

Do the right  
thing!



## 3. Increase of the legal reserve

**Director's Report**

**April 15, 2021**

Ordinary and Extraordinary Shareholders' Meeting

# Increase of the Legal Reserve

Dear Shareholders,

You have been called to the Ordinary Shareholders' Meeting of UniCredit S.p.A. (the "Company" or "UniCredit") to approve the increase of the Legal Reserve. Art. 2430 of the Italian Civil Code sets, in fact, that the Legal Reserve must be constituted through the allocation of the twentieth part of the annual net profits up to the achievement of the fifth of the share capital. If for any reason the Legal reserve is decreased, it must be reintegrated by allocating the profit of the year or using other available reserves.

The current amount of the Legal Reserve (equal to €4,200,904,723.67) is below the aforementioned legal limit (for the amount of €11,002,666.43) as a consequence of the free share capital increase occurred in 2020 granted to Group personnel in connection with the incentive plan.

In consideration of the result for the year 2020, the proposal submitted provides for an increase in the Legal Reserve through the use of the Share Premium Reserve<sup>1</sup> for an amount equal to €55,000,000,00; this amount allows to replenish the Legal Reserve above the limit set by art. 2430 of the Italian Civil Code, making it capacious also in view of future free share capital increases connected with incentive plans already approved by previous Shareholders' Meetings.

After the increase the amount of the Legal Reserve will be equal to €4,255,904,723.67, thus above the legal limit for €43,997,333.57.

## Resolutions proposed to Shareholders' Meeting

Dear Shareholders,

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

*"The Shareholders' Meeting of UniCredit, in ordinary session, in reference to the decisions taken upon approval of the 2020 Financial Statement, and on the basis of the composition of Shareholders' equity as resulting from the determinations taken upon approval of the 2020 Financial Statements*

*resolves:*

*to allocate to the Legal reserve the amount of €55,000,000.00 withdrawn for the same amount from Share Premium Reserve subject to the release by the Supervisory Authority of the necessary authorization".*

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<sup>1</sup> The increase of the Legal Reserve is subject to the release by the European Central Bank of the necessary authorization to use Share Premium Reserve