

Unipol Gruppo Finanziario

**Annual Report on Corporate Governance
and ownership for Financial Year 2011**

Unipol
GRUPPO

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Governance section
www.unipol.it

Unipol Gruppo Finanziario

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and ownership for Financial Year 2011

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Definitions

Executive Director Responsible:

Executive Director responsible for overseeing the functions of the Internal Control System.

Code of Conduct:

the Code of Conduct for listed companies approved in March 2006 by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., as amended, which can be seen on the latter's website (www.borsaitaliana.it).

Code of Corporate Governance, Code:

the Code of Corporate Governance adopted by Unipol's Board of Directors on 10 May 2007 and amended on 24 March 2011 and 22 December 2011.

Board of Statutory Auditors:

the Company's supervisory body, appointed by the Meeting of Unipol Shareholders held on 29 April 2010.

Board of Directors:

the Company's executive body, appointed by the Meeting of Unipol Shareholders held on 29 April 2010.

Implementing Decree:

Legislative Decree 27 of 27 January 2010.

Manager in charge:

Manager in charge of financial reporting.

Financial year:

the financial year ended 31 December 2011.

Group, Unipol Group:

Unipol and its Subsidiaries (as defined below).

Guidelines on the Stock Exchange Regulation:

Guidelines on the Stock Exchange Regulation

Savings Law:

Law 262 of 28 December 2005.

Guidelines:

guidelines which define the Internal Control System adopted by the Unipol Board of Directors in December 2008 and revised annually.

Internal Dealing Procedure, Procedure:

procedure for disclosure of operations involving treasury shares or other financial instruments linked to them.

Rules for the Shareholders' Meeting:

rules approved by the Shareholders' Meeting to regulate the orderly and effective conduct of the Ordinary and Extraordinary Shareholders' Meetings.

Share Scheme Regulations:

regulations governing the scheme to award free shares to Unipol employees, adopted by resolution of the Shareholders' Meetings held on 24 April 2007 and 24 April 2008.

Stock Exchange Regulations:

the Regulation Governing Markets Organised and Managed by Borsa Italiana S.p.A.

Issuer Regulation:

the Regulation issued in CONSOB resolution 11971 of 1999 relating to issuers.

Market Regulation:

the Regulation issued in CONSOB resolution 16191 of 2007 relating to markets.

Report:

this report containing information on compliance with the Code of Conduct and with corporate governance and the ownership structures that listed share-issuing companies are obliged to prepare pursuant to Article 123-bis of the Consolidated Finance Act (TUF) (as defined below) and Article 89-bis of the Issuer Regulation.

Holding Company, Finsoe:

Finsoe S.p.A. Finanziaria dell'Economia Sociale.

Subsidiaries, Operating Companies:

the companies controlled, directly or indirectly, by Unipol in accordance with Article 2359 of the Italian Civil Code.

Company, Unipol:

Unipol Gruppo Finanziario S.p.A.

TUF:

Legislative Decree 58 of 24 February 1998 (Consolidated Finance Act).

Introduction

In March 2001 Unipol Gruppo Finanziario S.p.A. implemented the recommendations of the Code of Conduct and each year it publishes this Report containing information on corporate governance, compliance with the Code of Conduct, its ownership structures and the other information prescribed by Article 123-bis of the TUF.

The Report consists of two parts:

- > the first section, which describes the fundamental information required by Article 123-bis of the TUF;
- > the second section, which contains summary data concerning the Company's profile, information on the governance structure and its principles, rules and procedures adopted in compliance with the Code of Conduct, and which take account of changes in the reference regulations.

The information contained in the Report, unless otherwise stated, refers to the 2011 closing date.

Ownership and related information

Section I

(Section also drafted pursuant to Article 123-bis of the TUF)

1. Structure of share capital

1.1 Composition

On 1 January 2011, as a result of the share capital increase serving Unipol's merger through incorporation of Navale Assicurazioni S.p.A., the share capital increased to €171,761.01, divided into 217,419 registered shares without a nominal value, of which 134,555 are ordinary and 82,864 are preference shares.

Unipol has share capital fully paid-up to 31 December 2011 of €2,699,066,930.11, divided into 3,416,540,416 registered shares without a nominal value, of which 2,114,257,106 are ordinary and 1,302,283,310 are preference shares¹.

The breakdown of share capital at 31 December 2011 is summarised in the following table:

Type and description of shares	No. of shares	% of share capital	Market
Unipol ordinary shares	2,114,257,106	61.88%	MTA
Unipol preference shares	1,302,283,310	38.12%	MTA

1.2 Other financial instruments

The Extraordinary Shareholders' Meeting on 29 April 2010 resolved to increase the share capital against payment, in tranches, for up to €100m by issuing Unipol ordinary and preference shares without a nominal value and with normal enjoyment rights, doing this several times if necessary. This is to be reserved to the exercise of the 634,236,765 'Unipol 2010-2013 Ordinary Share Warrants' (the '**Ordinary Warrants**') and the 390,660,132 'Unipol 2010-2013 Preference Share Warrants' (the '**Preference Warrants**') combined free of charge, respectively, with the ordinary shares and preference shares issued at the time of the 2010 capital increase which is to take place by 31 December 2013.

Financial instrument	No. of instruments in circulation	Category of shares serving the conversion/exercise operation	No. of shares serving the conversion/exercise operation
Unipol 2010 - 2013 Ordinary Share Warrants	634,236,765	Unipol ordinary shares	2 shares for every 13 warrant
Unipol 2010 - 2013 Preference Share Warrants	390,660,132	Unipol preference shares	2 shares for every 13 warrant

The Ordinary Warrants and Preference Warrants are admitted to the centralised management system at Monte Titoli S.p.A., under the system of dematerialisation pursuant to Legislative Decree 213 of 24 June 1998; they are bearer warrant shares, freely transferable, and circulate separately from the shares with which they are combined from their issue date.

The holders of the Ordinary Warrants will have the right to call for the subscription of 2 ordinary shares resulting from the capital increase for every 13 Ordinary Warrants exercised, at a cost of €0.720 for every ordinary share resulting from the capital increase and the holders of the Preference Warrants will have the right to call for the subscription of 2 preference shares resulting from the capital increase for every 13 Preference Warrants exercised, at a cost of €0.480 for every preference share resulting from the capital increase. The Warrants will be able to be exercised at any time during the exercise period (from 1/7/2013 to 16/12/2013) according to the procedures (and without prejudice to suspension procedures) stipulated by

¹ The resolution on the stock splitdown passed by the Shareholders' Meeting held on 19 March 2012 having been entered in the Bologna Companies' Register on 27 March 2012, on the date this report was published, 5 April 2012, the share capital amounted to €2,699,066,917.47, divided into 34,165,404 registered shares without a nominal value, of which 21,142,571 are ordinary and 13,022,833 are preference shares.

the respective Warrant Regulations (available in the Investor Relations section at www.unipol.it).

Warrants not exercised before the deadline of 16 December 2013 will lose all rights and become invalid for all purposes.

1.3 Rights relating to categories of shares

The preference shares, which do not have voting rights in respect of resolutions taken by the Ordinary Shareholders' Meeting, enjoy the dividend rights stipulated in Article 19 of the current By-Laws, which provide as follows:

"10% of the net profit shown in the Company's annual financial statements, up to one fifth of the share capital, is allocated to the legal reserve as a priority.

When the allocation referred to above has been made, the Shareholders' Meeting will allocate the rest to the net profits as follows:

- a. an allocation to the extraordinary reserve or to other special funds;
- b. an allocation to dividends in such a way as to allocate an amount of up to €0.0362 to each preference share;

The remainder of this quota is allocated to paying a dividend on the ordinary shares up to the amount of €0.0310 for each ordinary share.

When the allocations referred to above have been made, the remaining part of the net profit, allocated to dividends, will be divided pro rata between the two categories of share.

In the case of neither category of share may dividends be carried over from one year to the next. In the event of a scrip issue the dividend on the preference and ordinary shares may be reduced provided the difference of €0.0052 in favour of preference shares is maintained, but not below a minimum of €0.0258 for each preference share and €0.02060 for each ordinary share.

The aforesaid being understood, should either stock consolidation or stock split be implemented (and in the case of operations involving capital other than the free increase of share capital mentioned above, where necessary in order not to change the Shareholders' rights as if shares had nominal value) the fixed amounts per share will be modified accordingly.

The Shareholders' Meeting may also vote to make extraordinary allocations of net profits by issuing shares to be allocated individually to the Company's employees in accordance with Article 2349 of the Civil Code. [...]"

At its meeting held on 9 February 2012 Unipol's Board of Directors voted to ask the Extraordinary Shareholders' Meeting called for 19 March 2012 to group the ordinary and preference shares at a ratio of 1 new ordinary share per 100 ordinary shares owned and 1 new preference share per 100 preference shares owned, with a consequent reduction in the number of shares in circulation, in order to simplify the work of administering both ordinary and preference shares, in the interest of the Shareholders.

In addition, as a result of the Capital Increase in 2010, when the nominal value was reduced from €1.00 to €0.79, and the further variation in the value that will result from the grouping of the ordinary and preference shares, the number of shares mentioned in Article 19 of the Company's By-Laws will have to be amended so that the dividend on the preference and ordinary shares can be calculated.

The new wording of Article 19 of the Company's By-Laws, with the updated numbers, is shown below²:

"10% of the net profit shown on the Company's annual financial statements, up to one fifth of the share capital, is allocated to the legal reserve as a priority;

² It is worth pointing out that this change to the By-Laws was already effective on the date this report was published, 5 April 2012, since the resolution passed by the Shareholders' Meeting held on 19 March 2012 had been entered in the Bologna Companies' Register on 27 March 2012.

When the allocation referred to above has been made, the Shareholders' Meeting will allocate the rest of the net profits as follows:

- a. an allocation to the extraordinary reserve or to other special funds;
- b. some to dividends in such a way as to allocate an amount of up to €2.86 to each preference share.

The remainder of this quota is allocated to paying a dividend on the ordinary shares up to an amount of €2.45 for each ordinary share.

When the allocations referred to above have been made, the remaining part of the net profit, allocated to dividends, will be divided pro rata between the two categories of share.

In the case of neither category of share may dividends be carried over from one year to the next. In the event of a scrip issue, the dividend on the preference and ordinary shares may be reduced provided the difference of €0.41 in favour of preference shares is maintained, but not below a minimum of €2.58 on each preference share and €2.06 on each ordinary share.

The aforesaid being understood, should either stock consolidation or stock split be implemented (and in the case of operations involving capital other than the free increase of share capital mentioned above, where necessary in order not to change the Shareholders' rights as if shares had nominal value) the fixed amounts per share will be modified accordingly.

The Shareholders' Meeting may also vote to make extraordinary allocations of net profits by issuing shares to be allocated individually to the Company's employees in accordance with Article 2349 of the Civil Code. [...]"

If the share capital is increased by means of an increase in the number of shares, the increase will involve the simultaneous issue of shares in the categories existing from time to time and in the proportions already pertaining between said categories.

Any amendment to the Company's By-Laws involving a change to the ratio of ordinary shares to preference shares, or to the related property or administrative rights, must also be approved by a Special Meeting of the category or categories concerned, as required by the law.

At the Shareholders' Meeting held on 19 March 2012 there was also a proposal to authorise the Board of Directors, and through it the Chairman and the Chief Executive, even acting separately, to amend Article 19 of the Company's By-Laws to take account of the change in the number of shares following the issue of new ordinary and preference shares under the capital increase (see paragraph 1.4.1 below).

The Special Meeting of Preference Shareholders, held on 24 April 2011, appointed Professor Massimo Franzoni as Joint Representative for the Preference Shareholders for the 2011, 2012 and 2013 financial years (cf. Paragraph 13.2 below of the Report).

1.4 Powers to increase the share capital and authorisation to acquire treasury shares

1.4.1 Powers to increase the share capital

At the reporting date, no powers to increase the share capital had been conferred on the Board of Directors.

At its meeting held on 9 February 2012 Unipol's Board of Directors voted to ask the Extraordinary Shareholders' Meeting called for 19 March 2012 to authorise the Board of Directors, in accordance with Article 2443 of the Civil Code, to increase the share capital for payment, not necessarily all in one go, by a maximum of €1,000m including any share premium, by 31 December 2012, by issuing ordinary and preference shares without nominal value, cum coupon, to be offered as an option to the holders of ordinary and preference shares respectively in proportion to the number of shares held by them, and to establish, from time to time and within the limits mentioned above, procedures, terms and conditions for the share capital increase, including the prices at which the shares are to be issued (including any share premium), the number of shares to be issued and the option ratio.

1.4.2 Authorisation to acquire treasury shares

During 2011 the Board of Directors did not make use of the authorisation, approved by the Shareholders' Meeting on 28 April 2011, to acquire and/or to hold treasury shares, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code and according to the amount of the reserve for the purchase of treasury shares, for a period of 18 (eighteen) months from the resolution.

In this regard, at the Reporting date, the Company does not hold any treasury shares or any shares in its Parent.

Bearing in mind that the aforementioned authorisation will expire on 28 October 2012, the Board of Directors agreed on 15 March 2012 to put to the Shareholders in their meeting called to approve the 2011 financial statements that it be renewed for a further 18 months. In particular, the draft authorisation to acquire and hold treasury shares is targeted at the following objectives, in the interest of the Company and in compliance with the applicable regulations and permitted market practices:

- > intervention, directly or through intermediaries, to encourage negotiations to be carried out properly in the light of distortive occurrences associated with excessive volatility or low trading liquidity;
- > seizing opportunities to maximise the value that might result from market performance – thus pursuing trading objectives as well – or opportunities connected with potential transactions of a strategic nature which may be of interest to the Company;
- > using treasury shares as an investment in order to ensure that the liquidity generated by the Company's core business is used efficiently;
- > using treasury shares for the purpose of any share incentivisation schemes reserved for Directors, employees and anyone else working for the Company or the companies in the Group.

Conversely, authorisation to acquire and hold unlisted shares in Finsoe was proposed, with the aim of enabling the Company to seize strategic opportunities and to fulfil contractual obligations it has taken on.

The proposal envisages that the acquisition and holding of treasury and Parent shares may take place within the amounts and in line with the procedures stated below:

- (i) the acquisition of treasury shares may take place, up to the maximum amounts allowed and in compliance with permitted market practices, pursuant to the procedures stipulated in Article 132 of the Consolidated Finance Act and Article 144-*bis*, paragraph 1, a), b) and c) of the Issuer Regulation, as well as any other provision, including the regulations contained in Directive 2003/6/EC and the related EU and national rules on implementation, where applicable;
- (ii) the holding of treasury shares may take place in compliance with the procedures permitted under the law, including through the carrying out, once or a number of times, of subsequent acquisition and disposal operations, up to the time that the authorisation expires;
- (iii) the acquisition and holding of shares in the Parent may take place up to the maximum amounts allowed and in compliance with the procedures permitted under the law;
- (iv) both acquisitions and the holding of treasury shares may take place at a price no higher than 15% and no lower than 15% of the reference price recorded by the security on the day of negotiation prior to the date of each separate transaction, with a maximum cost limit, as far as acquisitions are concerned, of €100m;
- (v) in respect of both the acquisition and holding of shares in the Parent, the maximum equivalent amount per unit must be set at €1.30 and the minimum equivalent amount per unit must be set at €0.80, with a maximum cost limit, as far as acquisitions are concerned, of €45m.

1.5 Restrictions on share transfers, possession limits and prior approval clauses

Unipol's current By-Laws do not include any restrictions on transfer of shares, limits to the possession thereof, or prior approval clauses.

In accordance with the Regulation governing the Scheme to award free shares to Unipol employees adopted by the Shareholders' Meeting held on 24 April 2008, the lock-up period on the 267,439 Unipol ordinary shares awarded under the Regulation expired on 1 June 2011.

2. Shareholders

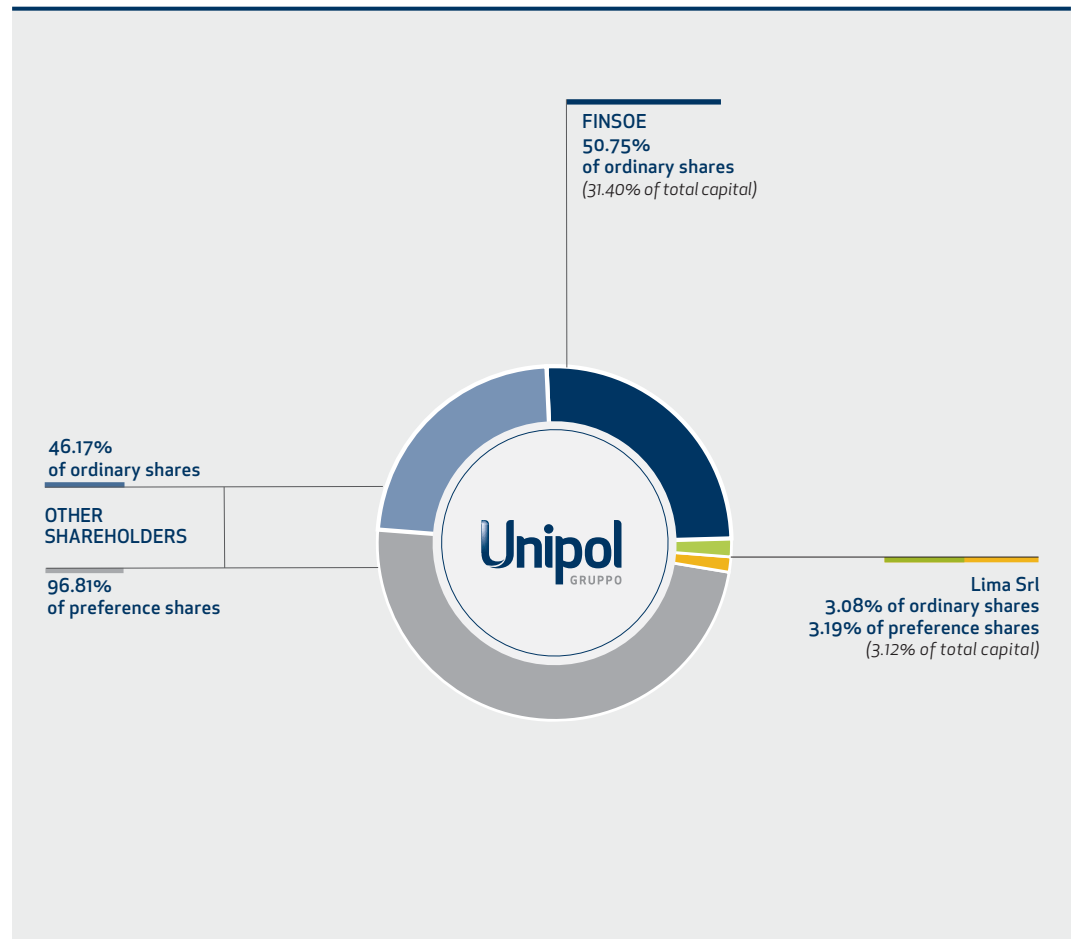
The total number of Unipol Shareholders as shown in the Register of Shareholders at 5 March 2012 was 179,000, of whom 97,000 were ordinary shareholders and 82,000 preference shareholders.

2.1 Major shareholdings

Based on the information recorded in the Register of Shareholders, notices received as required by law and any other information available at the reporting date, those Shareholders who – directly, indirectly, through an intermediary or through trust companies – have holdings corresponding to more than 2% of the share capital with voting rights are as follows:

Declarant	Direct shareholder	% of ordinary capital	% of share capital with voting rights
Finsoe S.p.A.	Finsoe S.p.A.	50.75%	31.40%
Lima S.r.l.	Lima S.r.l.	3.08%	3.12%

The share capital was distributed as follows:



2.2 Special rights of control

No securities that confer special rights of control have been issued.

2.3 Exercise of voting rights by employee shareholders

The Share Scheme Regulations do not provide for parties other than the employees to whom the shares have been assigned to exercise their voting rights.

2.4 Restrictions on voting rights

There are no restrictions on voting rights.

2.5 Shareholders' Agreements

With regard to shareholders' agreements relating to shares in the Parent, we would point out that, on 8 February 2006, Holmo S.p.A. and BNP Paribas S.A. entered into a private agreement (subsequently most recently supplemented and amended on 2/11/011). It contains agreements that may be described as shareholders' agreements under the terms of Article 122 of the TUF, relating to 608,453,495 ordinary Finsoe shares, corresponding to 29.17% of its share capital (of which Holmo S.p.A. and BNP Paribas S.A. hold 24.54% and 4.63% respectively). The agreements under the private agreement relate directly to Finsoe and indirectly to Unipol. These agreements, which will remain in force until 27 November 2012, provide specifically for (a) the undertaking by BNP Paribas S.A. to maintain ownership of the Finsoe shares purchased from Holmo S.p.A. (i.e. 4.63%); and (b) the undertaking by Holmo S.p.A. to ensure that at least one member of Finsoe's Board of Directors be appointed by BNP Paribas S.A.

2.6 Clauses relating to change of control

Unipol and its Subsidiaries have not, as part of their normal activity, entered into any agreements containing clauses which authorise the parties to amend or terminate the agreements in the event of a change of control of the Company.

2.7 Controlling entity and management and coordination

Under Article 2359, para. 1, 1), of the Civil Code the Company is controlled by Finsoe, which currently holds 50.75% of the ordinary share capital.

Finsoe is also the joint holding company heading the Unipol financial group in accordance with Legislative Decree 142 of 30 May 2005.

Finsoe does not carry out any of the work of administering and coordinating Unipol, in accordance with Article 2497 et seq. of the Civil Code, since it is organised and operates exclusively as the holding company for Unipol and its Subsidiaries.

In accordance with Article 2497-bis of the Civil Code, Unipol's subsidiaries have declared that it is Unipol that administers and coordinates their work, with the exception of the subsidiaries of Unipol Banca S.p.A., since the latter administers and coordinates the work of the companies forming part of the Banking Group of the same name direct.

Finally, on 5 October 2011, ISVAP entered the Unipol Insurance Group, which is part of Unipol, in the Register of Insurance Groups referred to in Article 85 of Legislative Decree 209/85 and ISVAP Ruling 15 of 20 February 2008.

3. Other information

3.1 Allowances for Directors

The Company has not entered into any agreements with its Directors providing for compensation in the event of resignation, dismissal or termination of contract without just cause, or termination of contract as a result of a takeover bid.

In July 2009, however, the Company signed a supplementary managerial employment contract with the then Managing Director Carlo Cimbri, who did not hold any company post at the time. This agreement stipulates that, in the event of unjustified dismissal or of resignation for a justified reason or at the request of the main shareholder, the Company shall pay Mr Cimbri an amount equal to 5 annual payments of effective global remuneration, calculated on the variable portion as provided for by Article 2121, para. 2 of the Civil Code, excluding calculation of emoluments in respect of company appointments.

3.2 Rules governing Shareholders' Meetings

Articles 8 and 9 of the Company's By-Laws and the Shareholders' Regulation govern the convening and functioning of Shareholders' Meetings. For a brief description of these Rules, see Chapter 13 below in Section II.

3.3 Rules governing the composition, appointment and functioning of corporate bodies

The composition, appointment and functioning of corporate bodies are governed by Articles 10, 11 and 12 of the Company's By-Laws. For a brief description of these rules see Chapter 3, Section II of the Report.

3.4 Changes to the Company's By-Laws

Changes to the Company's By-Laws must be adopted by an Extraordinary Shareholders' Meeting, following approval, as required, of the respective Special Meetings of Shareholders of ordinary and preference shares and, with reference only to implementation of revisions to legal requirements, the Board of Directors.

3.5 Main features of the system of risk management and the Internal Control System in relation to financial reporting

The main features of risk management and internal control in connection with the financial reporting of Unipol are described in Article 8.3, Section II of this Report.

System of governance and information on implementation of the code of conduct

Section II

1. Profile of the company and its system of governance

The mission

Unipol is the holding and service company for the Unipol Group, one of the leading Italian insurance groups, and also operates in banking in Italy. Since October 2011 Unipol has also been the Parent of the 'Gruppo Assicurativo Unipol' (Unipol Insurance Group).

Unipol administers, controls and coordinates the Unipol Group and provides services across the whole Group, i.e. to both the insurance and the banking businesses in the Group.

The Unipol Group operates in the following sectors:

- a) **insurance**, split into:
 - > *insurance*: in which the Unipol Group traditionally operates in Non-Life and Life business, mainly through Unipol Assicurazioni S.p.A. (a composite company) and the single-purpose companies Linear Assicurazioni S.p.A. and Unisalute S.p.A. (Non-Life business) and Linear Life S.p.A. (Life business);
 - > *bancassurance*: in which the Group operates through Arca Vita S.p.A. and its subsidiaries;
- b) **banking**, in which the Group operates through the Unipol Banca S.p.A. Banking Group and Unipol SGR S.p.A. to carry out traditional banking business (through Unipol Banca), portfolio management services and other investment services (mainly through Unipol Banca and Unipol SGR), group savings management (mainly through Unipol Fondi Limited), merchant banking and investment banking, providing advice for extraordinary financial operations (mainly through Unipol Merchant S.p.A.) and financial brokerage for leasing agreements (mainly through Unipol Leasing S.p.A.). Nettuno Fiduciaria S.r.l. and Unicard S.p.A. also operate in the banking sector.
- c) **holding and services**, under which it facilitates the work mentioned above by also providing services to the companies in the Group and running a hotel through the subsidiary Ambra Property S.r.l.

System of corporate governance

A particular feature of the Unipol Group is that it has centralised its functions and structures related to its role of holding company, i.e. strategy, administration, coordination and control, and management of services within the Company across both sectors, banking and insurance.

Group Code of Corporate Governance

The Code of Corporate Governance (available in the Corporate Governance section of the website www.unipol.it) and adopted in May 2007, describes the composition and functions of the management bodies responsible for governance of the holding company and Operating Companies, and supplements the framework of relating applicable rules, whether these be (i) stipulated by legal, regulatory or statutory provisions, or by contractual agreements of the nature of shareholders' agreements (the latter limited to Operating Companies acting within the bancassurance sector), (ii) contained in the Code of Conduct or in self-regulation instruments such as the Group's Code of Ethics.

At its meeting held on 24 March 2011 the Board of Directors amended the Code for the first time to take account of (i) the changes in the way the Company and the Group are governed and (ii) new legislation relating to auditing the accounts and transactions with related parties and identifying the 'key' Operating Companies, and, subsequently, at its meeting held on 22 December 2011, to incorporate the new provisions

for remunerating the Directors and key Senior Executives introduced into the Code of Conduct for Listed Companies in March 2010.

At a forthcoming meeting the Board of Directors will examine the motion to amend the Code to take account of the provisions of the Code of Conduct adopted in December 2011, especially those covering:

- > the role, structure and functions of the Board of Directors;
- > the structure and duties of the various Committees;
- > rationalising the Internal Control and Risk Management System.

It should be noted that Unipol adopts the 'traditional system' of administration and control, its main bodies being: the Board of Directors (which acts with the support of Board Committees, these having consultative and propositional functions, and through the Chairman and Chief Executive Officer), the Board of Statutory Auditors and the Shareholders' Meeting. Control of legal auditing of the financial statements is entrusted to an Audit Company, under the terms of the current provisions of law on the matter. The role and responsibilities of the aforementioned bodies are explained later on in this Section.

As part of the Group's governance and Internal Control System and risk management, a number of internal company committees have been set up by the Board of Directors, or by the Chief Executive Officer/General Manager, these mainly made up of those in charge of the Management Offices, whose functions are to implement and oversee the guideline, coordination and strategy policies set out by the Board of Directors and Senior Executives.

Unipol and social responsibility

The Company has chosen to make corporate social responsibility a strategy deeply integrated in all company decisions, starting with the definition of identity, governance and the management of all its activities, from business to personal relationships, from relationships with suppliers to those with the community; and to do all this by following a path that leads progressively, and along the lines of ongoing improvement, the purpose being to develop a consistent strategy of sustainability – meaning the ability to combine efficient economic management, care of people from a social point of view and protection of the environment.

Within this framework, during 2010 the Board of Directors drew up and approved, at the same time as the Business Plan, the three-year Sustainability Plan. The development goals that it contains on the one hand make the most of the wealth of experience accumulated by the Group over the years and, on the other, provide for innovation in terms of policies and initiatives, with the aim of involving the whole Group and all its stakeholders, both within and outside the Group. The Sustainability Plan sets itself in advance the goal of achieving targets for assessing the Group's social commitment in all its spheres of operation and activity: evidence of the decision to start drawing up the annual Sustainability Budget. Then we need to add to this initiative all the projects and activities carried out by Fondazione Unipolis, the Group's corporate foundation.

2. Compliance

Unipol has adopted the Code of Conduct promoted by the Borsa Italiana S.p.A. since 2001 (available online at www.borsaitaliana.it) The provisions of law of other countries do not affect the corporate governance structure of Unipol.

3. The Board of Directors

The Board of Directors

Number of meetings held during the 2011 financial year:	9
Average length of meetings:	2.6 hours
Average attendance:	87%
Number of meetings scheduled for the 2012 financial year:	8 (2 of which have already been held – 2 extraordinary meetings have also been held)

3.1 Role, powers and operation

The Board of Directors is invested with full powers for ordinary and extraordinary management of the Company. It is therefore authorised to take all the steps, including using powers of disposition, that it deems appropriate in order to achieve the Company's aims and objectives with the sole exception of those that the law expressly reserves for the Meeting.

In line with this principle of its central role, Article 13 of the Company's By-Laws has attributed powers to the Board of Directors to resolve on issues concerning:

- i) carrying out mergers with and splits from subsidiaries, in cases allowed by law;
- ii) reducing the share capital, should a Shareholder withdraw;
- iii) amending the Company's By-Laws to comply with legislation;
- iv) issuing non-convertible bonds.

Under the Code of Corporate Governance, the Board of Directors, among other things:

- a) examines and approves the strategic, business and financial plans of the Company and the Group, the corporate governance system, the corporate structure and the governance models and guidelines of the Group itself, as well as the Sustainability Plan, the annual Sustainability Budget and the Sustainability Report;
- b) ensures that the general organisational, administrative and accounting structure of the Parent and its strategically important Operating Companies³, as organised by the Chief Executive Officer, is appropriate, with particular reference to the Internal Control System and dealing with conflicts of interest;
- c) with the assistance of the Internal Control Committee lays down the guidelines for the Internal Control System and checks at least once a year that it is appropriate and operates efficiently and effectively for the purposes of the Company's business;
- d) with the assistance of the Internal Control Committee appoints or replaces the executive Director responsible for overseeing the Internal Control System. Under the Code of Corporate Governance, this person is the Chief Executive Officer as there is only one Executive Director;

³ Under the Code of Corporate Governance, Operating Companies are considered to be 'strategically important' if: i) the value of the holding in the Operating Company represents more than 50% of the equity of the Parent, as shown by the most recently approved financial statements, or, ii) the Operating Company, in view of the business it conducts as part of the Group and regardless of the solidity of its assets, provides a contribution that the Board of Directors of the Company believes is a decisive factor in terms of the Group as a whole achieving its core and strategic objectives. On 24 March 2011 the Board of Directors identified the subsidiaries Unipol Assicurazioni S.p.A. and Unipol Banca S.p.A. as being 'strategically important' Operating Companies.

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- e) sets up the appropriate and necessary working groups and committees having the task of making suggestions and providing advice, in order to ensure that the Company and the Unipol Group operate properly and grow;
 - f) delegates powers to the Chief Executive Officer and revokes them and lays down the limits and procedures for exercising them; decides on the frequency, which must be at least quarterly, with which the bodies to which powers are delegated must report to the Board of Directors on the work carried out while exercising the powers delegated to them;
 - g) having taken account of the suggestions made by the Remuneration Committee, establishes the general policies containing the guidelines for remunerating the Directors and Key Senior Executives of the Company and the Key Operating Companies (including the Heads of Audit, Risk Management and Compliance Departments);
 - h) having taken account of the suggestions made by the Remuneration Committee and having consulted the Board of Statutory Auditors, fixes the remuneration of the Chief Executive Officer and the other Key Managers with strategic responsibilities, including on the Advisory Roles, and, unless the Meeting has already voted on the matter, decides how the total amount of the remuneration allocated to the Board of Directors is to be shared out among the individual members;
 - i) with the assistance of the Appointments and Corporate Governance Committee appoints and dismisses the members of the Company's Supervisory Body; with the assistance of the Remuneration Committee fixes the remuneration of these members; once a year, based on proposals put by the Supervisory Body, approves the expenditure, including extraordinary expenditure, required for carrying out the supervision and control provided for in the Organisational and Management Model and the actual expenditure for the previous year;
 - l) after consultation with the Internal Control Committee appoints or replaces the Head of Internal Control and the Heads of Audit, Risk Management and Compliance and fixes their remuneration in line with company policies
 - m) assesses overall business performance, taking particular account of information received from the bodies to which power has been delegated and regularly comparing results with targets;
 - n) with the assistance, if required, of the Committee for Transactions with Related Parties examines and gives advance approval for the transactions of the Company and/or the Operating Companies if such transactions are likely to have a significant effect on the Company's strategy, profits, equity or investments, paying particular attention to situations in which one or more Directors have a personal interest or an interest on behalf of third parties and, more generally, to transactions with related parties.
 - o) with the assistance of the Appointments and Corporate Governance Committee carries out an appraisal, at least once a year, of the size, composition and performance of the Board of Directors and its Committees (hereinafter referred to as the 'Board Performance Valuation'), possibly advising on the professionals whose presence on the Board is deemed appropriate.

The Board of Directors, pursuant to Article 12 of the Company's By-Laws, shall meet at least quarterly. Under the same Article 12, the Board of Directors shall meet, also, whenever the Chairman, or his deputy, considers it appropriate, or when a request is made in writing by at least one third of the directors in office. The Board of Directors may also be convened by the Board of Statutory Auditors or at least one member thereof, with the Chairman being given prior notice.

The validity of the resolutions of the Board of Directors is governed by Article 2388 of the Civil Code. In open ballots if there are the same number of votes the Chairman has the casting vote.

At the Board meetings held during the year, the Chief Executive Officer reported to the Board and the Board of Statutory Auditors on general performance and outlook, as well as on operations, made by the Company and its subsidiaries, which because of their size and characteristics had a significant strategic, economic, or financial impact on the same.

The Chief Executive Officer, in particular, reported regularly to the Board of Directors on the progress of individual sectors of the Group, on its objectives and the activities undertaken, compared with the forecasts, plans and expected results.

The Board of Directors relied on the activities of the Committees to carry out its duties, including:

- > the Internal Control Committee and the Sustainability Committee/Ethics Committee, which reported regularly on the analysis and activities carried out, and the findings and proposals for operations and actions to be undertaken;
- > the Appointments and Corporate Governance Committee, the Remuneration Committee and the Committee for Transactions with Related Parties, which expressed opinions in support of the Board of Directors on the matters within their specific remit.

The Board of Directors also considered the fitness of the organisational, administrative and accounting structures and, in particular the Internal Control System and risk management system of the Company and its main subsidiaries, based on the periodic reports of the Chief Executive Officer, in his capacity as Executive Director responsible for overseeing the Internal Control System, the Internal Control Committee and functions responsible for governance control (see Paragraph 8 below).

The documentation illustrating the topics for discussion is normally sent to the Directors and Statutory Auditors some days before the meetings, except in cases of urgency or especial confidentiality. As from the 2011 financial year the Company has adopted an IT management service for the aforementioned documentation by using a "Virtual Data Room" accessible directly from a protected internet portal that enables more efficient management of Board documents both in terms of saving time and ensuring high standards of confidentiality, providing effective measures for complying with the requirements contained in Legislative Decree 231/2001 and the Code of Conduct.

3.2 Composition

According to the Company's By-Laws management of the Company is entrusted to a Board of Directors made up of no fewer than 15 and no more than 25 members, appointed by the Shareholders' Meeting after it has established their number, possessing the requirements of professional preparation, trustworthiness and independence as established by provisions and regulations in force.

Directors are appointed for three years, or for a shorter period fixed by the Shareholders' Meeting when appointing them, and are eligible for reelection.

The Shareholders' Meeting held on 29 April 2010 appointed the Company's Board of Directors, made up of 25 members, for a period of three years, that is until the Shareholders' Meeting called to approve the financial statements for 2012.

In accordance with Article 10 of the Company's By-Laws and in compliance with current prescriptive and regulatory provisions, the members of the Board of Directors are appointed according to a single list submitted by the controlling partner Finsoe accompanied by, among other things, statements in which individual candidates have confirmed that they are neither ineligible nor incompatible and that they fulfil the requirements established for holding the posts concerned, and a CV describing their personal and professional profile and, if applicable, details stating why they consider it appropriate to describe themselves as independent, in compliance with the Code of Conduct and Article 147-ter of the TUF. These

guidelines are shown in the Corporate Governance Section of the Company's website at www.unipol.it).

Mr Roberto Giay, Legal, Corporate, Holdings and Compliance Director of Unipol was confirmed as Secretary of the Board of Directors, elected in accordance with Article 11 of the Company's By-Laws.

As a result of the resignation of the Director Gilberto Coffari on 12 June 2011, at its meeting of 30 June 2011 the Board of Directors replaced him by coopting Adriano Turrini in accordance with Article 2386, para. 1, of the Civil Code, subject to the approval of the Board of Statutory Auditors and the Appointments and Corporate Governance Committee.

The appointment of the Director coopted will be subject to the resolution passed by the shareholders' meeting held on 19 March 2012 and his term of office, together with that of the entire Board of Directors, will expire on the date of the Shareholders' Meeting called to approve the financial statements for 2012.

Roger Iseli has also indicated that he will resign from the Company's executive body at the forthcoming shareholders' meeting to be held to approve the financial statements for 2011. In view of this resignation, at its meeting of 15 March 2012 the Board of Directors asked the Shareholders' Meeting called to approve the 2011 financial statements to vote on replacing him.

The composition of the Board of Directors is shown in Table 1. Also appended to the Report are the Directors' CVs.

Criteria for total number of posts that may be held in other companies

The Directors accept the appointment if they consider that they have the time necessary to enable them to carry out their duties diligently, bearing in mind the number of offices of Director or Statutory Auditor that they hold in other companies listed on regulated markets (including foreign markets), in finance, banking or insurance companies or in large companies.

The Board of Directors, at its meeting on 25 June 2009, adopted a specific Regulation by way of guidance on the maximum number of offices as director or statutory auditor which may be considered compatible with effective performance as Director of the Company, in accordance with the criterion implementing 1.C.3. of the Code of Conduct. The Regulation (available in the Corporate Governance section of the Company website at www.unipol.it) defines a number of general criteria that take into account the effective role that the Unipol Director plays in other companies, the nature and size of these companies; it also introduces different limits, respectively, for the roles of Chairman, Chief Executive Officer, non-executive Director and independent Director of Unipol.

At the meeting of 24 June 2010 the Board of Directors carried out the first post-appointment verification relating to the accumulation of posts held by the Directors, in enforcement of the Regulation adopted, and found that all members of the Board of Directors were compatible with the efficient performance of their duties.

The Board carried out the annual assessment with regard to keeping up the requirements concerning accumulation of posts on 15 March 2012, the date on which the Report was approved.

3.3 Appointment and replacement of Directors

The Board of Directors is appointed on the basis of lists submitted by Shareholders who at the date of submission are entitled to vote on the respective decisions at the Shareholders' Meetings; these lists must be lodged at the Company's registered office at least 25 days before the date fixed for the Shareholders' Meeting. This stipulated period was introduced into the By-Laws by a resolution on 10 February 2011, adopted by the Board of Directors under its powers to adapt the By-Laws to the relevant legislation including, most recently, those relating to the Implementing Decree.

Members who, alone or jointly with others Members, hold the total number of shares laid down in accordance with current legislation and regulations and that will be mentioned from time to time in the notice of the Shareholders' Meeting are entitled to submit lists: at the reporting date, this share, last determined by CONSOB by Resolution 18083 of 25 January 2012, is equal to 2.5% of the ordinary share capital.

The lists, which must be accompanied by full details of the candidates' personal and professional profiles indicating, if applicable, whether they can be deemed to be independent, are duly published on the Company's website.

In accordance with Article 2386 of the Italian Civil Code, if one or more Directors cease to hold office during the year, provided that the majority are Directors appointed by the Shareholders' Meeting, the following procedure will be followed:

- i) the Board of Directors appoints cooptees from the same list as the Directors who have ceased to hold office, starting with the first unsuccessful candidate, on condition that if the cooptee must be independent the first unsuccessful independent candidate on the list will be appointed;
- ii) if there are no candidates left on this list who have not already been elected, the Board of Directors replaces the Directors who have ceased to hold office without observing the procedure outlined in point i).

Should the majority of the Directors appointed by the Shareholders' Meeting cease to hold office, the entire Board is deemed to have resigned and a Shareholders' Meeting must be called without delay by the Directors remaining in office in order to reconstitute the Board in accordance with the above procedures.

When Directors are replaced pursuant to Article 2386 of the Italian Civil Code, the results of the voting at the Shareholders' Meeting will comply with the majorities laid down in law without any restrictions imposed by lists, but care must be taken to ensure that the Board of Directors has at least two members who comply with current legal and regulatory requirements relating to independence.

The structure, composition and additional information relating to the Board of Directors required by the Code of Conduct are shown in the attached Tables 1 and 2.

3.4 Non-executive and independent Directors

Under the Code of Conduct, with the exception of the Managing Director, the Board of Directors is made up of non-executive Directors, that is Directors having no executive powers and no strategic role or management post in the Company, in strategically important Subsidiaries nor in Holding Companies.

In line with international best practice the Company pays particular attention to the requirement for substantial independence, giving a broad interpretation to the provisions contained in the Code of Conduct, in order to ensure that the interests of all Shareholders, whether majority or minority, are represented. Consequently the Company has decided to exclude a priori from the assessment of the requirement for independence – regardless of whether one or more of the conditions at Article 3 of the Code of Conduct are fulfilled – Directors who:

- (i) hold posts in the corporate bodies of the direct holding company Finsoe;
- (ii) hold posts in the corporate bodies of parties who are members of shareholders' agreements to control the Company or that contain clauses relating to the composition of the Company's Board of Directors or of the boards of companies controlled by them within the meaning of Article 2359, para. 1, of the Civil Code.

The periodic evaluation by the Board of Directors of the requirements of independence of non-executive directors, set out in the Code of Conduct, was conducted on 13 May 2010 during the first Board meeting following the appointment, which formed part of the Shareholders' Meeting on 29 April 2010. During the same session, the Board of Directors also assessed the independence requirements pursuant to Article 148 of the TUF, as provided in Article 147-ter, paragraph 4, of the same.

The annual independence assessment by the Directors was carried out at the meeting held on 15 March 2012. The Board of Directors adopted the guidelines provided by CONSOB in its communication DEM/10046789 of 20 May 2010, which states that the "definition of an independent director provided for by the combined provisions of Articles 147-ter, paragraph 4, and 148, paragraph 3, of the TUF allows the appointment of an independent director of a listed company as an independent director of one or a number of the listed company's subsidiaries without this of itself determining the loss of independence."

The outcome of these assessments is illustrated in Table 1.

The Board of Statutory Auditors includes the outcome of the checks carried out to ensure that the criteria and checking procedures adopted by the Board of Directors for assessing the independence of its members are properly applied in its report to the Shareholders' Meeting.

On 13 March 2012 a meeting of Independent Directors was held with the participation, at the request of the said Directors, of the Chairman and Chief Executive Officer. This meeting examined, among others, topics consistent with the strategic vision of the Company and of the Group that manages it, the prospects for business performance and with the major investments.

3.5 Lead Independent Director

The Chairman has no executive powers and has no specific role in strategic planning.

The separation of the posts of Chairman and Chief Executive Officer makes it unnecessary to appoint a Lead Independent Director, the requirements referred to in the criterion implementing 2.C.3 of the Code of Conduct not arising.

3.6 Remuneration

The Shareholders' Meeting held on 29 April 2010 voted to pay each Board member an annual fee of €50,000.00 and an attendance fee of €1,500.00 for each Board meeting.

The Shareholders' Meeting also voted to take out third-party liability insurance, including legal protection, to cover the risks arising out of the legal and contractual duties inherent in the post of Director, the costs to be borne by the Company up to an annual maximum amount of €250,000, including tax, for a maximum of up to €50m.

After consultation with the Remuneration Committee and the Board of Statutory Auditors, at its meeting held on 13 May 2010 the Board of Directors fixed the remuneration for the offices of Chairman, Vice Chairman and Chief Executive Officer.

The Board of Directors assigned a fixed fee of €1,500.00 to members of Board committees for attendance at each meeting.

The remuneration paid to non-executive directors is not linked to the Company's profits, nor are there any plans to offer members of the Board of Directors incentives in the form of shares nor incentives based on any other financial instruments. In accordance with normal market practices and with the provisions of the Code of Conduct relating to the part of the remuneration of the top posts in the company that must be based on business results, the Chief Executive is paid a variable short- and long-term element calculated by

applying the criteria laid down in the system of variable remuneration for the Group's Senior Executives, as described below.

During 2011 the Board of Directors approved the changes to the system for remunerating the Unipol Group's Senior Executives, which was introduced in 2007 and first amended in 2010, to take account of new legislation introduced as a result of Banca d'Italia issuing the 'Provisions relating to remuneration and incentivisation policies and practices in banks and banking groups' and of ISVAP issuing its Ruling 39 relating to remuneration policies in insurance companies. The changes related to both the short-term and the long-term components (STI and LTI respectively) and were intended to introduce into the incentivisation scheme elements that could link variable remuneration to the pursuit of the Company's medium-long-term interests and its risk management policy.

The remuneration due to the Manager in charge of financial reporting, including variable element, is commensurate with the duties and responsibilities of the task.

At its meeting on 15 March 2012, the date this Report was approved, the Board of Directors drew up the general policy for remunerating members of Unipol's corporate bodies and its key Senior Executives for 2012 (the 'Remuneration Policy'); the Board of Directors also approved the 'Remuneration Report' in accordance with Article 123-ter of the TUF and the Report on the remuneration scheme based on financial instruments in accordance with Article 114-bis of the TUF, which will be presented to the Shareholders' Meeting called to approve the 2011 financial statements. (These documents are available in the Corporate Governance Section of the Company's website, www.unipol.it.)

Information on the objectives of the Remuneration Policy, the principles on which it rests, the criteria for ascertaining the ratio between the fixed and variable components, the performance targets to which the variable components are linked, the vesting period and the mechanisms for incentivising the Heads of the Internal Control Departments are contained in the Remuneration Report; this document also contains details of the amount of remuneration drawn during the year by the members of the Board of Directors and the Chief Executive and the total remuneration drawn by the key Senior Executives.

3.7 Annual self-assessment

The Board Performance Valuation relating to the size, composition and operation of the Board of Directors and the Board committees was carried out by the Appointments and Corporate Governance Committee with the help of a leading outside consultant and involved: (i) individual discussion with each Director based on a self-assessment questionnaire; (ii) analysis of the information and comments that emerged; and (iii) discussion during the Board meeting held on 15 March 2012, the date on which this Report was approved, of a report on the main results.

The following findings came out of this work:

- > the standard of work and efficiency of the Board of Directors and its Committees was deemed to be largely positive, even compared with other Boards of which each Director is a member;
- > the improvements made following the Board Reviews carried out in recent years were appreciated;
- > the possibility of being able, at a later stage, to improve the efficiency of the Board of Directors by working on a number of specific areas of improvement during 2012.

4. The Chairman

The Chairman is elected by the Board of Directors from among its own members for three years or the period he is a member of the Board if this is shorter.

On 29 April 2010 the Board of Directors elected Mr Pierluigi Stefanini as Chairman of the Company.

The Chairman provides the impetus for the actions of the Board of Directors, promoting transparency within the Company's business activities and ensuring that all shareholders are represented.

In particular, granted his powers to represent the Company within the limits provided for in the Company's By-Laws, he may apply himself to ensuring that the Board of Directors and directors with specific roles keep in touch with one another, carry out their duties effectively and work as a team. This by no means implies that he is involved in management, which is the job of the bodies authorised for this purpose.

The Chairman ensures that the Directors participate in initiatives intended to expand their knowledge of the Company's business, including keeping up to date with legislation, so that they can carry out their duties effectively and with full knowledge of the facts.

By keeping in constant touch the Chairman and the Chief Executive Officer identify opportunities and risks affecting the entire insurance, banking and financial business in general, and the Chairman will keep the Board of Directors informed so that they can make their own decisions on how to guide and coordinate the Company and the Group. The Chairman will ensure that he listens to the aspirations of shareholders and translates them into strategic and operational guidelines for the Board of Directors. The Chairman is also expected to ensure that the Company is run not only for profit but also qualitatively in such a way as to produce consistent results, compete in the market place and safeguard resources and equity.

The Chairman may have access to all the information within the Company, informing the Chief Executive Officer of information acquired from other sources, in order to enable the Company to be properly run.

In agreement with the Chief Executive Officer, the Chairman is also charged with:

- > scheduling the work of the Board of Directors and drawing up the Agenda for meetings;
- > after consulting the Appointments and Corporate Governance Committee, proposing candidates for the posts of the Company's General Manager and Vice General Manager to the Board of Directors;
- > after consulting the Appointments and Corporate Governance Committee, submitting names to the Board of Directors for appointment to the Company's Advisory Committees;
- > submitting names to the Board of Directors for the posts of Director and Statutory Auditor, and of Chairman, Vice Chairman and General Manager (and/or Chief Executive Officer) of the 'major businesses' (whether they be key Operating Companies or companies or participating interests), after having consulted widely in advance and having submitted these names to the Appointments and Corporate Governance Committee;

- > indicating the names to be submitted to the relevant decision-making bodies for the posts of Director, Statutory Auditor and of Chairman, Vice Chairman and General Manager (and/or Chief Executive Officers) of the 'minor' direct Subsidiaries and participating interests;
- > expressing the Company's approval for the Operating Companies to appoint trustees in the various minor subsidiaries and participating interests;
- > proposing to the relevant decision-making bodies the total or individual fees to be paid to the Operating Companies' Board of Directors members, in accordance with the guidelines laid down in the general policies resolved by the Board of Directors;
- > formulating proposals to the relevant decision-making bodies concerning the level of remuneration to be paid to the Operating Companies' Chairmen, Vice Chairmen and General Managers (and/or Chief Executive Officers), in accordance with the guidelines laid down in the general policies resolved by the Board of Directors;
- > providing the Remuneration Committee with suggestions for the working of the proposals to be submitted to the Board of Directors on the general policies for the remuneration of the General Manager, Vice General Manager and other key Senior Executives of the Company and the key Operating Companies;
- > submitting to the Board of Directors, in accordance with the guidelines laid down in its general policies, proposals on the remuneration to be paid to the Company's General Manager and on determining the level of remuneration, specifying the performance objectives on which the variable element of the remuneration is based;
- > in accordance with the guidelines laid down in the general policies resolved by the Board of Directors, determining the remuneration of the key Senior Executives of the Company and the key Operating Companies, fixing the performance objectives on which the variable element of their remuneration is based.

The Chairman is automatically a member of the Management Committee, automatically attends the meetings of the Appointments and Corporate Governance Committee, the Remuneration Committee and the Sustainability Committee/Ethics Committee and is invited to attend the meetings of the Internal Control Committee.

5. The Vice Chairman

The Vice Chairman is elected by the Board of Directors from among its own members for three years or the period he is a member of the Board if this is shorter.

On 29 April 2010 the Board of Directors elected Mr Piero Collina as Vice Chairman of the Company.

The Vice Chairman, together with Chairman, the Chief Executive Officer and the other members appointed by the Board of Directors, make up the Management Committee. The Vice Chairman automatically attends the meetings of the Appointments and Corporate Governance Committee, the Remuneration Committee and the Sustainability Committee/Ethics Committee and is invited to attend the meetings of the Internal Control Committee.

In order to enable the Company to be properly run, if the Chairman is absent or prevented from fulfilling his duties the Vice Chairman has the same powers to act, in doing so has access to all the information within the Company and informs the Chief Executive Officer of information acquired from other sources.

6. The Chief Executive Officer/General Manager

The Chief Executive Officer is appointed by the Board of Directors from among its own members for three years or the period he is a member of the Board if this is shorter.

On 29 April 2010, the Board of Directors elected Mr Carlo Cimbri as Chief Executive Officer of the Company.

The Company's sole Executive Director is the Chief Executive Officer.

The Chief Executive Officer carries out the following tasks:

- a) jointly with the Chairman:
 - > identifying the strategies relating to the general guidelines for the Company and the Unipol Group to be submitted to the Board of Directors;
 - > examining in advance operations to be proposed from time to time to the Board of Directors that according to the criteria laid down by the Board of Directors are likely to have a significant effect on profits, equity and investments, particularly Transactions with related parties of major relevance;
 - > ensuring that the Directors can carry out their duties effectively and with full knowledge of the facts;
- b) ensuring that the objectives laid down by the Board of Directors are pursued by issuing the relevant operating guidelines; working with the Company's senior executives to ensure that the resolutions passed by the Board of Directors are implemented and that the business is properly run;
- c) establishing guidelines and lines of action for the Group as a whole by ensuring good relations at the various levels between the Company and the rest of the Group;
- d) identifying the principal business risks, presenting them to the Board of Directors for examination and implementing the Board's guidelines by planning, managing and monitoring the Internal Control Systems. He examines the auditing guidelines, may draw up proposals for supplementing the annual auditing plan and may require that specific auditing measures not provided for in the annual plan be undertaken.
- e) in his capacity as executive Director responsible for overseeing the Internal Control System, after consultation with the Chairman, providing the Board of Directors with the text of motions on the appointment or replacement of the Head of Internal Control and the Heads of Audit, Risk Management and Compliance and on their remuneration;
- f) identifying, in agreement with the Chairman, potential candidates for the posts of General Manager and Vice General Manager of the Company so that the Chairman can submit them to the Appointments and Corporate Governance Committee and propose them to the Board of Directors;
- g) identifying, in agreement with the Chairman, potential candidates for the posts of Director and Statutory Auditor and of Chairman, Vice Chairman and General Manager (and/or Managing Director) of the major businesses (whether they be key Operating Companies or participating interests), so that the Chairman can submit them to the Appointments and Corporate Governance Committee and propose them to the Board of Directors;
- h) submitting to the Chairman potential candidates for the posts of Director and Statutory Auditor, and of Chairman, Vice Chairman and General Manager (and/or Chief Executive Officer) of the minor direct subsidiaries and participating interests in the Group
- i) submitting to the Chairman the names to be submitted to the relevant decision-making bodies for the posts of Director and Auditor and of Chairman, Vice Chairman and General Manager (and/or Chief

Executive Officer) of the 'minor' Group subsidiaries and participating interests;

- j) having overall responsibility for the process of appointing 'key Group personnel' to cover the principal managerial posts in the various companies in the Group;
- k) in agreement with the Chairman, providing the Remuneration Committee with suggestions for the wording of the proposals to be submitted to the Board of Directors on the general policies for the remuneration of the General Manager, Vice General Manager and other key Senior Executives of the Company and the key Operating Companies;
- l) in agreement with the Chairman, submitting to the Board of Directors, in accordance with the guidelines it has laid down in the general policies, proposals on the remuneration to be paid to the Company's General Manager and on determining the level of the remuneration, specifying the performance objectives on which the variable element of the remuneration is based;
- m) in agreement with the Chairman, determining the remuneration of the key Senior Executives of the Company and key Operating Companies, fixing the performance objectives on which the variable element is based, in accordance with the guidelines laid down in the general policies by the Board of Directors;
- n) in agreement with the Chairman, proposing to the relevant decision-making bodies the level of total or individual remuneration to be paid to the members of the Board of Directors of the Operating Companies, in accordance with the guidelines laid down in the general policies by the Board of Directors;
- o) in agreement with the Chairman, submitting proposals for the remuneration of the Chairmen and Vice Chairmen of the Operating Companies to the relevant decision-making bodies, in accordance with the guidelines laid down in the general policies by the Board of Directors.

If the Chief Executive Officer has a potential conflict of interest, the functions listed above that are expected to be fulfilled by the Chief Executive Officer in agreement with the Chairman are exercised instead by the Vice Chairman.

The Chief Executive Officer is automatically a member of the Management Committee, automatically attends the meetings of the Appointments and Corporate Governance Committee and the Sustainability Committee/Ethics Committee and the Remuneration Committee in an advisory capacity and is invited to attend the meetings of the Internal Control Committee.

The Chief Executive Officer also holds the post of General Manager, as resolved by the Board of Directors in accordance with Article 15 of the Company's By-Laws.

In particular as General Manager the Chief Executive Officer ensures that the Group's business is properly managed, in line with the strategic plan.

7. The Committees

Under the authority conferred on it by the Company's By-Laws the Board of Directors has deemed it appropriate to set up specific committees consisting of some of its members in order to increase the efficiency and the effectiveness of its activities. These committees have a consultative and advisory role and their duties are also based on the criteria provided in the current Code of Conduct.

The Internal Control Committee and the Remuneration Committee were therefore set up in 2001; the Appointments Committee – which adopted the name of the Appointments and Corporate Governance Committee in 2010 – the Chairman's Committee and the Committee for Social Responsibility were set up during 2007. Following approval of the Group's Code of Ethics in March 2009, the latter also took on the function of Ethics Committee.

In 2010, the Committee for Transactions with Related Parties, in compliance with the relevant legislation.

Within the limits laid down by the Board of Directors and subject to its approval, the Committees are authorised to have access to the company information and departments required to enable them to carry out their duties and may use external consultants.

7.1 The Management Committee

The Management Committee is made up of the Chairman of the Board of Directors, the Vice Chairman, the Chief Executive Officer and other Directors appointed by the Board of Directors.

The Board of Directors appointed by the Shareholders' Meeting on 29 April 2010, in the session held on the same date, proceeded to appoint the members of the Management Committee.

The composition of the Management Committee is shown in Table 3.

The Management Committee has an advisory role and assists in identifying the policies for growth and guidelines for the strategic and operational plans to be submitted to the Board of Directors, in particular on the following matters:

- > policies on dividends and/or remuneration of capital;
- > operations of an extraordinary nature that have to be put to a Shareholders' Meeting, in particular capital increases and issues of convertible bonds, mergers, splits, distribution from provisions, acquisition of treasury shares and changes to the Company's By-Laws;
- > extraordinary operations of significant strategic interest or that are likely to have a significant effect on the value and/or the composition of the Company's capital and reserves or on the price of shares, such as acquisitions or divestments of major shareholdings, mergers or alliances with other groups and significant changes to the structure or composition of the Group;
- > the Company's and the Group's strategic multiyear plans and annual budgets.

The Committee met eight times during the year.

During these meetings the Management Committee has provided advice and assistance in accordance with the Code of Corporate Governance.

7.2 The Appointments and Corporate Governance Committee

The Board of Directors appointed by the Shareholders' Meeting on 29 April 2010, in the session held on the same date, proceeded to appoint the members of the Appointments and Corporate Governance Committee.

The composition of the Appointments and Corporate Governance Committee is shown in Table 4.

The Committee ensures that the Directors are suitably independent of management, advises on the optimum composition of the Board of Directors and helps to draw up the Code of Corporate Governance. The Appointments and Corporate Governance Committee is thus charged with the following:

- a) proposing candidates for the post of Director to the Board of Directors under Article 2386, para. 1, of the Civil Code if it should be necessary to replace an independent Director;
- b) deciding on the timetable and procedures for carrying out the Board Performance Valuation;
- c) providing the Board of Directors with information and updates on regulations and best practice relating to corporate governance.

The Appointments and Corporate Governance Committee is then called upon to advise on:

- > the appointment of the members of the Company's Advisory Committees;
- > the appointment of the Company's General Manager and Vice General Manager;
- > candidates for the posts of Director and Statutory Auditor, and of Chairman, Vice Chairman and General Manager (and/or Chief Executive Officer) of the major companies (whether they be key Operating Companies or participating interests). The Chairman's task is to submit the names of these candidates to the Appointments Committee, in agreement with the Company's Chief Executive Officer. A meeting of the Committee must be called well in advance of the date of the meeting of the Board of Directors at which the proposal will be discussed and voted on.
- > applying the Group's Code of Corporate Governance and the governance model and guidelines;
- > the size and composition of the Board of Directors and, if necessary, the professionals whose presence on the Board of Directors is deemed appropriate.

The Appointments and Corporate Governance Committee met six times during 2011 and carried out the following work:

- a) discussed the results of the Board of Directors' annual self-appraisal process carried out by the external consultant;
- b) examined the 2010 Annual Report on corporate governance;
- c) approved:
 - > the changes made to the Code of Corporate Governance in March and December 2011;
 - > the cooption of a Director in accordance with Article 2386 of the Civil Code and his appointment as a member of the Management Committee;
 - > the proposals for reorganising the subsidiary Unipol Assicurazioni S.p.A.;
 - > appointments made in subsidiaries;
 - > the proposal to change the composition of the Remuneration Committee by appointing a fifth independent member in order to comply with the rules on remuneration.

The Appointments and Corporate Governance Committee sent letters to non-members inviting them to attend meetings to discuss individual agenda items.

7.3 The Remuneration Committee

The Board of Directors appointed by the Shareholders' Meeting on 29 April 2010, in the session held on the same date, proceeded to appoint the members of the Remuneration Committee.

At its meeting held on 10 November 2011 the Board of Directors voted to increase the number of Directors on the Committee by appointing Pier Luigi Celli as a member.

The composition of the Committee is shown in Table 5.

The Chairman of the Board of Directors, the Vice Chairman and the Chief Executive Officer automatically attend meetings of the Remuneration Committee in an advisory capacity; the Chairman of the Board of Statutory Auditors or another Auditor designated by him also automatically attends.

The Remuneration Committee carries out investigations, makes suggestions and provides advice.

In particular, it:

- > submits proposals to the Board of Directors on the general policies for remunerating the Directors and key Senior Executives of the Company and the key Operating Companies (including the Heads of the Audit, Risk Management and Compliance Departments);
- > submits proposals to the Board of Directors on the remuneration of the Chief Executive Officer and of Directors who fulfil specific roles, and on specifying the performance objectives on which the variable element of this remuneration is based, in line with the general remuneration policies adopted by the Board of Directors;
- > monitors the application of the resolutions passed by the Board of Directors, in particular ensuring that the performance objectives have actually been reached;
- > periodically evaluates the appropriateness, overall coherence and actual application of the general policies for remuneration the Directors and key Senior Executives of the Company and the key Operating Companies (including the Heads of the Audit, Risk Management and Compliance Departments), using, for this last purpose, the information provided by the Chief Executive Officer and submitting the relevant proposals to the Board of Directors;

The Chairman of the Committee is responsible for gathering information and submitting the relevant data to the Remuneration Committee, ensuring that the various items to be dealt with are accompanied by all the information required for them to be discussed with full knowledge of the fact.

No Director or Statutory Auditor takes part in the meetings of the Remuneration Committee in which proposals relating to his own remuneration should be made to the executive body unless the proposals relate to the remuneration to be paid to all the Directors or Statutory Auditors.

In order to fulfil the duties entrusted to it the Remuneration Committee may, within the financial constraints laid down by the Board of Directors, consult outside experts on remuneration policies, provided that (i) the consultants do not at the same time provide services likely to compromise their independence to any corporate structure dealing with human resources, to the Directors or to key Senior Executives and (ii) the corporate structures dealing with human resources and the Chief Executive Officer do not raise the objection that any consultants identified are incompatible with the overall corporate context.

The Remuneration Committee met four times during 2011.

The Remuneration Committee mainly carried out the following work during meetings:

- > analysed changes in legislation following the issuing on 30 March 2011 of the Banca d'Italia provisions;
- > examined the award of variable remuneration to Senior Executives under the UPM incentivisation

scheme for 2010 and proposals for the remuneration due to the General Manager;

- > was updated on changes in remuneration policies as a result of ISVAP issuing its Ruling 39 relating to remuneration policies and practices in insurance companies on 9 June 2011;
- > examined the resultant changes in the incentivisation scheme for Senior Executives;
- > examined the results of the Gap Analysis required by Article 27, para. 4, of ISVAP Ruling 39/2011;
- > analysed the relevant legislation prior to drawing up the proposal for Remuneration Policy for 2011.

The Committee has also met during the current year to draw up the proposal for Remuneration Policy for 2012 mentioned in paragraph 3.6 above.

7.4 The Internal Control Committee

The Board of Directors appointed by the Shareholders' Meeting on 29 April 2010, in the session held on the same date, proceeded to appoint the members of the Internal Control Committee. The post of Chairman of the Internal Control Committee is entrusted to an independent Director. The Committee Chairman, Mr Massimo Masotti, has the appropriate accounting and financial experience, as assessed by the Board of Directors when appointing him.

The composition of the Internal Control Committee is shown in Table 6.

The Committee carries out investigations and provides the Board of Directors with suggestions, advice and assistance relating to the executive body's assessments and decisions, principally concerning the Internal Control System and approval of the periodic accounting documents.

The main tasks carried out by the Internal Control Committee in order that it can carry out these duties are:

a) helping the Board of Directors to:

- > draw up guidelines for the Internal Control System in such a way that the principal risks affecting the Companies in the Group can be correctly identified and properly calculated, managed and monitored and to ascertain how the business can be run properly and profitably in spite of these risks;
- > identify an Executive Director Responsible for overseeing the system;
- > assess, at least once a year, the suitability, efficacy and effectiveness of the Internal Control System;
- > draw up the part of the annual report on corporate governance that describes the essential elements of the Internal Control System and indicates its overall effectiveness;

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- b) advising on the proposal for appointing and dismissing the Head of Internal Control and the Heads of Audit, Risk Management and Compliance;
 - c) together with the Senior Executive responsible for drawing up the Company's financial statements and the auditors, assessing whether the accounting principles are being applied correctly and whether they are sufficiently standardised for the purpose of drawing up the Company's unconsolidated financial statements and the Group consolidated financial statements;
 - d) examining the processes whereby the Companies in the Group prepare the periodic financial statements so that the consolidated and unconsolidated financial statements can be drawn up;
 - e) at the request of the Chairman and/or the Chief Executive Officer, advising on specific aspects of identifying the principal business risks and of planning, implementing and managing the Internal Control System;
 - f) examining the work schedule and the regular reports drawn up by the Head of Internal Control;
 - g) evaluating the work carried out by the company/companies of auditors charged with auditing the financial statements of Unipol and the Operating Companies and the results set out in the report(s) and any letter(s) containing suggestions;
 - h) reporting to the Board of Directors, at least twice a year, at the time the draft budget and the interim report are approved, on the work carried out and the suitability of the Internal Control System;
 - i) carrying out any other duties allocated to it by the Board of Directors.

The Internal Control Committee has appropriate instruments and flows of information to enable it to carry out its duties. These are mostly provided by the Company's Audit, Risk Management and Compliance Departments and enable the Committee to carry out the checks entrusted to it. The Internal Control Committee may also:

- > require the representatives of the boards of the Operating Companies to provide the information and documentation it needs to be able to carry out its duties properly;
- > propose that external consultants be appointed to assist the Committee to carry out the duties entrusted to it, giving reasons why it is desirable.

The Internal Control Committee will forge the links with the Board of Statutory Auditors required for the work common to both bodies to be carried out efficiently, according to their specific areas of expertise.

In 2011, the entire Board of Statutory Auditors took part in the Committee's meetings, having been invited to do so.

The propositional, advisory and investigatory work entrusted to the Committee was conducted during these meetings, with the participation of representatives of the Internal Control Department and other departments of the Company as well as representatives of the independent auditors.

The Internal Control Committee met 7 times during 2011 and among other things considered:

- > use of the accounting standards for drawing up the 2010 Financial Statements, under the Code of Conduct and the results of the auditing process;
- > the progress of the 'Remote Inspection' project conducted by the Audit office, the 'Solvency II' Project conducted by Risk Management and the 'MiFID' Project conducted by Organisation and IT;
- > the periodic reports on the Internal Control System and risk management system, which were also drawn up in accordance with the regulatory provisions on insurance supervision;

- > a summary of the activities carried out during 2010 and the first half of 2011 by Audit, Risk Management and Compliance, and the auditing and compliance plans for 2012;
- > the results of the activities carried out by the auditing functions, insofar as they are within their remit, regarding the areas and/or operations subject to monitoring and/or examination by the Committee (Non-Life insurance business – new business and claims settlement, Life Insurance, Disaster Recovery and Business Continuity, Information Technology, Banking, Finance).

The Internal Control Committee reported to the Board of Directors at the time of the approval of the draft budget for 2010 and the interim report at 30 June 2011. It also gave the management board specific recommendations at the time of the decisions concerning the annual updating of the Guidelines on the Internal Control System.

Non-members were sent letters inviting them to attend meetings of the Internal Control Committee to discuss individual agenda items.

7.5 The Sustainability Committee/Ethics Committee

The Board of Directors appointed by the Shareholders' Meeting on 29 April 2010, in the session held on the same date, proceeded to appoint the members of the Sustainability Committee.

The composition of the Committee is shown in Table 7.

The main duties required for the Sustainability Committee to do its investigatory and advisory work are:

- > examining the guidelines and procedure for drawing up the Sustainability Plan and the annual Sustainability Budget;
- > examining the draft Sustainability Report and the procedures for drawing it up;
- > regularly updating the principal preparations for implementing the Group's Sustainability objectives in full;
- > advising the Chairman and the Chief Executive Officer on the specific procedures for providing information on and publishing the Sustainability Plan, the Sustainability Budget and the Sustainability Report;
- > regularly monitoring whether the indicators contained in the Sustainability Plan are in line with the Group's operational and business activities.

In accordance with the principles expressed in the Code of Ethics the Board of Directors entrusts the Sustainability Committee with the functions of the Ethics Committee (making suggestions, giving advice and taking decisions), allocating it the task of:

- > ensuring that the principles of the Group's Code of Ethics, business policies and mission statement are consistent with one another;
- > helping to set up the various initiatives aimed at promoting knowledge and understanding of the Code of Ethics;
- > drawing up the communications and ethical training programme and submitting it to the Board of Directors for examination;
- > reviewing the Code of Ethics and if necessary regularly updating and/or amending it;
- > ensuring that the Code of Ethics is observed. In order to do so it may, through the Head of Ethics, acquire all the information and documentation required to monitor whether the Code of Ethics is being observed by the people to whom it is addressed;

- > expressing opinions on the more complex information received by the Head of Ethics relating to alleged infringements of the Code of Ethics;
- > approving and assessing the Ethics Report drawn up by the Ethics Manager, providing for it to be published in the Sustainability Report.

In 2011, the Committee met (i) 3 times in its capacity as the Sustainability Committee and (ii) 4 times in its capacity as the Ethics Committee.

During these meetings the Sustainability Committee examined the progress of the 2010 - 2012 Sustainability Plan in particular and suggested ways of making further improvements to the Group's sustainability strategy, policies and initiatives. It also examined the 2010 Sustainability Report, which was subsequently approved by the Board of Directors, and the Sustainability Budget for 2011, which was drawn up for internal use only.

At its four meetings the Ethics Committee examined the information received by the Head of Ethics and took measures to tackle the most significant cases. It discussed and approved the 2010 Ethics Report, brought it to the attention of the Board of Directors and published it in full as part of the Sustainability Report. It also paid particular attention to deciding how to promote the Code of Ethics.

7.6 The Committee for Transactions with Related Parties

The Board of Directors, at its session on 11 November 2010, proceeded to appoint the members of the Committee for Transactions with Related Parties.

The composition of the Committee for Transactions with Related Parties is shown in Table 8.

The Committee provides advice and suggestions to and holds discussions with the Board of Directors and the various departments of Unipol and the Operating Companies on transactions with related parties (hereinafter referred to as the 'Transactions'), in accordance with the Regulation issued by CONSOB in its ruling 17221 of 12 March 2010 as amended and with the internal procedures adopted by Unipol for carrying out such Transactions (cf. Paragraph 9 as follows).

To be specific, the Committee:

- > advises the Parent's Board of Directors on the procedures for setting up, compiling and updating the register in which related parties are recorded (hereinafter referred to as the 'Register');
- > provides the body charged with making the decision with a reasoned non-binding opinion on the advisability of the Company carrying out any Transaction of Minor Relevance (as defined in the internal procedures) and on the suitability and substantial appropriateness of the terms and conditions;
- > provides the body charged with making the decision with a reasoned binding opinion, based on full and timely information provided by the relevant department during the investigation stage and, if appropriate, the negotiating stage, on the advisability of the Company carrying out any Transaction of Major Relevance (as defined in the internal procedures) and on the suitability and substantial appropriateness of the terms and conditions;
- > provides the body authorised to examine or approve Transactions carried out through the Operating Companies with a reasoned non-binding opinion on the advisability of the Company and the Group carrying out the Transaction and on the suitability and substantial appropriateness of the terms and conditions;
- > advises the Board of Directors on updating the internal procedures relating to transactions with related parties.

The Committee met three times during the year. One of the things the Committee did at these meetings was to approve the changes to the Procedure and the Operating Guide for Transactions with Related Parties, mainly (i) changing the definition of 'key Senior Executives' to fit in with the one used in the Company's internal rules and (ii) redefining the frequency and contents of the regular report to the Committee.

8. The Internal Control System

The Internal Control System includes the set of rules, procedures and organisational structures designed to ensure:

- > the effectiveness and efficiency of business processes;
- > the safeguarding of the value of corporate assets;
- > good management of assets on behalf of clients;
- > reliability and integrity of the accounting and management information;
- > that operations comply with the law, the supervisory regulations, the principles of self-regulation and the company's internal rules.

The Internal Control System, defined by the Guidelines adopted by the Board of Directors of Unipol in December 2008 (which Guidelines were subsequently amended and supplemented in March 2010 and May 2011), and endorsed by all the Subsidiaries, is an integral part of the company and must oversee all its sectors and structures, involving every resource, each insofar as relates to their respective level of competence and responsibility, in order to ensure consistent and effective control of risks. All company departments and offices have a specific role in verifying the operations implemented, according to their different levels of responsibility.

8.1 Structure

The Internal Control System is structured on several levels:

- > **line controls:** they are carried out by whoever carries out a particular operation or by whoever is responsible for supervising it, generally within the same organisational unit. They are the checks carried out by the same departments or incorporated into the automated procedures, or carried out as part of back office work. They are an essential part of the Internal Control System and require an 'ethos of control' to be developed and assimilated, since it alone can guarantee that company objectives will be achieved. These checks are described in the relevant procedures and are recorded when the processes are assessed. They are referred to as first-level controls;
- > **risk management:** specific activities entrusted to departments other than those carrying out the operations in question, the departments that carry out second-level controls help determine the procedures for calculating risks, to check that the limits placed on the various operational functions are observed, to identify possible corrective and/or risk mitigation actions and to monitor whether operation is in line with the objectives and the levels of risk laid down by the relevant company bodies. In particular, they form part of this level of controls on underwriting risks, credit risks, equity and investment risks, operational risks, risks to our reputation and risks of non-compliance with regulations. Included in this category is the work carried out by Risk Management, Compliance, Senior Executive Responsible etc. They are referred to as second-level controls;

> **internal audit:** (hereinafter referred to as 'Audit') this department checks the completeness, functionality and adequacy of the Internal Control System (including the first- and second-level control). This work is referred to as third-level control.

8.2 Role of corporate bodies and the main governance control offices

The Guidelines describe the purposes, principles, structure, roles and responsibilities of the Corporate Bodies and Governance Control Offices (Audit, Risk Management and Compliance).

GOVERNING BODIES

Board of Directors: as laid down in ISVAP, CONSOB and Banca d'Italia regulations and in the Code of Corporate Governance, the Board of Directors bears the ultimate responsibility for the Internal Control System and must ensure that it is comprehensive, operational and efficient at all times. In this regard the Board approves, inter alia, the organisational structure and the allocation of duties and responsibilities to the operational units, ensuring that functions are kept appropriately distinct. With the assistance of the Internal Control Committee it also draws up the guidelines for the Internal Control System and once a year assesses whether it is appropriate and operates efficiently and effectively.

Executive Director Responsible for the Internal Control System: the Chief Executive has the specific task of ensuring that the Internal Control System as a whole is suitable and effective.

In doing so, as already mentioned the Chief Executive is charged with the following, as laid down in the Code of Corporate Governance, to which you are referred:

- > jointly with the Chairman:
 - identifying the strategies relating to the general guidelines for the Company and the Group that are to be submitted to the Board of Directors;
 - ensuring that the Directors can carry out their duties effectively and with full knowledge of the facts;
- > ensuring that the objectives laid down by the Board of Directors are pursued by issuing the relevant operating guidelines; working with the Company's Senior Executives to ensure that the resolutions passed by the Board of Directors are implemented and that the business is properly run;
- > establishing guidelines and lines of action for the Group as a whole by ensuring that relations between the Company and the rest of the Group at the various levels are good;
- > identifying the principal business risks, presenting them to the Board of Directors for examination and implementing the Board's guidelines by planning, managing and monitoring the internal control systems. The Chief Executive Officer examines the auditing guidelines, may draw up proposals for making additions to the annual control plan and may require that specific auditing measures not provided for in the annual plan be undertaken;
- > after consultation with the Chairman, asking the Board of Directors to appoint, replace and remunerate the Head of Internal Control and the Heads of Audit, Compliance and Risk Management in accordance with the guidelines laid down in the general policies it has approved.

GOVERNANCE CONTROL FUNCTIONS (AUDIT, RISK MANAGEMENT AND COMPLIANCE)

Audit: is responsible for assessing whether the Internal Control System is comprehensive and suitable for the type of business carried out and the level of risks underwritten and whether it needs to be adapted to provide help and advice to the Company's other departments. The management board appoints the Head of Department and his duties are laid down and approved by resolution of the Board of Directors, which also specifies his powers, responsibilities and the report procedures. The Audit Department is independent of the operational departments, including hierarchically, and reports directly to the Chairman of Unipol. In order to conduct the audits within their areas of responsibility, those in charge of the audit are guaranteed access to all the paperwork and electronic documentation and to all the staff of the business areas under review, as well as to the information required to monitor the proper conduct of outsourced functions.

When carrying out its tasks, the Department organises the audit activity on the companies in the Unipol Group into (i) audits on head office processes (insurance, banking, governance and support, finance and IT), and (ii) compliance/inspection audits on insurance agencies, bank branches, settlement services and financial advisors.

The Audit Department aligns its activities to professional commonly accepted national and international standards. Its activities include in particular:

- > checks on business processes and organisational procedures designed to assess the functionality of the overall system of internal controls and to identify anomalous trends, breaches of procedures and regulations;
- > checks to ensure that the various operational sectors are complying with the limits set by the mechanisms of delegation and are making full and correct use of the information available in different activities;
- > checks on the fitness of the information systems and their reliability to ensure that the quality of information on which the Senior Executives base their decisions is not undermined;
- > checks to ensure that the procedures adopted with regard to the provision of investment services comply, in particular, with the provisions in force on the separation of the administrative and accounting functions, the separation of customers' assets and the rules of conduct;
- > checks on the fitness of the administrative and accounting procedures in order to ensure that proper records are kept and that they are accurate;
- > checks on the effectiveness and efficiency of the inspections carried out by the Group Companies on outsourced activities;
- > working together, when required, with the Internal Control Committee, the External Auditors, the Board of Statutory Auditors and the Supervisory Body pursuant to Legislative Decree 231/01.

Risk Management: is responsible for evaluating the combination of the various risks, at Group level, and helps Senior Executives to evaluate the structure and efficacy of the Risk Management System, reporting its conclusions to the Senior Executives and the Board of Directors, highlighting any deficiencies and suggesting ways of resolving them. Risk Management carries out this work as part of the process of Own Risk Solvency Assessment for insurance business and the Internal Capital Adequacy Assessment Process for banking business and coordinates the work carried out by the various company departments dealing with risk management.

The risk management system

Within the Group, risk management involves the following stages:

- > *identifying major risks*, in other words those with consequences that may undermine the Group's solvency or constitute a serious obstacle to achieving its objectives. It takes account of both Group structure and the specific nature of the types of business managed by the various Operating Companies;
- > *calculating risks* using a combination of several procedures:
 - *Solvency I* – a commonly used method that introduced the requirement for minimum equity (minimum solvency margin) and relates it to indicators such as premiums and claims, mathematical provisions and capital at risk;
 - *Stress test* – quantitative techniques used by companies to assess their vulnerability to extreme but plausible events. On conclusion of the stress tests Risk Management reports to the Senior Executives and the various Boards of Directors;
 - *Solvency II: Internal Model* for calculating the Solvency Capital Requirement – As part of the process of incorporating Solvency II legislation the Group is in the process of adapting its risk management procedures to Solvency II, which includes developing and using an Internal Model that uses sophisticated financial and actuarial analysis tools to evaluate and calculate the risks identified. These calculations use both the Standard Formula, based on the findings of the most recent quantitative impact study, and the advanced internal models and have a reliability level of 99.5%;
 - *Basel II* for calculating capital requirements – the Unipol Banca Group comes under the category of class 2 banks ('Banking groups and banks that use standardised procedures, with consolidated or individual assets exceeding €3.5bn'). The Basel Committee on Banking Supervision published the new rules on bank capital and liquidity (Basel III) on 16 December 2010. The new rules will come into force gradually starting on 1 January 2013 until becoming fully effective on 1 January 2019. Unipol Banca has begun to decide what measures to adopt in order to adapt gradually to the new minimum standards;
 - *monitoring*, which is split into the individual tasks of reporting and proposing corrective action should the specified operational limits be exceeded. Under the risk management reporting system reports are sent to Senior Executives and operational staff and structured i) according to level of responsibility, ii) according to category of risk, iii) according to frequency;
 - *mitigation*, which consists in identifying and proposing action or measures required or useful for mitigating existing (or potential) levels of risk that are not commensurate with the levels of risk laid down for the business.

Risk Appetite

The risk appetite is defined as the amount of capital at risk⁴ that the Board of Directors specifies as the maximum acceptable loss without the Group's business continuity being jeopardised. The risk appetite is based on the consolidated budget figures and those of the individual companies in the Unipol Group and has a reliability level of 99.50%.

The other elements Unipol takes into account when ascertaining risk appetite can be divided into three types: rating, risk/profitability and solvency.

The Unipol group determines risk appetite on the basis of total economic capital ascertained by applying internal models, the standard formula and the procedures for combining the various major risks mentioned in Pillar I⁵ provided for by Solvency II. The Unipol Group's risk appetite is the sum of the total economic capital of the Banking Group, ascertained in accordance with Basel II, and the total economic capital of insurance business.

4 By capital at risk, or economic capital, is meant the capital requirement for a specific risk where it is thought desirable to cover losses above a given expected level. (This definition presupposes that the expected loss is met from the technical provisions). The economic capital for all the major risks underwritten by the undertakings is defined as total economic capital.

5 The types of risk used for calculating the Risk Appetite are laid down in the QIS5 Technical Specifications: Non-Life and Life technical insurance risk, financial risk, credit risk and operational risk.

ORSA and ICAAP

Under their own risk management system the companies that fall within the scope of the policy use, as instruments for evaluating the efficacy of the risk management system:

- > *Own Risk Solvency Assessment*, in the case of insurance companies;
- > *Internal Capital Adequacy Assessment*, in the case of banking companies.

The primary objective of the two instruments is to ensure that the undertaking evaluates all the risks inherent in its work and determines the corresponding capital requirement. These two instruments analyse both current and potential risks.

Compliance: the Compliance Department is responsible for assessing the fitness and effectiveness of the internal procedures, processes and organisation in order to avoid the risk of non-compliance, which is defined as the risk of incurring penalties, financial losses or damage to reputation or image by infringing external regulations (laws, regulations and Supervisory Body rulings) and internal rules (e.g. By-Laws, codes of conduct and self-regulatory codes).

This risk is widespread at all levels of the organisation and therefore its proper management is extremely important and closely connected with current operations, with particular reference to relationships with customers.

The task of evaluating whether the organisation and internal company procedures are suitable for achieving the objective of preventing this risk is entrusted to a department specifically set up for the purpose, which must meet the requirements laid down in the supervisory regulations.

As stated in the Compliance Policy, the Compliance Department reports to the management board every six months.

For monitoring and control purposes, the Company's Internal Control Committee requires a constant update of the activities carried out by the Head of the Compliance Department.

The department operates by:

- > identifying applicable standards on a continuous basis and assessing their impact on the entire value chain (products, processes, business procedures);
- > assessing non-compliance risks, analysing existing controls and identifying possible remedial measures to ensure that standards are properly applied;
- > monitoring the proper implementation and the effectiveness of proposed organisational changes, carried out also in collaboration with the other departments that include the more general Internal Control System, and particularly with the Audit and Risk Management Departments;
- > providing information flows direct to the corporate bodies and to the other departments involved in risk management.

To this end, the methodology provides for different operating and work phases which can be divided into the following:

- > *ex ante activities*: intended to assess the conformity to standards of new products/projects/processes, or the organisation of the company in relation to the entry into force of new regulations. The phases covering 'analysis of legislation', 'risk assessment' and 'identification of changes';
- > *ex post activities*: activities which relate more specifically to the monitoring phase, that is, to the assessment of the state of compliance of business processes with the standards, which is reached through the evaluation of existing safeguards and the state of implementation of any planned interventions.

Head of Internal Control: the task of ensuring that the Internal Control System is always fit for purpose, operational and functional is the responsibility of the Audit Department, under Andrea Alessandri, the Head of Internal Control by virtue of his appointment by the Board of Directors.

In order to ensure his independence and autonomy from the various departments the Head of Internal Control is not responsible for any operational area, reports direct to the Board of Directors and therefore is not answerable to the head of any of the operational areas, either because of his job or because of his position in the hierarchy.

The Head of Internal Control carries out the following activities in accordance with current legislation and national and international professional standards:

- > monitoring operational processes and organisational procedures and ensuring that flows of information are regular and effective and that IT systems are appropriate and reliable;
- > monitoring administrative and accounting procedures in order to ensure that proper records are kept and that they are accurate;
- > ensuring that checks carried out on work outsourced are effective;
- > drawing up an audit plan in order to plan his work, with details of the activities at risk, the operations and systems to be checked, the frequency of audits and the resources required. The audit plan has the flexibility needed to cope with unforeseen requirements and is submitted to the Board of Directors for approval.

The Head of Internal Control reports on his work to the Internal Control Committee, the Board of Statutory Auditors, the Chairman and the Executive Director responsible. In particular he reports on risk management procedures and on compliance with the plans drawn up to limit them and advises on the suitability of the Internal Control System for achieving an acceptable overall risk profile.

Manager in charge of financial reporting: the Manager in charge of financial reporting is entrusted with the task of contributing to sound corporate management by setting up appropriate organisational measures to ensure the achievement of this objective in a strategic sector such as that of proper financial reporting information.

Under Article 13 of the Company's By-Laws, the Board of Director appoints this Manager, on the recommendation of the Board of Statutory Auditors, from candidates who have at least three years' experience of (a) managing or auditing work or a managerial post with a joint-stock company which has share capital of not less than €10m or a consortium of joint-stock companies with total share capital of not less than €10m, or (b) professional work or a post on the permanent teaching staff of a university lecturing in law, economics, finance or technical/scientific studies closely connected with the Company's business, or (c) a management post with a public authority or government department operating in the credit, finance or insurance sectors or in a business closely connected with that of the Company or of the Group and who fulfil the requirements relating to trustworthiness provided for in Article 147-*quinquies* of the TUF, which is those required of members of the Board of Statutory Auditors.

The meeting of the Board of Directors held on 13 May 2010 confirmed Maurizio Castellina, the current Administration and Operations Manager, as Manager in charge of financial reporting, granting him all the powers and responsibility required to carry out the role entrusted to him.

In order to perform his duties, this Manager has the use of an independent staff and may secure the cooperation of any other structure of the Company and its Subsidiaries, in particular, the Audit, Compliance and Organisation Departments, in cooperation with the supervisory bodies (Supervisory Authority, Board of Statutory Auditors) and the Internal Control Committee. He may also count on the help of the External Auditors responsible for the exchange of information on the administrative/accounting auditing system.

Furthermore, the Manager in charge of financial reporting also meets the Board of Statutory Auditors at least once a year to share the results of monitoring the control system.

The Manager in charge of financial reporting may also take action with companies which contribute significantly to the consolidated financial statements, by giving – while respecting the autonomy and prerogatives of these companies – guidelines on methods and guidance for all departments which may significantly impact the administrative and accounting processes relevant to the declarations and statements that must be issued.

The manager in charge of financial reporting also takes part, as a guest, at the Board of Directors' meeting held to approve the draft budget and other financial statements.

Independent auditors: the Company's external auditors are KPMG S.p.A., which also audit the individual and the consolidated annual financial statements and carry out a limited audit of the interim report, including the consolidated interim financial statements. These external auditors were appointed for the period 2006–2011 at the Shareholders' Meeting held on 3 May 2006.

The above post will lapse with the issuing of the reports on the financial statements at 31 December 2011 and, in accordance with law, will no longer be renewable.

The Shareholders' Meeting held on 28 April 2011 passed the motion submitted by the Board of Statutory Auditors to appoint PricewaterhouseCoopers S.p.A. as external auditors for the nine-year period 2012 – 2020, subject to the fee for the entire duration of the appointment being determined.

8.3 Main features of the current risk management and internal control systems in relation to the financial reporting process, including consolidated

In accordance with requirements established by the Savings Law in the Consolidated Finance Act - Section V *bis* "Financial Information", Unipol has implemented a control model to support the Manager in charge of financial reporting. The purpose of this model is to check the adequacy and effective implementation of the administrative procedures for financial and accounting information.

The 'financial-reporting risk model' adopted is based on a process that is in line with the following internationally acknowledged and accepted frames of reference:

- I. CoSo Framework (Internal Control – Integrated Framework issued by the Committee of Sponsoring Organisations of the Tradeway Commission), unanimously recognised as the standard for the implementation and assessment of internal control systems;
- II. COBIT (Control Objective for IT and Related Technology), the best-practice scheme created by ISACA (Information Systems Audit and Control Association) and ITGI (IT Governance Institute), which is the recognised standard for IT Governance.

With particular reference to the components of the Internal Control System on financial reporting under the CoSo Report, the Unipol Group has followed the guidelines set out below:

- > **control environment:** reflects Senior Management's focus on the importance of the culture of internal control in a business organisation and is managed by Unipol through the documentation and evaluation of controls at group level and for individual companies (Entity Level Control). In this context, the Unipol Group has also formalised procedures, as from 2008 Half-year report, for the preparation of annual and interim reports (Fast Close calendars), identifying those responsible for operating and control activities;
- > **risk assessment:** methods of risk analysis at process level have been defined and implemented through a preliminary Top Down quantitative and qualitative analysis, leading to the definition of the relevant processes (Scoping). An identification and analytical assessment of the risks of failure to achieve the control objectives, in terms of the credibility, accuracy, reliability and timeliness of financial reporting, is then carried out for these processes;
- > **control activities:** the activities required for the proper management and mitigation of the risks described above have been identified, documented and assessed;
- > **information and communication:** a process to evaluate the correct management of information flows between the different company departments and to Senior Executives has been implemented to ensure that all players within the organisation carry out their duties properly. This assessment is formalised in the analysis of 'Control Environment' and 'Control Activities' components;
- > **monitoring:** the Unipol Group has implemented a process of regularly monitoring the reliability of the Internal Control System over time.

In keeping with the guidelines described above, the process of risk management and internal control of financial reporting implemented by Unipol revolves around the following phases:

Phase 1 - Defining the Scope of analysis: this activity is carried out on an annual basis, following approval of the financial statements, and comprises the following steps:

- > Identification of major companies: the selection is based on both quantitative (percentage contribution of the company to the consolidated assets and consolidated income) and qualitative criteria, based on the risk profile of individual companies.
- > Identification of major captions/items for companies identified as major, the statement of financial position captions and significant items are identified by establishing materiality thresholds.
- > Matching significant captions/items with processes: for significant items, a matrix of item – process matches is drawn up through the identification of classes of feeder transactions. This matrix is a tool which can be used to identify the processes covered by subsequent analyses.

Phase 2 – Assessing the Control Environment: the documentation of controls at Group and Company level (Entity Level Control - ELC) is updated annually and the management level of control objectives is evaluated. This analysis makes it possible to:

- > monitor the adequacy for purpose of those dimensions of the Internal Control Model that have not been analysed directly at the level of processes, internal corporate information/communication, monitoring and risk assessment processes;
- > draw up a reference framework of the business environment in which the Internal Control System operates, in order to obtain the information required to shape the subsequent stages of risk analysis/monitoring and testing for processes;
- > obtain an immediate picture of the level of control management and of the internal legal context of the

Group's companies, to support the statements of the Manager in charge of financial reporting and the Chief Executive Officer;

- > identify, if the ELCs provide a positive framework, compensatory controls to mitigate any shortcomings found in the subsequent phases of evaluation of controls at process level.

Phase 3 – Assessing the risks and the design of controls at process level: the documentation of Risks and Controls relating to the financial reporting process is updated periodically in the event of any review of processes by the corporate structures as a result of organisational changes. This documentation is implemented by drawing up Risk and Control Matrices (Risk & Control Analysis - RCA) for each process identified as significant in Phase 1, "Defining the scope of analysis". In particular, the Risk Analysis & Control has been structured as follows:

- > the first part concerns the definition of risks through the identification and description of the type of risk;
- > the second part concerns the identification of control objectives associated with the risk and an indication of the financial statement assertions impacted;
- > the third part concerns the evaluation of controls through:
 - a description of the monitoring activities used to manage the control objective and the risk factor identified;
 - identification of the type of control;
 - evaluation of the adequacy for purpose and effectiveness of the control activities, in terms of risk mitigation, based on the evidence collected
 - the evaluation/presence of evidence of monitoring;
 - a comprehensive assessment by means of correlating the effectiveness of the monitoring and the presence of the related check evidence;
- > the fourth part deals with the points for improvement encountered during monitoring in terms of improving the control documentation and/or improving the design of the control.

Phase 4 – Checking the effective application of controls at process level: the aim of this phase, which is performed twice a year at the time of the annual and half-year reports, is to monitor the effectiveness of the corporate Internal Control System over time and evaluate its reliability.

The test of the effectiveness of the controls consists in checking that all manual 'key controls' are effectively carried out by the department concerned and checking the ways in which the controls are carried out by the organisational units involved.

The following activities are performed during this test phase:

- > definition of the test sample for the key individual controls;
- > performance of the tests in three ways, namely Observation, Analysis of the evidence, Repeat of the control;
- > allocation of a weighting in relation to the identified critical deficiencies and their assessment.

The size of the sample selected takes into account the nature of the controls to be tested, that is, the type of controls (automatic or manual) and their frequency.

On completion of the test phase, including the actions to evaluate and formalise the level of reliability found, further remedial action aimed at improving the effectiveness of the control system may be identified.

Phase 5 – Process of issuing certifications under Article 154-bis of the Consolidated Finance Act: prior to issuing the statements attached to Unipol's annual and half-year reports, and to the consolidated annual and consolidated half-year reports of the Unipol Group, a report on the Internal Control System is prepared as provided for by the Savings Law, which outlines in detail the characteristics of the control system implemented and the results of monitoring and checking activities carried out. This report is sent by the Manager in charge of financial reporting to the Chairman of the Board of Directors, the Chief Executive Officer, the Chairman of the Board of Statutory Auditors, the Chairman of the Internal Control Committee, the Audit Manager and also, for information purposes, to the Independent Auditors.

The Report on the System of IT Governance is appended to that Report.

The IT-Governance controls and procedure enable complex and varied scenarios to be tackled, using a structured model, and provide an overview of the services carried out and a guarantee of their quality. This model, based on the COBIT framework, is combined with the internal control model for the purpose of checking the adequacy and effective application of the internal controls on accounting and financial information and on the Company's system of Corporate Governance in general.

At their meeting of 15 March 2012 the Board of Directors studied the contents of the Report drawn up at 31 December 2011.

Based on the aforesaid report and data checking activities performed by the administrative departments, the Chief Executive Officer and the Manager in charge of financial reporting draw up the statements provided for under Article 154-bis of the Consolidated Finance Act.

In the event of statements relating to communications to the market that contain significant accounting data, the Manager in charge of financial reporting will carry out a check before issuing the statement confirming that the data tally with the accounting ledgers and records.

8.4 The Organisational and Management Model

The completion of the project to reorganise the companies and departments within the Group involved reviewing the Company's Organisational and Management Model in order to ensure that the provisions it contains are in line with the Company's new role and will safeguard the principles and values of the Model itself.

The review involved reassessing Group risks and checks and identifying the large number of procedures in question and covered the new offences included in Legislative Decree 231/2001.

The current Model referred to in Article 6.4 stipulates that the Supervisory Body should be made up of five members: (i) three members of the Internal Control Committee, (ii) the Head of the Legal, Corporate, Holdings and Compliance Department and (iii) the Head of the Audit Department, who shall hold office for two years and are re-electable. The Supervisory Body was appointed at the board meeting held on 13 June 2010, when the Board of Directors confirmed the outgoing members, deeming that they fulfilled the requirements prescribed in the Model and in current legislation.

The composition of the Supervisory Body is shown in Table 9.

8.5 Sustainability and ethical and social responsibility

During 2008, the definition of the Group's Charter of Values laid the foundations for activities designed to give a stronger and clearly shared identity of values to the Group, which had been involved in a major reorganisation and integration process.

The Charter of Values identifies five principles to which the Group is committed daily in relation to its stakeholders:

1. accessibility:	fosters mutual willingness to enter into a dialogue, which in turn generates more organisational efficacy;
2. the long view:	making it easier to interpret market signals correctly and thus anticipate trends. This provides continuity of results and increased profits with a view to achieving sustainability in the broadest sense, i.e. taking environmental, financial and social requirements into consideration in order to enable the business to flourish in the long term;
3. respect:	paying heed to everyone's requirements leads to high-quality service and mutual respect;
4. solidarity:	supporting the community to make it easier to work together and to have faith in the rule of law, thus leading to operational efficiency;
5. responsibility:	is the driving force behind professional reliability: it ensures that we take responsibility for what we do within the deadlines and in the ways laid down in the rules governing the sector, the market and our company ethos.

The Unipol Group's set of values was completed during 2009 with the Board of Directors' approval of the new Code of Ethics. The new Code of Ethics - available in full, together with the Charter of Values, at www.unipol.it - identifies the principles of business ethics and related conduct governing the actions of the whole Group, starting from the directors and managers, towards internal and external stakeholders.

In order to ensure that the principles of the Code of Ethics are pursued consistently, the following tools have been provided for the implementation, monitoring and control of the Code of Ethics:

- > the Ethics Committee, made up of the board members of the Social Responsibility Committee; and
- > the Group's Ethics Manager, appointed by the Board of Directors, on the advice of the Ethics Committee, in the person of Valter Dondi, Head of the Social Responsibility and Ethics Department.

A course to raise awareness of the Code of Ethics - 'The only way is Ethics' - was launched during 2011. It was aimed at all Group employees and agents and was provided on the 'Unipol Web-Based Academy' distance-learning website.

9. Transactions with related parties and directors' interests

On 11 November 2010, the Company's Board of Directors, having obtained the favourable opinion of the Board of Independent Directors, duly set up for the purpose, adopted the 'Procedure for carrying out transactions with related parties' (the '**Procedure**'), pursuant to CONSOB Regulation no. 17221 of 12 March 2010 and subsequent amendments (the '**Regulation**').

The Procedure, published on the company website (www.unipol.it – Corporate Governance section), came into force on 1 January 2011, except for the provisions on transparency which became effective, under the law, on 1 December 2010.

The purpose of the Procedure is to define a procedural system designed to guarantee greater transparency and honesty during the preliminary phase of the negotiations and approval of the Transactions with related parties carried out by Unipol, directly or through subsidiaries. In particular, the Procedure:

- a) defines the subjective scope of the regulatory system of rules, specifying the direct and indirect entities among Unipol's Related Parties, which are to be identified according to the criteria laid down in the Regulation. In this regard, we would point out that it was agreed not to exercise the option, which the Regulation affords issuers, to extend the aforementioned scope to entities other than related parties;
- b) defines the methods for setting up, forming and managing the related party register as a support tool for all Unipol's company structures and subsidiaries for the correct, prompt identification of the applicable transactions with related parties for the purposes of the Procedure;
- c) defines the objective scope of the regulatory system of rules, specifying several types of 'exempt' transactions in relation to which the system of rules, both procedural and informative, do not apply either wholly or in part;
- d) defines the preliminary, consultative process, and specifies rules regarding the methods by which the Company scrutinises or approves subsidiary transactions and the communication flows within the Group, designed to guarantee transparency in the transactions and compliance with these procedural rules.

In particular, the Procedure, under the Regulation, provides for approval of transactions with related parties to be subject to the prior, reasoned (in some cases, binding) opinion of the Committee for Transactions with Related Parties, made up of independent Directors (the '**Committee**'), as to whether it is in the Company's interest to carry out these transactions, and as to the appropriateness and basic fairness of the related conditions.

The system of rules for the transactions is structured in different ways, either from a procedural or from a transparency point of view, with regard to the value of the transactions in question, differentiating 'minor transactions', which are subject to less exacting rules, and 'major transactions', identified by adopting, unchanged, the thresholds provided for by the Regulation, to which the strictest rules are applied.

The transactions carried out through subsidiaries are approved by those companies' competent Corporate offices, subject to the Committee giving its reasoned, non-binding opinion, as to whether it is in the Company's interest to carry out these transactions, and as to the appropriateness and basic fairness of the related conditions.

With specific reference to the 'major transactions', the Procedure – making use of the option afforded in this way to issuers by the Regulation – stipulates that if the Committee has expressed a reasoned opinion against carrying out the transaction, the Company's Board of Directors will be able to approve the transaction despite the Committee's unfavourable opinion, or without taking account of the

conditions set by the Committee, provided that the Shareholders' Meeting authorises the transaction to be carried out. In that case, the transaction will not be able to be carried out if the majority of non-related shareholders with a vote in fact vote against the transaction (whitewash), provided, however, that the non-related shareholders at the Meeting represent at least 10% of the share capital with voting rights;

- e) lastly, defines the replacement mechanisms (equivalent safeguards) in the event of one or a number of members of the Committee being related, stipulating that, should all members be related, the opinion they are responsible for giving should be given by the Board of Statutory Auditors or, if the aforementioned safeguards cannot be applied, by an *independent expert* chosen by the Board of Directors.

The Procedure was amended at the board meeting held on 22 December 2011, mainly in order to (i) adapt the definition of 'key Senior Executives' to the criteria adopted by the Company and (ii) redefine the frequency and contents of the report to be made to the Committee for Transactions with Related Parties.

10. Internal Dealing

The Company has adopted a procedure for notifying transactions aimed at treasury shares or other financial instruments related to such shares.

The set of rules provided for by the Procedures includes:

- (i) the criteria for identifying the Company's senior executives who, in their capacity as senior executives with regular access to confidential information and the authority to make management decisions that could affect the Company's performance and future prospects, are deemed to be 'Relevant Parties' and are therefore obliged to provide the information required under Article 114, para. 7 of the TUF;
- (ii) the methods used by the relevant parties to notify CONSOB and the Company of the relevant transactions in accordance with the provisions of Article 152-*octies* (1) and (2) of the Issuer Regulation;
- (iii) the terms under which the Relevant Parties referred to in (c.1), (c.2) and (c.3) of Article 152-*sexies* of the Issuer Regulation (members of the boards of directors and auditors, individuals with management roles and senior executives identified as Relevant Parties of the Company and the Principal Subsidiaries) authorise the Company to inform CONSOB on their behalf of relevant operations they have carried out, in accordance with the provisions of Article 152-*octies*, para. 6, of the Issuer Regulation.

In order to provide conditions that enable the Company to carry out its duties of disclosure as mentioned above promptly and properly, as an exception to the rules mentioned above the Procedure provides for Relevant Parties who have granted the authorisation referred to in point (iii) above to undertake to notify the Company department concerned of all the relevant operations, whatever the amount concerned, even if it is less than the amount specified in law, that they and/or persons closely connected with them have carried out, within three trading days as from the date on which they were carried out.

In order to prevent potential conflicts of interest and protect the Company and the Group, the Relevant Persons are forbidden to carry out operations on financial instruments issued by Unipol and its Subsidiaries in the seven days preceding meetings of the Company's Boards of Directors called to examine and approve the interim and budgetary accounting figures (blocking periods).

Non-compliance by Relevant Parties holding a post of Director, Statutory Auditor or senior executive in the Company or its Principal Subsidiaries with the duties laid down in the Procedure, which is deemed to be legally binding, may be deemed by the relevant bodies to be a breach of trust. The relevant bodies may

adopt any rulings that take account of specific circumstances.

Non-compliance with the duties laid down in the Procedure by Relevant Parties who are employees of Unipol or its Principal Subsidiaries may be deemed by the relevant bodies to be a matter for disciplinary action. Disciplinary action is taken in accordance with the criterion of proportionality, based on the gravity of the infringement and on whether it was committed intentionally and taking account of whether it was a first offence.

From 12 February 2009, the Procedure also applies to the Relevant Persons of the subsidiary Unipol Assicurazioni S.p.A. since, following the integration carried out as a result of the merger through absorption of Aurora Assicurazioni S.p.A. into Unipol Assicurazioni S.p.A., the latter is now essentially the Principal Subsidiary according to the provisions of the Issuer Regulation.

On 5 August 2010, Unipol's Board of Directors amended the subjective scope of the Procedure in line with the adjustments made to Unipol's organisational structure and the Group's governance structures during 2010.

The Procedure was subsequently reviewed by the Board of Directors:

- > on 10 November 2011 in order to (i) take account of the organisational changes within the Company and its principal subsidiary, Unipol Assicurazioni S.p.A., and (ii) incorporate the definition of 'key Senior Executives' based on the criteria adopted by Unipol;
- > on 15 March 2012, the date this Report was approved, in order to take account of the changes to the information to be provided on internal dealing operations introduced by CONSOB Ruling 18079 of 20 January 2012.

Nine operations carried out by the holding company Finsoe were notified to the market during 2011.

The Procedure is available in the Corporate Governance section of the Company's website www.unipol.it.

11. Treatment of corporate information

In October 2007 the Company's Board of Directors voted in favour of the Managing Director's proposal to adopt the 'Guidelines' and the 'Procedure for dealing with and communicating confidential information'.

The Guidelines and the Procedure mentioned above regulate:

1. 'Dealing with confidential information' by defining:
 - > criteria, roles and responsibilities;
 - > procedures for entering the people who have access to confidential information in the Register;
 - > measures to guarantee the traceability of Confidential Information;
 - > procedures for circulating Confidential Information internally and rules for protecting confidentiality;
2. 'Communicating Confidential Information' by defining, in the case of Unipol, the procedures, roles and responsibilities linked to:
 - > communicating Confidential Information to the public, in accordance with Article 114 of the TUF;
 - > communicating accounting statements and provisional figures to the public;
 - > relations with the financial community and the media;
3. the rules for the conduct of Subsidiaries stipulated by the Parent, which are intended to ensure that the Company carries out properly its duties of notification mentioned above.

On 15 March 2012 the Board of Directors updated both the Guidelines and the Procedure in regard to the changes in the way information is conveyed, introduced by CONSOB Ruling 18079 of 20 January 2012.

12. The Board of Statutory Auditors

<i>Number of meetings held during the 2011 financial year:</i>	21
<i>Average length of meetings:</i>	2.68 hours
<i>Average attendance:</i>	95%
<i>Number of meetings already held in 2012:</i>	2

12.1 Roles and Responsibilities

It should be noted that Legislative Decree 39 of 27 January 2010, on statutory auditing of the annual financial statements and consolidated financial statements, in force since 7 April 2010, introduced important new legislative features regarding the supervisory duties for which the Board of Statutory Auditors of public-interest entities are responsible.

As well as its supervisory duties to ensure observance of the law and the Company's By-Laws and compliance with the principles of proper management required of this inspection body by the institutional rules, the Board of Statutory Auditors is responsible for:

- a) checking the fitness and smooth running of the organisational, administrative and accounting structure;
- b) checking the financial reporting process;
- c) checking the effectiveness of the Internal Control System, internal auditing and risk management;
- d) checking the statutory auditing of the accounts and expressing reasoned proposals to the Shareholders' Meeting about appointing the statutory Audit Company;
- e) checking the independence of the statutory Audit Company, especially with regard to the provision of non-auditing services to the Company.

12.2 Appointment

The Board of Statutory Auditors is appointed on the basis of lists submitted by shareholders who are entitled to vote at the relevant Shareholders' Meeting at the time the lists are submitted.

These lists consist of two sections, one for candidates for the post of Standing Auditor (a maximum of three) and the other for candidates for the post of Alternate Auditor (a maximum of two) and must be deposited at the Company's registered office at least 25 days before the date fixed for the Shareholders' Meeting. This stipulated period was introduced into the By-Laws by a resolution on 10 February 2011, adopted by the Board of Directors under its powers to adapt the By-Laws to the relevant legislation including, most recently, those relating to the Implementing Decree.

Members who, alone or in combination with other Members, hold the total number of shares laid down in accordance with current legislation and regulations relating to electing the members of the Company's Board of Directors are entitled to submit lists: at the date of this report, this share, last determined by CONSOB Ruling 18083 of 25 January 2012, is equal to 2.5% of the ordinary share capital.

The lists must be accompanied by full details of the candidates' personal and professional profile, a statement that they are neither ineligible nor incompatible and that they fulfil the requirements for holding

the posts, including compliance with the current legal limits on the total number of posts that may be held.

The lists, accompanied by the candidates' details, are published on the Company's website at the appropriate time.

The procedure for electing the Statutory Auditors is as follows:

1. two standing auditors and one alternate auditor are taken from the list that obtains the most votes at the Meeting, on the basis of the sequential order in which they appear in the sections of the list;
2. the remaining standing auditor and remaining alternate auditor are taken from the minority list that obtains the most votes at the Meeting, on the basis of the sequential order in which candidates appear in the sections of that list. In the event of a tie between the minority lists, candidates are elected from the list has been submitted by Shareholders holding the majority of shares or, secondarily, by the majority of Shareholders.

The person named first in the minority list assumes the duties of Chairman of the Board of Statutory Auditors.

An auditor must be replaced by the alternate on the same list. In the event of neither the standing auditor elected from the minority list nor the alternative auditor elected from the same list being available, the candidate who is placed next on that list shall take over or, failing that, the first candidate on the minority list who had the second highest number of votes.

12.3 Composition and operation

The Shareholders' Meeting held on 29 April 2010 appointed the Company's Board of Statutory Auditors currently in office on the basis of the only list submitted by the majority shareholder Finsoe. The three standing and two alternate Auditors were appointed for a period of three years, and therefore until the Shareholders' Meeting called to approve the financial statements for 2012.

The composition of the Board of Statutory Auditors is shown in Table 10. Also appended to the Report are the CVs of the Board's permanent members.

All the Statutory Auditors are entered in the Register of Statutory Auditors and statutory audit companies, and meet the requirements prescribed by existing laws and the Company's By-Laws.

At its meeting held on 27 December 2011 the Board of Statutory Auditors assessed the independence of its members by applying the criteria laid down in the Code of Conduct for the independence of Directors.

The Board of Directors carried out the annual assessment with regard to the Statutory Auditors keeping up the requirements concerning independence of posts on 15 March 2012, the date on which this Report was approved, and also assessed whether the members of the auditing body also met the independence requirements laid down in Article 148, paragraph 3 of the TUF, in compliance with the provisions of Article 144-*novies* of the Issuer Regulation, as amended by CONSOB resolution 17326 of 13 May 2010.

The Company's By-Laws do not provide for limits on the total number of posts that may be held in addition to those provided for in Article 144-*terdecies* of the Issuer Regulation.

The Board of Statutory Auditors meets at least every ninety days.

Statutory Auditors who for their own account or that of third parties have an interest in a particular operation to be carried out by the Company must provide the other Statutory Auditors and the Chairman of the Board of Directors with timely and full information on the nature, terms, origin and extent of their interest. No circumstances arose during 2011 in respect of which the members of the Board of Statutory Auditors had to make such statements.

Auditor attendance at the meetings of the Board of Directors held during 2011 averaged 93%, as shown in Table 10.

The Board of Statutory Auditors monitored the independence of the statutory Audit company, especially with regard to the non-auditing services provided to the Company and its Subsidiaries by the Audit company and the companies belonging to their network.

The Board has not exercised the option to request the Audit Department to carry out checks on specific operational areas or business operations, having considered as exhaustive the auditing operations that the Board – as part of its supervisory activities – was able to carry out jointly with the aforementioned department, with regard to the scope of the activities carried out and the outcome of the findings.

During 2011 the Board of Statutory Auditors, through its Chairman, participated as a guest at all the meetings of the Internal Control Committee, acquiring adequate information for the purposes of coordinating the activities of the Board with those undertaken by the aforementioned Committee.

13. The Shareholders' Meeting

13.1 Ordinary and Extraordinary Shareholders' Meeting

The operation of the listed companies' General Shareholders' Meetings has been substantially altered by the Implementing Decree (Legislative Decree 27/2010, transposing Directive 2007/36/EC of 11 July 2007 (Shareholders' Rights Directive) on the exercise of a number of listed companies' shareholders' rights) into our national law.

The provisions of the Implementing Decree, able to be applied by General Shareholders' Meetings whose call notice is published after 31 October 2010 (Article 7, paragraph 1), involved scrutiny of the By-Laws and of the Rules and Procedures for the Meeting in order to specify the methods for adapting them to the new compulsory requirements, while calling for a discretionary assessment of the listed issuers and, as and when expedient, possibly introducing the optional changes into the By-Laws and Rules and Procedures for the Meeting.

At the Board meeting on 10 February 2011, the Company – using the powers of the management board in accordance with the joint provisions of Article 2365, paragraph 2 of the Civil Code and Article 13 of the By-Laws – approved the obligatory changes to the By-Laws and of the Rules and Procedures for the Meeting, resulting from the necessary adaptations to the relevant supervening legislation

The optional changes that the Implementing Decree makes it possible to adopt were instead approved by the Shareholders' Meeting on 28 April 2011

According to the Company's By-Laws, whether the Shareholders' Meeting is properly constituted and whether its votes are valid are matters that are governed by law. Shareholders' Meetings are chaired by the Chairman of the Board of Directors, or, in his absence, by the Vice Chairman, or, if he too is absent, by a Director, or, failing that, by someone elected by the majority of the capital represented.

According to the By-Laws the Board of Directors may, for individual Shareholders' Meetings and in accordance with current legislation, allow members to participate and vote remotely, including electronically, provided that it is possible to identify the parties entitled to do so and ensure that communication is secure. The notice of the meeting must in this case specify the procedures for participating in the business of the shareholders' meeting, including by reference to the Company's website.

During the Shareholders' Meeting each person entitled to vote may speak on each of the topics for discussion and make observations and suggestions. Those wishing to speak must apply to the Chairman

and the latter chairs the debate, giving the floor to those who have asked to speak in the order in which the requests were made, or, if several requests are submitted at the same time, in alphabetical order by surname.

The Board of Directors ensures that shareholders are kept properly informed by publishing information on the motions to be put to the shareholders' meeting within the deadlines and in the ways laid down in law.

13.2 Special Meeting of Preference Shareholders

The Company's By-Laws provide for appropriate rules to determine:

- (i) the procedures for ensuring that the joint Representative of the holders of preference shares is provided with sufficient details of the Company's operations that could affect the price of these shares, in accordance with Article 147, para. 4, of the TUF, by carrying out the duties laid down for notifying the market (Article 6 'Shares', para. 3, of the Company's By-Laws);
- (ii) the allocation, in order to simplify proceedings, of a maximum amount of €30,000.00 per annum to cover the expenses required to safeguard the common interests of the holders of preference shares, for which the Special Shareholders' Meeting voted to set up a fund in accordance with legislation (Article 6 'Shares', para. 2, of the Company's By-Laws).

As at the date of the Report, by virtue of the resolutions passed at the Special Meeting of Preference Shareholders held on 28 April 2011, the person representing all the preference shareholders is Prof. Massimo Franzoni.

The Representative remains in office for three years (2011, 2012 and 2013), and at any rate until the date on which the financial statements for the year ended 31 December 2013 are approved. He is also paid a gross annual fee of €25,000.00 and is reimbursed for any expenses incurred in carrying out his duties.

At the time of the above-mentioned shareholders' meeting the Special Meeting of Preference Shareholders was also called on to approve the report on the fund set up to cover the cost of protecting the common interests of the preference shareholders.

14. Shareholder Relations

The Company traditionally pays special attention to relations with its Shareholders, maintaining a constant dialogue with the market, in compliance with the laws and regulations applicable in this regard, while ensuring that press releases, financial and corporate documents and presentations made to the financial community are readily available on its website, under the Investor Relations and Corporate Governance sections, in order to provide shareholders and the market with adequate and reliable information.

The Company also facilitates the participation of journalists and experts at Meetings.

Relations with investors and financial analysts are dealt with by the Investor Relations department, which is part of the Business Plan Management and Group Financial Control Office
(Tel.: +39 051 5077933 – Fax: +39 051 5076601 – e-mail: investor.relations@unipol.it).

Bologna, 15 March 2012

The Board of Directors

Appendices to the Report

Table 1

Board of Directors

Name	Post	Held since	Exec.	Non exec.	Indep. ¹	Indep. as per TUF ²	% BoD ³	Other posts ⁴
Stefanini Pierluigi	Chairman	29/04/2010		x			100%	5
Collina Piero	Vice Chairman	29/04/2010		x			89%	4
Cimbri Carlo	Chief Executive Officer	29/04/2010	x				100%	2
Berardini Francesco	Director	29/04/2010		x	(a)		100%	4
Betti Sergio	Director	29/04/2010	x		x	x	89%	1
Carannante Rocco	Director	29/04/2010	x			x	100%	1
Celli Pier Luigi	Director	29/04/2010	x		x	x	67%	2
Costalli Sergio	Director	29/04/2010	x		(a)		89%	5
Dalle Rive Ernesto	Director	29/04/2010	x		(a)		44%	4
Forest Jacques	Director	29/04/2010		x			100%	6
Galanti Vanes	Director	29/04/2010		x			100%	3
Iseli Roger	Director	29/04/2010	x		x	x	100%	13
Levorato Claudio	Director	29/04/2010		x			78%	4
Malavasi Ivan	Director	29/04/2010	x		x	x	56%	0
Masotti Massimo	Director	29/04/2010		x	x	x	100%	2
Migliavacca Enrico	Director	29/04/2010		x		x	89%	1
Morara Pier Luigi	Director	29/04/2010		x	x	x	100%	2
Pacchioni Milo	Director	29/04/2010		x	(a)		89%	2
Pedroni Marco	Director	29/04/2010		x	(a)		67%	4
Politi Giuseppe	Director	29/04/2010	x		x	x	78%	1
Turrini Adriano	Director	30/06/2011			(a)		40%	3
Vella Francesco	Director	29/04/2010		x	x	x	100%	2
Venturi Marco	Director	29/04/2010		x		x	89%	1
Zaccherini Luca	Director	29/04/2010		x	x	x	78%	1
Zucchelli Mario	Director	29/04/2010		x			100%	6
Directors who left office during the year:								
Coffari Gilberto	Director	29/04/2010		x			100%	

(a) Managing director a priori excluded from the assessment of independence - apart from the envisaged requirements of the Code of Conduct - as it holds positions within the corporate bodies of the Parent Finsoe S.p.A. (see paragraph 3.4 Section II).

1. Indicates if the Director was deemed by the Board of Directors (subsequently, at the meeting held on 15/03/2012) to be independent in accordance with the criteria laid down by the Code of Conduct and supplemented as indicated in Paragraph 3.4, Section II.
2. Indicates if the Director meets the requirements of independence laid down in Article 148, paragraph 3, of the TUF (confirmation by the Board of Directors at the meeting on 15/03/2012).
3. Indicates the Director's attendance at Board of Directors meetings (the calculation if this percentage considers the number of meetings in which the Director has participated compared to the number of Board meetings held during the year or after the post was taken up).
4. Indicates the total number of posts held in other companies listed on regulated markets (including foreign markets), in finance, banking or insurance companies or in major companies. A list of these companies for each Director is shown in TABLE 2.

List of major posts held by Directors

In accordance with the provisions of the Code of Conduct posts held by Directors in companies listed on regulated markets (including foreign markets), in finance, banking or insurance companies or in major companies are recorded.

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

Table 2	Name	Post held in Unipol	Posts held in other companies
	Stefanini Pierluigi	Chairman	Director of Unipol Banca S.p.A. ^(*) Director of Unipol Assicurazioni S.p.A. ^(*) Director of Banca Nazionale del Lavoro S.p.A. Director of Finsoe S.p.A. Supervisory Director of Manutencoop Facility Management S.p.A.
	Collina Piero	Vice Chairman	Chairman of CCC Società Cooperativa Director of Finsoe S.p.A. Director of Holmo S.p.A. Director of Unipol Assicurazioni S.p.A. ^(*)
	Cimbri Carlo	Chief Executive Officer	CEO of Unipol Assicurazioni S.p.A. ^(*) Director of Unipol Banca S.p.A. ^(*)
	Berardini Francesco	Director	Chairman of Coop Liguria Società Coop.va di Consumo Vice Chairman of Unipol Assicurazioni S.p.A. ^(*) Director of Coop Consorzio Nord Ovest Soc. Consortile a r.l. Director of Finsoe S.p.A.
	Betti Sergio	Director	Chairman of Marte Broker di Assicurazioni S.r.l.
	Carannante Rocco	Director	Vice Chairman of Unisalute S.p.A. ^(*)
	Celli Pier Luigi	Director	Director of BAT S.p.A. Director of ILLYCAFFÈ S.p.A.
	Costalli Sergio	Director	Chairman of Unipol Merchant S.p.A. ^(*) Chief Executive Officer and Vice Chairman of Unicoop Tirreno Società Cooperativa Vice Chairman of Immobiliare Grande Distribuzione S.p.A. Director of Finsoe S.p.A. Director of Unipol Banca S.p.A. ^(*)
	Dalle Rive Ernesto	Director	Chairman, CEO and General Manager of Generale Nova Coop S.c.a.r.l. Director of Unipol Assicurazioni S.p.A. ^(*) Director of Finsoe S.p.A. Director of Coop Consorzio Nord Ovest Soc. Consortile a r.l.
	Forest Jacques	Director	Chairman of Group Multipharma (Belgium) Chairman of Multipharma CEO of PSH S.C. (Belgium) Director of Finsoe S.p.A. Chairman of SMA Hospimut Solidaris Director of MOB Sociale (SOHO)
	Galanti Vanes	Director	Chairman of Unipol Assicurazioni S.p.A. Director of Finsoe S.p.A. Director of Holmo S.p.A.

Table 2

follow

Name	Post held in Unipol	Posts held in other companies
Iseli Roger	Director	General Manager of MACIF (France) General Manager of MACIF SGAM Director of Ofi Asset Management S.A. (France) Director of Altima Assurance S.A. (France) Director of BPCE Assurance S.A. (France) Supervisory Director of IMA S.A. (France) Director of MACIF Participations S.A.S. (France) Statutory Auditor of MACIFILIA S.A. (France) Statutory Auditor of Mutavie S.A. (France) Director of OFI Holding S.A. (France) Statutory Auditor of SOCRAM Banque S.A. (France) Director of Sineterystiki Insurance Company (Greece) Supervisory Director of MACIF ZYCIE (Poland)
Levorato Claudio	Director	Chairman of Manutencoop and General Manager of Società Cooperativa CEO and Chairman of the Management Board of Manutencoop Facility Management S.p.A. Director of Finsoe S.p.A. Director of Holmo S.p.A.
Malavasi Ivan	Director	-
Masotti Massimo	Director	Director of Agefin S.p.A. Standing Auditor of Cooperfactor S.p.A.
Migliavacca Enrico	Director	Director of Unipol Assicurazioni S.p.A. (*)
Morara Pier Luigi	Director	Director of Cooperafactor S.p.A. Standing Auditor of Coop Consumatori NordEst
Pacchioni Milo	Director	Vice Chairman and CEO of Finsoe S.p.A. Director of Cooperfactor S.p.A.
Pedroni Marco	Director	Chairman of Coop Consumatori Nordest Società Cooperativa Director of Centrale Adriatica Società Cooperativa Chairman and CEO of Finsoe S.p.A. Director of Unipol Assicurazioni S.p.A. (*)
Politi Giuseppe	Director	Director of Unipol Banca S.p.A. (*)
Turrini Adriano	Director	Director of Finsoe S.p.A. Vice Chairman of Banca di Bologna Credito Cooperativo Director of Centrale Adriatica Società Cooperativa
Vella Francesco	Director	Chairman of the Board of Statutory Auditors of Luxottica Group S.p.A. Director of ATC S.p.A.
Venturi Marco	Director	Director of Unipol Banca S.p.A. (*)
Zaccherini Luca	Director	Director of Cefla Capital Services S.p.A.
Zucchelli Mario	Director	Chairman of Coop Estense Società Cooperativa Chairman of Sviluppo Discount S.p.A. Director of Finsoe S.p.A. Director of Unipol Assicurazioni S.p.A. (*) Director of Banca Popolare dell'Emilia Romagna Director of Centrale Adriatica Società Cooperativa

Table 3

Management Committee

Members	Post		% Attendance
Stefanini Pierluigi	Chairman		100%
Collina Piero	Member		88%
Cimbri Carlo	Member		100%
Costalli Sergio	Member		100%
Dalle Rive Ernesto	Member		50%
Galanti Vanes	Member		100%
Pacchioni Milo	Member		88%
Pedroni Marco	Member		75%
Turrini Adriano (*)	Member		100%
Zucchelli Mario	Member		75%

(*) Nominated 30 June 2011.

Members who left the Committee during the year:

Members	Post		% Attendance
Coffari Gilberto	Member		100%

Table 4

Appointments and Corporate Governance Committee

Members	Post	Independent	% Attendance
Morara Pier Luigi	Chairman	x	100%
Berardini Francesco (*)	Member	(*)	100%
Levorato Claudio	Member		33%
Politi Giuseppe	Member	x	83%

(*) Director Francesco Berardini is independent within the meaning of the Code of Conduct; however, in enforcement of the substantive criterion described in Paragraph 3.4 of the Report, the Board of Directors excluded him from the list of Independent Directors.

Table 5

Remuneration Committee

Members	Post	Independent	% Attendance
Migliavacca Enrico	Chairman		100%
Betti Sergio	Member	x	100%
Celli Pier Luigi(*)	Member	x	100%
Forest Jacques	Member		75%
Malavasi Ivan	Member	x	100%

(*) Nominated 10 November 2011.

Table 6

Internal Control Committee

Members	Post	Independent	% Attendance
Masotti Massimo	Chairman	x	100%
Carannante Rocco	Member		100%
Iseli Roger	Member	x	71%
Zaccherini Luca	Member	x	71%

Table 7

Sustainability Committee/Ethics Committee

Members	Post	% Attendance
Vella Francesco	Chairman	100%
Celli Pier Luigi	Member	50%
Venturi Marco	Member	75%

Table 8

Committee for Transactions with Related Parties

Members	Post	% Attendance
Morara Pier Luigi	Chairman	100%
Masotti Massimo	Member	100%
Vella Francesco	Member	100%
Zaccherini Luca	Member	33%

Table 9

Supervisory Body

Members	Post	% Attendance
Masotti Massimo	Chairman	100%
Alessandri Andrea	Member	100%
Carannante Rocco	Member	100%
Giay Roberto	Member	75%
Zaccherini Luca	Member	50%

Table 10

Board of Statutory Auditors

Name	Post	Held since	Adapted from list	Indep. as per Code	% BoD ²	% Att ³	% BoA ⁴	Other posts ⁵
Chiusoli Roberto	Chairman	29/04/2010	1	x	100%	100%	100%	7
Trombone Domenico Livio	Standing Auditor	29/04/2010	1	x	100%	100%	100%	19
Picone Giorgio	Standing Auditor	29/04/2010	1	x	78%	100%	100%	15

1. Name taken from the only list presented by the majority shareholder Finsoe in the Meeting of 29 April 2010.

2. Indicates, as a percentage, the Statutory Auditor's attendance at the Board of Directors' meetings (the calculation if this percentage considers the number of meetings in which the Statutory Auditor has participated compared to the number of Board meetings held during the year or after the post was taken up).

3. Indicates, as a percentage, the Statutory Auditor's attendance at meetings (the calculation if this percentage considers the number of meetings in which the Statutory Auditor has participated compared to the number of meetings held during the year or after the post was taken up).

4. Indicates, as a percentage, the Statutory Auditor's attendance at the Board of Statutory Auditors' meetings (the calculation if this percentage considers the number of meetings in which the Statutory Auditor has participated compared to the number of Board meetings held during the year or after the post was taken up).

5. Indicates the number of positions a Director or a Statutory Auditor has in other companies.

Table 11

Other forecasts of the Code of Conduct

	Yes	No	Summary of the reasons for any deviations from the recommendations contained in the Code
System of delegating powers and transactions with related parties			
Has the BoD delegated powers and specified their:			
a) limits	X		
b) operating procedures	X		
c) and how often reports should be submitted?	X		
Is the BoD responsible for examining and approving transactions which have a particular financial implication or involve major amounts of capital or levels of investment (including transactions with related parties)?	X		
Has the BoD issued guidelines and criteria for identifying 'major' transactions?	X		
Are the guidelines and the criteria referred to above described in the report?	X		
Has the BoD laid down appropriate procedures for examining and approving transactions with related parties?	X		
Are the procedures for approving transactions with related parties described in the report?	X		
Procedures for the most recent appointment of directors and statutory auditors			
Were nominations for the post of director submitted at least ten days in advance?	X		
Were nominations for the post of director accompanied by full details?	X		
Were nominations for the post of director accompanied by indications of suitability to be deemed to be independent?	X		
Were nominations for the post of statutory auditor submitted at least ten days in advance?	X		
Were nominations for the post of statutory auditor accompanied by full details?	X		
Shareholders' Meetings			
Has the company approved a set of rules for Shareholders' Meetings?	X		
Are the rules appended to the report (or is there an indication of where they can be obtained/downloaded)?	X		
Internal control			
Has the company appointed those responsible for the internal control process?	X		
Are those responsible independent of those in charge of operational areas?	X		
Organisational unit responsible for internal control			Audit Department
Investor relations			
Has the company appointed a person to be in charge of investor relations?	X		
Organisational unit and details (address/telephone/fax/e-mail) of the person in charge of investor relations			Investor Relations Telephone: (+39) 051 5077933 Fax: (+39) 051 5076601 E-mail: investor.relations@unipol.it

CVs of Directors

Pierluigi Stefanini

Born in Sant'Agata Bolognese (BO), 28 June 1953.

Main professional experience

From 1990 to 1998 Chairman of Legacoop di Bologna.
 From 1995 to 1998 Vice Chairman of Legacoop Regionale Emilia Romagna.
 From 1996 to 1999 Vice Chairman of Banca di Bologna (Banca di Credito Cooperativo).
 From 2001 to 2005 Member of the Board of Guidance Fondazione Cassa di Risparmio of Bologna.
 From 2001 to 2004 Member of the Scientific Committee NOMISMA S.p.A.
 From 1998 to 2006 Chairman of Coop Adriatica.
 From 2002 to 2008 Director of Ariete S.p.A.
 From 2007 to 2009 Chairman of Aurora Assicurazioni S.p.A.
 From 2005 to 2009 Director of Fondazione Cassa di Risparmio of Bologna.
 From 2006 to 2009 Director of Banca Monte dei Paschi di Siena.
 From 2004 to 2010 Director of Aeroporto G. Marconi S.p.A. of Bologna.
 From 2007 to 2011 Chairman of Impronta Etica.
 From 2001 to 2011 Director of Holmo S.p.A., Chairman from 2001 to 2006.

Positions currently held

Since 1998 Director of Finsoe S.p.A.
 Since 2002 Director of Unipol Banca S.p.A. (Chairman from 2007 to 2010).
 Since 2003 Member of the Board of the Chamber of Commerce, Industry, Handicraft and Agriculture of Bologna.
 Since 2006 Director of EURESA Holding.
 Since 2006 Director of BNL S.p.A.
 Since 2008 Chairman of Fondazione Unipolis (formerly Fondazione Cesar), Director since 2006.
 Since 2008 Supervisory Director of Manutencoop Facility Management S.p.A.
 Since 2010 Vice Chairman of Euresa GEIE (Director since 2009).
 Since 2010 Director of Unipol Assicurazioni S.p.A. (Chairman from 2007 to 2010).
 Since 2006 Chairman of Unipol Gruppo Finanziario S.p.A. (Director since 2001 and Chief Executive Officer from 9 January to 18 July 2006).

Piero Collina

Born in Bologna, 24 February 1946.

University: Degree in Political Science from the University of Bologna.

On the roll of Official Auditors.

Main professional experience

From 1973 to 1976 Fiscal Policy Coordinator for the League of Cooperatives and Mutual Societies in the Province of Bologna.
 From 1974 to 1978 Vice Chairman of Consorzio Cooperative Costruzioni.
 From 1978 to 1997 Chairman of ACAM S.c. a r.l.
 From 1987 to 1989 Chairman of FINEC S.p.A.
 From 1994 to 1998 Chairman of S.T.S. S.p.A.
 From 1995 to 1997 Director of Banec S.p.A. (now Unipol Banca S.p.A.).
 From 2005 to 2008 Director of Ariete S.p.A.
 From 2002 to 2010 Director of Unipol Banca S.p.A.
 From 2006 to 2010 Chairman of Autostrada Estense S.c.p.A.
 From 2003 to 2011 Director of HERA S.p.A.

Positions currently held

Since 1998 Chairman of Consorzio Cooperative Costruzioni Soc. Coop.
 Since 1998 Director of Finsoe S.p.A. (Vice Chairman and Chief Executive Officer from 2006 to 2010).
 Since 2006 Director of Holmo S.p.A. (Vice Chairman from 2006 to 2010 and Chief Executive Officer from 2007 to 2010).
 Since 2010 Director of Unipol Assicurazioni S.p.A.
 Since 2010 Director of Spring 2 S.r.L.
 Since 2010 Director of Holcoa S.p.A.
 Since 2011 Director of Sesto Immobiliare S.p.A.
 Since 2010 Vice Chairman of Unipol Gruppo Finanziario S.p.A. (Director since 1999).

Carlo Cimbri

Born in Cagliari, 31 May 1965.
 University: Degree in Business Economics from the University of Bologna.

Main professional experience

From 1990 to 1993 Member of the Finance Department at Unipol Finanziaria S.p.A.
 From 1994 to 1995 Member of the Group Planning and Management Control at Unipol Assicurazioni S.p.A.
 From 1996 to 2000 Manager of Finsoe S.p.A.
 From 2001 to 2007 Manager, Joint General Manager, General Manager of Unipol Assicurazioni S.p.A.
 Until 2009 Chairman of Unisalute S.p.A. (Director since 2001), Navale Assicurazioni S.p.A. (Director since 2000), and Navale Vita S.p.A. (Vice Chairman since 2006), and Director of Unipol Merchant – Banca per le Imprese S.p.A. (since 2001).
 Until 2010 Chairman of Linear S.p.A. (Director since 2001).
 From 2000 to 2006 Director of BNL Vita S.p.A.
 From 2001 to 2003 Vice Chairman of Unipol SGR S.p.A. (Director since 1999).
 From 2008 to 2009 General Manager of Unipol Gruppo Finanziario S.p.A.

Positions currently held

Since 2009 Chief Executive Officer of Unipol Assicurazioni S.p.A.
 Since 2002 Director of Unipol Banca S.p.A.
 Since 2010 Director of Euresa GEIE.
 Since 2010 Director of Euresa Holding.
 Since 2011 Director of Nomisma S.p.A.
 Member of the Executive Committee of ANIA – Associazione Nazionale fra le Imprese Assicuratrici (National Association of Insurance Companies).
 Director of Fondazione Centro Studi Investimenti Sociali – Censis Fondazione.
 Member of the Management Board FeBAF – Federazione delle Banche, delle Assicurazioni e della Finanza (Banking, Insurance and Financial Federation).
 Since 2010 Chief Executive Officer of Unipol Gruppo Finanziario S.p.A. (since 2007 General Manager).

Francesco Berardini

Born in Genoa, 11 July 1947.

University: Degree in Political Economics in the Philosophy Degree Course, University of Genoa.

Main professional experience

From 1972 to 1982 held various positions within the Liguria CGIL (Italian General Labour Confederation).

From 1982 to 1983 Vice Chairman of the Ligurian Production and Employment Cooperatives and Chairman from 1983 to 1988.

From 1988 to 1999 Chairman of the Ligurian Consumers Cooperative and Vice Chairman of Legacoop Liguria.

From 1999 to 2008 Vice Chairman of Coop Liguria with powers for the Hypermarkets Coordination Division and Head of the Members and Consumers Sector.

From 1996 to 2007 Director of Sofincoop S.r.L.

From 2002 to 2006 Director of Coopfond S.p.A.

From 2005 to 2008 Director of Unicard S.p.A.

From 2009 to 2011 Director of Holmo S.p.A.

Positions currently held

Since 2008 Chairman of Coop Liguria Soc. Coop.

Since 2008 Supervisory Director of Coop Italia S.c. a r.l.

Since 2009 Chairman of Talea S.p.A.

Since 2009 Director of Coop Consorzio Nord Ovest S.c a r.l.

Since 2010 Vice Chairman of Unipol Assicurazioni S.p.A. (already Director since 2009).

Since 2010 Director of Finsoe S.p.A.

Since 2011 Chairman of SIMGEST S.p.A.

Since 2011 Sole Director of LIGURPART 2 S.p.A.

Since 2009 Member of the Board of Directors of Unipol Gruppo Finanziario S.p.A.

Sergio Betti

Born in Castellina in Chianti (SI), 22 December 1949.

Main professional experience

From 1971 to 1973 and from 1976 to 1978 Secretary of the Siena FISBA-CISL Federation.

From 1973 to 1975 Member of the Siena Provincial Union CISL (Italian Confederation of Workers' Trade Unions) Secretariat.

From 1978 to 1985 General Secretary of the Siena CISL.

From 1985 to 1993 Member of the Regional Secretariat of the Tuscany CISL.

From 1993 to 2001 General Secretary of the Tuscany CISL.

From 2000 to 2008 National Secretary of CISL.

From 1972 to 1976 Member of the Provincial Committee of the Siena INPS (National Social Welfare Institution).

From 1975 to 1979 Member of the Board of Statutory Auditors of the Bilateral Organisation for Crafts of the Province of Siena (Craftsmen Earnings Supplement Fund).

From 1979 to 1982 Vice Chairman of the Siena Construction Workers' Fund.

From 1979 to 1985 Director of the Bilateral Organisation for the Agricultural Sector (FIMIIV) of the Province of Siena.

From 1981 to 1984 Director of the University of Siena.

From 1979 to 1983 Member of the Council of the Chamber of Commerce, Industry, Handicraft and Agriculture of the Province of Siena.

From 1989 to 1999 Chairman of Immobiliare Toscana S.r.L.

From 1990 to 1999 Director of Ente di Patronato INAS-CISL.

From 2001 to 2006 Director of Eustema S.p.A.

From 2001 to 2006 Chairman of Unitas S.p.A.

From 2002 to 2006 Director of the CISL Supplementary Pension Fund.

From 2002 to 2006 Director of UNIONVITA S.p.A.

From 2001 to 2006 Chairman of Iniziative 2000 S.r.L.
 From 2001 to 2009 Director of Finlavoro S.p.A.
 From 2008 to 2011 Chairman of Multiservice Cisl S.r.L.

Positions currently held

Since 2006 Chairman of the Cultural Perspectives Association.
 Since 2008 Chairman of Marte Broker di Assicurazione S.r.L.
 Since 2007 Director of Unipol Gruppo Finanziario S.p.A.

Rocco Carannante

Born in Castel Volturno (CE), 31 March 1941.
 University: Honorary degree in Economic Science.
 Awarded the title of Knight Commander of Merit and Officer of the Italian Republic.

Main professional experience

From 1979 to 1991 Member of the Management Board of the Finance Ministry.
 From 1989 to 1998 National Secretary for U.I.L. Statali (National Italian Workers' Unions).
 From 1992 until its winding up Member of the Board of Directors of E.N.P.A.S.
 From 1995 to 2004 Member of the Supervisory Board of the C.I.V. of the I.N.P.D.A.P.
 From 1998 to 2000 Treasurer and National Secretary of the Public Administration U.I.L.

Positions currently held

Since 1985 Member of the Study Committee on priority pensions at the Department of Public Administration of the Prime Minister.
 Since 2000 National U.I.L. Treasurer.
 Since 2000 Chairman of LABOR U.I.L. S.p.A.
 Since 2002 Director of C.A.F. – U.I.L. S.p.A.
 Since 2004 Member of the Supervisory Board of Trustees and C.I.V. of the I.N.P.S.
 Since 2004 Chief Executive Officer of Laborfin S.r.L. (Director since 2003).
 Since 2007 Director of Euroservizi S.r.L.
 Since 2007 Chief Executive Officer of Lavoro Italiano S.r.L. (Director since 2002).
 Since 2007 Director of Style House S.r.L.
 Member of the Competition Commission of E.N.P.A.S.
 Member of the Competition Commission of Cassa Marittima meridionale.
 Member of the Capability and Efficiency Commission of the Public Administration pursuant to Article 13 of Decree 536/84.
 In an expert capacity, Member of the Board of the National Pension Fund for employees in the sector of Environmental Hygiene and Related Fields (PREVIAMBIENTE).
 Chairman of the Supervisory Board of the Port Workers' Contractual Institutes Management Fund.
 Since 2011 Director of Arcadia Concilia S.r.L.
 Since 2011 Vice Chairman of Unisalute S.p.A.
 Since 2000 Director of Unipol Gruppo Finanziario S.p.A.

Pier Luigi Celli

Born in Verucchio (RN), 8 July 1942.

University: Degree in Sociology, specialising in Psychology and Philosophy.

Main professional experience

From 1968 to 1977 Director of the Bolzano Industrial Research Department and Manager of 5 Vocational Training Centres.

From 1978 to 1982 Project Manager and Site Manager in Algeria, Angola, Libya for Snamprogetti (ENI Group).

From 1982 to 1993 first as Head of Management and Organisation Training, then as Head of Development and Compensation, and finally as Deputy Central Head of Personnel and Organisation at ENI.

From 1993 to 1994 Director of Personnel, Organisation and Systems at RAI Radiotelevisione Italiana.

From 1994 to 1996, first as Director of Personnel and Organisation at Omnitel, then Central Director for Personnel and Organisation at Olivetti; Director of Olivetti Personal Computer and Olivetti Lexicon.

From 1996 to 1998 Director of Personnel and Organisation at ENEL.

From 1998 to 2001 Director General at RAI.

From 2001 to 2002 Chief Executive of IPSE 2000.

From 2002 to 2005 Head of Corporate Identity at Unicredito Italiano.

Was Professor of Industrial Organisation at the Faculty of Political Sciences of Cagliari and at the Faculty of Economics at the LUISS University.

Was Professor of Cultural Institutions at Università Cattolica (Milan).

Was Scientific Director of Corporate Master Ducati/Ferretti at the Alma Graduate School of Bologna.

Has been a Member of the Advisory Board of Sda-Bocconi.

Has been Honorary Chairman of the Italian Institute of Philosophical Studies, Naples.

Has been a Member of the Board of Directors of Hera S.p.A. and Messaggerie Libri.

Has been Chairman of the Ethics Committee of the Hospital Physiotherapeutics Institutes of Rome.

Has been a member of the Advisory Board of B.T. Italia.

Has been a Director of Emmelibri S.p.A.

From 2009 to 2011 was Director of Demoskopea S.p.A.

Positions currently held

Since 2005 Managing Director of the LUISS Guido Carli University.

Since 2007 Director of British American Tobacco S.p.A.

Since 2007 Director of Illy Caffè S.p.A.

Is a member of the Board of Directors of the Science Academy of Palliative Medicine.

Collaborates with Alma Graduate School at the University of Bologna.

Since 2008 Director of Unipol Gruppo Finanziario S.p.A.

Sergio Costalli

Born in Rosignano Marittimo (LI), 8 March 1952.

University: Degree in Political Science from the University of Pisa.

Main professional experience

From 1978 to 1981 Secretary of the Mandamentale Chamber UIL Bassa Val di Cecina and Secretary of the Unitary Council CGIL / CISL UIL, Bassa Val di Cecina area.

From 1979 to 1981 Working partner at Società Cooperativa Ausiliari del Traffico S.c.r.l. in Rosignano Marittimo (LI).

From 1981 to 1989 Head of the Sector for Economic Development and Industry and Trade Unit Head, Annona and the Markets in the Council of Cecina (LI).

In 1989 began his career at Unicoop Tirreno Società Cooperativa, with management position since 1995, serving as Vice Chairman since 2003 and Chief Executive Officer since 2005.

Chairman of Vignale Finanziaria S.p.A.

Vice Chairman of Vignale Assicurazioni S.r.L.

Vice Chairman of Gestione Discount S.p.A.

Chairman of Finanziaria del Tirreno S.r.L.

Director of Gestincoop – Gestione Strutture Cooperative del Tirreno S.r.L.

Director of Vignale Editoriale S.r.L.

Director of Zefiro Editrice S.r.L.

Director of Vignale Pubblicità S.r.L.

Director of Radio Flash S.r.L.

From 2005 to 2007 Chairman of Tirreno Finanziaria S.r.L.

From 2000 to 2007 Chairman of SO.GE.FIN. S.r.L.

From 2004 to 2007 Chairman of Vignale Immobiliare S.p.A.

From 1999 to 2001 Vice Chairman of Vignale Informatica S.r.L.

From 2004 to 2005 Vice Chairman of Tirreno Logistica S.r.L.

From 2008 to 2010 Chairman of Vignale Comunicazioni S.r.L.

From 1998 to 2007 Vice Chairman of SIMGEST S.p.A.

From 2006 to 2007 Director of Coopfond S.p.A.

From 1997 to 2001 Director of Fincooper S.c. a r.l.

From 1997 to 1999 Director of FIN.PA.S. S.r.L.

From 2008 to 2009 Director of Porta Medicea S.p.A.

From 1999 to 2008 Director of Ipercoop Tirreno S.p.A.

From 2007 to 2010 Director of Unipol Assicurazioni S.p.A.

From 2007 to 2011 Director of Holmo S.p.A.

Positions currently held

Since 2003 Vice Chairman of Unicoop Tirreno Soc. Coop. (Chief Executive Officer from 2005 to 2011).

Partner of the Fondazione Cassa di Risparmio di Livorno.

Since 2003 Vice Chairman of IGD SIIQ S.p.A.

Since 2007 Director of Finsoe S.p.A.

Since 2010 Chairman of Unipol Merchant S.p.A. (Director since 2007).

Since 2011 Vice Chairman of Unipol Banca S.p.A. (Director since 2010).

Since 2011 Chairman of Holmo del Tirreno S.p.A.

Since 2007 Director of Unipol Gruppo Finanziario S.p.A.

Ernesto Dalle Rive

Born in Turin, 2 December 1960.

Main professional experience

From 1990 to 1993 Chairman of Federconsumatori of Piedmont.

From 1994 to 1996 Official with the Regional Association of Consumer Cooperatives.

From 1996 to 1998 Chairman of the Regional Association of Consumer Cooperatives.

From 1998 to 2002 Chairman of Lega Coop Piemonte and of the Regional Association of Consumer Cooperatives.

From 2002 to 2007 Head of Personnel at Nova Coop.

From 2005 to 2007 Vice Chairman and Chief Executive Officer of Nova Coop.

From 2003 to 2007 Member of the Board of Directors of Obiettivo Lavoro S.p.A.

From 2003 to 2007 Member of the Board of Directors of Tangram S.r.l.

From 2003 to 2007 Member of the Board of Directors of Scuola Coop di Monte Lupo.

From 2010 to 2011 Director of Holmo S.p.A.

Positions currently held

Since 2003 Director of PROMO.GE.CO. S.r.l.

Since 2005 Director of Consorzio Cooperativo Nord-Ovest. (Vice Chairman from 2005 to 2008).

Since 2007 Chairman, Chief Executive Officer and Managing Director of Nova Coop Soc. Coop.

Since 2008 Chairman of the Supervisory Board of Coop Italia S.c. a r.l. (Director from 2005 to 2008).

Since 2010 Director of Unipol Assicurazioni S.p.A.

Since 2010 Director of Finsoe S.p.A.

Since 2010 Director of Unipol Gruppo Finanziario S.p.A.

Jacques Forest

Born in Ecaussines d'Enghien (Belgium), 12 April 1944.

University: Degree in Physics from the University of Brussels.

Main professional experience

From 1965 to 1969 Assistant at the Polytechnic University of Brussels.

From 1969 to 1980 Manager of Studies and Director of Febecoop.

From 1980 to 1981 Secretary of the Executive Committee of the Social Security Group (P&V Assurances).

From 1981 to 1985 Director of Information Services of the Social Security Group (P&V Assurances).

From 1985 to 1990 Commercial Director of the Social Security Group (P&V Assurances).

Chairman of the Executive Committee of P & V Caisse Commune.

Director of HDP & ARISTA Services.

Chairman of the Executive Committee of Actel.

Chairman of Euresa Life.

Chairman of Piette and Partners.

Chairman and Chief Executive Officer of PVH.

Chairman of the Executive Committee of Vivium.

Director of Société Générale Coopérative.

Director of HRCONNECT.

Administrative Director of Euresa GEIE.

Administrative Director of Euresa Holding.

Member of the Temporary Board of Banque Nationale de Belgique.

Director of Syneteristiki Insurance.

Director of Aviabel SA.

Director of Société Regionale d'Investissement de Bruxelles (SRIB).

Director of Pharmacies Populaires Liégeoises.

Positions currently held

Since 1996 Director of Finsoe S.p.A.
 Chief Executive Officer of PSH.
 Chairman of Multipharma.
 Chairman of Group Multipharma.
 Chairman of IU (formerly Equiform).
 Chairman of SMA Hospimut solidaris.
 Director of MOB Sociale Hospitalisatieverzekeringen (SOHO).
 Chairman of Apotheek Maleizen Centrum NV.
 Since 1992 Director of Unipol Gruppo Finanziario S.p.A.

Vanes Galanti

Born in Imola (BO), 15 November 1949.

Enrolled on the Register of Certified Public Accountants Min. Dec. 4.7.1996 published in the Official Gazette Supplement 56-bis – Special Series 12.7.1996.

Main professional experience

From 1971 to 1977 Administration Manager of Cooperativa Muratori di Casalfumane.
 From 1978 to 1981 Vice Chairman of the Cooperative Edil-Strade Imolese S.c. a.r.l.
 From 2006 to 2010 Vice Chairman of Stores Development S.r.L.
 From 2007 to 2011 Director of Cascina Merlata S.p.A.

Positions currently held

Since 1990 General Manager of Cooperativa Edil-Strade Imolese S.c. a.r.l. and procurator since 1994.
 Since 1987 Director of Coopsud S.c. a.r.l.
 Since 1989 Vice Chairman of C.E.S.I. Immobiliare S.r.L.
 Since 1994 Director of Finsoe S.p.A.
 Since 2001 Director of Holmo S.p.A.
 Since 2004 Chairman of HBS Immobiliare S.r.L.
 Since 2005 Chairman of Sunny Village S.r.L.
 Since 2005 Director of Policentro Sviluppo S.p.A.
 Since 2005 Vice Chairman – Chief Executive Officer of VTRE S.p.A.
 Since 2007 Vice Chairman of Sun Re S.r.L.
 Since 2009 Chairman of CH Property S.r.L.
 Since 2009 Chairman of Parcor S.r.L. (Vice Chairman from 2004 to 2009).
 Since 2009 Vice Chairman of Meridiana S.r.L.
 Since 2009 Vice Chairman of Unicum S.r.L.
 Since 2010 Chairman of Unipol Assicurazioni S.p.A. (Director since 2007 and Vice Chairman from 2007 to 2010).
 Since 2011 Chairman of SIRECC S.r.L. (Vice Chairman from 2001 to 2011).
 Since 2011 Chairman of Inexo S.r.L. (Chief Executive Officer from 2003 to 2011).
 Since 2011 Chairman of Arsenali S.r.L. (Vice Chairman from 2006 to 2011).
 Since 2011 Chairman of Parma Logistic S.r.L. (Vice Chairman from 2008 to 2011).
 Since 2011 Director of ABI Merlata S.r.L.
 Since 2012 Chairman of Outlet Soratte S.r.L. (Vice Chairman from 2003 to 2012).
 Since 1995 Administrative Director of Unipol Gruppo Finanziario S.p.A. (Chief Executive Officer from 9 January to 30 June 2006 and Vice Chairman from 2006 to 2010).

Roger Iseli

Born in Paris, 7 July 1948.

Main professional experience

From 1972 to 1976 he was Insurance Inspector at Macif.

From 1976 to 1986 he was Head of Macif's Paris office.

From 1987 to 1990 he was Head of the Management Centre and Deputy Regional Director of Macif.

From 1990 to 2005 he was Regional Director of Macif.

From 2005 to 2006 he was General Manager of Macif – Mutualité.

Vice Chairman of GPIM until September 2011.

Chairman – Member of the Supervisory Board of OFI PRIVATE EQUITY CAPITAL.

Member of the Supervisory Board of Serena.

Member of the Supervisory Board of OFIVALMO PARTNERAIRES until November 2011.

Positions currently held

Since 2006 General Manager of Macif.

Since 2006 General Manager of Macif Sgam.

Director of Ofi Asset Management.

Director of Cie Fonciere Macif.

Director of Fonciere Lutece.

Director of BPCE Assurance.

Member of the Supervisory Board of IMA.

Director of Macif Participations.

Director of MAciflia.

Director of Mutavie.

Director of Ofi Holding.

Vice Chairman of Syneteristiki.

Member of the Supervisory Board of MACIf ZYCIE.

Since 2008 Director of Socram Banque.

Since 2009 Director of Sferen.

Since 2010 Director of Euresa Holding and Euresa Geie.

Since 2010 Director of Unipol Gruppo Finanziario S.p.A.

Claudio Levorato

Born in Pianiga (VE), 15 February 1949.

Main professional experience

From 1967 he was a print worker.

From 1972 to 1979 as an official at PCI Bologna, he held various positions in public administration and local politics, including as a member of the Administrative Commission of the AMGA and Executive Board for Transportation of the Province.

From 1980 to 1984, at the Lega Nazionale Cooperative e Mutue as the Chairman of a provincial sector association.

From 1980 to 1985 Director at Interporto S.p.A. (Vice Chairman from 1981 to 1982).

From 1983 to 1985 Director of Assicoop S.r.L.

From 1986 to 1995 Chairman of Tepor System S.r.L.

From 1987 to 1994 Director of Consorzio Nazionale Servizi Scrl.

From 1988 to 2000 Chairman of Tecne S.r.L.

From 1989 to 2004 Chairman of Consorzio Igiene Ospedaliera Scrl.

From 1991 to 1996 Director of Sinapsi S.r.L.

From 1991 to 2001, Sole Director of Costruzioni Canonica S.r.L.

From 1992 to 2002 Chairman Immobiliare Finreno S.r.L.

From 1992 to 2003 Director of Ideametropoli S.r.L.

From 1992 to 1994 Director of Cooperbanca S.p.A.
From 27 May 1993 to 31 December 1993 Sole Director of AMYCO S.r.L.
From 1994 to 1998, Director of Banec S.p.A.
From 1995 to 1998 Director of Consorzio Cooperative Costruzioni S.c.a.r.l.
From 1996 to 1997 Vice Chairman of Sintesimm S. c. a.r.l.
From 1999 to 2001 Director of Covedi S.r.L.
From 2003 to 2007 Chairman of Servizi Ospedalieri S.p.A.
From 2005 to 2007 Chairman of Manutencoop Servizi Ambientali S.p.A.
From 2002 to 2010 Director of Centostazioni S.p.A.
From 2005 to 2010 Director of Unipol Banca S.p.A.
From 2008 to 2009 Director of Altair IFM S.p.A.
From 2004 to 2011 Director of M.P. Facility S.p.A.

Positions currently held

Since 1984 Chairman of Manutencoop Soc. Coop.
Since 2001 Director of Holmo S.p.A.
Since 2002 Director of Archimede 1 S.p.A.
Since 2003 Managing Director and Chairman of the Management Board of Manutencoop Facility Management S.p.A.
Since 2006 Director of Finsoe S.p.A.
Since 1995 Director of Unipol Gruppo Finanziario S.p.A.

Ivan Malavasi

Born in Correggio (RE), 21 September 1948.

Main professional experience

From 1982 to 1994 Member of Council of the Chamber of Commerce of Reggio Emilia.
From 1986 to 1994 Chairman of CNA (National Crafts Confederation) Provincial Association of Reggio Emilia.
From 1987 to 1992 Chairman of RESFOR - Regional service centre for subcontracting.
In 1990 and 1991 Member of the CNA National Board.
From 1994 to 1997 Director of Cassa di Risparmio di Reggio Emilia.
Adviser to the Special Department for Crafts at the Emilia Romagna Chambers of Commerce's Foreign Centre.
From 1994 to 1999 Regional Chairman of Assomeccanica CNA.
From 1997 to 1999 Regional Vice Chairman CNA Emilia Romagna, becoming Chairman from 1999 to 2002.
From July 2011 to December 2011 Acting Chairman of R.E TE. Imprese Italia.

Positions currently held

Since 2002 National Chairman of CNA.
Since 2004 Chairman of EPASA CNA.
Since 2011 Vice Chairman of Agart S.p.A., Chairman from 2008 to 2011.
Since 2011 Chairman and Director of MA.BO. S.r.L.
Since 2004 Director of Unipol Gruppo Finanziario S.p.A.

Massimo Masotti

Born in Bologna, 7 February 1962.

University: Degree in Economics and Business from the University of Bologna.

Registration with professional bodies: Chartered Accountant, registered with the Bologna Association of Chartered Accountants since 1987.

Auditing: enrolled on the Register of Independent Auditors by Ministerial Decree of 12 April 1995, published in the Official Gazette no. 31-bis of 21 April 1995.

Main professional experience

From 1997 to 2000 Advisor to the Bologna Association of Chartered Accountants.

Chairman of the Board of Statutory Auditors of insurance companies MMI Danni S.p.A., MMI Assicurazioni S.p.A. and MMI Vita S.p.A.

Chairman of the Board of External Auditors for the Municipality of Anzola dell'Emilia.

Chairman of the Board of External Auditors for the Municipality of Casalecchio di Reno.

Chairman of the Board of Statutory Auditors of Raccolto S.c. a r.l.

Member of the Board of External Auditors for the Municipality of Zola Predosa.

Chairman of the Board of Statutory Auditors of Omasa S.p.A.

Chairman of the Board of Statutory Auditors of Bononia Viaggi S.r.l.

Chairman of the Board of Statutory Auditors of Centro Leonardo S.p.A.

Standing Auditor of FIN.AD S.p.A.

Standing Auditor of SVI S.p.A.

Standing Auditor of Conapi Soc. Coop.

Standing Auditor of Euroservice Soc. Coop.

From 2002 to 2011 Chairman of the Board of Statutory Auditors of Zaccanti S.p.A.

Positions currently held

Since 1995 Chairman of the Emilia Romagna Association of Chartered Accountants.

Since 1998 Chairman of the Board of Statutory Auditors of Pomodoro Viaggi S.r.l.

Since 2000 Standing Auditor of Labor S.p.A.

Since 2002 Standing Auditor of CIICAI Soc. Coop.

Since 2002 Standing Auditor of CIICAI Holding S.p.A.

Since 2002 Standing Auditor of Dinamica S.c. a r.l.

Since 2002 Standing Auditor of Sviluppo S.r.l.

Since 2003 Chairman of the Board of Statutory Auditors and Certified Accountant of Il Raccolto – Società Cooperativa Agricola.

Since 2004 Standing Auditor of Enaip Lombardia Fondazione.

Since 2004 Chairman of the Board of Statutory Auditors of Caleidoscopio Soc. Coop.

Since 2007 Chief Executive Officer of Finanziaria Bolognese FI.BO. S.p.A.

Since 2004 Standing Auditor of Aclichef Soc. Coop.

Since 2004 Chairman of the Board of Statutory Auditors of Consorzio Eureka Soc. Coop.

Since 2004 Standing Auditor of Nuova C.L.S. Soc. Coop.

Since 2006 Chairman of the Board of Statutory Auditors of De Toschi S.p.A.

Since 2006 Standing Auditor of Sicuritalia Servizi Integrati - Soc. Coop.

Since 2007 Standing Auditor of AL.FA. Dopo di Noi S.r.l.

Since 2007 Standing Auditor of Cefla Capital Services S.p.A.

Since 2008 Director of Cooperare S.p.A.

Since 2008 Director of Pegaso Finanziaria S.p.A.

Since 2008 Standing Auditor of Consorzio Cenasca Service Soc. Coop.

Since 2009 Standing Auditor of Consorzio Sol.Co Como Soc. Coop.

Since 2009 Standing Auditor of Cooperfactor S.p.A.

Since 2009 Standing Auditor and Certified Accountant of Sviluppo Calderara S.r.l.

Since 2010 Director of Agefin S.p.A.

Since 2010 Chairman of the Board of Statutory Auditors of Comunità Solidali – Consorzio di Cooperative Sociali.
 Since 2010 Chairman of the Board of Statutory Auditors of Consorzio Abitare S.c. a r.l.
 Since 2010 Standing Auditor of Esedra Energia – Società Cooperativa Sociale.
 Since 2010 Standing Auditor of Sicuritalia Servizi Fiduciari – Soc. Coop.
 Since 2011 Standing Auditor of Immobiliare CIICA S.p.A.
 Since 2011 Standing Auditor of Unilog Group S.p.A.
 Since 2011 Director of Promorest S.r.L.
 Certified Accountant of Consorzio Acli Lavoro S.c. a r.l.
 Since 2006 Director of Unipol Gruppo Finanziario S.p.A.

Enrico Migliavacca

Born in Milan, 18 April 1952.
 University: Degree in Political Science.

Main professional experience

From 1976 to 1980 Head of Organisation of Legacoop Lombardy.
 From 1977 to 1980 Vice Chairman of Coop Servizi.
 From 1980 to 1984 Vice Chairman of Lombardy Association of consumer cooperatives.
 From 1981 to 1990 Chairman of Consorzio Coop Fidi (Financial consortium of consumer cooperatives of Lombardy).
 From 1980 to 1981 Director of Feltrinelli Libra S.p.A.
 From 1989 to 1994 Director of Ferrovie Nord Milano S.p.A.
 From 1992 to 1995 Chairman of Avio Nord S.r.L.
 From 1988 to 1992 Vice Chairman of Ipercoop Lombardia, and Director until 1994.
 From 2003 to 2004 Chairman of National Training Institute for Consumer Cooperatives – Scuola Coop [Coop School] – Montelupo Fiorentino.
 From 2006 to 2007 Chairman Euroinfocenter (Subsidiary of the Milan Chamber of Commerce, Industry, Crafts and Agriculture).
 From 1999 to 2010 Sole Director of M.M.Z. S.r.l.

Positions currently held

Since 1984 Chairman of the Lombardy Association of Consumer Cooperatives.
 Since 2002 Chairman of the North West District Association of Consumer Cooperatives.
 Since 2004 Vice Chairman of Coop Consumer Cooperatives.
 Since 2004 Vice Chairman National Association of Coop Consumer Cooperatives.
 Since 2006 Chairman of Managers Pension Fund, Coop Consumer Cooperatives.
 Since 2006 Chairman of the Assistance Fund for Managers of Coop Consumer Cooperatives.
 Since 2006 Director of the Milan Chamber of Commerce, Industry, Crafts and Agriculture.
 Since 2007 Member of the Committee of the Milan Chamber of Commerce, Industry, Crafts and Agriculture.
 Since 2010 Director of Tecnoservicecamere Società Consortile per azioni (joint-stock consortium company).
 Since 2010 Director of Unipol Assicurazioni S.p.A.
 Since 2011 Chairman of Coop Fidi C.A.T. Soc. Coop., (Director since 2001).
 Since 2011 Chairman of Ecocerved S.c. a r.l.
 Since 1982 Director of Unipol Gruppo Finanziario S.p.A.

Pier Luigi Morara

Born in Bologna, 28 February 1955.

University: Degree in Law from the University of Bologna.

Lawyer since 1993 at the Bologna Bar; Barrister at the Court of Cassation since 2001.

Main professional experience

From 2008 to 2010 Temporary professor of Commercial Law at the University of Bologna, Faculty of Economics.

Lectureships in commercial and company law.

From 2003 to 2011 Director of Giuseppe Massarenti S.p.A.

Positions currently held

Since 2009 Member of the Supervisory Board of CAMST S.c. a r.l.

Since 2009 Director of Cooperafactor S.p.A.

Since 2010 Director of Conapi Soc. Coop.

Since 2010 Standing auditor of Coop Consumatori Nord Est Soc. Coop.

Since 2006 Director of Unipol Gruppo Finanziario S.p.A.

Milo Pacchioni

Born in Modena (Mo), 4 November 1950.

Main professional experience

Registration with professional bodies: Register of Chartered Accountants by Ministerial Decree (Ministry of Justice) of 19 November 1986.

Currently enrolled on the Register of Independent Auditors by Ministerial Decree of 12 April 1995.

From 1971 to 1981 he was an employee with SCAM S.r.L. – Industria Agrochimica in Modena.

From 1981 to 1996 he was Administration & Finance Director of CMB Coop Muratori e Braccianti in Carpi.

From February to May 1996 he was a Manager with Società Corum in Modena – Consultancy in Administration, Finance and Control.

From 1996 to 1997 he was Managing Director of Edilfornacai S.c.a.r.l.

From 1997 to 1999 he was Administration, Finance and Control Manager at C.M.C. S.c.a.r.l. of Ravenna.

From 2010 to 2011 Vice Chairman and Chief Executive Officer of Holmo S.p.A., Director since 2007.

From 2008 to 2012 Director of Assicura S.p.A.

From 2009 to 2011 Director of Assicoop Ferrara S.p.A.

From 2008 to 2011 Chairman of Fidicoop S.p.A. (Chief Executive Officer since 2004).

From 2009 to 2011 Director of Gruppo Alimentare in Toscana S.p.A.

Positions currently held

Since 1999 Chairman and Director of FINPRO Soc. Coop.

Since 1999 Director of FINUBE S.p.A.

Since 1999 Chairman of Sofinco S.p.A.

Since 2000 Chairman and Chief Executive Officer of Assicoop Modena & Ferrara S.p.A.; (formerly Assicoop Modena S.p.A.).

Since 2001 Director of Bilanciali International S.p.A.

Since 2001 Chairman of Finwelfare S.p.A.

Since 2001 Director of Pharmacoop S.p.A.

Since 2001 Director of CCF S.c. a r.l.

Since 2003 Chairman of Farmacie di Sassuolo S.p.A.

Since 2004 Sole Director of Serena 2050 S.r.L.

Since 2005 Chairman of CB Seat Care S.p.A.

Since 2005 Director of CMB Servizi Tecnici S.r.L.

Since 2005 Chairman and Chief Executive Officer of Unibon S.p.A.

Since 2006 Vice Chairman of Ospedale di Sassuolo S.p.A.

Since 2006 Director of Grandi Salumifici Italiani S.p.A.

Since 2006 Chairman of F.IM.PAR.CO. S.p.A.
Since 2006 Director of I.S.Holding S.p.A.
Since 2007 Chairman of Coimmgest S.p.A.
Since 2007 Chairman and Chief Executive Officer of Pegaso Finanziaria S.p.A.
Since 2008 Chairman of Cooperare S.p.A.
Since 2008 Director of Finanza Cooperativa S.c.p.A.
Since 2008 Chairman of Fontenergia S.p.A.
Since 2008 Director of Mibic S.r.L.
Since 2008 Chairman of Modena Prima S.r.L.
Since 2008 Sole Director of Opera Prima S.r.L.
Since 2008 Standing auditor of Farmacie Comunali di Modena S.p.A.
Since 2009 Director of Cooperfactor S.p.A.
Since 2010 Vice Chairman and Chief Executive Officer of Finsoe S.p.A. (Director since 2006).
Since 2010 Director of Aesculapio S.r.L.
Since 2010 Vice Chairman of Spring 2 S.r.L.
Since 2011 Director of Assicoop Romagna Futura S.r.L.
Since 2011 Director of Assicoop Emilia Nord S.r.L.
Since 2011 Director of Emilia Immobiliare 2015 S.r.L.
Since 2011 Sole Director of Immobiliare Ovidio S.r.L.
Since 2011 Chairman of LCF C S.r.L.
Since 2006 Director of Unipol Gruppo Finanziario S.p.A.

Marco Pedroni

Born in Montecchio Emilia (RE), 4 February 1959.
University: Degree in Economics and Business from the University of Modena.

Main professional experience

From 1992 he started his career at Coop Nordemilia (now Coop Consumatori Nordest S.C. a r.l.).
From 2002 to 2005 Chairman of Omega S.r.L.
From 2003 to 2010 Director of SOPED S.p.A.
From 2005 to 2010 Director of Unipol Banca S.p.A.
From 2002 to 2011 Director of Holmo S.p.A.

Positions currently held

Since 2001 Chairman of Coop Consumatori Nordest S.c. a r.l.
Since 2003 Director of Centrale Adriatica Soc. Coop.
Since 2003 Chairman of the Board of Directors of Retesette Emilia Nord (now Comunicare S.p.A.).
Since 2005 Vice Chairman of Omega S.r.L.
Since 2008 Director of Immobiliare Nordest S.p.A.
Since 2009 Director of Mantova TV S.p.A.
Since 2009 Director of Par.Co S.p.A.
Since 2009 Supervisory Director of Coop Italia S.c. a r.l.
Since 2010 Chairman and Chief Executive Officer of Finsoe S.p.A. (Director since 2009).
Since 2010 Chairman and Chief Executive Officer of Spring 2 S.r.L.
Since 2010 Director of Unipol Assicurazioni S.p.A.
Since 2011 Director of POSTO S.p.A.
Since 2004 Director of Unipol Gruppo Finanziario S.p.A.

Giuseppe Politi

Born in San Pietro in Lama (LE), 28 January 1950.

University: Degree in Political Science from the University of Bari.

Publicist registered with the Apulia Journalists' Association.

Main professional experience

Chairman of the CIA (Italian Farmers Confederation) of Apulia.

Chairman of the CNT - National Consortium of Tobacco Farmers.

Chairman of the UIAPROF (Italian Union of Wheat Producers' Associations).

Member of the EU Advisory Committee on Cereals.

From 2000 to 2002 Chairman of Agrinform S.p.A.

From 2007 to 2011 Vice Chairman of Copa - Committee of Professional Agricultural Organisations in the European Union.

From 2003 to 2007 Director of Unisalute S.p.A.

Positions currently held

National Chairman of the CIA - Italian Farmers' Confederation.

Since 2005 Director of CNEL - National Council for Economics and Labour.

Since 2005 Director of Unipol Banca S.p.A.

Since 2007 Director of Unipol Gruppo Finanziario S.p.A.

Adriano Turrini

Born in Crespellano (Bo), 15 November 1956.

Main professional experience

From 1974 to 1978 employee at Coop Emilia Veneto

From 1991 to 1998 Head of Food and Agriculture Sector at Legacoop Bologna

From 1982 to 1991 Chairman of the CIA - Italian Farmers' Confederation.

From 1996 to 1999 Chairman of Unicarni S.c. a.r.l.

From 1997 to 1998 Chairman and Chief Executive Officer of Corticella Molini e Pastifici S.p.A.

From 1997 to 2000 Chairman of Assicoop Sicura Bologna S.p.A.

From 1997 to 2007 Administrative Director of FI.BO. S.p.A.

From 1998 to 2004 Director and Member of the Committee of the Bologna Chamber of Commerce, Industry, Crafts and Agriculture.

From 2002 to 2003 Director of Fiera di Bologna S.p.A.

From 2000 to 2004 Director of Fondazione del Monte di Bologna e Ravenna

From 1999 to 2004 Chairman of Legacoop Bologna

From 2003 to 2011 Chairman of Coop Costruzioni Soc. Coop.

From 2007 to 2010 Director of House Building S.p.A.

From 2007 to 2011 Member of the Supervisory Board of Consorzio Cooperative di Costruzioni.

From 2009 to 2011 Vice Chairman of Granulati Bologna S.p.A.

From 2009 to 2011 Director of Unipol Assicurazioni S.p.A.

From July to November 2011 Director of Holmo S.p.A.

From 2006 to 2011 Chairman of Azzurra S.r.L.

From 2008 to January 2012 Director of IBN S.p.A.

Positions currently held

Since 1999 Vice Chairman of Banca di Bologna S.c. a.r.l.

Since 2008 Member of the Board of Legacoop Bologna.

Since 2009 Vice Chairman of Real Station S.r.L.

Since 2009 Director of Coop Adriatica, Chairman since June 2011.

Since 2010 Chairman of Idea Nuova S.r.L.

Since 2011 Director of Centrale Adriatica Soc. Coop.

Since 2011 Director of Spring 2 S.r.L.
 Since 2011 Supervisory Director of Coop Italia Soc. Coop.
 Since 2011 Director of Finsoe S.p.A.
 Since 2011 Director of Unipol Gruppo Finanziario S.p.A.

Francesco Vella

Born in Lucca (Italy), 5 February 1958.
 University: Degree in Law from the University of Bologna.
 Member of the Bar Association of Bologna.

Main professional experience

Professor of commercial law, associate professor in 1992 and visiting professor in 1998 at the Faculty of Economics and Business, University of Modena.

From April 2006 to 2010 Director of Unicredit Banca S.p.A.

From 2005 to 2011 Administrative Director of Fiere Internazionali di Bologna S.p.A.

Positions currently held

Since 2008 Director of ATC S.p.A.

Since 2009 Chairman of the Board of Statutory Auditors of Luxottica Group S.p.A.

Since 2010 Chairman of Alma Mater S.r.L.

Since 2010 Chairman of the Alma Mater Foundation.

Since 2006 Director of Unipol Gruppo Finanziario S.p.A.

Marco Giuseppe Venturi

Born in San Pietro a Maida (CZ), 4 November 1947.
 University: Degree in Sociology from the University of Rome.

Main professional experience

In 1975 he became Director of the Confederation of Italian SMEs [Confesercenti] with various provincial and national offices.

From 1992 to 1998 Secretary General of the National Confederation of Italian SMEs.

Positions currently held

Since 1995 Member of CNEL - National Council for Economics and Labour.

Since 1998 National Chairman of the Confederation of Italian SMEs.

Since 2002 Director of Unipol Banca S.p.A.

Since 2012 Acting Chairman of R.E TE. Imprese Italia.

Since 1992 Director of Unipol Gruppo Finanziario S.p.A.

Luca Zaccherini

Born in Imola (BO), 14 February 1962.
 University: Degree in Economics and Business from the University of Bologna. Registration with professional bodies: Chartered Accountant registered with the Bologna Association of Chartered Accountants.
 Auditing: enrolled on the Register of Independent Auditors, no. 69699 published in the Official Gazette 84-bis of 18 October 1996.

Main professional experience

Career path within the Cefla Group, and professional experience as a chartered accountant.

Positions currently held

Since 1994 Director of Finance and Control of Cefla Group.

Special procurator Cefla Società Cooperativa.

Since 1998 Director of Asscooper Cons. Coop. a.r.l.
 Since 1998 Director of Estate S.r.L.
 Since 2000 Director of Cefla Capital Services S.p.A.
 Since 2002 Director of Primavera S.r.L.
 Since 2007 Standing auditor of Dister Energia S.p.A.
 Since 2008 Vice Chairman of Castellini S.p.A.
 Since 2009 Director of Sorbini S.r.L.
 Director of CCS Lux s.a. (Luxembourg).
 Director of Cefla Capital Services do Brasil Ltda (Brazil).
 Director of Cefla Finishing Equipment Suzhou Co. Ltd. (China).
 Director of Cefla Finishing India Pvt. Ltd. (India).
 Vice Chairman of Estate Us. Inc. (USA).
 Director of Zao Po Vitrina (Russia).
 Since 2010 Chairman of the Board of Statutory Auditors of Bryo S.p.A.
 Since 2010 Chairman of the Board of Statutory Auditors of Valsalva S.r.L.
 Since 2006 Director of Unipol Gruppo Finanziario S.p.A.

Mario Zucchelli

Born in Castel Franco Emilia (MO), 23 January 1946.

Main professional experience

From 1994 to 1998 Director of Unipol Banca S.p.A.
 From 1997 to 2009 Director of Finube S.p.A., Vice Chairman from 2003 to 2009.
 From 2001 to 2006 Director of Unipol Merchant S.p.A.
 From 2001 to 2011 Director of Holmo S.p.A. (Chairman since January 2006 and Chief Executive Officer since April 2007).

Positions currently held

Since 1989 Chairman of Coop Estense Soc. Coop.
 Since 1995 Vice Chairman of Sofinco S.p.A.
 Since 1995 Director of Finsoe S.p.A., Chairman and Chief Executive Officer from 2006 to 2010.
 Since 2003 Director of Centrale Adriatica Soc. Coop.
 Since 2006 Chairman of Finest S.r.L.
 Since 2009 Vice Chairman of Primo Discount S.p.A. (Director since 2006)
 Since 2008 Supervisory Director of Coop Italia Soc. Coop.
 Since 2009 Director of Banca Popolare dell'Emilia Romagna.
 Since 2009 Director of Spring 2 S.r.L., (Chairman from 2009 to 2010).
 Since 2010 Director of Unipol Assicurazioni S.p.A.
 Since 2010 Chairman of Sviluppo Discount S.p.A.
 Since 2011 Chairman of Apulia Supermercati S.r.L.
 Since 1995 Director of Unipol Gruppo Finanziario S.p.A.

Roberto Chiusoli**CVs of Statutory Auditors**

Born in Bologna, 15 September 1964.

University: Degree in Economics and Business from the University of Bologna, awarded in 1989.

Main professional experience

Registration with professional bodies: Chartered Accountant, registered with the Bologna Association of Chartered Accountants since 1992.

Auditing: enrolled on the Register of Independent Auditors. Ministerial Decree of 12 April 1995, published in the Official Gazette, Supplement no. 31-bis IV – Special Series of 21 April 1995.

From 1989 to 1991, he had a collaborative relationship in the tax area in associated law offices providing legal and tax advice.

From 1991 to 1996, he audited and certified accounts at Società Uniaudit S.p.A., rising to hold the post of Tax Audit Manager. Still in this area, he had a collaborative relationship with the accounts auditing and certification firm Reconta Ernst & Young.

Since 16 September 1996, he has been a senior official with Legacoop Bologna as Head of the Tax Assistance Office. He is Tax Services Coordinator with Legacoop Emilia Romagna.

He works with the publishing house Ipsoa as a member of the editorial board and author.

He is a member of the supervisory board of a number of joint-stock companies.

Positions

Chairman of the Board of Statutory Auditors of Unipol Banca S.p.A.

Chairman of the Board of Statutory Auditors of Granarolo S.p.A.

Chairman of the Board of Statutory Auditors of Iniziative Bologna Nord S.r.L.

Standing auditor of Immobiliare di Grande Distribuzione S.p.A.

Standing auditor of HPS S.p.A.

Member of the Supervisory Board of Manutencoop Facility Management S.p.A.

Standing auditor of Banca di Bologna (Banca di Credito Cooperativo).

Chairman of the Board of Statutory Auditors of Camst S.c. a.r.l.

Supervisory Director of CCC Soc. Coop.

Standing auditor of SACMI Soc. Coop.

Chairman of the Board of Statutory Auditors of Unipol Gruppo Finanziario S.p.A.

Giorgio Picone

Born in Eboli (SA), 29 April 1945.

University: Degree in Economics and Business from the University of Parma.

Main professional experience

Registration with professional bodies: Chartered Accountant, registered with the Association of Chartered Accountants since 1973.

Auditing: enrolled on the Register of Independent Auditors no. 45648.

Since 1973 freelance Chartered Accountant, acting as liquidator, expert, technical advisor to the court, receiver, independent auditor for joint-stock and limited liability companies, including cooperatives and financial companies.

Since 1993 founding partner and director of the chartered accounting firm Picone Foschi Associates.

Since 1999 founding partner of the consultancy firm Penta & Partners.

Currently a partner in Picone Foschi & Associates based in Parma.

From 1996 to 2011 Standing auditor of Agricola S. Teresa S.r.L.

Positions

Chairman of the Board of Statutory Auditors of Bolzoni S.p.A.

Standing auditor of Penta Holding S.r.L.

Standing auditor of Miltex S.p.A.

Standing auditor of S.A.C.I. S.r.L.

Chairman of the Board of Statutory Auditors of SACIFIN S.r.L.

Chairman of the Board of Statutory Auditors of Goccia di Carnia S.p.A., Standing auditor from 2004 to 2010.

Standing auditor of APM Altogarda di Parcheggi e Mobilità S.r.L.

Chairman of the Board of Statutory Auditors of Mineralbirra S.r.L.

Standing auditor of Salumi Boschi F.lli S.p.A.

Chairman of the Board of Statutory Auditors of Meverin S.r.L.

Chairman of the Board of Statutory Auditors of Impresa Edile Casino di Marore S.r.L.

Standing auditor of Opem S.p.A.

Chairman of the Board of Statutory Auditors of Unipol Merchant S.p.A.

Chairman of the Board of Directors of Santa Caterina S.r.L.

Standing auditor of Unipol Gruppo Finanziario S.p.A.

Domenico Livio Trombone

Born in Potenza, 31 August 1960.

University: Degree in Economics and Business from the University of Modena awarded in 1986.

Main professional experience

Registration with professional bodies: Chartered Accountant, registered with the Modena Association of Chartered Accountants, no. 263/A.

Auditing: enrolled on the Register of Independent Auditors. Ministerial Decree of 13 June 1995, published in the Official Gazette of 16 June 1995, Supplement no. 31-bis IV Special Series of 21 April 1995.

Partner in a professional venture comprising 4 partners and 3 professional staff.

Judicial Commissioner and Liquidator in the following arrangements with creditors: Cibec S.p.A., Distillerie Toschi S.p.A., Ligmar S.p.A.

Staff member at corporate training school Sada Plus.

Member of the Study Commission Board of Statutory Auditors Modena Association of Chartered Accountants.

Expert witness appointed by one of the parties in criminal proceedings against Directors and Statutory Auditors of listed and unlisted companies, relating to corporate crime, bankruptcy and crimes against property.

Official Receiver and Judicial Commissioner and Liquidator to the Court of Modena.

Assists in bankruptcy proceedings pending before the Court of Potenza.

Court-appointed expert witness to the Court of Modena in criminal and civil litigation involving crimes and disputes in the financial and insolvency sector.

Voluntary liquidator, appointed by the Official Receiver of the Court of Naples, with Biraghi Industriale S.r.L.

Chairman of the Board of Statutory Auditors of Arca Impresa Gestioni SGR S.p.A.

Director of Funivie Folgarida Marilleva S.p.A.

Positions

Chairman of the Board of Statutory Auditors of Cassa di Risparmio di Cento S.p.A.

Chief Executive Officer of Carimonte Holding S.p.A. (Director since 2009).

Chairman of the Board of Statutory Auditors of Unipol Assicurazioni S.p.A.

Chairman of the Board of Statutory Auditors of Holding Strategie e Sviluppo dei territori modenesi S.p.A.

Standing auditor of Acacia 2000 S.r.L.

Chairman of the Board of Statutory Auditors of Cooperativa Immobiliare Modenese Soc. Coop.

Chairman of the Board of Statutory Auditors of Cambiamo S.p.A.

Standing auditor of Cooperare S.p.A.

Sole Director of Torre Guiducci S.r.L.

Director of Gitani S.r.L.

Sole Director of Vignoladue S.r.L.

Sole Director of C.I.E.C. S.r.L.

Standing auditor of Arca Vita S.p.A.

Standing auditor of Arca Assicurazioni S.p.A.

Standing auditor of Cooperare due S.p.A.

Director of Gradiente Società di gestione del Risparmio S.p.A.

Director of Serenissima SGR S.p.A.

Chairman of the Board of Directors of Società Gestioni Crediti Delta.

Director of Stildor S.p.A.

Standing auditor of Unipol Gruppo Finanziario S.p.A.

Unipol Gruppo Finanziario S.p.A.

Registered and head offices
via Stalingrado, 45
40128 Bologna

Share capital
€ 2,699,066,917.47 fully paid-up

Tax Code and Bologna Company
Registration No. 00284160371
R.E.A. No. 160304

Unipol Gruppo Finanziario S.p.A.

Registered and head offices
via Stalingrado, 45
40128 Bologna