

One Bank, One UniCredit.

3. Amendments to the clause 6 article of Association for adjustment to Incentive Plans

Directors' Report

2019

Ordinary and Extraordinary Shareholders' Meeting

Amendments to the clause 6 article of Association for adjustment to Incentive Plans

3. Amendments to the clause 6 of the Articles of Association

Dear Shareholders,

we have called you in the Shareholders' Meeting in extraordinary session to submit for your approval the following proposals to amend the clause 6 of the Articles of Association necessary to make it consistent with the actual state of implementation of previous incentive plans as well, through:

- the elimination of paragraph 1 (regarding the 2005 stock option plan, which ceased to have any effect in 2018);
- the elimination of paragraph 3 (regarding the 2008 stock option plan, which ceased to have any effect in 2018);
- the amendment of paragraphs 4, 5 and 6, in relation to the depletion of the 2005 and 2008 Stock Option Plans and the consequent elimination of paragraphs 1 and 3;
- the elimination of paragraph 7 (regarding the 2012 Group Incentive System, which ceased to have any effect in 2017);
- the elimination of paragraph 8 (regarding the 2013 Group Incentive System, which ceased to have any effect in 2018);
- subsequent renumbering of the paragraphs 2, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15 and 16 (the latter related to the 2019 Group Incentive System, subject to today's Annual General Meeting approval), respectively in 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12;

as set forth below::

TEXT IN FORCE	DRAFT AMENDMENT
SECTION III Regarding share capital and shares	SECTION III Regarding share capital and shares
Clause 6 <i>1. In partial exercise of powers conferred by the Extraordinary Shareholders' Meeting held on May</i>	Clause 6 <i>1. In partial exercise of powers conferred by the Extraordinary Shareholders' Meeting held on May</i>

<p>4, 2004 pursuant to Article 2443 of the Italian Civil Code, the Board of Directors passed a resolution on November 18, 2005 to increase capital by a maximum amount of Euro 20,815,000 corresponding to a maximum number of 41,630,000 ordinary shares of Euro 0.50 each, to be used to exercise a corresponding number of subscription rights reserved for the Executive Personnel of UniCredit S.p.A. and the other Group Banks and Companies who hold positions which are significant in terms of achieving the overall objectives of the Group. The aforementioned rights can be exercised from 2009 until 2018 according to the criteria and in the periods identified by the Board of Directors.</p> <p>2. unchanged.</p> <p>3. The Board of Directors, in partial exercise of the powers received, as per Article 2443 of the Italian Civil Code, from the Extraordinary Shareholders' Meeting of May 8, 2008, resolved on June 25, 2008 to increase the share capital of a maximum nominal amount of Euro 39,097,923 corresponding to a maximum number of 78,195,846 ordinary shares with a value of Euro 0.50 each, at the service of the exercise of a corresponding number of subscription rights to be granted to the Management of UniCredit S.p.A., as well as of the other Banks and companies of the Group, who hold positions considered highly relevant for the attainment of the overall Group targets. The aforementioned rights can be exercised from 2012 until 2018 according to the criteria and within the periods identified by the Board of Directors.</p> <p>4. Capital increases resolved under the compensation policy, as provided for by the paragraphs above, are increased by an additional amount of no more than i) Euro 29,522,571 corresponding to no more than 5,904,514</p>	<p>4, 2004 pursuant to Article 2443 of the Italian Civil Code, the Board of Directors passed a resolution on November 18, 2005 to increase capital by a maximum amount of Euro 20,815,000 corresponding to a maximum number of 41,630,000 ordinary shares of Euro 0.50 each, to be used to exercise a corresponding number of subscription rights reserved for the Executive Personnel of UniCredit S.p.A. and the other Group Banks and Companies who hold positions which are significant in terms of achieving the overall objectives of the Group. The aforementioned rights can be exercised from 2009 until 2018 according to the criteria and in the periods identified by the Board of Directors.</p> <p>2. unchanged, but renumbered in 1</p> <p>3. The Board of Directors, in partial exercise of the powers received, as per Article 2443 of the Italian Civil Code, from the Extraordinary Shareholders' Meeting of May 8, 2008, resolved on June 25, 2008 to increase the share capital of a maximum nominal amount of Euro 39,097,923 corresponding to a maximum number of 78,195,846 ordinary shares with a value of Euro 0.50 each, at the service of the exercise of a corresponding number of subscription rights to be granted to the Management of UniCredit S.p.A., as well as of the other Banks and companies of the Group, who hold positions considered highly relevant for the attainment of the overall Group targets. The aforementioned rights can be exercised from 2012 until 2018 according to the criteria and within the periods identified by the Board of Directors.</p> <p>Renumbered in 2</p> <p>2. Capital increase resolved under the compensation policy, as provided for by the paragraph above, is increased by an additional amount of no more than i) Euro 4,307,140</p>
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<p><i>ordinary share following the application of the AIAF adjustment factors as a consequence of the capital transaction</i></p> <p><i>resolved on by the Extraordinary Shareholders' Meeting on November 16, 2009 and, taken into account the conversion into stock resolved by the Extraordinary Shareholders' Meeting on December 15, 2011 and executed on December 27, 2011, of the operation on capital resolved by the Extraordinary Shareholders' Meeting on December 15, 2011 and ii) Euro 47,019,850.00 corresponding to no more than 940.397 ordinary share following the application of the AIAF adjustment factors, taken into account the reverse split approved by the Extraordinary Shareholders' on January 12, 2017 and executed on January 23, 2017, as a consequence of the capital transaction resolved by the Extraordinary Shareholders' Meeting on January 12, 2017.</i></p> <p><i>5. Once the time periods for the capital increases resolved on through incentive/compensation plans have expired, the share capital shall be deemed to have increased by the amount subscribed as of the respective dates indicated therein.</i></p> <p><i>6. The reverse split approved by the Extraordinary Shareholders' Meeting on December 15, 2011 and executed on December 27, 2011 and the reverse split approved by the Extraordinary Shareholders' on January 12, 2017 and executed on January 23, 2017 should be taken into account when determining the maximum amount of shares to be issued in any capital increases carried out pursuant to the preceding paragraphs and for the purpose of the execution of the incentive plans from time to time approved by the Company, without prejudice to the maximum aggregate amount set for those increases.</i></p>	<p><i>corresponding to no more than 861.428 ordinary share following the application of the AIAF adjustment factors as a consequence of the capital transaction</i></p> <p><i>resolved on by the Extraordinary Shareholders' Meeting on November 16, 2009 and, taken into account the conversion into stock resolved by the Extraordinary Shareholders' Meeting on December 15, 2011 and executed on December 27, 2011, of the operation on capital resolved by the Extraordinary Shareholders' Meeting on December 15, 2011 and ii) Euro 2,445,550 corresponding to no more than 48.911 ordinary share following the application of the AIAF adjustment factors, taken into account the reverse split approved by the Extraordinary Shareholders' on January 12, 2017 and executed on January 23, 2017, as a consequence of the capital transaction resolved by the Extraordinary Shareholders' Meeting on January 12, 2017.</i></p> <p><i>Renumbered in 3</i></p> <p><i>3. Once the time period for the capital increase resolved on through incentive/compensation plan has expired, the share capital shall be deemed to have increased by the amount subscribed.</i></p> <p><i>Renumbered in 4</i></p> <p><i>4. The reverse split approved by the Extraordinary Shareholders' Meeting on December 15, 2011 and executed on December 27, 2011 and the reverse split approved by the Extraordinary Shareholders' on January 12, 2017 and executed on January 23, 2017 should be taken into account when determining the maximum amount of shares to be issued in the capital increase carried out pursuant to the preceding paragraphs and for the purpose of the execution of the incentive plan approved by the Company, without prejudice to the maximum aggregate amount set</i></p>
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<p>7. 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 May 11, 2012, to carry out a free capital increase, as allowed by Article 2349 of the Italian Civil Code, for a maximum amount of Euro 202,603,978.15 corresponding to up to 59,700,000 ordinary shares, to be granted to employees of UniCredit S.p.A. and of Group banks and companies who hold positions of particular importance for the purposes of achieving the Group's overall objectives.</p> <p>8. 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 May 11, 2013, to carry out a free capital increase, as allowed by Article 2349 of the Italian Civil Code, for a maximum amount of Euro 143,214,140.73 corresponding to up to 42,200,000 ordinary shares, to be granted to employees of UniCredit S.p.A. 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 2013 Group Incentive System.</p> <p>9. unchanged.</p> <p>10. unchanged.</p> <p>11. unchanged.</p> <p>12. unchanged.</p> <p>13. unchanged.</p> <p>14. unchanged.</p> <p>15. unchanged.</p> <p>16. unchanged.</p>	<p>for this increase.</p> <p>7. 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 May 11, 2012, to carry out a free capital increase, as allowed by Article 2349 of the Italian Civil Code, for a maximum amount of Euro 202,603,978.15 corresponding to up to 59,700,000 ordinary shares, to be granted to employees of UniCredit S.p.A. and of Group banks and companies who hold positions of particular importance for the purposes of achieving the Group's overall objectives.</p> <p>8. 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 May 11, 2013, to carry out a free capital increase, as allowed by Article 2349 of the Italian Civil Code, for a maximum amount of Euro 143,214,140.73 corresponding to up to 42,200,000 ordinary shares, to be granted to employees of UniCredit S.p.A. 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 2013 Group Incentive System.</p> <p>9. unchanged, but renumbered in 5</p> <p>10. unchanged, but renumbered in 6</p> <p>11. unchanged, but renumbered in 7</p> <p>12. unchanged, but renumbered in 8</p> <p>13. unchanged, but renumbered in 9</p> <p>14. unchanged, but renumbered in 10</p> <p>15. unchanged, but renumbered in 11</p> <p>16. unchanged, but renumbered in 12.</p>
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The amendments to Association of UniCredit submitted to the approval of the today UniCredit Shareholders' Meeting – which do not trigger the right of withdrawal of the ordinary and savings 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.

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Dear Shareholders,

you are invited to approve the following resolution:

“Having heard the directors' report, the extraordinary shareholders' meeting of UniCredit S.p.A,

RESOLVES

- to eliminate paragraphs 1 and 3 of clause 6;
- to amend the paragraphs 4, 5 and 6 of clause 6, in relation to the depletion of the 2005 and 2008 Stock Option Plans and the consequent elimination of paragraphs 1 and 3;
- to eliminate paragraphs 7 and 8 of clause 6;
- to renumber accordingly the paragraphs 2, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15 and 16 (the latter related to the 2019 Group Incentive System, subject to today Annual General Meeting approval), respectively in 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12;
- to confer to the Chairman, to the Chief Executive Officer and to the Head of Group Human Capital, 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 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 Article of Association updated as aforementioned.”