



PRESS RELEASE

## **UniCredit Shareholders approve the *corporate governance* amendments proposed by the Board of Directors**

Both UniCredit S.p.A. Ordinary and Extraordinary Shareholders' Meeting and the Special Meeting of Savings Shareholders, held today in a single call, in Milan, at the UniCredit Pavilion, Piazza Gae Aulenti 10, approved the corporate governance amendments proposed by the Board of Directors in line with the best standards and the most recognized international practices, as well as with the regulators' recommendations and major institutional investors expectations.

In particular:

Granting the Board of Directors with the power to submit its own list of candidates for the Director's office and increase to two Directors selected from the second list receiving the highest votes.

The Meeting, in extraordinary session, approved, with the favourable vote of 98.6% of the shareholders present, the proposal aiming to grant the Board of Directors with the power to submit its own list of candidates for the Director's office in case of Board of Directors renewal.

Granting the Board of Directors the right to present its own list of candidates would improve the candidate selection mechanism in a context where the Board of Directors is already capable of identifying the best qualitative and quantitative features of candidates and, after their appointment, to verify that they meet those features and the personal and professional characteristics required by law. In addition, these amendments pursue the goal of ensuring a better stability of the corporate governance structure, mitigating the risk that there are no lists presented by shareholders in a very fragmented shareholding structure.

Furthermore, the approved amendments of the Articles of Association (Clauses 20 and 24) which envisage the increase, regardless of the composition of the administrative body, of the number of Directors from one to two for the office of Director selected from the second list receiving the highest votes, aim at ensuring that the minority shareholders have a greater presence on the Board of Directors.

Elimination of the 5% limit for the exercise of the voting rights.

The Meeting, in extraordinary session, also approved the proposal aiming at the elimination of the 5% limit on voting rights and subsequent Articles of Association amendments (Clauses 5, 15, 17), with the favourable vote of 98,6% of the shareholders present.

The elimination of the 5% limit for the exercise of the ordinary shareholders voting rights aligns the UniCredit governance to the principle in which the voting system is proportional to the invested capital (the so-called "one share one vote" principle). Said principle, besides being in line with the international

best practices, is generally considered desirable as it aligns economic interests with voting power and supports a higher active role of the shareholders in the decision-making process.

The effectiveness of the resolution is subject to the condition that the number of shares for which withdrawal rights are actually exercised does not exceed no. 5,564,220 ordinary shares representing 0.25% of the share capital of the Company, without prejudice to the faculty of the Company to waive the aforementioned condition, by providing information to the public according to the forms required by law.

#### Mandatory conversion of savings shares into ordinary shares.

The Meeting, in extraordinary session, also approved, with the favourable vote of 98,4% of the shareholders present, the proposal concerning the mandatory conversion of the outstanding savings shares into ordinary shares of the Company with regular economic rights and having the same features of the ordinary shares outstanding at the date of the transaction, at a conversion ratio, for each savings share, equal to no. 3.82 ordinary shares, assigning newly issued ordinary shares and a cash payment in the amount of Euro 27.25. The Meeting approved consequently the necessary amendments of Clauses 5,7 and 32 of the Articles of Association.

Same decision, with the favourable vote of 97.0% of the savings shareholders present, was taken by the Special Meeting of Savings Shareholders called to approve the before mentioned proposal pursuant to Sec. 146, paragraph 1, lett. b) of the Legislative Decree no. 58 of 24 February 1998.

The proposal relating the mandatory conversion of savings shares into ordinary shares strengthens the share capital, as the said shares do not concur in the calculation of the Core Tier 1, and aims at simplifying the capital structure and the corporate organization of the Company, with subsequently cost savings. The aforementioned simplification carries out benefits for all the shareholders and, with specific reference to the current savings shares, their holders – who, under the conditions required by law, are entitled to exercise the right of withdrawal pursuant Art. 2437 of the Italian Civil code – will benefit from the significant increase of the liquidity of the shares held. In fact, the conversion of relatively non liquid savings shares will lead them to hold ordinary shares having a significantly higher liquidity.

#### Transfer of the registered office from Rome to Milan

The Meeting, in extraordinary session, finally approved, with the favourable vote of 98.9% the shareholders present, the proposal concerning the transfer of the registered office from Rome to Milan, by amending the Clause 2 of the Articles of Association.

The transfer of the registered office aims at improving the operational efficiency and costs rationalization, as part of the progressive centralization of the decision-making to Milan, where the Company has established its head office.

#### Completion of the Board of Statutory Auditors.

We finally inform you that the Shareholders' Meeting, in ordinary session, approved the completion of the Board of Statutory Auditors by appointing, as permanent Statutory Auditors, Mr. Guido Paolucci in place of Mr. Enrico Laghi and Ms. Antonella Bientinesi in place of Ms. Maria Enrica Spinardi and, as new stand-in Statutory Auditors, Ms. Raffaella Pagani in place of Mr. Guido Paolucci and Ms. Myriam Amato in place of Ms. Antonella Bientinesi.

The appointment of the new members of the Board of Statutory Auditors, whose office will expire along with the members of such Board in office, and therefore until the Shareholders' Meeting called for the approval of the 2018 financial statements, has been resolved with the majorities required by law, without applying the list vote system, in any case abiding by the principles of the minority representation and gender balance required by current provisions, also of a regulatory nature.

The *curriculum vitae* of the newly appointed permanent Statutory Auditors are available on the Corporate Governance Section of the Company's website ([www.unicreditgroup.eu](http://www.unicreditgroup.eu)).

Milan, 4<sup>th</sup> december 2017

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