

Unlock your potential

1. Cancellation of treasury shares with no reduction of share capital; consequent amendment to clause 5 of the Articles of Association. Consequent and inherent resolutions

Directors' Report

14 September 2022

Extraordinary part Shareholders' Meeting

Empowering
Communities to Progress.



Cancellation of treasury shares with no reduction of share capital; consequent amendment to clause 5 of the Articles of Association. Consequent and inherent resolutions

Messrs Shareholders,

With respect to the update and integration of the resolution of 8 April 2022 relating to the purchase of the shares of UniCredit S.p.A. (“**UniCredit**” or the “**Company**”) submitted to your authorisation and referred to in item no. 1 of the agenda of the shareholders’ meeting held in ordinary session, the Board of Directors has called you in extraordinary session to resolve on (i) the proposal to cancel the treasury shares that may be purchased under the above-mentioned authorisation, as it may be updated and integrated following the resolution of the above-mentioned ordinary shareholders’ meeting, to be carried out with no reduction of the share capital, and (ii) the consequent amendment to the clause 5 of the Articles of Association, granting specific delegation for the execution of both resolutions.

1 Proposal to cancel treasury shares

It should be noted that on 11 May 2022, the Company launched a first tranche (the “**First Tranche of the Buy-Back Programme 2021**”) of the share buy-back programme authorised by the shareholders’ meeting of 8 April 2022 (the “**Buy-Back Programme 2021**”), concluded on 14 July 2022 with the purchase by the Company in aggregate of no. 162,185,721 shares for a total consideration of Euro 1,579,999,994.85. In execution of the resolution set forth in item 3 on the agenda of the extraordinary shareholders’ meeting of 8 April 2022, said shares were cancelled on 19 July 2022.

The cancellation that is subject to this report concerns, on the other hand, all UniCredit treasury shares which may be purchased and held by the Company pursuant to the update and integration of the authorisation of the shareholders’ meeting to purchase UniCredit shares, following the potential approval of the proposal referred to in item 1 of the agenda in ordinary session.

In particular, the proposal for cancellation is consistent with the purpose of the purchase transaction as represented in the explanatory report regarding the above-mentioned authorisation referred to in item 1 of the agenda, which is part of the activities envisaged in the 2022-2024 strategic plan (“**UniCredit Unlocked**”), communicated to the market on 9 December 2021.

For further information in relation to the reasons behind the authorisation request for the purchase of ordinary shares and concerning the context of such request and this proposal for treasury shares cancellation as activities

envisaged by UniCredit Unlocked, please refer to the Board of Directors' report pursuant to item 1 of the ordinary session, as well as the illustrative report on the Buy-Back Programme 2021 published on 9 March 2022.

The cancellation will be carried out with no reduction in the nominal share capital: taking into account the fact that the shares representing the Company's share capital have no nominal value, it will be carried out exclusively through a reduction in the number of existing shares with consequent increase in their accounting par value.

The cancellation – for the concrete execution of which it is proposed to grant appropriate delegation to the Board of Directors and, on its behalf, to the Chairman and the Chief Executive Officer, either jointly or severally, with the power of sub-delegation – may be carried out in one or more transactions, even prior to the purchase of the maximum number of shares authorised, as updated and integrated by the shareholders' meeting in ordinary session pursuant to item 1 on today's agenda and, in any case, by and no later than the first date between: (i) the date of dividend's distribution, if any, for the year ending on 31 December 2022 and (ii) 31 July 2023.

It is hereby specified that, from an accounting perspective, the cancellation of treasury shares will not have any impact on the economic results and on the overall value of net equity, although it will change its composition.

The Company will communicate to the market the cancellation of treasury shares in accordance with the applicable laws and regulations in force from time to time and will update the Articles of Association and communicate the new composition of the share capital.

2 Consequent amendment of clause 5 of the Articles of Association

The cancellation of treasury shares will result in the amendment of clause 5 of the Articles of Association as regards to the number of shares into which the share capital is divided. In this respect, it is hereby proposed to grant appropriate delegation to the Board of Directors and, on its behalf, to the Chairman and the Chief Executive Officer, either jointly or severally, with the power to sub-delegate, to update paragraph 1 of this clause by reducing the number of shares indicated therein in a number corresponding to the number of shares that will actually be cancelled in execution of the above.

In this regard, considering that on 19 July 2022 the Company proceeded, following the completion of the First Tranche of the Buy-Back Programme 2021, to cancel the no. 162,185,721 shares purchased in execution of said tranche, the delegation granted by the extraordinary shareholders' meeting of 8 April 2022 will be amended on the basis of the resolution passed by this shareholders' meeting.

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

The proposed amendment to the Articles of Association does not constitute any of the circumstances envisaged for 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 ("*Italian Consolidated Banking Act*").

Proposals of amendment to the Articles of Association of UniCredit

The amendment to the Articles of Association submitted for the approval to the shareholders' meeting, subject to authorisation by the Supervisory Authority, in accordance with the above, is represented by the amendment of the final paragraph of the current clause 5 of the Articles of Association as illustrated in the synoptic table below. This paragraph will be subsequently repealed, once the cancellation transactions have been completed, pursuant to a further delegation which is proposed to the shareholders' meeting to be granted to the Board of Directors and, on its behalf, to the Chairman and the Chief Executive Officer, either jointly or severally, with sub-delegation power.

CURRENT TEXT AT THE DATE OF THE REPORT	PROPOSED AMENDMENT
clause 5	clause 5
1. The Bank's share capital, fully subscribed and paid-up, amounts to Euro 21,220,169,840.48 and is divided into 2,022,218,890 ordinary shares without nominal value.	(unchanged)
2. Shares are registered shares.	(unchanged)
3. Share capital may be increased by way of a shareholders' resolution, also according to Article 2441, fourth paragraph, second period, of the Italian Civil Code, through the issuance of shares bearing various rights, in conformity to legal requirements.	(unchanged)
4. The Extraordinary Shareholders' Meeting may resolve upon the allocation of earnings to the employees of the Bank or subsidiaries, in conformity to prevailing laws.	(unchanged)
5. 5. The Extraordinary Shareholders' Meeting held on 8 April 2022 approved the cancellation of maximum no. 215,000,000 UniCredit treasury shares, granting delegation to the Board of Directors and, on its behalf, to the Chairman and the Chief Executive Officer, either jointly or severally, with sub-delegation power, to carry out such cancellation, in one or more transactions, within the first date between (a) the date of dividend's distribution, if any, for the year ending on 31 December 2022 and (b) 31 July 2023, to amend accordingly the number of shares indicated in paragraph 1 of this clause, thereby reducing it for the number of shares effectively cancelled, and to proceed, once the cancellation transactions have been completed, with the repeal of this paragraph.	5. The Extraordinary Shareholders' Meeting held on 8 April 14 September 2022 approved the cancellation of maximum no. 215,000,000 200,000,000 UniCredit treasury shares, granting delegation to the Board of Directors and, on its behalf, to the Chairman and the Chief Executive Officer, either jointly or severally, with sub-delegation power, to carry out such cancellation, in one or more transactions, within the first date between (a) the date of dividend's distribution, if any, for the year ending on 31 December 2022 and (b) 31 July 2023, to amend accordingly the number of shares indicated in paragraph 1 of this clause, thereby reducing it for the number of shares effectively cancelled, and to proceed, once the cancellation transactions have been completed, with the repeal of this paragraph.

3 Resolutions proposed to the Extraordinary Shareholders' Meeting

Dear Shareholders,

in relation to the above, based on the assumption that the ordinary shareholders' meeting has today approved the update and integration of the resolution of 8 April 2022 referred to in item no. 1 of the agenda of today's ordinary shareholders' meeting concerning the authorisation to purchase shares of the Company, if you agree with the contents and arguments set out in this Explanatory Report, we ask you to adopt the following resolution:

"The ordinary shareholders' meeting of UniCredit S.p.A., having evaluated the Explanatory Report of the Board of Directors drafted pursuant to Article 125-ter of Legislative Decree 58 dated 24 February 1998 and Article 72 of the Regulation adopted by CONSOB with Resolution No. 11971 dated 14 May 1999 and in compliance with and according to the proposal contained therein;

hereby resolves

1. to cancel any UniCredit treasury shares that will be acquired in accordance with the shareholders' meeting's authorization resolved in ordinary session on 8 April 2022, as updated and integrated pursuant to the today's ordinary shareholders' meeting up to a maximum of UniCredit shares in total not exceeding no. 200,000,000 shares of the Company, and to delegate to the Board of Directors and, on its behalf, to the Chairman and the Chief Executive Officer, either jointly or severally, with sub-delegation power to the Company Executive Personnel, (i) to determine the effective number of treasury shares to be cancelled in accordance with the purposes set forth in the above-mentioned explanatory report of the Board of Directors; and (ii) to carry out such cancellation in more transactions or

in a single transaction in any case no later than the first date between: (i) the date of dividend's distribution, if any, for the year ending on 31 December 2022 and (b) 31 July 2023, and to carry out any action necessary or appropriate for this purpose;

2. to proceed with the above-mentioned cancellation without recording any profit or loss in the income statement and without any impact on the net equity of the Company, without prejudice to the amount of the share capital, with a consequent automatic increase in their "accounting par value" of the shares issued by the Company;

3. to amend, as a result of the resolutions adopted in points 1 and 2 above, paragraph 5 of clause 5 of the Articles of Association with the following text:

"The Extraordinary Shareholders' Meeting held on 14 September 2022 approved the cancellation of maximum no. 200,000,000 UniCredit treasury shares, granting delegation to the Board of Directors and, on its behalf, to the Chairman and the Chief Executive Officer, either jointly or severally, with sub-delegation power, to carry out such cancellation, in one or more transactions, within the first date between (a) the date of dividend's distribution, if any, for the year ending on 31 December 2022 and (b) 31 July 2023, to amend accordingly the number of shares indicated in paragraph 1 of this clause, thereby reducing it for the number of shares effectively cancelled, and to proceed, once the cancellation transactions have been completed, with the repeal of this paragraph."

4. to grant delegation to the Board of Directors and, on its behalf, to the Chairman and the Chief Executive Officer, either jointly or severally, with sub-delegation power to the Company Executive Personnel, to carry out, following the completion of the cancellation transactions referred to in points 1 and 2 above, the repeal of the above-mentioned paragraph 5 of clause 5 of the Articles of Association;

5. to approve, as of now, following each cancellation of treasury shares referred to in points 1 and 2 above, the amendment of clause 5, paragraph 1, of the Articles of Association as regards to the number of shares into which the share capital of UniCredit S.p.A. is divided, indicating in the same paragraph the number of shares that will actually exist as a result of the execution of this cancellation and to grant to the Board of Directors and, on its behalf, to the Chairman and the Chief Executive Officer, either jointly or severally, with sub-delegation power to the Company Executive Personnel, to amend the above-mentioned provision of the Articles of Association by updating the number of such shares and to take any necessary or appropriate action in this regard;

6. to grant the Board of Directors and, on its behalf, the Chairman of the Board of Directors and the Chief Executive Officer, 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".