

Report on the activity carried out by the Savings' Shareholders' Representative and report on the Agenda of the Special Meeting of UniCredit S.p.A Savings' Shareholders

Dear Shareholders,

As you know, I was appointed Representative of the savings Shareholders at the Special meeting held on 6 June 2014 for the period 2014-2016, with the result that my office expired with the approval of the financial statements of UniCredit for the year 2016 (in relation to which the ordinary Shareholders' Meeting voted on 20 April 2017).

Regarding the impending expiry date, you have been summoned in a Special meeting for the purpose to vote on the appointment of the Savings' Shareholders' Representative for the next three years (2017 to 2019, with the expiry of the office to the approval of the financial statements of UniCredit of 2019), on the compensation owed to the Representative, as well as on the cash flow of the Common Fund pursuant to art. 146, paragraph 1, letter c) of the Legislative Decree n. 58/1998.

In this regard, I remind you that, pursuant to Sec. 2417 of the Italian Civil Code as referred to in Sec. 147 of the Legislative Decree n. 58/1998, the Savings' Shareholders' Representative may be chosen from outside the shareholders and may be appointed as legal persons authorized to provide investment services, and trust companies. They cannot be appointed as joint representatives of the shareholders and, if appointed, shall forfeit their office, directors, auditors, employees of the Company and those who are in the conditions specified in Sec. 2399 of the Civil Code. There is no limit to the re-election of the Representative.

As for the agenda, the Special Meeting, in accordance to Sec. 146 of the Legislative Decree n. 58/1998, if it is convened in single call, shall adopt a resolution by a simple majority of the persons present, regardless of the proportion of the capital they represent.

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That said, I deem appropriate to integrate the above mentioned with a brief report of the activities carried out in the term of the mandate, in which UniCredit has made significant steps to strengthen its share capital.

First of all, I specify that the savings shares – provided by Sec. 5.1 Articles of Association – currently outstanding amount to 252,489 and that the fixed numerical reference in relation to which the privileges are calculated amount to Euro 63 per share.

Throughout my office, I have had the opportunity to relate both with the savings shareholders that with the organs of the Bank which have always been available and helpful in the course of the meetings held. In accordance with the Legislative Decree n. 58/1998 and the Articles of Associations, the Bank provided me with documents on significant operations affecting the interests of this segment simultaneously with their publication.

During my term in office, as provided for by Sec. 2418 of the Italian Civil Code and Sec. 7, paragraph 5 of the Articles of Association, I attended:

- the ordinary and extraordinary Shareholders' meeting held on 13th May 2015, that, in the context of the various resolutions approved, it has provided for the distribution of a dividend from Company profits reserves in the form of a scrip dividend;
- the ordinary and extraordinary Shareholders' meeting held on 14th April 2016, that, in the context of the various resolutions approved, it has provided for the distribution of a dividend from Company profits reserves in the form of a scrip dividend;
- the ordinary and extraordinary Shareholders' meeting held on 20th April 2017, that, in the context of the various resolutions approved, it has provided for the 2016 individual financial statements of UniCredit S.p.A. and the elimination of the so-called "negative reserves" for components not subject to change means of their definitive coverage. The Shareholders' meeting also decided not to distribute any dividend in relation to the financial year 2016, with reference both to ordinary and savings shares.

I point out the attention to the fact that during the term of my office UniCredit S.p.A. has passed relevant resolutions in order to strengthen the share capital. In particular, after ordinary and extraordinary Shareholders' Meeting held on 12th January 2017, the Company carried out a capital increase for cash consideration up to an aggregate amount of Euro 13 billion, through the issue of ordinary shares, with regular entitlement, to be pre-emptively offered to the Company's ordinary shareholders and holders of saving shares pursuant to Sec. 2441 of the Italian Civil Code.

The mentioned General Meeting decided to approve a reverse stock split of UniCredit's ordinary and savings Shares, at a ratio of 1 new ordinary share, with regular entitlement, per 10 existing ordinary shares and 1 new saving share, with regular entitlement, per 10 existing saving shares, after cancellation of ordinary and savings shares in the minimum number necessary to allow the balancing of the entire transaction, without reduction of the share capital. In light of the above operation, the UniCredit's Article of Association was amended in order to adapt the numerical references (from Euro 6,3 to Euro 63 per share) included at articles 7 and 32, as to determine the dividends on savings shares and not be prejudicial to size and characteristics of the privileges associated with the savings shares.

Finally, I emphasize, also with regard to the agenda of the Savings' Shareholders' Meeting, with reference to the 2014-2016 period in which I served as the Savings' Shareholders' Representative, not having perceived any need, I did not use the Common Fund and that it is therefore unchanged from the original texture subsisting at the beginning of my tenure.

Thank you for your trust and attention given to me regarding my appointment as well as during the course of the same.

Milan, 21 April 2017

The Savings' Shareholders' Representative
(Nicola Borgonovo)