

FINECO

B A N K

ANNEX 1
**TO 2018
FINECOBANK
COMPENSATION
POLICY**

INFORMATION TABLES PURSUANT
ART. 84-QUATER "ANNUAL REPORT -
SECTION II" OF THE REGULATION N° 11971
ISSUED BY COMMISSIONE NAZIONALE
PER LE SOCIETÀ E LA BORSA (CONSOB)

FINECO. SIMPLIFYING BANKING.

7. Compensation Tables

7.1 Disclosure as per section 84-quater of the Italian National Commission for Listed Companies (Consob) Issuers Regulation no.11971

A set of tables presents in the following pages the information that the Company is required to provide as per Section 84-quater of Consob's Issuers Regulation nr. 11971.

For a more detailed understanding of the methodological criteria underlying the information reported in the various tables, reference is made to Annex 3A of the said Consob Regulation.

In particular:

TABLE 1: Compensation paid to members of the Administrative and Auditing Bodies, to General Managers and to other Executives with strategic responsibilities

Provides, at an individual level and on an accrual basis, the details of the compensation paid to the Chief Executive Officer and General Manager, to the members of the Board of Directors and of the Board of Statutory Auditors.

For the other 5 Executives with strategic responsibilities the information is provided on an aggregate basis.

The overall compensation paid by FinecoBank to the Board of Directors for 2017 amounts to Euro 1.789.762.

The overall compensation paid by FinecoBank to the Board of Statutory Auditors for 2017 amounts to Euro 185.426.

The "Fair value of equity compensation" (column 7) does not represent a value actually paid to/gained by the beneficiaries of equity plans, being instead the cost that the Company is booking - on an accrual basis and during the vesting period - in consideration of the provision of the incentives based on financial instruments. More details on such plans are provided at the following Table 2 and Table 3A.

TABLE 2: Stock Options assigned to the members of the Administrative Body, to General Managers and other Executives with strategic responsibilities

Nor the non-executive members of the Board of Directors, nor the members of the Board of Statutory Auditors benefit from any incentive plan, be it based on financial instruments or cash.

Only the Chief Executive Officer and General Manager and the Executives with strategic responsibilities benefit from Stock Option/Performance Stock Options plans launched by UniCredit Group in the previous years.

At current prices, all stock options, for which it could be possible to exercise the right ("vested"), are largely underwater.

7. Compensation Tables (CONTINUED)

7.1 Disclosure as per section 84-quater of the Italian National Commission for Listed Companies (Consob) Issuers Regulation no.11971 (CONTINUED)

TABLE 3A: Incentive plans based on financial instruments other than stock options, in favour of members of the Administrative Body, General Managers and other Executives with strategic responsibilities

The table reports - additionally to the shares granted within medium and/or long term incentive and retention equity plans - also the number of shares promised and/or granted in connection with the deferral of the annual incentive systems.

TABLE 3B: Monetary Incentive Plans in Favour of Members of the Administrative Body, General Managers and other Executives with strategic responsibilities

Provides the details of all the cash incentives accrued during the year in favour of the Chief Executive Officer and General Manager and of the other Executives with strategic responsibilities. Neither the non-executive members of the Board of Directors, nor the Statutory Auditors receive any variable compensation.

Information on the investments held by the members of the Administrative and Auditing Bodies, by General Managers and by other Executives with strategic responsibilities

Table 1 and Table 2, drafted in compliance with schedule 7-ter, provide the shareholding in FinecoBank held by the Chief Executive Officer and General Manager, the other members of the Board of Directors, the members of the Board of Statutory Auditors and the other Executives with strategic responsibilities.

7. Compensation Tables (CONTINUED)

7.1 Disclosure as per section 84-quater of the Italian National Commission for Listed Companies (Consob) Issuers Regulation no.11971 (CONTINUED)

(A)	(B)	(C)	(D)	(E)				(F)		(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)
				Fixed compensation	Variable non-equity compensation	Other	Total	Compensation from equity participation	Non-monetary benefits									
Name and surname	Period of which office was held	Office expiry	Enrolments resolved by the Shareholders' Meeting	Attendance tokens	Lump sum expense reimbursements ****	Compensation in for specific offices ex sec. 2389 Italian Civil Code	Employment fixed salary	Total	Compensation from equity participation	Non-monetary benefits	Other	Total	Fair Value of equity compensation	Severance indemnity for termination of employment				
Giovanni Neri Scuderi	Chairman of the Board of Statutory Auditors (I) Total compensation in the company preparing the financial statements (II) Total compensation from subsidiaries and associates	31/05/2017 - 31/05/2017 Approv. AB at 31/12/2019	13,266	1,200	1,725	-	16,291	-	-	1,619	-	18,379	-	-				
			13,266	1,200	1,725	-	16,291	-	-	1,619	-	18,379	-	-				
			40,000	9,300	792	-	50,092	-	-	5,850	-	-	55,902	-	-			
			40,000	9,300	792	-	50,092	-	-	5,850	-	-	55,902	-	-			
			40,000	9,300	792	-	50,092	-	-	5,850	-	-	55,902	-	-			
			40,000	9,300	5,025	-	54,625	-	-	5,850	-	-	60,475	-	-			
			40,000	9,300	5,025	-	54,625	-	-	5,850	-	-	60,475	-	-			
			40,000	9,300	5,025	-	54,625	-	-	5,850	-	-	60,475	-	-			
			-	-	-	-	-	-	-	-	-	-	-	-	-	-		
			-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Forma Stefano	Chairman of the Board of Statutory Auditors (I) Total compensation in the company preparing the financial statements (II) Total compensation from subsidiaries and associates	31/05/2017 - 04/09/2017	20,137	4,200	925	-	25,262	-	-	2,356	-	27,618	-	-				
			20,137	4,200	925	-	25,262	-	-	2,356	-	27,618	-	-				
			20,137	4,200	925	-	25,262	-	-	2,356	-	-	27,618	-	-			
			16,164	4,200	796	-	21,160	-	-	1,891	-	-	23,052	-	-			
			16,164	4,200	796	-	21,160	-	-	1,891	-	-	23,052	-	-			
			130,137	28,500	9,223	-	167,860	-	-	17,566	-	17,566	185,426	-	-			
			130,137	28,500	9,223	-	167,860	-	-	17,566	-	17,566	185,426	-	-			
			-	-	-	-	-	-	-	-	-	-	-	-	-	-		
			-	-	-	-	-	-	-	-	-	-	-	-	-	-		
			-	-	-	-	-	-	-	-	-	-	-	-	-	-		
TOTAL BOARD OF STATUTORY AUDITORS	(I) Total compensation in the company preparing the financial statements (II) Total compensation from subsidiaries and associates	31/12/2017 - 31/12/2017 Approv. AB at 31/12/2019	167,976	395,801	1,647,976	-	1,647,976	-	395,801	106	2,110,782	1,574,376	-					
			167,976	395,801	1,647,976	-	1,647,976	-	395,801	106	2,110,782	1,574,376	-					
*** The fixed amount of appreciation is calculated with the 5% of the 2019 net profit. **** To be considered as expense, members of the Board of Directors & Officers (BDO) in account the entire year. ***** The amount is referred to the long-term benefits of the insurance policy (Directors & Officers - DCO) in account the entire year.																		
Other Executives with Strategic Responsibilities (total no. 5)																		

(A)	(B)	(1)	(2)			(3)							(16)				
			Number of Options*	Exercise Price**	Period of Possible Exercise (from.. to)	Options assigned during the year											
						(5)	(6)	(7)	(8)	(9)	(10)	(11)		(12)	(13)		
Name and surname	Office	Plan	Number of Options*	Exercise Price**	Period of Possible Exercise (from.. to)	Number of Options	Exercise Price	Period of Possible Exercise (from.. to)	Fair Value at Assignment Date	Assignment Date	Market Price of Underlying Shares upon Assignment of Options	Number of Options	Exercise Price	Market Price of Underlying Shares on Exercise Date	Options Lapsed during the year (Number)*	Options held at the end of the year (Number)*	Options relevant to this year (Fair Value)
Alessandro Foti	Chief Executive Officer/ General Manager																
		LTI Unicredit - Plan 2008 Stock Options	7.738	117,019	09/07/2012 09/07/2018											7.738	
			7.738													7.738	
		Other Executives with Strategic Responsibilities															
		LTI Unicredit - Plan 2004 Stock Options	857	112,349	31/12/2017 03/09/2008											857	
		LTI Unicredit - Plan 2005 Stock Options	1.626	134,691	31/12/2018 26/11/2009											1.626	
		LTI Unicredit - Plan 2006 Stock Options	1.229	166,399	31/12/2019 28/06/2010											1.229	
		LTI Unicredit - Plan 2007 Stock Options	2.066	198,360	15/07/2017 13/07/2011										2.066		
		LTI Unicredit - Plan 2008 Stock Options	6.961	117,019	09/07/2012 09/07/2018											6.961	
			12.739												2.066	10.673	

*The data is referred to the number of Financial Instruments underlying the options assigned and have been adjusted because of the capital operation resolved by UniCredit General Meeting on 29 April 2009 (script dividend), on 15 November 2009, on 16 December 2011 and on 12 January 2017.

**The exercise price has been modified after Capital Increase resolved on March, 13th 2017

7. Compensation Tables (CONTINUED)

7.1 Disclosure as per section 84-quater of the Italian National Commission for Listed Companies (Consob) Issuers Regulation no.11971 (CONTINUED)

(A) Name and surname	(B) Office	TABLE 3A: Incentive Plans based on financial instruments other than stock options, in favour of Members of the Administrative Body, General Managers and other Executives with Strategic Responsibilities											(12) Financial Instruments relevant to the year Fair Value			
		(1) Plan	(2) Financial instruments assigned during previous years and not vested during the year		(3) Financial instruments assigned during the year				(4) Financial instruments vested during the year and assignable		(5) Value on maturity date					
			(6) Number and type of financial instruments	(7) Vesting period	(8) Fair Value on assignment date	(9) Number and type of financial instruments	(10) Assignment date	(11) Market price upon assignment	(12) Number and type of financial instruments							
Alessandro Foti Chief Executive Officer/ General Manager																
(1) Compensation in the Company preparing the Financial Statement		Unicredit shares - 2012 Group Incentive System**														
		Unicredit shares - 2013 Group Incentive System**														
		Unicredit shares promised - 2014 2013 Group Incentive System**	2.401	31.12.2017												13.515
		Unicredit shares promised - 2014 2013 Group Incentive System**	89.946	30% 31.12.2018 30% 31.12.2019												75.645
		Unicredit shares promised - 2014 2013 Group Incentive System**	455.622	39% 31.12.2017 27% 31.12.2018 34% 31.12.2019												
		Unicredit shares promised - 2015 2014 Group Incentive System**	36.606	34% 31.12.2017 33% 31.12.2018 33% 31.12.2019												502.951
		Unicredit shares promised - 2016 2015 Group Incentive System**	30.432	34% 31.12.2018 33% 31.12.2019 33% 31.12.2020												55.666
		Unicredit shares promised - 2017 2016 Group Incentive System**														14.925
		Unicredit shares promised - 2017 2016 Group Incentive System**														251.473
		Unicredit shares promised - 2017 2016 Group Incentive System**														914.175
(11) Total																
(1) Compensation in n. 5 Executives		Unicredit shares - 2013 Group Incentive System**	155.445	40% 31.12.2017 30% 31.12.2018 30% 31.12.2019												
		Unicredit shares promised - 2014 2013 Group Incentive System**														
		Unicredit shares promised - 2014 2013 Group Incentive System**														
		Unicredit shares promised - 2015 2014 Group Incentive System**														
		Unicredit shares promised - 2016 2015 Group Incentive System**														
		Unicredit shares promised - 2017 2016 Group Incentive System**														
(11) Total																
(1) Compensation in n. 5 Executives		Unicredit shares - 2013 Group Incentive System**														
		Unicredit shares promised - 2014 2013 Group Incentive System**														
		Unicredit shares promised - 2015 2014 Group Incentive System**														
		Unicredit shares promised - 2016 2015 Group Incentive System**														
		Unicredit shares promised - 2017 2016 Group Incentive System**														
(11) Total																

* The shares amounts are expressed with conversion rate and after Capital increase resolved on March, 13th 2017
 **The Board of Directors of 07/02/2017 approved the number of shares, related to the fourth instalment adjusted to respect the ratio between fixed and variable remuneration in line with current regulations, on the basis of the arithmetic mean of the official prices of Fineco ordinary shares on each trading day at the electronic stock market organised and managed by Borsa Italiana S.p.A. in the period from the day preceding the date of resolution by the Board of Directors that evaluated entry conditions achievements to the same day in the previous month (€ 5,53).
 *** For no. 1 Executives 2014 Group Incentive System guidelines foresee the following payments deferrals: 60% 31.12.2017 20% 31.12.2018 20% 31.12.2019

Amounts in euro		TABLE 3B: Monetary Incentive Plans in favour of Members of the Administrative Body, General Managers and other Executives with Strategic Responsibilities									
(A)	(B)	(1)		(2)			(3)			(4)	
		Name and surname	Office	Plan	Annual Bonus		Deferral period	Previous years Bonuses			Other Bonuses
					(A)	(B)		(C)	(A)		
		Payable / Paid	Deferred		Non longer payable	Payable / Paid	Still deferred				
	Chief Executive Officer/ General Manager										
	(I) Compensation in the Company preparing the Financial Statement	170.000	255.000	33% 31.12.2018 67% 31.12.2022							
	2016 Group Incentive System					56.100	112.200				
	2015 Group Incentive System						170.000				
	(II) Compensation from Subsidiaries and Associates										
	(III) Total	170.000	255.000			56.100	282.200				
	Other Executives with Strategic Responsibilities										
	(I) Compensation in the Company preparing the Financial Statement	297.595	446.393	33% 31.12.2018 67% 31.12.2022							
	n. 5 Executives										
	n. 5 Executives					98.206	196.412				
	2016 Group Incentive System						297.000				
	(II) Compensation from Subsidiaries and Associates										
	(III) Total	297.595	446.393			98.206	493.412				

7. Compensation Tables (CONTINUED)

7.1 Disclosure as per section 84-quater of the Italian National Commission for Listed Companies (Consob) Issuers Regulation no.11971 (CONTINUED)

Consob Issuers Regulation nr. 11971 - Annex 3A / Schedule 7-bis

Name and surname	Office	Investee Company	Type of shares	Number of shares		
				Held at the end of 2016	Acquired*	Sold
BOARD OF DIRECTORS						
Enrico Cotta Ramusino	Chairman	FinecoBank	Ord.	37.000	28.000	65.000
Francesco Saita	Vice Chairman					
Alessandro Foti	Chief Executive Officer / General Manager	FinecoBank	Ord.	0	229.700	123.330
Patrizia Albano	Director					-
Elena Biffi	Director					-
Manuela D'Onofrio	Director					-
Maria Chiara Malaguti	Director					-
Giannarco Montanari	Director					-
	indirect ownership (spouse)	FinecoBank	Ord.	104	4	100
Maurizio Santacroce	Director					

BOARD OF STATUTORY AUDITORS						
Elena Spagnol	Chairman of the Board Statutory Auditors	FinecoBank	Ord.			-
Barbara Aloisi	Standing Auditor					
Marziano Viozzi	Standing Auditor					
Federica Bonato	Alternate Auditor					

Number of Executives with Strategic responsibilities	Società Partecipata	Type of shares	Number of shares		
			Held at the end of 2016	Acquired*	Sold
5	FinecoBank	Ord.	11.000	401.150	268.165
					143.985

*including shares related to the assignments of Incentive Systems Plans

