

**2008 LONG TERM INCENTIVE PLANS
OF UNICREDIT GROUP**

UniCredit Shareholders' Meeting

April/May 2008

INDEX

1. INTRODUCTION

2. UNICREDIT GROUP LONG TERM INCENTIVE PLAN 2008

2.1 BENEFICIARIES OF THE PLAN

2.2 THE REASONS FOR THE ADOPTION OF THE PLAN

2.3 THE PROCEDURE FOR THE ADOPTION OF THE PLAN AND THE TIMEFRAME FOR THE ASSIGNMENT OF THE FINANCIAL INSTRUMENTS

2.4 THE CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ASSIGNED

3. ALL EMPLOYEE STOCK OWNERSHIP PLAN OF UNICREDIT GROUP (AESOP)

3.1 BENEFICIARIES OF THE PLAN

3.2 THE REASONS FOR THE ADOPTION OF THE PLAN

3.3 THE PROCEDURE FOR THE ADOPTION OF THE PLAN AND THE TIMEFRAME FOR THE ASSIGNMENT OF THE FINANCIAL INSTRUMENTS

3.4 THE CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ASSIGNED

1. INTRODUCTION

Pursuant to the provisions set forth in Article 114-bis of Legislative Decree no. 58 of February 24, 1998, as well as to the provisions of the Issuer Regulation adopted by Consob with resolution no. 11971 of May 14, 1999 (the “Issuer Regulations”) regarding the information to be disclosed to the market in relation to the granting of awarding plans based on financial instruments, the Board of Directors of UniCredit (the “Board of Directors”) prepared this Information Memorandum which will be reported to the Ordinary General Shareholders Meeting of UniCredit which is called to resolve, *inter alia*, upon the approval for the 2008 of the following new incentives plans:

- the “**UniCredit Group Long Term Incentive Plan 2008**” aiming at granting *stock options* and at promising to grant *performance shares* represented by UniCredit ordinary shares to a selected group of Top & Senior Managers and Key Talents of UniCredit Group (the “Group”);
- the “**All Employee Stock Ownership Plan of UniCredit Group (AESOP)**” aiming at offering to all employees of the Group the possibility to invest in UniCredit shares at favorable conditions.

In light of the above, this Information Memorandum presents the criteria that the Board of Directors must comply with in the implementation of the above mentioned incentive plans, with the understanding, however, that the Board of Directors will remain responsible for the subsequent definition of the final conditions upon the actual assignment of the compensations to the beneficiaries.

This Information Memorandum has been prepared in compliance with Scheme 7 of Annex 3A to the Issuers Regulation.

Pursuant to the definition set forth in article 84-bis of the Issuer Regulations, the above mentioned incentive plans, in consideration of their beneficiaries, have the nature of “relevant plans”.

2. UNICREDIT GROUP LONG TERM INCENTIVE PLAN 2008

2.1 BENEFICIARIES OF THE PLAN

Taking into account that the “UniCredit Group Long Term Incentive Plan 2008 (“**2008 LTI Plan**”) refers to all the Companies of the Group, currently it is supposed that the beneficiaries would be circa 1,100 selected Group’s Key Managers & Talents considered as strategic for the achievement of the Group targets. On the basis of the criteria established by Shareholders’ Meeting, the Board of Directors will be delegated to identify the actual beneficiaries belonging to the categories described in the following bullets under this section 2.1.

2.1.1 Indication of the name of beneficiaries who are members of the board of directors of UniCredit and of the companies directly or indirectly controlled by UniCredit.

Mr. Alessandro Profumo, CEO of UniCredit, is amongst the beneficiaries of 2008 LTI Plan.

It is worth mentioning that certain beneficiaries of the 2008 LTI Plan - employees of the UniCredit Group - in addition to the exercise of their managing powers connected to their offices, held offices in Management Bodies of companies, directly or indirectly, controlled by UniCredit. In light of the fact that such individuals are amongst the beneficiaries of the 2008 LTI Plan in their capacity as employees of UniCredit Group, no information as to their names is provided hereto and reference shall be made to the information provided below.

2.1.2 Indication of the class of employees of UniCredit and of its parent companies or subsidiaries that benefit from the Plan.

The 2008 LTI Plan also applies to the following classes of employees of UniCredit and of the main bank and companies of the Group:

- Deputy CEOs of the Holding Company (3 people);
- Members of the Management Committee of the Holding Company (10 people defined as Senior Executive Vice Presidents);
- Beneficiaries that have a significant influence on the strategy of a Division / Competence Line / Department or otherwise on the results of a Legal Entity or of a business of great relevance (up to ca 90 people defined as Executive Vice Presidents);
- Selected beneficiaries belonging to the Group Management (up to ca 800 people);
- Selected Middle Managers/Professionals, who are regarded as key talents for the Group, particularly over the long term period (up to ca 200 people).

2.1.3 Individuals who conduct management activities indicated in the sect. 152-sexies, para. 1, lett. c)-c.2 in UniCredit who benefit from the Plan.

Among the beneficiaries of the 2008 LTI Plan there are also the following individuals who currently carry out management activities in UniCredit or who however have regular access to privileged information and are authorized to take resolutions capable of influencing the development and prospects of UniCredit is provided below:

- Mr. Sergio Ermotti;
- Mr. Paolo Fiorentino;
- Mr. Dario Frigerio;
- Mr. Erich Hampel;
- Mr. Ranieri de Marchis;
- Mr. Roberto Nicastro;
- Mr. Vittorio Ogliengo.

All the aforesaid individuals are Vice General Managers of the Group.

2.1.4 Individuals who conduct management activities in a company directly or indirectly controlled by UniCredit, if the book value of the participation in the subsidiary represents more than fifty per cent of UniCredit's assets as shown in its latest approved annual financial statements, as indicated in the sect. 152-sexies, para. 1, lett. c)-c.3

None of UniCredit subsidiaries meets the requirements set forth in Article 152-sexies, paragraph 1, lett. c)-c.3 of the Issuers Regulation; therefore no information is provided in connection thereto.

2.1.5 Individuals who control UniCredit, and who are employee or collaborator of UniCredit.

No individual controls UniCredit and, therefore, no information is provided in connection thereto.

2.1.6 Description and numeric information, divided by category:

- a) individuals who conduct management activities in UniCredit and of the managers who have regular access to privileged information and are authorized to take resolutions capable of influencing the development and prospects of UniCredit;
- b) other categories of employees or collaborators for which have been provided different characteristics of the plan (for instance, managers, officers, employees etc.);
- c) in the event that, with reference to stock options, are provided exercise prices different for the individuals contemplated under letter a) the name of such individuals shall be indicated separately.

Amongst the beneficiaries of the 2008 LTI Plan there are n. 7 executives of UniCredit who currently have regular access to privileged information and are authorized to take resolutions capable of influencing the development and prospects of UniCredit (already mentioned in section 2.1.3).

There are no classes of employees to which differential characteristics of the 2008 LTI Plan apply, or different strike prices with reference to the stock options.

2.2 THE REASONS FOR THE ADOPTION OF THE PLAN

2.2.1 The targets which the parties intend to reach through the adoption of the plan.

With the 2008 LTI Plan, UniCredit intends to focus the Key Managers of the Group, as described under section 2.1 above, on the achievement of the strategic objectives of the Group as it will be specified, in the quantitative terms, by the Board of Directors in line with the strategic plan (and any amendments thereto) approved by the same Board of Directors (the “Strategic Plan”), fostering the growth of the UniCredit share price, in a mid and long term perspective. Furthermore, the 2008 LTI Plan is aimed at aligning, in a long term perspective, the management of UniCredit and of the other companies of the Group with the interest of the shareholders and to foster the loyalty of the strategic resources, in order to facilitate the constant development of the Group.

It is specified that:

- with respect to the reasons and procedures on the basis of which UniCredit decided to link the incentive compensations under the 2008 LTI Plan with the other component of the overall compensation of the Key Managers, UniCredit adopted techniques aimed at identifying a relation between the incentive compensations and the overall compensation, in line either with the best international practice followed by companies operating in sectors similar to the one in which the Group operates and with the techniques followed by UniCredit in the definition of the previous employees incentive plans approved;
- with respect to the objectives followed thorough the 2008 LTI Plan, in addition to the above, the 2008 LTI Plan, particularly in light of the criteria that the Board of Directors must follow during the actual allocation of the *stock options* and *performance shares* to the Key Managers, is further aimed at promoting the growth of the competitiveness of the companies of the Group in the international markets and the creation of a compensation scheme which is competitive with respect to other players of the market and which, therefore, will allow fostering the loyalty of the strategic resources of the Group, as previously mentioned;
- the criteria to identify the duration of the 2008 LTI Plan, as better described below, reflects such aims.

It is specified that the decision to propose the 2008 LTI Plan has been taken on the basis of the consideration that, from a financial point of view, plans based on financial instruments reserved to employees, as the 2008 LTI Plan, are currently an advantage both for the issuer and for the beneficiaries.

In particular, for the issuer, this compensation scheme has relevant advantages, since it reduces the impact on the net revenues of the company and, at the same time, it has a positive impact on the share capital which, as in this case, will be increased in order to implement the 2008 LTI Plan.

2.2.2 Principal factors of variation and performance indexes taken into account for the assignment of plans based on financial instruments.

The key variables & performance indicators considered to define the 2008 LTI Plan, refer to mid and long-term strategic goals set forth in the Strategic Plan.

It is specified that a significant component of the 2008 LTI Plan is represented by *performance shares* which may be allocated to the beneficiaries subject to the achievement of the *performance* targets set forth by Board of Directors: the decision to assign the performance shares meets the need to link a significant component of the compensation of the beneficiaries to the effective achievement of the mid and long-term strategic goals set forth in the Strategic Plan. On this point, see section 2.2.3.

The 2008 LTI Plan does not provide for alternative allocation criteria of *stock options* or of *performance shares* amongst the beneficiaries of the 2008 LTI Plan, since the criteria specified in section 2.2.3 will regularly apply to all the beneficiaries described in section 2.1.

2.2.3 The factors assumed as basis for the determination of the compensation based upon financial instruments, or the criteria for the determination of the aforesaid compensation.

At this stage, the 2008 LTI Plan does not provide for an exact indication of the compensation based on *stock options* and on *performance shares* to be actually allocated to the beneficiaries. Rather, it merely fixes their maximum amount and provides for the criteria that the Board of Directors shall follow to define the actual number of beneficiaries as well as the actual number of *stock options* and *performance shares* to be allocated, in the resolutions, following the Shareholders' Meeting, which will give execution to the plan.

The following are the general criteria that the Board of Directors shall follow; the Board of Directors will be vested with the authority to better specify such criteria, also in economic and financial terms, in line with the mid and long-term objective of the Group:

- (i) Compliance with corporate values. The following factors will be taken into account: knowledge, sharing and interiorization of such values by the

- potential beneficiary and capacity to effectively apply such values in discharging his duties for the company of the Group;
- (ii) Relevance of the position held by the beneficiary. Attention will be given to the strategic impact of this individual to the results of the company of the Group where he works, taking into account the strategic objectives of the Strategic Plan for such company or for the specific unit where this individual works; attention will be given to the impact of this individual to the *governance* of the Group;
 - (iii) Need of retention. Attention will be given to the need for the Group to retain an highly talented individual who is particularly wanted from competitors of the Group;
 - (iv) Performance and potential. Attention will be given to the capacity of the individual to achieve the strategic goals, verifying the achieved results against the expected ones.

The Board of Directors in defining the performance targets to allocate the *performance shares*, shall comply with the criteria of the Strategic Plan related to the Group mid and long term objectives, identifying economic and financial objectives of prompt and easy reference. The Board of Directors shall make the verification of the achievement of such objectives at the end of the 3-year period of reference (2009-2011) of the *performance shares* as better described below.

The purpose of UniCredit to adopt the 2008 LTI Plan and the choice of the criteria for the determination of the actual number of *stock options* and of *performance shares* to be allocated to Key Managers are in line with the strategy adopted in recent years by the Group for maximizing the corporate value and for fostering the sense of belonging of the most strategic managers. In particular, the success of the incentives scheme adopted thus far determined the decision of UniCredit to maintain this strategy also for the 2008.

In such context, it is worthwhile mentioning that the criteria which the Board of Directors shall follow in determining the actual number of *stock options* and of *performance shares* to be allocated to Key Managers are in line with the best market practice adopted by companies operating in the same sector of UniCredit, and more in general of the Group, in the American market and in the main European markets.

2.2.4 The reasons justifying the decision to assign compensation plans based on financial instruments not issued by UniCredit, such as financial instruments issued by its subsidiaries, its parent companies or third parties; in the event the aforesaid financial instruments are not negotiated on regulated markets, the issuer shall provide information as to the criteria adopted for the calculation of the value attributable to such financial instruments.

The 2008 LTI Plan does not provide for the allocation of similar financial instruments.

2.2.5 The evaluations, with respect to the relevant tax and accounting implications, taken into account in the definition of the plans.

The 2008 LTI Plan has not been influenced by significant tax or accounting consideration. In particular, the price per each share that will be issued under the capital increase ancillary to the exercise to the option rights deriving from the *stock options*, as described in section 2.3, will take into account the tax regime of employment incomes applicable from time to time.

In addition to the above, the tax regime & the social security contribution applied to the *stock options* and to the shares granted will be compliant with the current regulations in the country where the beneficiary is tax resident.

2.2.6 The indication as to whether the plan enjoys any support from the special fund for encouraging worker participation in the companies, as provided for under Article 4, paragraph 112, of Law December, 24 2003 n. 350.

The 2008 LTI Plan is not currently supported by the special fund for encouraging worker participation in the companies, as provided for under sect. 4, paragraph 112, of Law December, 24 2003 n. 350.

2.3 PROCEDURE FOR THE ADOPTION OF THE PLAN AND TIMEFRAME FOR THE ASSIGNMENT OF THE FINANCIAL INSTRUMENTS

2.3.1 Powers delegated to the board of directors by the shareholders' meeting for the implementation of the plan.

The most efficient instrument for the execution of the 2008 LTI Plan has been identified in the granting to the Board of Directors, pursuant to sect. 2443 of the Civil Code, of the power to increase the share capital of UniCredit, in accordance with the terms and conditions illustrated in the Directors Report submitted to the Extraordinary Shareholders' Meeting convened on April, 28 2008.

On the basis of the powers delegated to it, the Board of Director will be entitled to resolve:

a) on one or more occasions for a maximum period of one year, to increase share capital, with the exclusion of rights, as allowed by section 2441.8 of the Italian Civil Code, for a maximum nominal amount of € 61,090,250 to service the exercise of stock options to subscribe to up to 122,180,500 UniCredit ordinary shares, to be reserved for the beneficiaries of the 2008 LTI Plan, which will be identified by the Board of Directors among the Key Managers as described in section 2.1 above;

b) on one or more occasions for a maximum period of five years, to carry out a free capital increase, as allowed by section 2349 of the Italian Civil Code, for a maximum nominal amount of € 12,439,750 corresponding to up to 24,879,500 UniCredit ordinary shares, to be granted as *performance shares* to the beneficiaries of the

2008 LTI Plan, which will be identified by the Board of Directors among the Key Managers as described in section 2 above.

With reference to the timeframe to assign the stock options & performance shares, see the following section 2.4.2.

2.3.2 Indication of the individuals in charge of the management of the plan, their powers authority.

The Organizational Unit “Global Compensation & Benefits” of the Holding is usually in charge for the management of the plans, including the 2008 LTI Plan, as well as of the definition of the Group’s compensation policy.

2.3.3 Procedures for the amendment of the plans, if any, also in connection with potential variation of the original targets.

No specific procedures for the amendment of the 2008 LTI Plan are provided for.

2.3.4 Description of the modalities for the determination of the availability and assignment of the financial instruments contemplated by the plan.

The 2008 LTI Plan provides that the assignment of *stock options* and the promise of *performance shares* must intervene within the month of May 2009.

As described in letter a) of section 2.3.1 above, for what it concerns the modalities provided for the availability of the ordinary shares which may be subscribed following the exercise of the assigned *stock options*, it is provided that the Board of Directors will be granted the authorization to resolve an increase in capital, to be carried out in one or more times within the maximum period of one year starting from the date of the Shareholders’ Meeting resolution, to service the exercise of *stock options* to be reserved to the beneficiaries of the 2008 LTI Plan, which will be identified by the Board of Directors among the Key Managers as described in section 2.1 above.

As described in letter b) of section 2.3.1 above, for what it concerns the *performance shares*, represented by ordinary shares, it is provided that the Board of Directors will be granted the authorization to resolve a free increase in capital - in one or more times within the maximum period of five years starting from the date of the Shareholders’ Meeting resolution - to be freely granted to the beneficiaries of the 2008 LTI Plan, as above identified.

2.3.5 The influence exercised by each director in the determination of the characteristics of the plans; the potential conflict of interest which may trigger the obligation for the relevant director to abstain from exercising his vote in the relevant resolution.

In the determination of the essential characteristics of the 2008 LTI Plan, as well as of the relevant criteria for the identification of the instruments under the 2008 LTI

Plan, the Board of Directors followed the guidelines and criteria elaborated by the Remuneration Committee of UniCredit.

Since the CEO of UniCredit is among the beneficiaries of the 2008 LTI Plan, the latter, pursuant to, and for the purposes of, sect. 2391 of the Civil Code, has duly informed either the other members of the Board of Directors, and the members of the Statutory Board of Auditors, of his relevant interest in the proposal of allocation of the 2008 LTI Plan, and further stated to have abstained from participating to the definition of criteria related to the 2008 LTI Plan.

In addition, upon voting of the proposal of allocation of the UniCredit Group Long Term Incentive Plan to the CEO of UniCredit, the CEO of UniCredit left the meeting so to permit the voting by the Board of Directors on the assignment of the *stock options* and on the promise of *performance shares* - on the basis of the proposal formulated by the President in line with the criteria defined by the Remuneration Committee of UniCredit - to be held in compliance with the provisions on conflict of interests of Directors set forth in the Civil Code.

2.3.6 The date on which the board of directors resolved upon the assignment of the financial instruments contemplated by the plan.

The Board of Directors on February, 19 2008 resolved upon the 2008 LTI Plan proposal to be submitted to the Shareholders' Meeting - Ordinary session of UniCredit called for April, 28 2008.

In execution of the powers received from the Extraordinary Shareholders' Meeting, the Board of Directors will resolve, on one or more occasions, the granting of the financial instruments on which the 2008 LTI Plan is based.

2.3.7 The date on which the remuneration committee resolved upon the Plan of UniCredit.

The Remuneration Committee, on February, 12 2008, positively resolved upon the criteria and the methodology elaborated for the definition of the 2008 LTI Plan, sharing the reasons and motivations thereof.

2.3.8 The market price of UniCredit ordinary shares, on the dates mentioned in points 2.3.6 and 2.3.7.

The market price of UniCredit ordinary shares, registered on the date of Board of Directors approval of 2008 LTI Plan proposal (February, 19 2008) and on the date of the decision made by the Remuneration Committee of UniCredit (February, 12 2008), resulted equal to € 4.904 and to € 4.726 respectively.

2.3.9 In which terms and modalities UniCredit takes into account, in the determination of the timeframe for the assignment of the plans, of the possible time-coincidence between:

- i) such assignment or the decision, if any, adopted thereon by the Remuneration Committee, and
- ii) the dissemination of relevant information, if any, pursuant to sect. 114, paragraph 1 of Legislative Decree 58/98; for instance, in cases in which such information is:
 - a. not already public and capable to positively affect the market quotation, or
 - b. already published and capable to negatively affect the market quotation.

In relation to the foregoing it is clarified that the resolution of the Board of Directors which approved the proposal to be submitted to the Shareholders' Meeting, has been communicated to the markets, in compliance with the current regulations. It is also clarified that analogous information to the market, if required, will be made available upon any other resolution adopted by the Board of Directors in execution of the 2008 LTI Plan.

Finally, it is worthwhile clarifying that, although all the resolutions adopted by the Board of Directors are subject to the prior positive opinion of the Remuneration Committee of UniCredit, the information to the market is given only after the relevant resolution of the Board of Directors.

2.4 THE CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ASSIGNED

2.4.1 Description of the compensation plan.

The 2008 LTI Plan provides that by May 2009 the Board of Directors resolves upon the assignment of the *stock options* and upon the promise of assignment of the *performance shares* to the beneficiaries pursuant to the resolution adopted by the Shareholders' Meeting of UniCredit.

The *stock options* will entitle the beneficiaries to subscribe UniCredit ordinary shares issued in connection with the capital increase described in section 2.3.1 letter a) above while the *performance shares* will be UniCredit ordinary shares issued in connection with the capital increase described in letter b) of the same section 2.3.1.

2.4.2 Indication of the time period for the implementation of the plan also indicating different cycles, if any, of its implementation.

The *stock options* provided for by the 2008 LTI Plan will be exercisable starting from the fourth anniversary following their granting, which must occur by May 2009. The overall exercise period will be 6 years starting from the aforesaid fourth anniversary. The Board of Directors must indicate the time period, comprised in the aforesaid timeframe, during which the *stock options* may be exercised as well as the

modalities for their exercise. In doing so the Board of Directors must comply with the criteria approved by the Shareholders' Meeting of UniCredit.

The *performance shares* provided for by the 2008 LTI Plan will be assigned by UniCredit in a one-time settlement in the financial year following the three-year performance period (2009/2011) taken as reference period. Therefore the *performance shares* will be assigned on 2012, conditional upon the Board of Directors verify of the achievement of the performance targets at the end of the last year of the three-year reference period.

2.4.3 The termination date of the plan

The 2008 LTI Plan must be implemented within May of the first anniversary of its approval by the Shareholders' Meeting of UniCredit (i.e., by May 2009). In case the Board of Directors resolves upon the assignment of the *stock options* and on the promise of the assignment of the *performance shares* in May 2009, the 2008 LTI Plan will lapse at the end of May 2019.

2.4.4 The overall maximum number of financial instruments, also in the form of options, assigned over any fiscal years with respect to the beneficiaries namely identified or identified by categories, as the case may be

The overall maximum number of *stock options* that the Board of Directors is authorised to assign within the powers granted by the Shareholders' Meeting of UniCredit is 112,180,500. The stock options will give the right to subscribe a corresponding number of ordinary shares of UniCredit.

The overall number of *performance shares* that the Board of Directors is authorised to assign within the powers granted by the Shareholders' Meeting of UniCredit is 24,879,500.

At this point in time it is not possible to determine the overall number of *stock options* and of *performance shares* assigned during each fiscal year of duration of the 2008 LTI Plan since their exact determination will be made by the Board of Directors on the basis of the criteria approved by the Shareholders' Meeting.

2.4.5 The procedures and clauses for the implementation of the plan, specifying whether the assignment of the financial instruments is subject to the satisfaction of certain specific conditions and, in particular, to the achievement of specific results, including performance targets; a description of the aforesaid conditions and results

On the basis of the criteria described in section 2.2.3 above, the 2008 LTI Plan does not provide for any conditions precedent for the assignment and exercise of the *stock options*. The assignment of the *performance shares*, is conditioned upon the achievement of Group performance targets set in the Strategic Plan and any amendments thereto approved by the Board of Directors at the end of the reference period indicated in section 2.4.2 above.

It is specified that the approval and the following modifications of the Strategic Plan by the Board of Directors, which economic & financial goals will be of prompt identification, will be communicated to the markets in compliance with the current regulations.

2.4.6 Indication of the restrictions on the availability of the financial instruments allocated under the plan or of the financial instruments relating to the exercise of the options, with particular reference to the time limits within which the subsequent transfer of the stocks to the issuer or third parties is permitted or prohibited

The 2008 LTI Plan contemplates that both the *stock options* and right to receive the *performance shares* are nominal titles and not transferable. Without prejudice to the foregoing, the ordinary shares acquired through the exercise of the stock options and the performance shares actually assigned are freely transferable.

2.4.7 Description of any condition subsequent to the plan in connection with the execution, by the beneficiaries, of hedging transactions aimed at preventing the effects of potential limits to the transfer of the financial instruments assigned there under, also in the form of options, as well as to the transfer of the financial instruments relating to the exercise of the aforesaid options

The 2008 LTI Plan does not provide for conditions subsequent of the type described above. However, in the resolution implementing the 2008 LTI Plan, the Board of Directors will have the option to provide for terms and conditions whereby the beneficiary will lose the right to exercise the *stock options* or to receive the *performance shares*.

2.4.8 Description of the consequences deriving from the termination of the employment or working relationship

The 2008 LTI Plan provide that, in the resolution implementing the 2008 LTI Plan, the Board of Directors will have the option to provide the termination of the employment or working relationship as an expire reason of the stock options and of the rights to receive performance shares.

2.4.9 The indication of any other provisions which may trigger the cancellation of the plan

The 2008 LTI Plan does not provide for any provision which may trigger its cancellation.

2.4.10 The reasons justifying the redemption, pursuant to sect. 2357 and followings of the Italian Civil Code, by UniCredit, of the financial instruments contemplated by the plan; the beneficiaries of such redemption, indicating whether the same is limited only to certain categories of employees; the consequences of the termination of the employment relationship with respect to such redemption rights

The 2008 LTI Plan does not provide for the redemption by UniCredit or by another Group company of either the *stock options* or the *performance shares*. Similarly no redemption of the ordinary shares subscribed through the exercise of the *stock options* is provided for in the 2008 LTI Plan.

2.4.11 The loans or other special terms that may be granted for the purchase of stocks pursuant to sect. 2358, paragraph 3, of the Italian Civil Code

The 2008 LTI Plan provides that the exercise of the *stock options*, given its high economic value, may be assisted, upon request of the beneficiary, by a temporary loan granted by a Bank of the Group under sect. 2358 of the Civil Code. The conditions applicable to the aforesaid loan will be determined by the Board of Directors at the time of the resolution concerning the granting of the *stock options*. Should the Board of Directors deem it appropriate, the loan will be subject to the provisions of sect. 136 of D.Lgs. 385/93.

2.4.12 The evaluation of the economic burden for UniCredit at date of the assignment of the plan, as determined on the basis of the terms and conditions already defined, with respect to the aggregate overall amount as well as with respect to each financial instrument contemplated by the plan

The evaluation of the expected economic burden for UniCredit deriving from the adoption of the 2008 LTI Plan as of the date of assignment of the *stock options* and as of the date of assignment of the *performance shares* is based on the IAS principles, taking into account the assumptions used for accounting purposes with respect to the expected exits of beneficiaries during the exercise period of the *stock options* or prior to the granting of the *performance shares* and to the probability of achievement or not-achievement of the performance targets necessary for the granting of *performance shares*.

On the basis of the aforesaid evaluation, the expected economic burden for UniCredit at the time of the entire assignment of the *stock options* and of the *performance shares* is equal to approximately Eur 112.782 million of which approximately Eur 50.605 million are the expected economic burden deriving from the granting of the *stock options* while the remaining Eur 62.176 million are the expected economic burden deriving from the granting of the *performance shares*.

Without prejudice to the foregoing, at this stage it is not possible to indicate the precise value of the economic burden expected during each year of validity of the 2008 LTI Plan, since the determination of the number of stock options and performance shares actually assigned is vested with the Board of Directors.

Nevertheless, the aforesaid overall economic burden, splitted across the years of vesting, in compliance with the applicable accounting principles, is in line with the allocation provisions set forth in the Strategic Plan and in the budget for year 2008 and consistent with costs of the previous plan adopted by UniCredit.

2.4.13 The indication of any dilution on the corporate capital of the issuer resulting from the compensation plan, if any.

It is highlighted that the maximum impact on UniCredit share capital deriving from the adoption of the 2008 LTI Plan, as determined assuming the granting of the maximum number of *stock options* and *performance shares* will be equal to 1.10% of the same, of which 0.91% deriving from the granting of the maximum number of *stock options* and 0.19% deriving from the granting of the maximum number of *performance shares*.

2.4.14 Any limitation to the voting and to the economic rights

The 2008 LTI Plan does not provide for any limitation to the voting or economic rights of the *performance shares* actually granted nor to the UniCredit ordinary shares deriving from the exercise of the *stock options*.

2.4.15 In the event the stocks are not negotiated on a regulated market, any and all information necessary for a complete evaluation of the value attributable to them

The 2008 LTI Plan provides only for the granting of stocks negotiated on regulated markets.

2.4.16 The number of financial instruments belonging to each option

The 2008 LTI Plan provides that each assigned *stock options* grants the right to subscribe one ordinary share of UniCredit.

2.4.17 The termination date of the options

The *stock options* assigned under the 2008 LTI Plan may be exercised for a maximum period of 6 years following the fourth anniversary of their assignment. Therefore, assuming that the *stock options* are assigned at the end of the period allowed for their granting (i.e., May 2009) the termination date for their exercise will be May 2019.

2.4.18 The modalities, time limits and clauses for the exercise of the options

With reference to the *stock options*, the 2008 LTI Plan provide that the modalities, time limits and clauses for the exercise of the options would be set by the Board of Directors in the resolution to execute the resolution of the Shareholders' meeting of UniCredit.

2.4.19 The strike price of the options or the criteria and modalities for its determination, with respect in particular to:

- a) the formula for the calculation of the exercise price in connection with the fair market value; and to**
- b) the modalities for the calculation of the market price assumed as basis for the calculation of the exercise price**

The strike price of the *stock options* will be determined by the Board of Directors in the resolution to execute the resolution of the Shareholders' meeting of UniCredit, as the arithmetic mean of the official market price of UniCredit's ordinary shares during the month preceding the Board of Directors' resolution approving the assignment of the *stock options*.

2.4.20 In case the strike price is different from the fair market value as determined pursuant to point 2.4.19.b, the indication of the reasons for such difference

On the basis of the criteria to be adopted by the Board of Directors pursuant to point 2.4.19 b) above, the strike price so determined represents the *fair market value* of UniCredit's ordinary shares as provided in sect. 9, paragraph 4 letter a) of D.P.R. December 22, 1986 No. 1917.

2.4.21 The criteria justifying differences in the exercise prices between the relevant beneficiaries or class of beneficiaries

The 2008 LTI Plan does not provide for different strike prices.

2.4.22 In the event the financial instruments underlying granted options are not negotiated on a regulated market, the indication of the value attributable to the same or of the criteria for its determination

The shares underlying the *stock options* are UniCredit's ordinary shares listed on the stock market of Milan, managed by Borsa Italiana S.p.A., and on the Frankfurt & Warsaw stock market.

2.4.23 The criteria for the adjustments required in connection with any extraordinary transaction involving the corporate capital of the issuer as well as in connection with transaction triggering a variation in the number of the financial instruments underlying granted options

The 2008 LTI Plan does not provide for adjustments applicable in connection with extraordinary transactions involving UniCredit corporate capital

3. ALL EMPLOYEE STOCK OWNERSHIP PLAN OF UNICREDIT GROUP (AESOP)

3.1 BENEFICIARIES OF THE PLAN

Considering that the Plan is addressed to all employees of UniCredit Group, the potential participants would be circa 180,000.

3.1.1 Indication of the name of beneficiaries who are members of the board of directors of UniCredit and of the companies directly or indirectly controlled by UniCredit.

Mr. Alessandro Profumo, CEO of UniCredit, is amongst the potential beneficiaries of AESOP Plan.

It is worth mentioning that certain beneficiaries of the AESOP Plan - employees of the UniCredit Group - in addition to the exercise of their managing powers connected to their offices, held offices in Management Bodies of companies, directly or indirectly, controlled by UniCredit. In light of the fact that such individuals are amongst the beneficiaries of the AESOP Plan in their capacity as employees of UniCredit Group, no information as to their names is provided hereto and reference shall be made to the information provided below.

3.1.2 Indication of the class of employees of UniCredit and of its parent companies or subsidiaries that benefit from the Plan.

The AESOP Plan also applies to the following classes of employees of UniCredit and of the main bank and companies of the Group:

- General Managers & Vice General Managers (or similar category in the different jurisdictions in which the Group operates) of UniCredit and of the main bank and companies of the Group.
- Executives (or similar category in the different jurisdictions in which the Group operates) of UniCredit and of the main bank and companies of the Group.
- Middle Managers (or similar category in the different jurisdictions in which the Group operates) of UniCredit and of the main bank and companies of the Group.
- Employees (or similar categories in the different jurisdictions in which the Group operates) of UniCredit and of the main bank and companies of the Group.

3.1.3 Individuals who conduct management activities indicated in the sect. 152-sexies, para. 1, lett. c)-c.2 in UniCredit who benefit from the Plan.

Among the potential beneficiaries of the AESOP Plan there are also the following individuals who currently carry out management activities in UniCredit or who however have regular access to privileged information and are authorized to take resolutions capable of influencing the development and prospects of UniCredit is provided below:

- Mr. Sergio Ermotti;

- Mr. Paolo Fiorentino;
- Mr. Dario Frigerio;
- Mr. Erich Hampel;
- Mr. Ranieri de Marchis;
- Mr. Roberto Nicastro;
- Mr. Vittorio Ogliengo.

All the aforesaid individuals are Vice General Managers of the Group.

3.1.4 Individuals who conduct management activities in a company directly or indirectly controlled by UniCredit, if the book value of the participation in the subsidiary represents more than fifty per cent of UniCredit's assets as shown in its latest approved annual financial statements, as indicated in the sect. 152-sexies, para. 1, lett. c)-c.3

None of UniCredit subsidiaries meets the requirements set forth in Article 152-sexies, paragraph 1, lett. c)-c.3 of the Issuers Regulation; therefore no information is provided in connection thereto.

3.1.5 Individuals who control UniCredit, and who are employee or collaborator of UniCredit.

No individual controls UniCredit and, therefore, no information is provided in connection thereto.

3.1.6 Description and numeric information, divided by category:

- a) individuals who conduct management activities in UniCredit and of the managers who have regular access to privileged information and are authorized to take resolutions capable of influencing the development and prospects of UniCredit;
- b) other categories of employees or collaborators for which have been provided different characteristics of the plan (for instance, managers, officers, employees etc.);
- c) in the event that, with reference to stock options, are provided exercise prices different for the individuals contemplated under letter a) the name of such individuals shall be indicated separately.

Amongst the beneficiaries of the AESOP Plan there are n. 7 executives of UniCredit who currently have regular access to privileged information and are authorized to take resolutions capable of influencing the development and prospects of UniCredit (already mentioned in section 3.1.3).

There are no classes of employees to which differential characteristics of the AESOP Plan apply, or different strike prices with reference to the stock options.

3.2 THE REASONS FOR THE ADOPTION OF THE PLAN

3.2.1 The targets which the parties intend to reach through the adoption of the plan.

With the AESOP Plan, UniCredit aims at providing all employees with a tangible sign of the Group success thus reinforcing the sense of belonging and the commitment to achieve the corporate goals.

In particular, the AESOP Plan aims at offering to all employees of the Group the possibility to invest in UniCredit shares at favourable conditions.

The decision to propose the adoption of the AESOP Plan has been taken on the basis of the consideration that, from a financial point of view, plans based on financial instruments reserved to employees, as the AESOP Plan, are currently an advantage both for the company who adopt the Plan and for the beneficiaries.

Furthermore, the AESOP Plan does not provide for alternative allocation criteria amongst the beneficiaries of the AESOP Plan, since the criteria specified in section 3.2.3 will regularly apply to all the beneficiaries described in section 3.1.

3.2.2 Principal factors of variation and performance indexes taken into account for the assignment of plans based on financial instruments.

Considering the goal of the AESOP Plan, no key variables & performance indicators have been considered.

3.2.3 The factors assumed as basis for the determination of the compensation based upon financial instruments, or the criteria for the determination of the aforesaid compensation.

At this stage, the AESOP Plan does not contain an exact indication of the compensation based on *free shares* to be actually allocated to the beneficiaries, rather it merely fixes the maximum amount they can invest.

The purpose of UniCredit to adopt the AESOP Plan is in line with the strategy adopted in recent years by the Group for maximizing the corporate value and for fostering the sense of belonging and the commitment to achieve the corporate goals of all employees.

3.2.4 The reasons justifying the decision to assign compensation plans based on financial instruments not issued by UniCredit, such as financial instruments issued by its subsidiaries, its parent companies or third parties; in the event the aforesaid financial instruments are not negotiated on regulated markets, the issuer shall provide information as to the criteria adopted for the calculation of the value attributable to such financial instruments.

The AESOP Plan does not contemplate the allocation of similar financial instruments.

3.2.5 The evaluations, with respect to the relevant tax and accounting implications, taken into account in the definition of the plans.

The AESOP Plan has not been influenced by significant tax or accounting consideration. In particular, it is specified that it will be taken into account the tax regime of employment incomes applicable from time to time in the country where each beneficiary has his/her residency: in Italy, the plan structure is qualified for the current favourable tax treatment provided for all employees share ownership plans (Article 51 TUIR).

3.2.6 The indication as to whether the plan enjoys any support from the special fund for encouraging worker participation in the companies, as provided for under Article 4, paragraph 112, of Law December, 24 2003 n. 350.

The AESOP Plan is not currently supported by the special fund for encouraging worker participation in the companies, as provided for under sect. 4, paragraph 112, of Law December, 24 2003 n. 350.

3.3 PROCEDURE FOR THE ADOPTION OF THE PLAN AND TIMEFRAME FOR THE ASSIGNMENT OF THE FINANCIAL INSTRUMENTS

3.3.1 Powers delegated to the board of directors by the shareholders' meeting for the implementation of the plan.

The Board of Directors, on March, 12 2008, has approved the AESOP proposal to be submitted to the Shareholders' Meeting - Ordinary session of UniCredit called for April, 28 2008.

3.3.2 Indication of the individuals in charge of the management of the plan, their powers authority.

The Organizational Unit "Global Compensation & Benefits" of the Holding is usually in charge for the management of the plans, including the AESOP Plan, as well as of the definition of the Group's compensation policy.

3.3.3 Procedures for the amendment of the plans, if any, also in connection with potential variation of the original targets.

No specific procedures for the amendment of the AESOP Plan are provided for.

3.3.4 Description of the modalities for the determination of the availability and assignment of the financial instruments contemplated by the plan.

The AESOP Plan provides for the following phases:

- (a) Election period: from September 2008 to December 2008 employees will have the opportunity to join the Plan on a voluntary basis, choosing the overall amount that they want to invest, which will be a percentage up to a maximum contribution of 10% of their annual net base salary with a cap of € 20,000 per annum;
- (b) Enrolment period: from January 2009 to December 2009 the participants will accumulate the amount they want to invest by means of monthly payroll deductions and/or in one time settlement for the overall amount. Those amounts will be deposited in an account providing interests and the overall amount will be invested by the purchasing of UniCredit shares (“purchased” shares). During this enrolment period the participants will have the possibility of leaving the program (receiving back the amounts deposited) only in specific circumstances stated in the Plan (for example: resignation, death, illness, disability);
- (c) “Discount” share: at the end of the enrolment period (January 2010), each participant will receive a free share every 20 shares purchased; all acquired shares (“purchased” shares and “discount” shares) will be locked up for three years, during which the dividends will be paid to the participants;
- (d) “Matching share”: furthermore, also at the end of the enrolment period, the participant will receive another free restricted share every 5 shares acquired; also this free share will be subject to lock-up for the next three years but, differently from the “discount” share, the participant will lose the ownership of the “matching” share if, during the 3-year restriction period, he/she will no longer be an employee of a UniCredit Group Company unless the employment has been terminated for one of the specific reasons stated by the Plan (for example: death, illness, disability, retirement);
- (e) Restriction period: during the restriction period (from January 2010 to January 2013), the participants can exit the program (by selling the “purchased” shares) only under the special circumstances stated in the Plan (i.e. death, illness, disability, first house purchasing), but they will lose the “matching” shares.

The AESOP provides for the use of shares to be purchased on the market. Therefore, the Holding Company will solicit all employees of Group Companies to acquire UniCredit shares on the market - by means of a broker internal or external to the Group, that will be identified in the execution stage of the AESOP Plan - so that UniCredit does not acquire at any time their ownership and to the effect that the provisions (and restrictions) related to own “treasury shares” as at sect. 2357 and following of Civil Code are not applicable. To that end, the Group employees who decide to accept to join the AESOP, will give a mandate to the above mentioned broker to acquire the shares and to deposit them in an account opened in their name.

3.3.5 The influence exercised by each director in the determination of the characteristics of the plans; the potential conflict of interest which may trigger the obligation for the relevant director to abstain from exercising his vote in the relevant resolution.

In the determination of the essential characteristics of the AESOP Plan, the Board of Directors followed the guidelines and criteria elaborated by the Remuneration Committee of UniCredit.

Since the CEO of UniCredit is among the potential beneficiaries of the 2008 LTI Plan, the latter, pursuant to, and for the purposes of, sect. 2391 of the Civil Code, has duly informed either the other members of the Board of Directors, and the members of the Statutory Board of Auditors, of his relevant interest in the proposal of assignation of the AESOP Plan.

3.3.6 The date on which the board of directors resolved upon the assignment of the financial instruments contemplated by the plan.

The Board of Directors on March, 12 2008 resolved upon the AESOP Plan proposal to be submitted to the Shareholders' Meeting - Ordinary session of UniCredit called for April, 28 2008.

3.3.7 The date on which the remuneration committee resolved upon the Plan of UniCredit.

The Remuneration Committee, on March, 3 2008, positively resolved upon the criteria and the methodology elaborated for the definition of the AESOP Plan, sharing the reasons and motivations thereof.

3.3.8 The market price of UniCredit ordinary shares, on the dates mentioned in points 3.3.6 and 3.3.7.

The market price of UniCredit ordinary shares, registered on the date of Board of Directors approval of AESOP Plan proposal (March, 12 2008) and on the date of the decision made by the Remuneration Committee of UniCredit (March, 3 2008), resulted equal to € 4.800 and to € 4.810 respectively.

3.3.9 In which terms and modalities UniCredit takes into account, in the determination of the timeframe for the assignment of the plans, of the possible time-coincidence between:

- i) such assignment or the decision, if any, adopted thereon by the Remuneration Committee, and
- ii) the dissemination of relevant information, if any, pursuant to sect. 114, paragraph 1 of Legislative Decree 58/98; for instance, in cases in which such information is:
 - a. not already public and capable to positively affect the market quotation,
or
 - b. already published and capable to negatively affect the market quotation.

In relation to the foregoing it is clarified that the resolution of the Board of Directors of March, 12 2008 which approved the proposal to be submitted to the Shareholders' Meeting, has been communicated to the markets, in compliance with the current regulations. It is also clarified that analogous information to the market, if required, will be made available upon any other following resolution adopted by the Board of Directors of the AESOP Plan.

It is worthwhile clarifying that, although all the resolutions adopted by the Board of Directors are subject to the prior positive opinion of the Remuneration Committee of UniCredit, the information to the market is given only after the relevant resolution of the Board of Directors.

Finally, it is clarified that, with reference to the execution of the AESOP Plan, it will be given information to the market in compliance with the current regulations.

3.4 THE CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ASSIGNED

3.4.1 Description of the compensation plan.

The Plan provides for the offer to all employees of Group companies of the possibility to buy on the market UniCredit shares with the following advantages: (i) 5% discount on purchase price, considering that the discount will be effected through the offer of one free share every twenty purchased by participants at market price and (ii) additional offer of another one free restricted share every five shares bought at discount, whose ownership by the participant will be conditioned to the retention of the status of employee of a UniCredit Group company until the expiry of a 3-year restriction period, with the exception of termination for reasons specifically provided for by the Plan (for example: death, illness, disability, retirement).

3.4.2 Indication of the time period for the implementation of the plan also indicating different cycles, if any, of its implementation.

The AESOP Plan will last from January 2009 to January 2013 accordingly to the criteria specified in section 3.3.4.

3.4.3 The termination date of the plan

The AESOP Plan will lapse at January 2013.

3.4.4 The overall maximum number of financial instruments, also in the form of options, assigned over any fiscal years with respect to the beneficiaries namely identified or identified by categories, as the case may be

At this stage it is not possible to determine the overall number of shares that will be purchased or assigned with reference to the AESOP Plan - in one time settlement in January 2010 - since their exact determination is conditioned to the employees' participation & contribution rates and share price at the purchasing date.

3.4.5 The procedures and clauses for the implementation of the plan, specifying whether the assignment of the financial instruments is subject to the satisfaction of certain specific conditions and, in particular, to the achievement of specific results, including performance targets; a description of the aforesaid conditions and results

The AESOP Plan features & implementation clauses are described in the section 3.3.4 above. The execution of the AESOP Plan it is not conditioned to the achievement of any result/performance.

3.4.6 Indication of the restrictions on the availability of the financial instruments allocated under the plan or of the financial instruments relating to the exercise of the options, with particular reference to the time limits within which the subsequent transfer of the stocks to the issuer or third parties is permitted or prohibited

All the shares acquired through the AESOP Plan are locked up for three years, during which the dividends will be paid to the participants. The participant will lose the ownership of the “matching” share if, during the 3-year restriction period, he/she will no longer be an employee of a UniCredit Group Company unless the employment has been terminated for one of the specific reasons stated by the Plan

3.4.7 Description of any condition subsequent to the plan in connection with the execution, by the beneficiaries, of hedging transactions aimed at preventing the effects of potential limits to the transfer of the financial instruments assigned there under, also in the form of options, as well as to the transfer of the financial instruments relating to the exercise of the aforesaid options

The AESOP Plan does not provide for conditions subsequent of the type described above.

3.4.8 Description of the consequences deriving from the termination of the employment or working relationship

Before the communication of the AESOP Plan to the employees, it will be defined the expiry reasons for the participants of the rights to receive the “matching shares” at the end of the 3-year restriction period.

3.4.9 The indication of any other provisions which may trigger the cancellation of the plan

The AESOP Plan does not provide for any provision which may trigger its cancellation.

3.4.10 The reasons justifying the redemption, pursuant to sect. 2357 and followings of the Italian Civil Code, by UniCredit, of the financial instruments contemplated by the plan; the beneficiaries of such redemption, indicating whether the same is limited only to certain categories of employees; the

consequences of the termination of the employment relationship with respect to such redemption rights

The AESOP Plan does not provide for the redemption by UniCredit or by another Group company.

3.4.11 The loans or other special terms that may be granted for the purchase of stocks pursuant to sect. 2358, paragraph 3, of the Italian Civil Code

At this stage, the AESOP Plan does not provide for a loan or other special terms for the purchase of the shares.

3.4.12 The evaluation of the economic burden for UniCredit at date of the assignment of the plan, as determined on the basis of the terms and conditions already defined, with respect to the aggregate overall amount as well as with respect to each financial instrument contemplated by the plan

At this stage, it is not possible to evaluate the exact economic burden for UniCredit deriving from the adoption of the AESOP Plan, as of this burden is affected by the overall participation & contribution rates of UniCredit Group employees.

The estimated cost for the offer of the free shares received by participants is about € 34.6 millions, under the hypothesis of an expected participation rate of Group employees equal to 38%, with an employees' contribution at maximum rate of 10% of the net salary. That cost, to be spread over the 4 years in which the AESOP extends (from January 2009 to January 2013), would increase in case of a higher participation rate (up to € 72 million considering a theoretical participation of 80% of employees) and it does not include the implementation, management and administration costs of the Plan expected to be around € 1.5 million.

3.4.13 The indication of any dilution on the corporate capital of the issuer resulting from the compensation plan, if any.

Considering the use of shares to be purchased in the market, the adoption of the Plan will not have any diluting impact on UniCredit share capital.

3.4.14 Any limitation to the voting and to the economic rights

The AESOP Plan does not provide for any limitation to the voting or economic rights for both the "purchased" shares & the "discount" shares. The economic rights are suspended for the "matching" shares, because that the participants will receive the dividends of those shares only at the end of the 3-year restriction period if, during this period, he/she will no longer be an employee of a UniCredit Group Company unless the employment has been terminated for one of the specific reasons stated by the Plan.

3.4.15 In the event the stocks are not negotiated on a regulated market, any and all information necessary for a complete evaluation of the value attributable to them

The AESOP Plan provides only for the use of shares negotiated on regulated markets.