



**UnipolSai**  
ASSICURAZIONI



**2021**

**Report on corporate governance  
and ownership structures for the 2021 financial year**



# UnipolSai Assicurazioni

Annual Report  
on corporate  
governance and  
ownership structures



**FY 2021**

Bologna, 24 March 2022

*This Report is available in the Governance Section  
of the Company's website: [www.unipolsai.com](http://www.unipolsai.com)*

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## Definitions

For the purposes of this Report and in addition to the definitions provided in the text below, the expressions and / or words capitalised have the following meaning:

### Appointed Director:

the Director appointed by the Board of Directors to oversee the establishment and maintenance of the internal control and risk management system.

### Integrated Consolidated Financial Statements for the Unipol Group:

the document drafted by Unipol Gruppo S.p.A. illustrating how the strategy, governance, performance and prospects of an organisation allow the creation of value in the short, medium and long terms in the context in which it operates, prepared on the basis of the contents of the International Integrated Reporting Framework issued by the International Integrated Reporting Council (IRCC) in December 2013. The document includes the economic-financial information, at Unipol Group consolidated level, and information regarding the economic, environmental and social impacts of the activities of the company or group.

### Holding Company, Parent Company, Unipol Gruppo or Unipol:

Unipol Gruppo S.p.A., parent company of the Unipol Group.

### Private Insurance Code, CAP:

Legislative Decree no. 209 of 7 September 2005, with subsequent amendments.

### Code of Conduct:

the Code of Conduct for listed companies previously in force, drafted by the Committee for Corporate Governance, promoted by Borsa Italiana S.p.A. and available on the website of the latter, in the Committee for Corporate Governance section, <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2018clean.pdf>, applicable up to and including the 2020 financial year.

### Corporate Governance Code or Code:

the new Corporate Governance Code for listed companies prepared by the Committee for Corporate Governance, promoted by Borsa Italiana S.p.A., applicable from 2021 onwards.

### Board of Statutory Auditors:

the controlling body of the Company.

### Company, UnipolSai:

UnipolSai Assicurazioni S.p.A.

### Borsa Italiana Committee:

the Italian Committee for Corporate Governance, promoted by ABI, ANIA, Assonime, Confindustria, Assogestioni and Borsa Italiana.

### Board of Directors, the Board:

the administrative body of the Company.

### Guidelines on Corporate Governance, Guidelines:

the guidelines for the development of the corporate governance systems for the companies of the Group, defined and approved, pursuant to IVASS Regulation 38 (as defined below), by the Board of Directors of Unipol, and adopted by the administrative body of UnipolSai, referring to the Financial Year.

### Financial Reporting Officer:

the Manager charged with preparing a company's financial reports, pursuant to Art. 154-bis of the Consolidated Law on Finance.

### Financial Year, Year:

the financial year ended 31 December 2021.

### ESG:

Environmental, Social and Governance.

### Fit&Proper Policy:

the "Fit & Proper Policy" adopted by the Board of Directors of UnipolSai.

### Key Functions:

the Audit, Compliance, Risk Management (or Chief Risk Officer) and Actuarial Functions of the Company.

### Group, Unipol Group:

Unipol Gruppo S.p.A., and the companies directly and indirectly controlled by this, pursuant to Art. 2359 of the Italian Civil Code.

### Insurance Group:

Unipol Insurance Group registered in the Register of parent companies pursuant to Art. 210-ter of the Private Insurance Code, in the composition resulting from this Register.

### Instructions to Stock Exchange Regulations:

the Instructions to the Regulations of Markets organized and managed by Borsa Italiana S.p.A.

### IVASS or Authority:

the Insurance Sector Regulator.

### Letter to the Market:

the Letter to the Market issued by IVASS on 5 July 2018 containing the guidance of the Supervisory Authority on the application of the principle of proportionality in the system of governance of insurance and reinsurance companies and groups.

### Plan, Business Plan, 2019-2021 Business Plan:

the Business Plan for the 2019-2021 three-year period approved on 9 May 2019 by the Board of Directors of UnipolSai.

### Dialogue Policy:

the Policy for the management of dialogue with investors in general that request contact with the Board of Directors on the matters under its specific responsibility.

### Sustainability Policy:

the Policy approved by the Company's Board of Directors on sustainability.

### Diversity Policy:

the "Diversity policy with regard to the composition of the Board of Directors and the Board of Statutory Auditors of UnipolSai S.p.A." adopted by the

administrative body in implementation of the provisions of Art. 123-bis, Par. 2, letter d-bis of the Consolidated Law on Finance.

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**Internal Dealing Procedure:**

the procedure adopted by the Company for the reporting of transactions on its shares or other financial instruments linked to them.

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**Shareholders' Regulation:**

regulation approved by the Shareholders' Meeting, aimed at regulating the orderly and efficient conduct of General Meetings, ordinary and extraordinary.

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**Issuers' Regulation:**

the Regulation on issuers published by CONSOB by way of Resolution no. 11971 of 14 May 1999, with subsequent amendments.

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**IVASS Regulation 38:**

IVASS Regulation no. 38 of 3 July 2018 containing the provisions concerning the system of governance.

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**Market Regulation:**

the Regulation on markets issued by CONSOB with Resolution no. 20249 of 28 December 2017, with subsequent amendments.

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**Report, Document:**

this report, containing information about joining the Corporate Governance Code and corporate governance and ownership structures that UnipolSai, as issuer of listed shares on the regulated market, is required to draw up under Art. 123-bis of the Consolidated Law on Finance (as defined below) and 89-bis of the Issuers' Regulation.

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**Company's**

[www.unipolsai.com](http://www.unipolsai.com).

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**Subsidiaries:**

the companies controlled, directly or indirectly, by UnipolSai, pursuant to Article 2359 of the Italian Civil Code.

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**website:**

**Solvency II:**

the set of laws and regulations introduced as a result of the adoption of Directive 2009/138/EC of the European Parliament and the Council of 25 November 2009, on the taking-up and pursuit of the insurance and reinsurance business, in force since 1 January 2016, with subsequent amendments.

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**Sustainable Success:**

the objective that steers the courses of action of the administrative body and essentially amounts to the creation of long-term value for shareholders, taking into account the interests of the other stakeholders of relevance to the Company.

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**Consolidated Law on Finance:**

Legislative Decree no. 58 of 24 February 1998 with subsequent amendments.

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## Introduction

This Report provides the periodic and analytical illustration of the corporate governance system and ownership structures. In particular, the Document meets the obligation pursuant to Art. 123-bis of the Consolidated Law on Finance to provide information on the ownership structures, on following the Corporate Governance Code, on the structure and functioning of the corporate bodies and on the governance practices effectively applied by UnipolSai.

In order to facilitate the illustration of its content, the Report's structure is broken down on the basis of the format prepared for this purpose by Borsa Italiana (IX Edition - January 2022) and takes into account what is set forth in the 9th Report on the application of the Code of Conduct approved by the Italian Committee for Corporate Governance.

In drafting this Document, the provisions of the Code of Conduct in force when the term of the current administrative body began were also taken into account, taking care to provide adequate disclosure on the initiatives undertaken by the Company to fully implement the principles and recommendations of the new Corporate Governance Code.

Furthermore, additional information has been included on the corporate governance structure deemed appropriate to provide additional transparency to the market, although it is not required to fulfil any legal obligation.

The Report includes this introductory section, followed by the main body of the document, broken down into four parts.

The First Part provides the main information about the Company profile, the issuer's ownership structures - and particularly the share capital and shareholding structure - the administration and control system adopted and the activities carried out by the Group with respect to sustainability.

The Second Part provides detailed information relating, *inter alia*, to the composition and functioning of the Board of Directors, the management of corporate information, the establishment of the Board Committees and particularly the duties and functioning of the Nomination and Corporate Governance Committee and the Remuneration Committee.

The Third Part is dedicated to a description of the internal control and risk management system, the duties and functioning of the Control and Risk Committee and the Board of Statutory Auditors and the procedure relating to transactions with related parties.

Lastly, the Fourth Part illustrates, *inter alia*, the relationships with Shareholders, the rules for the functioning of Shareholders' Meetings and considerations on the Letter of the Chairman of the Committee for Corporate Governance.

In addition to the Index, each Part reports the titles of the topics treated therein to facilitate the reading of the Report's content.

The Document concludes with the Attachments containing the Tables drawn up in compliance with the requirements of the Code.

The Report, approved by the Board of Directors of the Company on 24 March 2022, is published simultaneous with the Management Report on the Company's website and the "eMarket Storage" authorised storage mechanism managed by Spafid Connect S.p.A. ([www.emarketstorage.com](http://www.emarketstorage.com)).

The Report was submitted to the Auditing Company EY S.p.A. for assessment and the expression of an opinion on the consistency with the financial statements of certain specific information contained in the Report as well as their compliance with the law, pursuant to what is set forth in Art. 14, Par. 2, letter e) of Italian Legislative Decree no. 39/2010 and Art. 123-bis, Par. 4, of the Consolidated Law on Finance. The results of the activity performed by the above-mentioned Auditing Company are laid out in the Reports they have prepared which are attached to the 2021 separate and consolidated financial statements.

Unless otherwise indicated, the information contained in this Report refers to the closing of the Financial Year.

 **FIRST PART**

## 1. ISSUER PROFILE

UnipolSai is an issuer of shares listed on the Euronext Milan Market managed by Borsa Italiana S.p.A.

The Company is controlled by Unipol, pursuant to Art. 2359, Par. 1 of the Italian Civil Code, and is part of the Unipol Insurance Group. As such, it is required to comply with the resolutions that the Parent Company adopts to implement the decisions and instructions imposed by the Supervisory Authority in the interest of the stable and efficient operation of the Group.

UnipolSai is a multi-branch insurance company part of the Unipol Group, also through its subsidiaries, operating in the following areas:

- a) insurance, divided into the following sectors:
  - Non-Life and Life;
  - bank-insurance;
- b) financial intermediation, with regard to the provision of payment services and the issue of electronic money;
- c) real estate;
- d) other activities (in which it performs, on a residual basis, activities in sectors instrumental to the insurance business, including hotels, healthcare, agriculture and vehicle rental).

In compliance with the provisions set forth in the Corporate Governance Code, UnipolSai is qualified as a "large company", as its capitalisation exceeded Euro 1 billion on the last trading day of each of the last three calendar years, with "concentrated ownership", as Unipol holds the majority of the votes that may be exercised in the Ordinary Shareholders' Meeting.

UnipolSai has chosen to adopt a "traditional" management and control system, which provides for the presence of a Board of Directors (which works with the support of Board Committees with proposal, advisory, investigation and support functions) and with a Board of Statutory Auditors (with control functions over administration), both appointed by the Shareholders' Meeting. The statutory audit is entrusted to an Auditing Company registered in the appropriate register, appointed by the Shareholders' Meeting taking into account the reasoned recommendation by the Board of Statutory Auditors.

The role and powers of the above bodies are discussed below in the Report.

In the context of the governance and the internal control and risk management system, a few internal committees were established by the Board of Directors, or by the General Manager, mainly consisting of the Heads of the Top Management of UnipolSai, with functions of support to the General Manager in the implementation and supervision of the policies of direction, coordination and operational strategy specified by the administrative body and outlined by the Top Management.

Please recall that in 2016 the Board of Directors adopted a governance structure in which an Executive Committee and a Chief Executive Officer are not appointed and a General Manager responsible for the operational management of the Company is appointed.

The UnipolSai corporate governance system is compliant with the Corporate Governance Code, which the Company follows, and is also inspired by the recommendations of Consob on the matter and, more generally, international best practices.

Pursuant to the provisions of the Corporate Governance Code and applicable industry regulations on the matter, UnipolSai has adopted the Guidelines on Corporate Governance - updated annually by the Parent Company - which represent a single, systematic regulation underlying the broader self-regulation framework for the main aspects of the corporate governance system, such as the organisational structure (with a clear distinction of roles and responsibilities), the appropriate balancing of powers, the effectiveness of the internal control and risk management systems, the presence of suitable information flows.

Already in 2010 the Unipol Group integrated sustainability into its strategic planning processes and activities. Indeed, sustainability represents a driver of decisions which is integrated in business decisions, starting from the definition of its identity, governance of risks generated and suffered, and management of all activities, ranging from commercial to staff, relationships with suppliers and those with the community.

In this scenario, the Board of Directors has adopted the Group Sustainability Policy, which is revised and, if applicable, modified at least every year, the text of which is available on the website of the Parent Company [www.unipol.it](http://www.unipol.it) in the "Sustainability" section.

The Sustainability Policy defines the strategies, objectives and commitments made by the Group to improve its sustainability results and to manage and mitigate the ESG risks to which it is exposed, including the governance of risks, opportunities and impacts linked to the climate, in line with the overall risk management system of the Group; it also specifies the roles and responsibilities of the corporate bodies and structures involved in the process of managing the ESG risks mentioned.

In particular, this Policy is based on a materiality matrix, attached to the Policy, as well as published in the Unipol Group's Integrated Consolidated Financial Statements, which is created through a structured analysis process performed every three years when the Business Plan is approved.

This process provides for the involvement of the main stakeholders and the entire management of the Company and the Group and is aimed at identifying the significant economic, social and environmental issues that may result from the activities of the Group and which, by affecting the expectations, decisions and actions of the stakeholders, are perceived by these to be relevant.

The guidelines on ESG risk monitoring, contained in the Sustainability Policy, are then given an operational structure in all the specific risk management policies so as to guarantee a widespread and integrated approach. ESG risks, both suffered and generated by the Company and the Group, are also identified in the Risk management policy, with the involvement of the Control and Risk Committee, which monitors them every year, evaluating the adequacy of the oversight mechanisms adopted.

In the context of the remuneration policies for the Management of the Unipol Group adopted for the 2019-2021 three-year period, a first sustainability parameter to measure Sustainable Success has been added into the calculation of long-term remuneration, with the introduction of the objective of maintaining the reputation index – as calculated in the context of the "Reputation Management" Project of the Group, carried out with the support of Reputation Institute – above the market average, as indicator of the overall correct management in regard to all stakeholders. An "intangible" indicator was chosen with a view to stronger coherence with the nature of the core business activities and with the option for everyone to contribute towards the goal.

The administrative body of UnipolSai also approves once a year the Sustainability Report, which covers environmental and social matters, issues concerning personnel, respect for human rights and the fight against corruption believed to be relevant given the activities and characteristics of the Company and which are discussed to the extent needed to ensure the understanding of the activities, its performance, results and impact. The significance of the issues is established through the materiality analysis already mentioned. The Parent Company drafts, also on behalf of UnipolSai, the Consolidated Non-Financial Statement, pursuant to Italian Legislative Decree 254/2016 and included in the Unipol Group's Integrated Consolidated Financial Statements, in order to make it part of a continuous improvement process, well beyond mere compliance with regulatory provisions.

The Sustainability Report is available on the Company's website.

As part of the process of integrating sustainability within the Group Business Plan, please recall that the Group has committed to contributing to achieving the 2030 Agenda, identifying as Sustainable Development Goals primarily impacted by the Group's actions: (i) Goal 3, good health and well-being, (ii) Goal 8 decent work and economic growth and, lastly (iii) Goal 11 sustainable cities and communities.

In 2021, activities were focused on the contribution to the implementation process for the 2019-2021 Business Plan, with particular attention to action developed with a view to creating shared value.

In particular, the following should be noted:

- the development of the Life ADA (Adaptation in Agriculture) project, co-financed by the European Commission and enhanced by contributions from various partners, both public and private, to develop tools and actions that help the agricultural sector to adopt resilient strategies and climate change adaptation actions;
- the implementation of urban redevelopment activities oriented towards sustainability and social innovation through the initiative "In-oltre. Sharing the City" promoted in the outskirts of Milan as part of the more extensive project named Urban Up aimed, inter alia, at enhancing some of the most important properties in the Italian architectural sphere;
- starting a mobility service inspired by the circular economy with the launch of the "Cambieresti" platform;
- the development of a vaccination campaign to support the government in the fight against the COVID-19 pandemic with self-managed hubs distributed throughout the country.

The Board of Directors also set three quantitative sustainability objectives for the three-year period, which measure (i) the increase in premiums for the sale of products with a social and environmental impact until they represent 30% of the corresponding product families; (ii) the maintenance of a reputational performance above the average of the financial-insurance sector and (iii) the doubling of thematic investments. While the second and third objective were fully reached and surpassed, the first suffered from a general contraction in the sale of non-compulsory insurance products, as a result of the COVID-19 pandemic.

During the Year, the Sustainability Committee set up at the Parent Company supported the Company's Board of Directors by analysing and assessing the strategic set-up, identifying and managing ESG risks, also for the Company and in general for the Group, the sustainability actions and initiatives, as well as the reporting tools.

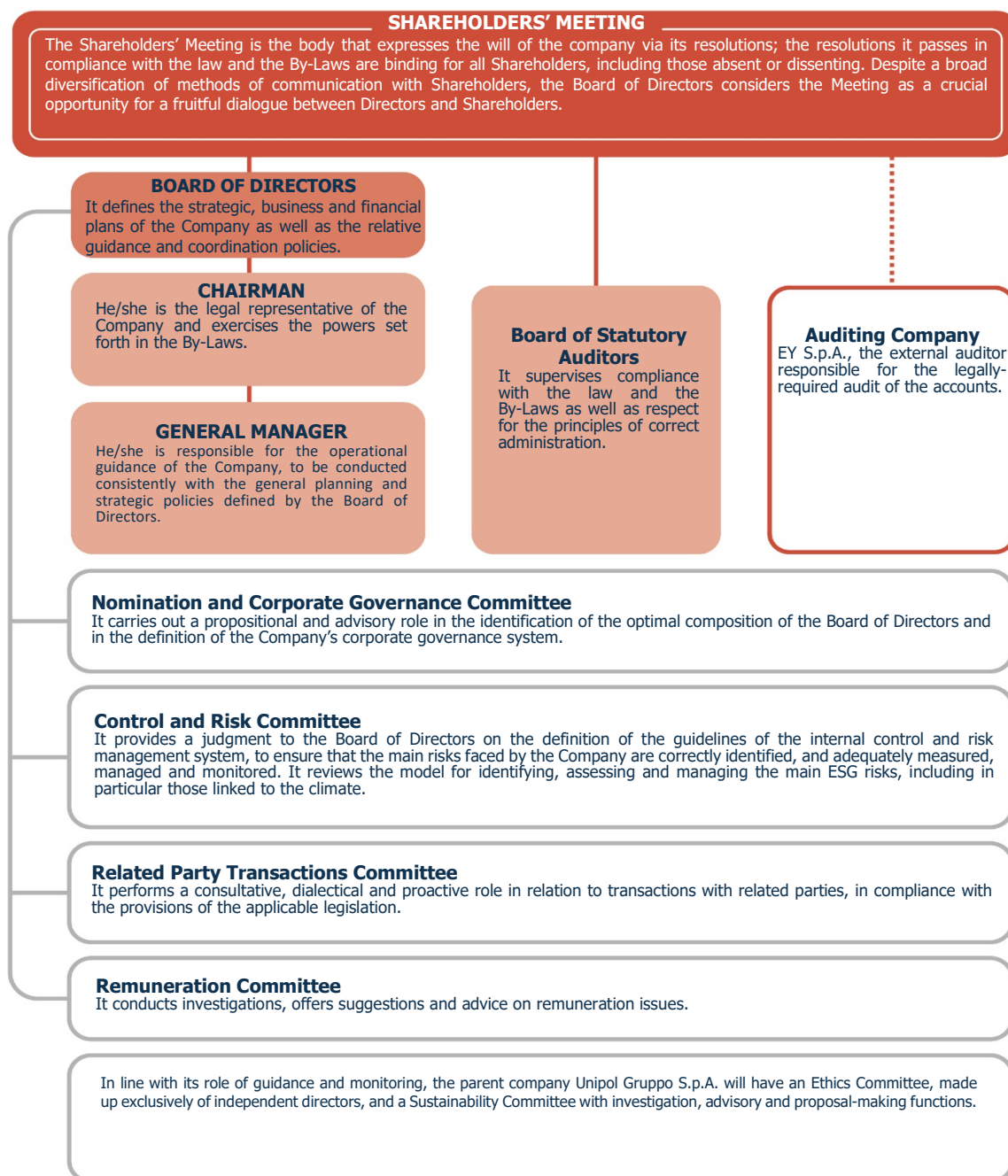
In order to continue pursuit of the Company's Sustainable Success and with the primary objective of supporting UnipolSai's Board of Directors in the analysis of relevant issues for the generation of long-term value, there is a plan to set up a Board Committee within the Company to focus on Sustainability over the course of 2022. Besides establishing its composition, the UnipolSai administrative body will set out its remit and its rules of operation in line with the provisions made by the Parent Company.

The journey which began in 2020 has increasingly combined the commitment to sustainable management with business competitiveness, as demonstrated by the ESG EE+ rating, with a stable outlook and Long Term Expected SER of EEE-, issued by Standard Ethics on the UnipolSai share, which places it amongst the most virtuous in the country, and the achievement of the B CDP rating, point of reference for the assessment of issuers' impact on climate, as well as the inclusion of the share in the Borsa Italiana ESG index.

In the course of 2021, ESG risk monitoring and management models were also adopted with a priority focus on oversight activities in financial management and in non-life underwriting activities.

Significant contribution to the development of the sustainability strategy of Unipol also comes from the projects and activities carried out by the Fondazione UNIPOLIS, the corporate foundation of the Unipol Group, of which UnipolSai is a participating member.

### Summary diagram of the governance model adopted by UnipolSai





## 2. INFORMATION ON OWNERSHIP STRUCTURES

### a) Share capital structure

At 31 December 2021 and at the date of this Report, UnipolSai's share capital, fully subscribed and paid up, amounts to Euro 2,031,456,338.00, divided into 2,829,717,372 ordinary registered shares all without nominal value.

The share capital and its composition were not subject to change during the Year and as at the date of the Report.

This composition is summarised in the following table:

| SHARE CAPITAL STRUCTURE |               |                   |        |                        |
|-------------------------|---------------|-------------------|--------|------------------------|
|                         | No. shares    | No. voting rights | Listed | Rights and obligations |
| Ordinary shares         | 2,829,717,372 | 2,829,717,372     | MTA    |                        |

At the date of this Report there are no categories of shares with special financial rights, as the share capital consists only of ordinary shares.

### b) Restrictions on the transfer of securities

The existing Company's By-Laws of UnipolSai set no restrictions on the transfer of shares, nor limits to their ownership, nor acceptance clauses.

### c) Major holdings in the share capital

The total number of Shareholders of UnipolSai, as shown by the Register of Shareholders at the date of this Report, is approximately 40 thousand.

On the basis of the entries in the Register of Shareholders, the communications received pursuant to the statutory requirements and other information available at the date of this Report, the Shareholders who directly, indirectly or through an intermediary or trust companies, have holdings exceeding 3% of the share capital with voting rights are shown in the following table.

| <b>MAJOR HOLDINGS IN THE SHARE CAPITAL</b> |                          |                                 |                               |
|--|--------------------------|---------------------------------|-------------------------------|
| Declarant                                  | Direct shareholder       | % share of the ordinary capital | % share of the voting capital |
| <b>Unipol Gruppo S.p.A.</b>                |                          | <b>85.243%</b>                  | <b>85.243%</b>                |
|  | Unipol Gruppo S.p.A.     | 61.033%                         | 61.033%                       |
|  | Unipol Finance S.r.l.    | 9.900%                          | 9.900%                        |
|  | Unipolpart I S.p.A.      | 9.900%                          | 9.900%                        |
|  | Unipol Investment S.p.A. | 4.410%                          | 4.410%                        |

#### d) Securities conferring special rights

No securities conferring special control rights have been issued.

With the aim of incentivising medium/long-term investment in the Company by its Shareholders, the UnipolSai Ordinary Shareholders' Meeting of 29 April 2020 approved a number of amendments to the By-Laws, introducing increased voting rights pursuant to Art. 127-quinquies of the Consolidated Law on Finance. These amendments particularly envisage the allocation of two votes to each share held by a Shareholder who has applied for registration in a special list - kept and updated by the Company - and who has remained listed continuously for no less than 24 months from the date of registration. The increased voting rights are used in calculating the *quorum* required for a Shareholders' Meeting to be duly constituted and able to carry resolutions in matters relating to share capital percentages, whereas it has no effect on rights held, other than voting rights, as a result of holding certain percentages of the share capital, such as the right to request that a Shareholders' Meeting be called, the right to challenge Shareholders' Meeting resolutions and the right to submit lists of candidates for renewal of the corporate bodies.

As at the date of this Report, the terms have not yet been met for allocation of the increased voting rights to Shareholders that applied for registration in the aforementioned list. This accrual will begin starting on 1 August 2022.

#### e) Employee shareholding: mechanism for the exercise of voting rights

The Regulations of the compensation plans based on financial instruments do not provide for the exercise of voting rights by persons other than the employees who have been assigned shares.

#### f) Restrictions on voting rights

There are no restrictions on voting rights.

## g) Shareholders' Agreements

The Company is unaware of the existence of shareholders' agreements in force pursuant to Art. 122 of the Consolidated Law on Finance concerning its shares.

## h) Change of control clauses and provisions of the by-laws on takeover bids

UnipolSai has concluded distribution agreements for insurance products with the Unicredit Group that may lapse in the event of change of control of UnipolSai itself.

As of the date of this Report, there are no lending agreements containing change of control clauses.

Other financing agreements signed by some Subsidiaries provide for the early repayment and/or withdrawal of the lender in the event of direct and sometimes indirect ownership changes.

## i) Powers to increase share capital and authorisations to purchase treasury shares

At the date of this Report, no powers have been conferred on the Board of Directors to increase the share capital.

Lastly, the Ordinary Shareholders' Meeting held on 28 April 2021 authorised the purchase and sale of treasury shares pursuant to Art. 2357 and Art. 2357-ter of the Italian Civil Code, and of shares of the Parent Company ("Unipol Shares") pursuant to Art. 2359-bis of the Italian Civil Code, for a period of 18 months from the Shareholders' Meeting resolution and for a maximum Euro 100 million in treasury shares and Euro 100 million in Unipol Shares.

On the basis of the above-mentioned authorisations, with reference first and foremost to treasury shares, the Company acquired:

- in the course of 2021, a total of 2,650,000 treasury shares in the context of the compensation plan based on financial instruments of the performance share type for Managers of the Unipol Group companies for the three-year period 2016-2018, approved by the Shareholders' Meeting on 27 April 2016, in compliance with Art. 114-bis of the Consolidated Law on Finance (the "2016-2018 Plan"), as well as the compensation plan for the three-year period 2019-2021 (the "2019-2021 Plan" and together with the 2016-2018 Plan, the "Plans"), approved by the Shareholders' Meeting on 17 April 2019;
- also in the course of 2021, 34,122 treasury shares from the subsidiary company UnipolSai Servizi Consortili S.c.r.l. in liquidazione;
- in February 2022, a total of 1,800,000 treasury shares in connection with the 2019-2021 Plan.

On 28 April 2021, Company Executives were assigned a total of 1,873,696 treasury shares in implementation and to complement the 2016-2018 Plan, for the Long Term Incentive ("LTI").

Also on 28 April 2021, Managers of the Company were assigned a total of 812,309 treasury shares, in implementation of the 2019-2021 Plan, as the Short Term Incentive (STI) for the year 2020.

Lastly, on 15 December 2021, Managers of the Company classified as Significant Risk Takers were assigned a total of 285,858 treasury shares, in implementation of the 2019-2021 Plan, as the STI for the year 2019. A

similar assignment, insofar as applicable, was carried out in 2020 with respect to individual Executives not classified as Significant Risk Takers.

Instead, as regards the Unipol Shares, also on the basis of the above-mentioned authorisations, the Company acquired:

- in the course of 2021, 1,400,000 Unipol Shares for the Plans and 16,668 Unipol Shares from the subsidiary UnipolSai Servizi Consortili S.c.r.l. in liquidazione;
- in February 2022, a total of 1,000,000 Unipol Shares in connection with the 2019-2021 Plan.

On 28 April 2021, Company Executives were assigned a total of 1,013,730 Unipol Shares in implementation and to complement the 2016-2018 Plan, for the LTI.

Also on 28 April 2021, Company Executives were assigned a total of 412,628 Unipol Shares in implementation of the 2019-2021 Plan, for the STI.

Lastly, on 15 December 2021, Managers of the Company classified as Significant Risk Takers were assigned a total of 158,023 Unipol Shares, in implementation of the 2019-2021 Plan, as the STI for the year 2019. A similar assignment, insofar as applicable, was carried out in 2020 with respect to individual Executives not classified as Significant Risk Takers.

At the date of this Report, the Company holds in its portfolio treasury shares and shares of Unipol.

In particular, the Company holds a total of 2,136,768 treasury shares (equal to 0.076% of the share capital), of which 1,918,624 directly and 218,144 indirectly, through the following subsidiaries:

- Arca Vita S.p.A., for 12,476 shares;
- Leithà S.r.l., for 21,451 shares;
- SIAT S.p.A., for 68,044 shares;
- Unisalute S.p.A., for 52,885 shares;
- Unipol*Rental*/S.p.A., for 56,180 shares;
- UnipolAssistance S.c.r.l. for 7,108 shares.

Taking into account that the above-mentioned authorisation from the Shareholders' Meeting will expire in October 2022, the Board of Directors, at its meeting on 24 March 2022, approved proposing its appointment to the Shareholders' Meeting called for the approval of the financial statements for the year 2021, for an additional 18 months, leaving unchanged the maximum expense limit for acquisitions of treasury shares at Euro 100 million and Euro 100 million for Unipol Shares, on a revolving basis, taking into account the treasury and Unipol shares sold in accordance with the Shareholders' Meeting authorisation.

The authorisation to buy and sell treasury shares aims to provide the Company, in its own interests and in compliance with current regulations, with the means to pursue the following objectives:

- to use the treasury shares for their allocation for the purposes of the compensation plan based on financial instruments, pursuant to Art. 114-bis of the Consolidated Law on Finance;
- to intervene, directly or through intermediaries, to promote the smooth conduct of trading, against distortions due to an excessive volatility or insufficient market liquidity;
- to take the investment opportunity that can be derived from market trends - and thus also by pursuing trading objectives - or connected with any strategic transactions of interest for the Company;

- to use treasury shares for the efficient use of the liquidity generated by the core activity of the Company;
- to provide an additional method for remunerating Shareholders above and beyond the distribution of dividends;
- to use these shares to ensure, if necessary, the overall consistency of transactions that create the need to place fractional shares of the capital of the Company.

The authorisation to buy and sell Unipol Shares aims to provide UnipolSai, in the Company's interests and in compliance with applicable regulations, with the means to pursue the following objectives:

- to use the shares of the parent company for their allocation in execution of the compensation plans based on financial instruments, pursuant to Art. 114-bis of the Consolidated Law on Finance;
- to take the opportunity to maximise the value that can be derived from market trends - and thus also by pursuing trading objectives - or connected with any strategic transactions of interest for the Company;
- use these actions as an investment object for the efficient use of the liquidity generated by the core activity of the Company.

The proposal to the Shareholders' Meeting of 27 April 2022 provides for the purchase and sale of treasury and Unipol shares in the quantities and with the procedures set out below:

- (i) the purchase of treasury shares and Unipol Shares may be carried out up to the maximum amounts permitted by law, in the manner provided for by Art. 132 of the Consolidated Law on Finance and Art. 144-bis, Par. 1, letters a), b), c) and d-ter) and Par. 1-bis of the Issuers' Regulation, as well as by any other regulatory national and European provision, where applicable;
- (ii) the disposal of treasury shares and Unipol Shares is made pursuant to current provisions, even carrying out, one or more times, subsequent transactions of purchase and sale, until the expiry of the term of the authorisation. In particular, the shares purchased in the context of the above-mentioned Plans may be assigned and attributed in the manner and within the terms stated in the regulations of the Plans;
- (iii) both the purchases and the sale of treasury shares and the shares of the parent company Unipol should be made at a price of no more than 15% and no less than 15% of the reference price recorded by the respective securities on the trading day before the date of each transaction.

## j) Management and coordination activities

The Company is controlled pursuant to Art. 2359, Par. 1, of the Italian Civil Code, by Unipol Gruppo S.p.A., which - as of the date of this Report - holds, directly and indirectly, a stake equal to roughly 84.967% of the ordinary share capital.

Pursuant to Art. 2497 et seq. of the Italian Civil Code, as from 14 November 2012 Unipol exercises management and coordination over UnipolSai and the subsidiaries of the latter.

UnipolSai is part of the Unipol Insurance Group, headed by Unipol, entered under no. 46 in the Register of Parent Companies as set forth in Art. 210-ter of the Private Insurance Code and IVASS Regulation no. 22 of 1 June 2016.

### 3. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

As specified previously, UnipolSai has signed on to the Corporate Governance Code and has concretely applied each principle and recommendation defined therein, as specifically illustrated in the following sections of the Report, to which reference is made.

The Code is accessible to the public on the website of the Corporate Governance Committee at <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf>

In the Year, the corporate governance structure of UnipolSai was not affected by the provisions of non-national laws.

 **SECOND PART**

## 4. THE BOARD OF DIRECTORS

### 4.1 Role of the Board of Directors

The Board of Directors is vested with the most extensive powers for the ordinary and extraordinary management of the Company and defines its strategic guidelines, also with a view to pursuing Sustainable Success. It is therefore entitled to carry out all acts, including disposals, it deems appropriate for achieving the corporate purpose, excluding only those which are reserved by law to the Shareholders' Meeting.

In line with the principle of the centrality of the administrative body, Art. 17 of the Company's By-Laws assigns to the competence of the Board of Directors, in addition to the resolutions on the issue of non-convertible bonds, the resolutions concerning:

- i. mergers, in the cases provided by Articles 2505 and 2505-bis of the Italian Civil Code, also when reference thereto is made, for de-mergers, by Art. 2506-ter of the Italian Civil Code;
- ii. the opening or closure of secondary offices;
- iii. the indication of which among the Directors - in addition to the Chairman, the Deputy Chairmen and Chief Executive Officers - and among the Managers of the Company have the power to represent the Company pursuant to Art. 21 of the By-Laws;
- iv. the reduction of the share capital, should a Shareholder withdraw;
- v. the amendments to the By-Laws required to comply with legal provisions;
- vi. the transfer of the registered office within the territory of Italy.

Pursuant to the law, the By-Laws and internal policies in force, in compliance and in line with the policies and guidelines of the Parent Company, without prejudice to the principle of operating autonomy of UnipolSai as a subsidiary which is also listed, the Board of Directors, inter alia:

- a) reviews and approves the Company's strategic, financial and business plans, even the consolidated ones, taking into account the analysis of the issues relevant to long-term value generation for Shareholders, regularly monitoring their implementation;
- b) defines the system of corporate governance, the corporate structure, in line with the Group models and governance guidelines set forth in the Guidelines, reviewing them at least once per year and guaranteeing their overall consistency, functionality and effectiveness, also with reference to outsourced activities.

In that regard, it defines:

- i. the duties, responsibilities and methods of functioning of the corporate bodies, the Board Committees and the Key Functions (Audit, Risk Management, Compliance and Actuarial);
- ii. the information flows - including timing - between those Functions, the Board Committees and between them and the corporate bodies, as well as
- iii. the method of coordination and collaboration, if the activity remits have areas of potential overlap or make it possible to create synergies;
- iv. the nature and level of risk consistent with the strategic objectives of the Company and its subsidiaries, including in its valuations all the risks that may assume importance in light of the Company's Sustainable Success;



- c) approves the organisational, administrative and accounting structure of the Company, particularly with regard to the internal control and risk management system;
- d) approves the policies applicable to the Company, ensuring that those relating to the system of governance are consistent with each other, with the business strategy and with Group policies;
- e) may appoint one or more Directors responsible for the internal control and risk management system chosen among its members;
- f) with the support of the Control and Risk Committee:
  - i. sets the reference guidelines of the internal control and risk management system in order to contribute to the Sustainable Success of the Company, to ensure that the main risks for the Company and its Subsidiaries are correctly identified and adequately measured, managed and monitored, assessing also the compatibility of these risks with the Company's management consistent with identified strategic objectives;
  - ii. assesses, at least once a year, the current and future adequacy of the internal control and risk management system with respect to the features of the Company and its Subsidiaries and to the risk appetite set as well as its effectiveness and its ability to grasp the evolution of corporate risks and the interaction between them;
  - iii. approves, at least once a year, after consulting the Board of Statutory Auditors and the Appointed Director, the work plan prepared by the Heads of the Key Functions;
  - iv. approves, at least once a year, the plan of scheduled activities and the report of the Head of the Anti-Money Laundering Function on the activity carried out;
  - v. after consulting the Board of Statutory Auditors, reviews the findings stated by the Auditing Company in its letter of recommendations, if any, and in the additional report pursuant to Art. 11 of Regulation (EU) no. 537/2014;
- g) verifies that the system of governance is consistent with the strategic objectives, the risk appetite and the risk tolerance limits established and is capable of taking into account the evolution of the business risks and the interaction between them;
- h) orders periodic audits on the effectiveness and adequacy of the system of governance and requires the prompt reporting of the most significant weaknesses, giving timely directions for corrective measures, of which it later evaluates the effectiveness;
- i) sets the risk targets system defining, also on the basis of the own risk and solvency assessment, (i) the risk appetite of UnipolSai in line with its overall solvency requirements, (ii) the types of risk it believes it can assume and (iii) the risk tolerance levels, which it reviews at least once a year, in order to ensure their effectiveness over time;
- j) appoints, replaces and removes, on proposal by the Appointed Director - with the support of the Control and Risk Committee and having heard the Board of Statutory Auditors - Heads of the Key Functions, while respecting the eligibility requirements established in the Fit & Proper Policy, ensuring that they are provided with adequate resources to carry out their tasks; also defines their remuneration pursuant to the policies adopted on the matter by the Company;
- k) appoints, replaces and removes the Head of the Anti-Money Laundering Function;

- l) establishes internal Committees with proposal and advisory functions, as set forth by legislation and regulations in force over time, as well as those deemed appropriate or necessary for the proper operation and development of UnipolSai, ensuring that there is an adequate and continuous interaction between them, the Top Management, the Key Functions and the Board of Statutory Auditors;
- m) defines and annually reviews the remuneration policies, submitting them to the Ordinary Shareholders' Meeting for approval, and is responsible for their proper application;
- n) appoints and removes the members of the Supervisory Body of the Company pursuant to Legislative Decree no. 231/2001; specifies, with the support of the Remuneration Committee, the remuneration of those members; approves, annually and on a proposal from the Supervisory Body, the budget, including on an extraordinary basis, necessary to the body itself for the performance of the supervisory and control tasks laid down by the Organisation, Management and Control Model, as well as the statement of expenditure of the previous year;
- o) assesses the general performance, taking into account, in particular, the information received from the delegated bodies, and periodically comparing the results achieved with those planned;
- p) carries out, at least once a year, with the support of the Nomination and Corporate Governance Committee, an evaluation of the operation of the Board of Directors and its Committees, as well as of their size and composition, taking into account factors such as the characteristics of professional managerial experience and the gender of its members, and their seniority in office;
- q) taking into account the results of the assessment referred to in the previous paragraph, gives the Shareholders, before the appointment of the new administrative body, guidelines on the quantitative and qualitative composition thereof, also with reference to the professional but also managerial figures whose presence in the Board is deemed appropriate;
- r) approves, ensuring adjustment to the context, the system of delegation of powers and responsibilities of the Company, taking care to avoid excessive concentration of powers in a single person and putting in place monitoring instruments on the exercise of delegated powers, resulting in the possibility of providing for adequate emergency plans (the so-called "contingency arrangements") if the administrative body decides to take over the delegated powers itself;
- s) resolves on the transactions that have a significant strategic, economic, capital or financial importance for the Company itself, paying particular attention to situations in which one or more Directors have an interest on their own or of third parties. To this end, it lays down general criteria to identify relevant transactions and take appropriate measures to require the Subsidiaries to submit for preliminary examination to the Board of Directors of the Company significant transactions for it;
- t) approves transactions with intra-group parties as well as - with the support, when required, of the Related Party Transactions Committee - transactions with related parties, in compliance with the reference regulations adopted respectively by IVASS and by CONSOB and internal regulations in force over time.

For detailed information on the composition, functioning, appointment and self-assessment of the administrative body, the Remuneration policies and the internal control and risk management system, please refer to the relative Sections of the Report.

Further competencies reserved to the Board of Directors are envisaged by (i) the Policies adopted by the Company with regard, amongst other things, to insurance underwriting and reserving, investment and disposal of financial assets, equity and real estate, management of sources of financing and credit and (ii) the system of delegation of powers granted to the General Manager. These internal provisions aim at ensuring that the Board of Directors reviews and resolves on the transactions with a significant strategic relevance and significant amount.

For the accomplishment of its tasks, the Board has made use of the activities of Board Committees, including:

- the Nomination and Corporate Governance Committee, the Remuneration Committee and the Related Party Transactions Committee, which have provided advice and made proposals to be submitted to the Board of Directors with regard to specific matters within their mission;
- the Control and Risk Committee, which has regularly reported on the analysis and the activities carried out and on the findings and proposals for interventions and actions to be started.

The Board has reviewed the adequacy of the organisational, administrative and accounting structure and, in particular, of the internal control and risk management system of the Company with the support of the Appointed Director, on the basis of regular reports of the Control and Risk Committee and the Key Functions, as specified below in the Report.

Pursuant to Art. 15 of the By-Laws, the Board of Directors meets at least once a quarter and every time the Chairman, or his substitute, believes it to be appropriate, or when a request in this sense is made by at least three Directors. The administrative body may also be called, after communication to its Chairman, by at least one Statutory Auditor.

The resolutions are adopted with the favourable vote of the majority of the Directors attending the meeting, unless otherwise provided by law; in case of a tied vote, the vote of the Chairman of the meeting prevails.

The General Manager, in particular, reports regularly to the Board of Directors on the situation in the individual business sectors of the Company, and its objectives and activities, also compared with the forward-looking plans and the expected results.

During the Year, the Board of Directors - to ensure unitary management of investor dialogue, with a view to ensuring transparency of information, increasing investors' understanding of certain matters falling under the responsibility of the Board of Directors and relevant to investment decisions, including with regard to ESG factors, and promoting the stability of investments in the Company's financial instruments and therefore its sustainable success - adopted the Policy for the management of dialogue with investors in general. This Policy is described in detail below in Section 12 of this Document.

## 4.2 Appointment and replacement

The By-Laws allocate the management of the Company to a Board of Directors composed of no less than 9 and no more than 19 members, appointed by the Shareholders' Meeting - on the basis of lists submitted by Shareholders or by the Board of Directors, containing a number of candidates not exceeding 19 listed by means of a sequential number - after having established the number, and meeting the eligibility requirements for office set by the applicable laws and regulations.

The right to submit a list pertains to Shareholders who, alone or together with other Shareholders, hold a stake identified pursuant to the legal or regulatory provisions in force at the time and which shall be from time to time indicated in the notice of call of the Shareholders' Meeting.

With reference to the appointment of the Board of Directors in force by the Shareholders' Meeting of 17 April 2019, said stake, identified by CONSOB Executive Resolution no. 13 of 24 January 2019, was equal to 1% of the ordinary share capital. This is unchanged also for the election of the administration and control bodies whose term is coming to an end with the approval of the financial statements at 31 December 2021 (CONSOB Executive Resolution no. 60 of 28 January 2022).

Each entity submitting a list, the parties to a material shareholders' agreement for the purposes of Art. 122 of the Consolidated Law on Finance, regarding financial instruments issued by the Company, the parent company, subsidiaries and those which are subject to common control for the purposes of Art. 93 of the Consolidated Law on Finance, cannot submit nor participate in submitting more than one list, not even through a third party or a trust company, nor can vote, not even through a third party or a trust company, for lists other than the list they have submitted individually or jointly with others. Any support and votes cast in breach of such provision shall not be allocated to any list.

Each candidate may feature on only one list; otherwise their candidacy is declared void.

The Extraordinary Shareholders' Meeting of 17 April 2019 has introduced in the By-Laws the power, for the outgoing Board of Directors, to present its own list of candidates for the election of the new administrative body.

After obtaining the opinion of the Nomination and Corporate Governance Committee, the Board of Directors adopted the Diversify Policy, which establishes, inter alia, that in conformity with the By-Laws and with what is currently provided by the regulations in force on gender balance, the administrative body must be made up for at least two-fifths (rounded upwards) of directors belonging to the "less represented" gender.

Lists containing a number of candidates equal to at least the minimum number of members of the Board of Directors set forth by the By-Laws must also contain and expressly indicate parties satisfying the independence requirements. Where the number of candidates meeting the requirements in question is equal to the minimum number established above, the last sequential number of said lists cannot be assigned to an independent candidate.

In regard to the requirements of independence of the Directors, IVASS Regulation 38 indicates that a "suitable number" of Directors must meet independence requirements additional with respect to those specified, for the insurance sector, by the Ministry of Economic Development Decree no. 220 of 11 November 2011. While waiting for the future review of said Decree, IVASS Regulation 38 has not provided any definition of independence, referring the practical articulation of this requirement to the by-laws. The new regulatory framework does not even set numerical requirements for the independent Directors, since the suitability is to be assessed according to the activity carried out by the company, taking into account the nature, size and complexity of the corresponding risks.

In this regard, please note that in compliance with the Fit&Proper Policy and the Market Regulation, the Board of Directors must consist of a majority of Directors qualified as independent pursuant to Art. 148, Par. 3 of the Consolidated Law on Finance as well as the criteria and requirements laid out in the Corporate Governance Code, considering the subjection of the Company to the management and coordination of companies with shares listed in regulated markets (i.e. Unipol Gruppo S.p.A.).

The lists will be accompanied by full information regarding the personal and professional characteristics of the candidates, also with reference to diversity criteria, with an indication of their suitability to qualify as independent, and are published on the Company's website at least 21 days before the Shareholders' Meeting.

If during the year one or more Directors cease to hold office, as long as the majority is still made up of Directors appointed by the Meeting, the procedure, pursuant to Art. 2386 of the Italian Civil Code, will be as follows:

- a) the Board of Directors will make the replacement from the persons belonging to the same list to which the outgoing Director belonged and the Meeting will resolve, by statutory majorities, on the same criterion;
- b) if there are no more non-elected candidates from said list or there are no candidates with the prescribed requisites, or if for any reason whatsoever it is not possible to proceed pursuant to what is set forth in the previous line, the Board of Directors first, and the Shareholders' Meeting thereafter, resolves on the replacement with the majorities provided by law, disregarding the voting list mechanism.

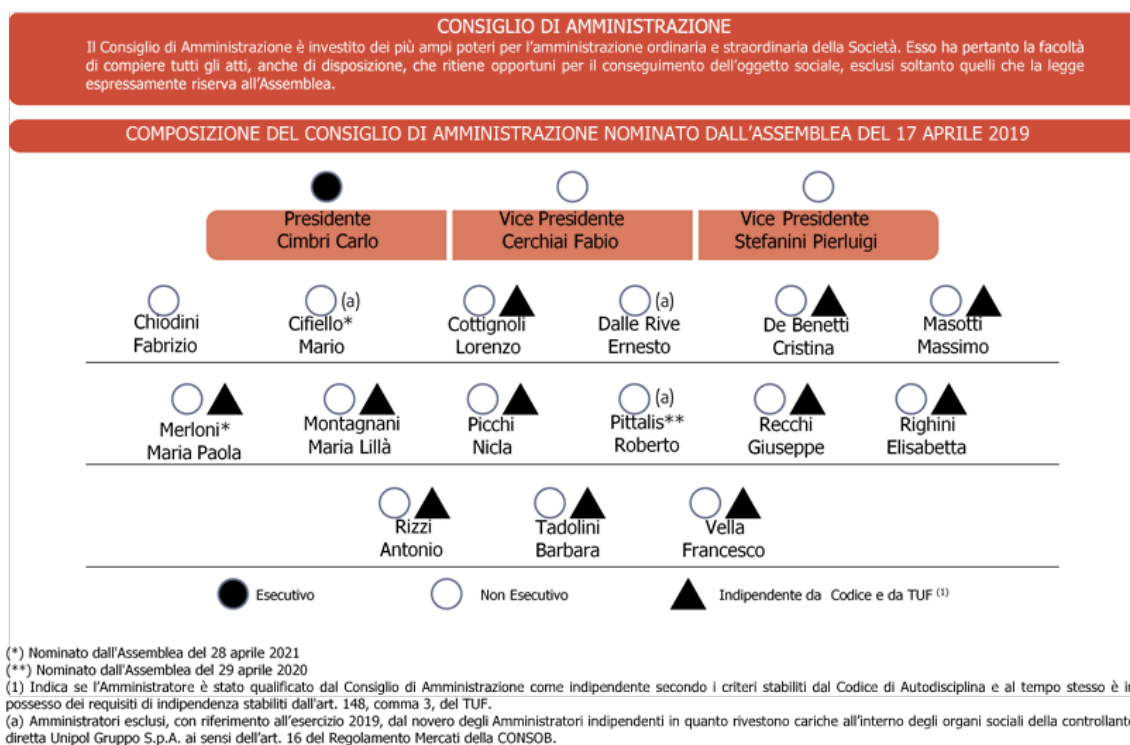
The provisions of letter b) above also apply when the Board of Directors has been appointed without the voting list mechanism in light of the fact that only one list or no lists at all were presented.

In any event, the Board of Directors and the Shareholders' Meeting proceed with the appointment so as to ensure the presence of the number of Independent Directors required by the By-Laws.

If the majority of the Directors appointed by the Meeting ceases to apply, the entire Board is understood to have resigned and the remaining Directors must convene the Meeting for the appointment of the entire new Board.

As regards information on the role of the Board of Directors and the Board Committees in self-assessment, appointment and Director succession processes, please refer to Section 7.

### 4.3 Composition



The Ordinary Shareholders' Meeting of 17 April 2019 has, most recently, appointed the Board of Directors of the Company, consisting of 18 members, giving them a mandate of three years and, therefore, up to the Meeting called to approve the 2021 financial statements.

In compliance with Art. 13 of the By-Laws and regulatory and legislative provisions in force, the Board of Directors was appointed on the basis of the sole list submitted, pursuant to the law and the By-Laws, by the majority shareholder Unipol. This list was accompanied, inter alia, by the statements in which the individual candidates declared that there were no grounds for ineligibility or incompatibility, and that the requirements for their respective positions were met, and by curriculum vitae of their personal and professional characteristics with appropriate indication of their suitability to qualify as independent under the Code of Conduct and Art. 147-ter of the Consolidated Law on Finance. The list with the information mentioned above is available on the Company's website (*Governance/Shareholders' Meetings/Ordinary and Extraordinary shareholders' meeting - 17 April 2019* section).

The CVs of the Directors currently in office, indicating the main skills and professional characteristics, can be found on the Company's website, in the *Governance/Boards and Officials/Board of Directors* section.

For the purpose of the appointment mentioned, the Shareholders were able to consider the "Advice for Shareholders on the size and composition of the new Board of Directors", presented in view of said Meeting by the outgoing administrative body, with the support of the Nomination and Corporate Governance Committee, taking into account the outcome of the Board Performance Evaluation. In expressing this advice, the outgoing Board of Directors also took the applicable insurance sector regulations into account, according to which specific requirements of professionalism, integrity and independence must be met by the individual Directors and by the Board as a whole.

The mentioned Shareholders' Meeting of 17 April 2019 authorised, pursuant to Art. 2390 of the Italian Civil Code, within the limits of the law (and, therefore, in compliance with the provisions of Art. 36 of Decree-Law no. 201 of 6 December 2011, converted with amendments by Law no. 214 of 22 December 2011 on the so-called "prohibition of interlocking") the exercise of concurrent activities by the members of the Board of Directors.

The Board of Directors, following its appointment, duly fulfilled the obligations assigned to it by law with regard to the verification that its members meet legal and statutory requirements, in terms of good repute, professionalism and independence, and absence of legal obstacles, of grounds of disqualification and incompatibility situations. This verification was carried out in compliance with the Fit&Proper Policy at the meeting of 9 May 2019 and, as required, was repeated by the administrative body, most recently, at the meeting of 13 May 2021. The result of this analysis confirmed that all Directors have adequate professionalism and skills in light of the role held.

As at today's date, the Board of Directors has 18 members.

On 29 April 2020, the Shareholders' Meeting appointed Mr Roberto Pittalis as Director to replace Mr Francesco Berardini who sadly died on 1 February 2020, approving the proposal submitted by the majority shareholder Unipol Gruppo S.p.A. Mr Pittalis' term of office will expire at the same time as that of the other Directors in office, i.e. at the Shareholders' Meeting called to approve the 2021 Financial Statements.

On 1 October 2020, following the resignation of Director Adriano Turrini, the Board of Directors arranged, in compliance with the By-Laws and with Art. 2386, Paragraph 1 of the Italian Civil Code, to appoint Mr Mario Cifiello as his replacement. The Shareholders' Meeting held on 28 April 2021 appointed as Director of the Company, pursuant to Art. 2386, Paragraph 1 of the Italian Civil Code, Mr Mario Cifiello, whose term of office shall come to an end along with that of the other Directors in office and, therefore, at the Shareholders' Meeting called for the approval of the financial statements at 31 December 2021. During the same Shareholders' Meeting, the Shareholders appointed as Director - to replace Ms Maria Rosaria Maugeri, who resigned on 12 February 2021 - Ms Maria Paola Merloni.

The structure, composition and any additional information required by the Code concerning the Board of Directors is provided in Table no. 2 attached to this Report.

#### 4.4 Diversity criteria and policies in the composition of the Board and in the company organisation

During the meeting on 18 March 2021, as mentioned previously, the Board of Directors - with the support of the Nomination and Corporate Governance Committee - updated the Diversity Policy.

This Policy was drafted with the priority objective of providing guidelines on the criteria for the optimal composition of the Company's corporate bodies, functional to the most effective fulfilment of the roles and responsibilities assigned to them by regulatory provisions, including internal regulations, and the By-Laws, taking into account the complexity and specific nature of the sector in which the Company operates, the experience of the administrative body with regard to its activities and the functioning methods, also with respect to the Board Committees, as well as the results of the self-assessment processes.

In particular, with reference to gender balance, it was established that:

- at least two-fifths (rounded up) of the Board of Directors must consist of Directors belonging to the less represented gender. This provision applies as of the first appointment of the administrative body



following the date of approval of the Policy (i.e. during the next Shareholders' Meeting called for 27 April 2022);

- as concerns the Board of Statutory Auditors, in compliance with what is currently set forth in legislation in force on gender balance, two-fifths of its members (rounding downwards) must belong to the less represented gender, both at the time of appointment of that body and during the mandate. With respect to the composition of the Board of Statutory Auditors, as a corporate body consisting of three members, the provisions pursuant to the above-mentioned CONSOB communication no. 1/20 of 30 January 2020 shall apply, which in that case requires rounding down.

With respect to the qualitative composition of the Board of Directors, in particular, it is established that:

- the majority of Directors should be 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 Company;
- in compliance with the Market Regulation, as UnipolSai is a listed issuer subject to the management and coordination of another listed issuer (i.e. Unipol Gruppo S.p.A.), the administrative body should consist of at least half independent directors, allowing - inter alia - for a varied composition of the Board Committees;
- 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 Company 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.

With specific regard to areas of expertise, in identifying the set of those considered necessary for the Board of Directors in its *plenum* for the correct and effective conduct of its duties, consideration should be given:

- to what is stated in that regard by the cited national legislation applicable to the insurance sector, as well as the Fit & Proper Policy approved by its administrative body;
- to the indications issued by the European Institutions and Authorities;
- to the functions assigned to the Board, its operation and the establishment of Committees within the Board, as well as the complexity and size of the Company, the type of activity carried out and the listing on regulated markets;
- to the best practices in place on the market.

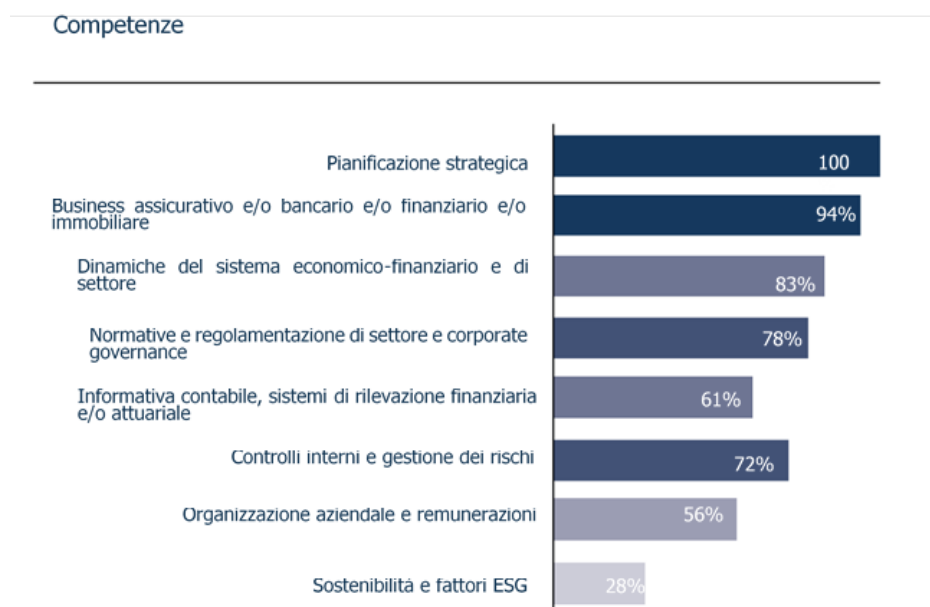
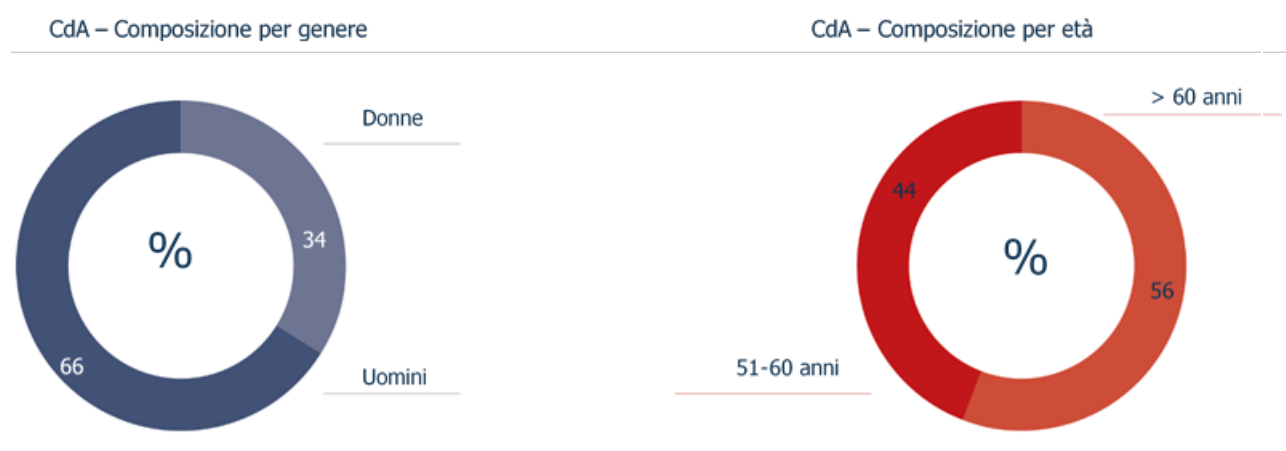
Given the predominantly national character of the Company and its Subsidiaries, the Diversity Policy does not contain particular provisions on the international profile and experience of the Directors. The Company is, however, attentive to the principle of balance in terms of geographical origin of the members of the Board of Directors.

The Diversity Policy is available to the public on the Company's website in the *Governance* section.



Considering that the term of office of the current Board will come to an end with the Shareholders' Meeting called to approve the financial statements for the year 2021 and in order to provide the Shareholders with its guidance as required by internal and industry regulations, already close to the end of the Year the Board of Directors launched the annual Board Performance Evaluation, the results of which were presented and shared, after review by the Nomination and Corporate Governance Committee, at the meeting held on 10 February 2022.

The aforementioned Guidance was published on 9 March 2022, consistently in advance of the notice convening the Shareholders' Meeting and is attached to the Explanatory Report of the respective item on the agenda, available on the Company's website in the *Governance/Shareholders' Meeting/Ordinary and Extraordinary Shareholders' Meeting of 27 April 2022* Section.



Furthermore, the Company has taken specific measures to promote equity treatment and opportunity between genders throughout the organisation.

Indeed, within a context of mutual respect and organisational well-being, the promotion of a working environment in which professional development is supported irrespective of gender, age, sexual orientation, geographical origin or religion is a key topic for the Company and for the Unipol Group.

Inclusion and non-discrimination are guiding principles included in the Group Code of Ethics and Sustainability Policy and cover both ongoing projects and activities currently being defined.

Unipol was one of the first 16 companies to comply with the "Charter for Equal Opportunities and Equality at Work" (launched in Italy on 5 October 2009 and currently signed by 700 businesses and public administrations). The Charter provides a reference framework of values and guidelines to guide companies that have subscribed to it in its application; these companies must determine how to implement it according to their situation and level of maturity with respect to the specific issue. For the implementation of diversity and inclusion policies, the Group has assigned clear responsibilities to the Chief Human Resources Officer, the Ethics Officer and the Joint Equal Opportunities Commission, a bilateral commission between the company and the trade unions, established in 2011 with the duty of identifying analysis processes and proposing initiatives on Professional training, equal opportunities, supplementary health care and prevention with respect to mobbing risks.

A partial list of the activities carried out by the Company and the Group to integrate the principle of equal treatment within processes that govern every phase of professional life and the enhancement of human resources is provided below:

- hiring, managed with transparent and non-discriminatory procedures;
- training, made fairly accessible to all personnel;
- the definition of specific guidelines on the matter within the Staff Management Policies, for the purposes of transparency and continuous improvement;
- the signature of agreements with trade union organisations, which UnipolSai considers a key partner for establishing a good working environment;
- the adoption of a Code of best practices which, aside from highlighting the company's mission and values, shed light on a series of potentially harmful behaviours (with reference to mobbing, straining and sexual harassment) which may occur in the workplace. All workers are asked to read the Code, which remains available to each employee on the Group's company intranet, and comply with the relevant principles of conduct.

#### 4.5 Maximum number of offices held in other companies

The Board of Directors has adopted a specific regulation as the guideline for the maximum number of positions as Director or Statutory Auditor that can be considered compatible with the effective execution of the mandate of Director of the Company (the "Regulation on the maximum number of offices"), pursuant to the Code of Conduct, confirmed by the Corporate Governance Code; it provides for the verification of the number of offices held by Directors to be performed by the Board of Directors every year and disclosed in the report on corporate governance and ownership structures.

The Regulation in question - which can be consulted in the *Governance* section of the Company's website - defines (i) some general criteria, which take account of the actual role that the UnipolSai Director holds in other companies, the nature and size of those companies, setting different limits, respectively, for the role of Chairman, Executive Director, Non-Executive Director or Independent Director of the Company, as well as (ii)

the procedure to be followed in the case of appointment and any surpassing of the limit to the number of offices held.

The Regulation on the maximum number of offices also takes into account the prohibitions introduced by Art. 36 of Decree Law no. 201 of 6 December 2011, converted, with amendments, by Law no. 214 of 22 December 2011 ("interlocking prohibition").

The number of offices held by the Directors is verified by the Board of Directors at the time the Directors are appointed and, thereafter, once a year.

Lastly, at the meeting of 13 May 2021, the Board of Directors verified that the requirements with regard to interlocking positions held by the Directors had been met, deeming that all offices held by members of the Board were compatible with them being able to perform their duties effectively.

Lastly, no instances of "cross-directorship" were identified.

#### 4.6 Functioning of the Board of Directors

**Number of meetings during the Year:** 8.

**Average length of meetings:** about 2 hours and 50 minutes.

**Average participation:** 95%.

**Number of meetings planned for 2022:** 9 (of which 2 already held at the date of this Report).

During the Year, the Board of Directors approved a regulation defining the rules and procedures for the functioning of the administrative body, including, inter alia, the methods for taking minutes at meetings, procedures for managing pre-board meeting disclosure to the Directors and the Board's self-assessment process, in compliance with the law, regulations and the by-laws, as well as the principles and recommendations of the Code (the "Board of Directors Regulation").

In particular, with reference to the methods for taking minutes at meetings, the Board of Directors Regulation establishes that any dissent, vote against or abstention expressed by Directors on the individual topics must be acknowledged, as well as the relative reasons.

A draft of the minutes is then made available to the Directors and Statutory Auditors in a platform named Virtual Data Room (illustrated below) to enable those concerned to make observations on the minutes taken of the board meeting, with the resolutions of the administrative body having been validly passed, during the meeting, as a result of the vote. If there are no observations, or after they have been taken into consideration, the minutes are transcribed in the dedicated corporate book and signed by the meeting chairman and the Secretary, and stored by the latter. The minutes of Board of Directors meetings, along with the relative annexes, remain available for consultation by the Directors and Statutory Auditors in the Virtual Data Room.

In particular, the Virtual Data Room is a digital platform meeting high security standards, which may be accessed using user-specific credentials, assigned to each Director and Statutory Auditor in order to prevent access by unauthorised parties. This electronic platform, as well as allowing more efficient management both in terms of shorter times and high standards of privacy ensured, puts in place effective measures for compliance with the requirements set in Legislative Decree no. 231/2001 and in the Code.

The Directors receive adequate flows of information on the matters subject to discussion from the Chairman (also in his capacity as Appointed Director). With the support of the Secretary, the Chairman works, inter alia, to ensure that pre-board meeting disclosures and the complementary information provided at meetings are suitable to permit the Directors to properly exercise the duties and responsibilities of the administrative body. This flow of information concerns the topics on the agenda of the board meetings on which the Board is called to decide or subject to periodic disclosure as well as – for example – updates on the implementation of the resolutions passed by the board and the most significant feedback for the Supervisory Authorities. The flow of information is as a rule provided during Board meetings, typically relying on the Virtual Data Room mentioned previously.

The explanatory report on the issues discussed is made available to the Directors and Statutory Auditors consistently in advance, normally at least three calendar days before the date scheduled for the Board of Directors meeting, highlighting important aspects of the items on the agenda (Executive Summary). As concerns the periodic reporting prepared by the Key Functions and the other control functions, the relative documentation is made available between the day on which the notice of the board meeting is transmitted and three days prior to it. If required and/or in urgent situations or for transactions in the course of development, the documentation is made available as soon as possible and, in any event, before the board meeting begins.

The Chairman ensures in any case adequate time for the necessary analyses in the course of board meetings, to ensure that Directors and Statutory Auditors receive accurate, comprehensive information about the topic being discussed, so as to be able to always make knowledgeable decisions and fuel constructive debate.

The terms for the prior transmission of the board documentation mentioned above have been substantially respected.

We also note that the issues on the agenda within the respective areas of competence are first brought to the attention of the Board Committees for the review and the issue of opinions, where required. The activity carried out by such Committees is reported at the time of the meetings of the administrative body, presenting and commenting on their results, including based on an examination of the relative reports, which contain the topics discussed by the Committees and their assessments.

The assessment on the adequacy of the disclosure in question is also part of the annual Board Performance Evaluation performed by the Company's Board of Directors for the Year; such assessment demonstrated that all Directors appreciated the clarity and effectiveness of the information received in view of the meetings, expressing their full satisfaction for how it was sent and the relative timing.

All Directors also believed they dedicated adequate time and energy to the fulfilment of the role of Director, expressing their satisfaction with the work they personally performed on the Board.

## 4.7 Role of Chairman of the Board of Directors

The Chairman of the Company is elected, pursuant to Art. 14 of the By-Laws, by the Board of Directors from among its members, for three financial years or for the shorter period of office of the Board itself.

Following the appointment of the administrative body, for 2019, 2020 and 2021, the Board of Directors, at its meeting held on 17 April 2019, confirmed Mr Carlo Cimbri as Chairman of the Company - in consideration of his experience, his thorough knowledge of the Company, the insurance business and the financial system as a

whole - for the duration of office of the Board of Directors and, therefore, until the date of approval of the 2021 financial statements.

In addition to exercising company representation pursuant to Art. 21 of the By-Laws, the Chairman calls the meetings of the Board of Directors and the Executive Committee, where set up, establishes their agenda, coordinates their work and ensures, according to the particular circumstances, that adequate information on the items on the agenda is provided to all Directors.

The Chairman has the power to provide impetus to the actions of the Board of Directors, ensuring the promotion of transparency in the Company's business, and taking care to represent all Shareholders.

In particular, the Chairman ensures continuity of relations between the Board and the General Manager, stimulating their activity and ensuring a fruitful collaboration.

Therefore, the Chairman calls Board of Directors meetings, defining their agenda, and chairs the meetings, working to ensure that:

- pre-board disclosure and the complementary information provided during the meetings are suitable to permit the Directors to act in an informed manner when performing their roles;
- documentation relating to topics on the agenda is brought to the attention of the Directors and the Statutory Auditors consistently in advance of the date of the board meeting ensuring adequate room for provision of the necessary details during the board meetings, specifically in the case where it is not possible to provide the necessary disclosure with the aforementioned notice;
- in preparing the agenda and in running the board debate, issues of strategic relevance are dealt with as a priority, guaranteeing that all the time necessary is dedicated to them;
- orientation programmes and training plans are prepared and enacted for the members of the Board of Directors.

The Chairman, with the support of the competent corporate functions, ensures that the work of the Company's Board Committees is coordinated with the work of the Board of Directors.

The Chairman works to ensure that Directors and Statutory Auditors may take part, subsequent to appointment and for the duration of their term of office, in initiatives aimed at providing them with adequate knowledge of the industry in which the Company operates, corporate dynamics and evolution of the same, as well as the relevant regulatory framework, also with a view to the Company's Sustainable Success and the principles of correct risk management and the regulatory and conduct framework.

To this end, also pursuant to IVASS Regulation 38 and the Code, specific analyses were performed during the Year on certain matters that regarded in particular real estate transactions, sustainability and the pursuit of Sustainable Success with a view to the evolution of the Company and the Group.

Specifically, on the basis of presentations by the top management with responsibility for the matter, relevant topics were discussed for the generation of value in the medium/long term, describing the context in which the Company operates, regulations impacting the insurance sector and the approach of the main industry players, taking time in particular to discuss the Unipol Group's progression in this area and analysing the issues of greatest interest to the corporate bodies.

The Board Performance Evaluation results also showed a high level of Director satisfaction with the training and induction activities carried out for their benefit and that of the Statutory Auditors.

At every meeting, if the conditions are met, the Chairman invites the Directors who fall in the cases specified by Art. 2391 of the Italian Civil Code (interests of Directors) to provide the statements required. In these cases, the Directors inform the attending Directors and Auditors of the interests they have, on their own behalf or on behalf of third parties, in regard to the proposals in question. At the end of the Board Performance Evaluation, a positive opinion was expressed on the management of potential conflict of interest situations by the Board.

The Chairman ensures that the Board of Directors is informed of the Company's business opportunities and risks.

The Chairman has access to all information within the corporate structure, informing the General Manager of information acquired from other sources, for the orderly management of such structure.

The Chairman, also at the request of one or more Directors, may request that the Managers of the Company and the Subsidiaries, in charge of the relevant corporate functions according to the subject, attend Board meetings to provide useful information on items on the agenda. During the Year, the Financial Reporting Officer regularly took part in board meetings, also to provide, if necessary, the appropriate details on the topics for which he is responsible included on the agenda. At the invitation of the Chairman, the Heads of the Key Functions and some Heads of the main corporate areas also attended, in regard to issues within their area of competence.

The Chairman works to ensure that the Board of Directors process of self-assessment (described in Section 7 of the Report) is carried out effectively and in line with the degree of complexity of the work of the administrative body and that the corrective measures set forth to handle any gaps identified are adopted.

The Chairman is a member ex officio of the Executive Committee, when established, and is a permanent invitee to meetings of the Nomination and Corporate Governance Committee, the Remuneration Committee, as well as the Control and Risk Committee.

At the Report date, no requests have been received from Investors to initiate Dialogue pursuant to the Dialogue Policy (described in more detail herein). In any event, in line with the recommendations of the Corporate Governance Code and the Dialogue Policy, the Chairman ensures that the Board of Directors is promptly informed, during the first suitable meeting, on the development and significant contents of any Dialogue that has taken place.

Lastly, as specified below, the Chairman was made Appointed Director and by virtue of this role is considered an executive director, pursuant to the Code of Conduct previously in force.

## 4.8 The Deputy Chairman

Pursuant to Art. 14 of the By-Laws, the Board of Directors elects from among its members one or more Deputy Chairmen, for three years or for the shorter period of office of the Board itself.

The Board of Directors confirmed Pierluigi Stefanini and Fabio Cerchiai as Deputy Chairmen at its meeting on 17 April 2019.

The Directors holding the office of Deputy Chairman, in addition to having the power to represent the Company pursuant to Art. 21 of the By-Laws, in case of absence or impediment of the Chairman, stand in for him/her, starting from the eldest.

The Deputy Chairman is automatically a member of the Executive Committee, where formed, pursuant to Art. 18 of the By-Laws.

## 4.9 The Board Secretary

The Board of Directors Regulation establishes that:

- for the organisation of its work, the Board of Directors relies on the support of a Secretary elected, including from outside the Board members, for the entire term of office of the administrative body. The appointment and removal of the Secretary are approved by the Board at the proposal of the Chairman;
- the Secretary must meet suitable requirements of professionalism and independent judgement. Specifically, the Secretary must meet the following requirements:
  - i) have a university degree in economic/legal matters;
  - ii) have gained adequate professional experience in the applicable industry in listed or in any event significantly sized companies, identified according to the criteria laid out in the regulation on limits on the number of offices adopted by the Company;
- the Secretary takes minutes of board meetings and supports the activity of the Chairman, or anyone acting in his stead, in ensuring the proper functioning of the Board of Directors. He also provides the Directors, with impartial judgement, with support and advice on all relevant aspects for the proper functioning of the corporate governance system.

At the meeting held on 17 April 2019, the Board of Directors, at the proposal of the Chairman, assigned Mr Alessandro Nardi to the role of Secretary.

During the Year, the Secretary performed the above-mentioned duties, providing support to the Chairman of the Board of Directors in relation to the aspects laid out in Recommendation 12 of the Code.

## 4.10 Delegated Bodies

### *The Chief Executive Officer/the General Manager*

The Chief Executive Officer may be appointed, pursuant to Art. 14 of the By-Laws, by the Board of Directors from among its members, for three financial years or for the shorter period of office of the Board itself. However, as noted in previous reports and also mentioned above, please recall that in 2016 the Board of Directors revised the Company's governance structure and, deciding not to appoint a Chief Executive Officer, believing that appointment to be unnecessary at the time, entrusted the operational management of the Company to a General Manager, Mr Matteo Laterza.

The General Manager has been assigned by the Board of Directors the following functions:

- i) ensure the implementation of the resolutions of the Board of Directors and of the Shareholders' Meeting of the Company;
- ii) ensure the ordinary management of the corporate affairs of the Company as well as the governance, supervision and coordination of the entire company activity;
- iii) promote the corporate policies of the Company;
- iv) propose to the Chairman of the Board of Directors the planning of the works of the Board of Directors;



- v) formulate the proposals relating to the long-term plans and the annual budgets of the Company, to be submitted to the study and approval of the Board of Directors;
- vi) set guidelines to draw up the financial statements of the Company; prepare the proposals to be submitted to the Board of Directors on the draft separate and consolidated financial statements and on the interim financial reports;
- vii) support the Appointed Director in the execution of his tasks also:
  - taking care of maintaining the functionality and overall adequacy of the organisational structure and of the internal control and risk management system;
  - defining in detail the organisational structure of the Company, the tasks and the responsibilities of the operating units and their employees as well as the relevant decision-making processes, consistently with the directives received from the Board of Directors; in this context, ensuring proper separation of tasks among the individual subjects and the departments so to prevent conflicts of interest from arising, as much as possible;
  - implementing the policies for the assessment, also forward-looking, and management of risks as set by the Board of Directors, ensuring the definition of the operating limits and their prompt verification as well as the monitoring of the exposures to risks and the compliance with the tolerance levels;
  - carrying out, on the basis of the strategic objectives and in line with the risk management policy, the policies of underwriting, provisioning, re-insurance, of other techniques of mitigation of the risk and management of operational risk, as well as the other policies and guidelines specified by the Board of Directors;
  - supporting the Appointed Director to implement the directions of the Board of Directors on the measures needed to correct the anomalies observed and/or make improvements.

The Board of Directors has also conferred specific executive powers on the General Manager, defining the relevant methods and quantitative limits.

Upon appointment, the Board of Directors verified respect for the requirements of eligibility for office by the General Manager, in compliance with the Fit&Proper Policy. This assessment is also conducted periodically by the administrative body, on an annual basis, most recently at its meeting on 13 May 2021.

### *Disclosure to the Board by directors/delegated bodies*

The General Manager reports regularly to the Board of Directors on the situation in the individual business sectors of the Company, and its objectives and activities, also compared with the forward-looking plans and the expected results.

## 4.11 Independent Directors and Lead Independent Director

### *Independent Directors*

First of all it should be remembered that, pursuant to the Market Regulation, those who also sit on the administrative body of the Company exercising management and coordination of the Company (i.e., Unipol) cannot be considered independent Directors of UnipolSai.



The current Board of Directors is composed - with the exception of the Chairman, as explained below, - of non-executive Directors, i.e. without management powers and not holding strategic or management positions in the Company, in subsidiaries of strategic importance or in the Parent Company.

As already stated above, the assessment by the Board of Directors of the independence requirements of the non-executive Directors pursuant to the Consolidated Law on Finance and the Code of Conduct (in force when the administrative body was appointed) was carried out most recently at the board meeting of 13 May 2021.

The results of these assessments are shown in the attached Table no. 2 annexed to this Report.

The Board of Statutory Auditors reports on the outcome of the assessments carried out on the correct application of the assessment criteria and procedures adopted by the Board of Directors in regard to the independence of its members in the Statutory Auditors' report to the Shareholders' Meeting.

The Fit&Proper Policy was updated at the Board of Directors meeting of 18 March 2021, in particular introducing, in compliance with the recommendations of the Corporate Governance Code, qualitative-quantitative criteria for assessing the independence requirement of Directors and Statutory Auditors, pursuant to such Code, with effect from the first renewal of the corporate bodies after 31 December 2020.

Specifically, the administrative body defined the quantitative and qualitative criteria for assessing the significance of certain circumstances - particularly those referred to in points c) and d) of recommendation no. 7 of the Code - which compromise, or appear to compromise, the independence of a Director or Statutory Auditor.

The Fit&Proper Policy envisages that, for the purpose of assessing such significance, due regard must be given to the following:

- the annual amount paid for any professional and/or other services rendered to the Company and/or Parent 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 Parent Company and/or Subsidiaries, where these exceed a total of Euro 200,000 per year;
- any personal and financial situations that could result in conflict of interest or even potentially hinder the independent judgement of the Director, in any event remaining guaranteed that company business conducted on behalf of Unipol or UnipolSai is consistent with the objectives of sound and prudent management.

If a Director is also a partner in a professional studio or advisory company, even regardless of the aforementioned quantitative limits, the administrative body assesses the significance of professional relations that could have an impact on his/her position and on their role in the studio or advisory company, or which in any event relate to important transactions of the Company and the Group.

The same criteria also apply to Statutory Auditors.

In compliance with the provisions contained in the Code, one meeting of the independent directors was held during the Year. At this meeting, issues related to the strategic vision of the Company and the Group and the functioning of the Board of Directors and the Board Committees were discussed, among others.

### *Lead Independent Director*

The Company's governance structure has not necessitated the appointment of a Lead Independent Director, there not being the conditions pursuant to application criterion 2.C.4. of the Code of Conduct. The Chairman of the Board of Directors has not been delegated operational powers.

## 5. MANAGEMENT OF COMPANY INFORMATION

### 5.1 Handling of information regarding the Issuer

In relation to the processing of privileged information:

- the "Guidelines on the management and communication of privileged information" ("Guidelines") were adopted in compliance with the current regulatory framework on market abuse - as governed by Directive 2014/57/EU and by Regulation (EU) no. 596/2014 of the European Parliament and Council ("MAR"), as well as the implementing provisions and rules for the adaptation of national legislation and the CONSOB Guidelines of 13 October 2017 (overall, the "Market Abuse Provisions");
- to supplement, at an operational level, the Guidelines, the "Operating instructions for the management and communication of privileged information" (the "Operating Instructions") were drafted, providing support for the performance of the tasks identified therein and identifying the models to be used for the purposes of the communications and registrations required.

The guidelines were approved by the Board of Directors at the meeting held on 8 August 2018 and later updated, notably, in regard to the list of the senior roles of the parties permanently listed in the register of people having access to privileged information ("Insider List"), at the board meeting held on 3 October 2019.

Illustrated below are the primary aspects of the Guidelines/Operating Instructions:

- specification of the rules and principles for drafting and updating the Insider List, for which the structure, content, record-keeping procedures, update and recording in the corresponding sections are specified, each of which apply to each piece of privileged information generated. Inclusion in the Insider List of an additional section is envisaged, with the details of those who always have access to all privileged information (the "permanent insiders");
- the creation and management of the Register of Specific Relevant Information (meaning individual information that subsequently or soon may take on a privileged nature), referred to as Relevant Information List ("RIL"), in which the structure, content, storage methods, updating and registration in the relevant sections is identified, also providing for the creation of a permanent section in this case, as for the Insider List;
- establishment of the process for mapping the types of relevant information and the Organisational Functions Responsible for Privileged Information ("FOCIP"), which are usually in possession of such types of information, in order to identify preliminarily the persons who, on the basis of the Company's organisational structure, are expected to have access to Specific Relevant Information and/or Privileged Information, within the scope of the types of relevant information mapped, and which, on a need-to-know basis, are normally involved or may be involved in the management of these types of information; the mapping process is set out in the Operating Instructions;
- identification and definition of the organizational function - named the Privileged Information Management Functions ("FGIP") - responsible for managing the organisational process for the fulfilment of obligations relating to the publication of privileged information and the consequent implementing procedures. One of the main tasks of FGIP is to identify the moment in which information becomes privileged and to decide on the timing of publication of the privileged information (i.e. activation or not of the publication delay);

- identification and definition of the structure - known as the "Info-Room" - that operates in support of FGIP for the performance of its tasks.

## 5.2 Internal dealing

The Company has also adopted a procedure which defines the rules for the fulfilment by the Managers and the Relevant Persons (as defined herein), the People Closely Related to them (as defined in the Procedure) and UnipolSai of the information obligations to CONSOB and to the market on purchase, sale, subscription or exchange transactions involving the shares and the bonds issued by UnipolSai, or the financial instruments linked to them, carried out by such persons even through a third party (the "Internal Dealing Procedure" or the "Procedure").

Pursuant to the Procedure:

- the term "Manager" refers to:
  - a) the Directors, the Statutory Auditors and the General Manager of UnipolSai;
  - b) the other Key Managers of UnipolSai (different from the persons under letter a) above) - who have regular access to privileged information directly or indirectly concerning UnipolSai and with the power to take management decisions that may affect the future development and the prospects of the Company - identified on the basis of the organisational roles and the respective responsibilities;
- "Relevant Persons" refers to: anyone who holds a shareholding equal to at least 10% of the share capital of UnipolSai, represented by shares with voting rights, as well as any other party that controls UnipolSai.

The Internal Dealing Procedure guarantees adequate transparency and standardisation of information on transactions which - as they were carried out by (i) Managers and Relevant Persons, as parties which actively take part in decision-making processes or who have, in any case, considerable knowledge of the company's strategies, considering the functions performed or the fact that they are shareholders with either a significant or a controlling stake in UnipolSai, or (ii) the People Closely Related to them - may serve a specific "reporting purpose" for the market regarding the perception that such parties have on the prospects of the Company and its group.

The Internal Dealing Procedure - which is intended to block the possession by such persons of privileged information and its possible misuse (a case that constitutes the offence of insider trading) - thus represents a tool for the pursuit of adequate informational transparency to investors about the possible evolution and future prospects of the Company and the Group.

The system of rules laid down by the Internal Dealing Procedure includes, inter alia:

- (i) the criteria for the identification of the Managers, as parties that carry out Company management functions which, as they have regular access to privileged information and have the power to take management decisions that can affect the evolution and future prospects of UnipolSai and, accordingly, are required to carry out the communication in question;
- (ii) the definition of "People Closely Related" to the Managers and the Relevant Persons;

- (iii) the arrangements for the implementation by the Managers, the Relevant Persons and the People Closely Related to them, of communication obligations to CONSOB and to the Company of the significant transactions;
- (iv) the regulation of conditions for the provision by the Managers, the Relevant Persons and the People Closely Related to them of an appropriate task for the Company for the latter to carry out, on their behalf, communications to CONSOB of the significant transactions carried out by them.

In order to ensure conditions which enable the Company to punctually and properly meet the information obligations as mentioned above, the Internal Dealing Procedure provides that the Managers and the Relevant Persons who have entrusted the task referred to in point (iv) above must undertake to communicate to the appropriate Function of the appointed Company all significant transactions, of any amount, even less than the amount required by the relevant standards, carried out by themselves and/or by People Closely Related to them, (i) within 2 open market days starting from the date of their performance for the Managers, (ii) by the end of the tenth day of the month subsequent to that in which the transaction was carried out for the Relevant Persons.

In accordance with the Procedure, Significant Transactions are all the transactions performed by or on the behalf of the Managers, the Relevant Persons or the People Closely Related to them concerning the shares or bonds of UnipolSai or the derivatives or the other financial instruments connected to them, excluding the transactions with a total accumulated amount, without netting, not reaching Euro 20,000 by the end of the year.

In order to prevent potential conflicts of interest and to protect the Company and the Group, the Managers are forbidden to carry out transactions on financial instruments issued by UnipolSai (blocking period):

- in the 30 calendar days before the announcement: (i) of the preliminary results (or, when the Company does not approve the preliminary results, of the draft financial statements and the consolidated financial statements) and (ii) of the half-yearly report;
- in the 7 calendar days before the announcement: (a) of periodic financial information in addition to the annual and half-yearly financial report; and (b) of the forecasting data.

The Procedure may be examined in the *Governance* section of the Company's website.

## 6. THE BOARD COMMITTEES

The Board of Directors, in order to increase the efficiency and efficacy of its activities, has established specific internal Committees, with proposal, advisory, investigation and support functions, and has defined their relevant tasks also taking into account the provisions of the Corporate Governance Code.

In particular, the following Committees have been created within the Board of Directors:

- Nomination and Corporate Governance Committee;
- Remuneration Committee;
- Control and Risk Committee;
- Related Party Transactions Committee.

The members of each Committee are appointed by the Board of Directors and are chosen from amongst its members. These Committees are composed at least in the majority by independent Directors, as specified in the following paragraphs.

The administrative body established the composition of the Committees, favouring the skills and experience of the relative members and avoiding an excessive concentration of appointments within this context. The Committees are dissolved when the entire Board of Directors reaches the end of its mandate; if one or more members become unavailable, for any reason, the Board shall find a replacement.

Each Committee is coordinated by a Chairperson and the Board of Directors is informed about the activities engaged in by the Committees at the next meeting. The Committees have the right to request from the Company's functions the information and documents required in order to properly fulfil their tasks, have recourse to financial resources and appoint external consultants, within the terms set out by the administrative body. In carrying out their duties, the Committees guarantee suitable functional connections with equivalent Committees set up in the companies of the Group and propose, promote and call joint meetings with them, also to establish reciprocal information flows.

Information about the composition and functioning of the above-mentioned individual Board Committees is provided in the following sections of the Report, which address the respective matters under the responsibility of the Committees, to which reference is made, in compliance with the provisions of the Borsa Italiana format. In particular:

- the Nomination and Corporate Governance Committee is described in Section 7, relating to the self-assessment and Director succession;
- the Remuneration Committee is described in Section 8, as concerns Director remuneration;
- the Control and Risk Committee is addressed in Section 9, relating to the internal control system;
- for the Related Party Transactions Committee, please refer to Section 10.

In order to adopt the principles and recommendations of the Corporate Governance Code, during the Year the Board of Directors adapted, in a systematic and structured manner, the regulations of the Committees required under current industry regulations or suggested by the Code, or the Nomination and Corporate Governance Committee, the Remuneration Committee and the Control and Risk Committee.

The above-mentioned regulations, in force as of 1 January 2022, define, inter alia, the methods for taking minutes at meetings, the procedures and terms for sending disclosures to Committee members in advance, the

methods for protecting data and information confidentiality and those for ensuring, through the secretaries of the respective bodies, the coordination of Committee activities with those of the Company's administrative body.

With the primary aim of ensuring uniformity and consistency in the Committee governance rules and guaranteeing the effective performance of their assigned duties, the provisions concerning the functioning rules in general are, *mutatis mutandis*, standardised and apply to all of the above-mentioned Company Board Committees.

Remaining valid are assessments carried out already during previous financial years by the Company's Board of Directors in relation to the fact that:

- the aspects pertaining to the risk management that may become significant with respect to medium to long term sustainability are already examined by the Control and Risk Committee, which – in accordance with the regulatory and self-regulation framework of the structure of the system of internal controls and risk management adopted by the Company and the Group to implement the regulations in the insurance sector (particularly with regard to the system of the capital requirements of solvency and assessment of the corporate risks) – is part of the framework aimed at defining the annual and forward-looking risk appetite of the Company, sharing the processes and results of the Own Risk and Solvency Assessment (the ORSA, see below);
- the aspects regarding the sustainability issues identified with regard to the interaction of the Company and the Group with their stakeholders are among the tasks of the Sustainability Committee of the Parent Company, including that of examining the guidelines and the methodology followed to prepare and monitor the three-year sustainability plan of the Group.

As already highlighted, in order to continue to pursue the Company's Sustainable Success, in the course of 2022 the Sustainability Committee will be established. Besides establishing its composition, the Company's administrative body will set out its remit and its rules of operation in line with the provisions made by the Parent Company.

It is finally highlighted that, during the Year, the Company was actively involved in preparing the Integrated Consolidated Financial Statements of the Unipol Group, in line with the provisions of Legislative Decree no. 254/2016. The Integrated Consolidated Financial Statements of the Unipol Group, prepared by the Parent Company, includes the reporting of non-financial information of UnipolSai, among others. The Company also includes non-financial information in its Sustainability Report.

## 7. SELF-ASSESSMENT AND DIRECTOR SUCCESSION – NOMINATION COMMITTEE

### 7.1 Self-assessment and Director succession

The Board of Directors of the Company conducts the Board Performance Evaluation, that is, an evaluation of the size, composition and functioning of this administrative body and the Board Committees, taking into account elements such as professional qualifications, experience, managerial and non, and gender of their members as well as their seniority levels.

The self-assessment process is divided into the following phases: (i) individual discussion with each Director and Auditor, also through a self-assessment questionnaire; (ii) analysis of indications and comments made; (iii) discussion during the Board meeting of the results obtained during these Board Performance Evaluation activities. The questionnaire and the interviews are used jointly for the purposes of defining the aforementioned evaluation. The procedures followed to carry out the Board Performance Evaluation are chosen to enhance the individual contribution of each Director.

To perform these activities, the Nomination and Corporate Governance Committee, which oversees the entire board review process, is supported by Egon Zehnder International S.p.A., an advisor of primary standing in the sector, which also carries out the same functions for the parent company Unipol. The administrative body granted the aforementioned advisor a three-year assignment sufficient to cover the entire term of office of the Board of Directors.

The Board Performance Evaluation for the 2020 financial year was presented and shared, after review by the Nomination and Corporate Governance Committee, at the Board of Directors meeting on 13 May 2021, during which the assessments were discussed in relation to the strengths and areas for improvement.

With regard to 2020 financial year, the result that emerged is overall very positive, both in terms of the compliance of the functioning of the administrative body with regulations and provisions on conduct, and with reference to the environment created within that body. In particular, the component represented by the Independent Directors was adequate in relation to the composition of the Board of Directors and the Committees in addition to being suitable to guarantee the composition of the interests of the Shareholders. The Board Performance Evaluation also provided a satisfactory representation of diversity in the administrative body, with reference to the gender, skills and seniority of the Directors. The areas for improvement emerging from the assessment reflect in particular the assessment on the possibility of establishing a dedicated Board Committee for sustainability, also taking into account that this Committee has already been established in the Parent Company's Board of Directors and that in 2022 the establishment of that board committee is planned within the Company as well.

With reference to the Year, already at the meeting held on 14 December 2021 and in view of the upcoming appointment of a new administrative body, the Board of Directors, on proposal of the Nomination and Corporate Governance Committee, resolved to start the annual assessment process for the year 2021 on the size, composition and functioning of the administrative body and its Committees. The Board Performance Evaluation was presented and shared, after examination by the Nomination and Corporate Governance Committee, at the Board of Directors meeting on 10 February 2022, during which the assessments were discussed in relation to the strengths and areas for improvement.



Also with regard to the Year, as already highlighted in past years, the result that emerged is overall very positive, both in terms of compliance of the Board of Directors with the provisions and with the recommendations of the Corporate Governance Code and with reference to the environment created within the administrative body.

In particular, appreciation was expressed for the leadership of the Chairman of the Board of Directors, to guarantee the proper functioning of the administrative body, and the attention dedicated to encouraging the contribution of every Director. The Board Performance Evaluation also brought to light appreciation for the global performance of the Company and for the value created for all shareholders, as well as the consideration shown to other stakeholders. The areas for improvement emerging from the assessment reflect in particular the desire for more in-depth analysis and debate on strategic and business trends at domestic and European level.

After the Board Performance Evaluation, the Advisor also prepared a document for the Nomination and Corporate Governance Committee and therefore also for the Board of Directors illustrating the qualitative and quantitative profile of the administrative body as emerging from the self-assessment process, also highlighting possible indications in view of the upcoming appointment of a new Board.

Indeed, the Company's Board of Directors works to ensure, insofar as it is responsible, that the director appointment and succession process is transparent and functional to achieving the optimal composition of the administrative body.

In particular, the administrative body of UnipolSai, as recommended, inter alia, by the Corporate Governance Code, has prepared – with the support of the Nomination and Corporate Governance Committee and taking into consideration the results of the Board Performance Evaluation – its advice on the quantitative and qualitative composition deemed optional in view of the upcoming appointment of a new administrative body for the 2022-2024 three-year period (the "Advice").

The 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 complexity and specificity of the business sector in which it operates, and the size of the administrative body.

Also for the purposes of that appointment, the UnipolSai Board of Directors also recommended to those submitting a list containing a number of candidates exceeding half of the members to be elected, to provide adequate disclosure in the documentation submitted when submitting the list, concerning the list's compliance with the Advice, also with reference to the criteria set forth in the Diversity Policy for the composition of the corporate bodies of UnipolSai, and to indicate, in compliance with the provisions of the Code, their candidate for the position of Chairman of the Board of Directors, formulating, if applicable, a dedicated resolution proposal to be submitted to the Shareholders' Meeting. The Advice was published on the Company's website on 9 March 2022, consistently in advance of the publication of the notice of the Shareholders' Meeting of 27 April 2022, which will be called, inter alia, to decide on the appointment of a new administrative body.

### *Succession plans*

With reference to the recommendations in CONSOB Communication no. DEM/110129884 of 24 February 2011 and the Corporate Governance Code, we note that the Board of Directors has declined to adopt Succession Planning for Executive Directors, in consideration:

- of the fact that no Directors have been delegated operating powers;
- of the consolidation of the Succession Planning for the strategic key managers of the Group;
- of the current structure of the executive powers delegated to the first line managers, which allows the execution of the ordinary business operations of the Company;
- of the stable structure of the control shareholding,

as conditions and instruments that are suitable to promptly face a possible phase of succession of these subjects while guaranteeing the suitable transitional running of the company management.

It should be noted that the administrative body in office deemed it not necessary to assign the office of Chief Executive Officer or to delegate executive powers to its Chairman, entrusting the operating guidance of the Company to the General Manager.

Furthermore, with regard to top management succession procedures, during the Year the Company continued to carry out activities aimed at their implementation to ensure adequate recognition of merit and effective managerial continuity, consistent with the values of the company and the Group. In compliance with the provisions of the Code, the Board of Directors confirmed the existence of such procedures.

## 7.2 Nomination and Corporate Governance Committee

**Number of meetings held during the Year:** 5.

**Average length of meetings:** about 1 hour.

**Number of meetings planned for 2022:** 4 (of which 2 already held at the date of this Report).

At its meeting held on 17 April 2019, the Board of Directors appointed the members of the Nomination and Corporate Governance Committee, calling for three Directors to join the Committee, pursuant to the provisions of the Market Regulation, all of them non-executive and independent pursuant to Art. 147-ter of the TUF as well as the Code, as shown below:

|  | Members            | Office held | Independent<br>147-ter TUF | Independent<br>Code | % attendance | Meetings<br>attended |
|--|--------------------|-------------|----------------------------|---------------------|--------------|----------------------|
| <b>NOMINATION<br/>AND<br/>CORPORATE<br/>GOVERNANCE<br/>COMMITTEE</b> | Vella Francesco    | Chairman    | x                          | x                   | 100%         | 5/5                  |
|  | Picchi Nicla       | Member      | x                          | x                   | 100%         | 5/5                  |
|  | Righini Elisabetta | Member      | x                          | x                   | 100%         | 5/5                  |

\* \* \* \* \*

The Board of Directors established the Nomination and Corporate Governance Committee ("NCGC") to make proposals and provide advice, conduct investigations and support the administrative body with regard to the self-assessment and ideal composition of the Board of Directors as well as on the definition of the Company's corporate governance system.

In particular, the NCGC has been assigned, inter alia, the following functions:

- a) to propose to the Board of Directors the candidates to the office of Director in the cases of co-optation, if it is necessary to replace independent Directors;
- b) to define times and methods for performing the Board Performance Evaluation;
- c) to inform and update the Board of Directors as regards any developments in the regulations in force and the best practices referring to corporate governance.

The NCGC is also asked to express opinions on:

- the appointment of the members of the Board Committees of the Company;
- the appointment of the General Manager and the Deputy General Manager of the Company;
- the implementation of the governance system of the Company;
- the size and composition of the Board of Directors, along with recommendations as regards the professional roles to be held within the Board of Directors, as well as the maximum number of assignments and derogations to the non-compete clause.

The Chairman of the NCGC ensures that minutes are taken of its meetings, relying on the support of a Secretary, and provides summary disclosure to the Board of Directors during its next possible meeting of the topics addressed during Committee meetings and any assessments developed.

In the Year the NCGC performed, inter alia, the following activities:

- reviewed the recommendations set forth in the Annual Reports on application of the Code of Conduct prepared by the Borsa Italiana Committee and expressed its opinions in that regard;
- submitted a proposal to the Board of Directors to launch the annual size, composition and operation assessment processes of the administrative body and its Committees in reference to 2020 and 2021, given the need to anticipate the latter considering the upcoming expiry of the three-year term of office of the administrative body;
- examined the results of the annual Board Performance Evaluation process of the Board of Directors and Board Committees for 2020;
- reviewed the Annual Report on Corporate Governance referring to 2020;
- reviewed the documentation drafted pursuant to IVASS Regulation 38, notably the Guidelines on the corporate governance system of the Unipol Group and the Document on the corporate governance system of the Company;
- reviewed the Regulations of the Board of Directors and the Nomination and Corporate Governance Committee, as well as the Dialogue Policy.

With reference to the meetings held to date in the current year, the Nomination and Corporate Governance Committee, inter alia:

- expressed an opinion on the size and optimal composition of the administrative body in order to support it in adopting its advice to the Shareholders in view of the Shareholders' Meeting called to appoint the new Board of Directors;
- reviewed this Report.

The meetings of the Nomination and Corporate Governance Committee were attended, if applicable, by parties external to the Committee and members of the company functions responsible for the topic, upon invitation by the Chairman, in order to provide input on the agenda items.

Through its Chairman, the NCGC had the possibility to access the information and company functions required to perform its duties, relying on the Company's structures as well as, when deemed appropriate, external advisors.

The NCGC has a budget, approved by the Board of Directors, which is adequate for the performance of its tasks.

Lastly, please note that during the Year, the Board of Directors adapted the Regulation of the Nomination and Corporate Governance Committee, attributing to it tasks and functions in line with the recommendations of the Corporate Governance Code and, at the same time, bringing its rules of operation into line with those of the other Board Committees. The Regulation establishes that the members of the Board of Statutory Auditors may attend NCGC meetings.

## 8. DIRECTOR REMUNERATION – REMUNERATION COMMITTEE

### 8.1 Director Remuneration

For the information required in relation to the remuneration of Executive Directors and the top management, Compensation plans based on financial instruments, the remuneration of Non-executive directors and that regarding the indemnity of Directors in the case of resignation, dismissal or termination of the relationship following a public purchase offer (pursuant to Art. 123-bis, Paragraph 1, letter i) of the TUF), reference is made in full to the relative parts of the "Report on the remuneration policy and on compensation paid by UnipolSai Assicurazioni S.p.A.", drafted pursuant to Art. 123-ter of the TUF, in compliance with Art. 84-quater and Annex 3A, Schemes 7-bis and 7-ter of the Issuers' Regulation and pursuant to Arts. 41 and 59 of IVASS Regulation 38, published pursuant to the law on the Company's website.

### 8.2 Remuneration Committee

**Number of meetings held during the Year:** 4.

**Average length of meetings:** about 1 hour.

**Number of meetings planned for 2022:** 4 (of which 2 already held at the date of this Report).

At its meeting held on 17 April 2019, the Board of Directors appointed the members of the Remuneration Committee, calling for three Directors to join the Committee, pursuant to the provisions of the Market Regulation, all of them non-executive and independent pursuant to Art. 147-ter of the Consolidated Law on Finance as well as the Code.

|                                   | Members             | Office held | Independent<br>Art. 147-ter,<br>TUF | Independent<br>Code | % attendance | Meetings<br>attended |
|-----------------------------------|---------------------|-------------|-------------------------------------|---------------------|--------------|----------------------|
| <b>REMUNERATION<br/>COMMITTEE</b> | Vella Francesco     | Chairman    | x                                   | x                   | 100%         | 4/4                  |
|                                   | De Benetti Cristina | Member      | x                                   | x                   | 100%         | 4/4                  |
|                                   | Picchi Nicla        | Member      | x                                   | x                   | 100%         | 4/4                  |

At the same meeting, the Board of Directors also appointed the Committee Chairman, confirming that he had adequate knowledge and experience on remuneration policies.

\* \* \* \* \*

The Remuneration Committee ("RemC") has proposal, advisory, investigation and support functions with respect to the administrative body on remuneration matters.

In particular, also consistent with the applicable Board of Directors' resolutions and self-regulatory provisions, the RemC:

1. performs consulting and advisory functions for the definition of Remuneration Policies in favour of the corporate bodies, Managers and Relevant Personnel, including compensation plans based on financial instruments;
2. formulates proposals or expresses opinions to the Board of Directors for the remuneration of the Directors who hold special offices and the General Manager, taking account of the guidance given by the Parent Company, as well as for setting up performance objectives related to the variable component of the remuneration, consistent with the Remuneration Policies adopted by the Board of Directors;
3. monitors the concrete application of the remuneration policies and the actual achievement of the performance objectives;
4. periodically reviews the Remuneration Policies to ensure their adequacy, overall consistency and concrete application by the Company and makes proposals to the Board of Directors on the matter;
5. identifies potential conflicts of interest and the measures adopted to manage them;
6. ascertains the fulfilment of conditions for the payment of incentives to Key Personnel;
7. provides adequate disclosure to the Board of Directors on the effective functioning of the Remuneration Policies;
8. expresses opinions to the Board of Directors on the remuneration of the members of the Supervisory Body of the Company pursuant to Legislative Decree 231/2001.

No Director or Statutory Auditor attends the meetings of the Remuneration Committee where proposals for the Board of Directors' remunerations are formulated, unless the proposals concern the remuneration of Directors or Statutory Auditors as a whole.

At the meetings held during the Year 2021, the Remuneration Committee carried out mainly the following activities:

- reviewed the results achieved by the Company in 2020, positively assessing the effects for the purposes of the fulfilment of the conditions set forth for the payment to the Management of the short-term variable incentives specified in the Regulation of the incentive system of the Company and presenting proposals on the disbursement of such variable remuneration components to Management personnel;
- reviewed and formulated proposals on the Remuneration Policies of the insurance companies of the Unipol Group for the Year 2021 in compliance with the provisions of IVASS Regulation 38, which are included within the scope of the 2019-2021 three-year period of the Business Plan;
- proposed recognising the STI component for the year 2019 to Group Management personnel classified as significant risk takers, including the General Manager;
- reviewed the operating criteria of the 2020 incentive system of the Unipol Group insurance companies, observing its substantial continuity with that already approved in previous years;
- examined the Remuneration Report prepared pursuant to and in accordance with Art. 123-ter of the TUF, Art. 84-quater of the Issuers' Regulation and Arts. 41, 59 and 93 of IVASS Regulation 38, noting its compliance and consistency with the Remuneration Policies adopted by the Company.

During the year, in view of the new compensation plan relating to the 2022-2024 three-year period, the Remuneration Committee primarily performed the following activities:

- reviewed and made proposals on the Group Remuneration Policies for the 2022-2024 three-year period and also analysed the Remuneration Policies of the Group's various segments;
- reviewed and made proposals on the Remuneration Policies for the current year of the Unipol Group (insofar as applicable to UnipolSai) and the companies in its insurance segment (including the Company), establishing and making proposals on the performance objectives correlated with the variable short-term component (STI) for the Year 2022 and the variable long-term component (LTI) for 2022-2024;
- examined the draft text of the Report on the remuneration policy and on the compensation paid prepared pursuant to Art. 123-ter of the TUF, Art. 84-quater of the Issuers' Regulation and Arts. 41, 59 and 93 of IVASS Regulation 38, expressing a favourable opinion and noting its compliance and consistency with the Remuneration Policies, which will be reviewed by the Shareholders' Meeting called to approve the 2021 financial statements.

The members of the control body may participate in RemC meetings and in the course of the Year, the Chairman of the Board of Statutory Auditors and at least one Statutory Auditor did participate in each meeting.

In performing its activities, the RemC had access to the information and company functions necessary to carry out its duties, through the Secretary of the Remuneration Committee, and did not rely on external consultants.

The RemC also avails itself, for the performance of its tasks, of an adequate budget approved by the Board of Directors.

Lastly, please note that during the Year, the Board of Directors adapted the Regulation of the Remuneration Committee, attributing to it tasks and functions in line with the recommendations of the Corporate Governance Code and, at the same time, bringing its rules of operation into line with those of the other Board Committees.

 **THIRD PART**



## 9. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM – CONTROL AND RISK COMMITTEE

### *Introduction*

The internal control and risk management system (for the purposes of this Section 9, also referred to as the "System") is a key element in the overall system of governance. It consists of a set of rules, procedures and organisational structures which aim to ensure actual, effective identification, measurement, management and monitoring of the main risks, in order to contribute to the Sustainable Success of the companies. In keeping with the principles of the Corporate Governance Code in force, as well as reference domestic and international models and best practices<sup>1</sup>, the System aims to ensure:

- effectiveness and efficiency of corporate processes;
- identification, current and forward-looking assessment, management and adequate control of risks, in line with strategic guidelines and the risk appetite of the company, also in the medium-long term;
- prevention of the risk that the company be involved, even unintentionally, in illegal activities, in particular those related to money laundering, usury and terrorist financing;
- prevention and correct management of potential conflicts of interest, including those with Related Parties and with Intra-group Counterparties, as identified by legal and regulatory provisions of reference;
- verification that corporate strategies and policies are implemented;
- safeguarding of company asset values, also in the medium to long term, and proper management of assets held on behalf of customers;
- reliability and integrity of information provided to corporate bodies and the market, with particular reference to accounting and operational information, and of IT procedures;
- adequacy and promptness of the corporate data reporting system;
- compliance of business activities and transactions executed on behalf of customers with the law, supervisory regulations, corporate governance regulations and the company's internal measures.

The internal control and risk management system is laid out in the relative Group Guidelines on the corporate governance system which specify, among other things, the role and responsibilities of the parties involved. The Guidelines are complemented by the Key Function Policies.

An adequate Internal Control and Risk Management System is based on an effective and efficient organisational and procedural system that is properly formalised and updated. To this end, UnipolSai has a set of internal regulatory documentation laying out policies and guidelines as well as specific operating procedures.

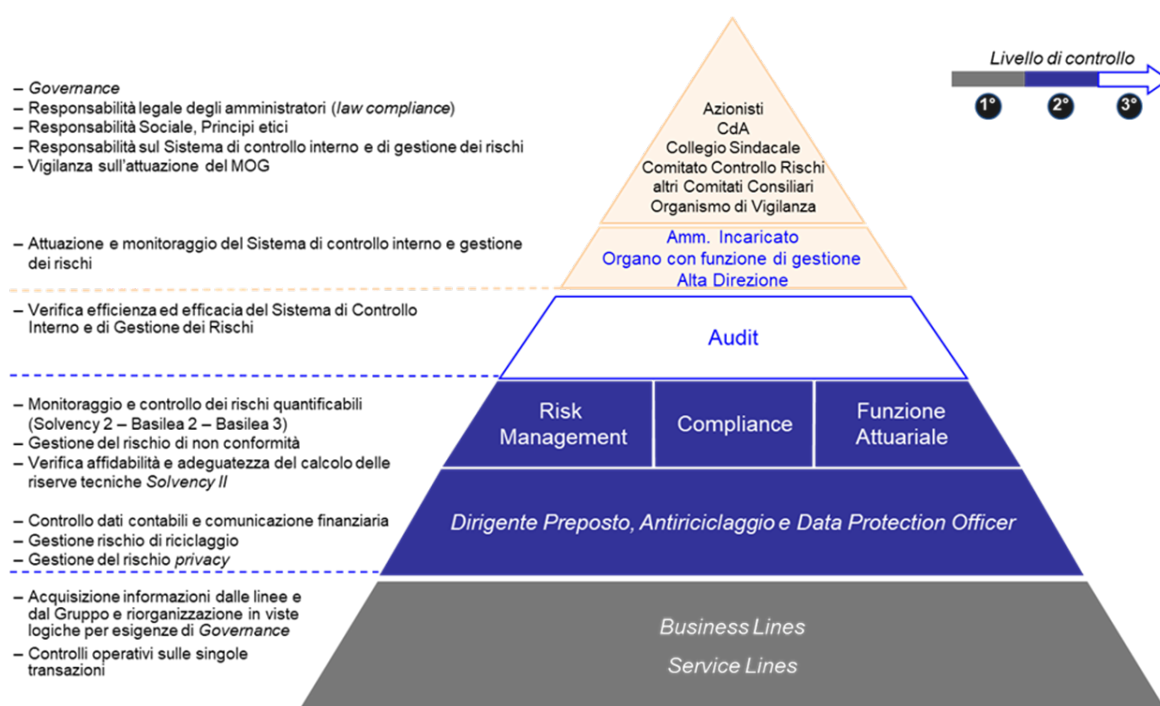
The principles and the processes of the System as a whole are governed, inter alia, by the following Group policies: "Risk Management Policy", "Sustainability Policy", "Current and Forward-looking Risk Assessment Policy", "Operational Risk Management Policy" and "Group-level Risk Concentration Policy". Another integral part of the System is represented by the policies that outline the principles and guidelines on: (i) management of specific risk factors (e.g. the Group Investment Policy for market risk and the Guidelines on credit risk

<sup>1</sup> Reference is made specifically to the "Internal Control – Integrated Framework" and "Enterprise Risk Management – Integrated Framework" models issued by the Committee of Sponsoring Organizations of the Treadway Commission (CoSO), as well as, for the IT component, the applicable COBIT (Control Objectives for Information and related Technology) Framework processes.

assumption activities - "Credit Policy" for credit risk), (ii) management of a risk within a specific process, and (iii) mitigation of a risk and (iv) management of risk measurement models.

The parties involved in the internal control and risk management system exchange information flows as envisaged in current regulations and all other information that may be used to guarantee that the administrative body is fully aware of the significant corporate events and that the other parties involved have all the information needed to perform their duties. The methods for coordination and information flows between the parties involved in the internal control and risk management system are represented in the above-mentioned Key Function Policies, as well as in the Board Committee Regulations.

The System also includes an internal process for the reporting by personnel of acts or events which may constitute a violation of the rules governing the activity performed, which guarantees a specific and confidential information channel, as well as the anonymity of the reporting entity. It is formalised in the Whistleblowing Procedure approved by the Board of Directors of UnipolSai most recently on 11 November 2021.



## 9.1 Risk management

The risk management system is the set of processes and tools used in support of the risk management strategy of the Unipol Group; it provides an appropriate understanding of the nature and significance of risks to which the Group and the individual companies, including UnipolSai, and other forms of supplementary pension,

including Open-ended Pension Funds, are exposed. These processes and tools allow the Company to have a single point of view and a holistic approach to risk management, and represent an integral part of the management of the business.

The risk management process, also applied by UnipolSai, is structured as follows:

- identification of risks, i.e. those the consequences of which can endanger the solvency or reputation of UnipolSai or be a serious obstacle to the achievement of strategic objectives;
- current and forward-looking assessment of the risk exposure; the current evaluation of the risks identified is carried out by using the methodologies specified by regulations in force, or, if there are none, best practices. With regard to the forward-looking assessment, the Own Risk and Solvency Assessment (ORSA) is used to support the strategic decisions of the Company;
- monitoring of risk exposure and reporting, a system implemented – on the basis of the principles of completeness, timeliness and effectiveness of the disclosure – to ensure a timely and constant monitoring of the evolution of the Risk Profile and the compliance with the specified Risk Appetite. This system guarantees that the quality and quantity of information provided is commensurate with the needs of the different recipients and with the complexity of the business managed, in order for it to be used as a strategic and operating tool in assessing the potential impact of decisions on the Company's risk profile and solvency;
- mitigation of risks, which consists in identifying and proposing actions and interventions required and/or useful in mitigating existing or prospective levels of risk not in line with the risk objectives defined at corporate level.

The identification, evaluation and monitoring of the risks are carried out on ongoing basis to take into account the changes occurred both in the nature and size of the business and in the market context, and whether new risks arise or the existing ones change.

These processes are carried out using methods that guarantee an integrated approach at Group level. The Parent Company ensures that the risk management policy is implemented consistently and on an ongoing basis within the entire Group, taking into account the risks of each company in the scope of Group supervision and their mutual interdependencies, with reference to the provisions pursuant to Articles 210 and 210-ter, Par. 2 and 3 of the Private Insurance Code. The principle of proportionality continues to apply, based on the nature, extent and complexity of the risks inherent in company activities carried out by the various Group companies.

## 9.2 Risk Appetite and Risk Framework

The risk management system is inspired by an Enterprise Risk Management approach, i.e. based on consideration from an integrated point of view, as shown above, of all current and forward-looking risks to which the Company and the Subsidiaries are exposed, assessing the impact these risks could have on achieving the strategic objectives.

In order to pursue these high-level objectives, the approach adopted considers the need to reconcile the demands of the different stakeholders. In particular, the following are taken into consideration:

- the requirement of safeguarding the assets and the reputation of the company;
- the need for security and solvency;
- the target rating;

- the need to diversify the risks and ensure sufficient liquidity.

Based on these principles and in order to pursue the assigned objectives, the risk management system is designed around a fundamental concept, or the Risk Appetite.

The definition of Risk Appetite is based on the following general principles:

- the objective is not to eliminate risks but to manage them in such a way as to ensure sustainable, long-term growth;
- the components of the risk profile most important to guarantee the security and protection of customers, employees and the market are: capital strength, adequate liquidity and a sound reputation;
- it is necessary to create fair relations with all the stakeholders, satisfying their demands and expectations in terms of risk management.

In line with said principles, UnipolSai maintains adequate levels of:

- capitalisation, to avoid revising strategic decisions;
- liquidity, to be able to meet one's commitments even in periods of stress due to company-specific or market-wide events under reasonable conditions and in a reasonable time;
- monitoring of reputational risk, in order to protect our trust capital and minimise the risk of negative events that compromise the perception of the Group by its reference stakeholders;
- monitoring of emerging risks to anticipate the arising of risks that can damage the capital strength or business model sustainability, and arrange for their management;
- monitoring of ESG risks, so as to preserve the capacity to create value over time of the Group and its stakeholders by mitigating environmental, social and governance impacts;
- monitoring of operational risk, to ensure, even in the case of extreme events, the continuity of business transactions and the safeguard of the corporate capital.

The Risk Appetite can be established as a fixed target or as a range of possible values and is broken down into quantitative and qualitative elements.

In quantitative terms, Risk Appetite is generally determined on the basis of the following elements:

- capital at risk;
- capital adequacy;
- liquidity/ALM (Asset Liability Management) ratios.

Quality objectives are defined in reference to compliance, emerging, strategic, reputational, ESG and operational risks.

The Risk Appetite is formalised in the Risk Appetite Statement, which indicates the risks that the Company intends to assume or avoid, sets the quantitative limits and the qualitative criteria to be taken into account for the management of unquantified risks.

The Risk Appetite forms part of a reference framework - called the Risk Appetite Framework (RAF).

The RAF is defined in strict compliance and prompt reconciliation with the business model, the strategic plan, the Own Risk and Solvency Assessment process (ORSA), the budget, the company organisation and the internal control system.

The RAF defines the Risk Appetite and other components ensuring its management, both in normal and stress conditions. These components are:

- Risk Capacity;
- Risk Tolerance;
- Risk Limits (or operational risk limits);
- Risk Profile.

The activity to set the RAF components is dynamic over time, and reflects the risk management objectives associated with the objectives of the Business Plan. Annually, a verification is performed within the process of assigning budget objectives and further analyses for the preventive control of Risk Appetite, and particularly the capital adequacy, are performed when studying extraordinary transactions (mergers, acquisitions, disposals, etc.).

The RAF is articulated in several dimensions of analysis, with the aim of guaranteeing ongoing monitoring of risk trends. The main analysis macro areas are:

- individual type of risk, overall risk and capital adequacy;
- individual companies and group.

### *The Own Risk and Solvency Assessment (ORSA) process*

In the risk management system, the ORSA process allows the risk profile analysis and evaluation of the Company's risk profile, whether actual or forward-looking, based on strategy, the market scenarios and business development. In addition, ORSA is an element of the assessments made to support operational and strategic decisions.

## 9.3 Breakdown of control levels

The internal control and risk management system is divided into various levels:

- line controls (so-called "first-level controls"), aimed at ensuring transactions are carried out correctly. These are performed by the same operating structures (e.g. hierarchical, systematic and sample controls), also through the different units which report to the heads of the operating structures, or carried out as part of back office activities; as far as possible, they are incorporated in IT procedures. The operating structures are the primary bodies responsible for the risk management process and must ensure compliance with the adopted procedures for implementing the process and compliance with the established risk tolerance level;
- risk and compliance controls (so-called "second-level controls"), which aim to ensure, inter alia:
  - the correct implementation of the risk management process;
  - the implementation of activities assigned to them by the risk management process;
  - the observance of the operating limits assigned to the different functions;
  - the compliance of company operations with the regulations, including internal regulations;
  - the reliability and adequacy of the calculation of Solvency II technical provisions.

The functions in charge of these controls are separate from the operating functions; they help define the risk governance policies and the risk management process;

- internal audit (so-called “third-level controls”), verification of the completeness, functionality, adequacy and reliability of the Internal Control and Risk Management System (including the first- and second-level controls) and that business operations comply with the system.

### *Corporate bodies*

Also referencing what was already noted previously, insofar as is of specific interest to this Section, please take note of the following:

#### **Board of Directors**

The Board of Directors is ultimately responsible for the internal control and risk management system, for which it has to ensure constant completeness, function and effectiveness. In this regard, the administrative body approves - among other things - the organisational, administrative and accounting structure of the Company; it also defines, with the support of the Control and Risk Committee, the guidelines of the internal control and risk management system, in order to contribute to Sustainable Success, evaluating its current and future adequacy as well as its functioning at least once per year, as well as its effectiveness and capacity to capture the evolution of business risks and the interaction between them.

Within the self-assessment process performed during the Year to identify the Company's corporate governance structure pursuant to IVASS Regulation 38 and the Letter to the Market, the Board of Directors, also with the support of the Control and Risk Committee, deemed the UnipolSai corporate governance system and, in particular, the internal control and risk management system, and the relative ensuing organisational oversight mechanisms, to be adequate and effective.

The results of this process confirmed that the most suitable corporate governance system for the Company is the "strengthened" type, as defined in IVASS Regulation 38 and the Letter to the Market, already adopted by UnipolSai and consistent with the principles laid out in the Corporate Governance Code of listed companies and inspired, more generally, by international best practices.

#### **Appointed Director**

The Appointed Director identifies the main corporate risks of the Company, taking into account the features of the activities carried out, regularly presenting them for review to the Board of Directors. Within the scope of his or her powers and responsibilities, he/she also performs other tasks, in line with the provisions of the Code of Conduct.

At its meeting on 17 April 2019, the UnipolSai Board of Directors appointed its Chairman as Appointed Director. For a description of the relative duties, please refer to Section 9.5 below.

#### **Control and Risk Committee**

The Control and Risk Committee is assigned a proposal, advisory, investigation and supporting role alongside the Board of Directors relative to the definition of guidelines for the internal control and risk management system, in order to contribute to the Company's Sustainable Success, to ensure that the main risks facing the Company and the Subsidiaries are correctly identified and adequately measured, managed and monitored, in line with the Company's strategies. This Committee also supports the Board of Directors in the assessment on a regular basis, of the adequacy and operation of the internal control and risk management system at present

and down the line, compared to the characteristics of the Company and the Subsidiaries and the risk profile taken on, as well as the effectiveness of said system. For an analytical description of the composition, operation and attributions of the Control and Risk Committee, please refer to Section 9.6 below.

### **Board of Statutory Auditors**

UnipolSai has chosen to adopt a "traditional" management and control system, which provides for the presence of a Board of Directors (which works with the support of Board Committees with propositional and advisory functions) and with a Board of Statutory Auditors (with control functions over administration). For an analytical description of the appointment process and for information regarding the composition, operation and attributions of the Board of Statutory Auditors, please refer to Section 11 below.

### **Top Management**

Top Management includes the General Manager and top managers in charge of the decision-making process and the implementation of strategies<sup>2</sup>.

The Top Management is responsible for the overall implementation, maintenance and monitoring of the internal control and risk management system, in line with the directives of the Board of Directors and in compliance with the roles and duties assigned to it, and in accordance with guidance issued by the Parent.

## **9.4 Key Functions (Audit, Risk Management, Compliance and Actuarial Functions)**

Pursuant to applicable industry legislation, the Company's organisational structure requires that the Key Functions be separated from an organisational point of view, report directly to the Board of Directors and operate under the coordination of the Appointed Director.

The Heads of these Functions:

- are placed in an adequate hierarchical/functional position;
- are appointed and removed by the Board of Directors, according to the procedures and in compliance with the requirements of eligibility for office in terms of integrity and professionalism as set forth in the aforementioned Fit & Proper Policy and regulations, including self-regulations, applicable in relation to the relevant sector, ensuring that they have adequate resources to fulfil their responsibilities;
- have the authorities needed to ensure the independence of the Function;
- have no direct responsibility for the operating areas subject to their control;
- report directly to the corporate bodies.

To execute the respective audits under their responsibility, the personnel of the above-mentioned Key Functions:

- have access to the company and external data required to properly perform their duties;
- are suitable in terms of number, technical/professional skills and continuous education, including through their attendance of continuous training programmes.

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<sup>2</sup> These are Key Managers identified for the purposes of the application of the supervisory regulations on intercompany transactions.

The remuneration criteria for personnel of the Functions, in line with the remuneration policies adopted, do not compromise their objectivity, and contribute to creating an incentive system consistent with the purposes of the activities performed.

In the organisational model designed in the Guidelines, in addition to conducting their own activities for the Company, the Key Functions guarantee outsourcing of the service for the companies that have signed specific service agreements<sup>3</sup> with UnipolSai.

### **Audit**

The Audit Function is responsible for assessing and monitoring the effectiveness, efficiency and adequacy of the internal control system and the additional components of the system of corporate governance, according to the nature of the business activities and the level of risks undertaken, its consistency with the guidelines defined by the Board, as well as its updating, if applicable, also through support and advisory activities provided to other company functions. For a more analytical description of the attributions and activities of the Audit Function, please refer to Section 9.7 below.

### **Risk Management (Chief Risk Officer)**

The Chief Risk Officer supports the Board of Directors, the Appointed Director and Top Management in the evaluation of the adequacy and effectiveness of the risk management system and reports any critical issues and deficiencies and comes up with recommendations for eliminating them, as well as the methodologies and methods used, in particular within the internal assessment of present and future risk and solvency, for the management of such risks.

Within the risk management system, the Chief Risk Officer is in charge of continuously identifying, measuring, assessing and monitoring the current and forward-looking risks at the individual and aggregated level that the Company is or may be exposed to and their correlations.

In the exercise of its role, the Chief Risk Officer is responsible for designing, implementing, developing and maintaining the risk measurement and control systems. Among these, special relevance is given to the definition and the use of instruments to calculate the capital needed against the risks identified and specifically the Internal Model.

In this regard, it is noted that by measure of 7 February 2017, IVASS authorised UnipolSai to use the partial internal model for calculating the individual solvency capital requirement, starting from the valuations as of 31 December 2016.

Within the Company, the responsibility for the design and implementation of this model is separated from the responsibility for its validation.

The Chief Risk Officer is also responsible for:

- performing the role of Data Owner and Data Taker with reference to the calculation of the capital requirements under the Solvency II regulations (both with the Internal Model and with the Standard Formula);
- defining the methodologies for the analysis of the ICT and security risk, in collaboration with the Chief Information Officer, in order to integrate the operational risk profile with the specific aspects of IT processes.

<sup>3</sup> The Group insurance companies appoint their own Heads, meeting the eligibility requirements for office set forth in the Fit&Proper Policy, to which the overall responsibility of the function for which they are responsible is attributed.



The Chief Risk Officer also contributes to the dissemination of a risk culture throughout the Group.

## Compliance

Compliance activities are carried out, along with those concerning anti-money laundering, by the Compliance and Anti-Money Laundering Function.

Particularly with reference to the former, this Function is in charge of evaluating, with a risk-based approach, the adequacy of procedures, processes, policies, and internal organisation to prevent the compliance risk.<sup>4</sup>

This risk is found at all levels of the organisation; accordingly its correct management is a major topic and deeply connected with day-to-day transactions, with particular reference to relations with clients. In particular it is strongly characterised by its pervasiveness within the Company and by the involvement of multiple organisational structures.

Insofar as of specific interest here, the Compliance and Anti-Money Laundering Function operates by:

- identifying applicable regulations on an ongoing basis and assessing their impact on corporate processes and procedures, providing support and advice to the corporate bodies and other company functions on matters in which compliance risk is particularly relevant, with specific reference to product design;
- assessing the adequacy and effectiveness of the measures adopted by the Company to prevent compliance risk, and recommending the implementation of organisational and procedural changes aimed at ensuring such risk is effectively monitored;
- the evaluation of the effectiveness of organisational adjustments (structures, processes and procedures) as a result of the suggested changes;
- arranging information flows aimed at corporate bodies and the structures involved.

For this purpose, the methodology used involves different operational and working stages that can be distinguished as:

- ex-ante activities, with the aim of supporting Top Management in the adjustment activity in relation to new projects/processes/regulations: the Function analyses the reference regulations, the impacted corporate processes and the actions identified by management, also supporting in the identification of the most suitable actions/measures to guarantee that the compliance risk is kept within certain acceptable limits and in line with the Risk Appetite of the Company and Unipol Group;
- ex-post activities that are aimed at representing the level of compliance of the procedures, the processes, the policies and the internal organisation of the Company to the applicable legislation and the compliance risk.

As part of the Compliance Function, the “Model 231 monitoring” Function is established, which has the responsibility of monitoring the legislative changes concerning Legislative Decree no. 231/2001, ensuring compliance with the regulations and updating the Organisation, Management and Control Model prepared pursuant to this regulation, as well as the management of the related risk mapping.

## Actuarial Function

<sup>4</sup> “Compliance risk” means the risk of incurring judicial or administrative sanctions, losses or reputational damage as a result of the failure to observe laws, regulations and directly applicable European regulations or rulings of Supervisory Authorities, or self-regulation (e.g. by-laws, codes of conduct, self-governance codes, internal policies and corporate communications); compliance risk is also considered the risk arising from unfavourable changes in the regulatory framework or case law orientation.

The Actuarial Function has the duty of:

- coordinating the calculation of the Solvency II technical provisions, assessing the adequacy of the methods, models and assumptions which provide the basis for said calculation and evaluating the adequacy and quality of the data used;
- expressing an opinion on the overall risk underwriting policy and on the adequacy of reinsurance agreements;
- making a contribution to the risk management system, also with reference to risk modelling underlying the calculation of capital requirements and the own risk and solvency assessment, and verifying the consistency between the amounts of the technical provisions calculated according to the assessment criteria applied to the financial statements and the calculations resulting from the application of the Solvency II criteria.

In accordance with the Private Insurance Code, the Actuarial Function is entrusted to an actuary registered in the professional register pursuant to Law no. 194 of 9 February 1942, or parties with sufficient mathematical, actuarial and financial knowledge with respect to the nature, extent and complexity of the risks inherent in the company's activities and proven professional experience in the relevant matters for the purposes of fulfilling these duties.

## 9.5 Appointed Director

The Board of Directors, most recently at the Board Meeting held on 17 April 2019, appointed as director in charge of establishing and maintaining an effective internal control and risk management system pursuant to the Code of Conduct - by virtue of his in-depth knowledge gathered on the corporate process and the internal control and risk management system within the Unipol Group – its Chairman Mr Carlo Cimbri.<sup>5</sup>

In the course of the Year, on the basis of the powers assigned to him by the Board of Directors, in compliance with applicable provisions of law and regulations, the Appointed Director, *inter alia*:

- a) handled the identification of the main company risks, taking account of the characteristics of the activities carried out by the Company and its subsidiaries, subjecting to review by the Board of Directors, *inter alia*, the annual update of the Risk management policy, as well as the ORSA Report for the Year;
- b) handled the design, implementation and management of the internal control and risk management system, verifying its adequacy and effectiveness and submitting to the Board of Directors for review, *inter alia*, the annual update of the Guidelines as well as the Policies of the Key Functions, for adaptation to the evolution of Group operations and legislative, regulatory and conduct provisions recently introduced;
- c) with reference to the Heads of the Key Functions, formulated proposals to the Board of Directors, after receiving the favourable opinion from the Control and Risk Committee, for:

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<sup>5</sup> This decision is consistent with the corporate governance system adopted by the Company, the administrative body of which considered the appointment of a Chief Executive Officer to be unnecessary. Moreover, the Chairman of UnipolSai is also the Chief Executive Officer and Group CEO – as well as Appointed Director – of the Parent Company and, therefore, his position is identified as the role professionally most suited to oversee the operation of the internal control and risk management system and to guarantee the information flows between UnipolSai and the Parent Company.

- the amount of resources adequate to carry out their responsibilities, particularly with reference, during the Year, to the transfer of responsibilities for audits on the distribution networks from the Audit Function to the Compliance Function;
- defining their remuneration within the corporate policies adopted on the matter.

The Appointed Director also expressed his opinion regarding the work plan for the Year prepared by the Heads of the Key Functions, to be subsequently submitted to the Board of Directors for approval.

The prerogatives of the Appointed Director also include:

- requesting that the Audit Function perform audits on specific operating units and compliance with internal rules and procedures in the execution of corporate transactions, reporting on these to the Chairman of the Control and Risk Committee and the Board of Statutory Auditors;
- promptly informing the Control and Risk Committee and the Board of Directors of any problem and critical issue identified during his/her activities or anyway notified, so that the appropriate initiatives may be carried out by said bodies.

## 9.6 Control and Risk Committee

**Number of meetings held during the Year:** 10.

**Average length of meetings:** 1 hour and 45 minutes.

**Number of meetings planned for 2022:** 10 (of which 2 already held at the date of this Report).

At the meeting held on 17 April 2019, the Board of Directors appointed the members of the Control and Risk Committee, all non-executive and independent pursuant to Art. 147-ter of the Consolidated Law on Finance.

|   | Members          | Office held | Independent<br>147-ter<br>TUF | Independent<br>Code | % attendance | Meetings<br>attended |
|---|------------------|-------------|-------------------------------|---------------------|--------------|----------------------|
| <b>CONTROL<br/>AND RISK<br/>COMMITTEE</b> | Masotti Massimo  | Chairman    | x                             | x                   | 100%         | 10/10                |
|   | Rizzi Antonio    | Member      | x                             | x                   | 100%         | 10/10                |
|   | Tadolini Barbara | Member      | x                             | x                   | 100%         | 10/10                |

The Control and Risk Committee overall must possess an adequate knowledge of the activity sector of the Company, functional to assessing the related risks. In particular, in the course of the above-mentioned board meeting on 17 April 2019, it also appointed the Committee Chairman, verifying that he had adequate experience on accounting, financial and risk management matters.

\* \* \* \* \*

The Board of Directors has established a Control and Risk Committee ("CRC") within the Board with propositional, advisory, investigative and Administrative Body support functions in relation to assessments and decisions relating to the internal control and risk management system as well as the approval of periodic financial and non-financial reports (the latter when prepared).

With respect to the performance of these functions, pursuant to the Code as well as the Company's internal policies in force, the Control and Risk Committee is responsible for supporting the Board of Directors with:

- setting the reference guidelines of the internal control and risk management system in order to contribute to the Company's Sustainable Success, so that the main risks for the Company and its subsidiaries are correctly identified and adequately measured, managed and monitored, consistent with Company's strategic objectives;
- assessing - at least once a year- the current and future adequacy of the internal control and risk management system with respect to the features of the Company and its subsidiaries and to the risk profile assumed as well as the effectiveness of said system.

Particularly with regard to the internal control system, the Control and Risk Committee, for example but not limited to, performs the following tasks:

- supporting the Board of Directors in carrying out the duties attributed to it by legislative and regulatory provisions and by the Corporate Governance Code with regard to the internal control system;
- assessing, having consulted with the Financial Reporting Officer, representatives of the Auditing Company and the Board of Statutory Auditors, the correct application of accounting standards and, with reference to the consolidated financial statements and the consolidated interim report, their consistent use at a Group level;
- assessing the suitability of periodic financial and, when prepared, non-financial reporting, to correctly represent the business model, the Company's strategies, the impact of its activities and the performance achieved, coordinating with the Sustainability Committee, when established;
- reviewing the processes of drawing up the periodic accounting documents prepared by UnipolSai and its subsidiaries in order to prepare the separate and consolidated financial statements;
- assessing, after consulting the Board of Statutory Auditors, the findings produced by the Auditing Company in any letter of recommendations and in the additional report addressed to the control body;
- defining, evaluating and ensuring the adequacy of the self-assessment process for the definition of the corporate governance system pursuant to the Letter to the Market issued by IVASS on 5 July 2018, as well as with reference to the outsourcing of Key Functions.

Specifically as concerns risk management, the Control and Risk Committee performs, inter alia, the following duties:

- supports the Board of Directors in performing its duties attributed by regulatory provisions and legislation, as well as by the Code on the risk management system;
- supports the administrative body with reference to proposals regarding the appointment and/or removal of Heads of the Key Functions, on the adequacy of the resources assigned to such functions for the performance of the respective duties, as well as on the consistency of the remuneration assigned to the above-mentioned Heads with applicable company policies; such opinion is binding for proposals relating to Audit;
- provides the Board of Directors with a specific opinion on the identification of the main company risks, taking into account the risk appetite of the Company and its subsidiaries, as well as with reference to the risk tolerance limits as defined in the Risk Appetite Framework;

- assists the Board of Directors with respect to the current and forward-looking risk assessment, taking into account the criteria used for the assessment of the main company risks, as well as on specific aspects concerning their identification with reference to the Company and subsidiaries;
- supports the assessments and decisions of the Board of Directors relating to the management of the risks deriving from events of default that it has become aware of.

With regard to matters common to the internal control and risk management system, the Control and Risk Committee, for example but not limited to:

- supports the Board of Directors in approving, at least annually, the work plan prepared by each Head of the Key Functions and the Anti-Money Laundering Function relating to the Company and its subsidiaries;
- reviews the particularly important periodic reports prepared by the Key Functions and the Anti-Money Laundering Function for the Committee and for the Board of Directors;
- monitors the independence, adequacy, effectiveness and efficiency of the Key Functions;
- supports the Board of Directors with respect to the adoption and revision of company and Group policies as required by the Solvency II regulation and/or in any event relating to the internal control and risk management system;
- supports the Board of Directors with respect to the description, in the annual report on corporate governance, of the main characteristics of the internal control and risk management system and the procedures of co-ordination between the parties involved, indicating the reference domestic and international models and best practices, as well as the assessment of its suitability.

The Control and Risk Committee reports to the Board of Directors, at least every six months, at the time of the approval of the annual and half-yearly financial statements, on the activities performed and the adequacy of the internal control and risk management system compared to the characteristics of the Company and the risk profile assumed, as well as its effectiveness.

The Chairman has the duty of coordinating and planning the activities of the Control and Risk Committee and guiding the relative meetings, as well as the additional functions set forth in the Regulation. The Chairman of the CRC ensures that minutes are taken of its meetings, relying on the support of a Secretary, and provides summary disclosure to the Board of Directors during its next possible meeting of the topics addressed during Control and Risk Committee meetings and any assessments developed.

The Chairman of the Board of Directors, also in his capacity as Appointed Director, the Deputy Chairmen and the Chairman of the Board of Statutory Auditors or another Statutory Auditor he has designated are invited to Committee meetings on a permanent basis; the other Statutory Auditors may participate as well.

If deemed appropriate in relation to the topics to be addressed or functional to the Committee's work, the Chairman may, from time to time, invite other members of the Board of Directors to the individual CRC meetings and, informing the Chairman of the Board of Directors, the representatives of the company functions competent on the matter to provide the appropriate details on the items on the agenda. The Chairman may also invite parties external to the Control and Risk Committee whose presence may be of assistance to the best fulfilment of its functions.

For the performance of its duties, the Control and Risk Committee coordinates with the Appointed Director, who promptly informs, possibly through delegates, the CRC of any problem and critical issue identified during his/her activities or anyway notified, so that the appropriate initiatives may be carried out by said body.

The Control and Risk Committee makes use of tools and information flows provided specifically by the Key Functions of the Company, so as to allow the CRC itself to issue the required assessments within its area of competence. In this regard, the Key Functions guarantee adequate reporting to the Control and Risk Committee on the activities carried out and on the risk situation, as well as prompt disclosure if audit activities bring any severe irregularities to light.

In turn, the CRC ensures, through the Chairman of the Board of Statutory Auditors, a permanent invitee of the meetings, that an information flow to the control body is established for the prompt exchange of the relevant information for the performance of the respective duties and the coordination of activities in areas of shared responsibility.

To this end, and to contain the cost of the controls, in 2021, the Board of Statutory Auditors attended all meetings of the Control and Risk Committee.

During the Year and until the date of this Report, the Control and Risk Committee reviewed and evaluated, *inter alia*:

- the actual results of the activities performed and the planning of those expected by each of the Key Functions and the Anti-Money Laundering Function, evaluating the internal control and risk management system as effective, adequate and functional with respect to the characteristics of the Company and its subsidiaries and the risk profile assumed, and positively considering the methodology adopted and the content of the plans of such functions, taking into account the main risks to which the Company and its subsidiaries are exposed and the activities to be subject to audit on a priority basis;
- through dedicated meetings with the Financial Reporting Officer and the Auditing Company: the proper use and uniformity of the accounting standards used in the formation of the consolidated financial statements and the results of the audits performed on the internal control system with respect to accounting and financial disclosure (pursuant to Law 262/2005); the suitability of the periodic financial information to properly represent the business model, the Company's strategies, the impact of its activities and the performance achieved; the process of putting together the periodic accounting documents prepared by the Company and its subsidiaries in order to draft the separate and consolidated financial statements;
- the results expressed by the Auditing Company in the additional report, prepared in compliance with Art. 11 of Regulation (EU) no. 537/2014, addressed to the control body, after consulting with such body;
- the considerations developed with reference to the Company's system of risk targets and, in particular, the own risk and solvency assessment as well as the risk appetite defined in line with the overall solvency requirement that the Company and its subsidiaries decide to assume for the pursuit of their strategic objectives, accordingly establishing the risk tolerance limits, as represented in the Own Risk and Solvency Assessment – ORSA Report and the Risk Appetite Statement, respectively;
- the consistency of the remuneration attributed to the Heads of the Key Functions with the company policies on the matter;

- company policies prepared and/or updated as required by the Solvency II regulation and/or in any event relating to the internal control and risk management system;
- the description, in the Annual report on corporate governance, of the main characteristics of the internal control and risk management system and the procedures of co-ordination between the parties involved in it, expressing its considerations on its adequacy;
- the quarterly monitoring, required by internal Group policies, performed by the Risk Management Function;
- the annual Validation Report of the Group's Partial Internal Model for the calculation of the solvency capital requirement, as well as the changes to the Model proposed over time, insofar as applicable to UnipolSai;
- the actual reporting on activities carried out and their results during the approval of the annual and interim financial reports.

The CRC had access to the information and company functions required to perform its duties.

The Committee has a budget available which is approved by the Board of Directors when it is appointed. It may also:

- ask the Company functions to provide the information, including documents, necessary for the correct performance of the assigned tasks;
- propose, within the limits of the expenditure budget assigned over time and providing adequate justification, the name of the external advisor on which it intends to rely.

In 2021, the CRC did not rely on external advisors for the fulfilment of its duties.

Lastly, please note that during the Year, the Board of Directors adapted the Regulation of the Control and Risk Committee, attributing to it tasks and functions in line with the recommendations of the Corporate Governance Code and, at the same time, bringing its rules of operation into line with those of the other Board Committees.

## 9.7 Manager of the Internal Audit Function

The Audit Function, which has been entrusted to the responsibility of Mr Mario Vidale, assesses and monitors the effectiveness, efficiency and adequacy of the internal control system and the additional components of the system of corporate governance, according to the nature of the business activities and the level of risks undertaken, its consistency with the guidelines defined by the Board as well as any need for updating, also through support and advisory activities provided to other company functions. The procedures for the performance of the tasks assigned to the Audit Function are specified and formalised in the document "Audit Function Policy", approved most recently by the Board of Directors of UnipolSai on 16 December 2021.

Audit activities were carried out in compliance with the Code of Ethics of the Institute of Internal Auditors.

Both continuously and in relation to specific needs, and in compliance with international standards, Audit verifies the operations and suitability of the internal control and risk management system by means of an audit plan, approved by the Board of Directors, based on a structured process of analysis and prioritisation of the main risks. The 2021 plan was approved by the Board of Directors on 11 February 2021 after prior examination by the Control and Risk Committee and after consulting the Board of Statutory Auditors and the Appointed Director.



In the Year, Audit performed the following types of activities:

- process audits (insurance, operational, financial, governance and information technology);
- audits on the settlement structures;
- audits on internal fraud;
- audits deriving from regulatory obligations;
- other planning, administrative and reporting activities required by regulations;
- cooperation with the Control and Risk Committee, the independent Auditing Company, the Board of Statutory Auditors and the Supervisory Body set up according to Legislative Decree 231/2001.

As part of its activities, the audits refer in particular to:

- the suitability of the management processes and the effectiveness and efficiency of the organisational procedures;
- the regularity and the functionality of the information flows between corporate sectors;
- compliance of the different operational sectors with the limits set by the delegation mechanisms as well as of the full and correct use of the information available in the different activities;
- IT system adequacy and reliability in ensuring that the quality, accuracy and promptness of information on which Top Management bases its decisions is not compromised;
- compliance of administrative and accounting processes with the criteria of accounting accuracy and correct record keeping;
- the effectiveness, efficiency and actual performance of the controls carried out on the outsourced activities;
- the Solvency II checks on the elements that make up the internal control system monitoring the correct and effective governance of the models adopted by the Unipol Group companies;
- audits on the adequacy and proper implementation of the internal organisational structure;
- the advisory support to all Group units in the preparation of new processes and activities, through specific control and regulatory tasks, so that the necessary levels of security and the points of verification are appropriately specified and constantly monitored.

Details of the audit activities performed in the course of the Year, the gaps reported and the corrective measures adopted are provided in the annual report of the Head of the Audit Function, which also includes the results of half-yearly monitoring on the progress of the remedial activities shared with the management and the follow-up activities, and which was subject to the review of the Board of Directors and the Board of Statutory Auditors at the meeting on 10 February 2022, after being shared with the Appointed Director and the Control and Risk Committee.

Following the analysis of the activity subject to control, if situations of particular relevance or severity emerge, Audit promptly reports them to the Board of Directors, the Control and Risk Committee, the Appointed Director, the Top Management and the Board of Statutory Auditors. Please note that during the Year, no reports were prepared on events of particular significance.

Audit is assigned an annual spending budget approved by the Board of Directors.



## 9.8 Organisational Model pursuant to Legislative Decree 231/2001

The current Organisation, Management and Control Model (the "MOG" or the "Model") of the Company adopted pursuant to Art. 6, Paragraph 1, letter a) of Legislative Decree no. 231/2001, carrying the "Rules on the administrative liability of legal persons, companies and associations with or without legal status, pursuant to Art. 11 of Law no. 300 of 29 September 2000" (the "Decree 231/2001"), was approved by the Board of Directors of UnipolSai on 17 December 2020, in its updated version.

The Model includes a "General Part" and individual "Special Parts" prepared for the various categories of offence contemplated in Decree 231/2001. The "General Part" contains an introduction dedicated to Decree 231/2001 and its applicability to the insurance sector, as well as the rules and general principles of the Model. The "Special Parts" describe the rules relating to the various categories of offence, provide examples of the unlawful conduct, sensitive activities inside the Company and the control tools it has adopted.

UnipolSai has identified risk areas on the basis of the following major offence categories, as set forth in Decree 231/2001, specifically:

1. offences against the Public Administration;
2. corporate offences;
3. offences and misdemeanours of abuse of privileged information, market manipulation and market rigging;
4. receiving stolen goods, money laundering, self-money laundering and offences for the purposes of terrorism or subversion of the democratic order;
5. IT crimes;
6. offences of manslaughter or personal injuries related to violations of occupational health and workplace safety standards;
7. crimes of money counterfeiting;
8. organised crime and cross-border offences;
9. environmental offences;
10. crimes against industry and trade;
11. infringement of copyrights;
12. employment of third-country citizens without the required residence permit;
13. incitement not to testify or to provide false statements to legal authorities;
14. illicit brokering and exploitation of labour;
15. sports competition fraud;
16. tax offences.

The Model, for the General Part only, is available on the Company's website in the *Governance/Corporate Governance System* section.

UnipolSai has also established the Supervisory Body (“Organismo di Vigilanza” or “ODV”), pursuant to Art. 6, Par. 1, letter b) of Decree 231/2001.

Paragraph 5.1 of the current MOG provides for the Supervisory Body to consist of five members, identified as follows:

- the three members of the Control and Risk Committee, independent non-executive Directors;
- another two members, chosen among external professionals with adequate skills and professionalism or, alternatively, by Top Managers who are the Heads of the Audit and Compliance and Anti-Money Laundering Functions.

With reference to these last two members, the second alternative mentioned above was chosen.

This composition was deemed the most efficient and adequate for the performance of the duties that Decree 231/2001 assigns to that body and to ensure coordination between the various parties involved in the internal control and risk management system.

The Supervisory Body in office was appointed, as a result of the renewal of the administrative body by the Shareholders' Meeting of UnipolSai on 17 April 2019, by the Board of Directors at the meeting held on that date and later integrated, at the meeting held on 3 October 2019, as a result of the appointment of the new Head of the Audit Function of the Company, after verification of the subjective requirements made of its members, as required by the Model and by the laws and regulations in force.

The current composition therefore takes into account the later changes that have taken place in the Board and the succession in the corporate offices.

The term of office of the Supervisory Body is the same as for the Board of Directors.

The composition of the Supervisory Body is shown in the Table below:

|                         | Members                                       | Office held | Independent <sup>(4)</sup> | % attendance <sup>(5)</sup> | Meetings attended |
|-------------------------|---|-------------|----------------------------|-----------------------------|-------------------|
| <b>SUPERVISORY BODY</b> | Masotti Massimo <sup>(1)</sup> <sup>(6)</sup> | Chairman    | X                          | 100%                        | 5/5               |
|                         | Rizzi Antonio <sup>(1)</sup>                  | Member      | X                          | 100%                        | 5/5               |
|                         | Tadolini Barbara <sup>(1)</sup>               | Member      | X                          | 100%                        | 5/5               |
|                         | Ranieri Pietro <sup>(2)</sup> <sup>(6)</sup>  | Member      | X                          | 100%                        | 5/5               |
|                         | Vidale Mario <sup>(3)</sup>                   | Member      | X                          | 100%                        | 5/5               |

(1) Members of the Control and Risk Committee.

(2) Head of the Compliance and Anti-Money Laundering Function.

(3) Head of Audit.

(4) The independence requirement foreseen in the current Organisation, Management and Control Model.

(5) The percentage was calculated on the basis of the number of meetings attended by the individual member of the Supervisory Body, compared with the number of meetings held during the duration in office.

(6) Mr Masotti and Mr Ranieri held the same post in the previous composition of the Supervisory Body.

The Supervisory Body typically meets at least on a quarterly basis; in 2021, five meetings were held.

In the context of its supervision and control activities, the Supervisory Body, during 2021, has continued to:

- supervise the effectiveness of the Model, verifying the consistence between the Model adopted and actual behaviour;

- examine the adequacy of the Model and its real ability to prevent unwanted conduct and in particular the commission of offences pursuant to Decree no. 231/2001;
- verify that the requirements of strength and reliability of the Model are retained over time;
- dynamically update the MOG as necessary by formulating specific suggestions and adjustment proposals and through subsequent checks of the implementation and effective functionality of the solutions proposed.

The Supervisory Body, in order to ensure appropriate information flows to the Board of Directors, has also prepared an adequate reporting system, to the Board itself, containing, in addition to the attendance of the meetings held in the period:

- a description of the activity performed;
- any reports received and the consequent surveys carried out;
- any critical issues found;
- any findings to be submitted to the management body to start the actions needed to ensure that the Model is updated, effective and efficient;
- the planning of the activities scheduled in the next period;
- on an annual basis, the demand for freely usable financial means (budget) and the statement on their use made in the previous period.

## 9.9 Auditing Company

As from the Year, the Company has engaged EY S.p.A. as independent auditors. They audit both the separate and the consolidated financial statements, as well as carry out the limited audit of the condensed consolidated half-yearly financial statements.

The engagement for the 2021-2029 nine-year period was assigned to that Auditing Company by the Shareholders' Meeting on 17 April 2019, taking into account the process of selecting the main Group auditor for the 2021-2029 period performed, in compliance with the internal procedure adopted, by the Board of Statutory Auditors of the parent company Unipol Gruppo S.p.A. in agreement with that of UnipolSai, as the main Group subsidiary and a listed company.

In this regard, please recall that, taking into account the need to align the duration of the engagement with that of the Parent Company, PricewaterhouseCoopers S.p.A., the auditor engaged for the 2013-2021 nine-year period, at the request of UnipolSai, waived the engagement for the year 2021, pursuant to Ministerial Decree no. 261 of 28 December 2021, containing the "Regulation concerning cases and methods for revocation of, resignation from and consensual resolution of the audit engagement, in implementation of Art. 13, Par. 4 of Legislative Decree no. 39 of 27 January 2010".

In the course of 2021, the Company's Board of Directors reviewed the report established in Art. 11 (the "Additional Report") of Regulation (EU) no. 537/2014, which provides the results of the audit activities performed on the separate and consolidated financial statements for the year ended on 31 December 2020 by PricewaterhouseCoopers S.p.A. The Additional Report – transmitted, pursuant to Art. 19 of Legislative Decree no. 39 of 27 January 2010, as amended by Legislative Decree no. 135 of 17 July 2016 ("Leg. Decree 39/2010"),

to the Board of Directors by the Board of Statutory Auditors as the Internal Control and Audit Committee and reviewed beforehand by the Control and Risk Committee – did not bring to light any aspects worth reporting.

## 9.10 Financial Reporting Officer

The Board of Directors has confirmed, most recently at the Board meeting held on 17 April 2019, as Financial Reporting Officer the Administration, Controlling and Operations Deputy General Manager of the Company, Mr Maurizio Castellina, and given him all the powers and responsibilities that are needed to fulfil his mandate.

In particular, the Financial Reporting Officer is entrusted with the task of contributing to the proper management of the company, arranging, in a strategic area such as that of correct financial information, appropriate organisational measures to ensure the achievement of this objective.

Pursuant to Art. 154-bis of the Consolidated Law on Finance and Art. 26 of the By-Laws, the Board of Directors appointed the Financial Reporting Officer after obtaining the favourable opinion of the Board of Statutory Auditors and verifying that he possessed the professional requisites established by the By-Laws which state that the Financial Reporting Officer should be an individual *“with adequate professionalism that has carried out management activities in the administrative/accounting or financial or management control or internal audit sector of a company whose financial instruments are listed in a regulated market or one that carries out banking, insurance or financial activities or, in any case, a large corporation”*.

The Financial Reporting Officer has an independent staff structure and can request the support of any other structure of the Company and its Subsidiaries; in particular, the Audit, Compliance and Organisation Functions, in cooperation with the Board of Statutory Auditors, the Control and Risk Committee and the Supervisory Body. In addition, he may avail himself of the assistance of the appointed Auditing Company for the exchange of information on the system of administrative and accounting control. Twice a year, the Financial Reporting Officer meets the Board of Statutory Auditors to share the results of the monitoring of the control system.

The Financial Reporting Officer may also intervene in respect of Subsidiaries that contribute significantly to the consolidated annual accounts, setting - subject to the independence and prerogatives of those companies - guidelines on approach and method for all functions that could significantly affect the administrative and accounting processes relevant to the statements and certificates that must be issued.

The Financial Reporting Officer attends, as a guest, the meetings of the Board of Directors that approve the separate and consolidated financial statements and other regular accounting reports.

## 9.11 Main features of the internal control and risk management systems in place in relation to the financial reporting process, also at the consolidated level

In compliance with the provisions of the Consolidated Law on Finance - Section V-bis “Financial Information”, UnipolSai has implemented a control model, to support the Financial Reporting Officer, for verifying the adequacy and effective application of the administrative procedures relating to accounting and financial reporting.

The “financial reporting risk model” adopted is based on a process defined in accordance with the CoSo Framework (Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission), widely recognised as the standard of reference for the implementation and evaluation of internal control systems.

Specifically, as regards the elements of internal control on financial information set out in the CoSo Report, the Company has adopted the following guidelines:

- control environment: monitors the integrity and the ethical values, the philosophy and the conduct of the departments, the suitability of the organisational structures, the attribution of roles, powers and responsibilities, the personnel management policies and the development of the corresponding skills;
- identification, assessment and management of risk: allows the identification and analysis of the business risks and the risks arising from the financial information that may jeopardise the achievement of the corporate objectives;
- control activities: identifies, documents and assesses the activities for proper management and mitigation of risks described earlier;
- information and communication: monitors the proper management of information flows between the different functions of the Company and the Top Management, to ensure that all parties within the structure execute properly the tasks assigned to them;
- monitoring: identifies and resolves any deficit and ensures the constant improvement of the system.

In line with the guidelines described above the risk management and internal control process on financial reporting is divided into the following stages:

Stage 1 – Definition of the perimeter of analysis: this activity is carried out every year, after the approval of the financial statements, and is structured as follows:

- identification of significant Subsidiaries: the selection is performed on the basis of both quantitative criteria (percentage contribution by the individual company to consolidated assets and consolidated profit) and qualitative criteria, based on the risk profile of the single companies;
- identification of significant items/accounts: for the companies identified, the identification of related items and accounts is performed by defining materiality thresholds;
- matching significant items/accounts with processes: for significant accounts, through the identification of classes of supply transactions, an array of matching accounts – processes is prepared. This array is the tool through which to identify the processes subject to later analysis.

Stage 2 – Evaluation of the Control Environment: annually, the documentation is updated for Company controls (Entity Level Control - ELC) and the assessment of the level of achievement of the control objectives is performed. This analysis makes it possible to:

- verify the adequacy of the control model dimensions not covered directly through the process-level analysis, internal corporate information/communications, monitoring and risk assessment processes;
- draw a picture of the business context in which the internal control and risk management system operates, thus obtaining useful information to direct the subsequent stages of risk analysis/controls and tests in the context of the processes;
- obtain an immediate picture of the monitoring level of the controls and internal regulations of the companies of the Unipol Group, to support the statements of the Financial Reporting Officer and the Chairman, delegated for that purpose.

Stage 3 – Assessment of risks and of the chart of controls at process level: regularly, in the case of revisions of the processes of business structures as a result of organisational changes, the documentation of risks and

controls related to the financial reporting process is updated. This documentation is implemented through the provision, for each process identified as relevant in Stage 1 "Definition of the perimeter of analysis", of the Risk and Control Arrays (Risk & Control Analysis - RCA). In particular, the Risk & Control Analysis is structured as follows:

- definition of the risks through the identification and description of the type of risk;
- identification of the control objectives associated with the risk and indication of the financial assertion of the accounts affected;
- control assessment through:
  - the description of the control activities under the control objective and the risk factor identified;
  - the identification of the type of control;
  - the evaluation of the adequacy and effectiveness of the audit activities, in terms of risk mitigation, on the basis of the evidence collected;
  - the assessment/presentation of the evidence of the control;
  - an overall judgement by the correlation between the effectiveness of the control and the presence of the relevant check evidence;
- the areas for improvement collected on the control in respect of improvements in control design and/or its documentation.

Stage 4 – Verification of the actual application of controls at the process level: this stage, carried out twice a year, with the annual and half-yearly condensed consolidated financial statements, is designed to monitor the effectiveness of the internal control system, and therefore assess its reliability over time.

The test consists of verifying the effective performance of all "key controls" by the structure involved, as well as the ways in which controls are carried out by the organisational units involved.

During the test, the following activities are carried out:

- definition of the test specimen for the key controls identified;
- performance of the tests according to three procedures, namely Observation, Analysis of evidence and Rerunning the audit activity;
- assigning a relative weight to the issues identified and their evaluation.

The number in the selected sample takes into account the nature of the controls to be tested or types of controls (manual or automated) and frequency.

At the end of the testing phase, after the evaluation and formalisation of the reliability level found, further corrective actions can be identified aimed at improving the effectiveness of the control system.

Stage 5 – Claims release process under Art. 154-bis of the Consolidated Law on Finance: prior to the release of the statements attached to the annual financial statements and the separate half-yearly report, the annual consolidated financial statements and the condensed consolidated half-yearly financial statements of the Company, a Report on the internal control and risk management system is drawn up pursuant to the applicable legislation, that highlights, in depth, the features of the internal control system implemented and the findings of the verification and monitoring activities performed. The Financial Reporting Officer sends the Report to the

Chairman of the Board of Directors, the General Manager, the Chairman of the Board of Statutory Auditors, the Chairman of the Control and Risk Committee, the Head of the Audit Function and, for information, to the Auditing Company.

The Board of Directors, at its meeting of 24 March 2022, examined the contents of the report of the Financial Reporting Officer prepared with reference to 31 December 2021.

On the basis of the Report highlighted above and the data verification activities carried out by the administrative structures, the Chairman, purposefully delegated, and the Financial Reporting Officer will prepare the certificates laid down in Art. 154-bis of the Consolidated Law on Finance.

In the case of statements concerning communications to the market containing material accounting data, the Financial Reporting Officer, after a verification process, issues the statement of alignment of the data to the results of the accounting books and records.

## 9.12 Coordination among the subjects involved in the internal control and risk management system

It is essential within the internal control and risk management system that interaction is guaranteed between the subjects involved in it, together with a regular flow of information between these subjects and the company bodies.

The Control and Risk Committee, the Board of Statutory Auditors, the Auditing Company, the Key Functions, the Supervisory Body pursuant to Legislative Decree 231/2001 and any other body and function that has been given specific control tasks exchange all information useful for the execution of the tasks assigned.

In this regard, the Key Functions guarantee to the CRC and the Board of Directors adequate reporting on the activities carried out and on the risk situation, as well as prompt disclosure if audit activities bring any severe irregularities to light.

In particular, reciprocal information flows between the different Key Functions are already in place through:

- participation of the respective Heads in the meetings of the Control and Risk Committee and the Supervisory Body;
- disclosure and discussion on the annual planning of the activities of the Functions themselves;
- periodic meetings aimed at sharing the results emerged from the control activity performed and the assessment of the residual risks and the internal control and risk management system, also through a common supporting IT platform, as described below;
- reporting activities with exchange of the documentation produced by the individual Key Functions (such as for example the results of the audits performed, the cases of non-compliance and the regular claim reports, etc.).

Once a year, the Heads of the Key Functions submit their plans of scheduled activities for the reference year to the Board of Directors for approval and every six months they report to the administrative body on the activities carried out and the main issues observed, as well as on any initiatives proposed, as well as promptly in the presence of significant violations which may involve a high risk of sanctions, losses or damages to image. In addition, in the execution of their power to provide advice and make proposals on the internal control and risk management system, the Control and Risk Committee, the Appointed Director and the Board of Statutory

Auditors receive from the Heads of the Key Functions the action plan and regular reports on their activities, as well as a prompt disclosure on the most significant critical issues.

Audit, the Chief Risk Officer and the Compliance and Anti-Money Laundering Function, as well as the so-called specialist control units and the Organisation Function access, to ensure a joint approach to the mapping and analysis of the processes, risks and controls and an information system providing mutual support, sharing the wealth of information produced, as well as the ongoing monitoring of any corrective action notified to the operating units following the analysis carried out by the above-mentioned Functions.



## 10. DIRECTORS' INTERESTS IN RELATED PARTY TRANSACTIONS

### 10.1 Procedure for the performance of Related Party Transactions

The Procedure for the performance of Related Party Transactions (the "Related Party Procedure"), adopted by the Board of Directors of the Company, pursuant to CONSOB Regulation no. 17221 of 12 March 2010 and subsequent amendments (the "CONSOB Regulation") as of 30 November 2010, was amended most recently – with the favourable opinion of the Related Party Transactions Committee – on 24 June 2021, effective as of 1 July 2021, in order to incorporate the amendments introduced in the CONSOB Regulation with resolution no. 21624 of 10 December 2020 and may be viewed in the *Governance* Section of the Company's website.

The Related Party Procedure establishes the rules, methods and principles necessary to ensure the transparency and substantial and procedural correctness of transactions carried out with Related Parties of the Company ("Transactions with Related Parties" or "Transactions"), either directly or through Subsidiaries. In particular, this Procedure:

- a) defines the subjective scope of application of the regulation, identifying its recipients as the Related Parties of the Company, whether direct or indirect, to be identified on the basis of the criteria set out in IAS 24 in force over time, to which the CONSOB Regulation refers, also extending on a voluntary basis the definition of Related Party to additional subjects beyond those specified in that standard;
- b) defines the methods for establishing and managing the register in which Related Parties are recorded ("Register of Related Parties"), the tool that provides support to all the business structures of the Company and its Subsidiaries, for a correct and prompt identification of Transactions with Related Parties deemed relevant for the Procedure in question;
- c) defines the objective scope of application of the regulation, identifying certain types of "exempt" transactions to which the regulation does not apply, either wholly or in part (the "Exempt Transactions");
- d) defines the investigation and decision-making process for the Transactions and identifies specific rules for cases in which the Company reviews Transactions carried out by its subsidiaries;
- e) defines the communication flows intended to guarantee the transparency of the Transactions and respect for the procedural rules adopted;
- f) pursuant to the CONSOB Regulation, provides for the approval of Transactions with Related Parties to be conditional to the prior reasoned opinion of the Related Party Transactions Committee (the "RPT Committee" or the "Committee"), that such transactions are in the Company's interest and that the related terms and conditions are correct and represent good value for money.

The rules for the Transactions are articulated differently, both in terms of procedures and in terms of transparency, according to the value of such transactions, with a distinction between (i) "Transactions of Greater Importance", identified by transposing, without modification, the thresholds specified in the CONSOB Regulation and to which more stringent rules apply, and (ii) "Transactions of Lesser Importance", subject to less strict rules.

Without prejudice to any operations falling under the competence of the Shareholders' Meeting, the approval of the Transactions of Greater Importance pertains to the Board of Directors after a favourable reasoned opinion of the RPT Committee.

The Related Party Procedure also regulates the situation in which this Committee was to express an opinion against the Transaction.

As regards the identification of Transactions of Lesser Importance, the Procedure establishes specific relevance thresholds; as regards the approval process instead:

- a) in the case of a negative opinion of the RPT Committee, the power to make a decision pertains to the Board of Directors;
- b) in the case of a favourable opinion of this Committee, the decision is made by the competent corporate Function on the basis of the powers mandated to it.

With regard to Transactions carried out by the Subsidiaries, taking into account the presence of two listed companies in the participatory chain of the Unipol Group, each of which must comply with these rules, to avoid wherever possible the duplication of procedures, the reciprocal operations of Unipol and UnipolSai, also those of their respective subsidiaries, have been regulated in a coordinated manner.

The Related Party Procedure defines replacement mechanisms (equivalent devices) in the event that one or more members of the Committee is related, by stipulating that, in the case of a relationship of all members, the opinion to be given by it will be expressed by the Board of Statutory Auditors, or, if the relevant provisions cannot be applied, by an independent expert appointed by the Board of Directors.

## 10.2 Related Party Transactions Committee

**Number of meetings held during the Year:** 6.  
**Average length of meetings:** about 45 minutes.  
**Number of meetings planned for 2022:** 4 (of which 1 already held at the date of this Report).

The RPT Committee was appointed during the Board of Directors meeting on 17 April 2019 and consists of four Directors, all non-executive and independent pursuant to Art. 147 of the Consolidated Law on Finance and the Code.

The composition of the RPT Committee, unchanged over the year, is shown in Table 3 in the Appendix.

|   | Members             | Office held | Independent 147-ter TUF | Independent Code | % attendance | Meetings attended |
|---|---------------------|-------------|-------------------------|------------------|--------------|-------------------|
| <b>RELATED PARTY TRANSACTIONS COMMITTEE</b> | Masotti Massimo     | Chairman    | x                       | x                | 100%         | 6/6               |
|   | De Benetti Cristina | Member      | x                       | x                | 100%         | 6/6               |
|   | Righini Elisabetta  | Member      | x                       | x                | 100%         | 6/6               |
|   | Rizzi Antonio       | Member      | x                       | x                | 100%         | 6/6               |

\* \* \* \* \*

The RPT Committee has functions of advice, dialogue, and proposal towards the Board of Directors and the units of UnipolSai and the Subsidiaries with reference to Transactions with Related Parties in compliance with the provisions of the CONSOB Regulation and the Related Party Procedure.

More specifically, the RPT Committee:

- expresses to the Board of Directors of the Company an opinion on the procedures to create and maintain the Register of Related Parties;
- participates in the phase of negotiations and screening of the Transactions of Greater Importance and issues a reasoned opinion to the competent decision-making body, based on a complete and updated information flow, on the Company's interest in the execution of the aforementioned Transactions of Greater Importance, as well as on the convenience and substantive fairness of the corresponding terms;
- verifies the correct application of the exemption conditions to the Transactions of Greater Importance defined as ordinary and concluded under market or standard conditions, issuing a preventive opinion in this regard and examines the half-yearly disclosure on Exempt Transactions, supported by the assessments of the competent Corporate Functions regarding the assumptions for application of said exemption conditions;
- expresses to the competent body a reasoned, non-binding opinion on the interest of the Company in the execution of Transactions of Lesser Importance, as well as about the convenience and substantial correctness of their conditions;
- expresses to the General Manager of UnipolSai a reasoned non-binding opinion on the interest of the Subsidiaries and of UnipolSai in performing Transactions with Related Parties through the Subsidiaries, of Greater or Lesser Importance, as well as on the cost effectiveness and substantial fairness of the relative conditions;
- expresses to the Board of Directors a reasoned opinion on the possibility of temporarily departing, pursuant to Art. 123-ter, Par. 3-bis, of the Consolidated Law on Finance (TUF), from the Unipol Group's Remuneration Policies in the presence of exceptional circumstances, in compliance with said Remuneration Policies;
- expresses to the Board of Directors an opinion on the updates made to the Related Party Procedure.

The work of the RPT of the Committee is coordinated by its Chairman, who is in charge of the minutes of the meetings, with the support of a Secretary. The board receives periodic disclosure on Transactions of Greater Importance and Transactions of Lesser Importance carried out during the reference period.

Where necessary or suitable, employees, representatives of the Subsidiaries and/or external parties are called to participate and deal with the specific items on the agenda at the meetings of the RPT Committee.

The RPT Committee has a budget, approved by the Board of Directors, which is adequate for the performance of its tasks.

UnipolSai has adopted suitable operating solutions to facilitate the identification and adequate management of situations in which a director has an interest, either on his own behalf or on behalf of third parties.

In particular, the Related Party Procedure defines "director involved in the transaction" as the member of the administrative body who has an interest, on his own behalf or on behalf of third parties, in the Transaction conflicting with that of the company, establishing that the director with such interest "is required to abstain from voting".

### 10.3 Policy on intercompany transactions

Taking into account the regulations applicable to it the Company has also adopted, and updates annually, in compliance with IVASS Regulation no. 30 of 26 October 2016 concerning supervisory provisions on intercompany transactions and risk concentrations according to Title XV (Group supervision), Chapter III (Group supervision tools), of Italian Legislative Decree no. 209 of 7 September 2005 – Private Insurance Code (the "IVASS Regulation"), the Policy on intercompany transactions (the "Intercompany Policy").

The Intercompany Policy, most recently updated on 13 May 2021, in compliance with the provisions contained in the IVASS Regulation, defines:

- a) the internal rules aimed at equipping the Group and the insurance companies, including UnipolSai, that are part of it with an internal control and risk management system that includes the processes and procedures for the identification, measurement, monitoring, management and reporting of intercompany transactions;
- b) internal policies on the intercompany transactions of each company, consistently with the relevant strategies and the policies on investments, and particularly:
  - the criteria and the methods for carrying out intercompany transactions;
  - the methods of identifying and classifying intercompany parties;
  - the types of intercompany transactions that characterise Company operations, the criteria of significance for their classification and the relevant decision-making and approval processes, considering the corresponding risk profiles;
  - the criteria to verify the reasonableness of the price of the different types of transactions envisaged;
  - suitable operational thresholds that are in line with the features of the different categories of intercompany transactions and relevant counterparties;
  - the management of the transactions that may cause the set limits set to be exceeded;
- c) the obligations to communicate the transactions to IVASS assigned to the ultimate Italian parent company.

## 11. BOARD OF STATUTORY AUDITORS

### 11.1 Appointment and replacement

Pursuant to the Law and the By-Laws, the Board of Statutory Auditors is appointed on the basis of lists submitted by the Shareholders who are entitled to vote at the related Shareholders' Meetings at the time of their presentation.

The lists, composed of two sections, one for candidates for the office of Statutory Auditor (maximum three people), the other for those for the office of Alternate Auditor (two nominees) are filed at the Company's registered office by the twenty-fifth day before the date of the Meeting called to decide on the appointment of the members of the Board of Statutory Auditors. In this respect, please note that the Shareholders' Meeting held on 28 April 2021 decided to amend Arts. 23 and 24 of the By-Laws with regard to the number of Alternate Auditors on the Board of Statutory Auditors, reducing it from three to two.

Each list which, considering both sections, contains a number of candidates equal to or higher than three must ensure compliance with gender balance as set forth in laws and regulations in force.

Each candidate may feature on only one list; otherwise their candidacy is declared void.

The lists can be submitted by entitled Shareholders who, alone or together with other Shareholders, own the stake specified by the law and other regulations in force governing the appointment of the members of the management and control bodies of the companies: with reference to the appointment of the Board of Statutory Auditors in office by the Shareholders' Meeting of 28 April 2021, said stake, defined by CONSOB with Resolution no. 44 of 29 January 2021, was equal to 1% of ordinary share capital. However, considering that by the deadline for the filing of lists only one had been submitted, the threshold for the submission of the list was reduced to 0.50% of the share capital with voting right.

Those submitting a "minority list" are also recipients of the recommendations made by CONSOB in its document DEM/9017893 of 26 February 2009.

The lists are accompanied by full information regarding the personal and professional characteristics of the candidates, a statement of the absence of causes of ineligibility and incompatibility, as well as the satisfaction of the requirements for the holding of positions, including compliance with the limits to the holding of positions established by the current provisions of law and regulations.

The lists, accompanied by information on the characteristics of the candidates, are made available to the public at the registered office, on the Company's website and in any ways required by current legislation and regulations at least twenty-one days before the date fixed for the Meeting.

The election of the members takes place as follows:

1. two Statutory Auditors and one Alternate Auditor are taken from the list that has obtained the largest number of Shareholders' votes, according to the sequential order in which they are listed in the sections of the list<sup>6</sup>;

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<sup>6</sup> Two alternate auditors in the previous by-laws in force prior to the amendment approved by the Shareholders' Meeting on 28 April 2021.

2. the remaining Statutory Auditor and the remaining Alternate Auditor are taken from the minority list that obtained the highest number of votes in the Shareholders' Meeting and that is not linked, not even indirectly, to those who submitted or voted for the list that obtained the highest number of votes.

The chairmanship of the Board of Statutory Auditors will fall to the person indicated in first place in the minority list.

If a standing Statutory Auditor must be replaced, the replacement is the Alternate Auditor from the same list, if present. If both the Statutory Auditor elected from the minority list and the Alternate Auditor from the same list have to be replaced, the candidate appointed will be the one who is next in order on the same list or, if there isn't one, the first candidate on the list that received the third highest number of votes. The replacement must in any event ensure compliance with the gender balance required by the provisions of the law and regulations in force.

In the event that only one list is submitted or no list is submitted, the results of the voting at the Shareholders' Meeting will comply with the majorities laid down in law, in any event ensuring respect for gender balance. In such case, the Shareholders' Meeting also appoints the Chairman of the Board of Statutory Auditors.

As regards the provisions of Art. 36 of Decree-Law no. 201 of 6 December 2011 (converted into Law no. 214 of 22 December 2011), which provides for the prohibition from accepting or exercising offices between companies and groups of competing companies operating in the credit, insurance and financial markets, the Company verifies the existence of potential cases of incompatibility of its Statutory Auditors.

## 11.2 Composition and operation

**Number of meetings held during the Year:** 20 (of which 14 following the appointment of the new Board of Statutory Auditors by the shareholders' meeting held on 28 April 2021)

**Average length of meetings:** 1 hour and 40 minutes.

**Number of meetings planned for 2022:** 18 (of which 5 already held at the date of this Report).

|                                    | Members              | Office held       | Code Independence | % attendance | Meetings attended |
|------------------------------------|----------------------|-------------------|-------------------|--------------|-------------------|
| <b>BOARD OF STATUTORY AUDITORS</b> | Conti Cesare         | Chairman          | x                 | 100%         | 14/14             |
|                                    | Giudici Angelo Mario | Statutory Auditor | x                 | 100%         | 14/14             |
|                                    | Bocci Silvia         | Statutory Auditor | x                 | 100%         | 20/20             |

With reference to outgoing Statutory Auditor see the annex table no. 4.

The Shareholders' Meeting held on 28 April 2021 appointed, on the basis of the two lists submitted by the Shareholders – of which one jointly submitted by the majority Shareholder Unipol, holding a total of 61.039% of the Company's share capital (the "Majority List"), and the other submitted within the extended term set forth by regulations in force in the event of the submission of just one list by the ordinary deadline, jointly, by some asset management companies and institutional investors holding a total of 0.62490% of the ordinary share capital of the Company (the "Minority List") – the Board of Statutory Auditors currently in office, comprising

three Statutory Auditors and two Alternate Auditors, conferring upon the same a three-year mandate and, therefore, until the Shareholders' Meeting called to approve the 2023 financial statements.

The Majority List specified as candidates for the position of Statutory Auditor Angelo Mario Giudici, Silvia Bocci and Maurizio Leonardo Lombardi and for the position of Alternate Auditor Roberto Tieghi, Luciana Ravicini and Giuliano Foglia. The Minority List included Cesare Conti as the only candidate for the position of Statutory Auditor and Sara Fornasiero as the only candidate for the position of Alternate Auditor.

After the shareholder vote, the Majority List received the favourable vote of 91.977323% of the ordinary shares represented in the Shareholders' Meeting with voting right, while the Minority List received the favourable vote of 4.022677% of the ordinary shares represented in the Shareholders' Meeting and with voting right.

Therefore, Cesare Conti, taken from the Minority List, Angelo Mario Giudici and Silvia Bocci, taken from the Majority List, were elected as Statutory Auditors; while Sara Fornasiero (Minority List), Roberto Tieghi and Luciana Ravicini (both from the Majority List) were elected as Alternate Auditors. The Chairman of the Board of Statutory Auditors is Cesare Conti.

In the current composition of the Board of Statutory Auditors, Statutory Auditor Silvia Bocci represents the member ensuring continuity with respect to the previous term of office.

The personal and professional characteristics of each Statutory Auditor are provided in their respective CVs published on the Company's website.

All Members are entered in the Register of auditors and meet the requirements stipulated by the current law and the provisions of the By-Laws. The verification is carried out by the Board of Directors upon appointment of the control body and subsequently on a yearly basis in compliance with the Fit&Proper Policy.

In light with what is recommended in Principle Q.1.1. of the Principles of conduct of the Board of Statutory Auditors of listed companies, prepared by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (National Institute of Chartered Accountants), the Board of Statutory Auditors carried out – relying on the support of the advisor Egon Zehnder International S.p.A. – the self-assessment on its composition and functioning, examining and sharing its overall results at the meeting of the control body held on 1 March 2022. The topics dealt with regarded: size and composition; organisation and operation; powers and attributions; role of Chairman; dynamics within the Board. The emerging result pointed to an overall positive summary situation and full satisfaction with the effectiveness of the work performed in 2021 by the Board of Statutory Auditors as a whole as well as the individual contribution provided by each Statutory Auditor.

With reference to the limits to the number of positions held, the current By-Laws do not establish limits beyond those provided for by Art. 144-terdecies of the Issuers' Regulation. At the moment of their appointment, the Statutory Auditors accepted the position, having evaluated that they could dedicate the necessary time to the performance of their duties.

Table 4 in the appendix indicates the composition of the Board of Statutory Auditors in office at 31 December 2021 and the additional information on the characteristics of the Statutory Auditors and their participation in meetings of the Board of Statutory Auditors. The table also provides the required information about the Statutory Auditors who left office during the year.

The Board of Statutory Auditors normally meets every 30 days. During 2021, the Board of Statutory Auditors met 20 times and the average duration of their meetings was roughly 1 hour and 40 minutes.

The Board of Statutory Auditors attended all meetings of the Board of Directors held in 2021. Furthermore, during the Year, the Statutory Auditors attended as invitees meetings of the Control and Risk Committee,

acquiring appropriate information for the purposes of coordination of the activities of the Board with those carried out by that Committee. The Board of Statutory Auditors also participated as an invitee in meetings of the Remuneration Committee and the Related Party Transactions Committee. The Chairman of the Board of Statutory Auditors was also invited to participate in the meetings of the Nomination Committee held during the second half of the year.

The Board of Statutory Auditors has not exercised the option to ask the Audit Function to perform checks on specific operational areas or transactions of the Company, having considered exhaustive the findings that the Board itself – in the context of its supervisory activities – was able to make, in discussion with the mentioned Function, about the scope of the activities carried out and the outcome of the findings made.

The Board of Statutory Auditors carries out the supervisory duties placed under its responsibility by laws and regulations in force, particularly with regard to those concerning: observance of the law and the by-laws; respect for the principles of proper administration; the adequacy of the Company's organisational structure, the internal control system and the administrative accounting system as well as its reliability to properly represent operating events; the methods for concretely implementing the corporate governance rules laid out in the codes of conduct drafted by companies that manage regulated markets or industry associations, which the company has declared, via a public disclosure, that it follows; the adequacy of the instructions given by the Company to its subsidiaries.

Furthermore, pursuant to Legislative Decree no. 39/2010, as amended and Regulation (EU) 537/2014 regarding auditing, the Board of Statutory Auditors of the Company is in charge – in the execution of its functions as internal control and audit committee – of:

- a) informing the Company's administrative body of the outcome of the audit, sending the latter the additional report pursuant to Art. 11 of (EU) Regulation no. 537/2014;
- b) monitoring the process of financial reporting and submitting recommendations or proposals aimed at ensuring its integrity;
- c) controlling the effectiveness of the systems for the internal control of the quality and management of the risk profile and of internal audit as regards the financial reporting of the Company;
- d) monitoring the audit of the separate financial statements and the consolidated financial statements;
- e) verifying and monitoring the independence of the Auditing Company, in particular as regards the adequacy of the provision of non-audit services to the Company;
- f) formulating, following the selection procedure for which he is responsible, the recommendation regarding the auditor to whom to assign the engagement, to be sent to the administrative body so that it can submit a proposal to the Shareholders' Meeting.

### 11.3 Diversity criteria and policies

The current composition of the Board of Statutory Auditors fully respects the rules on gender balance pursuant to the applicable provisions of law and regulations.

On 7 February 2019, the Company also adopted the Diversity Policy, in which with reference to the qualitative composition of the control body, given its role and the specific industry regulatory provisions applicable to its members, it is established that:



- two-fifths of its members (rounding down) must belong to the less represented gender, at the time of appointment of the body as well as during its term of office;
- in order to ensure the proper execution of their tasks and guarantee the effectiveness of the role, the Auditors must be able to devote adequate time and resources to the execution of their mandate.

These provisions were confirmed by the Board of Directors when updating the Diversity Policy, most recently at the meeting of 18 March 2021.

The updated Diversity Policy is available on the Company's website in the *Governance* section.

#### 11.4 Independence

The members of the Board of Statutory Auditors need to meet the independence requirements established by law and regulations in force over time.

Upon appointment, the Board of Directors verified that the members of the control body met the requisites of independence prescribed by Art. 148, Par. 3 of the TUF, pursuant to the provisions of Art. 144-novies of the Issuers' Regulation, as amended by CONSOB Resolution no. 17326 of 13 May 2010.

In compliance with the Code and the Company's Fit&Proper Policy, on 1 March 2022, the Board of Statutory Auditors verified that its members meet the independence requirements set by the Code for Directors and observed that its composition is adequate and the above requirements are met by its members.

#### 11.5 Remuneration

The remuneration of the Board of Statutory Auditors is subject to approval by the Shareholders' Meeting upon appointment and takes into account the commitment required of its members, the significance of the role performed and the size and industry characteristics of the Company and its subsidiaries.

The remuneration of the members of the Board of Statutory Auditors of UnipolSai is believed to be basically in line with the average observed with reference to listed companies included in the FTSE-MIB index.

All additional information on the remuneration of the Board of Statutory Auditors is therefore provided in the Remuneration Report prepared pursuant to Art. 123-ter of the TUF, published on the Company's website.

#### 11.6 Management of interests

The members who, on their own or through third parties, have an interest in a particular Company's operation must inform promptly and thoroughly the other members and the Chairman of the Board of Directors about the nature, terms, origin and scope of that interest.

 **FOURTH PART**

## 12. RELATIONSHIPS WITH SHAREHOLDERS

### 12.1 Access to information

The Company maintains a constant dialogue with the financial markets, pursuant to the law and other regulations governing the matter, and has established a dedicated section that is easy to identify and access on its website, which makes available press releases, financial and corporate documentation and presentations made to the financial community, all to provide the Shareholders and the market in general with adequate, fair and comprehensible information.

Without prejudice to what is described below with reference to the Dialogue Policy, some time ago the Company established ad hoc company structures for the management of relations with its Shareholders, namely:

- the Shareholder Office, for all issues concerning the exercise of equity and administrative rights;
- the Investor Relations Office, for information about the strategy and the economic and financial data of the Unipol Group.

The Investor Relations Office, which is part of the Business Development and Corporate Communication General Directorate, is coordinated by Mr Adriano Donati (telephone +39 051 5077063 – email: [investor.relations@unipolsai.it](mailto:investor.relations@unipolsai.it), website [www.unipolsai.com](http://www.unipolsai.com), *Investors/Contacts* section).

Again in 2021, the investor relations activities - carried out on the basis of the Unipol Group configuration, jointly with Unipol - were affected by the COVID-19 pandemic and by travel difficulties, which made it necessary to maintain the operating and market approach methods already adopted in 2020. In light of this, the roadshows, conferences and meetings with analysts and investors were carried out via conference call and/or videoconferencing platforms. The organisation of virtual events made it possible to increase the number of international conferences in which the Group participated and the number of meetings with institutional investors. Amongst those met in the course of the year, 60% managed primarily equity assets (long only funds, hedge funds and ESG or mixed funds) and 40% managed bond assets.

### 12.2 Dialogue with Investors

With a view to continuous dialogue with the financial community and in accordance with the recommendations in this regard of the Corporate Governance Code, the Board of Directors of UnipolSai, at the proposal of the Chairman, has adopted – and made publicly available – a specific dialogue management policy that applies to all investors who request to be put in touch with the administrative body on issues over which it has power (the "Dialogue Policy"), while complying with the principles of equal information access, correctness and transparency.

The Dialogue Policy is aimed at all "Investors", understood as current and/or potential Shareholders of UnipolSai, other holders of financial instruments of the Company as well as those who have an interest in the relationship of holding shares, other financial instruments and rights deriving from shares in the share capital on their own behalf or on behalf of third parties, such as institutional investors and asset managers.

This Dialogue Policy specifically defines the general principles, management procedures, main contents and topics that may be covered by the "Dialogue" – as defined in the Policy – identifying the stakeholders, time frames and channels of interaction between the aforementioned Company and Investors, taking into account, inter alia, the best practices in this field as well as the engagement policies adopted by institutional investors and asset managers.

The topics that may be subject to Dialogue refer, in particular to:

- the corporate governance system adopted by the Company and, in particular, the appointment and composition of the Board of Directors, including in terms of size, professionalism, good standing, independence and diversity, as well as internal Board Committees;
- UnipolSai's remuneration policies;
- internal control and risk management system;
- the Company's strategic and business plans;
- strategic guidelines and policies on environmental and social sustainability,

while the scope of application of the Policy does not include:

- the pre-board meeting disclosure published by the Company and requests for clarification about it, or the answers to questions posed in relation to the shareholders' meetings of the Company governed by applicable regulations and the shareholders' meeting regulation;
- the other forms of dialogue enacted by the Company with financial analysts, journalists and, in general, with the financial community, assigned to the company's organisational structures and already governed by company policies, guidelines and rules of conduct.

The Dialogue Policy therefore pursues the objective of regulating communication and participation opportunities in addition to the Shareholders' Meeting, and the other forms of dialogue that fall among the standard processes performed by the competent managers based on specific company procedures, with a view to ensuring transparency of information, improve investor understanding of corporate strategies, the results achieved and every other financial or non-financial aspect of the Company regarding investment choices, even with regard to ESG factors, promoting the stability of the Shareholder's investments and the Sustainable Success of UnipolSai.

This Policy identifies the parties responsible for handling the Dialogue:

- the Board of Directors is responsible for furthering Dialogue with Investors and defining the Policy, monitoring its implementation and effectiveness over time;
- the Chairman of the Board of Directors and the General Manager (the "Responsible Directors"), entrusted by the Board of Directors with the management of Dialogue, also severally, attributing to them the following powers/duties:
  - in consideration of the scope and purpose of the request for contact received, deciding on whether and how to follow it up, identifying when and how the Dialogue should be conducted, as well as the participants on behalf of the Company;
  - periodically informing the Board of Directors on the progress of the Dialogue, as well as promptly in the event of significant events;
- the Investor Relations Function (mentioned previously), as the company unit that, for the purposes of the Policy, constitutes the single contact centre for Investors to which all requests for triggering Dialogue should be addressed.

Permitted Dialogue is exclusively that which requires an exchange of information between the Company and Investors (enacted with "two-way" procedures) and may be carried out bilaterally, and therefore with the participation, from time to time, of a single Investor, and collectively, therefore with the simultaneous participation of multiple Investors, without prejudice to the possibility for the Company to proceed at the

initiative of the Chairman with the organisation of collective or bilateral meetings with Investors.

The Policy establishes the criteria that must guide the Responsible Directors in deciding whether to accept or refuse a request for Dialogue and also ensures, through the Chairman, that the Board of Directors is promptly informed, at the first possible meeting, about the development and significant content of the Dialogue.

In any event, the Dialogue is conducted in full compliance with the applicable regulations in force and must be guided by the principles of symmetry and equality of information, transparency, timeliness and fairness, also in accordance with the principles and corporate values expressed in the Unipol Group Charter of Values and Code of Ethics. In particular, the Dialogue must take place in full compliance with the rules governing the management and communication to the general public of information, duties of confidentiality and, in general, market abuse regulations (MAR).

At this Report date, no requests have been received from Investors to initiate Dialogue pursuant to the above-mentioned Policy.

The Dialogue Policy is made available to Investors and the general public on the Company's website, in the "*Investors*" section.

## 13. SHAREHOLDERS' MEETINGS

The Shareholders' Meeting is the body that expresses the will of the company. Its resolutions are adopted in compliance with law and the By-Laws, and are binding on all Shareholders, including those absent or dissenting.

Despite a broad diversification of methods of communication with Shareholders, the Board of Directors considers the Meeting as a crucial opportunity for a fruitful dialogue between Directors and Shareholders, always in compliance with the rules on "privileged information".

Pursuant to Art. 9 of the By-Laws, as allowed by current laws, the ordinary and extraordinary Shareholders' Meetings are convened on a single call, with the quorum for the meeting and the voting prescribed by legal provisions, without prejudice to the possibility that the notice of call might also set later calls in accordance with Art. 2369, Paragraph 1 of the Italian Civil Code.

The Shareholders' Meeting is chaired by the Chairman of the Board of Directors or, in case of his/her absence by the eldest Deputy Chairman, or in his/her absence by a person elected by the majority of the capital represented.

The Company may identify for each Meeting a designated representative pursuant to Art. 135-undecies of the Consolidated Law on Finance (the "Designated Representative"), to whom Shareholders may grant delegation with voting instructions on all or some of the proposals on the agenda; the identity of the designated representative and the procedures and time limits for the conferral of powers are set out in the notice of call of the Meeting.

Note that during the Year, in view of the emergency associated with the COVID-19 pandemic and to pursue maximum protection of health for shareholders, company officers, employees and advisors of the Company, as permitted by legal provisions in force, those entitled to attend the Shareholders' Meeting were able to do so, without accessing the meeting venue, exclusively through proxy granted to the Designated Representative.

The ordinary Shareholders' Meeting for the approval of the year-end financial statements must be called within 120 days from the end of the fiscal year; this term may be extended up to 180 days when legal conditions are met. The ordinary Shareholders' Meeting, in addition to establishing the remuneration of the bodies appointed by the same, approves the remuneration policies of the corporate bodies and of relevant personnel as identified by the Company in compliance with regulations applicable to insurance companies, including the compensation plans based on financial instruments.

The Company's By-Laws, also in compliance with what is permitted by Art. 2365, Paragraph 2, of the Italian Civil Code, assigns to the responsibility of the Board of Directors resolutions concerning:

- mergers, in the cases provided by Articles 2505 and 2505-bis of the Italian Civil Code, also when reference thereto is made, for demergers, by Art. 2506-ter of the Italian Civil Code;
- the opening or closure of secondary offices;
- the indication of which among the Directors - in addition to the Chairman, the Deputy Chairmen and Chief Executive Officers - and among the Managers of the Company have the power to represent the Company pursuant to the By-Laws;
- the reduction of the share capital, should a Shareholder withdraw;
- the amendments to the By-Laws required to comply with legal provisions;
- the transfer of the registered office within the territory of Italy;

- the issuing of non-convertible bonds.

Always in compliance with the By-Laws, the Board of Directors may resolve, inter alia, to carry out transactions with related parties of greater importance despite the disapproval of the Related Party Transactions Committee, or without taking account of its comments, provided it is authorised to do so by the Ordinary Shareholders' Meeting called by the Board of Directors in accordance with Article 2364, Par. 1, 5) of the Civil Code.

Furthermore, Art. 7 of the By-Laws states that two votes are attributed for each share held by the Shareholder who has requested registration in a dedicated special list - managed and updated by the Company - and has maintained it for a continuous period of at least 24 months starting from the date of registration on that list. The increased voting rights are used in calculating the *quorum* required for a Shareholders' Meeting to be duly constituted and able to carry resolutions in matters relating to share capital percentages, whereas it has no effect on rights held, other than voting rights, as a result of holding certain percentages of the share capital, such as the right to request that a Shareholders' Meeting be called, the right to challenge Shareholders' Meeting resolutions and the right to submit lists of candidates for renewal of the corporate bodies. As at the date of this Report, the terms have not yet been met for allocation of the increased voting rights to shareholders that applied for registration in the aforementioned list; they will be met starting from 1 August 2022.

Pursuant to Art. 9 of the By-Laws, the Board of Directors shall convene an ordinary or extraordinary Shareholders' Meeting without delay if requested to do so by Shareholders representing at least one twentieth of the share capital, provided that the request indicates the matters to be dealt with. In such case the report on the matters to be discussed shall be prepared by the Shareholders that have requested the Meeting to be called. Convocation by request is not permitted on matters which, under the terms of the law, must be discussed by the Shareholders' Meeting on a proposal from the Board of Directors or on the basis of a draft or report submitted by the latter. In addition, Shareholders representing, individually or jointly with others, at least one fortieth of the share capital may, on the terms and conditions set forth by the applicable laws in force from time to time, request to supplement the list of the items of the agenda of the meeting or present proposals of resolution with respect to one or more of the items of the agenda. Anyone entitled to the right to vote may submit individual proposals for resolution in the Meeting.

During the Meeting, all those entitled to vote are allowed to speak on any topic under discussion and to make comments and proposals. Those wishing to participate must ask the Chairman, who oversees the discussions by giving the floor to those who have requested it, according to the chronological order of reservation.

The Regulation of the Shareholders' Meetings, approved by the latter and available on the Company's website ([www.unipolsai.com/it/Governance/assemblee/Pagine/Regolamento-Assemblee.aspx](http://www.unipolsai.com/it/Governance/assemblee/Pagine/Regolamento-Assemblee.aspx)), regulates the operation of the Shareholders' Meeting itself. Please note that the Shareholders' Meeting called for 27 April 2022 will be asked, inter alia, to update the Regulation in question.

The members of the Board of Directors must attend the Shareholders' Meetings. The Board of Directors ensures the Shareholders receive adequate information by making available to the public, under the terms and conditions of the law, explanatory reports on the proposals for consideration by the Meeting and reports to the Shareholders' Meeting on the activities carried out and planned.

## 14. ADDITIONAL CORPORATE GOVERNANCE PRACTICES

As noted, the Company adopts the Group Charter of Values and Code of Ethics.

The Charter of Values identifies five principles for which the Group gives a day-to-day undertaking to its stakeholders:

- accessibility: being open interlocutors ready and willing to provide responses and solutions;
- farsightedness: developing a strategic design and organisational processes so as to guarantee continuously efficient and profitable business management, which excludes all forms of misuse and waste of resources, with a view to long-term sustainability;
- respect: considering people to be part of a stable social relationship that confers dignity, while favouring and supporting listening;
- solidarity: promoting a culture that protects the existence and well-being of people, families and companies and recognising reciprocal support and collaboration as foundational elements to guarantee Company efficiency and development;
- responsibility: becoming individually and jointly accountable for the consequences of our actions with professionalism, transparency and rectitude, without ever betraying the relationship of trust.

The Code of Ethics is the document resulting from a shared process, which describes and summarises the Values of an organisation and the methods whereby it intends to apply them, constituting one of the instruments that orient and enhance the company's commitment of responsibility with respect to its stakeholders. As a primary instrument for promoting and spreading the corporate values, it is made available to all recipients through internal and external communication tools, in any event without prejudice to the important propositional role with respect to its content and purposes played by the Ethics Committee and the Group Ethics Officer, the first line of responsibility for its promotion, proper interpretation and implementation.

The Charter of Values and the Code of Ethics are available on the website of the Company.



## 15. CONSIDERATIONS ON THE LETTER OF THE CHAIRMAN OF THE COMMITTEE FOR CORPORATE GOVERNANCE

In line with previous years, in December 2021, the Borsa Italiana Committee sent its Annual Report on the application of the Code of Conduct (the "Report") and a letter with its recommendations (the "Letter") to the Chairmen of the administrative and control bodies of all listed companies, highlighting the activities carried out and the main areas for improvement identified; the Report was brought to the attention of the Directors and the Statutory Auditors of the Company on 9 December 2021.

The Report and the Letter provide an overall framework of the current application of the Corporate Governance Code by listed companies and also represent a useful parameter for the assessment of the relative degree of compliance, also with a view to the process of adapting to the Code in the text in force as of 2021.

The UnipolSai Nomination and Corporate Governance Committee first of all analysed, on 14 December 2021, the main areas for improvement highlighted by the Borsa Italiana Committee and then, at the meeting on 22 March 2022, evaluated in relation to them, and for what falls under its own competencies, the alignment of the governance system adopted by the Company with the Report itself in order to identify any evolution of the system or to eliminate any shortcomings in the application or explanations provided.

In particular, the main recommendations of the Borsa Italiana Committee for 2022 are set forth below, as well as the considerations developed in order to support companies in the process of coming into compliance with the Corporate Governance Code.

### Information on the pursuit of "sustainable success" and on dialogue with relevant stakeholders

The Borsa Italiana Committee – recalling the previous recommendations on the integration of sustainability within strategies, the control system and remuneration – recommends that companies provide adequate, summary information in their corporate governance report on the methods adopted for the pursuit of "sustainable success" and the approach adopted in promoting dialogue with relevant stakeholders, also providing summary information on the content of the policy for dialogue with shareholders in general, without prejudice to the possibility to publish it in full, or at least its most important sections, on the company's website.

In this regard, please note that the required information has been included in this Report, in Section 1 (Issuer Profile) and 12 (Relationships with Shareholders), which should be referred to for the details.

### Classification of the company on the basis of the proportionality approach

Considering the new categories of companies introduced by the Corporate Governance Code (i.e. "large" companies, or those whose capitalisation exceeded Euro 1 billion on the last trading day of the three previous calendar years, and companies with "concentrated ownership", or those in which one or more shareholders participating in a shareholders' agreement hold, directly or indirectly, the majority of the votes that may be cast at the ordinary shareholders' meeting), the Borsa Italiana Committee recommends evaluating the classification of the company with respect to the above-mentioned categories and the simplification options available to companies that are not "large" and/or "concentrated", and requests an adequate indication of the decisions made.

As already highlighted, UnipolSai qualifies as a "large company" "with concentrated ownership". As things currently stand, the Company has not taken advantage of any of the simplifications recommended by the Code, taking into account the detailed and complex organisational oversight mechanisms required by applicable industry legislation and regulations. However, assessments will in any event be conducted to verify whether there is any space to apply such options.

#### Criteria used to assess independence

With reference to the decisions made by the Corporate Governance Code to strengthen the quality of the independence assessment (also allowing the possibility to qualify even the Chairman of the Board of Directors as an independent director), the Borsa Italiana Committee recommends providing in the corporate governance report the criteria used to evaluate independence and the significance of professional, commercial or financial relationships and additional remuneration.

Such criteria are identified in the Fit&Proper Policy, as illustrated extensively in Section 4 of this Report.

#### Pre-board meeting disclosure to the Board of Directors

As concerns pre-board meeting disclosure, the Borsa Italiana Committee invites Boards of Directors to devote particular attention to the explicit determination of terms deemed consistent for the transmission of documentation and the exclusion of generic confidentiality requirements for providing any type of exemption to respect for such terms, as well as to provide an adequate description in the corporate governance report of effective compliance with such prior notice terms and, when in exceptional cases it was not possible to respect them, explain the relative reasons and show how adequate detailed information was provided during the board meeting.

As specified in Section 4, the Board of Directors Regulation identifies the methods and timing for making the pre-board meeting disclosure available to Directors and Statutory Auditors as well as respect for transmission timing.

#### Appointment and succession of Directors

With reference to director appointment and succession, the Committee invites companies without concentrated ownership to adequately examine the recommendations made to them with respect to the appointment of the Board of Directors and, in particular, the recommendations to the outgoing administrative body to (i) express, in view of the upcoming appointment of a new Board, its advice on its optimal composition, taking into account the results of the self-assessment and (ii) ask those presenting a list containing a number of candidates exceeding half of the members to be elected to provide adequate disclosure (in the documentation submitted when the list is submitted) concerning the compliance of the list with the advice expressed by the outgoing Board of Directors and to indicate their candidate for the position of Chairman.

The outgoing administrative body punctually met such recommendations. In this regard, please refer to the document entitled "Guidance to shareholders on the quantitative and qualitative composition of the Board of Directors" published on the Company's website on 9 March 2022, consistently in advance of the publication of the notice convening the upcoming Shareholders' Meeting.

#### Gender balance

The Borsa Italiana Committee invites companies to provide adequate information in their corporate governance report on the concrete identification and application of measures intended to promote equal treatment and opportunity across genders within the business organisation.

In this regard, please refer to Section 4, Paragraph 4 (Diversity criteria and policies in the composition of the Board and in the company organisation) of the Report.

### Remuneration Policies

The Borsa Italiana Committee reaffirms the opportunity to improve remuneration policies with the definition of clear, measurable rules for the disbursement of the variable component and any compensation for end of office and recommends:

- (i) adequately considering the consistency of the parameters identified for variable remuneration with the strategic objectives of business activity and the pursuit of sustainable success, evaluating, if appropriate, the establishment of non-financial parameters; and
- (ii) particularly with reference to remuneration metrics linked to the achievement of environmental and social objectives, ensuring that such metrics are pre-determined and measurable.

As regards the Borsa Italiana Committee recommendations on remuneration policies, note that the Annual report on the remuneration policy and compensation paid (the "Remuneration Report") was submitted as normal to the Board of Directors for examination, pursuant to and in accordance with Art. 123-ter of the TUF, Articles 41, 59 and 93 of IVASS Regulation 38 and Art. 84-quater of the Issuers' Regulation, on which the Ordinary Shareholders' Meeting called for 27 April 2022 is asked to adopt its resolutions. Of specific interest here, note that the report in question was reviewed also in order to:

- reaffirm and implement the consistency of the variable remuneration component with the Company's strategic objectives and the pursuit of sustainable success, also through – as already set forth in the 2021 Remuneration policies – the establishment of non-financial parameters;
- establish remuneration metrics linked to the achievement of environmental and social objectives that are pre-determined and measurable.

The possibility of disbursing amounts not linked to predefined parameters is confirmed as envisaged only in exceptional cases, and in any event always as decided by the Board of Directors subject to Remuneration Committee opinion.

Bologna, 24 March 2022

The Board of Directors

## Annexes

## Tables

Drafted according to the scheme set forth in the Format prepared by Borsa Italiana (IX Edition – January 2022).

**TABLE 1: INFORMATION ON OWNERSHIP STRUCTURES**

| SHARE CAPITAL STRUCTURE |               |                   |        |                        |
|-------------------------|---------------|-------------------|--------|------------------------|
|                         | No. shares    | No. voting rights | Listed | Rights and obligations |
| Ordinary shares         | 2,829,717,372 | 2,829,717,372     | MTA    |                        |

| MAJOR HOLDINGS IN THE SHARE CAPITAL |                          |                                 |                               |
|-------------------------------------|--------------------------|---------------------------------|-------------------------------|
| Declarant                           | Direct shareholder       | % share of the ordinary capital | % share of the voting capital |
| <b>Unipol Gruppo S.p.A.</b>         |                          | <b>84.917%</b>                  | <b>84.917%</b>                |
|                                     | Unipol Gruppo S.p.A.     | 60.988%                         | 60.988%                       |
|                                     | Unipol Finance S.r.l.    | 9.900%                          | 9.900%                        |
|                                     | Unipolpart I S.p.A.      | 9.900%                          | 9.900%                        |
|                                     | Unipol Investment S.p.A. | 4.128%                          | 4.128%                        |

**TABLE 2:**

**STRUCTURE OF THE BOARD OF DIRECTORS AT YEAR-END CLOSE**

| Office held  | Members                | Year of birth | Date of first appointment (*) | In office since | In office until | List (submitters) (1) | List (M/m) (2) | Exec. | Non-exec. | Independ. Code (3) | Independ. TUF (4) | No. other positions (5) | Participation (6) |
|--|------------------------|---------------|-------------------------------|-----------------|-----------------|-----------------------|----------------|-------|-----------|--------------------|-------------------|-------------------------|-------------------|
| Chairman   | Cimbri Carlo           | 1965          | 30/10/2012                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              | x     |           |                    |                   | 3                       | 8/8 – 100%        |
| Deputy Chairman                                      | Cerchiai Fabio         | 1944          | 30/10/2012                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              |       | x         |                    |                   | 5                       | 8/8 – 100%        |
| Deputy Chairman                                      | Stefanini Pierluigi    | 1953          | 30/10/2012                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              |       | x         |                    |                   | 1                       | 8/8 – 100%        |
| Director   | Chiodini Fabrizio      | 1958          | 17/04/2019                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              |       | x         |                    |                   | 1                       | 8/8 – 100%        |
| Director   | Cifiello Mario         | 1951          | 01/10/2020                    | 01/10/2020      | 31/12/2021      | Shareholders          | M              |       | x         |                    |                   | 3                       | 8/8 – 100%        |
| Director   | Cottignoli Lorenzo     | 1956          | 19/04/2013                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              |       | x         | x                  | x                 | 7                       | 8/8 – 100%        |
| Director   | Dalle Rive Ernesto     | 1960          | 30/10/2012                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              |       | x         |                    |                   | 4                       | 7/8 – 88%         |
| Director   | De Benetti Cristina    | 1966          | 09/11/2017                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              |       | x         | x                  | x                 | 2                       | 8/8 – 100%        |
| Director   | Masotti Massimo        | 1962          | 29/04/2013                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              |       | x         | x                  | x                 | 0                       | 8/8 – 100%        |
| Director   | Merloni Maria Paola    | 1963          | 28/04/2021                    | 28/04/2021      | 31/12/2021      | --                    | (*)            |       | x         | x                  | x                 | 0                       | 4/5 – 80%         |
| Director   | Montagnani Maria Lilla | 1971          | 30/10/2012                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              |       | x         | x                  | x                 | 0                       | 7/8 – 88%         |
| Director   | Picchi Nicla           | 1960          | 30/10/2012                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              |       | x         | x                  | x                 | 2                       | 6/8 – 75%         |
| Director   | Pittalis Roberto       | 1971          | 29/04/2020                    | 29/04/2020      | 31/12/2021      | Shareholders          | M              |       | x         |                    |                   | 4                       | 7/8 – 88%         |
| Director   | Recchi Giuseppe        | 1964          | 13/11/2014                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              |       | x         | x                  | x                 | 0                       | 6/8 – 75%         |
| Director   | Righini Elisabetta     | 1961          | 27/04/2016                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              |       | x         | x                  | x                 | 0                       | 8/8 – 100%        |
| Director   | Rizzi Antonio          | 1965          | 17/04/2019                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              |       | x         | x                  | x                 | 1                       | 8/8 – 100%        |
| Director   | Tadolini Barbara       | 1960          | 29/04/2013                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              |       | x         | x                  | x                 | 2                       | 8/8 – 100%        |
| Director   | Vella Francesco        | 1958          | 29/04/2013                    | 17/04/2019      | 31/12/2021      | Shareholders          | M              |       | x         | x                  | x                 | 0                       | 8/8 – 100%        |
| -----DIRECTORS WHO LEFT OFFICE DURING THE YEAR ----- |                        |               |                               |                 |                 |                       |                |       |           |                    |                   |                         |                   |
| Director   | Maugeri Maria Rosaria  | 1965          | 29/04/2013                    | 17/04/2019      | 12/02/2021      | Shareholders          | M              |       | x         | x                  | x                 |                         | 1/1 – 100%        |

**NOTES**

The symbols specified below must be entered in the "Office held" column:

<sup>(1)</sup> This column specifies whether the list from which each director was taken was submitted by shareholders ("Shareholders") or the Board of Directors ("BoD").

<sup>(2)</sup> This column indicates if the member was elected from a list voted with majority (M) or minority (m) votes.

In regard to the appointment of the Board of Directors, two lists were presented, one by the shareholders parties to the shareholders' agreement, relevant pursuant to Art. 122 of the Leg. Decree n. 58/1998, involving some Shareholders of Unipol, and the other by some asset management companies and institutional investors.

<sup>(1)</sup> Director appointed by the Shareholders' Meeting on 28 April 2021.

<sup>(3)</sup> Indicates whether the Director was classified by the Board of Directors as independent according to the criteria established by the Corporate Governance Code.

<sup>(4)</sup> Indicates if the Director meets the requirements of independence established by Art. 148, Paragraph 3, of the Consolidated Law on Finance.

<sup>(5)</sup> Indicates the total number of offices held in other companies listed in regulated markets (including foreign markets), or in financial, banking and insurance companies or other large companies. The list of these companies, with reference to each Director, is included in Table 2A.

<sup>(6)</sup> Specifies the attendance, in terms of number of meetings and percentage of participation, of the Director at meetings of the Board of Directors.

**TABLE No. 2.A – List of relevant offices held by the Directors**

As regards the provisions set forth in the Corporate Governance Code, following is the evidence of offices held by the Directors in companies listed in regulated markets (including foreign markets) or in financial, banking, insurance companies, or other large companies, as at the date of this report.

The symbol (\*) indicates the companies belonging to the Unipol Group.

| Members             | Office held in UnipolSai | Offices held in other companies   |
|---------------------|--------------------------|---|
| Cimbri Carlo        | Chairman                 | Chief Executive Officer, Group CEO and General Manager of Unipol Gruppo S.p.A. (*)<br>Director of Rizzoli Corriere della Sera Mediagroup S.p.A.<br>Chairman of Istituto Europeo di Oncologia S.r.l.   |
| Cerchiai Fabio      | Deputy Chairman          | Chairman of Arca Assicurazioni S.p.A. (*)<br>Chairman of Arca Vita S.p.A. (*)<br>Chairman of Atlantia S.p.A.<br>Chairman of Unisalute S.p.A. (*)<br>Director of Abertis Infraestructuras SA   |
| Stefanini Pierluigi | Deputy Chairman          | Chairman of Unipol Gruppo S.p.A. (*)  |
| Chiodini Fabrizio   | Director                 | Sole Director of Chiodini Consulting S.r.l.   |
| Cifiello Mario      | Director                 | Director of Unipol Gruppo S.p.A. (*)<br>Director of Coop Italia Soc. Coop.<br>Chairman of Coop Alleanza 3.0 Soc. Coop.  |
| Cottignoli Lorenzo  | Director                 | Director of Assicoop Toscana S.p.A.<br>Director of Assicoop Bologna Metropolitana S.p.A.<br>Director of Assicoop Emilia Nord S.r.l.<br>Chairman of Assicoop Romagna Futura S.p.A.<br>Member of the Supervisory Body of Consorzio Integra Soc. Coop.<br>Deputy Chairman of Integra Broker S.r.l.<br>Director of DIPAS S.r.l. |
| Dalle Rive Ernesto  | Director                 | Deputy Chairman of Unipol Gruppo S.p.A. (*)<br>Chairman, Chief Executive Officer and General Manager of Nova Coop Soc. Coop.<br>Director of Coop Consorzio Nord Ovest S.c.a r.l.<br>Director of Coop Italia Soc. Coop.  |
| De Benetti Cristina | Director                 | Director of Atlantia S.p.A.<br>Director of Mobilità di Marca S.p.A.   |



|                        |          |  |
|------------------------|----------|--|
| Masotti Massimo        | Director | --   |
| Merloni Maria Paola    | Director | --   |
| Montagnani Maria Lilla | Director | --   |
| Picchi Nicla           | Director | Director of Abitare In S.p.A.<br>Deputy Chairman of SABAF S.p.A.   |
| Pittalis Roberto       | Director | Director of Unipol Gruppo S.p.A. (*)<br>Director of Coop Consorzio Nord Ovest S.c.a r.l.<br>Director of Coop Italia Soc. Coop.<br>Chairman of Coop Liguria Soc. Coop. di Consumo |
| Recchi Giuseppe        | Director | --   |
| Righini Elisabetta     | Director | --   |
| Rizzi Antonio          | Director | Director IGD SIIQ S.p.A.   |
| Tadolini Barbara       | Director | Chairman of the Board of Statutory Auditors of ENEL S.p.A.<br>Statutory Auditor of Parmalat S.p.A.   |
| Vella Francesco        | Director | --   |

**TABLE No. 3 –Board Committees**

| <b>NOMINATION AND CORPORATE GOVERNANCE COMMITTEE</b> |                    |              |                  |                       |                      |                      |
|--|--------------------|--------------|------------------|-----------------------|----------------------|----------------------|
| <b>Office held</b>                                   | <b>Members</b>     | <b>Exec.</b> | <b>Non-exec.</b> | <b>Independ. Code</b> | <b>Independ. TUF</b> | <b>Participation</b> |
| Chairman   | Vella Francesco    |              | x                | x                     | x                    | 5/5 - 100%           |
| Member   | Picchi Nicla       |              | x                | x                     | x                    | 5/5 - 100%           |
| Member   | Righini Elisabetta |              | x                | x                     | x                    | 5/5 - 100%           |

| <b>REMUNERATION COMMITTEE</b> |                     |              |                  |                       |                      |                      |
|-------------------------------|---------------------|--------------|------------------|-----------------------|----------------------|----------------------|
| <b>Office held</b>            | <b>Members</b>      | <b>Exec.</b> | <b>Non-exec.</b> | <b>Independ. Code</b> | <b>Independ. TUF</b> | <b>Participation</b> |
| Chairman                      | Vella Francesco     |              | x                | x                     | x                    | 4/4 - 100%           |
| Member                        | De Benetti Cristina |              | x                | x                     | x                    | 4/4 - 100%           |
| Member                        | Picchi Nicla        |              | x                | x                     | x                    | 4/4 - 100%           |

| <b>CONTROL AND RISK COMMITTEE</b> |                  |              |                  |                       |                      |                      |
|-----------------------------------|------------------|--------------|------------------|-----------------------|----------------------|----------------------|
| <b>Office held</b>                | <b>Members</b>   | <b>Exec.</b> | <b>Non-exec.</b> | <b>Independ. Code</b> | <b>Independ. TUF</b> | <b>Participation</b> |
| Chairman                          | Masotti Massimo  |              | x                | x                     | x                    | 10/10 - 100%         |
| Member                            | Rizzi Antonio    |              | x                | x                     | x                    | 10/10 - 100%         |
| Member                            | Tadolini Barbara |              | x                | x                     | x                    | 10/10 - 100%         |

| <b>RELATED PARTY TRANSACTIONS COMMITTEE</b> |                     |              |                  |                       |                      |                      |
|---|---------------------|--------------|------------------|-----------------------|----------------------|----------------------|
| <b>Office held</b>                          | <b>Members</b>      | <b>Exec.</b> | <b>Non-exec.</b> | <b>Independ. Code</b> | <b>Independ. TUF</b> | <b>Participation</b> |
| Chairman                                    | Masotti Massimo     |              | x                | x                     | x                    | 6/6 - 100%           |
| Member                                      | De Benetti Cristina |              | x                | x                     | x                    | 6/6 - 100%           |
| Member                                      | Righini Elisabetta  |              | x                | x                     | x                    | 6/6 - 100%           |
| Member                                      | Rizzi Antonio       |              | x                | x                     | x                    | 6/6 - 100%           |

**TABLE 4**

**STRUCTURE OF THE BOARD OF STATUTORY AUDITORS AT YEAR-END CLOSE**

| Office held  | Members              | Year of birth | Date of first appointment (*) | In office since | In office until                         | List (M/m) (**) | Independ. Code | Participation in Board of S.A. meetings (***) | No. other positions (****) |
|--|----------------------|---------------|-------------------------------|-----------------|---|-----------------|----------------|---|----------------------------|
| <b>Chairman</b>  | Conti Cesare         | 1963          | 28/04/2021                    | 28/04/2021      | Meeting financial statements 31/12/2023 | m               | X              | 14/14   | 1                          |
| <b>Statutory Auditor</b>   | Giudici Angelo Maria | 1957          | 28/04/2021                    | 28/04/2021      | Meeting financial statements 31/12/2023 | M               | X              | 14/14   | x                          |
| <b>Statutory Auditor</b>   | Bocci Silvia         | 1967          | 17/06/2015                    | 28/04/2021      | Meeting financial statements 31/12/2023 | M               | X              | 20/20   | 10                         |
| <b>Alternate Auditor</b>   | Fornasiero Sara      | 1968          | 23/04/2018                    | 28/04/2021      | Meeting financial statements 31/12/2023 | m               | X              | -   | -                          |
| <b>Alternate Auditor</b>   | Tieghi Roberto       | 1952          | 23/04/2018                    | 28/04/2021      | Meeting financial statements 31/12/2023 | M               | X              | -   | -                          |
| <b>Alternate Auditor</b>   | Ravicini Luciana     | 1959          | 17/06/2015                    | 28/04/2021      | Meeting financial statements 31/12/2023 | M               | X              | -   | -                          |
| <b>-----STATUTORY AUDITORS WHO LEFT OFFICE DURING THE YEAR -----</b> |                      |               |                               |                 |   |                 |                |   |                            |
| <b>Chairman</b>  | Fumagalli Paolo      | 1960          | 17/06/2015                    | 23/04/2018      | Meeting financial statements 31/12/2020 | m               | X              | 6/6   | -                          |
| <b>Statutory Auditor</b>   | Angiolini Giuseppe   | 1939          | 24/04/2012                    | 23/04/2018      | Meeting financial statements 31/12/2020 | M               | X              | 6/6   | -                          |

Number of meetings held during the Year: 20

*Quorum required for the submission of lists by the non-controlling shareholders for the election of one or more members (pursuant to Art. 148 of the TUF): 0.5% of the share capital (taking into account that at least 25 days prior to the Shareholders' Meeting of 28 April 2021, only one list had been submitted, pursuant to regulations in force, the percentage defined by CONSOB with Executive Resolution no. 44 of 29 January 2021 declined from 1% to 0.5% of the share capital).*

**NOTES**

(\*) The date of initial appointment of each statutory auditor is the date on which the statutory auditor was appointed for the very first time to the board of statutory auditors of the Issuer.

(\*\*) This column specifies whether the list from which each statutory auditor was taken is the "majority" ("M") or "minority" ("m") list.

(\*\*\*) This column specifies the participation of statutory auditors in meetings of the board of statutory auditors (specify the number of meetings in which he or she participated compared to the total number of meetings he or she could have participated in; i.e. 6/8; 8/8, etc.).

(\*\*\*\*) This column specifies the number of positions as director or statutory auditor held by the party concerned pursuant to Art. 148-bis of the TUF and the relative implementing provisions set forth in the CONSOB Issuers' Regulation. A complete list of the positions is published by CONSOB on its website pursuant to Art. 144-quinquies of the CONSOB Issuers' Regulation.

**UnipolSai Assicurazioni S.p.A.**

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Share capital  
€ 2,031,456,338.00 fully paid-up  
Bologna Register of Companies  
Tax No. 00818570012  
VAT No. 03740811207  
R.E.A. No. 511469

A company subject  
to management and coordination  
by Unipol Gruppo S.p.A.,  
entered in Section I of the Insurance  
and Reinsurance Companies List  
at No. 1.00006  
and a member of the  
Unipol Insurance Group,  
entered in the Register of  
the parent companies – No. 046

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