal to €268,100,000.00, will be allocated for the payment of cash dividends, and (ii) approximately 40%, equal to €178,688,534.90, will be allocated to the purchase of ordinary shares (buy-back) subject to authorization by the Shareholders’ Meeting and by the ECB.

For further information on dividend distribution via share buy back, please refer to the reports of the Board of Directors referred to in item no. 6 on the Ordinary session Agenda and item no. 3 on the Extraordinary session Agenda.

The Dividend will be paid, in accordance with the applicable laws and regulations, with “ex-dividend date” on 19 April 2021 and payment on 21 April 2021. Pursuant to art. 83-terdecies of Legislative Decree 58/1998 (Testo Unico della Finanza), therefore, the shareholders entitled to receive dividend will be those resulting from accounting evidences at the end of day 20 April 2021.

Resolutions proposed to Shareholders’ Meeting

Dear Shareholders,

in reference to the above, we invite you to adopt the following resolution:

“The Shareholders’ Meeting of UniCredit, in ordinary session, in reference to the decisions taken upon approval of the 2020 Financial Statements, and on the basis of the composition of shareholders’ equity resulting from the decision taken on approval of the 2020 Financial Statements,

resolves:

to distribute a dividend of €0.12 for each share outstanding to Shareholders holders of ordinary shares and entitled to receive dividend at payment date, for an amount of €268,100,000.00 according to the terms of this resolution by the use of a portion of the profit reserve called “Statutory reserve”.