

## Corporate Governance Report

Company: UniCredit S.p.A.

No.: 2/2010

Date: July 30th, 2010

Subject: Information on the non-application of certain corporate governance rules set forth in the amended “Code of Best Practice for Warsaw Stock Exchange Listed Companies”

Acting pursuant to §29 Section 3 of the Warsaw Stock Exchange Rules (consolidated text as of May 19, 2010), in connection with the fact that on July 1, 2010 the amended corporate governance rules included in the document constituting an appendix to the Warsaw Stock Exchange Supervisory Board’s Resolution No. 17/1249/2010 of May 19, 2010, the “Code of Best Practice for Warsaw Stock Exchange Listed Companies” (“**Code of Best Practice**”), came into force, UniCredit S.p.A. (“**UniCredit**” or the “**Company**”), hereby provides information on the non-application, on a permanent basis, of certain of the corporate governance rules set forth in the amended Code of Best Practice together with an explanation concerning the circumstances under which and the reasons why these rules are not applied.

The information below should be interpreted together with general explanations relating to specific topics concerning the Company as a foreign entity whose shares are listed on foreign regulated markets, as disclosed in Section A. “Introduction” to “*Appendix to Report on Corporate Governance and Ownership Structures regarding the Application of Corporate Governance Rules specified in “Code of Best Practice for Warsaw Stock Exchange Listed Companies” in 2009*” submitted by the Company in the Corporate Governance Report No. 1/2010 of April 2, 2010.

Furthermore, the Company hereby declares that on the basis of §29 Section 4 of the Warsaw Stock Exchange Rules, in connection with the Warsaw Stock Exchange Management Board’s Resolution No. 1014/2007 of December 11, 2007, it does not submit any statement regarding the application of corporate governance rules included in Chapter I of the Code of Best Practice (“Recommendations for Best Practice for Listed Companies”). Neither does the Company provide information on the application of rule IV.10 of the Code of Best Practice as this rule should be applied no later than January 1, 2012.

## CHAPTER II. BEST PRACTICE FOR MANAGEMENT BOARDS OF LISTED COMPANIES

**Rule II.3.** *Before a company executes a significant agreement with a related entity, its Management Board shall request the approval of the transaction/agreement by the Supervisory Board. This condition does not apply to typical transactions made on market terms within the operating business by a company with a subsidiary where the company holds a majority stake. For the purpose of this document, a related entity shall be understood within the meaning of the Regulation of the Minister of Finance issued pursuant to Article 60.2 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (Dz. U. No. 184, Item 1539, as amended).*

### **Company's explanations:**

The approval of such agreements by the Statutory Auditors is not required under Italian Law. There is also no general requirement for such agreements to be approved by the Board of Directors. However, according to the Articles of Association of UniCredit and its internal rules, the Board of Directors has the exclusive competence to approve any partnership and joint venture agreements or other cooperation agreements, including those limited to specific sectors, with related parties and other banking groups. It also evaluates and approves any transactions having a significant impact on the Company's profitability, assets and liabilities and financial position, with particular reference to transactions with related parties, upon prior definition of the criteria for their selection. Moreover, please note that any significant agreement/transaction which is not resolved upon by the Board of Directors is reported periodically to the latter on a Group basis.

Lastly, certain obligations are also set out for the Company's Directors and corporate officers by Article 136 of the Italian Banking Law (Legislative Decree 385/93), whereby they may assume obligations, directly or indirectly, for the bank they manage, direct or control only with the Board of Directors' unanimous approval and the favorable vote of all the members of the Board of Statutory Auditors. The same applies with regard to transactions entered into by companies where the Company's Directors and corporate officers hold the positions of Directors or Statutory Auditors (including controlling entities and subsidiaries of such companies) and companies belonging to UniCredit Group. For this purpose, the corporate banking officers are required to give notice of the persons – individuals or legal entities – with whom the establishment of possible dealings could be construed as generating the type of indirect obligation substantially relating to corporate banking officers.

**Rule II.8.** *If a company's Management Board is informed that a General Meeting has been summoned pursuant to Article 399 §2–4 of the Code of Commercial Partnerships and Companies, the company's Management Board shall immediately perform the actions it is required to take in connection with organizing and conducting a General Meeting. This rule shall also apply if a General Meeting is summoned on the basis of authorization given by the registration court pursuant to Article 400 §3 of the Code of Commercial Partnerships and Companies.*

### **Company's explanations:**

Italian Law provides similar provisions regarding the summoning of General Meetings by corporate bodies or entities other than the Board of Directors to the ones stipulated in the Polish Code of Commercial Partnerships and Companies. However, Italian Law does not place specific duties on the Board of Directors for organizing or conducting General Meetings.

Generally, pursuant to Italian Law, a General Meeting may be convened by the Board of Statutory Auditors (*Collegio Sindacale*), shareholders or the Court (*Tribunale*) in the following cases:

1. The Board of Statutory Auditors is obliged to summon a General Meeting in the case of the resignation of all members of the Board of Directors. The General Meeting is convened in order to appoint a new Board of Directors. Additionally, Italian Law requires the Board of Statutory Auditors to promptly summon a General Meeting, if the Board of Directors fails to do so, e.g.: (i) for the approval of the annual report; (ii) in the case of

losses larger than one-third of the company's share capital; (iii) when shareholders representing at least one-twentieth of the company's share capital demand the convening of a General Meeting.

2. Shareholders representing at least one-twentieth of the share capital of a listed company may demand that a General Meeting is convened. Such request must be submitted to the Board of Directors. If the General Meeting is not promptly convened by the Board of Directors, or by the Board of Statutory Auditors, the Court (*Tribunale*) may issue a decree ruling the summoning of a General Meeting. However, this rule is not enforceable in the case when a General Meeting is called in order to resolve on items in connection to which the Italian Law requires a specific report to be prepared by the Board of Directors (e.g. capital increase, merger, etc.).

Legal grounds: §29 Section 3 of the Warsaw Stock Exchange Rules

Persons representing the Company: Wioletta Reimer, Attorney of UniCredit S.p.A.