

# **Ordinary and Extraordinary Shareholders' Meeting 11<sup>th</sup> May 2012**

- **Directors' Reports and proposals concerning the items on the agenda**

# **AGENDA**

## **Ordinary Part**

1. Approval of the UniCredit S.p.A. financial statement as at December 31 2011, accompanied by the Reports of the Directors and of the Auditing Company; Board of Statutory Auditors Report. Presentation of the consolidated financial statement;
2. Allocation of the UniCredit S.p.A. operating result of the year;
3. Approval of the UniCredit Real Estate S.c.p.A. financial statement as at December 31 2011;
4. Allotment of the UniCredit Real Estate S.c.p.A. active management surplus;
5. Approval of the Medioinvest S.r.l. financial statement as at December 31 2011;
6. Deferment to a new financial year of the Medioinvest S.r.l. loss;
7. Appointment of the Directors, after deciding their number, together with the determination on the length of their office;
8. Authorization for competing activities pursuant to sec. 2390 of the Italian Civil Code;
9. Determination, in accordance with clause 26 of the Articles of Association, of the remuneration due to the Directors for the activities they carry out within the Board of Directors, the Board Committees and other bodies in existence within the Company, for each year in office;
10. Insurance policy to counteract the civil liability of the UniCredit Directors and Statutory Auditors; inherent and consequent resolutions;
11. Assignment of the audit services mandate required by law for UniCredit S.p.A. financial statements for fiscal years 2013-2021;
12. 2012 Group Compensation Policy;
13. 2012 Group Incentive System;
14. 2012 UniCredit Group Employee Share Ownership Plan;

## **Extraordinary part**

1. Amendments to clauses 20, 29 and 30 of the Articles of Association;
2. Delegation to the Board of Directors, under the provisions of sec. 2443 of the Italian Civil Code, of the authority to resolve, on one or more occasions for a maximum period of five years starting from the date of the shareholders' resolution, to carry out a free capital increase, as allowed by sec. 2349 of the Italian Civil Code, for a maximum amount of € 202,603,978.15 corresponding to up to 59,700,000 UniCredit ordinary shares, to be granted to the personnel of the Holding Company and of Group banks and companies, who hold positions of particular importance for the purposes of achieving the Group's overall objectives; consequent amendments to the Articles of Association.

### **Nota:**

- The documentation relating to points no. 11, 12, 13 and 14 on the agenda of the Shareholders' Meeting in ordinary session as well as no. 1 and 2 on the agenda of the Shareholders' Meeting in extraordinary session will be available within April 11, 2012;
- The documentation relating to the financial statement as at December 31, 2011, of UniCredit S.p.A., UniCredit Real Estate S.c.p.A. and Medioinvest S.r.l., the consolidated financial statement and the Report on Corporate Governance and ownership structures of UniCredit concerning the 2011 financial year, drawn up as envisaged by article 123-bis of Legislative Decree no. 58/98, will be available by April 19th 2012.

## DIRECTORS' REPORT

- a) **Appointment of the Directors, after deciding their number, together with the determination on the length of their office**
- b) **Authorisation for competing activities pursuant to Section 2390 of the Italian Civil Code**
- c) **Determination, in accordance with clause 26 of the Articles of Association, of the remuneration due to the Directors for the activities they carry out within the Board of Directors, the Board Committees and other bodies in existence within the Company, for each year in office**

Dear Shareholders,

One of the reasons for calling this Ordinary Shareholders' Meeting of UniCredit S.p.A. (the “**Company**” or “**UniCredit**”) was so that you can decide on which Directors to appoint, once the number of Board members has been set, and the duration of their term in office. Moreover, you are also being asked to authorise, pursuant to Section 2390 of the Italian Civil Code, the Directors to engage in competing activities and to define the remuneration due to the Directors, including for the work they do on the Board committees and other Company bodies.

The sections below provide details of the proposals that you are being asked to approve.

- a) **Appointment of the Directors, after deciding their number, together with the determination on the length of their office**

Since the current term in office for the Board of Directors ends with the approval of the 2011 financial statements, you are being asked to approve the appointment of the new Board of Directors.

Clause 20 of the Articles of Association establishes that UniCredit's Board of Directors shall be composed of between 9 (nine) and 24 (twenty four) members and the term in office shall be three operating years, except where a shorter term is decided upon at the time of appointment.

Furthermore, in accordance with the self-same Clause 20 of the Articles of Association and in compliance with current laws and regulations, the appointment of the Board of Directors is done on the basis of lists submitted by legitimate parties that represent, either individually or collectively, at least 0.5% of the share capital in the form of ordinary shares with voting rights at Ordinary Shareholders' Meetings. Each legitimate party may submit or contribute to the submission of only one list, and similarly, each candidate may only be included on one list, on penalty of ineligibility.

These lists must, under penalty of invalidation, be filed at UniCredit S.p.A.'s registered office or head office no later than the twenty-fifth day prior to the date of the Shareholders' Meeting, together with the other information and documents required pursuant to the laws in force and the Articles of Association.

The Board of Directors, with the support of the Corporate Governance, HR & Nomination Committee, has also defined both the qualitative and quantitative profile that the Directors of UniCredit should ideally meet, in addition to the current requirements established by law and regulation, to ensure the proper functioning of the Board. Moreover, the drafting of this profile is in line with what is set out in the Corporate

Governance Code issued by Borsa Italiana and the supervisory provisions issued by the Bank of Italy on the corporate governance and organisation of banks as well as the subsequent implementing provisions on corporate governance and organisation issued on 11 January 2012.

As you are no doubt aware, on March 20 2012 UniCredit made public and, more specifically, informed shareholders about the above, by means of the publication on the Company's internet site of the document "Qualitative and quantitative composition of the UniCredit S.p.A. Board of Directors", also enclosed to this Report. In such way the Shareholders have been allowed to chose the candidates to propose in time, taking into account the optimal composition of the Board, as determined by the same, and the required professional competences, giving the reasons for possible discrepancies vis-à-vis the analyses carried out by the Board .In the same vein, while the laws governing gender equality on the corporate bodies of listed companies (Law no. 120 of 12 July 2011, the so-called "gender-equality laws") and the provisions on the independence of directors in the Corporate Governance Code for Listed Companies (as updated in December 2011) shall only come into force after the appointment of the Board of Directors has been approved by today's Meeting, the Board believed that it was advisable to already take them into account when defining the qualitative and quantitative profile for the Board of your Company.

Finally, in compliance with the aforementioned regulations, UniCredit's Board of Directors has also defined the number of offices in supervisory, managerial and controlling bodies that UniCredit Directors can hold in companies not belonging to the UniCredit Group.

**b) Authorisation for competing activities pursuant to Section 2390 of the Italian Civil Code**

Since today's Shareholders' Meeting is appointing the Directors, it also needs to decide on whether the Directors of UniCredit S.p.A. can undertake competing activities pursuant to Section 2390 of the Italian Civil Code.

The law in question sets out that Directors may not become partners with unlimited liability in competitor companies, carry out competing activities on their own account or that of third parties or take up the office of director or general manager in competitor companies, unless they have been so authorised by the Shareholders' Meeting. Failure to comply with this law can result in the Director being removed from office and being liable for any damages. In accordance with the Corporate Governance Code for Listed Companies, the Board of Directors - in cases where the Shareholders' Meeting has granted general, prior approval for exceptions to the ban on competing activities established by the aforementioned legislation - must examine any problematic cases that might arise following appointment, informing the Shareholders' Meeting of any critical issues.

This does not change the application of Article 36 of Decree Law no. 201 of 6 December 2011, as amended and ratified by Law no. 214 of 22 December 2011, which bans those people who hold office in managerial, supervisory or controlling bodies and executives at companies or groups operating in the credit, insurance and financial markets from holding or performing similar roles in competing companies or groups. This does not change the right of such people to choose, within 90 days of appointment, which office to hold.

**c) Determination, in accordance with clause 26 of the Articles of Association, of the remuneration due to the Directors for the activities they carry out within the Board of Directors, the Board Committees and other bodies in existence within the Company, for each year in office**

Since this Ordinary Shareholders' Meeting is deciding on the appointment of the Board of Directors, it has also been called to determine the remuneration due to the Directors, including for the work they do on the Board committees and other Company bodies.

It should be recalled that the Ordinary Shareholders' Meeting on 29 April 2009 resolved, for the term of the office that has just finished, to grant that Board of Directors, following its appointment in equivalent circumstances, a total of € 3,200,000 for each year in office, including € 1,315,000 for members of Board Committees in addition to an attendance fee of € 400 for every Board or Committee meeting attended. At that time, the Meeting also set the remuneration for the Chairman of the Supervisory Body pursuant to Legislative Decree no. 231/01 at € 25,000, although this amount was later increased to € 40,000 with a resolution passed by the Ordinary Shareholders' Meeting on 22 April 2010.

At the Ordinary Shareholders' Meeting on 29 April 2011, it was decided, given the changes that had been made to the composition of the Board Committees and other Company bodies, to increase the total remuneration for Directors on the aforementioned Board Committees and other Company bodies to € 1,600,000. The amounts paid to the individual Directors were to be determined by a Board resolution and the attendance fee of € 400 was left untouched. Consequently, the total amount granted to the Board of Directors was € 3,485,000.

Moreover, we would also like to remind you that a proposal was also presented to today's Shareholders' Meeting to review the terms of the insurance policy covering the members of the Boards of Directors and Statutory Auditors of your Company for civil liability. The liability limit - for event and for year - is € 160 million and the annual premium concerning the UniCredit Corporate Officers is € 165,000. This proposal, if approved, needs to be taken into account when determining the remuneration for Directors.

**d) Resolutions submitted to the Ordinary Shareholders' Meeting**

Dear Shareholders,

If you agree with the contents and arguments presented in the Directors' Report above and having taken into account what is established by the Articles of Association regarding the composition and methods for appointing the Board of Directors as well as the indications presented in the document entitled "Qualitative and quantitative profile for UniCredit S.p.A. Board of Directors", then we ask you to approve the following resolutions:

1. set the number of members of the Board of Directors;
2. appoint the directors, setting their term in office;
3. authorise them to perform competing activities pursuant to Section 2390 of the Italian Civil Code;
4. set the remuneration due, for each year in office, to the Directors for the activities they undertake in relation to the Board of Directors, the Board Committees and other Company bodies.



**QUALITATIVE AND QUANTITATIVE  
PROFILE OF THE UNICREDIT S.P.A.  
BOARD OF DIRECTORS**

**Milan, 20<sup>th</sup> March, 2012**

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## 1. PREMISES

In compliance with the provisions issued by the Bank of Italy on January 11, 2012 concerning the “*Application of the Supervisory Regulations on the organisation and governance of banks*” dated March 2008, Board of Directors (or Supervisory and Management Board) are required to identify their own optimal qualitative and quantitative composition in order to achieve the goal of correctly fulfilling their functions as corporate bodies that undertake strategic oversight and managerial functions. This demands that their members:

- be fully aware of the powers and obligations inherent to the functions that each of them are called upon to perform (supervision or managerial; executive or non-executive; independent members, etc.);
- possess professional skills appropriate to the role they are required to fulfil, including on any internal board committees, tailored to the bank’s operational characteristics and size;
- possess, among them, a variety of appropriately diversified competencies in order to ensure that on the committees on which they sit and as part of collegial decision-making, each member may effectively contribute to and ensure the effective governance of risk across all areas of the bank;
- dedicate appropriate time and resources to the complex nature of their role.

The above mentioned provisions call for focus covering all members, including non-executive members, who are joint participants in decisions taken by the Board as a whole, and who are called upon to carry out an important dialectic and monitoring role of decisions undertaken by executive members. Such members must be appropriately authoritative and professional to fulfil these tasks, which are increasingly key to sound and prudent bank management. It is therefore vital for non-executive directors to possess and express adequate knowledge about the banking business, economic and financial system dynamics, financial regulation and, most important of all, risk management and control methodologies. Such knowledge is essential to the effective performance of the tasks required of them.

The purpose of these provisions is to ensure that subsequent to the appointments process in which multiple bodies and functions take part (a Nomination Committee, where applicable, the Board and the Shareholders’ Meeting) and over the long term, senior bodies are composed of members who are capable of ensuring that their assigned role is performed effectively. In order to accomplish this, the professional skills required to achieve this must be clearly defined ex ante and reviewed as required over time in order to take into account any critical issues that may arise. Candidate selection and the appointments process must also take these indications into account.



Therefore, corporate bodies that undertake strategic oversight and management functions must firstly identify the theoretical profile (including professional and, if necessary, independence characteristics) of candidates, bearing in mind that their authority and professionalism must be well suited to the tasks that directors are called upon to perform on such corporate bodies (and within their committees, if any) and taking into consideration the size and complexity of the companies and groups they belong to.

Shareholders must be apprised in good time of the results of the analysis carried out by the above mentioned corporate bodies, so that they can take them into due account when choosing candidates.

## **2. ASSESSMENT BY THE BOARD OF DIRECTORS CONCERNING ITS OWN QUALITATIVE COMPOSITION**

Pursuant to the requirements of the Supervisory Authorities, the UniCredit Board of Directors (hereinafter also the “Board”) has drafted this document, which includes the recommendation urging shareholders who present lists of candidates to devote adequate attention to the professional skills and competencies deemed necessary to ensure the optimal composition of the Board. For this reason, the names of candidates proposed by shareholders should be accompanied by a CV so as to identify which theoretical requirements each one might fulfil. Shareholders obviously retain the right to make their own assessments of what constitutes an optimal Board composition and to present candidate lists accordingly, justifying any differences with regard to the analysis undertaken by the Board.

The last time the Board was renewed, the Board of Directors established the requirements that directors shall possess, in addition to the requirements as set forth by the current laws and regulations, in order to ensure the good functioning of the Board of Directors as well as the threshold of the number of offices in supervisory, managerial and controlling bodies that directors can hold, inviting the shareholders that intended to present lists to take into consideration such indications. The relevant resolution, the contents of which constitute Annex A and Annex B of the Board Charter, was adopted “*with due consideration to the size of the UniCredit Group, the complexity and specific nature of the sector in which it operates, and the international scope of its business activities*”

The Board believes it is necessary to confirm the indications already contained in the aforesaid Annexes A and B to the Board Charter also in order to comply with the Code of Corporate Governance, adding a few suggestions based on the analyses conducted into the qualifications of bank governing bodies laid down by the Basel Committee on Banking Supervision (“*Principles for enhancing corporate governance*”, October 2010), the EBA (“*Guidelines on Internal Governance*”, September 27, 2011) and the European Commission (“*Green Paper on the EU corporate governance framework*”, April 5, 2011).

### **a) Professional experience requirements**

The Board believes that candidates to the Board of UniCredit should possess adequate knowledge of and experience in preferably two or more of the following areas of competency:

- **FAMILIARITY WITH THE BANKING BUSINESS AND WITH TECHNIQUES FOR ASSESSING AND MANAGING THE RISKS ASSOCIATED WITH THE BANKING BUSINESS:** gained through several years of experience as a director, manager or statutory auditor in the financial services sector;
- **EXPERIENCE IN MANAGING AND ORGANISING A LARGE CORPORATION:** gained through several years of experience as a director, manager or auditor in large scale corporations or groups;
- **THE ABILITY TO READ AND INTERPRET THE FINANCIAL STATEMENTS OF A FINANCIAL INSTITUTION:** gained through several years of experience as a director, manager or auditor of companies in the financial services sector or in performing professional activities or as university lecturer;
- **CORPORATE SKILLS (AUDIT, COMPLIANCE, LEGAL, ETC.):** gained through several years of experience in auditing or management control with large scale companies or in performing professional activities or as a university lecturer;
- **AN UNDERSTANDING OF THE REGULATION OF FINANCIAL ACTIVITIES:** gained through several years of specific experience in financial services companies or supervisory bodies, or in performing professional activities, or as a university lecturer;
- **INTERNATIONAL EXPOSURE AND FAMILIARITY WITH INTERNATIONAL MARKETS:** gained by performing the duties of an entrepreneur or professional over several years in international institutions or agencies, corporations or groups that operate in an international arena;
- **AN UNDERSTANDING OF GLOBAL TRENDS IN THE ECONOMIC-FINANCIAL SYSTEM:** gained through significant experience acquired in research bodies, corporate or international think tanks or supervisory authorities;
- **FAMILIARITY WITH THE SOCIO-POLITICAL SITUATIONS AND STOCK MARKETS OF THE COUNTRIES IN WHICH UNICREDIT GROUP HAS A STRATEGIC PRESENCE:** gained through activities spanning several years in public or private companies or institutions or through research or studies conducted at research centres.

The Board recommends that all of the aforementioned skill sets be sought among the members of the Board of Directors, since the presence of a diversified range of skills and experiences ensures that all the necessary professional profiles are covered and fosters dialogue and the efficient functioning of the Board.

The above remaining firm, the Board recommends that at least one candidate for each list – qualifiable as independent according to letter c) that follows – possesses a qualified experience to chair Supervisory Bodies or Internal Control & Risks Committees of banking, financial or insurance companies in order to effectively contribute to the

management of the risks which the Bank is exposed to, a task that the Bank of Italy singles out in its Instructions among the most relevant required from the company bodies.

#### **b) Integrity requirements**

The Board deems that the requirements set forth in Annex A of the Board Charter do not need changing. Annex A states that:

1. considering the importance of integrity requirements from the reputational standpoint, the Board of Directors recommends that candidates appointed as UniCredit directors, in addition to possessing the integrity requirements envisaged by both Min. Decree nr. 161 dated 18/03/1998 and Min. Decree nr. 162 dated 30/03/2000, should not be in any situation that might determine a discontinuance of their functions as a director pursuant to section 6 of Min. Decree nr. 161 dated 18/03/1998, and
2. should not have displayed behaviour which, while not constituting a crime, does not appear to be compatible with the office of a bank director or might seriously jeopardise the reputation of the bank.

#### **c) Independence**

In order to comply with the principles laid down by the Corporate Governance Code and to ensure the correct and efficient functioning of Board committees, the Board recommends that candidate lists be drawn up in such a way as to guarantee that at least one third of the members of the Board of Directors be independent, as specified in article 3 of the aforesaid Corporate Governance Code.

Whilst the cases of incompatibility envisaged by current law stand firm, the Board also believes that, in order for the independency of judgment of the members of the Company managerial body to be fully safeguarded, the candidates must not hold – or take on – elective or governmental offices, at national and/or local level, or offices in political organizations’ promoting committees or managerial bodies.

#### **d) Gender quotas**

Italian law nr. 120 of 12 July 2011 introduces gender quotas for the composition of corporate bodies in listed companies. The law amends article 147/ter of the Consolidated Finance Act (TUF) and introduces a new article, 1/ter, which requires companies to adopt gender parity on their board of directors, under which the least represented gender should be given at least one third of the available seats. However, the implementation of the law will be gradual: starting from the first Board renewal the number of members belonging to the least represented gender shall constitute at least one fifth of the total membership.

When UniCredit next renews its Board of Directors on 11 May 2012, law nr. 120/2011 will not yet have become effective (the law goes into effect on 12/08/2012) therefore there will be no legal obligation to comply with gender quotas.

However, since the Board will be renewed shortly before the law goes into effect, the Board of Directors believes it is advisable that shareholders be recommended to spontaneously abide by the law when drafting their candidate lists; in other words, they should envisage a Board composed by at least one fifth of members belonging to the least represented gender..

#### **e) Incompatibility**

In compliance with Article 36 of the Law 214/11, regarding “*partecipazioni personali incrociate nei mercati del credito e finanziari*” which provides that “holders of a seat in managerial, supervisory and control bodies, as well as officers charged with managerial duties in companies or group of companies active in banking, insurance and financial markets are forbidden to hold, or to exercise, similar offices in competing companies or group of companies”, the Board of Directors recommends to the shareholders that in the lists to be presented for the appointment of the new managerial body be included candidates following the performance of a preliminary check in order to verify the not occurrence of reasons for their incompatibility under the above mentioned provision.

### **3. ASSESSMENT BY THE BOARD OF DIRECTORS CONCERNING ITS OWN QUANTITATIVE COMPOSITION**

The above mentioned provisions issued by the Bank of Italy on January 11, 2012 require the corporate bodies undertaking strategic oversight and management functions to express their opinion also regarding their ideal quantitative composition.

Article 20 of UniCredit's Articles of Association requires the Board to be comprised of a minimum of 9 up to a maximum of 24 members. When the current Board was nominated, the AGM decided to set the number of Board members at 23, which dropped to 22 when the April 29, 2011 shareholders general meeting decided not to replace a Director who had stepped down, thus bringing the number of Directors down to 22.

Currently, following resignations handed in for reasons of incompatibility and one co-optation, there were 20 Board members.

Following the self-assessment process – carried out by the Board in compliance with the provisions issued by the Bank of Italy and the provisions set forth by the Corporate Governance Code that UniCredit adheres to - it clearly emerged that the composition decided by the AGM at the previous Board elections was too high, and that therefore it would be advisable for the size of the Board to be reduced.

Based on the outcome of the discussions that have taken place both in the Corporate Governance HR and Nomination Committee and in the Board on the magnitude of the reduction and the ideal size, the Board believes that any assessment of the quantitative composition must take various criteria into account, along with different needs arising from the unique characteristics of UniCredit, in an effort to strike a balanced arrangement.

The principal criteria that have been identified are:

- the international nature of the UniCredit Group that suggests the advisedness of retaining and possibly increasing the presence of representatives from the core countries in which the Group operates;
- the direct responsibility of the Italian bank, demanding the presence of Italian entrepreneurs and professionals capable of significantly contributing towards defining strategies for managing the Italian business;
- the need for the right number of Directors to ensure the efficient functioning of the various Board Committees;
- the need for a Board of the right size to foster greater dialogue and a more efficient collegial interaction.

It is also necessary to take into account that normally the Board reflects the shareholders' pattern in particular with regard to the long-term investors.

Based upon these criteria and on the opinions that had largely emerged from the Board's discussions, the Board deemed it inadvisable to drastically reduce the number of Directors and suggests that shareholders, who are responsible for deciding on the composition of the Board, opt for a number that would enable the aforesaid criteria to be balanced and met; the Board believes that this number should be equal to 19.

In addition to this suggestion, it is also recommended that in both the quantitative and qualitative definition, due consideration be given to all of the aforementioned criteria, so as to ensure a balanced composition.

## **DIRECTORS' REPORT**

### **INSURANCE POLICY TO COUNTERACT THE CIVIL LIABILITY OF THE UNICREDIT DIRECTORS AND STATUTORY AUDITORS; INHERENT AND CONSEQUENT RESOLUTIONS**

Dear Shareholders,

We convened to this meeting to submit you the revision of the conditions of Directors and Officers Liability Insurance Policy to cover financial responsibilities in which the Group Boards Members (Management and Statutory Auditors Boards) and the Top Management may incur (towards third parties, hereby included the Group Legal Entities), because of non fraudulent legal violations happened in the practice of their functions; this insurance is drawn up also in the interest of UniCredit's Boards members..

The utilization of a third party's liability insurance for the Corporate Officers and the Top Management is a standard market practice in the developed Countries, where the needs for the above mentioned persons to realize their own activities and to take the relevant decisions, in a context of increasing complexity (operative and regulatory) are constantly raising.

In this way, in August 1998, the Shareholders Meeting of your Company decided to draw up an insurance contract to cover the Boards Members liabilities against third party's claims (creditors, shareholders, liquidators and generally third parties), provided that events due to intentionally dishonest or fraudulent acts in the practice of their functions remains uncovered and excluded. At that time the annual premium was Lit 135million and the policy limit Lit. 20billion.

In order to assure the same level of protection to all the Group Corporate Officers, it appeared appropriate to extend this insurance to all the Subsidiaries too, granting the insurance coverage to all their Corporate Officers, allocating to these Entities a share of the premium.



UniCredit – also on behalf of the Group adhering Entities – drew up and constantly renewed – updating time by time premiums and limits – the Group Directors and Officers Liability Policy - inclusive of Defense Costs – in each and every instance judgment, in front of any Authority excluding the liability protection coming from criminal acts and of fines and penalties inflicted by any Authority, according to Laws and By-Laws.

In the light of the modified context in which the Group is active and taking into consideration that the Corporate Officers of UniCredit – and your company itself - in consequence of the new role of operative bank undertaken after the company re-organization and the intervened organizational changes in November 2010, are exposed to wider and wider responsibilities, it seems appropriate to realize a revision of terms and conditions of this insurance, as below reported:

- Insured persons: Management Board Members, Statutory Auditor's Board Members, General Managers and the Top Management of UniCredit and Subsidiaries, hereby included persons with similar responsibilities in other bodies; Members appointed in third parties' Boards;
- Coverage extension: UniCredit S.p.A. and all direct or indirect subsidiaries (newly acquired Entities included) and KFS Group, because of the importance of this investment and the important presence of Group Members in the Boards;
- Limit per event and per year: Euro 160million
- duration: annual
- economic conditions: with reference to the period 2012 – 2013, the overall Group premium is foreseen in region of Euro 7,5million, including insurance taxes; it is also foreseen the possibility to adjust such premium, in occasion of the next renewals within a maximum of 15% of the global premium. Boards members and Statutory Auditors Board Members will be charged of the tax incidence only, on the specific share of the premium of this insurance; the premium allocated to each Legal Entity will remain at expenses of the company itself;
- premium allocation criterion to Group Legal Entities: the premium is allocated inside the Group on the number of Employees in each Company; for the Italian Companies only, the global premium for the Country is then re-distributed based on the number of the insured persons and the type of activity of each Company.

Taking into consideration what above shown and that the authority for the signature of insurances to the benefit of the Boards Members of a company is in the faculties of the Shareholders meetings, hereby it is submitted for the approval of this Meeting the Directors and Officers Liability Insurance, included into the above mentioned Group policy; it is also agreed that the premium share for UniCredit (hereby included Members appointed in third parties' companies Boards) is Euro 870.000, of which around Euro 165.000 only as real benefit for the Management Board and Statutory Auditors Board Members of UniCredit, based on the attribution insurers calculated for the direct coverage in favour of the mentioned Board Members; the balance to Euro 870.000 to be referred to direct protection for the legal Entity, the General Manager, the Top Management and the persons appointed by UniCredit in third parties Boards. It is also proposed to the Meeting to empower the Chief Executive Officer, with faculty to proxy Executives of the Head Office, to define, at the further natural expiring of this insurance, the renewal conditions at the market best and anyway within a maximum of 15% of the annual premium charged to UniCredit.

Dear Shareholders,

with reference of the above matter, we invite you to take the following decisions:

1. to authorize the review of the insurance terms of the Directors and Officers Liability Insurance policy of UniCredit S.p.A., covering third parties' claims and Defense Costs, due to non dishonest or fraudulent acts arising from unintentional violations of Laws and By-Laws, excluding criminal acts as well as fines and penalties, with a Group policy limit Euro 160million and an annual premium share, referred to the UniCredit S.p.A. Management Board and Statutory Auditors Board Members, Euro 165.000;
2. to empower the Chief Executive Officer, with faculty to proxy Executives of the Head Office, with each and necessary power to realize the decision taken by today's Meeting and to define, at the further natural expiring of this insurance, the renewal conditions at the market best and anyway within a maximum of 15% of the annual premium charged to UniCredit S.p.A., as defined in today's Meeting.