

(This English version is a courtesy translation from the Italian original document which remains the definitive version)

UBI BANCA SPA

REPORT TO THE SHAREHOLDERS' MEETING

*Appointment of a Board Member, to fill a vacancy on the Supervisory Board.
Relative and consequent resolutions.*

Dear Shareholders,

As already reported, on 22nd December 2016 *dott.* Gianluigi Gola resigned from his position as a Member of the Supervisory Board of UBI Banca S.p.A. for personal reasons.

In this respect, we point out that in accordance with article 36, paragraph 1 of the Articles of Association, the Supervisory Board must be composed of 15 members. You are therefore invited to fill the vacancy on the Supervisory Board of UBI Banca S.p.A., in compliance with the provisions of the law and of the Articles of Association.

Again, as already reported, the Member of the Supervisory Board who resigned had been appointed by a Shareholders' Meeting held on 2nd April 2016 approved with a relative majority, because it had not been possible to use list voting procedures and therefore the replacement procedures pursuant to article 37.17 part one and 37.19 of the Articles of Association that regulate cases in which places are vacated by a Board Member elected in a list will not apply. The appointment of the Board Member will take place in accordance with the Articles of Association, with a relative majority vote without the obligation for a list as provided for by the Articles of Association themselves and by Legislative Decree No. 58/98 and subsequent amendments.

However, in order to allow an appropriate, transparent and adequate assessment of candidates to the office of Member of the Supervisory Board by the shareholders of the Bank and also to facilitate the proceedings of the Shareholders' Meeting, shareholders are strongly advised to present proposals for candidates at least 21 days before the date of the Shareholders' Meeting and therefore by 17th March 2017, following the procedures contained in the notice to convene the Shareholders' Meeting, available on UBI Banca's website (www.ubibanca.it – *Shareholders Section – Shareholders' Meetings and communications to shareholders – April 2017 Shareholders' Meeting*). In any event, candidatures may nevertheless be presented up until the day of the Shareholders' Meeting.

However, whenever they are submitted, candidatures must be accompanied by the following:

- documentation that provides adequate proof that the presenter is a shareholder;
- a declaration by the candidate certifying that they accept their appointment together with the relative declarations that no cause for ineligibility and incompatibility exists and also that they possess the requirements prescribed by law, regulations and the Articles of Association for the office. The candidate is invited in that declaration to take account of relevant situations within the meaning of Art. 36 of Decree Law No. 201/2011, converted by Law No. 2014/2011 (ban on “interlocking” positions). Candidatures must be accompanied by a curriculum vitae containing exhaustive information on the candidate’s professional characteristics and a list of any management and supervisory positions that may be occupied in other companies within the meaning of article 2400, paragraph 4 of the Italian Civil Code, with a commitment to update this if necessary at the date of the Shareholders’ Meeting.

Again in order to facilitate procedures for the submission of candidatures, the following is available on UBI Banca’s website “www.ubibanca.it – Shareholders Section – Shareholders’ Meetings and communications to shareholders – April 2017 Shareholders’ Meeting”:

- a facsimile of the letter accompanying the candidatures containing the list of documentation that must accompany them;
- a facsimile for the declaration by candidates containing their acceptance of their candidature and certifying that they are in possession of the requirements for taking up the position required by the law and regulations, with regard also to the requirements set by Art. 36 of the Articles of Association.

More specifically, in accordance with article 36, paragraph 4 of the Articles of Association, the Members of the Supervisory Board must be in possession of the requirements of integrity, professionalism and independence prescribed by the regulations in force from time to time.

All members of the Supervisory Board must not yet have reached 75 years of age at the time of appointment and they must have acquired overall experience – through holding the office in Italy or abroad – of at least three years as chairman or at least five years of working in:

senior management and/or strategic supervision

management

or

- control

in

- banks, finance companies, asset management companies or insurance companies;
- independent public authorities;
- companies which carry out manufacturing and/or trade in goods or services;
- companies with shares traded on an Italian or foreign regulated market.

Candidates can also be elected who have not acquired that career experience provided they:

- are or have been tenured university professors for at least five years in the subjects of law, economics, mathematics, statistics, or management engineering;

- are or have been members of the professional associations of accountants, notaries or lawyers for at least ten years.

At least 3 (three) members of the Supervisory Board must be chosen from amongst persons enrolled in the register of external statutory auditors who have exercised statutory auditing activities for a period of not less than three years (article 36, paragraph 7 of the Articles of Association).

Furthermore, the composition of the Supervisory Board must ensure, in compliance with the provisions of Law No. 120 of 12th July 2011, that a balance is maintained between genders for the period provided for by that law and at least the majority of the members of the Supervisory Board must not have occupied the position of Member of the Supervisory Board and/or Member of the Management Board of the Bank continuously for the three previous terms of office (Article 36, paragraph 8 of the Articles of Association).

In accordance with article 36, paragraph 9 of the Articles of Association, while mandatory regulations of the law, the Supervisory Authority or other regulations must be complied with, persons already holding the office of full statutory auditor, or who are members of other supervisory bodies in more than five listed companies and/or their parent companies or subsidiaries, cannot hold office as a member of the Supervisory Board.

In accordance with Bank of Italy regulations on the organisation and corporate governance of banks, account must also be taken of the contents of the Supervisory Board document on its qualitative and quantitative composition considered optimal prepared for the 2016 Shareholders' Meeting, in which it identifies and gives reasons for the theoretical profile, inclusive of characteristics of professionalism and independence, considered advisable for the purposes of effectively filling the role and carrying out the duties assigned to that body. The document is available on the corporate website "www.ubibanca.it – Shareholders Section – Shareholders' Meetings – April 2017 Shareholders' Meeting".

You are invited to take account when identifying candidates also of the provisions of the documents and/or guidelines issued or currently being issued by the European banking authority ("EBA"), the European Securities and Markets Authority ("ESMA") and the European Central Bank ("ECB"), available on the websites of those authorities and more specifically:

- "*Draft guide to fit and proper assessments*" published by the ECB on 14th November 2016;
- the consultation document published jointly by the ESMA and EBA on 28th October 2016, entitled "*Joint ESMA and EBA Guidelines on the assessment of the suitability of members of the management body and key function holders under Directive 2013/36/EU and Directive 2014/65/EU*".

The Member of the Supervisory Board called upon to fill the vacant place will remain in office until the expiry of the term of office of the current Supervisory Board and that is until the Shareholders' Meeting that will be held in accordance with article 2364-*bis* of the Italian Civil Code, after the end

of the financial year 2018.

The Board Member appointed will receive, on a pro rata basis, the fee for the office set by Shareholders' Meeting of 2nd April 2016 and also the remuneration set by the Supervisory Board for possible participation in internal board committees to which the Board Member may be appointed.

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Dear Shareholders,

In consideration of the above, we invite you to resolve upon the appointment of a Board Member to fill the vacant place on the Supervisory Board. The Member of the Supervisory Board elected will remain in office until the original term of office of the Board Member replaced expires and that is until the Shareholders' Meeting that will be held after the end of the financial year 2018. At the same time that person will receive, on a pro rata basis, the remuneration set by the Shareholders' Meeting held on 2nd April 2016.

Bergamo, 7th March 2017

THE SUPERVISORY BOARD