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A better bank

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1. Delegation to the Board of Directors to carry out a free capital increase to the service of the 2017-2019 LTI Plan and amendment and integration of the delegations of authority given to service to the Group incentive systems already approved; consequent amendments and integrations of clause 6 of the Articles of Association

Directors' Report

31 March 2023

Extraordinary part Shareholders' Meeting

Empowering
Communities to Progress.

 **UniCredit**

Delegation to the Board of Directors to carry out a free capital increase to the service of the 2017-2019 LTI Plan and amendment and integration of the delegations of authority given to service to the Group incentive systems already approved; consequent amendments and integrations of clause 6 of the Articles of Association

Dear Shareholders,

we have called you in the Shareholders' Meeting in extraordinary session to submit you:

- (i) the proposal to grant to the Board of Directors the authority, pursuant to article 2443 of the Civil Code, to increase the share capital under article 2349 of the Civil Code (granting of free ordinary shares to UniCredit Group employees) to serve the 2017-2019 LTI Plan and consequent amendment to the Articles of Association;
- (ii) the proposal to approve the amendment and integration of the delegation granted to the Board of Directors, pursuant to article 2443 of the Civil Code, to increase the share capital under article 2349 of the Civil Code (granting of free ordinary shares to UniCredit Group employees) (a) in extraordinary session on April 12th 2018 and on April 11th, 2019, to serve the 2018 Group Incentive System, (b) in extraordinary session on April 11th, 2019 and on April 9th, 2020, to serve the 2019 Group Incentive System (c) in extraordinary session on April 9th, 2020 to serve the 2020 Group Incentive System (d) in extraordinary session on April 15th, 2021 to serve the 2021 Group Incentive System.

1. Delegation of authority to the service of the 2017-2019 LTI Plan and consequent amendment of clause 6 of the Articles of Association

It is proposed to the Shareholders' to grant the Board of Directors the power, under the provisions of art. 2443 of the Italian Civil Code, to resolve a free capital increase pursuant to art. 2349 of the Italian Civil Code (granting of free ordinary shares to UniCredit Group employees) to the service of the 2017-2019 LTI Plan and consequent amendment to the Articles of Association.

It is recalled that the Shareholders' Meeting, in its previous sessions of April 20th, 2017 and of April 12th, 2018, has already given to the Board of Directors as per art. 2443 of the Civil Code, the powers to resolve, in one or more instances, a free share capital increase under art. 2349 of the Civil Code, of maximum € 215,670,701.00 corresponding to maximum no. of 23,000,000 ordinary shares, to be granted to the employees of UniCredit and of Group Banks and Companies who hold positions of particular importance for the purposes of achieving the Group's overall objectives in execution of 2017 Group Incentive System and of 2017-2019 LTI Plan.

The effective shares granting to the 2017-2019 LTI Plan's beneficiaries, also considering the retention periods, caused an extension of the duration of the 2017-2019 LTI Plan with a remodulation of the number of shares to be delivered as last tranche in 2024 instead of 2023, thus exceeding the time limit from previous delegations, without prejudice to the maximum number of shares approved for the plan.

All of the above and, in particular, since the aforementioned delegations have expired, it is necessary to grant a new delegation, pursuant to Article 2443 of the Civil Code, to increase the free share capital in 2024 pursuant to Article 2349 of the Italian Civil Code by a maximum number of 2,000,000 ordinary shares, in order to complete the allocation of shares to the Personnel of UniCredit, the Banks and Group Companies holding positions of particular importance for the purpose of achieving the overall Group objectives of the 2017-2019 LTI Plan.

Such capital increase must be carried out using the special reserve known as "Provisions Linked to the Medium Term Incentive System for Group Employees" set up for this purpose which, if case, may be restored or increased via allocation of profits or a portion of available statutory reserves, formed through the allocation of company profits, that shall be identified by the Board of Directors at the moment of shares issuance. In this regard, it should be noted that for the purposes of reconstituting and/or amending the reserve, the implied nominal value of the shares shall be taken into account.

Under the provisions of article 2349 of the Civil Code, the consequent amendment to the Articles of Association is submitted to the Shareholders' meeting for approval and are detailed as follows

TEXT IN FORCE	DRAFT OF NEW TEXT
SECTION III Regarding share capital and shares	SECTION III Regarding share capital and shares
<i>Clause 6</i> <i>ommissis</i>	Clause 6 ommissis
1. The Board of Directors has the power, under the provisions of Article 2443 of the Italian Civil Code, (i) to carry out a free capital increase, on one or more occasions for a maximum period of five years starting from the shareholders' resolution dated April 20, 2017, as allowed by Article 2349 of the Italian Civil Code, for a maximum amount of Euro 187,539,740.00 corresponding to a maximum number of 20,000,000 ordinary shares, and (ii) to carry out a free capital increase in 2023 for a maximum amount of Euro 28,130,961.00, corresponding to up to 3,000,000 ordinary shares, to be granted to employees of UniCredit and of Group banks and companies who hold positions of particular importance for the purposes of achieving the Group's overall objectives in execution of the 2017 Group Incentive System and of 2017- 2019 LTI Plan.	1. The Board of Directors has the power, under the provisions of Article 2443 of the Italian Civil Code, (i) to carry out a free capital increase, to resolve also on one or more occasions for a maximum period of five years starting from the shareholders' resolution dated April 20, 2017, in 2024 a free capital increase , as allowed by Article 2349 of the Italian Civil Code, for a maximum number of 2,000,000 ordinary shares, and (ii) to carry out a free capital increase in 2023 for a maximum amount of Euro 28,130,961.00, corresponding to up to 3,000,000 ordinary shares, to be granted to employees of UniCredit and of Group banks and companies who hold positions of particular importance for the purposes of achieving the Group's overall objectives in execution of 2017 Group Incentive System and of 2017- 2019 LTI Plan. <u>In accordance with the Shareholders' resolution of March 31st, 2023, upon the possible exercise of the aforementioned delegation, the share capital will be increased by an amount equal to the implied nominal value of the shares issued at the time of the possible exercise of the delegation.</u>

2. Amendment and integration of the delegations of authority given to the Group incentive systems service.

It is recalled to Shareholders that:

- (i) the Shareholders' Meeting in extraordinary session on April 12th, 2018 and April 11th, 2019, granted powers to the Board of Directors, pursuant to Article 2443 of the Civil Code, to increase the share capital pursuant to Article 2349 of the Civil Code. by a maximum total number of 9,000,000 ordinary shares, to be granted to Personnel of UniCredit, the Banks and Group Companies holding positions of particular

- importance for the purpose of achieving the Group's overall objectives in execution of the 2018 Group Incentive System;
- (ii) the Shareholders' Meeting in extraordinary session on April 11th, 2019 and April 9th, 2020, granted powers to the Board of Directors, pursuant to Article 2443 of the Civil Code, to increase the share capital pursuant to Article 2349 of the Civil Code by a maximum total number of 16,000,000 ordinary shares, to be granted to Personnel of UniCredit, the Banks and Group Companies holding positions of particular importance for the purpose of achieving the Group's overall objectives in execution of the 2019 Group Incentive System;
 - (iii) the Shareholders' Meeting in extraordinary session on April 9th, 2020 granted powers to the Board of Directors, pursuant to Article 2443 of the Civil Code, to increase the share capital pursuant to Article 2349 of the Civil Code by a maximum total number of 13,100,000 ordinary shares, to be granted to Personnel of UniCredit, the Banks and Group Companies holding positions of particular importance for the purpose of achieving the Group's overall objectives in execution of the 2020 Group Incentive System;
 - (iv) the Shareholders' Meeting in extraordinary session on April 15th, 2021, granted powers to the Board of Directors, pursuant to Article 2443 of the Civil Code, to increase the share capital pursuant to Article 2349 of the Civil Code by a maximum total number of 18,700,000 ordinary shares, to be granted to Personnel of UniCredit, the Banks and Group Companies holding positions of particular importance for the purpose of achieving the Group's overall objectives in execution of the 2021 Group Incentive System;

It should be noted that the maximum value of the free capital increases covered by the aforementioned delegations was determined taking into account the implied value of the shares at the time the delegation was granted.

It should be noted, moreover, that the Company has carried out (and that the "UniCredit Unlocked" plan envisages, subject to market economic conditions, that the Company will continue to carry out in the future) share buy-back ("SBB") transactions. The SBB transactions under "UniCredit Unlocked" and, specifically, the resulting cancellation of the shares purchased therein have impacts on the implied value of the shares representing the share capital.

Therefore, in order to take into account these capital transactions, it is appropriate to amend and supplement the delegations to increase the share capital conferred to service the incentive plans in order to eliminate the maximum value in euros of each free increase, without prejudice to the maximum number of shares that the Board of Directors may issue pursuant to the aforementioned delegations.

If approved, this amendment and addition would bind the Board of Directors, for the purposes of determining the value of each free capital increase, to take into account the implicit value of the shares issued subsisting at the time of the exercise of the delegation.

If approved, the amendment and integration of the powers already granted to the Board of Directors implies the revision of paragraphs 2, 3, 4 and 5 of Article 6 of the Articles of Association in order to eliminate the maximum value of free capital increases mentioned therein.

TEXT IN FORCE	DRAFT OF NEW TEXT
<p>2. The Board of Directors has the power, under the provisions of Article 2443 of the Italian Civil Code, (i) to carry out a free capital increase, on one or more occasions for a maximum period of five years starting from the shareholders' resolution dated April 12, 2018, as allowed by Article 2349 of the Italian Civil Code, for a maximum amount of Euro 76,597,177 corresponding to a maximum number of 8,200,000 ordinary shares, and (ii) to carry out a free capital increase in 2024 for a maximum amount of Euro 7,344,935, corresponding to up to 800,000 ordinary shares, to be granted to employees of UniCredit and of Group banks and companies who hold positions of particular importance</p>	<p>2. The Board of Directors has the power, under the provisions of Article 2443 of the Italian Civil Code, (i) to carry out a free capital increase, on one or more occasions for a maximum period of five years starting from the shareholders' resolution dated April 12, 2018, as allowed by Article 2349 of the Italian Civil Code, for a maximum amount of Euro 76,597,177 corresponding to a maximum number of 8,200,000 ordinary shares, and (ii) to carry out a free capital increase in 2024 for a maximum amount of Euro 7,344,935, corresponding to up to 800,000 ordinary shares, to be granted to employees of UniCredit and of Group banks and companies who hold positions of particular importance</p>

<p>for the purposes of achieving the Group's overall objectives in execution of 2018 Group Incentive System.</p>	<p>for the purposes of achieving the Group's overall objectives in execution of 2018 Group Incentive System. <u>In accordance with the Shareholders' resolution of March 31st, 2023, upon the possible exercise of the aforementioned delegation, the share capital will be increased by an amount equal to the implied nominal value of the shares issued at the time of the possible exercise of the delegation.</u></p>
<p>3. The Board of Directors has the power, under the provisions of section 2443 of the Italian Civil Code, (i) to carry out a free capital increase, on one or more occasions for a maximum period of five years starting from the shareholders' resolution dated April 11 2019, as allowed by section 2349 of the Italina Civil Code, for a maximum amount of Euro 131,453,966 corresponding to up to 14,000,000 ordinary shares, and (ii) to carry out a free capital increase in 2025 for a maximum amount of Euro 18,779,138, corresponding to up to 2,000,000 ordinary shares, to be granted to employees of UniCredit and of Group banks and companies who hold positions of particular importance for the purposes of achieving the Group's overall objectives in execution of 2019 Group Incentive System.</p>	<p>3. The Board of Directors has the power, under the provisions of article 2443 of the Italian Civil Code, (i) to carry out a free capital increase, on one or more occasions for a maximum period of five years starting from the Shareholders' resolution dated April 11th, 2019, as allowed by article 2349 of the Italina Civil Code, for a maximum amount of Euro 131,453,966 corresponding to up to 14,000,000 ordinary shares, and (ii) to carry out a free capital increase in 2025 for a maximum amount of Euro 18,779,138, corresponding to up to 2,000,000 ordinary shares, to be granted to employees of UniCredit and of Group Banks and Companies who hold positions of particular importance for the purposes of achieving the Group's overall objectives in execution of 2019 Group Incentive System. <u>In accordance with the Shareholders' resolution of March 31st, 2023, upon the possible exercise of the aforementioned delegation, the share capital will be increased by an amount equal to the implied nominal value of the shares issued at the time of the possible exercise of the delegation.</u></p>
<p>4. The Board of Directors has the power, under the provisions of section 2443 of the Italian Civil Code, to resolve, on one or more occasions for a maximum period of five years starting from the shareholders' resolution dated April 9th, 2020, to carry out a free capital increase, as allowed by section 2349 of the Italian Civil Code, for a maximum amount of Euro 123,146,209 corresponding to up to 13,100,000 ordinary shares, to be granted to employees of UniCredit and of Group banks and companies who hold positions of particular importance for the purposes of achieving the Group's overall objectives in execution of 2020 Group Incentive System.</p>	<p>4. The Board of Directors has the power, under the provisions of article 2443 of the Italian Civil Code, to resolve, on one or more occasions for a maximum period of five years starting from the shareholders' resolution dated April 9th, 2020, to carry out a free capital increase, as allowed by article 2349 of the Italian Civil Code, for a maximum amount of Euro 123,146,209 corresponding to up to 13,100,000 ordinary shares, to be granted to employees of UniCredit and of Group Banks and Companies who hold positions of particular importance for the purposes of achieving the Group's overall objectives in execution of 2020 Group Incentive System. <u>In accordance with the Shareholders' resolution of March 31st, 2023, upon the possible exercise of the aforementioned delegation, the share capital will be increased by an amount equal to the implied nominal value of the shares issued at the time of the possible exercise of the delegation.</u></p>
<p>5. The Board of Directors has the power, under the provisions of section 2443 of the Italian Civil Code, to resolve, on one or more occasions for a maximum period of five years starting from the shareholders'</p>	<p>5. The Board of Directors has the power, under the provisions of article 2443 of the Italian Civil Code, to resolve, on one or more occasions for a maximum period of five years starting from the Shareholders'</p>

<p>resolution dated April 15th, 2021, to carry out a free capital increase, as allowed by section 2349 of the Italian Civil Code, for a maximum amount of Euro 176,024,708 corresponding to up to 18,700,000 ordinary shares, to be granted to employees of UniCredit and of Group banks and companies who hold positions of particular importance for the purposes of achieving the Group's overall objectives in execution of 2021 Group Incentive System.</p>	<p>resolution dated April 15th, 2021, to carry out a free capital increase, as allowed by article 2349 of the Italian Civil Code, for a maximum amount of Euro 176,024,708 corresponding to up to 18,700,000 ordinary shares, to be granted to employees of UniCredit and of Group Banks and Companies who hold positions of particular importance for the purposes of achieving the Group's overall objectives in execution of 2021 Group Incentive System. <u>In accordance with the Shareholders' resolution of March 31st, 2023, upon the possible exercise of the aforementioned delegation, the share capital will be increased by an amount equal to the implied nominal value of the shares issued at the time of the possible exercise of the delegation.</u></p>
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The amendments to the Articles of Association of UniCredit submitted to the approval of today's Shareholders' Meeting – which do not trigger the right of withdrawal of the shareholders pursuant to art. 2437 of the Civil Code – are subject to the authorization of the Supervisory Authorities' pursuant to Sec. 56 of the Legislative Decree 385/93.

Dear Shareholders,

In relation to the above, you are invited to approve the following resolution:

“Having heard the directors' report, the Extraordinary Shareholders' Meeting of UniCredit S.p.A,

RESOLVES

- 1.1) to grant to the Board of Directors the power, pursuant to Article 2443 of the Civil Code, to resolve a free the capital increase also on one or more occasions in 2024 pursuant to Article 2349 of the Italian Civil Code of a maximum number of 2,000,000 ordinary shares, to be granted to the Personnel of UniCredit, the Banks and Group Companies holding positions of particular importance in the execution of the 2017-2019 LTI Plan. Such capital increases would be carried out using the special reserve known as "Provisions Linked to the Medium Term Incentive System for Group Employees" set up for this purpose which, if case, may be restored or increased via allocation of profits or a portion of available statutory reserves, formed through the allocation of company profits, that shall be identified by the Board of Directors at the moment of shares issuance;
- 1.2) to grant the Board of Directors the authority to determine, when executing the delegated capital increase pursuant to Article 2443 of the Italian Civil Code referred to in the previous point, the actual amount of the value of the capital increase on the basis of the implied nominal value of the shares issued at the time each capital increase is executed;
- 1.3) to modify, further to the resolution passed in the previous point, the paragraph 1 in clause 6 of the Articles of Association substituting the actual text with the following text:

“The Board of Directors has the power, under the provisions of Article 2443 of the Italian Civil Code, to resolve also on one or more occasions, in 2024 a free capital increase, as allowed by Article 2349 of the Italian Civil Code, for a maximum number of 2,000,000 ordinary shares, to be granted to employees of UniCredit and of Group banks and companies who hold positions of particular in execution of 2017- 2019 LTI Plan. In accordance with the Shareholders' resolution of March 31st, 2023, upon the possible exercise of the aforementioned delegation, the share capital will be increased by an amount equal to the implied nominal value of the shares issued at the time of the possible exercise of the delegation.”

- 2.1) to amend and integrate the delegation granted to the Board of Directors, pursuant to article 2443 of the Civil Code, to increase the share capital under article 2349 of the Civil Code (a) in Extraordinary session on April 12th 2018 and on April 11th 2019, to serve the 2018 Group Incentive System, (b) in extraordinary session on April 11th, 2019 and on April 9th, 2020, to serve the 2019 Group Incentive System (c) in extraordinary session on April 9th, 2020 to serve the 2020 Group Incentive System (d) in Extraordinary session on April 15th, 2021 to serve the 2021 Group Incentive System in order to eliminate the maximum value each free capital increase referred to in the previous delegations, all as explained in the narrative;
 - 2.2) to grant the Board of Directors the authority to determine, when executing the delegated capital increase pursuant to Article 2443 of the Italian Civil Code referred to in the previous point, the actual amount of the value of the capital increase on the basis of the implied nominal value of the shares issued at the time each capital increase is executed;
 - 2.3) to modify, further to the resolution passed in the previous point 2.1) and 2.2), the paragraphs 2,3,4 and 5 in clause 6 of the Articles of Association, in the manner explained above, in order to eliminate the maximum value in Euro of the free capital increases mentioned therein;
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- 3.1) to delegate to the Board of Directors all the necessary powers for issuing the new shares as well as consequently amend the Articles of Association;
 - 3.2) to confer to the Chairman, to the Secretary of the Board of Directors and to the Head of People & Culture, also separately and with the faculty to sub-delegate the Executive Staff of the Head Office, every opportune power of attorney to:
 - (i) provide for implementing the above resolutions under the terms of law;
 - (ii) accept or adopt all amendments and additions (not changing substantially the content of the resolutions) which should be necessary for registration at the Register of Companies;
 - (iii) proceed with the deposit and registration, under terms of law, with explicit and advanced approval and ratification, of the adopted resolution and of the text of the Articles of Association updated as aforementioned.