

# Unlock your potential

## 2. Amendments to clauses 20, 29 and 30 of the Articles of Association

Directors' Report

8 April 2022

Extraordinary part Shareholders' Meeting

# Amendments to clauses 20, 29 and 30 of the Articles of Association

Dear Shareholders,

the Board of Directors has called you in extraordinary session to resolve on the proposal to amend clauses no. 20, 29 and 30 of the Articles of Association as below detailed.

## 1 Purpose of the proposal

### Amendments to clause 20 and 30 of the Articles of Association

The proposed amendments to clauses 20 and 30 - concerning, respectively, the Board of Directors and the Board of Statutory Auditors - aim at aligning the text of the Articles of Association with the current regulatory framework regarding the requirements and suitability criteria for Directors and Statutory Auditors, as resulting from Decree no. 169 of 23 November 2020 of the Ministry of Economy and Finance ("*Decree 169*") - implementing art.26 of Legislative Decree no. 385/1993 ("TUB") - and the current self-regulatory provisions for listed companies.

With particular regard to clause 20, the change updates the circumstances under which the Directors cannot be considered independent. The relative list had been inserted by the resolution of the Shareholders' Meeting of 13 May 2015, in line with the "Supervisory dispositions for banks" (Circular no. 285/2013 of the Bank of Italy) previously in force, which required to provide for a single definition of independent directors in the articles of association, "*until the regulations implementing art. 26 TUB are issued*": on that occasion, the Company had incorporated into the text of the Articles of Association the requirements indicated in the "*Codice di Autodisciplina delle Società Quotate*" (Code of Conduct for Listed Companies), already applied by UniCredit. Such requirements are now updated in the light of the self-regulatory provisions in force, currently contained in the "*Corporate Governance Code*". As acknowledged by the new wording of paragraph 3, UniCredit must in any case comply with the other independence requirements set out in the applicable legislation, *i.e.* in *Decree 169* and in art. 147-ter of Legislative Decree no. 58/98.

As for clause 30, the reformulation, in addition to insert an express reference to the applicable legal and regulatory provisions, updates the references in the clause relating to the professional experience requirements of the Statutory Auditors and the Chairman of the Board of Statutory Auditors, incorporated the amendment made by *Decree 169* into the current statutory provisions. In this context, the criteria defined by the Articles of Association for the inclusion of candidates for these offices in the lists submitted by Shareholders are also consistently adjusted.

### Amendments to clause 29 of the Article of Association

The proposed changes to clause 29 are aimed at adapting the provisions on representation and signing powers to the current operational needs of the Company extending to other top managers of the same - in particular, the Directors with strategic responsibilities - the possibility of carrying out binding acts with a single signature; such managers are already directly invested with significant decision-making powers pursuant to the provisions of the current clause 27 of the Articles of Association.

The proposal is in line with the resolution approved by the Shareholders' Meeting on 12 April 2018 which amended the aforementioned clause 29 giving the power of single signature to the Director with strategic responsibilities whom the responsibility for UniCredit's legal function has been assigned to.

It should be noted that the power of representation with single signature that we propose to recognize to the Directors with strategic responsibilities concerns all the acts connected and consequent to the faculties they are invested with according to the Company's internal provisions: therefore, in addition to the prerogatives recognized by the aforementioned clause 27 of the Articles of Association, all the acts attributable to their area of competence and to their role as well as those provided for by the delegations of powers granted to them fall within this scope.

### Information on the exercise of the right of withdrawal and related matters

All the proposed amendments to the Articles of Association do not entail the exercise of the right of withdrawal by shareholders pursuant to Article 2437 of the Italian Civil Code.

The related filing with the Companies' Register is subject to the Supervisory Authority's assessment pursuant to the Legislative Decree no. 385/1993.

### Text of the amendments to the Articles of Association

The amendments to the Articles of Association submitted for the approval to the Shareholders' Meeting are represented by a revision of the paragraph 3 of clause 20, of the paragraph 3 of clause 29 and of the paragraphs 3 and 4 of clause 30 of the Articles of Association, as illustrated in the synoptic table below. On this occasion, a typo (only in Italian version) in letter c) of paragraph 3 of art. 29 has been corrected and some improvements have been made to the English translation.

CURRENT TEXT	PROPOSED AMENDMENT
<b>Clause 20</b>	<b>Clause 20</b>
1. The Board of Directors is composed of between a minimum of nine and a maximum of twenty-four members. The composition of the Board of Directors must ensure the balance between the genders.	(unchanged)
2. The members of the Board of Directors must meet the requirements laid down by current regulations and other laws.	(unchanged)
3. A number of Directors equal to at least the one provided for by the Code on Corporate Governance for Listed Companies must possess the following independence requirements. In particular, a Director may not be considered independent in the following circumstances: a) if he/she controls, directly or indirectly, the issuer also through subsidiaries, trustees or third parties, or is able to exercise a dominant influence over the issuer, or participates in a shareholders' agreement through which one or more persons can exercise a control or dominant influence over the issuer; b) if he/she is, or has been in the preceding three fiscal years, a significant representative of the issuer, of a subsidiary having strategic relevance or of a company under common control with the issuer, or of a company or entity controlling the issuer or able to exercise over the same a considerable influence, also jointly with others through a shareholders' agreement; c) if he/she has, or had in the preceding fiscal year, directly or indirectly (e.g. through subsidiaries or companies of which he is a significant representative, or	3. <u>Without prejudice to the provisions of the regulations in force concerning the independence requirements of Directors, a</u> number of Directors equal to at least the one provided for by the <del>Code on</del> Corporate Governance <del>Code for Listed Companies</del> must possess the <u>following</u> independence requirements <u>mentioned in such Code</u> . In particular, a Director <del>cannot</del> <u>may not be</u> considered independent in the following circumstances: a) if he/she <u>is a significant shareholder of the Company, to be understood to mean any person who, directly or indirectly (through subsidiaries, trustees or intermediaries), controls, directly or indirectly, the Company/issuer also through subsidiaries, trustees or third parties,</u> or is able to exercise <del>a dominant significant</del> influence over <del>the Company</del> <u>the issuer, or who</u> participates, <u>directly or indirectly,</u> in a shareholders' agreement through which one or more persons <del>can</del> exercise a control or <del>dominant significant</del> influence over the <del>Company/issuer</del> ; b) if he/she is, or <del>has been</del> <u>was</u> in the <del>preceding</del> <u>previous</u> three <del>financial</del> <u>seal</u> years, <u>an executive director or an employee;</u>

<p>in the capacity as partner of a professional firm or of a consulting company) a significant commercial, financial or professional relationship:</p> <ul style="list-style-type: none"> <li>- with the issuer, one of its subsidiaries, or any of its significant representatives;</li> <li>- with a subject who, also jointly with others through a shareholders' agreement, controls the issuer, or – in case of a company or an entity – with the relevant significant representatives;</li> </ul> <p>or is, or has been in the preceding three fiscal years, an employee of the above-mentioned subjects;</p> <p>d) if he/she receives, or has received in the preceding three fiscal years, from the issuer or a subsidiary or holding company of the issuer, a significant additional remuneration (compared to the "fixed" remuneration of nonexecutive director of the issuer and to remuneration of the membership in the committees that are recommended by the Code on Corporate Governance also in the form of participation in incentive plans linked to the company's performance, including stock option plans;</p> <p>e) if he/she was a director of the issuer for more than nine years in the last twelve years;</p> <p>f) if he/she is vested with the executive director office in another company in which an executive director of the issuer holds the office of director;</p> <p>g) if he/she is shareholder or quotholder or director of a legal entity belonging to the same network as the company appointed for the auditing of the issuer;</p> <p>h) if he/she is a close relative of a person who is in any of the positions listed in the above paragraphs.</p> <p>For the purposes of the above-mentioned cases, the definitions contained in the Code on Corporate Governance shall apply.</p>	<ul style="list-style-type: none"> <li>- <del>significant representative</del> of the <u>Company issuer</u>, of <u>its</u> subsidiary having strategic relevance or of a company <del>subject to joint under common</del> control;</li> <li>- <del>of a significant shareholder of the with the issuer, or of a Company or entity controlling the issuer or able to exercise over the same a considerable influence, also jointly with others through a shareholders' agreement;</del></li> <li>c) if he/she has, or had in the <u>previous three preceding financial</u> years, <del>directly or indirectly (e.g. through subsidiaries or companies of which he is a significant representative, or in the capacity as partner of a professional firm or of a consulting company)</del> a significant commercial, financial or professional relationship, <u>directly or indirectly (for example through subsidiaries, or through companies of which he or she is an executive director, or as a partner of a professional or a consulting firm):</u> <ul style="list-style-type: none"> <li>- with the <del>issuer</del> <u>Company or, one of</u> its subsidiaries, or <del>any with their executive directors or top management of its significant representatives;</del></li> <li>- with a subject who, also <u>together jointly</u> with others through a shareholders' agreement, controls the <del>issuer</del> <u>Company;</u> or, <u>if the control is held by—</u> in case of a company or an <del>other</del> <u>entity,</u> — with <u>its</u> <del>relevant executive directors or top management—</del> <u>significant representatives;</u></li> </ul> </li> <li><del>or is, or has been in the preceding three fiscal years, an employee of the above mentioned subjects;</del></li> <li>d) if he/she receives, or <del>has—</del> received in the <u>previous</u> <del>preceding</del> three <u>financial</u> <del>seal</del> years, from the <del>issuer</del> <u>Company, one of its</u> <del>a</del> subsidiary <del>ies</del> or <u>the</u> <del>parent</del> <u>holding</u> company <del>of the issuer, a</del> significant <u>additional—</u> remuneration <u>other than</u> <del>compared to</del> the "fixed" remuneration <u>for the position held of within the board and for nonexecutive director of the issuer and to</u> <del>remuneration of</del> the membership in the committees <del>that are</del> recommended by the Code on Corporate Governance <u>or required by law</u> <del>also in the form of participation in incentive plans linked to the company's performance, including stock option plans;</del></li> <li>e) if he/she was <del>served a</del> <u>on the board—</u> director of the <del>issuer</del> for more than nine years, <u>even if not consecutive,</u> <del>in of</del> the last twelve years;</li> <li>f) if he/she <u>hold the position of</u> is vested with the executive director <del>office</del> in another company <u>whereby in</u> which an executive director of the <u>Company issuer</u> holds the office of director;</li> <li>g) if he/she is shareholder, <del>or</del> quota-holder or director of a <u>company or other</u> legal entity belonging to the <del>same</del> network <u>of— the as</u> <del>external auditor of</del> the <u>Company</u> <del>appointed for the auditing of the issuer;</del></li> <li>h) if he/she is a close relative <del>— meaning parent, child, a spouse not legally separated and cohabitee -</del> of a person who is in any of the <u>positions—</u> <del>circumstances set forth in previous letters</del> <u>listed in the above paragraphs.</u></li> </ul>
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	For the purposes of the above-mentioned cases, the definitions contained in the <del>Code on</del> Corporate Governance <u>Code</u> shall apply.
4. The Directors' term in office spans three operating years, except where a shorter term is established at the time they are appointed, and ends on the date of the Shareholders' Meeting convened for the approval of the accounts relating to the last operating year in which they were in office.	(unchanged)
5. The Directors are appointed by the Shareholders' Meeting on the basis of lists. The legitimate parties who are entitled to submit lists are the Board of Directors and the shareholders, who individually or collectively with others represent at least 0.5% of share capital in the form of ordinary shares with voting rights at ordinary Shareholders' Meetings. The Board of Directors must resolve on the submission of its own list with a resolution being carried out as per the outright majority of votes cast by the Directors in office. Each list in which candidates must be listed using a progressive number, must introduce a number of candidates belonging to the least represented gender such as to ensure abidance by the balance between genders at least in the minimum quantity required by the provisions, also of a regulatory nature, in being at the time.	(unchanged)
6. In order to be valid, the lists must be filed at the Registered Office or the Head Office, also through long distance communication means and in accordance with the manner indicated in the notice of the Meeting which allows the identification of the parties that are doing the filing, no later than the twenty-fifth day prior to the date of the Shareholders' Meeting and must be made available to the public at the Registered Office, on the Company's web site and through other channels provided for under prevailing laws at least twenty-one days prior to the date of the Shareholders' Meeting. Each legitimate party may submit or contribute to the submission of only one list and, similarly, each candidate may only be included on one list, on penalty of ineligibility.	(unchanged)
7. When lists are submitted by the shareholders, the ownership of the minimum shareholding percentage is calculated with regard to the shares registered to each individual shareholder, or to multiple shareholders combined, on the day on which the lists are submitted to the Company. Ownership of the number of shares necessary for filing lists must be proven pursuant to the laws in being at the time; such proof can even be submitted to the Company during or after the time when the lists are filed provided that this occurs prior to the	(unchanged)

deadline for when the Company must make the lists public.	
<p>8. By the deadline indicated in paragraph 6 above, parties having the right thereto who filed lists must, together with each list, also file any such further document and declaration required by the provisions, also of a regulatory nature, in being at the time as well as:</p> <ul style="list-style-type: none"> <li>- for the shareholders, the information on those who filed lists with information on the total percentage of equity investment held;</li> <li>- information on the personal and professional characteristics of the candidates indicated on the list;</li> <li>- a statement whereby the individual candidates irrevocably accept the position (subject to their appointment) and attest, under their responsibility, that there are no reasons for their ineligibility or incompatibility respect to candidacy, and that they meet the experience and integrity requirements provided for by current regulatory and other provisions;</li> <li>- a statement that the independence requirements dictated by these Articles of Association have been met. Any list that does not meet the above requirements shall be deemed to have not been filed.</li> </ul>	(unchanged)
9. All those entitled to vote may only vote for one list.	(unchanged)
<p>10. The election of Members of the Board of Directors shall proceed as follows:</p> <ul style="list-style-type: none"> <li>a) from the list obtaining the majority of votes cast shall be taken - in the consecutive order in which they are shown on the list – as much Directors as to be appointed, decreased of two Directors. The remaining two Directors shall be taken - in the consecutive order in which they are shown on the list – from the minority list receiving the highest votes and is not linked in any way, even indirectly, with the shareholders who presented or voted the list which resulted first by the number of votes;</li> <li>b) if the majority list doesn't reach a sufficient number of candidates for the election of the number of Directors to be appointed – following the mechanism pointed out under the previous lett. a) – all the candidates from the majority list shall be appointed and the remaining Directors shall be taken from the minority list receiving the highest votes and is not linked in any way, even indirectly, with the shareholders who presented or voted the list which resulted first by the number of votes, in the consecutive order in which they are shown on the such list;</li> <li>c) if the minority list receiving the highest votes doesn't reach a sufficient number of candidates for the election of the number of Directors to be appointed the remaining Directors shall be taken in succession from the further minorities lists receiving the highest votes, always in the order in which they are shown on the lists;</li> <li>d) if the number of candidates included on the majority as well as minorities lists submitted is less than the</li> </ul>	(unchanged)

<p>number of the Directors to be elected, the remaining Directors shall be elected by a resolution passed by the Shareholders' Meeting by a relative majority ensuring the abidance by the independence and balance between genders principles established by the provisions, also of a regulatory nature, in being. If there is a tie vote between several candidates, a run-off will be held between these candidates by means of another vote at the Shareholders' Meeting;</p> <p>e) if only one list or no list is filed, the Shareholders' Meeting shall deliberate in accordance with the procedures set forth in item d) above;</p> <p>f) if the minimum necessary number of independent Directors and/or of Directors belonging to the least represented gender is not elected, the Directors of the most voted list who have the highest consecutive number and do not meet the requirements in question shall be replaced by the subsequent candidates, who meet the necessary requirement or requirements, taken from the same list. Should it prove impossible, even applying said criterion, to single out Directors possessing said requirements, the above substitution criterion will apply to the minorities lists receiving the highest votes from which the candidates elected have been taken;</p> <p>g) if, even applying the substitution criteria given in the previous lett. f), suitable substitutions have not been found, the Shareholders' Meeting shall resolve by a relative majority. In such circumstances the substitutions shall be effected beginning from the progressively most voted lists and from the candidates bearing the highest progressive number.</p>	
<p>11. In the event of a Director dying or leaving office, in the event of forfeiture or lack of a Director for any other reason, the Board of Directors can take steps to co-opt another Director in substitution, taking into proper account the right of the minorities to be represented. In the above cases, should the minimum number of independent Directors fall below the level established by the Articles of Association and/or should the number of Directors belonging to the least represented gender fall below the level established by law, the Board of Directors shall provide for their replacement.</p>	(unchanged)
<p>12. For the appointment of Directors that need to be added to the Board of Directors, resolutions of the Meeting of Shareholders shall be by relative majority, ensuring abidance by the criteria of independence and balance between genders established by the provisions, also of a regulatory nature, in being.</p>	(unchanged)
<p><b><u>Clause 29</u></b></p>	<p><b><u>Clause 29</u></b></p>
<p>1. Representation of the Bank (including procedural representation) and signing on behalf of the Bank are responsibilities assumed by the Chairman of the Board</p>	(unchanged)

<p>of Directors and, should he be absent or prevented, the Deputy Vice-Chairman, as well as – separately – by the Chief Executive Officer, the General Managers, and the Deputy General Managers, with said individuals vested with the ability to designate, be it a continuous basis or otherwise, single employees of the Bank and persons on secondment to the Bank, as well as outside third parties, as representatives and special agents for the undertaking of single actions and operations or specific types of actions and operations and to appoint lawyers, technical consultants and arbiters, assigning to them the appropriate powers and authorities.</p>	
<p>2. Procedural representation comprises, for example, the ability to initiate and support any action and measure to protect the Bank's rights and interests, which may involve applying for warnings, precautionary measures and emergency actions, and exercising enforceable actions, the exercising, remission and waiver of the right to proceed with a lawsuit, as well as the institution and the revocation of a civil action, within every place of judicial, administrative, arbitration and appeasement proceedings, before any authority and in any state, and at any level of the law, with all the powers needed for such purposes, including the power to confer the necessary relative powers of attorney for litigation proceedings, including general ones, to do the interrogation due pursuant to the law, and with every ability foreseen by law to appease, to reach agreements and to settle by compromise in arbitration proceedings, which may include friendly settlement arrangements as well as to waive acts and actions.</p>	<p>(unchanged)</p>
<p>3. The following persons also have the ability to sign, pursuant to the preceding paragraphs, including for procedural representation, in the name of UniCredit S.p.A.:</p> <p>a) for the Head Office and for all secondary offices, branches, however named, and representative offices: the Directors with strategic responsibilities for the Bank if different from those representatives indicated in the paragraph 1 and the other parties, included seconded persons, to whom this power has been granted;</p> <p>b) for the Head Office Unit only: Managers and grade 2, 3 and 4 Assistant Managers assigned to the Head Office, as well as seconded subjects vested with this ability;</p> <p>c) for individual secondary offices, branches, however named, and representative offices: Managers and grade 2, 3 and 4 Assistant Managers assigned to them, as well as seconded subjects vested with this ability.</p> <p>In order to be binding, documents issued for the Bank by representatives who have been authorised pursuant to the provisions of this paragraph must be signed jointly by two of the persons indicated, with the restriction however that grade 2 and 3 Assistant Managers may only sign with a grade 4 Assistant Manager or a Manager, exception made - with reference to the previous letter a)</p>	<p>3. The following persons also have the ability to sign, pursuant to the preceding paragraphs, including for procedural representation, in the name of UniCredit S.p.A.:</p> <p>a) for the Head Office and for all secondary offices, branches, however named, and representative offices: the Directors with strategic responsibilities for the Bank if different from those representatives indicated in the paragraph 1 and the other parties, included seconded persons, to whom this power has been granted;</p> <p>b) for the Head Office Unit only: Managers and grade 2, 3 and 4 Assistant Managers assigned to the Head Office, as well as seconded subjects vested with this ability;</p> <p>c) for individual secondary offices, branches, however named, and representative offices: Managers and grade 2, 3 and 4 Assistant Managers assigned to them, as well as seconded subjects vested with this ability.</p> <p>In order to be binding, documents issued for the Bank by representatives who have been authorised pursuant to the provisions of this paragraph must be signed jointly by two of the persons indicated, with the restriction however that grade 2 and 3 Assistant Managers may only sign with a grade 4 Assistant Manager or a Manager, exception made - with reference to the previous letter a)</p>



<p>- for the Director with strategic responsibilities for the Bank to whom the responsibility for UniCredit's Legal function has been assigned to, who will be able to sign separately and with the same powers conferred to the subjects indicated in paragraph 1, the acts falling within the faculties he/she is invested with also according to these Articles of Association.</p>	<p>- for the Director with strategic responsibilities for the Bank to whom the responsibility for <del>UniCredit's</del> Legal function has been assigned to <u>and for all the other UniCredit's Directors with strategic responsibilities</u>, who will be able to sign separately and with the same powers conferred to the subjects indicated in paragraph 1; the acts falling within the faculties <del>he/she—they are</del> invested with <del>also according and those provided for in clause 27 of</del> <u>these</u> Articles of Association.</p>
<p>4. In order to facilitate the smooth running of operations, the Board of Directors may however authorize the signature of Company staff and persons on secondment to the Company itself, including for procedural representation, jointly, but potentially singularly, for the types of documents that shall be determined by the Board itself.</p>	<p>(unchanged)</p>
<p><b><u>Clause 30</u></b></p>	<p><b><u>Clause 30</u></b></p>
<p>1. The General Meeting of Shareholders appoints five permanent Statutory Auditors, from whom the Chairman. Moreover it appoints four stand-in Statutory Auditors. The membership of the Board of Statutory Auditors must ensure the balance between genders.</p>	<p>(unchanged)</p>
<p>2. Permanent and stand-in Statutory Auditors may be re-elected.</p>	<p>(unchanged)</p>
<p>3. Pursuant to the provisions of prevailing legislation, at least two permanent Auditors and one stand-in Auditor must be listed in the Rolls of Auditors and have undertaken the legal auditing of accounts for a period of no less than three years. Any Auditors who are not listed in the Rolls of Auditors must have gained at least three years' total experience:</p> <p>a) undertaking professional activities as a business accountant or lawyer, undertaken primarily in the banking, insurance and financial sectors;</p> <p>b) teaching, at University level, subjects concerning - in the field of law – banking, commercial and/or fiscal law, as well as the running of financial markets and – in the field of business/finance – banking operations, business economics, accountancy, the running of the securities markets, the running of the financial and international markets and corporate finance;</p> <p>c) performing managerial/executive duties within public organisations or offices of the Public Administration, as well as in the credit, financial or insurance sector, and the investment services sector and collective investment-management sector, both of which are defined in Legislative Decree no. 58 of February 24, 1998.</p>	<p>3. <u>The Statutory Auditors must meet the requirements of applicable law and regulations.</u>  <u>With reference to the possession of the professional experience requirements, Pursuant to the provisions of prevailing legislation,</u> at least two permanent Auditors and one stand-in Auditor must be listed in the Rolls of Auditors and have undertaken the legal auditing of accounts for a period of no less than three years. <del>Any Auditors who are not listed in the Rolls of Auditors must have gained at least three years' total experience:</del>  <u>The other members of the Board of Statutory Auditors must meet the professional experience requirements set out in the current provisions applying art.26 of Legislative Decree no. 385 of 1 September 1993 and art. 148 of Legislative Decree no. 58 of 24 February 1998: with regard to the Company's business activities, they must have exercised, for at least three years, also alternatively:</u>  <u>a) activity of legal auditing of accounts</u>  <u>b) activity of administration or control or executive tasks in the credit, financial, securities or insurance sector;</u>  <u>c) administration or control activities or executive tasks at listed companies or companies whose size and complexity is greater than, or comparable to, that of the Company (in terms of turnover, nature and complexity of the organisation or activity carried out);</u>  <del>da) undertaking</del> professional activities as a business accountant or lawyer, undertaken primarily in the</p>

	<p><del>credit banking, financial, securities or insurance</del>—<del>and financial</del> sectors;</p> <p><del>e</del>b) teaching, as <del>u</del>niversity professor of first or second level, subjects concerning — in the field of law – banking, commercial and/or fiscal law, as well as the running of financial markets and – in the field of business/finance – banking operations, business economics, accountancy, the running of the securities markets, the running of the financial and international markets and corporate finance, <u>as well as other subjects in any way connected with the activities of the credit, financial, securities or insurance sector;</u></p> <p>f) performing managerial, <del>executive or top management</del> duties, <u>however called</u>, within public organisations or offices of the Public Administration, <u>relating to as well as in</u> the credit, financial, <u>securities</u> or insurance sector, <u>or and to</u> the investment services sector <u>or and to the</u> collective investment-management sector, <u>as both of which are</u> defined in Legislative Decree no. 58 of February 24, 1998.</p> <p><u>The Chairman of the Board of Statutory Auditors must:</u></p> <ul style="list-style-type: none"> <li><u>- be listed in the Rolls of Auditors and have undertaken the legal auditing of accounts for a period of not less than five years, or</u></li> <li><u>- have exercised, also alternatively, for a period of not less than five years, the activity of legal auditing of accounts or the other activities provided for in current legislation.</u></li> </ul>
<p>4. Permanent and stand-in members of the Board of Statutory Auditors are appointed in keeping with lists submitted by legitimate parties in which candidates must be listed by a progressive number. Lists must be divided in two directories, containing respectively up to five candidates for the seat as permanent Auditor and up to four candidates for the seat as stand-in Auditor. At least the first two candidates for the seat as permanent Auditor and at least the first candidate for the seat as stand-in Auditor given in the respective directories must be listed in the Rolls of Auditors and must have carried out the activity as Statutory accounting Auditor as envisaged by paragraph 3. Each directory for the appointment as permanent Auditor and stand-in Auditor must present a number of candidates belonging to the least represented gender such as to ensure, within the directory itself, the abidance by the balance of genders at least in the minimum quantity established by the provisions, also of a regulatory nature, in being. No candidate may appear in more than one list, or shall otherwise be disqualified.</p>	<p>4. Permanent and stand-in members of the Board of Statutory Auditors are appointed in keeping with lists submitted by legitimate parties in which candidates must be listed by a progressive number. Lists must <u>be</u> divided in two directories, containing respectively up to five candidates for the seat as permanent Auditor and up to four candidates for the seat as stand-in Auditor. <del>At least</del><u>the first two candidates for the seat as permanent Auditor and at least</u> the first candidate for the seat as stand-in Auditor given in the respective directories must be listed in the Rolls of Auditors and must have carried out the activity as Statutory accounting Auditor <del>as envisaged by paragraph 3 for a period of not less than three years; the first candidate for the seat as permanent Auditor and at least a candidate for the seat as stand-in Auditor must also meet the requirements specified in paragraph 3 for the office of Chairman of the Board of Statutory Auditors.</del> Each directory for the appointment as permanent Auditor and stand-in Auditor must present a number of candidates belonging to the least represented gender such as to ensure, within the directory itself, the abidance by the balance of genders at least in the minimum quantity established by the provisions, also of a regulatory nature, in being. No candidate may appear in more than one list, or shall otherwise be disqualified.</p>
<p>5. The lists must, under penalty of forfeiture, be submitted to the Registered Office or the Head Office,</p>	<p>(unchanged)</p>

<p>also through long distance communication means and in accordance with the manner indicated in the notice of the Meeting which allows the identification of the parties that are doing the filing, no later than on the twenty-fifth day prior to the date of the Shareholders' Meeting, and are made available to the public at the Registered Office, on the Company's web site and through other channels provided for under prevailing laws, at least twenty-one days prior to the date of the Shareholders' Meeting. The right to deposit the lists lies with legitimate parties that, by themselves or together with others, represent at least 0.5% of ordinary share capital bearing voting rights for the General Meeting of Shareholders. Minority shareholders who have no connecting relationship with the shareholders concerned shall continue to have the option to take advantage of an extension in the deadline to present lists in those instances and using those procedures specified by current regulatory and other provisions.</p>	
<p>6. The ownership of the minimum number of shares required for filing lists is calculated with regard to the shares registered to each individual shareholder, or to multiple shareholders combined, on the day on which the lists are submitted to the Company. Ownership of the number of shares necessary for filing lists must be proven in accordance with the prevailing laws; such proof can even be submitted to the Company during or after the time when the lists are filed provided that this occurs prior to the deadline for when the Company must make the lists public.</p>	(unchanged)
<p>7. Along with the lists filed by the parties having the right thereto, the latter must also, within the deadline indicated in paragraph 5 above, file any further document or declaration required by the provisions, also of a regulatory nature, from time to time in being. Any list that does not meet the above requirements shall be deemed to have not been filed.</p>	(unchanged)
<p>8. Every person entitled to vote may vote in respect of one list only.</p>	(unchanged)
<p>9. With regard to the appointment of permanent auditors, the votes obtained by each list are subsequently divided by one, two, three, four and five. The ratios thus obtained are allocated progressively to the candidates in the first sublist of each list in the order foreseen by the list concerned, and are arranged in just the one schedule in descending order. Except where provided for otherwise in the next paragraph, those obtaining the highest ratios are elected as permanent Auditors.</p>	(unchanged)
<p>10. Given the above, the first three candidates of the list obtaining the majority of the votes are in any case elected. Should four or more candidates from one list obtain the highest ratios, only the first three however</p>	(unchanged)

shall be elected. In any case the fourth and fifth elected persons shall be those who obtain the highest ratios out of those belonging to the lists of minority.	
11. The candidate who has obtained the highest share of votes among the candidates belonging to the list that obtained the highest number of votes among the minority lists, as defined by the current provisions (also regulatory) in force, shall be elected by the Shareholders' Meeting as Chairman of the Board of Statutory Auditors. In case of a tie between lists, the candidate from the list presented by the legitimate parties with a larger stake or, subordinately, by the higher number of parties, shall be elected Chairman of the Board of Statutory Auditors. In case of a further tie, the more senior candidate in terms of age shall be appointed Chairman. If the Chairman has not been elected on the basis of the above mentioned criteria, the Shareholders' Meeting shall appoint directly with relative majority.	(unchanged)
12. With regard to the appointment of stand-in Auditors, the votes obtained by each list are subsequently divided by one, two, three and four. The ratios thus obtained are allocated progressively to the candidates in the second sub-list of each list in the order foreseen by the list concerned, and are arranged in just the one schedule in descending order. Except where provided for otherwise in the next paragraph, those obtaining the highest ratios are elected as stand-in Auditors.	(unchanged)
13. The above remaining firm, the first two candidates of the list that has obtained the majority of the votes are in any case elected. Should three or more candidates of one list obtain the highest ratios, the first two of them shall in any case be elected. In whatever case the third and fourth elected persons shall be those who, amongst the persons belonging to the minority lists, have obtained the highest ratios.	(unchanged)
14. In the event of two or more ratios amongst candidates as permanent Auditor and/or stand-in Auditor being level, the candidate from the list that has obtained the highest number of votes shall take priority – and if the number votes is equal, the oldest candidate shall then take priority.	(unchanged)
15. Should the minimum number of permanent Auditors or of stand-in Auditors necessary, belonging to the least represented gender, not be elected, the Auditor of the most voted list with the highest progressive number and belonging to the most represented gender is substituted by the following candidate belonging to the least represented gender coming from the same list. Notwithstanding the above, should the minimum number of Auditors belonging to the least represented gender continue to lack, the substitution criterion will apply, if possible, to the minority lists progressively most voted from which elected candidates have been drawn, or will again apply to the most voted list. If,	(unchanged)

<p>notwithstanding everything, the minimum number of Auditors belonging to the less represented gender continues to be missing, the Shareholders' Meeting will resolve by a relative majority. In such case the substitutions will be effected beginning from the progressively most voted lists and from the candidates having the lowest ratio.</p>	
<p>16. If in accordance with the deadlines and procedures set forth in the previous paragraphs only one list, or no list, has been presented, or the lists do not contain the required number of candidates to be elected, the Shareholders' Meeting shall pass a resolution for appointment or addition by relative majority. If there is a tie vote between several candidates, a run-off election shall be held between them with a further vote of the Shareholders' Meeting. The Shareholders' Meeting must in any case ensure the balance between the genders envisaged by the provisions - also of a regulatory nature - in being.</p>	(unchanged)
<p>17. In the event of a permanent Auditor dying or leaving office or where his term in office is lapsed or he is not available for any other reason, he shall be replaced by the stand-in Auditor on the same list indicated by the outgoing Auditor according to the progressive order of the list, in abidance by the requirement concerning the minimum number of members registered in the Rolls of Auditors having undertaken the legal auditing of accounts according to paragraph 3 and by the principle of balance between the genders. If this is not possible, the departing Auditor shall be replaced by the stand-in Auditor having the required characteristics coming progressively from the most voted of the minority lists, according to the progressive order of listing. Where Auditors are not appointed by the list-based system, the stand-in Auditor provided for by legal provisions shall take over.</p> <p>Whenever the Chairman is substituted, the stand-in Auditor taking his place also takes on the Chairman's seat. The Shareholders' Meeting envisaged by art. 2401, sub-sec. 1, of the Italian Civil Code, nominates or provides for the substitution of the Statutory Auditors adopting the resolution by relative majority, abiding by the principle regarding the compulsory presence of the minorities and the balance between the genders. Where the appointment of the stand-in Auditor <i>in lieu</i> of the Auditor is not confirmed by the Shareholders' Meeting, he shall return to his position as stand-in Auditor.</p>	(unchanged)
<p>18. For issues relating to the duties, powers and authorities assigned to Statutory Auditors, the determination of their remuneration and the length of their term in office, the prevailing laws shall apply.</p>	(unchanged)
<p>19. In order to properly perform its tasks, and in particular to fulfill its obligation to promptly inform the</p>	(unchanged)

Bank of Italy, and where provided, other supervisory authorities of irregularities in the management of the bank or violations of the law, the Board of Statutory Auditors is vested with all the powers provided for by prevailing laws and regulations.	
20. The Board of Statutory Auditors performs the roles and functions required of it by the prevailing laws. In particular, it oversees compliance with laws, regulations and Articles of Association, the proper management and the adequacy of the organisational and accounting set-up of the Bank and of the risk management and control, as well as the functionality of the total internal audit system, of the external auditing of the accounts and the consolidated accounts, of the independence of the external audit firm and on the information process regarding to financial data.	(unchanged)
21. Statutory Auditors may assume administration and control positions within other Companies within the limits established by regulatory and other provisions.	(unchanged)
22. The Board of Statutory Auditors is properly formed when the majority of Statutory Auditors are present, with resolutions being carried as per the outright majority of votes cast by those present. In the event of a tie, the vote of the Chairman shall prevail.	(unchanged)
23. Whenever the Chairman of Board of Statutory Auditors deems it opportune, meetings of the Board of Statutory Auditors may be held by using means of telecommunication, providing that each of the attendees may be identified by all the others and that each of the attendees is in a position to intervene real time during the discussion of the topics being examined, as well as receive, transmit and view documents. Once the fulfilment of these prerequisites has been verified, the meeting of the Board of Statutory Auditors is considered held in the place where the Chairman is located.	(unchanged)

## 2 Resolutions proposed to the Extraordinary Shareholders' Meeting

Dear Shareholders,

in relation to the above, if you agree with the contents and arguments set out in this Explanatory Report of the Board of Directors, we ask you to adopt the following resolution:

*"Having acknowledged the proposal made by the Board of Directors, the extraordinary Shareholders' Meeting of UniCredit S.p.A.,*

*hereby resolves*

*1. to approve the amendment of paragraph 3 of clause 20 of the Articles of Association according to the following new text:*

*3. Without prejudice to the provisions of the regulations in force concerning the independence requirements of Directors, a number of Directors equal to at least the one provided for by the Corporate Governance Code must possess the independence requirements mentioned in such Code. In particular, a Director cannot be considered independent in the following circumstances:*

- a) if he/she is a significant shareholder of the Company, to be understood to mean any person who, directly or indirectly (through subsidiaries, trustees or intermediaries), controls the Company or is able to exercise significant influence over the Company or who participates, directly or indirectly, in a shareholders' agreement through which one or more persons exercise control or significant influence over the Company;
- b) if he/she is, or was in the previous three financial years, an executive director or an employee:
- of the Company, of its subsidiary having strategic relevance or of a company subject to joint control;
  - of a significant shareholder of the Company;
- c) if he/she has, or had in the previous three financial years, a significant commercial, financial or professional relationship, directly or indirectly (for example through subsidiaries, or through companies of which he or she is an executive director, or as a partner of a professional or a consulting firm):
- with the Company or its subsidiaries, or with their executive directors or top management;
  - with a subject who, also together with others through a shareholders' agreement, controls the Company; or, if the control is held by a company or another entity, with its executive directors or top management;
- d) if he/she receives, or received in the previous three financial years, from the Company, one of its subsidiaries or the parent company, significant remuneration other than the fixed remuneration for the position held within the board and for the membership in the committees recommended by the Code on Corporate Governance or required by law;
- e) if he/she was served on the board for more than nine years, even if not consecutive, of the last twelve years;
- f) if he/she hold the position of executive director in another company whereby an executive director of the Company holds the office of director;
- g) if he/she is shareholder, quota-holder or director of a company or other legal entity belonging to the network of the external auditor of the Company;
- h) if he/she is a close relative – meaning parent, child, a spouse not legally separated and cohabitee - of a person who is in any of the circumstances set forth in previous letters.
- For the purposes of the above-mentioned cases, the definitions contained in the Corporate Governance Code shall apply.

2. to approve the amendment of paragraph 3 of clause 29 of the Articles of Association according to the following new text:

3. The following persons also have the ability to sign, pursuant to the preceding paragraphs, including for procedural representation, in the name of UniCredit S.p.A.:

- a) for the Head Office and for all secondary offices, branches, however named, and representative offices: the Directors with strategic responsibilities for the Bank if different from those representatives indicated in the paragraph 1 and the other parties, included seconded persons, to whom this power has been granted;
- b) for the Head Office Unit only: Managers and grade 2, 3 and 4 Assistant Managers assigned to the Head Office, as well as seconded subjects vested with this ability;
- c) for individual secondary offices, branches, however named, and representative offices: Managers and grade 2, 3 and 4 Assistant Managers assigned to them, as well as seconded subjects vested with this ability. In order to be binding, documents issued for the Bank by representatives who have been authorised pursuant to the provisions of this paragraph must be signed jointly by two of the persons indicated, with the restriction however that grade 2 and 3 Assistant Managers may only sign with a grade 4 Assistant Manager or a Manager, exception made - with reference to the previous letter a) - for the Director with strategic responsibilities for the Bank to whom the responsibility for Legal function has been assigned to and for all the other UniCredit's Directors with strategic responsibilities, who will be able to sign separately and with the same powers conferred to the subjects indicated in paragraph 1 the acts falling within the faculties they are invested with and those provided for in clause 27 of these Articles of Association.

3. to approve the amendment of paragraph 3 of clause 30 of the Articles of Association according to the following new text:

3. The Statutory Auditors must meet the requirements of applicable law and regulations.

*With reference to the possession of the professional experience requirements, at least two permanent Auditors and one stand-in Auditor must be listed in the Rolls of Auditors and have undertaken the legal auditing of accounts for a period of no less than three years.*

*The other members of the Board of Statutory Auditors must meet the professional experience requirements set out in the current provisions applying art.26 of Legislative Decree no. 385 of 1 September 1993 and art. 148 of Legislative Decree no. 58 of 24 February 1998; with regard to the Company's business activities, they must have exercised, for at least three years, also alternatively:*

- a) activity of legal auditing of accounts;*
- b) activity of administration or control or executive tasks in the credit, financial, securities or insurance sector;*
- c) administration or control activities or executive tasks at listed companies or companies whose size and complexity is greater than, or comparable to, that of the Company (in terms of turnover, nature and complexity of the organisation or activity carried out);*
- d) professional activities as a business accountant or lawyer, undertaken primarily in the credit, financial, securities or insurance sector;*
- e) teaching, as university professor of first or second level, subjects concerning – in the field of law – banking, commercial and/or fiscal law, as well as the running of financial markets and – in the field of business/finance – banking operations, business economics, accountancy, the running of the securities markets, the running of the financial and international markets and corporate finance, as well as other subjects in any way connected with the activities of the credit, financial, securities or insurance sector;*
- f) performing managerial, executive or top management duties, however called, within public organisations or offices of the Public Administration, relating to the credit, financial, securities or insurance sector, or to the investment services sector or to the collective investment-management sector as defined in Legislative Decree no. 58 of February 24, 1998.*

*The Chairman of the Board of Statutory Auditors must:*

- be listed in the Rolls of Auditors and have undertaken the legal auditing of accounts for a period of not less than five years, or*
- have exercised, also alternatively, for a period of not less than five years, the activity of legal auditing of accounts or the other activities provided for in current legislation.*

4. to approve the amendment of paragraph 4 of clause 30 of the Articles of Association according to the following new text:

*4. Permanent and stand-in members of the Board of Statutory Auditors are appointed in keeping with lists submitted by legitimate parties in which candidates must be listed by a progressive number. Lists must be divided in two directories, containing respectively up to five candidates for the seat as permanent Auditor and up to four candidates for the seat as stand-in Auditor. The first two candidates for the seat as permanent Auditor and the first candidate for the seat as stand-in Auditor given in the respective directories must be listed in the Rolls of Auditors and must have carried out the activity as Statutory accounting Auditor for a period of not less than three years; the first candidate for the seat as permanent Auditor and at least a candidate for the seat as stand-in Auditor must also meet the requirements specified in paragraph 3 for the office of Chairman of the Board of Statutory Auditors. Each directory for the appointment as permanent Auditor and stand-in Auditor must present a number of candidates belonging to the least represented gender such as to ensure, within the directory itself, the abidance by the balance of genders at least in the minimum quantity established by the provisions, also of a regulatory nature, in being. No candidate may appear in more than one list, or shall otherwise be disqualified.*

5. to grant the Board of Directors and, on its behalf, the Chairman of the Board of Director, as well as the Head of Group Legal, either jointly or severally and with the power of sub-delegation to the Company Executive Personnel, with all appropriate powers to: (i) implement the above resolutions in accordance with the law; (ii) accept or introduce into the same any amendments or additions (which do not alter the substance of the resolutions adopted) which are required for filing with the Companies' Register or by the Authorities or necessary and/or appropriate for the implementation of laws and regulations; (iii) file and register, in accordance with the law, with an explicit and advance declaration of approval and ratification, the resolutions adopted and the text of the Articles of Association updated as per the above".