



2021

**Directors' Reports and proposals on the items of the agenda
of the Shareholders' Meeting of April 28, 2022**

ORDINARY SHAREHOLDERS' MEETING

28 APRIL 2022 ON A SINGLE CALL

REPORTS OF THE BOARD OF DIRECTORS

**(prepared pursuant to Art. 125-ter of Italian Legislative Decree No. 58 of
24 February 1998**

and Arts 72 and 73 of CONSOB Issuers' Regulation)

AGENDA

1. **2021 financial statements.**
 - a) Approval of the financial statements as at 31 December 2021; Directors' report; Report by the board of statutory auditors and independent audit report. Consequent and related resolutions.
 - b) Allocation of the profits for the 2021 financial year and dividend distribution. Consequent and related resolutions.
2. **Appointment of the board of directors for financial years 2022, 2023 and 2024; establishment of the remuneration due to the directors.**
 - a) Establishment of the number of members of the board of directors for financial years 2022, 2023 and 2024. Consequent and related resolutions.
 - b) Appointment of the board of directors for financial years 2022, 2023 and 2024. Consequent and related resolutions.
 - c) Establishment of the remuneration of members of the board of directors for financial years 2022, 2023 and 2024. Consequent and related resolutions.
 - d) Authorisations in accordance with article 2390 of the civil code. Consequent and related resolutions.
3. **Appointment of the board of statutory auditors and its chairperson for financial years 2022, 2023 and 2024; establishment of the remuneration due to the statutory auditors.**
 - a) Appointment of the board of statutory auditors and its chairperson for financial years 2022, 2023 and 2024. Consequent and related resolutions.
 - b) Setting the remuneration of the board of statutory auditors for financial years 2022, 2023 and 2024. Consequent and related resolutions.
4. **Report on the policy on remuneration and the payments made. Consequent and related resolutions.**
 - a) Approval of the first section of the report on the policy on remuneration and the payments made in accordance with article 123-ter, paragraph 3 of Legislative Decree no. 58/1998 (Consolidated Law on Finance) and articles 41, 59 and 93 of Institute for the Supervision of Insurance "IVASS" Regulation 38/2018.
 - b) Resolution on the second section of the report on the policy on remuneration and the payments made in accordance with article 123-ter,

paragraph 6 of Legislative Decree no. 58/1998 (Consolidated Law on Finance).

5. **Compensation plan based on financial instruments pursuant to article 114-*bis* of the Legislative Decree no 58/1998 (Consolidated Law on Finance). Consequent and related resolutions.**
6. **Acquisition and arrangements for treasury shares. Consequent and related resolutions.**
7. **Update of the shareholders' meeting rules. Consequent and related resolutions.**

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETING ON AGENDA ITEM No. 2

Appointment of the board of directors for financial years 2022, 2023 and 2024; establishment of the remuneration due to the directors

- a) Determination of the number of members of the board of directors for financial years 2022, 2023 and 2024. Related and consequent resolutions.
- b) Appointment of the board of directors for financial years 2022, 2023 and 2024. Related and consequent resolutions.
- c) Determination of the remuneration of the members of the board of directors for financial years 2022, 2023 and 2024. Related and consequent resolutions.
- d) Authorisations pursuant to Art. 2390 of the Italian Civil Code. Related and consequent resolutions.

Dear Shareholders,

With the approval of the financial statements at 31 December 2021, the mandate granted to the Board of Directors of Unipol Gruppo S.p.A. (the "Company"), appointed by the Ordinary Shareholders' Meeting of 18 April 2019, comes to an end, the term of office having expired.

We invite you, therefore, to resolve – in compliance with the relevant laws and regulations in force, as well as with the By-Laws – on the appointment of the administrative body for the years 2022, 2023 and 2024 and therefore until the Meeting called to approve the financial statements at 31 December 2024; and this according to the procedures and conditions set forth in Art. 10 of the By-Laws, which envisages a list voting mechanism, suitable for allowing, as required by law, at least one Director to be elected by the minority, as well as on the basis of CONSOB Executive Decision No. 60 of 28 January 2022, which established the minimum participation percentage required for the submission of lists.

We note, in this respect, that the By-Laws currently in force provide for the number of members of the Board of Directors to be no less than 15 and no more than 25, that the Directors' term of office is three years, or else the shorter term set by the Meeting at the time of the appointment, and that Directors may be re-elected.

Members of the Board of Directors are elected on the basis of lists submitted by those shareholders who at the time they are submitted are entitled to vote at the relevant Shareholders' Meeting. The candidates on each list must be listed by means of a serial number.

Shareholders who submit a "minority list" must also be recipients of the recommendations issued by CONSOB with communication No. DEM/9017893 of

26 February 2009. Specifically, the Shareholders who submit a “minority list” must file, with the list, a statement of the absence of affiliation, even indirectly, as provided by Art. 147-ter, Par. 3, of the TUF and Art. 144-quinquies of CONSOB Regulation No. 11971 of 14 May 1999 as amended (Issuers’ Regulation), with the Shareholders participating in the shareholders’ agreement mentioned above.

The new Board of Directors must be appointed in compliance with regulations on gender balance pursuant to Art. 147-ter, Par. 1-ter of Italian Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance, or “TUF”). Each list containing a number of candidates equal to or higher than three must include a number of candidates belonging to the less represented gender which ensures that each list complies with that balance. Specifically, at least two-fifths of the members of the Board of Directors must belong to the least represented gender, rounded up in the event of a fraction; therefore, each list containing a number of candidates equal to or greater than three must have a number of candidates belonging to the least represented gender which ensures that within each list gender balance is respected to the minimum extent required by regulations in force, rounding, in the case of a fraction, alternatively: (a) down, for lists containing fewer than five candidates; or (b) up, for lists containing at least five candidates.

The Directors must meet the requirements of fitness for office established, insofar as applicable to them, by Ministerial Decrees No. 220/2011 and No. 162/2000.

With reference to the Directors’ independence, it should be remembered that:

- without prejudice to what is specified below with reference to the provisions of the Corporate Governance Code for listed companies (the “Code”), the By-Laws establish that the Board of Directors consists for at least one third of Directors meeting the independence requirements established for Statutory Auditors by Art. 148, Par. 3 of the TUF, rounding down in the case of any fractions. The lists containing a number of candidates equal at least to the minimum number of members of the Board of Directors laid out in the By-Laws must contain and expressly specify some parties meeting the aforementioned independence requirements. Where the number of candidates meeting the requirements in question is equal to the minimum number established in the By-Laws, the last two sequential numbers of said lists cannot be assigned to an independent candidate;
- pursuant to the Code, the Company qualifies as (i) “large”, in relation to its capitalisation and (ii) “non-concentrated” ownership, with regard to the composition of its shareholding structure. By virtue of belonging to these categories, the Code establishes that the Board of Directors must consist of at least half independent Directors, as defined therein and as further clarified.

In view of the above, we also note – referring, for anything not specifically mentioned here, to the aforementioned provision of the By-Laws – that:

- lists containing the names of the candidates – in a number no higher than 25, in sequential order – must be deposited at the Company, as indicated in the Meeting notice, at least 25 days before the date of the Meeting (and, therefore, by 3 April 2022) and the Company shall make them available to the public at the registered office and on its website, in compliance with the methods required by current legal and regulatory provisions, at least 21 days before the date set for the Meeting (and, therefore, by 7 April), the deadline by which the documentation proving legitimate entitlement to submit lists must also be received;
- according to the provisions of the aforementioned CONSOB Executive Decision No. 60 of 28 January 2022, the right to submit lists pertains to Shareholders who, alone or with other Shareholders, represent at least 1% of the share capital; the ownership of the stake required for the submission of the lists is established on the basis of the shares that are entered for the submitting Shareholder(s) on the day that the lists are deposited at the Company;
- each Shareholder, the Shareholders belonging to a relevant shareholders' agreement under Art. 122 of the TUF, the holding company, the subsidiaries and joint ventures pursuant to Art. 93 of the TUF, cannot submit or take part in the submission of, even through an intermediary or trust company, more than one list and cannot vote for lists other than the one that they have submitted or participated in submitting, even through an intermediary or trust company. Any support and votes cast in breach of such provision shall not be attributed to any list;
- in order to be eligible each candidate may appear on only one list.

Pursuant to the combined provisions of the aforementioned Art. 10 of the By-Laws and the applicable laws, the Shareholders who plan to submit a list must deposit, simultaneously and jointly with each list, the following:

- i) statements in which the individual candidates accept their nomination and state that there are no grounds for their ineligibility or incompatibility, and that the requirements for the assumption of the position are met;
- ii) a curriculum vitae of each candidate indicating their personal and professional characteristics and a certification of any eligibility to be qualified as independent;
- iii) any additional information required by legal and regulatory provisions, indicated in the notice of Meeting.

The certificate issued by an authorised intermediary proving ownership of the number of shares required for the submission of the list may be produced when the list is deposited, or even subsequently provided it is at least 21 days before the date set for the Meeting.

Lists that are submitted without these provisions being observed are deemed not to have been submitted.

Please note that, having regard to the policy on requirements of fitness for office approved by this Board of Directors, most recently on 18 March 2021 (the “Fit&Proper Policy”), taking into account the current shareholding structure of Unipol, so far all of the following Company Directors have been considered non-independent, pursuant to the Code and the TUF:

- members of the Management Committee of the shareholders’ agreement, relevant pursuant to Art. 122 of the TUF, which binds some Unipol shareholders; the extract of that agreement and the basic information regarding it, published pursuant to Arts. 129-131 of the Issuers’ Regulation adopted by CONSOB with resolution No. 11971 of 14 May 1999 as amended, may be consulted on the Company’s website at www.unipol.it *Investors/Shareholding Structure* section; or
- prominent representatives of the main Shareholder of the Company, i.e., the Chairman, executive directors and the General Manager.

Please also recall that, pursuant to Recommendation No. 7 of the Code, a director is not generally considered independent, amongst other cases:

- i) if, directly or indirectly (for example through subsidiaries or companies of which he or she is executive director or as a partner of a professional practice or a consulting company) he or she has, or has had in the three prior financial years, a significant commercial, financial or professional relationship:
 - with the company or companies it controls, or with the relative executive directors or top management;
 - with a party which, also together with others through a shareholders’ agreement, controls the company; or, if the controlling entity is a company or organisation, with the related executive directors or top management;
- ii) if he or she receives, or has received in the three prior financial years, from the company, its subsidiary or the holding company, significant remuneration in addition to the fixed compensation for the office and that established for participation in the committees recommended by the Code or established by regulations in force.

In this regard, the Fit&Proper Policy establishes that, for the assessment of significance pursuant to points i) and ii) above, it is necessary to take into consideration, insofar as of specific interest here:

- the annual amount paid for any professional and/or other services rendered to the company and/or holding company and/or subsidiaries that exceeds 5% of the annual turnover of the Director or of the company or entity over which the Director has control or is an executive director of the professional practice or consulting company of which he or she is a partner or shareholder or, at any rate, exceeding Euro 500,000 per year;
- any compensation received for offices also held in the holding company and/or

subsidiaries, where these exceed a total of Euro 200,000 per year;

- any personal and financial situations which could result in conflicts of interest and also potentially hinder the independent judgement of the Director, in any event with the performance of corporate management in the interest of the Company remaining ensured, consistent with the objectives of sound and prudent management.

If the Director is also a partner of a professional practice or a consulting company, even irrespective of the quantitative parameters mentioned above, the significance of the professional relations which could have an effect on his or her position and role within the practice or the consulting company or which in any event relate to significant transactions of the Company and the Unipol Group is evaluated.

It should also be remembered that candidates for the office of Director must comply with the provisions of the Regulation on limits on the plurality of offices held, adopted by its Board of Directors and available on the website of the Company at the address www.unipol.it, in the Governance section.

Please also note that in the event that only one list is submitted or no list is submitted, the Shareholders' Meeting resolves with the majorities required by the law, without observing the procedure established above, ensuring, at any rate, the presence of independent Directors and respect of the balance between the genders required by legal and regulatory provisions in force.

Lastly, please note that, in compliance with industry regulations and the recommendations of the Code, taking into account the results of the annual assessment on the size, composition and functioning of the Board and its Committees ("Board Performance Evaluation"), the administrative body expresses to the Shareholders, in view of each new Board appointment, its orientation concerning its quantitative and qualitative composition considered optimal (the "Advice").

The Board of Directors in office, supported by the Appointments and Corporate Governance Committee, also taking into account the Diversity Policy with regard to the composition of the corporate bodies that it approved in compliance with the provisions of Art. 123-bis, Par. 2, letter d-bis, of the TUF, as well as having reviewed and considered the results emerging from the Board Performance Evaluation activities, expressed its Advice, published on the Company's website and in any event annexed to this Report.

As set forth in the Advice, this outgoing administrative body recommends to those submitting a list containing a number of candidates exceeding half of the members to be elected, to indicate their candidate for the position of Chairman of the Board of Directors, without prejudice to the fact that, pursuant to the By-Laws, the Chairman shall be elected by the Board.

Shareholders intending to make proposals with respect to the remuneration due to the Board of Directors are invited to submit them, as specified in the Meeting notice, by 12 April; they will be published on the Company's website by 13 April.

Lastly, we propose to allow the newly appointed Directors, pursuant to Art. 2390 of the Italian Civil Code and within the applicable legal limits, to be part, or become part, of Boards of Directors of other companies.

Bologna, 10 February 2022

The Board of Directors

Annex: Advice of the Board of Directors in office on the size and qualitative composition of the new administrative body

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UNIPOL GRUPPO S.p.A.
BOARD OF DIRECTORS

ADVICE FOR SHAREHOLDERS
ON THE SIZE AND QUALITATIVE COMPOSITION
OF THE BOARD OF DIRECTORS FOR THE 2022-2024 THREE-YEAR PERIOD

Bologna, 10 February 2022

1. Foreword

In compliance with the recommendations of the Corporate Governance Code for listed companies (the "**Corporate Governance Code**") and the provisions of IVASS Regulation No. 38 of 3 July 2018¹ as well as the Guidelines on system of governance issued by EIOPA², the Board of Directors of Unipol Gruppo S.p.A. (also the "**Board**" or the "**Administrative Body**" and "**Unipol**" or the "**Company**"), with the support of the Appointments and Corporate Governance Committee, drafted its advice on the size and qualitative composition deemed optimal in view of the appointment of the new Administrative Body for the 2022-2024 three-year period (the "**Advice**") at the Company's next Ordinary Shareholders' Meeting, scheduled for 28 April 2022 (the "**Shareholders' Meeting**").

Specifically, this Advice was drafted with the hope that Shareholders, at the time of submission of the candidate lists for the new Board of Directors, assess, also in light of it, the personal characteristics, experience, also in management positions, and gender of the candidates, in proportion to the size of the Company, the structure of the Unipol Group (also, the "**Group**"), the complexity and specificity of the business sector in which it operates, and the size of the Administrative Body.

To that end, pursuant to Art. 123-*bis*, Par. 2, letter d-*bis* of Italian Legislative Decree No. 58/1998 (Consolidated Law on Finance, the "**TUF**"), the Board of Directors has approved a diversity policy for the composition of the corporate bodies, which provides guidelines for the formulation of the Advice (the "**Diversity Policy**", available on the Company's website in the corporate governance section).

The Advice takes into account the results of the self-assessment on the size, composition and functioning of the Board and its Committees (the "**Board Performance Evaluation**"). This self-assessment was carried out annually over the 2019-2021 three-year period and had a specific focus on the areas to be seen as strengths and on those that need to be studied to allow the outgoing Administrative Body to express a synthetic opinion on the findings obtained during the year that just ended and, in particular, of the full mandate of the Board and, therefore, on the evolution over its term of office.

¹ In particular, Art. 71, Par. 2, letter bb) of IVASS Regulation No. 38/2018 establishes that, with reference to the ultimate Italian parent company (like Unipol), the Board of Directors should express "...guidelines on the professional figures whose presence in the Board is deemed appropriate, also considering the group's structure, particularly with regard to the companies pursuant to Article 210-ter, Par. 2 of the Code".

² The Guidelines on system of governance issued by EIOPA establish, inter alia, that the administrative body pursuant to Art. 1.28 Sect. 1 "should have an appropriate knowledge of the corporate organisation of the group, the business model of its different entities and the links and relationships between them and the risks arising from the group's structure" and in compliance with Art. 1.43 of Section 3, "should collectively possess appropriate qualification, experience and knowledge about at least: a) insurance and financial markets; b) business strategy and business model; c) system of governance; d) financial and actuarial analysis; e) regulatory framework and requirements".

2. Size of the Board of Directors

In accordance with Art. 10 of the By-Laws in force, the Administrative Body of Unipol shall comprise no fewer than 15 and no more than 25 members. Its current size, as approved by the Shareholders' Meeting on 18 April 2019, is 19 members; previously, in the 2016-2018 three-year period, the Board had 22 Directors.

The outgoing Administrative Body believes that, for the purposes of the assessment of the quantitative composition of the Board, it is necessary to keep into account different criteria and different requirements arising from the specific nature of the role of parent company fulfilled by the Company and its areas of operation as well as the characteristics and structure of the Unipol Group, and try to reconcile these requirements.

The size of the Board of Directors must adequately support the tasks of strategic direction and coordination that the Board will be called to carry out, taking account of the need to articulate the delegation of the functions of analysis and propositional and advisory support to its internal Committees, also in consideration of the Group's complexity and the need to ensure their adequate operation.

In this regard, in relation to the size, management and organisational structure of the Group, the following should be considered:

- the specific role performed by Unipol as an issuer with shares listed in the Euronext Milan Market managed by Borsa Italiana S.p.A. ("**Euronext**") and as parent company of the Unipol Insurance Group; the activity carried out by the Company is subject to in-depth and impactful regulation by the insurance and financial market and sector Supervisory Authorities;
- the presence in the Unipol Group of UnipolSai Assicurazioni S.p.A. (also an issuer with shares listed in the Euronext, as well as the direct parent company of all other insurance companies in the Group) and companies operating in the financial sector; a structure which indicates the Company's role and characterises its complex management and governance model aspects and issues from the operational and organisational perspective;
- the diversification of the Group's businesses, also including companies instrumental to the exercise of the insurance activity (including those performing real estate activity) as well as companies operating in diversified sectors (including hotels, health, agriculture and car rental).

These characteristics lead to the adoption of a Board composition that is able to assure an adequate contribution to the strategies to guide and manage the different activities of the Group, and to have a number of members that would allow the efficient operation of the Committees within the board, also taking into consideration the need to ensure efficient balancing of the competencies present within them.

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In this regard - also following the Board Performance Evaluation and taking into account the requirement of diversification of the competencies deemed necessary, as well as the size and complexity of the business performed by the Company and the Group - the Board of Directors, with the support of the Appointments and Corporate Governance Committee, deems that the current number of Board members is adequate, taking into account the positive operation dynamics noticed by the outgoing Board of Directors in the course of its term of office and believing that the composition of the new Administrative Body should at any rate guarantee the efficient and effective management of this body's operations, making possible the in-depth study of issues and allowing all members to express themselves and give their personal contribution to the development of a fruitful dialogue, also with regard to the operation of the board Committees.

3. Qualitative composition of the Board of Directors

We shall start by recalling that the regulations that apply to the Company provide for specific requirements of fitness for office that must be met by the members of the Administrative Body, also identifying certain cases of ineligibility or incompatibility.

That said, with regard to the qualitative composition of the Board of Directors, the Diversity Policy states that:

- the Directors are for the most part non-executive, able to provide adequate contribution to the board activities, enhancing the internal debate with competencies of a general strategic or technical nature, even formed outside the Group, so as to be able to analyse the different issues debated from different viewpoints, thereby contributing to spurring dialogue, which is the necessary requirement of a collegial, well-considered and informed decision;
- in addition to what is set forth in this regard by the TUF and applicable sector regulations, pursuant to the Corporate Governance Code, the independent Directors must make up at least half of the Administrative Body, thus allowing inter alia for a diverse composition of the board Committees;
- in compliance with the provisions of the Company's By-Laws and provisions of law in force on gender balance, the Board of Directors must be made up for at least two-fifths (rounded upwards) of Directors belonging to the "least represented" gender;
- a balanced composition of different levels of seniority in office and age brackets must be guaranteed within the Board of Directors, thereby sharing in any case the significant value that the experience accrued and knowledge of the activities and dynamics of the Group may bring in terms of a contribution to the effective operation of the Board;
- to ensure the proper execution of their tasks and guarantee the effectiveness of

- the role, the Directors are able to devote adequate time and resources to the execution of their mandate;
- the managerial and/or professional and/or academic and/or institutional profiles of each of the Directors, according to the provisions of the applicable industry regulations, are suitable to allow the Administrative Body to have, as a whole, technical skills and experiences that are different and complementary to each other, in order to fulfil its tasks.

In this regard, please recall that pursuant to Art. 212-*bis*, Par. 1, letter c) of Italian Legislative Decree No. 209 of 7 September 2005 (Private Insurance Code, the "**CAP**"), parties carrying out administration, management and control functions at Unipol, as the ultimate parent company of the Insurance Group of the same name, are subject to the requirements of professionalism, integrity and independence as well as situations of ineligibility and incompatibility established for parties carrying out such functions at insurance companies³; the Board checks that such requirements are met, also taking into account the Policy on fitness for office approved by the Administrative Body (the "**Fit&Proper Policy**").

Moreover - considering the qualified investments held by Unipol, including in companies operating in the banking and financial sectors - when required by regulations in force over time and/or the competent domestic and/or foreign Authorities, the Board of Directors checks that its members meet the requirements necessary for investment in such companies.

Looking in more detail to the theoretic profiles of the candidates for the offices of Director suitable to ensure the optimal qualitative composition – without prejudice, as it was said before, to the requirements made in this respect by the current regulations that apply to Unipol – the Board of Directors, with the support of the Appointments and Corporate Governance Committee, also in light of the outcome of the self-assessment carried out annually over the three-year period, has defined a set of competencies believed to be necessary to the Administrative Body for the proper and effective execution of its tasks, also taking into account:

- what is stated in that regard by the cited national legislation applicable to the insurance sector⁴, according to the principle of proportionality⁵, taking account of the mere holding company activity carried out by the Company, as well as the

³ In particular, Art. 212-*bis*, paragraph 1, letter c) of the Private Insurance Code states that, with reference to the supervision of the group, IVASS, inter alia: "(...) c) assesses the system of governance of the Group and the possession of the requirements set forth in to Art. 76 by the parties that carry out functions of administration, direction and control in parent companies set forth in to Art. 210, Par. 2 [including Unipol, ed.], and the parties there in charge of the key functions."

⁴ At present, the reference sector regulations are provided by, as noted above, IVASS Regulation No. 38/2018, which - at Art. 71, Par. 2, letter p) - provides that "*the administrative body of the ultimate Italian parent company [which is Unipol, ed.] as a whole possesses adequate technical competencies to perform the duties required by the structure, by the activity, and by the risk profile of the group.*"

⁵ Pursuant to Art. 30 of the Private Insurance Code: "*1. The company shall adopt an effective corporate governance system that allows a sound and prudent management of the activity. The system of governance is proportional to the nature, size and complexity of the activity of the Company.*"

Fit&Proper Policy;

- to the indications issued by the European institutions and authorities⁶;
- the functions assigned to the Board itself, its operation and the establishment of Committees within the Board⁷, as well as of the complexity and size of the Group, the type of activity carried out and its listing in regulated markets;
- to the best practices in place on the market.

In this regard, the Board notes also that the outcome of the Board Performance Evaluation have confirmed in general:

- the shared opinion that the current composition of the Board of Directors of the Company, overall, reflects the competencies believed to be necessary for its proper operation, also on the basis of the in-depth knowledge and the experience accrued by the Directors themselves in the execution of the current mandate and/or, if applicable, of previous mandates, as well as with the participation, for those who are members, in the meetings of the Board internal committees, and training programmes and refresher courses (induction session);
- satisfaction with regard to the level of diversity, in terms not only of age, gender and seniority of office but also of competencies and expertise, of the Board, even if in the presence of possible areas of improvement, which might be improved also thanks to the experience accrued in the exercise of the role and the participation in new induction sessions.

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This Board of Directors believes that, in general, its current structure adequately and properly reflects the various components (executive, non-executive, independent, gender and age/seniority in office) and the different competencies required.

This being said, the Board moreover recommends that, taking into account the result of the Board Performance Evaluation, also in light of the aforementioned induction activities, as well as what is set forth by the sector regulations referred to above, the

⁶ At EU level, Art. 273, Pars. 2 and 3 of Commission Delegated Regulation (EU) 2015/35, of 10 October 2014, supplementing Directive 2009/138/EC (*Solvency II*), states the following:

"(...)

2. *The assessment of whether a person is fit shall include an assessment of the person's professional and formal qualifications, knowledge and relevant experience within the insurance sector, other financial sectors or other businesses and shall take into account the respective duties allocated to that person and, where relevant, the insurance, financial, accounting, actuarial and management skills of the person.*

3. *The assessment of whether members of the administrative, management or supervisory body are fit shall take account of the respective duties allocated to individual members to ensure appropriate diversity of qualifications, knowledge and relevant experience to ensure that the undertaking is managed and overseen in a professional manner."*

⁷ In addition, pursuant to the Corporate Governance Code, at least one member of the Control and Risk Committee and the Remuneration Committee must be in possession, respectively, of adequate:

- experience in accounting and financial issues or risk management;
- knowledge and experience in financial issues or remuneration policies.

professionalism and competencies represented within the new Administrative Body as a whole, in order to maintain its optimal composition, should fall within the following areas:

- insurance and/or banking and/or financial and/or real estate business;*
- trends of the economic-financial system and sector;*
- strategic planning;*
- accounting disclosure and financial reporting systems;*
- laws and regulations of the sector and corporate governance;*
- internal controls and risk management;*
- company organisation and remuneration;*
- sustainability and Environmental, Social and Governance (ESG) factors;*
- information technology/digital and operations.*

To ensure an adequate dialogue within the Administrative Body and allow it to take increasingly well-informed decisions, as well as to assign to the Directors different tasks within the Board of Directors and its internal Committees, the outgoing Board also believes it is desirable, in compliance with the guidelines of the provisions for the sector, to have, within the Administrative Body, a plurality of competencies, experiences and cultures, general and specialised, since the simultaneous presence of diversified competencies and experiences ensures the complementarity of the professional profiles and encourages said dialogue and the efficient operation of the Board and the Committees.

Without prejudice to the fact that the Corporate Governance Code recommends that the Board of Directors of the Company be composed of at least one half independent Directors, please note that, with regard to the evaluation criteria used by this Administrative Body, taking into account the current shareholding structure of Unipol, so far all of the following Company Directors have been considered non-independent:

- members of the Management Committee of the shareholders' agreement which binds some Unipol shareholders; or*
- prominent representatives of the main Shareholder of the Company.*

The Fit&Proper Policy has also pre-defined the quantitative and qualitative criteria for assessing the significance of certain circumstances - particularly those referred to in points c) and d) of Recommendation 7 of the Corporate Governance Code - which compromise, or appear to compromise, the independence of a Director. Such criteria will be specifically summarised in the report of the Directors for the Shareholders' Meeting, which will be published within the terms established by regulations in force.

Furthermore, to identify the qualitative composition of the Board of Directors believed to be optimal, the Administrative Body in office, considering the guidelines of the Corporate Governance Code, reasserts the importance of ensuring that:

- (i) the aforementioned managerial and professional competencies are adequately represented, also keeping into account the benefits that may derive from the presence in this body of different genders and experiences, also ensuring a balanced combination of different ages and seniorities in office, assessing, on this last point, the possibility of keeping an adequate number of Directors currently in office;*
- (ii) in particular, keeping into account the laws and regulations of the sector, the Board has competencies, already available today, on internal controls and risk management, also in order to allow an adequate composition of the Control and Risk Committee;*
- (iii) the non-executive Directors are capable of ensuring adequate debate within the Board of Directors, in order to support knowledgeable joint decision-making, through the simultaneous presence of multiple types of knowledge, experiences and cultures, general and specialised, in order to ensure the complementary nature of the professional profiles and favour the efficient functioning of the Board of Directors and the board Committees.*

To ensure the proper execution of their tasks and guarantee the effectiveness of the role, the candidates for the office of Director should be able to devote adequate time and resources to the performance of their duties.

Lastly, this Board of Directors recommends to those submitting a list containing a number of candidates exceeding half of the members to be elected, to provide adequate disclosure concerning the list's compliance with the Advice, also with reference to the criteria set forth in the Diversity Policy, and to indicate, in compliance with the provisions of the Corporate Governance Code, their candidate for the position of Chairman of the Board of Directors, without prejudice to the fact that, pursuant to the By-Laws, the Chairman shall be elected by the Board.

The Board of Directors

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETING ON AGENDA ITEM No. 3

Appointment of the board of statutory auditors and its chairman for financial years 2022, 2023 and 2024; establishment of the remuneration due to the statutory auditors

- a) Appointment of the board of statutory auditors and its chairman for financial years 2022, 2023 and 2024. Related and consequent resolutions.
- b) Determination of the remuneration of the board of statutory auditors for financial years 2022, 2023 and 2024. Related and consequent resolutions.

Dear Shareholders,

With the approval of the financial statements at 31 December 2021 the mandate granted to the Board of Statutory Auditors of Unipol Gruppo S.p.A. (the "Company"), appointed by the Meeting of 18 April 2019, comes to an end, the term of office having expired.

We invite you, therefore, to resolve – in compliance with the relevant laws and regulations, as well as By-Laws, in force – on the appointment of the Board of Statutory Auditors and its Chairman for the years 2022, 2023 and 2024 and, therefore, until the Shareholders' Meeting for the approval of the financial statements at 31 December 2024.

To this purpose, the Shareholders' Meeting must also set the remuneration due to the Board of Statutory Auditors for each year in office.

It should be remembered, with regard to this, that the current By-Laws provide for the Board of Statutory Auditors to include three Statutory Auditors and two Alternate Auditors.

Pursuant to Art. 17 of the By-Laws, the selection of the Board of Statutory Auditors takes place on the base of lists, in which the candidates are listed in sequential order, to ensure, as provided for in current laws and regulations, that one Statutory Auditor and one Alternate Auditor be elected by the minority and that the Chairman of the Board be the Statutory Auditor elected by the minority.

The list consists of two sections: one for candidates for the post of Statutory Auditor and the other for candidates for the post of Alternate Auditor. The list must contain at least one candidate for the post of Statutory Auditor and one candidate for the post of Alternate Auditor.

In the composition of the Board of Statutory Auditors, the gender balance pursuant to Art. 148, Par. 1-*bis* of Italian Legislative Decree No. 58/1998 (Consolidated Law on Finance, the "TUF") must also be ensured. Each list must ensure gender balance to the extent specified. Specifically, each list that, considering both sections, contains a number of candidates equal to or exceeding three, must include, under penalty of nullity, parties

of different genders in the first two items in the section(s) where at least two candidates are indicated.

The Statutory Auditors must meet the requirements of fitness for office established by Ministerial Decrees No. 220/2011 and No. 162/2000.

Without prejudice to what is set forth in Art. 148, Par. 3 of the TUF, the Corporate Governance Code for listed companies (the “Code”) establishes that all members of the control body must meet the independence requirements established by the Code for directors.

In this regard, please recall that, pursuant to Recommendation No. 7 of the Code, as a result of what is referred to above, a statutory auditor is not generally considered independent, amongst other cases:

- i) if, directly or indirectly (for example through subsidiaries or companies of which he or she is executive director or as a partner of a professional practice or a consulting company) he or she has, or has had in the three prior financial years, a significant commercial, financial or professional relationship:
 - with the company or companies it controls, or with the relative executive directors or top management;
 - with a party which, also together with others through a shareholders’ agreement, controls the company; or, if the controlling entity is a company or organisation, with the related executive directors or top management;
- ii) if he or she receives, or has received in the three prior financial years, from the company, its subsidiary or the holding company, significant remuneration in addition to the fixed compensation for the office and that established for participation in the committees recommended by the Code or established by regulations in force.

In this regard, the policy on the requirements of fitness for office approved by the administrative body of the Company, most recently on 18 March 2021, establishes that, for the assessment of significance pursuant to points i) and ii) above, it is necessary to take into consideration, insofar as of specific interest here:

- the annual consideration for any professional services and/or other services provided to the company and/or the holding company and/or subsidiaries, if this represents more than 5% of the annual turnover of the Statutory Auditor, or of the company or the entity of which the Statutory Auditor has the control or is executive director or of the professional practice or consulting company of which he or she is a partner or shareholder or, in any case, if it exceeds Euro 500,000 on an annual basis;
- any compensation received for offices also held in the holding company and/or subsidiaries, where these exceed a total of Euro 200,000 per year;
- any personal and financial situations which could result in conflicts of interest and

also potentially hinder the independent judgement of the Statutory Auditor, in any event with the performance of corporate management in the interest of the Company remaining ensured, consistent with the objectives of sound and prudent management.

If the Statutory Auditor is also a partner of a professional practice or a consulting company, even irrespective of the quantitative parameters mentioned above, the significance of the professional relations which could have an effect on his or her position and role within the practice or the consulting company or which in any event relate to significant transactions of the Company and the Unipol Group is evaluated.

We also note – referring, for anything not specifically mentioned here, to the aforementioned provision of the By-Laws – that:

- the lists must be filed, as indicated in the notice of the Shareholders' Meeting, by the twenty-fifth day before the date of the Shareholders' Meeting (and, therefore, by 3 April 2022) and the Company must make them available to the public at the registered office and on its website, in compliance with the methods required by current legal and regulatory provisions in force, at least 21 days before the date set for the Shareholders' Meeting (and therefore by 7 April), the deadline by which the documentation proving legitimate entitlement to submit lists must also be received;
- according to the provisions of the CONSOB Executive Decision No. 60 of 28 January 2022, the Shareholders who, alone or with others, represent at least 1% of ordinary share capital have the right to submit the lists; the ownership of the stake required for the submission of the lists is established considering the shares that are recorded to the Shareholder(s) in question at the time the lists are deposited at the Company;
- each Shareholder, the Shareholders belonging to a relevant shareholders' agreement under Art. 122 of the TUF, the holding company, the subsidiaries and joint ventures pursuant to Art. 93 of the TUF, cannot submit or take part in the submission of, even through an intermediary or trust company, more than one list and cannot vote for lists other than the one that they have submitted or participated in submitting, even through an intermediary or trust company. Any support and votes cast in breach of such provision shall not be attributed to any list;
- in order to be eligible each candidate may appear on only one list.

Please note that, if by the term set for the filing of the lists only one list has been submitted, or else only lists presented by Shareholders who are related to each other pursuant to Art. 144-*quinquies* of the Issuers' Regulation issued by the CONSOB, lists may be presented until the third day after the term indicated above (and, therefore, by 6 April 2022); in this case, the threshold for the submission of the list is lowered to 0.50% of the share capital with voting rights.

Pursuant to the combined provisions of the aforementioned Art. 17 of the By-Laws and the applicable laws, the Shareholders who plan to submit a list must deposit, simultaneously and jointly with each list, the following:

- i) declarations by the individual candidates in which these accept their nomination for office and state, under their own responsibility, that they are eligible and compatible and fulfil the requirements for appointment to the different positions, and also comply with the limits to the plurality of offices set by legal and regulatory provisions in force;
- ii) a curriculum vitae of each candidate, with a full description of their personal and professional characteristics;
- iii) any additional information required by legal and regulatory provisions, indicated in the notice of Meeting.

The certificate issued by an authorised intermediary proving ownership of the number of shares required for the submission of the list may be produced when the list is deposited, or even subsequently provided it is at least 21 days before the date set for the Meeting.

Lists that are submitted without these provisions being observed are deemed not to have been submitted.

Shareholders who submit a “minority list” must also be recipients of the recommendations issued by CONSOB with Communication No. DEM/9017893 of 26 February 2009. Specifically, the Shareholders who submit a “minority list” must file, with the list, a statement of the absence of affiliation, even indirectly, as provided by Art. 144-*quinquies* of CONSOB Regulation No. 11971 of 14 May 1999 as amended (Issuers’ Regulation), with the Shareholders participating in the shareholders’ agreement, relevant pursuant to Art. 122 of the TUF, which binds several shareholders of Unipol.

In the event that only one list is submitted or no list is submitted, the Shareholders’ Meeting resolves with the majorities required by the law, ensuring, at any rate, the respect of the balance between the genders required by legal and regulatory provisions in force.

Shareholders intending to make proposals with respect to the remuneration due to the Board of Statutory Auditors are invited to submit them, as specified in the Meeting notice, by 12 April; they will be published on the Company’s website by 13 April.

Bologna, 10 February 2022

The Board of Directors

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VAT No. 03740811207
R.E.A. No.160304

Parent company of the Unipol Insurance Group
entered in the Register of the parent companies
at No. 046

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