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## AGENDA

### ORDINARY SHAREHOLDERS' MEETING

1. **Financial Statements at 31 December 2018; Directors' Report; Board of Statutory Auditors' and Independent Auditors' Report. Related and consequent resolutions.**
2. Appointment of the Board of Directors for financial years 2019, 2020 and 2021, following the determination of the number of members and setting of the remuneration thereof. Related and consequent resolutions.
3. Appointment of the Board of Statutory Auditors and the Chairman thereof for financial years 2019, 2020 and 2021 and determination of the remuneration thereof. Related and consequent resolutions.
4. **Granting of the statutory audit assignment for the financial years 2021-2029. Related and consequent resolutions.**
5. Remuneration policies pursuant to IVASS Regulation no. 38/2018 and Remuneration Report pursuant to Art. 123-ter of the Consolidated Law on Finance. Related and consequent resolutions.
6. **Remuneration plan based on financial instruments, pursuant to Art. 114-bis of the Consolidated Law on Finance. Related and consequent resolutions.**
7. **Acquisition and disposal of treasury shares. Related and consequent resolutions.**

### EXTRAORDINARY SHAREHOLDERS' MEETING

1. **Amendment of Articles 8, 10, 13, 14 and 17 of the By-Laws, also for the purpose of compliance with IVASS Regulation no. 38/2018. Related and consequent resolutions.**

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**REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETINGS ON ITEM NO. 1  
ON THE AGENDA OF THE ORDINARY PART**

**Financial Statements at 31 December 2018; Directors' Report; Board of Statutory Auditors' and Independent Auditors' Report. Related and consequent resolutions.**

Dear Shareholders,

concerning the description of the first item of the agenda for the Ordinary Shareholders' Meeting, please refer to the information published as required by law within the annual Financial Report and, in particular, to the issues included in the Management Report prepared by the Board of Directors of Unipol Gruppo S.p.A. (the "Company") - together with the Report on corporate governance and ownership structures - as well as the reports by the Board of Statutory Auditors and by the Independent Auditors, PricewaterhouseCoopers S.p.A.; this documentation will be made publicly available in its entirety as prescribed by law at the Company's registered office and on its website ([www.unipol.it](http://www.unipol.it)) in the *Governance/Shareholders' Meetings/2019/Ordinary Shareholders' Meeting - 18 April 2019* section.

The consolidated financial statements, along with the non-financial statement pursuant to Legislative Decree 254/2016 and the other documents pursuant to Art. 154-ter, paragraph 1, of Legislative Decree no. 58/1998, shall also be made available as described above.

The Board of Directors therefore hereby submits the following resolution proposal to the Ordinary Shareholders' Meeting.

**Proposal**

*The Ordinary Shareholders' Meeting of Unipol Gruppo S.p.A. ("Unipol" or "Company"),*

- having examined the draft financial statements of the Company at 31 December 2018;*
- having examined the results of said draft financial statements, which close with profit for the year totalling €66,223,514.49;*
- taking into account that:*
  - the share capital amounts to €3,365,292,408.03;*
  - the legal reserve amounts to €583,000,714.24 and, therefore, €90,057,767.37 lower than a fifth of the share capital;*
  - the share premium reserve amounts to €1,435,734,954.59;*
  - the extraordinary reserve amounts to €63,367,158.10 and consists of distributable profits;*

- *having viewed the Management Report at 31 December 2018;*
- *having acknowledged the Board of Statutory Auditors' Report and the report prepared by the company PricewaterhouseCoopers S.p.A. appointed to serve as the independent auditor;*
- *having acknowledged that as things currently stand, the Company holds 747,799 ordinary treasury shares;*

*hereby resolves*

- *to approve the financial statements of Unipol at 31 December 2018, accompanied by the Management Report, recording profit for the financial year of €66,223,514.49;*
- *to supplement the legal reserve up to the amount of one fifth of the share capital, by taking the amount of €90,057,767.37 from the share premium reserve;*
- *to approve the full dividend allocation proposal, for the 716,725,709 ordinary shares in circulation, for the profit for the financial year stated in the Company's financial statements at 31 December 2018, equal to €66,223,514.49, in compliance with Art. 19 of the By-Laws;*
- *to approve the dividend allocation proposal, for the 716,725,709 ordinary shares in circulation, regarding part of the extraordinary profit reserve referenced above, totalling €62,787,113.13.*
- *to therefore approve the distribution of a total unit dividend, also in consideration of the redistribution of the dividend pertaining to treasury shares, equal to €0.18 for each entitled ordinary share, for a total of €129,010,627.62, also with warning that the possible change in the number of treasury shares in the portfolio of the Company at the time of the distribution will have no incidence on the amount of the unit dividend as established above, but will increase or decrease the amount allocated to the extraordinary reserve;*
- *to set the dividend payment date as 22 May 2019 (ex-dividend 20 May 2019 and record date of 21 May 2019)."*

Bologna, 14 March 2019

The Board of Directors

**REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETINGS ON ITEM NO. 4  
ON THE AGENDA OF THE ORDINARY PART**

**Granting of the statutory audit assignment for the financial years 2021-2029.  
Related and consequent resolutions.**

Dear Shareholders,

with the approval of the financial statements at 31 December 2020, the appointment for the statutory audit of the accounts (the "Appointment") granted by Unipol Gruppo S.p.A. ("Unipol" or "Company") to PricewaterhouseCoopers S.p.A. ("PWC") for the financial years from 2012 to 2020 shall expire. As this appointment of PWC may not be renewed further, pursuant to current legislation, Unipol shall assign the new Appointment to another auditing firm.

The Company has deemed it appropriate to start already in the second half of 2018 the process for selecting the auditing firm to which to grant the Appointment (the "Auditor"), in order for this to be submitted to the Shareholders' Meeting convened for the approval of the financial statements for the 2018 financial year, with the priority aim of establishing in advance the conditions for the chosen Auditor to take on the role of Unipol Group's Chief Auditor, as well as of ensuring compliance with the prohibition set forth by the provisions of reference of receiving from the respective Auditor, during the twelve months prior to the start of the Appointment, the services of *"planning and implementation of internal control and risk management procedures relating to the preparation and/or oversight of financial reporting, or [of] planning and implementation of technological systems for financial reporting"* (so-called "cooling in period").

For the purposes of granting the Appointment, Unipol has adopted a specific procedure ("Procedure"), in compliance with the provisions of Art. 16, paragraph 3, of Regulation (EU) no. 537/2014 of the European Parliament and Council (the "Regulation") on the specific requirements relating to the statutory audit of public-interest entities ("EIPs") - including Italian companies issuing securities admitted for trading on the Italian and European Union regulated markets, credit institutions and insurance companies -, framed in the context of the national and European regulations of reference, which include, in particular, in addition to the aforementioned Regulation, Legislative Decree no. 39/2010, as amended by Legislative Decree no. 135/2016 ("Decree"), as well as further provisions referenced by them.

This legislation has, among other things, strengthened the role of the Internal Control and Auditing Committee - which takes the form of the Board of Statutory Auditors for companies, such as Unipol, qualified as EIPs, which adopt a traditional management system - in the process of granting the Appointment, thereby assigning to this body the responsibility for the procedure for selecting the Auditor and entrusting the same with the task of submitting to the Board of Directors a justified recommendation for the granting of the Appointment itself (the "Recommendation").

Pursuant to the Regulation, in order to allow the Shareholders' Meeting to make an adequately prudent decision in this regard, the Recommendation must feature at least two alternative proposals for granting the Appointment and express a duly justified preference for one of the proposals.

In accordance with the Procedure, the selection process for the company to which to assign the Appointment has been conducted in agreement with Unipol and UnipolSai Assicurazioni S.p.A. ("UnipolSai"), also an EIP with listed shares and Unipol's main subsidiary.

Based on the pre-selection criteria identified and taking into account the incompatibility situations set forth by current provisions, the Company sent, on 12 November 2018, to BDO Italia S.p.A. ("BDO"), EY S.p.A. and KPMG S.p.A. (jointly the "Selected Auditors") a letter of invitation to submit respective offers (the "Offers" and, individually, the "Offer").

The enclosed Recommendation in attachment being referred for everything not expressly referenced herein, it is noted that the Offers received from the selected Auditors were subject to a timely analysis, also for comparative purposes, specifying in this regard that:

- i) the Offers come from auditing firms belonging to international networks of primary standing, with a high level of quality and professionalism in the services offered;
- ii) the procedures for carrying out the activities requested, as explained in the Offers, were generally adequate in relation to the extent and complexity of the Appointment;
- iii) the Offers contain a specific and justified declaration concerning the commitment to prove satisfaction of the independence requirements established by the law, with particular reference to Arts. 10 and 17 of the Decree;
- iv) all the selected Auditors have a suitable organisation and are adequately fit in technical and professional terms for the size and complexity of the Appointment, pursuant to the Arts. 10-*bis*, 10-*ter*, 10-*quater* and 10-*quinquies* of the Decree, as well as the requirements established by the Regulation.

The Board of Statutory Auditors of Unipol endorsed the aforementioned assessments and carried out - as part of the Auditor selection process - the activities for which it is responsible, at the end of which it prepared, in compliance with current legislation and according to its purposes, as well as in accordance with the Procedure, its own Recommendation to the Board of Directors, containing a preferential judgement in favour of the Offer presented by EY and, secondarily, to that put forward by KPMG.

Having viewed the aforementioned Recommendation, the Board of Directors agreed with the selection and evaluation criteria adopted therein, which brought to light in particular that:



- i) both EY and KPMG have organisational and technical characteristics such as to be able to carry out the statutory audit of the Unipol Group adequately;
- ii) however, the EY offer was the most financially advantageous for the Group and for the Company – as shown in the summary tables of the results from applying the aforementioned selection process, as reported below – also taking into account the characteristics of the EY network, which holds in-depth knowledge of the financial/insurance world and, in particular, of the Unipol Group, the latter having been acquired in the performance of technical consultancy and support, mainly regarding Solvency II;
- iii) the following were also a reason for preference for the EY Offer: (a) the preparation of the proposed work team, with considerable experience gained in carrying out auditing for companies of similar standing, operating in the same business sector as the Unipol Group; the professionalism and availability guaranteed by the Lead Partner, as well as the skills of the Actuarial Head of the team, which are of fundamental importance, taking into account the upcoming application of the new accounting standard IFRS 17; and (b) the application to the auditing of advanced, proven computer technology.

**TABLES SUMMARISING THE OUTCOMES OF THE APPLICATION OF THE SELECTION PROCESS FOR THE PURPOSES OF IDENTIFYING THE MOST FINANCIALLY ADVANTAGEOUS OFFER**

OUTCOMES FOR THE GROUP				
Auditor	Technical Score	Overall Price (€)	Price Revaluation (€)	Final Score (€)
EY	4.913	2,550,000.00	=	2,550,000.00
KPMG	4.508	2,368,000.00	194,822.73	2,562,822.73
BDO	2.478	2,200,000.00	1,086,079.73	3,286,079.73

OUTCOMES FOR UNIPOL				
Auditor	Technical Score	Overall Price (€)	Price Revaluation (€)	Final Score (€)
EY	4.913	170,100.00	=	170,100.00
KPMG	4.508	166,000.00	13,657.34	179,657.34
BDO	2.478	150,800.00	74,445.83	335,245.83

Having assessed and decided to endorse the Recommendation and, therefore, the preference expressed therein by the Board of Statutory Auditors, the Board of Directors intends to propose to the Shareholders' Meeting the granting of the Appointment for the financial years 2021 to 2029 to EY.

The details of the financial conditions set forth by both the EY and KPMG Offers are reported in the annex to the enclosed Recommendation.

The Board of Directors therefore hereby submits the following resolution proposal to the Ordinary Shareholders' Meeting.

### **Proposal**

*The Ordinary Shareholders' Meeting of Unipol Gruppo S.p.A. ("Unipol" or "Company"),*

- *having acknowledged that, with the approval of the financial statements at 31 December 2020, the term for the statutory audit of the accounts granted by the Ordinary Shareholders' Meeting of Unipol on 28 April 2011 to PricewaterhouseCoopers S.p.A. for the financial years from 2012 to 2020 shall expire;*
- *in observance of the rules governing the identification of the "Chief Auditor" of the Unipol Group;*
- *having examined the proposal of the Board of Directors, supplemented by the Recommendation put forward by the Board of Statutory Auditors as the Internal Control and Auditing Committee (the "Recommendation"),*

*hereby resolves*

- *to grant to the company, EY S.p.A., the appointment for the statutory audit of the Company accounts for the financial years from 2021 to 2029, according the terms and financial conditions of the offer made by the aforementioned auditing firm, as set forth in the annex to the Recommendation;*
- *to grant powers to the Board of Directors - and therefore on its behalf to the Chairman and Managing Director, on a separate basis from each other and also through special attorneys-in-fact - to undertake that necessary or useful for the fulfilment of the resolution, as well as to fulfil the inherent and necessary formalities at the respective bodies and/or offices, with the right to make any non-substantial modifications to the resolution if required, with any and all powers necessary or appropriate, in compliance with the provisions of the law in force."*

Bologna, 14 March 2019



Annex: Recommendation of the Unipol Gruppo S.p.A. Board of Statutory Auditors for the granting of the statutory audit appointment, for the 2021-2029 financial years

**RECOMMENDATION OF THE BOARD OF STATUTORY AUDITORS OF UNIPOL  
GRUPPO S.P.A.  
FOR THE GRANTING OF THE STATUTORY AUDIT APPOINTMENT  
FOR THE 2021-2029 FINANCIAL YEARS**

**1. INTRODUCTION**

With the approval of the Financial Statements at 31 December 2020, the appointment for the statutory audit of the accounts granted by UnipolSai Gruppo S.p.A. (“Unipol” or “Company”) to PricewaterhouseCoopers S.p.A. (“PWC”) for the financial years from 2012 to 2020 shall expire. As this appointment of PWC may not be renewed further, pursuant to current legislation, Unipol shall assign a new nine-year appointment (“Appointment”) to another auditing firm for the financial years from 2021 to 2029.

In this regard, it is noted that the Company has deemed it appropriate to start in the second half of 2018 the process for selecting the auditor to which to grant the Appointment, in order for this to be submitted for approval by the Shareholders' Meeting convened to resolve upon the financial statements for the financial year at 31 December 2018, with the priority aim of establishing in advance the conditions for the chosen auditor to take on the role of Unipol Group's “chief auditor”, as well as of ensuring compliance with the prohibition set forth by the provisions of reference of receiving from the respective auditor, during the twelve months prior to the start of the Appointment, the services of “*planning and implementation of internal control and risk management procedures relating to the preparation and/or oversight of financial reporting, or [of] planning and implementation of technological systems for financial reporting*” (so-called “*cooling in period*”).

As the Internal Control and Auditing Committee, the Board of Statutory Auditors endorsed the aforementioned assessments of the Company and carried out - as part of the selection process of the auditor to which the Appointment is to be granted – the activities under its responsibility, as a result of which it has prepared - in compliance with the legislation in force and according to its purposes, as well as in compliance with the procedure adopted by Unipol in this regard - the following recommendation to the Board of Directors (“Recommendation”).

**2. REGULATORY FRAMEWORK**

The “Procedure for the granting of the statutory audit appointment”, adopted by the Company in compliance with the provisions of Art. 16, paragraph 3, of the Regulation

referred to above (“Procedure”), falls under the context of the following national and European regulations of reference, as well as the additional provisions referenced by them:

- Regulation (EU) no. 537/2014 (“Regulation”) of the European Parliament and Council dated 16 April 2014 on the specific requirements relating to the statutory audit of public-interest entities (“EIPs”), which include Italian companies issuing securities admitted for trading on the Italian and European Union regulated markets, credit institutions and insurance companies;
- Legislative Decree no. 39 of 27 January 2010 (“Decree”) as amended by Legislative Decree no. 135 of 17 July 2016, implementing Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts, as amended in turn by Directive 2014/56/EU of the European Parliament and of the Council dated 16 April 2014.

These provisions have, among other things, strengthened the role of the Internal Control and Auditing Committee - which takes the form of the Board of Statutory Auditors for companies qualified as EIPs, which adopt a traditional management system - in the process of granting the statutory audit appointment, thereby assigning to this body the responsibility for the procedure for selecting the auditor and entrusting the same with the task of submitting to the Board of Directors a justified recommendation for the granting of the aforementioned appointment.

Pursuant to the Regulation, the Recommendation must contain at least two possible alternative proposals for granting and a duly justified preference for one of the two, in order to allow the Shareholders’ Meeting to make an adequately prudent decision.

In light of the foregoing, the Board of Statutory Auditors of Unipol prepared this Recommendation, as the Internal Control and Auditing Committee, as a result of the Procedure - for the performance of which it benefited from the assistance of Administration, Management Control and Operations Joint Department (“DGA”).

### **3. THE SELECTION PROCEDURE**

#### **3.1 Preamble**

During 2018, Unipol adopted the Procedure, which governs the process for the granting of the statutory or non-mandatory audit appointment to a statutory auditor and/or an auditing firm (“Auditor” or “Auditors”) by Unipol and its subsidiaries falling

within the scope of application of said Procedure (“Companies within the scope”), in compliance with applicable legal provisions and in line with international standards of reference, thereby pursuing the primary objective of selecting - by adopting the same process endorsed by the Companies within the scope and coordinated by Unipol itself - a Chief Auditor for the Group (“Chief Auditor”), subject to the case, in observance of the provisions in force concerning independence and compliance with situations of incompatibility, of it being necessary for certain companies of the Group to select a different auditor (“Secondary Auditor”).

In line with the aforementioned purposes, the granting of the Appointment takes place on the basis of a selection procedure conducted by Unipol and UnipolSai Assicurazioni S.p.A. (“UnipolSai”), as the Group's main subsidiary and listed company, the results of which are submitted to the respective corporate bodies of the other Companies within the scope for the resolutions under their respective responsibility.

The Board of Statutory Auditors of Unipol verified - jointly with the control body of UnipolSai - compliance by the process outlined in the Procedure with the *pro-tempore* regulation in force concerning the granting of audit appointment.

### **3.2 Preliminary activities**

The Procedure provides for the preliminary identification of:

- the services to be part of the appointment (“Requested Services” – ref. Annex 1);
- the quality and auditing standards in force from time to time (“Standards”) with which the Auditor is required to comply in providing the Requested Services;
- the list of Companies within the scope (“Granting Companies” - ref. Annex 2) for which the Auditors are called upon to make an offer for the provision of the Requested Services (“Offer”);
- additional conditions to which the Auditors must conform in putting forward the Offer,

as well as transparent and non-discriminatory pre-selection criteria, for the selection of the Auditors invited to submit an Offer, taking into account in particular:

- the fact that the Auditor has provided/performs statutory auditing at companies with similar turnover as the Granting Companies and/or operating in the same business sectors as the latter;
- the fact that the Auditor is part of a network fully covering the geographical area of operation of the Granting Companies.

With regard to the Auditors that have independently expressed interest in participating in the selection procedure, the Procedure requires the DGA to evaluate inclusion in the list based on the pre-selection criteria.

The aforementioned preliminary activities were shared with the DGA by both Boards of Statutory Auditors of Unipol and UnipolSai.

### **3.3 Invitation Letter**

Based on the pre-selection criteria identified, taking into account the incompatibility situations established by current regulations, on 12 November 2018, Unipol sent to BDO Italia S.p.A. (“BDO”), EY S.p.A. (“EY”) and KPMG S.p.A. (“KPMG”) - jointly the “Selected Auditors” - an invitation letter (“Invitation Letter”) to submit the Offer to the Granting Companies for the period specifically indicated to each of them.

The Invitation Letter featured in particular:

- the details necessary for understanding the operations of Unipol and the main Granting Companies, as well as the Requested Services, including the indication of the Standards;
- the criteria and methods for evaluating the Offers;
- the deadlines and methods according to which the Selected Auditors may submit the Offer, with the express request to organise it, clearly distinguishing between:
  - a technical section (“Technical Section”) in which to include:
    - a description of the operational approach it is the intention to adopt for fulfilling the appointment;
    - information about experience gained;
    - the proposed team, specifying - among other information - the most significant tasks performed by the Partners and Managers.

With specific reference to the activity of making a judgement on the sufficiency of the technical provisions, there must be a separate description of (i) the proposed team for the performance of this activity or (ii) the actuarial professionals/experts whose collaboration the Auditor intends to make use of;

- the effort that, for each year of the Appointment period, it is the intention to propose for the performance of the Requested Services at Unipol and the other Granting Companies;
- a financial section ("Financial Section"), featuring the mix of the proposed team, organised according to the parameters specifically indicated, providing for each professional role specified percentages for subdividing between statutory audit activities and activities concerning Solvency II issues, as well the fees requested, net of the supervisory contribution to be paid to CONSOB ("Overall Price").

The Selected Auditors were also asked to supplement the Offer with declarations, confirming in particular:

- the list of any consulting tasks/professional services undertaken, directly or indirectly, also with reference to the Network they belong to, for Unipol and for each of the other Granting Companies, for their parent companies or for their subsidiaries, at the time of making the Offer, thereby specifying those to be considered permitted and those to be considered prohibited for the purpose of granting the Appointment and the respective purpose, value, duration and expiration date, as well as information on the activities carried out for the Granting Companies in the last twelve months;
- the non-existence of reasons for incompatibility with statutory auditing or reasons undermining the independence of the auditor pursuant to the national and European legislation in force, thereby explaining:
  - i. the procedures adopted to prevent and promptly detect incompatibility situations;
  - ii. the adopted/intended measures to remove any incompatibility situations and/or to ensure independence and objectivity as well as to mitigate any



detected risks, with reference to the statutory audit period and the so-called cooling in period;

- also with reference to the Network they belong to, the existence or otherwise of situations of conflict of interest, even if potential, in relation to the tasks performed in the last 5 years or in effect in favour of third parties, thereby specifying the information necessary to allow for an assessment by Unipol of the conflict situation.

### **3.4 Evaluation criteria**

For the purpose of identifying the most financially advantageous offer, that is, the offer achieving the best ratio between components expressing qualities of a technical nature and the Overall Fee offered ("Most Financially Advantageous Offer"), pursuant to the Procedure, we:

- assign a score to the Technical Section ("Technical Score"), by applying the following weighting parameters to each of the pre-determined evaluation criteria:
  - operational approach: 15%;
  - auditor experience: 30%;
  - proposed team: 35%;
  - effort: 20%,

and then identify from among the Offers the one that has obtained the best Technical Score ("Best Technical Score");

- except for the Offer obtaining the Best Technical Score, adjust the Overall Price with the Technical Score, by applying to this price a coefficient parameterised according to the Best Technical Score, so as to obtain a revaluation of the Total Price of the individual Offers ("Price Revaluation"), as required by the measurement criteria stated in the Invitation Letter;
- determine the final score assigned to each individual Offer, adding the Overall Price to the Price Revaluation;
- then identify the Offer with the lowest final score as the Most Financially Advantageous Offer.

### **3.5 The holding of bidding**

By 31 December 2018, Unipol received the Offers from the Selected Auditors, complete with all the required documentation, which were thoroughly examined, with the support of DGA, by the Unipol and UnipolSai Boards of Statutory Auditors in a joint session.

The Boards in particular verified compliance with the instructions contained in the Invitation Letter regarding the declarations confirming the absence of reasons for incompatibility with statutory auditing or reasons undermining the independence of the auditor pursuant to the national and European legislation in force, thereby viewing the procedures adopted by each Auditor to prevent and promptly detect incompatibility situations; the adopted/intended measures to remove any incompatibility situations and/or to ensure independence and objectivity and to mitigate any detected risks, with reference to the statutory audit period and the so-called cooling in period; as well as - also with reference to the respective Network they belong to - the existence or otherwise of conflict of interest situations, even if potential, in relation to the tasks performed in the last 5 years or in effect in favour of third parties.

Also making use of the experienced contribution of the DGA, the Boards then analysed the specific documentation regarding the technical and economic aspects, thereby focusing on that reported by each Auditor in relation to the operational approach that it is the intention to adopt for the fulfilment of the Appointment - with particular reference to the use of new information technologies aimed at allowing for a broader spectrum of analysis - as well as information provided about the team proposed for the Appointment and the experience gained by its members. The Boards also assessed the fee proposed by each Auditor, thereby evaluating it in accordance with the effort.

Subsequently, the aforementioned Boards conducted with each Auditor, also in joint session and with the attendance of the DGA, an in-depth meeting aimed at receiving all the additional detailed information deemed necessary for a complete classification of the respective technical aspects, examining in particular the experience claimed by the individual members of the team proposed in the main business sectors of the Unipol Group and the methodological approach that would be adopted in fulfilling the Appointment.

#### 4. EVALUATION OF THE OFFERS

Given that the documentation received confirmed that all the Selected Auditors belong to international networks of primary standing, with high levels of quality and professionalism in the services offered, in terms of quality the analyses carried out on the Offers showed that:

- the explained procedures for carrying out the Requested Services were generally adequate in relation to the extent and complexity of the Appointment;
- the Offers contain a specific and justified declaration concerning the commitment to prove satisfaction of the independence requirements established by the law, with particular reference to Arts. 10 and 17 of the Decree;
- the Selected Auditors have a suitable organisation and are adequately fit in technical and professional terms for the size and complexity of the Appointment, pursuant to the Arts. 10-*bis*, 10-*ter*, 10-*quater* and 10-*quinquies* of the Decree, as well as the requirements established by the Regulation.

In quantitative terms, the total cost for the Services requested by the Granted Companies stated in the Offers is summarised, for each Selected Auditor, in the table below:

Company	Offer for Requested Services for the Group	Hours/work
BDO	€2,200,000	48,100
EY	€2,550,000	37,200
KPMG	€2,368,000 as the annual average of the nine-year period, taking into account the different amount hypothesised for the first two years equal to €2,700,000 per year, which drops to €2,400,000 for the following three years and lastly for the last four years to €2,180,000	39,200

In the light of the preliminary investigations and meetings with the Selected Auditors, DGA analysed the Offers in detail and comparatively, observing the distinctive and qualifying aspects of each company for each evaluation profile. The analysis took into account the regulatory provisions as well as the information acquired by DGA and the experience gained in this regard by it.

At the end of the selection process and taking into account the results of the assessments on the qualitative and quantitative aspects and in particular of the process of identifying the Most Financially Advantageous Offer (ref. previous paragraph 3.4), pursuant to Art. 16, paragraph 3, of the Regulation, on 22 February 2019, DGA issued its final Report concerning the bidding for the granting of the statutory audit activities for the 2021-2029 period ("Final Report"), containing its own preferential judgement in favour of the Offer presented by EY.

In particular, DGA expressed its preferential opinion indicating that:

- iv) both EY and KPMG have organisational and technical characteristics such as to be able to manage the statutory audit of the Unipol Group adequately;
- v) however, the EY Offer was the most financially advantageous for the Group and for the Company, as shown in the following summary tables of the results from applying the aforementioned process, taking into account the characteristics of the EY network, which holds in-depth knowledge of the financial/insurance world and, in particular, of the Unipol Group, the latter having been acquired in the performance of technical consultancy and support, mainly regarding Solvency II;
- vi) as to the Offer put forward by EY, in particular, reasons for preference were: (a) the preparation of the proposed work team, able to claim considerable experience gained in carrying out auditing activities for companies operating in the same business sector as the Unipol Group, of similar standing. One also highlights the professionalism and availability ensured by the Lead Partner, as well as the skills demonstrated by the team's actuarial manager, which is of fundamental importance, taking into account the upcoming application of the new accounting standard IFRS 17; and (b) the application to the auditing of proven advanced computer technology.

**Summary table of the results of the evaluation process with reference to the Group**

<b>Company</b>	<b>Technical Score</b>	<b>Overall Price</b>	<b>Price Revaluation</b>	<b>Final score</b>
EY	4.913	2,550,000.00	//	2,550,000.00
KPMG	4.508	2,368,000.00	194,822.73	2,562,822.73
BDO	2.478	2,200,000.00	1,086,079.73	3,286,079.73

**Summary table of the results of the evaluation process with reference to Unipol**

<b>Company</b>	<b>Technical Score</b>	<b>Overall Price</b>	<b>Price Revaluation</b>	<b>Final score</b>
EY	4.913	170,100.00	=	170,100.00
KPMG	4.508	166,000.00	13,657.34	179,657.34
BDO	2.478	150,800.00	74,445.83	335,245.83

In proceeding with the validation of this judgement, the Board of Statutory Auditors verified that:

- during the entire selection procedure there was compliance with requirements indicated in Art. 17 of the Regulation;
- the selection was undertaken in compliance with the provisions of Art. 16, paragraph 3, of the Regulation and in compliance with that established in the Procedure.

**5. RECOMMENDATION OF THE BOARD OF STATUTORY AUDITORS**

The Board of Statutory Auditors:

- on the basis of the completed procedure, the Offers, the assessments carried out and the results thereof,
- taking into account that Art. 16, paragraph 2, of the Regulation establishing that the justified recommendation of the Board of Statutory Auditors must contain at least two possible alternatives for granting in order to allow the Shareholders' Meeting the right of choice, and

- considering that the aforementioned Art. 16, paragraph 2, requires the Board of Statutory Auditors to express a duly justified preference,

#### **RECOMMENDS**

**that the Board of Directors proposes to the Shareholders' Meeting to grant the statutory audit appointment for Unipol Gruppo S.p.A. for the 2021-2029 financial years to EY S.p.A., preferentially, or to KPMG S.p.A., on a secondary basis.**

The financial conditions and the main contractual conditions relating to the aforementioned auditing firms are shown in Annex 3.

In particular, out of the two, the Board of Statutory Auditors

**EXPRESSES ITS PREFERENCE**

**for EY S.p.A. since, in the light of the completed quantitative and qualitative analyses, as per the reasons stated above, it is the most suitable for fulfilling the appointment, in line with the identified needs of the Company.**

**6. DECLARATIONS**

Pursuant to Art. 16, paragraph 2, of the Regulation, the Board of Statutory Auditors states that this Recommendation was not influenced by third parties and that there was no application of the clauses pursuant to Art. 16, paragraph 6, of the Regulation, between the Company and a third party aimed at limiting the choice of the Shareholders' Meeting.

Bologna, 4 March 2019

The Board of Statutory Auditors of Unipol Gruppo S.p.A. in its capacity as the Internal Control and Auditing Committee.

Mario Civetta, Chairman

Silvia Bocci, Statutory Auditor

Roberto Chiusoli, Statutory Auditor

## **Annex 1 – List of Requested Services**

Find below the list of the Services requested from the invited Auditor, specifying that performance thereof must be in full compliance with the quality, accounting and auditing standards in force from time to time, including, but not limited to, (i) “ISA Italia” international auditing standards and (ii) the “ISQC1 Italia” international quality control standard, adopted by way of the Resolution of the Ministry of Economy and Finance (State Accountant-General) dated 23 December 2014, as subsequently updated.

### **List of Requested Services**

1. Statutory audit of the consolidated financial statements of the Group as well as of the Granting Companies heading other business groups.
2. Limited audit of the consolidated half-yearly report (interim consolidated half-yearly financial statements) of the Group as well as of the Granting Companies heading other business groups.
3. Statutory audit of the financial statements of the Granting Companies as well as:
  - A. verification of the regular company bookkeeping and correct recording of the operational events in the accounting records;
  - B. checks related to the signing of tax returns.
4. Audit of the reporting package at 30 June and 31 December, drawn up for consolidation purposes, for all the Companies within the scope.
5. Audit of the UnipolSai Previdenza Open-End Pension Fund.
6. Judgement on compliance regarding internal funds and segregated funds.
7. Audit of the following elements of the Solvency Financial Capital Requirement Report (“**SFCR Report**”) of the Granting Companies in accordance with the provisions of IVASS Regulation no. 42/2018:
  - A. Balance sheet and related assessments for solvency purposes;
  - B. Own funds eligible to meet the capital requirements;
  - C. Solvency Capital Requirement and Minimum Capital Requirement.



8. Audit of the following elements of the Group SFCR Report, in accordance with the provisions of IVASS Regulation no. 42/2018:
  - A. Group balance sheet and related assessments for solvency purposes;
  - B. Own funds eligible to meet group capital requirements;
  - C. Consolidated Group Solvency Capital Requirement and Minimum Capital Requirement.
9. Judgement on the sufficiency of technical provisions.
10. Judgement on the consistency of the management report and certain specific information contained in the report on corporate governance and ownership structure.
11. Additional report for the Board of Statutory Auditors of the EIP Companies within the scope established by Art. 11 of Regulation (EU) no. 537/2014.
12. Participation in periodic meetings with the Board of Statutory Auditors and with the Control and Risk Committee, if any, of the Granting Companies.
13. Limited examination of the Consolidated Non-Financial Statement pursuant to Italian Legislative Decree 254/2016.

## **Annex 2 – Granting Companies**

<b>GRANTING COMPANIES</b>	<b>COMPANY TYPE</b>	<b>AUDIT PERIOD</b>
UNIPOL GRUPPO S.P.A.	EIP	<b>2021-2029</b>
UNIPOLSAI ASSICURAZIONI S.P.A.	EIP	<b>2021-2029</b>
COMPAGNIA ASSICURATRICE LINEAR S.P.A.	EIP	<b>2021-2029</b>
UNISALUTE S.P.A.	EIP	<b>2021-2029</b>
UNIPOL BANCA S.P.A.	EIP	<b>2021-2029</b>
AMBRA PROPERTY S.R.L.		<b>2021-2023</b>
APB CAR SERVICE S.R.L.		<b>2021-2023</b>
AUTO PRESTO E BENE S.P.A.		<b>2019-2021</b>
CASA DI CURA VILLADONATELLO S.P.A.		<b>2019-2021</b>
CENTRO ONCOLOGICO FIORENTINO S.P.A. IN LIQUIDAZIONE		<b>2019-2021</b>
LEITHA' S.R.L.		<b>2020-2023</b>
MERIDIANO SECONDO S.R.L.		<b>2021-2023</b>
NUOVE INIZIATIVE TOSCANE S.R.L.		<b>2020-2022</b>
PRONTO ASSISTANCE SERVIZI S.C.R.L.		<b>2019-2021</b>
SOGEINT S.R.L.		<b>2019-2021</b>
UNIPOL INVESTMENT S.P.A		<b>2019-2021</b>
UNIPOLPART I S.P.A.		<b>2021-2023</b>
UNIPOLREC S.P.A.		<b>2021-2023</b>
UNIPOL REOCO SPA		<b>2020-2022</b>
UNIPOLSAI SERVIZI PREVIDENZIALI S.R.L.		<b>2019-2021</b>

### Annex 3

#### Auditing Firm: EY S.p.A. – offer for Unipol Gruppo S.p.A.

Appointment description – period of granting 2021 - 2029	Hours	Fees(€)
Accounting audit of the financial statements for the financial year (*)	205	14,400
Accounting audit of the consolidated financial statements	985	69,200
Limited audit of the consolidated half-yearly report	410	28,200
Auditing of elements of the solvency and financial condition [sic] report	410	28,200
Limited examination of the consolidated non-financial statement	410	30,100
<b>Total</b>	<b>2,420</b>	<b>170,100</b>

(\*) the auditing of the financial statements includes:

- verification of the regular company bookkeeping
- checks related to the signing of tax returns
- judgement on the consistency of the management report and report on corporate governance and ownership structure
- additional report for the Board of Statutory Auditors established by Art. 11 of Regulation (EU) no. 537/14
- participation in periodic meetings with the Board of Statutory Auditors and Control and Risk Committee

Refunds shall be added to the aforementioned fees for the expenses incurred for the performance of the work, such as expenses for off-site work, transport and administrative and communication services, which will be capped at a maximum expenditure limit of 8% of the total price, VAT, as well as the supervisory contribution for CONSOB (as applicable).

#### **Fees adjustment**

The proposed rates are expressed at current prices and shall be adjusted based on the variation in the ISTAT index relating to the cost of living with respect to the previous year (June 2021 base).

In the event that specific situations require higher spending levels, the solution to be adopted shall be assessed and shared with the Board of Statutory Auditors.



### **Other contractual terms and conditions**

The transition with the outgoing auditor is the responsibility of EY S.p.A.

The estimated effort for auditing the financial statements prepared in accordance with IAS/IFRS also takes into account the application of IFRS 17 and IFRS 9 according to the timing currently established by the relevant legislation.

**Auditing Firm: KPMG S.p.A. – offer for Unipol Gruppo S.p.A.**

<b>Appointment description – period of granting 2021 - 2029</b>	<b>Hours</b>	<b>Fees(€)</b>
Accounting audit of the financial statements for the financial year (*)	201	13,000
Accounting audit of the consolidated financial statements	1,038	65,000
Limited audit of the consolidated half-yearly report	485	30,000
Activities relating to Solvency II	444	30,000
Limited examination of the consolidated non-financial statement	442	28,000
<b>Total</b>	<b>2,611</b>	<b>166,000</b>

(\*) the auditing of the financial statements includes:

- verification of the regular company bookkeeping
- checks related to the signing of tax returns
- judgement on the consistency of the management report and report on corporate governance and ownership structure
- additional report for the Board of Statutory Auditors established by Art. 11 of Regulation (EU) no. 537/14
- participation in periodic meetings with the Board of Statutory Auditors and Control and Risk Committee

The estimate of fees includes technology costs but does not include VAT and the supervisory contribution to be paid to CONSOB. Out-of-pocket expenses, administrative expenses and other expenses incurred shall be charged upon final balance, to an extent not exceeding 6% of the annual fees.

**Fees adjustment**

The fees shall be updated annually within the limits of the adjustment in the ISTAT index relating to the cost of living compared to the previous year.

Any other expenses to be incurred in relation to external consultancy, which are not foreseeable in advance and therefore not included in the Letter of Appointment, shall be discussed promptly and previously with the Board of Statutory Auditors as soon as the need arises for the fulfilment of the appointment.



### **Other contractual terms and conditions**

The proposal takes into account the impacts of the introduction of the new IFRS 17 and IFRS 9 standards, despite the existence of some uncertainties regarding their evolution and the implementation methods by the Unipol Group.

**REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETINGS ON ITEM NO. 6  
ON THE AGENDA OF THE ORDINARY PART**

**Remuneration plan based on financial instruments, pursuant to Art. 114-*bis* of  
the Consolidated Law on Finance. Related and consequent resolutions.**

Dear Shareholders,

the Board of Directors has summoned to meet in an ordinary session to discuss and resolve, among other things, upon the approval proposal, pursuant to and for the purposes of Art. 114-*bis* of Legislative Decree no. 58 of 24 February 1998 (Consolidated Law on Finance, "TUF"), for the remuneration plan based on financial instruments for the parties indicated below ("2019-2021 Remuneration Plan" or "Plan"), as the similar plan approved by the Ordinary Shareholders' Meeting of Unipol Gruppo S.p.A. ("Unipol" or "Company") on 28 April 2016, as subsequently amended by resolution of the Ordinary Shareholders' Meeting on 28 April 2017, has expired.

The 2019-2021 Remuneration Plan – for the Managing Director - Group CEO and General Manager, Key Managers and other Company Managers, as identified by the incentive system referred to as Unipol Performance Management, approved by Unipol's Board of Directors at the meeting of 14 March 2019 – provides, subject to determined conditions being met and specific objectives being achieved, for the assignment to the recipients of Unipol ordinary shares and UnipolSai Assicurazioni S.p.A. ordinary shares, as performance shares, at the end of the time period of reference covered by the 2019-2021 Unipol Group Business Plan (to be approved shortly by the administrative body of the Company), with concurrent availability of the shares starting from 2022 and for the two following years.

In line with the remuneration policies submitted for examination by the Shareholders' Meeting in the previous point no. 5 on the agenda, the 2019-2021 Remuneration Plan is part of the aforementioned incentive system for Company Manager, which sets forth and governs the conditions and procedures for the disbursement of the variable component of the remuneration, both in the short- and medium- to long-term. It is, in fact, Unipol's belief that this incentive instrument contributes to the dissemination of a professional culture aimed at creating sustainable value over time and direct participation in the results, and therefore co-responsibility and real involvement in pursuing business targets, thereby aligning interests of the beneficiaries of the Plan and the Shareholders.

All the characteristics of the 2019-2021 Remuneration Plan are described in detail in the respective Information Document, prepared in accordance with Art. 114-*bis* of the TUF and with Art. 84-*bis* of CONSOB Regulation no. 11971/1999 ("Issuer Regulation"), as subsequently amended and modified, made available to the public within the terms and according to the procedures prescribed by Art. 125-*ter* of the Issuer Regulation, and annexed to this Explanatory Report.

That said, the Board of Directors hereby submits the following resolution proposal to the Shareholders' Meeting.

### Proposal

*“The Ordinary Shareholders' Meeting of Unipol Gruppo S.p.A. (“Unipol” or “Company”),*

- in view of Art. 114-bis of Legislative Decree 24 February 1998, no. 58 (the “Consolidated Law on Finance”) and Art. 84-bis of CONSOB Regulation no. 11971, 14 May 1999, and subsequent amendments and integrations (the “Issuer Regulation”);*
- having acknowledged the Report of the Board of Directors (“Report”) and the enclosed Information Document prepared in accordance with the aforementioned Art. 114-bis of the Consolidated Law on Finance,*

*hereby resolves*

- to approve, pursuant to and for the purposes of Art. 114-bis of the TUF and of the Art. 84-bis of the Issuer Regulation, the adoption of a remuneration plan based on financial instruments, of the performance share type, for senior company representatives and Unipol managers, in compliance with that explained in the Information Document and in the Regulations attached thereto (“2019-2021 Remuneration Plan” or “Plan”);*
- to assign to the Board of Directors - and on behalf of it to the Chairman and the Managing Director, separately from each other and with the express power to sub-delegate, in compliance with the governance principles established by the Remuneration Policies adopted by the Company - full powers necessary or appropriate for (i) the adoption and full implementation of the 2019-2021 Remuneration Plan, thereby making any additions and/or modifications of a non-essential nature considered necessary and/or appropriate, and (ii) undertaking any act, fulfilment, formality or communication as necessary or appropriate for the implementation of the Plan.”*

Bologna, 14 March 2019

The Board of Directors

Annex            Information Document prepared pursuant to Art. 114-bis of the Consolidated Law on Finance, enclosing in attachment the 2019-2021 Remuneration Plan Regulation



**Information Document**  
**relating to the Remuneration Plan Based on Financial Instruments of**  
**Unipol Gruppo S.p.A.**

**(prepared in accordance with Article 114-bis of Legislative Decree  
no. 58 of 24 February 1998 and Art. 84-bis of the Issuers Regulation promulgated  
by CONSOB with its resolution no. 11971 of 14 May 1999, as subsequently  
amended)**

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## GLOSSARY

In addition to any further definitions contained in other parts of this document, for the purposes thereof, the capitalised terms and expressions stated below shall have the meaning attributed to them below, in all contexts in which they are used and regardless of whether used in singular or plural form:

<b>Accrual Year</b>	each calendar year according to which the Three-Year Period is divided and in relation to which the achievement of the <i>performance</i> for determining the Variable Incentive is verified.
<b>Shares</b>	all Unipol and UnipolSai Shares, assigned to the Beneficiaries, according to the terms and conditions established by the UPM System for the provision of short-term incentives (STI) and long-term incentives (LTI).
<b>Unipol Shares</b>	the ordinary shares representing the share capital of Unipol Gruppo S.p.A.
<b>UnipolSai Shares</b>	the ordinary shares representing the share capital of UnipolSai Assicurazioni S.p.A.
<b>STI Bonus or STI</b>	Short-Term Incentive: the amount of the short-term variable compensation relating to the performance results of a given Accrual Year, subject to the achievement of the objectives relating to the Accrual Year, which is paid after the end of the Accrual Year.
<b>LTI Bonus or LTI</b>	Long-Term Incentive: the amount of the long-term variable compensation relating to the performance results in the Three-Year Accrual Period, subject to the achievement of the objectives relating to the Three-Year Accrual Period, which is paid after the end of the Three-Year Accrual Period.
<b>Actual Bonus</b>	the amount actually accruing of the Variable Incentive connected to the UPM System. Depending on the context in which it is mentioned, it is given by the sum of the STI Bonus and the LTI Bonus or relates to only one of the two.
<b>Variable Component</b>	generically indicates the part of the compensation paid in a non-recurring form. Also see Variable Remuneration.
<b>Particularly high Variable Component</b>	pursuant to IVASS Guidelines, the variable remuneration paid to the Managing Director - Group CEO and General Manager of Unipol and to Executives was identified as a particularly high amount of variable remuneration.
<b>Beneficiaries</b>	the beneficiary parties of the 2019-2021 Plan stated in point 2 of the Regulation.
<b>Deferral</b>	time period between the date of conclusion of the results measurement period determining the accrual of the Variable Incentive and the actual disbursement thereof.
<b>Key Managers</b>	the individuals who hold power and responsibility, whether directly or indirectly, over the planning, management and oversight of Unipol's activities as a listed company. They are identified by the Governance, Legal Affairs and Human Resources General Managers of Unipol, with the approval of the Chairman and the Managing Director-Group CEO and General Manager of Unipol itself.

<b>Bracket</b>	classification method for Unipol Group Managers related to the relevance and complexity of the role and position.
<b>Fundamental Functions</b>	the Compliance Function, the Risk Management Function, the Audit Function and the Actuarial Function.
<b>Unipol Group</b>	Unipol and its subsidiaries.
<b>Holding Period</b>	time period during which the Shares assigned as Variable Incentive are subject to a restriction on sale.
<b>Variable Incentive</b>	generically indicates a financial return accrued in proportion to Group, corporate and individual <i>performance</i> results.
<b>Individual Performance Level</b>	for each Accrual Year, an amount between 0% and 100%, which expresses the level of achievement of individual targets. The Individual Performance Level helps to determine the amount of the Variable Incentive.
<b>IVASS Guidelines</b>	the document issued by IVASS on 5 July 2018 entitled "IVASS Guidelines on the application of the proportionality principle in the corporate governance system for insurance and reinsurance companies and groups".
<b>Relevant Personnel</b>	Beneficiaries whose activity may have a significant impact on the company's risk profile, identified on the basis of the criteria established by the relevant regulations, including the Managing Director-Group CEO and General Manager of Unipol and the Key Managers.
<b>2019-2021 Plan or Plan</b>	the Share Allotment Plan governed in this Regulation.
<b>Closed Plan</b>	the Plan whose attainment conditions are defined at the start of the Three-Year Accrual Period to which it refers.
<b>Variable Incentive Plan</b>	all the rules and conditions governing the possibility of benefiting from Variable Incentives.
<b>Group Business Plan</b>	the Unipol Group's business plan for the 2019-2021 three-year period.
<b>Group Remuneration Policies</b>	the <i>body</i> of documents approved by the respective corporate bodies setting and governing the guidelines for the remuneration of the Corporate Bodies, employees, collaborators and those in charge of the distribution networks for the Unipol Group.
<b>GAR</b>	the fixed Gross Annual Remuneration, excluding severance pay (TFR), any provision or payment of any nature and/or for social security purposes borne by the employer, and any variable component, whether this is paid as a <i>one-off amount</i> or on an on-going basis, repeated or deferred, excluding any bonus, travel indemnity and monetisation of social security components. It constitutes the main reference for the determination of the Variable Incentive: for this purpose, its amount at 31 December of the Accrual Year is considered.
<b>IVASS Regulation</b>	Regulation no. 38 of 3 July 2018 issued by the Institute for Insurance Supervision (IVASS), with particular reference to Part Two, Chapter VII ("Remuneration and Incentive Policies") and Part Three, Chapter VII ("Group Remuneration Policies").
<b>Regulation of the 2019-2021 Plan or Regulation</b>	this Regulation containing the conditions set forth for the assignment of Shares in accordance with the 2019-2021 Plan.

<b>Variable Remuneration</b>	this generically indicates the compensation paid in a non-recurring manner upon the satisfaction of the conditions set forth in this document.
<b>UPM System</b>	the name of the variable incentive system adopted for the Managerial Staff of all the companies of the Unipol Group.
<b>Seconding Company</b>	the company of the Unipol Group at which the Beneficiary is employed and from which the latter is seconded in whole or in part, also in the interest of the company itself, to one or other companies of the Unipol Group in order to work.
<b>Host Company</b>	the Unipol Group company to which the Beneficiary is seconded, in whole or in part, also in the interests of the Seconding Company.
<b>Solvency II</b>	this indicates the metrics referred to by the <i>provisions</i> of Directive 2009/1338/EC on access to and performance of insurance and reinsurance activities (so-called <i>Solvency II</i> Directive).
<b>Severance pay</b>	Severance Pay
<b>Three-Year Accrual Period</b>	the period of observation and measurement of the results for determining the LTI Bonus. The period is the same as the three-year Group Business Plan (2019-2020-2021).
<b>Unipol</b>	Unipol Gruppo S.p.A.
<b>UnipolSai</b>	UnipolSai Assicurazioni S.p.A.
<b>Consolidated Gross Profits</b>	Gross Profits relating to all the Consolidated Financial Statements of the Parent Company.

## Introduction

This document ("Information Document") is prepared pursuant to Article 114-bis of the Consolidated Law on Finance ("TUF") and Article 84-bis of the Regulation adopted by CONSOB by way of resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented ("Issuer Regulation"), as well as in accordance with the instructions contained in Schedule 7 of Annex 3A to the Issuer Regulation itself.

The Information Document concerns the remuneration plan based on financial instruments (the "2019-2021 Plan" or the "Plan"), intended for the Managing Director-Group CEO and General Manager, Key Managers, other Relevant Personnel and other Unipol Managers and was prepared in view of the Unipol Shareholders' Meeting convened as a consolidated ordinary session for 18 April 2019 to resolve, *inter alia*, on the Plan ("Shareholders' Meeting").

The Plan is to be considered "of special relevance" pursuant to Art. 114-bis, paragraph 3, of the TUF and Article 84-bis, paragraph 2, of the Issuer Regulation, insomuch as also intended for the Managing Director-Group CEO and General Manager as well as the other Key Managers.

The information specified by Schedule no. 7 of Annex 3A to the Issuer Regulation that is not contained in this Information Document shall be provided according to the procedures specified in Art. 84-bis, paragraph 5, letter a), of the Issuer Regulation.

This Information Document is available to the public at the registered office of Unipol, in Bologna, at Via Stalingrado, 45, at the centralized storage system for regulated information SDIR-NIS at the address, [www.emarketstorage.com](http://www.emarketstorage.com), as well as on the Unipol website at the address, [www.unipol.it](http://www.unipol.it).

## 1. Beneficiary parties

- 1.1. *Indication by name of the beneficiaries who are members of the board of directors or the management board of the issuer of financial instruments, of the parent companies of the issuer and of its direct and indirect subsidiaries*

The Plan is not intended for members of the Board of Directors of Unipol, with the exception of the Managing Director-Group CEO and General Manager of Unipol, Carlo Cimbri.

- 1.2. *The categories of employees or of collaborators of the issuer of financial instruments and the parent companies or subsidiaries of the issuer*

The Plan is intended for the Managing Director-Group CEO and General Manager, Key Managers, additional Relevant Personnel and other Unipol Managers.

- 1.3. *Indication by name of the persons benefiting from the plan who belong to the following groups:*

- a. *general managers of the issuer of financial instrument*

The General Manager of Unipol, Carlo Cimbri, participates in the Plan.

- b. *other Key Managers of the issuer of financial instruments that is not of "minor size", in accordance with Article 3, paragraph 1, letter f), of Regulation no. 17221 of 12 March 2010, if they have received, during the year, total remuneration (obtained by adding the monetary remuneration and the remuneration based on financial instruments) that is higher than the highest total remuneration among those attributed to the members of the board of directors, or of the management board, and to the general managers of the issuer of financial instruments*

No Key Managers received, in the course of the year 2018, higher total remuneration than the highest total remuneration among those attributed to the members of the Board of Directors and to the General Manager of Unipol.

- a. *natural persons controlling the issuer of shares, either employees or who perform work for the issuer of the shares*

There are no natural persons controlling Unipol.

- 1.4. *Description and number, separated by categories*

- a. *of Key Managers other than those indicated in letter b) of paragraph 1.3*

Key Managers of Unipol are beneficiaries of the 2019-2021 Plan. As of the date of this Information Document, they total fourteen, namely: the General Area Managers, the Director of IT Services, the Chief Strategic Planning and Organisation Officer, the Group Control Management Officer, the Chief Investment Officer, the Group Global Counsellor and the Heads of the Fundamental Functions.

- b. *in the case of companies of "minor size", in accordance with Article 3, paragraph 1, letter f), of Regulation no. 17221 of 12 March 2010, the aggregate indication of all Key Managers of the issuer of financial instruments*

Unipol does not meet the conditions as per Article 3, paragraph 1, letter f), of Regulation no. 17221 of 12 March 2010.

- c. *any other category of employees or contractors for whom differentiated characteristics of the Plan have been provided (for example, executives, middle managers, office workers, etc.).*

The Plan applies in a differentiated manner, as well as on the basis of the Bracket to which the individual Manager belongs, according to (i) the status of the Beneficiary as a Key Manager or other Relevant Personnel and (ii) the Beneficiary's designation to the Fundamental Functions, as specified *below* (paragraph 2.2).

## 2. The reasons for the adoption of the Plan

### 2.1. *The goals meant to be attained by attributing the plans*

The Plan is part of the broader incentive system of the Unipol Group, called UPM System.

The Plan is directed:

- at incentivising, retaining and motivating the Beneficiaries, assuring adequate remuneration levels in the presence of high professional performance, with a view to fairness and uniformity of treatment;
- at assuring that remuneration systems comply with recent applicable industry provisions with the goal of defining, in the interest of all *stakeholders*, remuneration systems that are in line with the strategies and medium and long-term corporate objectives, connected with corporate results, appropriately corrected to take all risks into account, such as to avoid distortion-inducing incentives that may lead to regulatory violations;
- at bringing the interests of the Beneficiaries in line with those of Unipol Shareholders, by rewarding the creation of long-term value and the appreciation of the Unipol and UnipolSai stocks;
- the 2019-2021 Plan, like the UPM System, is based on the logic of self-financing. An essential requirement for the payment of the incentives also in the long term, aside from continuing positive actual economic results and minimising risk factors, is therefore the existence of a *Dividend Capability*, that is, the satisfaction of the conditions, in terms of economic result and minimum solvency requirements of Unipol, for any distribution of dividends to the Unipol shareholders, in accordance with the provisions of the By-Laws and of the law applicable on each occasion.

#### 2.1.1. *More detailed information*

- *the reasons and criteria according to which the issuer decided to establish a given ratio between incentivising remuneration based on financial instruments and other components of overall remuneration*

The incidence of the remuneration based on financial instruments on total remuneration is such as to assure both a fair balancing between the fixed component and the variable component of remuneration, and an appropriate balance between incentives based on short-term results and incentives based on medium- to long-term results.

- *purposes of long-term incentive systems;*

Please refer to that explained in paragraph 2.1.

- *the criteria for defining the time horizon on the basis of the incentive systems.*

The Plan is based on a three-year *performance* time frame (2019-2021), coinciding with the Group's 2019-2021 Business Plan, such that the remuneration takes into account the trend over time of the risks borne and the financial results of Unipol and the Unipol Group.



2.2. *Key variables, also in the form of performance indicators considered for the purposes of the attribution of the plans based on financial instruments*

The UPM System regulates requirements and criteria for the payment of a variable component of remuneration, partly short term (STI) and partly long term (LTI), which both provide for the assignment of Shares of up to 50% of said components, upon the occurrence of specific conditions and upon attaining specific individual targets.

The System will not produce any effect with respect to Beneficiaries as long as the following conditions are not met:

- a. achievement of a given percentage of the Unipol Consolidated Gross Profits target as per the budget approved for each Accrual Year, namely:
  - for the Managing Director-Group CEO and General Manager, Key Managers and for other Relevant Personnel, the achievement of at least 90% of the Consolidated Gross Profits target;
  - for other Beneficiaries, the achievement of at least 80% of the Consolidated Gross Profits target;
- b. for the full pay-out of the Actual Bonus, the existence of a consolidated coverage ratio (sound balance sheet structure) for Unipol calculated according to Solvency II metrics<sup>1</sup>, equal to the target set for 31 December of each Accrual Year by the respective decision-making bodies. On the other hand, a value between 100% and 80% of the target, as long as the result is not less than 1.0, reduces the Actual Bonus by 25%. The Actual Bonus drops down to zero if said value is any lower;

Access to the Plan of Managers working within the Fundamental Functions is not linked to the satisfaction of the condition referred to in point 2.2 letter a.

2.3. *Elements underlying the determination of the size of the remuneration based on financial instruments, that is, criteria for its calculation*

The performance period on which the Plan is based is three years (2019 - 2020 - 2021). The UPM System provides for the allocation of Shares, as referred to in point 2.2 above, in the form of 50% of the amount of the STI Bonus and the LTI Bonus. Shares are allotted according to the attribution criteria illustrated in point 2.3.1 below.

2.3.1. *Information for the relevant plans*

*The factors considered in order to decide the extent of the remuneration*

Access to the Plan is also subject:

- a. to the achievement of a pre-determined minimum Individual Performance Level in the Accrual Year, for the quantification of the STI Bonus which, according to the provisions of the UPM System, is determined based on the final measurement of the result of four individual quantitative and qualitative targets, relating to the area under the responsibility of each Beneficiary. Such targets are structured in line with the strategic objectives of the Unipol Group and consistent with the risk profiles established for the Unipol Group itself. An Individual Performance Level below 60% leads to the cancellation of the Actual Bonus;
- b. to the quantification of the LTI Bonus, the amount of which is determined in proportion to the Actual STI Bonus of each of the three years comprising the Three-Year Accrual

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<sup>1</sup> Solvency Ratio defined as part of the Risk Appetite Statement approved by the Administrative Body. Indicator and value defined in accordance with current provisions and subject to discounting / revision in the event of changes in the relevant law in force at the time.

Period. It occurs for all Beneficiaries that do not work as part of the Fundamental Functions:

- I. as to 45% on the basis of the achievement of at least 80% of the result of the Unipol Group, measured based on the cumulative Consolidated Gross Profits for the years 2019, 2020 and 2021 of the values as established each year by the pertinent corporate bodies;
- II. as to 30%, if, at the end of the Three-Year Accrual Period, the capital solvency requirement target<sup>2</sup> of Unipol is achieved, as defined by the pertinent corporate bodies;
- III. as to 20% based on the positive Ratio between the average value of the Unipol Share in the first quarter of 2022 and the average value for the first quarter of 2019;
- IV. as to 5% based on the Reputational Profile of the Unipol Group in the Three-Year Accrual Period (understood as the average of monthly measurements) exceeding that recorded, in the same period, by the Financial-Insurance Sector as a whole;

and, for all Beneficiaries working as part of the Fundamental Functions:

- I. as to 60%, on the basis of the Achievement of an average Individual Performance Level over the Three-Year Accrual Period not below 80%, on condition that both individual quantitative targets are fully reached in at least two of the three financial years;
- II. as to 35%, if, at the end of the Three-Year Accrual Period, the capital solvency requirement target of Unipol is achieved, as defined by the pertinent corporate bodies;
- III. as to 5% based on the Reputational Profile of the Unipol Group in the Three-Year Accrual Period (understood as the average of monthly measurements) exceeding that recorded, in the same period, by the Financial-Insurance Sector as a whole<sup>3</sup>.

*Elements taken into consideration for modification compared to similar previous plans*

Compared to similar plans adopted by Unipol, in the preparation of this Plan account was taken of the new regulatory provisions introduced by IVASS Regulation no. 38, of 3 July 2018, based on which the system of Group Remuneration Policies was also reviewed.

The Policies and Plan that are placed at the beginning of the 2019-2021 three-year period in which the new Group Business Plan will develop over time are in line with the remuneration policies adopted by the Unipol Group in recent years, also adopting the aforementioned regulatory updates, which have essentially confirmed that already set forth in the regulations previously in force, but provided for certain rules of greater and/or more specific scope.

The main new elements concern:

- the balancing also for the Managing Director-Group CEO and General Manager of Unipol of the short-term portion of the variable component to the extent of 40% and of the long-term portion to the extent of 60%, as for the members of the Executive Bracket;

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<sup>2</sup> See Note 1.

<sup>3</sup> Amount calculated and measured based on the RepTrak® model of the Reputation Institute.

- the introduction of the average reputational *performance* target achieved by the Unipol Group in the Three-Year Accrual Period, contributing on a pro rata basis to the payment of the long-term incentive;
- the introduction of payment, also for short-term variable incentives, of a share in monetary form and of a share in the form of financial instruments (Unipol and UnipolSai shares);
- the introduction of a ban on the sale of financial instruments assigned by virtue of variable incentives for a period of one year;
- the setting at three years, starting from the end of the period of measurement of short-term results, of the deferral preceding the payment of any long-term incentive accrued;
- the elimination of the possibility of receiving an Additional Bonus, previously established upon significantly exceeding the long-term targets.

*The way in which any remuneration achievable on the basis of such previous plans has influenced this determination*

Any remuneration achievable on the basis of the previous plans adopted by Unipol had no influence on the definition of the criteria for determining the size of the remuneration based on financial instruments.

*Indications on the consistency between the elements at the basis of the determination of the remuneration and the established targets*

The introduction of targets based not only on business results but also on correct indicators for risks or indicators of capital soundness satisfies, still more consistently, the need to align the interests of the Beneficiaries and of the Shareholders, remunerating the creation of long term value and appreciation of the Unipol and UnipolSai stocks.

- 2.4. *Reasons at the basis of any decision to attribute remuneration plans based on financial instruments not issued by the issuer of financial instruments, such as financial instruments issued by subsidiaries or by parent companies or by third party companies with respect to the group to which they belong; if the aforesaid instruments are not traded on regulated markets, information on the criteria used to determine the value that is attributable to them*

The Plan provides for the assignment of Unipol Shares and of UnipolSai Shares in equal parts, as the main subsidiary of Unipol. This choice is aimed at further developing the role and contribution of the main subsidiary within the overall *business* of the Group, incentivising Beneficiaries further to sustain its value and market position.

- 2.5. *Evaluations pertaining to significant implications of a fiscal and accounting nature that affected the definition of the plans*

There are no significant implications of a fiscal and accounting nature that affected the definition of the Plan.

- 2.6. *Any support to the plan by the special Fund for incentivising workers' participation in enterprises, per Art. 4, paragraph 112, of Law no. 350 of 24 December 2003*

The Plan does not receive support by the special Fund for incentivising workers' participation in enterprises, per Art. 4, paragraph 112, of Law no. 350 of 24 December 2003.

### 3. Approval procedure and time line for the assignment of the instruments

- 3.1. *Scope of the powers and functions delegated by the shareholders' meeting to the board of directors for the implementation of the plan*

On 14 March 2019, the Board of Directors, subject to the opinion of the Remuneration Committee, resolved to submit this Plan to the Shareholders' Meeting for approval, among other things.

The Shareholders' Meeting is called upon to grant to the Board of Directors - and, for this reason, the Chairman and the Managing Director-Group CEO and General Manager, separately from each other and with the express power to sub-delegate, in compliance with the *governance* principles set forth by remuneration policies adopted by Unipol - full necessary or appropriate powers in order to provide for the adoption and complete implementation of the Plan.

- 3.2. *Indications of the persons appointed to administer the plan and their function and competence*

The body responsible for administering and implementing the Plan is the Unipol Board of Directors, which is vested with all powers per the previous point.

- 3.3. *Any existing procedures for the revision of the plans also in relation to any changes to the basic objectives*

No particular procedures for the revision of the Plan are provided. If changes in this regard should become necessary, the same approval-decision making process used for adoption of the Plan shall be followed.

In particular, if events take place that could impact elements constituting the UPM System (including, for example but not limited to, extraordinary transactions or transactions on the share capital regarding Unipol and/or the Unipol Group, mergers, regulatory amendments or amendments to the scope of Unipol and/or the Unipol Group), or in the event of significant market discontinuity (such as material changes in domestic and/or international macroeconomic conditions or monetary policy), the Board of Directors of Unipol is delegated the power to make the amendments deemed necessary or appropriate to the UPM System and/or the remuneration policies in order to keep their substantial and economic content unchanged - within the limits allowed by regulations applicable over time - in order to maintain the fairness and overall consistency of the UPM System and/or remuneration policies as a whole.

- 3.4. *Description of the procedures for determining the availability and assignment of the financial instruments on which the plans are based*

It is established that the Shares subject to assignment are to be purchased by Unipol on the regulated market, and, as regards treasury shares, pursuant to Art. 2357 of the Civil Code and Art. 144-bis of the Issuer Regulation.

The plan for the purchase of treasury shares shall be resolved by the Board of Directors, on the basis of the authorisation that, with the approval of the Shareholders' Meeting, shall be granted to the administrative body, in accordance with arts. 2357 et seq. of the Civil Code.

3.5. *The role performed by each director in determining the characteristics of the aforementioned plans; any occurrence of conflicts of interest involving the directors*

If transactions in potential conflict of interest and/or with related parties are decided and/or carried out, Unipol shall comply with the applicable law provisions and internal regulations adopted in accordance with industry regulations directed at governing significant cases in terms of the existence of a specific interest in the completion of the transaction.

3.6. *For the purposes of the requirements of Art. 84-bis, paragraph 1, the date of the decision made by the competent body to propose the approval of the plans to the shareholders' meeting*

As stated previously, the Board of Directors, at the meeting on 14 March 2019, subject to the opinion of the Remuneration Committee, resolved to submit the Plan to the Shareholders' Meeting for approval.

3.7. *For the purposes of the requirements of Art. 84-bis, paragraph 5, letter a), the date of the decision made by the competent body with regard to the assignment of the instruments and of any proposal to the aforesaid body, made by the remuneration committee*

As stated previously, the Plan is submitted for the approval of the Unipol Shareholders' Meeting convened as a consolidated ordinary session for 18 April 2019. The assignment of the financial instruments relating to the Plan shall be decided by the Board of Directors starting from the meeting convened after the approval date of the financial statements for the 2020 financial year.

3.8. *The market price, recorded on the aforesaid dates, for the financial instruments on which the plans are based, if traded on regulated markets*

The market price of Shares on 14 March 2019 was equal to €2.277 for the UnipolSai Shares and €4.173 for the Unipol Shares.

3.9. *For plans based on financial instruments traded on regulated markets, according to which terms and procedures the issuer takes into account, within the identification of the time line for the assignment of the instruments implementing the plans, the possible time concurrence between:*

- said assignment or any decision made in this regard by the remuneration committee;
- the dissemination of any relevant information pursuant to Art.17 of Regulation (EU) no. 596/2014.

With regards to the Beneficiaries of the Plan who fall into the categories of parties governed by Art.152-*quinquies* of the Issuer Regulation and by Art. 3, paragraph 1, no. 25, of Regulation (EU) no. 596/2014 - who, given their position held, have regular access to privileged information and have the power to adopt management decisions that may affect the evolution and future prospects of Unipol, without prejudice to the Holding Period - the provisions established by the "Procedure for the communication of transactions involving shares issued by Unipol or other financial instruments linked thereto", adopted by Unipol, set forth that such parties:

- upon occurrence of the conditions stated in the aforementioned regulations, are required to provide timely information to the market about significant transactions - pursuant to the aforementioned legislation - carried out as to Unipol Shares;
- may not perform significant transactions - pursuant to the aforementioned regulations - on shares within 30 (thirty) calendar days preceding the announcement:

(a) of the preliminary results (or, when Unipol does not approve the preliminary results, of the draft financial statements and the consolidated financial statements); and

(b) of the half-yearly report,  
as well as in the 7 (seven) calendar days before the announcement:

(a) of periodic financial information in addition to the annual and half-yearly financial report;  
and

(b) of the forecasting data.

The prohibition ceases when the resolutions passed by the Board of Directors in this regard are communicated to the market.

The text of this procedure can be found on the website, [www.unipol.it](http://www.unipol.it).

## 4. Characteristics of the allotted instruments

### 4.1. *Description of the forms in which the remuneration plans based on financial instruments are structured*

The Plan provides for the free assignment of Shares to the Beneficiaries.

### 4.2. *Indication of the period of the actual implementation of the plan with reference also to any different cycle*

The Plan is of the closed type, with a three-year time span (2019-2021), and it entails the assignment of Shares in the *performance share* mode.

### 4.3. *Expiration of the plan*

The Plan ends in 2021. The Shares will be assigned to the Beneficiaries starting from 2020 for the STI Bonus and starting from 2023 for the LTI Bonus for the next three years for Beneficiaries not benefiting from the Particularly high Variable Component, while, for the next five years, for the Beneficiaries benefiting from this component.

### 4.4. *The maximum number of financial instruments, also in the form of options, allocated in every financial year in relation to the persons identified by name or to the indicated categories*

At the time of drafting this Information Document, the number of Shares to be assigned in fulfilment of the Plan cannot be determined, inasmuch as their quantification is linked to the reference Bracket for each Beneficiary during the Three-Year Accrual Period, as well as to the satisfaction of conditions and to the achievement of targets only verifiable during the course and/or at the end of the period of the Plan itself.

### 4.5. *Procedures and clauses for the implementation of the plan, specifying whether the actual attribution of the instrument is subordinated to certain conditions being met or to the attainment of determined results, including performance results: descriptions of such conditions and results*

Please refer to that already stated in paragraph 2.2.

- 4.6. *Indication of any availability constraints imposed on the attributed instruments or on the instruments resulting from the exercise of the options, with particular reference to the terms within which their subsequent transfer to the company itself or to third parties is allowed or forbidden*

The Shares are subject to a sales ban for a year. The  *Holding Period*  starts from when the Shares are physically possessed by the Beneficiary.

- 4.7. *Description of any termination conditions in relation to the attribution of the plans if the beneficiaries carry out hedging transactions that enable them to neutralise any prohibitions from selling the assigned financial instruments, including in the form of options, or the financial instruments resulting from the exercise of these options*

Pursuant to Art. 275, paragraph 2 (g) of the EU Delegated Regulation 35/2015, it is forbidden to use personal hedging strategies or insurance relating to remuneration and liabilities that would undermine the risk alignment effects embedded in the respective remuneration arrangement.

- 4.8. *Description of the effects determined by termination of employment*

Subject to the provisions of the following paragraphs 4.8.1. and 4.8.2., the allocation of Shares, relating to the STI and LTI Bonus amounts due shall take place, respectively, by the month of May of the year following that in question, and starting from the month of January of the year 2023, provided that on the date of assignment the Beneficiary is actually employed by Unipol or other companies of the Unipol Group and that he or she is not in a notice period or on leave.

- 4.8.1. *In the following cases, the number of Shares to be assigned, relating to the Bonus STI portion due, is recalculated on a pro rata basis according to the number of full months actually spent in service by the Beneficiary at issue:*

- i. Beneficiaries terminating their employment with Unipol and/or with other companies of the Unipol Group during the Accrual Year for the Bonus portion, due to the accrual of the right to a retirement pension or other forms of accrual of the right to a retirement pension, as long as adopted on the company's initiative through recourse to legislative or contractual provisions;
- ii. Beneficiaries terminating their employment with Unipol and/or with other companies of the Unipol Group during the Accrual Year for the Bonus portion, due to a consensual agreement with the employer, based on that set forth in the aforementioned agreement;
- iii. Beneficiaries involved in extraordinary corporate transactions resulting in the transfer of ownership of the controlling interest of the Company of which they are employees to another party not belonging to the Unipol Group, concluded during the Accrual Year of the Bonus portion.

- 4.8.2. *In the following cases, Shares relating to the LTI Bonus portions will be assigned:*

- i. to Beneficiaries terminating their employment with Unipol and/or with other companies of the Unipol Group, starting from 31 December of the last year of the Three-Year Accrual Period, due to the accrual of the right to a retirement pension or other forms of accrual of the right to a retirement pension, as long as adopted on the company's initiative through recourse to legislative or contractual provisions;
- ii. to Beneficiaries terminating their employment with Unipol and/or with other companies of the Unipol Group, starting from 31 December of the last year of the Three-Year Accrual Period, due to a consensual agreement with the employer, based on that set forth in the aforementioned agreement;

- iii. to Beneficiaries involved in extraordinary corporate transactions resulting in the transfer of ownership of the controlling interest of the Company of which they are employees to another party not belonging to the Unipol Group, concluded starting from 31 December of the last year of the Three-Year Accrual Period.

4.9. *Indication of any other reasons for cancellation of the plans*

There is no provision for reasons for the cancellation of the Plan, except as set forth in paragraph 3.3.

4.10. *The reasons for the provision of any "redemption" by the company, of the financial instruments under the plans, prescribed in accordance with Art. 2357 et seq. of the Civil Code; the beneficiaries of the redemption indicating whether it is intended only for particular categories of employees; the effects of the termination of employment on said redemption*

Not applicable, as no form of redemption is provided for.

4.11. *Any loans or other favourable terms to be granted for the purchase of the shares in accordance with Art. 2358 of the Civil Code*

No loans or other favourable terms shall be granted for the purchase of the shares in accordance with Art. 2358 of the Civil Code.

4.12. *Indication of assessments on the expected cost for the company at the date of assignment, as it can be determined on the basis of already defined terms and conditions, by total amount and in relation to each instrument of the plan*

As of the approval date of the Plan, it is not possible to state the exact amount of the expected cost for Unipol in implementing the Plan, since the number of Shares subject to assignment cannot be pre-determined in relation to that already stated in point 4.4.

For prudential purposes, Unipol budgets, according to accounting rules, the expected cost in relation to any STI and LTI Bonus; this amount is determined on the basis of estimates that assume:

- the partial satisfaction of the conditions for payment of the Bonuses, making assumptions relating to Unipol consolidated profit and Unipol share trends during the three-year period of the Plan;
- a given percentage, supported by historical statistics, of the potential recipients of any payment on the basis of the attainment of the targets.

4.13. *Indication of any dilutive effects on the capital determined by the remuneration plans*

The plan does not determine any dilutive effect, inasmuch as it does not entail the issue of new shares by Unipol.

4.14. *Any limits prescribed for the exercise of the voting right and for the attribution of the asset rights*

There are no restrictions for the exercise of voting rights and the attribution of the asset rights in relation to the Shares to be assigned.



4.15. *If the shares are not traded in regulated markets, all useful information for a complete assessment of the value attributable to them*

The Shares are traded on the Mercato Telematico Azionario (MTA) managed by Borsa Italiana S.p.A.

4.16. - 4.23.

These provisions are not applicable because Unipol has no remuneration plans based on *stock options*.

## **TABLE 1**

### **SCHEDULE I – Sections 1 and 2**

At the time of drafting this Information Document, the information relating to financial instruments different from *stock options* cannot be determined, insomuch as respective quantification can only take place at the end of the Plan's Period of reference; in particular, it is noted that the quantification of Shares is linked to the reference Bracket for each Beneficiary during the Three-Year Accrual Period, as well as to the satisfaction of conditions and to the achievement of targets only verifiable during the course and/or at the end of the period of the Plan itself.

### **SCHEDULE II – Sections 1 and 2**

This information is not applicable because Unipol has no remuneration plans based on stock options.

## **Annex 1**

### **Remuneration Plan based on Financial Instruments - financial years 2019, 2020, 2021 for Unipol Group's managerial staff**

#### **Regulation**

## 1. Purpose and scope

- 1.1. The purpose of the Regulation is to set forth provisions for the 2019-2021 Plan.
- 1.2. The 2019-2021 Plan is part of a broader Unipol Group Incentive System, referred to as the UPM System, and is designed to develop a sustainable *performance* culture with the matching of Group and Unipol results with individual performance.
- 1.3. The UPM System regulates requirements and criteria for the payment of a variable component of remuneration, partly short term (STI) and partly long term (LTI), which both provide for the assignment of Shares of up to 50% of said components (and in monetary form for the remaining 50%), upon the occurrence of specific conditions and upon attaining specific individual targets.
- 1.4. The 2019-2021 Plan provides for the assignment of Shares to the Beneficiaries.
- 1.5. The 2019-2021 Plan has a duration of three years (2019 – 2021) and it is a Closed Plan.
- 1.6. The 2019-2021 Plan, like the UPM System, is based on the logic of self-financing. An essential requirement for the payment of the incentives also in the long term, aside from continuing positive actual economic results and minimising risk factors, is therefore the existence of a *Dividend Capability*, that is, the satisfaction of the conditions, in terms of economic result and minimum solvency requirements of the Unipol Group, for any distribution of dividends to the Unipol shareholders, in accordance with the provisions of the By-Laws and of the law applicable on each occasion.

## 2. Beneficiaries

The Beneficiaries of the 2019-2021 Plan are the Managing Director-Group CEO and General Manager of Unipol, Key Managers, the additional Relevant Personnel and other Unipol Managers, entitled to participate in the Plan pursuant to the UPM System adopted by it.

## 3. Conditions for access to the benefits of the 2019-2021 Plan

- 3.1. A condition for access to the UPM System is the pursuit of performance targets that also take into account the current or future risks connected with the results pre-set by the Unipol Group.
- 3.2. The UPM System will not produce any effect with respect to Beneficiaries as long as the following conditions are not met:
  - a. *achievement of a given percentage of the Unipol Consolidated Gross Profits target as per the budget approved for 2019, namely:*
    - for the Managing Director-Group CEO and General Manager, other Key Managers and for other Relevant Personnel, the achievement of at least 90% of the Consolidated Gross Profits target;
    - for other Beneficiaries, the achievement of at least 80% of the Consolidated Gross Profits target;
  - b. *for the full pay-out of the Actual Bonus, the existence of a consolidated coverage ratio (sound balance sheet structure) for Unipol calculated according to Solvency II<sup>4</sup> metrics, equal to the target set for 31 December 2019 by the respective decision-making bodies. On the other hand, a value between 100% and 80% of the target, as long as the result is not less than*

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<sup>4</sup> *Solvency Ratio* defined as part of the *Risk Appetite Statement* approved by the Administrative Body. Indicator and value defined in accordance with current provisions and subject to discounting / revision in the event of changes in the relevant law in force at the time.

1.0, reduces the Actual Bonus by 25%. The Actual Bonus drops down to zero if said value is any lower.

3.3. Access to the Plan is also subject:

- a. to the achievement of a pre-determined minimum Individual Performance Level in the Accrual Year, for the quantification of the STI Bonus which, according to the provisions of the UPM System, is determined based on the final measurement of the result of four individual quantitative and qualitative targets, relating to the area under the responsibility of each Beneficiary. Such targets are structured in line with the strategic objectives of the Unipol Group and consistent with the risk profiles established for the Unipol Group itself. An Individual Performance level below 60% leads to the cancellation of the Actual Bonus;
- b. to the quantification of the LTI Bonus, the amount of which is determined in proportion to the Actual STI Bonus of each of the three years comprising the Three-Year Accrual Period. It occurs for all Beneficiaries that do not work as part of the Fundamental Functions:
  - IV. as to 45% on the basis of the achievement of at least 80% of the result of the Unipol Group, measured based on the cumulative Consolidated Gross Profits for the years 2019, 2020 and 2021 of the values as established each year by the pertinent corporate bodies;
  - V. as to 30%, if, at the end of the Three-Year Accrual Period, the capital solvency requirement target of Unipol is achieved, as defined by the pertinent corporate bodies;
  - VI. as to 20% based on the positive Ratio between the average value of the Unipol Share in the first quarter of 2022 and the average value for the first quarter of 2019;
  - VII. as to 5% based on the Reputational Profile of the Unipol Group in the Three-Year Accrual Period (understood as the average of monthly measurements) exceeding that recorded, in the same period, by the Financial-Insurance Sector as a whole<sup>5</sup>;and, for all Beneficiaries working as part of the Fundamental Functions:
  - VIII. as to 60%, on the basis of the Achievement of an average Individual Performance Level over the Three-Year Accrual Period not below 80%, on condition that both individual quantitative targets are fully reached in at least two of the three financial years;
  - IX. as to 35%, if, at the end of the Three-Year Accrual Period, the capital solvency requirement target of Unipol is achieved, as defined by the pertinent corporate bodies;
  - X. as to 5% based on the Reputational Profile of the Unipol Group in the Three-Year Accrual Period (understood as the average of monthly measurements) exceeding that recorded, in the same period, by the Financial-Insurance Sector as a whole<sup>6</sup>.

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<sup>5</sup> Amount calculated and measured based on the RepTrak® model of the Reputation Institute.

<sup>6</sup> See Note 5.

## 4. Criteria for determining the prices of the Shares servicing the 2019-2021 Plan and restrictions on unavailability

- 4.1. The STI Bonus is attributed by virtue of the 2019-2021 Plan, which is based on the annual *performance* assessment horizon and which provides for the allocation of Shares at the end of each of the accrual years that make up the Three-Year Accrual Period, by the month of May of the year following the Accrual Year.
- 4.2. The LTI Bonus is attributed by virtue of the 2019-2021 Plan, which is based on a three-year performance horizon (2019-2021) and which provides for the allocation of Shares at the end of the three-year period, starting from January of the year 2023 on a pro rata basis in the following three-year period or in the subsequent five-year period in the event of a Beneficiary of a Particularly high Variable Component (respectively for the 2023-2024-2025 period or 2023-2024-2025-2026-2027).
- 4.3. The number of attributable Shares is calculated:
  - i. by dividing 50% of the value of the STI Bonus into two equal parts. One part is related to the average value of the Unipol Share recorded in the month of January of the Accrual Year, while the other part is related to the average value of the UnipolSai Share also recorded in month of January of the Accrual Year;
  - ii. by dividing 50% of the value of the LTI Bonus into two equal parts. One part is related to the average value of the Unipol Share recorded in the month of January 2019, while the other part is related to the average value of the UnipolSai Share also recorded in month of January 2019.
- 4.4. Subject to the provisions of the following paragraphs 4.4.1. and 4.4.2., the allocation of the Shares shall take place, in the monthly instalments stated in the previous points 4.1 and 4.2, for the STI and LTI Bonus portions relating to results actually achieved by the Beneficiary, provided that at these times he or she is actually employed by Unipol or by a company of the Unipol Group and that he or she is not in a notice period or on leave.
  - 4.4.1. In the following cases, the number of Shares to be assigned, relating to the Bonus STI portion due, is recalculated on a pro rata basis according to the number of full months actually spent in service by the Beneficiary at issue:
    - i. Beneficiaries terminating their employment with Unipol and/or with other companies of the Unipol Group during the Accrual Year for the Bonus portion, due to the accrual of the right to a retirement pension or other forms of accrual of the right to a retirement pension, as long as adopted on the company's initiative through recourse to legislative or contractual provisions;
    - ii. Beneficiaries terminating their employment with Unipol and/or with other companies of the Unipol Group during the Accrual Year for the Bonus portion, due to a consensual agreement with the employer, based on that set forth in the aforementioned agreement;
    - iii. Beneficiaries involved in extraordinary corporate transactions resulting in the transfer of ownership of the controlling interest of the Company of which they are employees to another party not belonging to the Unipol Group, concluded during the Accrual Year of the Bonus portion.
  - 4.4.2. In the following cases, Shares relating to the LTI Bonus portions will be assigned:
    - i. to Beneficiaries terminating their employment with Unipol and/or with other companies of the Unipol Group, starting from 31 December of the last year of the Three-Year Accrual Period, due to the accrual of the right to a retirement pension or other forms of accrual of the right to a retirement pension, as long as adopted on the company's initiative through recourse to legislative or contractual provisions;
    - ii. to Beneficiaries terminating their employment with Unipol and/or with other companies of the Unipol Group, starting from 31 December of the last year of the Three-Year Accrual Period, due to a consensual agreement with the employer, based

on that set forth in the aforementioned agreement;

- iii. to Beneficiaries involved in extraordinary corporate transactions resulting in the transfer of ownership of the controlling interest of the Company of which they are employees to another party not belonging to the Unipol Group, concluded starting from 31 December of the last year of the Three-Year Accrual Period.

- 4.5. The Shares are subject to a sales ban for a year ("*Holding Period*"). The *Holding Period* starts from when the Shares are physically possessed by the Beneficiary.

## 5. The process for the assignment, assessment and final measurement of the targets

- 5.1. The process for the assignment, assessment and final measurement of the targets involves the direct hierarchical supervisor of the Beneficiary, the Head of his/her Department, the Group CEO and the General Manager of Unipol.
- 5.2. Unipol's Governance, Legal Affairs and Human Resources General Managers and the Group CEO and General Manager of Unipol oversee the entire process, including on the merits.
- 5.3. The goal assignment phase provides for the delivery to each Beneficiary of the Group Remuneration Policies and the remuneration policies of the sector or company to which the Beneficiary pertains. By signing off for this purpose, the Beneficiary declares knowledge of the contents and acceptance of the mentioned documentation.
- 5.4. The Group Remuneration Policies and the remuneration policies of the sector and/or companies are in any case disclosed to all Beneficiaries through publication on the company intranet.
- 5.5. In the final measurement process, the aforesaid bodies shall also duly take into account the total individual contribution provided for the good operation of the entity, in a broader framework of consistency and overall stability of the corporate system.
- 5.6. In the final measurement process, the contribution of the Risk Management and Group Management Control functions is used for the ex ante and ex post verification of the quantitative indicators.
- 5.7. The size of the STI and LTI Bonuses to be paid shall be defined at the end of all the steps prescribed by the assessment and final measurement process.
- 5.8. A Beneficiary subjected to a disciplinary measure of suspension from work during the Accrual Year/Three-Year Accrual Period shall in any case lose his/her entitlement to the payments set forth in paragraph 4.
- 5.9. In the event that the Beneficiary is affected during the year by organisational modifications also involving the change of his or her direct Supervisor, it will be the responsibility of the previous Supervisor to share the goals already assigned with the new Supervisor, thereby also sending all the necessary documentation. The new supervisor shall oversee the evaluation, together with the parties stated above, of the appropriateness of assigning different goals to those previously assigned, thereby repeating the process accordingly. In this case, the final measurement must occur proportionately on a "pro rata" basis according to the achievement of the previous and new goals and, in the actual measurement process, the previous supervisor will be required to evaluate the part under his or her responsibility.
- 5.10. If events take place that could impact elements constituting the UPM System and/or remuneration policies (including, for example but not limited to, extraordinary transactions or transactions on the share capital regarding Unipol and/or the Group, mergers, regulatory amendments or amendments to the scope of Unipol and/or the Group), or in the event of significant market discontinuity (such as material changes in domestic and/or international macroeconomic conditions or monetary policy), the Board of Directors of Unipol is delegated the power to make the amendments deemed necessary or appropriate to the UPM System and/or the remuneration policies in order to keep their substantial and economic content unchanged - within the limits allowed by regulations applicable over time - in

order to maintain the fairness and overall consistency of the UPM System and/or remuneration policies as a whole.

## 6. Reasons for non-payment or reduced payment

- 6.1. The Bonuses envisaged by the incentive system will not be paid if the trend of results of the Unipol Group and/or Unipol, adjusted for risks, deteriorates, and if the Beneficiary does not comply with regulatory or supervisory provisions, the consequence of which has entailed a disciplinary sanction against the Beneficiary in question, or if the Fundamental Functions discover that the Beneficiary has behaved in such a way so as to commit a serious infringement of internal or external provisions or the applicable standards of conduct.
- 6.2. Unipol shall request the return of any compensation that may have been paid if the relevant Supervisory Provisions have been infringed or if the Beneficiary has acted fraudulently and/or has committed wilful misconduct or gross negligence with regard to the performance of his/her duties, and this had led to a deterioration of the risk profiles and/or the results of the Unipol Group and/or Unipol itself, as well as violations of the Code of Ethics<sup>7</sup> and/or conduct that does not comply with legal, regulatory or statutory provisions, based on the provisions of the regulations, without prejudice to any further action.

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<sup>7</sup>The assessments regarding cases of violation of the Code of Ethics are the responsibility of the respective function.



**REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETINGS ON ITEM NO. 7  
ON THE AGENDA OF THE ORDINARY PART**

**Acquisition and disposal of treasury shares. Related and consequent resolutions.**

Dear Shareholders,

it should preliminarily be recalled that the ordinary Shareholders' Meeting of Unipol Gruppo S.p.A. ("Unipol" or the "Company"), convened on 24 April 2018, authorised the Board of Directors to purchase and dispose of treasury shares within the meaning of Arts. 2357 and 2357-ter of the Civil Code, for a period of 18 months from the decision of the Meeting, for a maximum amount of €200 million.

It is hereby proposed that the aforesaid authorisation be granted again for the same maximum amount of €200 million, upon revocation of the previous resolution referred to above, for the duration of 18 months, for the reasons and according to the procedures and terms specified below.

*Reasons and objectives*

The authorisation for the acquisition and disposal of treasury shares aims to provide the Company with an instrument to pursue, in the interests thereof and in accordance with current legislation and, as applicable, accepted market practices, the following objectives:

- to intervene, directly or through intermediaries, to promote the smooth conduct of trading, against distortions due to an excessive volatility or insufficient market liquidity;
- to take the opportunity to maximise the value that can be derived from market trends - and thus also by pursuing trading objectives - or connected with strategic transactions of interest for the Company;
- to use own shares as a form of investment for the efficient use of the liquidity generated by the core activity of the Company and/or for the allocation of the shares to satisfy the remuneration plans based on financial instruments, pursuant to Art. 114-bis of Legislative Decree no. 58 of 24 February 1998 (Consolidated Law on Finance, "TUF");
- to use these shares to ensure, if necessary, the overall consistency of transactions that create the need to place fractional shares of the capital of the Company.

The request for authorisation to purchase treasury shares is not, at present, directed at reductions of the share capital of the Company through the cancellation of treasury shares purchased.

During 2018 the Company did not carry out purchases of treasury shares.

On 2 July 2018 the Managing Director - Group CEO and General Manager and the other Managers of the Company were allocated 2,005,667 ordinary treasury shares as a whole to service the 2013-2015 remuneration plan based on financial instruments, of the performance share type.

Number of shares that may be purchased and procedures for executing the purchases and sales

It is noted that, as of the date of this Report:

- the share capital of Unipol is equal to €3,365,292,408.03, divided into 717,473,508 ordinary shares with no nominal value. As of the date of this Report, the Company holds a total of 2,003,299 ordinary treasury shares, of which 747,799 (equal to 0.104% of the capital) directly and 1,255,500 (equal to 0.175% of the capital) indirectly, through the following subsidiaries:
  - UnipolSai S.p.A. for 1,189,999 shares;
  - Compagnia Assicuratrice Linear S.p.A. for 14,743 shares;
  - Arca Assicurazioni S.p.A. for 18,566 shares;
  - SIAT S.p.A. for 19,576 shares;
  - Finitalia S.p.A. for 12,616 shares.

It is proposed that the purchase and disposal of treasury shares be carried out in the quantities and with the procedures set out below:

- (i) as regards the acquisition, up to the maximum amounts permitted by law and, as applicable, accepted market practice, in the manner provided for by Art. 132 of the Consolidated Law on Finance and Art. 144-bis, par. 1, let. a), b), c) and d)-ter of CONSOB Regulations no. 11971 of 14 May 1999 as amended (Issuer Regulation), as well as by any other applicable provision;
- (ii) with respect to the disposal, in the manner permitted by current legislation, including by carrying out, one or more times, subsequent acquisitions and sales, until the expiry of the term of the authorisation.

The proposal is to establish for purchases a maximum spending limit of €200 million, to be understood on a revolving basis, taking into account the treasury shares assigned following authorisation of the Shareholders' Meeting.

Price of the purchases and sale of treasury shares

Both the purchases and the sale of treasury shares shall be made at a price of no more than 15% and no less than 15% of the reference price recorded by the security on the trading day before the date of each transaction. Said parameters are deemed adequate

to identify the range of values within which the purchase and sale of the shares is of interest for the Company.

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The Board of Directors therefore hereby submits the following resolution proposal to the Ordinary Shareholders' Meeting.

### **Proposal**

*“The Ordinary Shareholders' Meeting of Unipol Gruppo S.p.A. (the “Company”),*

- after reviewing the report prepared by the Board of Directors and acknowledging the proposal there made;*
- having viewed the financial statements at 31 December 2018;*
- bearing in mind the provisions of Arts. 2357 and 2357-ter of the Civil Code;*
- having acknowledged that the Company holds a total of 2,003,299 ordinary treasury shares, of which 747,799 directly and 1,255,500, indirectly, through the subsidiaries indicated in the report,*

*hereby resolves*

- (i) to revoke the previous resolution to authorise the purchase and/or the sale of treasury shares, passed by the Ordinary Shareholders' Meeting of 24 April 2018;*
- (ii) to authorise, for a period of an additional 18 months from the present Shareholders' Meeting resolution, the purchase and disposal of treasury shares, pursuant to Arts. 2357 and 2357-ter of the Civil Code and within the maximum spending limit of €200 million – in compliance with current legislation and, as applicable, permitted market practices – according to the methods and conditions specified below:*
  - (a) the acquisition and disposal of treasury shares may be carried out in the quantities and according to the procedures set out below:*
    - the acquisition may be made up to the maximum amounts permitted by law and, as applicable, accepted market practice, in the manners provided for by Art. 132 of Italian Legislative Decree no. 58 of 24 February 1998 (Consolidated Law on Finance) and Art. 144-bis, paragraph 1, letters a), b), c) and d-ter) of CONSOB Regulation no. 11971 of 14 May 1999, as subsequently amended and supplemented (Issuer Regulation), as well as any other applicable legislative provision;*
    - the disposal may be made in the manner permitted by current legislation, including by carrying out, one or more*

*times, subsequent acquisitions and sales, until the expiry of the term of the authorisation;*

*The aforementioned maximum spending limit of €200 million is to be on a revolving basis, taking into account the treasury shares assigned following authorisation from the Shareholders' Meeting;*

- (b) the acquisition and disposal of treasury shares may be carried out at a price of no more than 15% and no less than 15% of the reference price recorded by the security on the trading day prior to the date of each transaction, and in any case in compliance with the above maximum spending limit of €200m;*
- (iii) to vest the Board of Directors – and on its behalf the Chairman and the Managing Director, separately from each other and also through special attorneys-in-fact – with all broadest powers to carry out the purchases and/or disposals of treasury shares.”*

Bologna, 14 March 2019

The Board of Directors

**REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETINGS ON THE SOLE ITEM ON THE AGENDA OF THE EXTRAORDINARY PART**

**Amendment of Articles 8, 10, 13, 14 and 17 of the By-Laws, also for the purpose of compliance with IVASS Regulation no. 38/2018. Related and consequent resolutions.**

Dear Shareholders,

the Board of Directors of Unipol Gruppo S.p.A. ("Unipol" or "Company") has summoned you to an Extraordinary Meeting to discuss and resolve on the only item on the agenda: "Amendment of Articles 8, 10, 13, 14 and 17 of the By-Laws, also for the purpose of compliance with IVASS Regulation no. 38/2018. Related and consequent resolutions."

This explanatory report ("Report"), prepared by the Board of Directors of Unipol pursuant to Art. 125-*ter* of Legislative Decree no. 58 of 24 February 1998, as subsequently amended and supplemented (Consolidated Law on Finance, "TUF"), and Articles 72 and 84-*ter*, as well as Annex 3A, schedule 3, of the Regulation adopted by way of CONSOB Resolution no. 11971 of 14 May 1999, as subsequently modified and integrated, aims to explain:

- i)* the justifications for the proposed amendments to certain clauses of the By-Laws;
- ii)* the presentation, by comparison, of the articles proposed for modification, in the current form and in the proposed form, with relative explanation of the changes made;
- iii)* the resolutions proposed to the Extraordinary Meeting.

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**1. JUSTIFICATION AND EXPLANATION OF CHANGES TO THE BY-LAWS**

The changes that are intended to be introduced to the By-Laws are aimed (*i*) as a priority, at implementing the requirements of IVASS Regulation no. 38/2018 of 3 July 2018 ("Regulation 38"), containing provisions on corporate governance, as set out in the Letter to the Market issued by the aforementioned Supervisory Authority on 5 July 2018, containing the "*IVASS Guidelines on the application of the principle of proportionality in the corporate governance system of insurance and reinsurance companies and groups*", and (*ii*) at the same time, at bringing the provisions of the By-Laws into line with national and international best practices.

The following is a summary description of the proposed changes to the By-Laws and the related reasons:

- **Art. 8 - Shareholders' Meetings.** The proposed amendment concerns the

introduction of responsibility on the part of the shareholders' meeting with regard to the approval of the remuneration policies, including those for the Group. Art. 93, paragraph 5, of Regulation 38 extended, in fact, also to the parent company of an insurance group, the obligation - already set forth for insurance companies by Art. 41 of the same Regulation, as well as the previously applicable sector legislation - to include in the By-Laws responsibility on the part of the shareholders' meeting to approve the remuneration policies in favour of corporate bodies and significant personnel, including remuneration plans based on financial instruments.

- **Art. 10 - Administrative Body.** The proposed changes relate to the following:
  - a) the number and requirements of qualified independent Directors. With regard to the independence requirements of Directors, Regulation 38 introduces the provision according to which an “adequate number” of Directors must satisfy independence requirements in addition to those required by the Decree of the Ministry of Economic Development no. 220 of 11 November 2011. Pending the future revision of the aforementioned Decree, Regulation 38 does not set out any definition of independence, leaving the actual specification of this requirement to the By-Laws. The new regulatory system does not even establish the numerical requirements for independent directors, insomuch as adequacy is to be related proportionately to the activity carried out by the company, due to the nature, extent and complexity of the risks inherent thereto. In this regard, however, it must be remembered that, pursuant to Art. 147-ter, paragraph 4, of the TUF, at least two directors (when the Board is made up of more than seven members) must satisfy the requisites established for Statutory Auditors by Art. 148, paragraph 3, of the TUF. Furthermore, the Corporate Governance Code for listed companies (“Code”), with which Unipol adheres, established that companies belonging to the FTSE-Mib index must have an administrative body with at least one third of directors qualified as independent according to the criteria stated in Art. 3 of the same Code, with rounding down, in the case of a fractional number. Considering the foregoing, it is therefore proposed to set forth in the By-Laws that - in continuity with the aforementioned provision of the Code and also taking into account the nature of Unipol and its role as parent company - at least one third of the directors must meet the independence requirements established for the Statutory Auditors of listed companies by the Art. 148, paragraph 3, of the TUF as just mentioned, with rounding down to the previous whole number. Without prejudice to the foregoing, due to the Company's adherence to the Code, additional independence criteria and requirements set forth in the Code shall continue to be applied, on a corporate governance basis;

- b) the inclusion of the power, for the outgoing Board of Directors, to submit its own list of candidates for the election of the new administrative body. In addition to being in line with international best practices and with the recommendations of the Code, the submission of lists by the outgoing Board of Directors, in the exercise of its functions as body appointed to specifying the governance model - conceived as organisation and balancing in terms of skills and roles - is in fact a growing phenomenon also nationally. It is a mechanism capable of attracting and channelling broad consensus on the part of the shareholders around a shortlist of candidates who satisfy professionalism and expertise requirements aimed at favouring the achievement of the issuer's business and performance objectives;
- c) the elimination of the provisions that adopted, in terms of the By-Laws, the regulatory provisions on gender balance within the corporate bodies of listed companies, as introduced in Arts. 147-ter and 148 of the TUF - respectively on Directors and Statutory Auditors - by Law no. 120 of 12 July 2011 ("Law No. 120/2011" or "Golfo-Mosca Law"). Based on the temporary provision contained in Art. 2 of the aforementioned Law, the aforementioned provisions on gender balance are in fact applied only for the first three consecutive terms starting from the first renewals of the administrative and control bodies occurring one year from the effective date of entry into force of the Golfo-Mosca Law (*i.e.* the first three renewals after 12 August 2012). As far as Unipol is concerned, the scope of the regulatory provisions on the balance between genders will therefore end, both for the Board of Directors and Board of Statutory Auditors, following the forthcoming re-elections of the corporate bodies by the Ordinary Shareholders' Meeting convened for approval of the 2018 financial statements. Subject to the foregoing, in line with the recommendations of the Code (as recently introduced in July 2018), Unipol intends in any case to safeguard the maintenance, on a voluntary basis, of the effects of Law no. 120/2011. To this end, the Diversity Policy relating to the composition of the administrative and control bodies, adopted by Unipol pursuant to Art. 123-*bis*, paragraph 2, letter d-*bis*, of the TUF, establishes that at least one third of the Board of Directors and the Board of Statutory Auditors of the Company must be composed, respectively, of Directors and Statutory Auditors of the "less represented gender";
- d) introduction of certain clarifications in the wording of the clause on the composition of the list of candidates for the appointment of the Board of Directors, in order to guarantee the existence in the administrative body of the minimum number of directors satisfying the independence requirements, as set forth by the By-Laws on the basis of the aforementioned changes. In particular, the proposed mechanism - in line



with CONSOB guidelines and market best practices - aims to make easier the submission of shortlists for the appointment of minority directors, by attributing to the sole shareholder, who intends to present a list of candidates at least equal to the minimum number of members of the Board of Directors, the burden of identifying directors meeting the independence requirements.

– **Art. 13 - Powers of the Board of Directors.**

The change proposed in paragraph five sets out the possibility of establishing board committees in compliance with the principle of proportionality required by the new regulatory system and, in any case, deemed as necessary or appropriate for proper functioning and development of the Company.

– **Art. 14 - The Chairman.** The amendment concerns, in addition to an explanation of the power to represent in court, a mere alignment with the provisions contained in Regulation 38 regarding the non-executive role of the Chairman of the Board of Directors of Unipol, as set out in the aforementioned Letter to the Market issued by IVASS on 5 July 2018.

– **Art. 17 - Statutory Auditors.** For the reasons extensively explained with reference to the clause on the Board of Directors (Art. 10), it is proposed to eliminate also the provisions that adopted, in the By-Laws, the regulatory provisions on gender balance in the composition of the Board of Statutory Auditors.

## 2. COMPARATIVE STATEMENT

In order to facilitate the identification of changes, for each provision of the By-Laws subject to a change proposal, the current text is shown in the left column and the proposed new text in the right column. In particular, with reference to the new text, we applied the following:

- a) the words the deletion of which is proposed are highlighted with a strikethrough; and
- b) the words proposed for insertion are highlighted in bold.

*(comparative statement continued)*



Current text	New text
<p><b>Article 8 – Convening Shareholders’ Meetings</b></p> <p>Shareholders’ Meetings are convened in accordance with the formalities provided for by law, in a single call by applying the majorities required by law, and are held at the registered office or anywhere else in Italy indicated in the notice of meeting.</p> <p>By law the notice of meeting containing the information required by current legislation must be published on the Company's website and in the other ways required by current legislation or regulations.</p> <p>The notice of meeting may also fix the dates of the second, third and any subsequent meetings to be held if the quorum required by the law for each of the previous meetings is not reached.</p> <p>Ordinary Shareholders’ Meetings shall be convened at least once a year, in order to approve the annual financial statements, within 120 (one hundred and twenty) days or, if permitted by the law, within 180 days (one hundred and eighty) of closure of the financial year.</p>	<p><b>ART. 8 – Convening Shareholders’ Meetings</b></p> <p>[Unchanged]</p> <p>[Unchanged]</p> <p>[Unchanged]</p> <p>[Unchanged]</p> <p><b>In compliance with applicable laws and regulations, the Ordinary Shareholders’ Meeting, in addition to establishing the compensation of members of the bodies appointed by</b></p>

Current text	New text
<p>The Shareholders' Meeting may also be convened, subject to prior notification being sent to the Chairman of the Board of Directors, by the Board of Statutory Auditors or by at least two of its members.</p> <p>The Board of Directors shall convene an ordinary or extraordinary Shareholders' Meeting without delay if requested to do so by Shareholders representing at least one twentieth of the share capital, provided that the request indicates the matters to be dealt with. In such case the report on the matters to be discussed shall be prepared by the Shareholders that have requested the Meeting to be called. Convocation by request is not permitted on matters, which, under the terms of the law, must be discussed by the Shareholders' Meeting on a proposal from the Board of Directors or on the basis of a draft or report submitted by the latter.</p> <p>Moreover, Shareholders who, alone or jointly with others, represent at least one fortieth of the share capital may, in the manner and within the terms prescribed</p>	<p><b>the same, approves the remuneration policies, including for the Group, of the corporate bodies and of the personnel identified as relevant including remunerations plans based on financial instruments.</b></p> <p><b>[Unchanged]</b></p> <p><b>[Unchanged]</b></p> <p><b>[Unchanged]</b></p>

Current text	New text
<p>by the regulations currently in force, request to make additions to the list of matters to be discussed at the meeting, indicating in the request the further matters proposed by them or may submit proposals for resolutions on matters already on the agenda. Anyone entitled to the right to vote may submit individual proposals for resolution in the Meeting.</p>	
<p><b>ART. 10 - Administrative Body</b></p> <p>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 – which also decides how many of them there should be – in accordance with the procedures mentioned below.</p> <p>Care must be taken to ensure that there is a balance between the sexes on the Board of Directors in accordance with current legislation and regulations. In particular, the first time the Board of Directors is re-elected following the date on which the provisions of Law 120 of 12 July 2011 come into effect, at least one fifth of the members of the Board of Directors must be of the sex that is in the minority, whilst during the two subsequent terms of office at least one</p>	<p><b>ART. 10 - Administrative Body</b></p> <p><b>[Unchanged]</b></p> <p><b>The Directors must possess the requisites set forth by the applicable provisions of law in force at the time.</b></p> <p><del>Care must be taken to ensure that there is a balance between the sexes on the Board of Directors in accordance with current legislation and regulations. In particular, the first time the Board of Directors is re-elected following the date on which the provisions of Law 120 of 12 July 2011 come into effect, at least one fifth of the members of the Board of Directors must be of the sex that is in the minority, whilst during the two subsequent terms of office at least one</del></p>

Current text	New text
<p>third of the members of the Board of Directors must be of the sex that is in the minority, rounded up in the event of a fraction.</p> <p>In order to be allowed to take office Directors must comply with current legal and regulatory requirements.</p> <p>Directors are appointed for three years or for a shorter period fixed by the Shareholders' Meeting when making the appointment and are eligible for re-election.</p> <p>Members of the Board of Directors are elected on the basis of lists submitted by those shareholders who at the time they</p>	<p><del>third of the members of the Board of Directors must be of the sex that is in the minority, rounded up in the event of a fraction.</del></p> <p><b>The Board of Directors is comprised by at least one third of Directors satisfying the independence requirements set forth for Statutory Auditors by Art. 148, paragraph 3, of Legislative Decree no. 58 of 24 February 1998, as subsequently amended.</b></p> <p><b>If the result of this ratio corresponds to a number that is not whole, it is rounded down to the next whole number.</b></p> <p><b>Failure by a Director to satisfy these independence requirements does not entail losing office if they are still satisfied by the minimum number of Directors indicated above.</b></p> <p><b>[Unchanged]</b></p> <p><b>[Unchanged]</b></p> <p>Members of the Board of Directors are elected on the basis of lists, <b>containing a number of candidates not exceeding</b></p>

Current text	New text
<p>are submitted are entitled to vote at the relevant Shareholders' Meeting. The candidates on each list must be listed by means of a serial number.</p> <p>In order to be valid each list must include at least two candidates who comply with current legal and regulatory requirements relating to independence; they must be indicated separately and one of them must appear first on the list.</p> <p>In addition, in order to be valid each list containing three or more candidates must include both sexes in such a way that the candidates of the sex that is in the minority constitute at least one fifth of the total for the first term of office following the date on which the provisions of Law 120 of 12 July 2011 come into effect and at least one third of the total for the two subsequent terms of office, rounded up in the event of a fraction.</p>	<p><b>twenty-five</b>, submitted <b>by the Board of Directors and/or</b> by those shareholders who at the time they are submitted are entitled to vote at the relevant Shareholders' Meeting. The candidates on each list must be listed by means of a serial number.</p> <p><del>In order to be valid each list must include at least two candidates who comply with current legal and regulatory requirements relating to independence; they must be indicated separately and one of them must appear first on the list.</del></p> <p><del>In addition, in order to be valid each list containing three or more candidates must include both sexes in such a way that the candidates of the sex that is in the minority constitute at least one fifth of the total for the first term of office following the date on which the provisions of Law 120 of 12 July 2011 come into effect and at least one third of the total for the two subsequent terms of office, rounded up in the event of a fraction.</del></p> <p><b>The lists containing a number of candidates equal at least to the minimum number of members of the Board of Directors laid out in these By-Laws must contain and expressly specify some parties meeting the aforementioned independence requirements. If the number of candidates meeting these</b></p>

Current text	New text
<p>As indicated in the notice of the Shareholders' Meeting, the lists must reach the Company by the twenty-fifth day preceding the date of the Shareholders' Meeting and be made available to the public at the registered office, on the Company's website and in any other ways required by current legislation and regulations, at least twenty-one days before the date fixed for the Meeting.</p> <p>Each shareholder, shareholders</p>	<p><b>requirements is equal to the minimum number established by these By-Laws, the last two numbers of such lists may not be assigned to an independent candidate.</b></p> <p>As indicated in the notice of the Shareholders' Meeting, <b>any</b> lists <b>submitted by Shareholders</b> must reach the Company by the twenty-fifth day preceding the date of the Shareholders' Meeting <b>convened to resolve upon the appointment of the members of the Board of Directors</b> and be made available to the public at the registered office, on the Company's website and in any other ways required by current legislation and regulations, at least twenty-one days before the date fixed for the Meeting.</p> <p><b>Any list presented by the Board of Directors must be approved through a resolution passed by an absolute majority of the members in office; this list must be filed with the Company and made public by the latter at least five days before the expiration of the deadline established by legislation in force for the filing of lists by shareholders, according to the same procedures established by current legislation for filing and publication of the lists presented by the latter.</b></p> <p>[Unchanged]</p>

Current text	New text
<p>belonging to a relevant shareholders' agreement under Article 122 of Legislative Decree 58 of 24 February 1998, the parent, subsidiaries and joint ventures in accordance with Article 93 of Legislative Decree 58 of 24 February 1998 may not submit or participate in submitting more than one list, even through an intermediary or trust company, nor may they vote for lists other than the one that they have submitted or participated in submitting, even through an intermediary or trust company, and in order to be eligible each candidate may appear on only one list. Shareholders' support and votes cast in violation of this ban will not be allocated to any list.</p> <p>Shareholders who, alone or in combination with others shareholders, hold the total number of shares laid down in accordance with current legislation and regulations and that will be mentioned on a case by case basis in the notice of the Shareholders' Meeting will be entitled to submit lists.</p> <p>Ownership of the shareholding required for submitting lists is based on the shares registered to the member(s)/proxy(ies) on the day on which the lists are deposited with the Company.</p> <p>The following must be deposited along with each list (i) declarations in which the</p>	<p>[Unchanged]</p> <p>[Unchanged]</p> <p>[Unchanged]</p>

Current text	New text
<p>individual candidates accept nomination for office and affirm that they are eligible and compatible and fulfil the requirements for taking on the various roles; (ii) the curriculum vitae of each candidate covering his/her personal and professional profile and, if relevant, a statement of suitability to be deemed to be independent and (iii) the additional information required by legislation and regulations, which will be included in the notice of the Shareholders' Meeting.</p>	
<p>The certificate issued by an authorised intermediary proving ownership of the number of shares required for the submission of the list may be produced when the list is deposited, or even subsequently provided that it is within the deadline laid down in current legislation for the Company to publish the list.</p>	<p><b>[Unchanged]</b></p>
<p>Lists that are submitted without these provisions being observed are deemed not to have been submitted.</p>	<p><b>[Unchanged]</b></p>
<p>Each person entitled to vote may vote for only one list.</p>	<p><b>[Unchanged]</b></p>
<p>The procedure for electing the Board of Directors is as follows:</p> <p>a) from the list that has obtained the highest number of votes cast by the shareholders (the 'Majority List') nine tenths of the number of Directors to be elected are drawn, based on the order in</p>	<p><b>[Unchanged]</b></p>



Current text	New text
<p>which they appear on the list, rounded up in the event of a fraction. In the event that the shareholders cast the same number of votes, the Shareholders' Meeting will vote again and the Majority List that obtains the highest number of votes is elected;</p> <p>b) the remaining Directors will be taken from the other lists (hereinafter referred to as the 'Minority List(s)'). For this purpose the votes obtained by these Minority Lists will be subsequently divided by one, two or three, in accordance with the serial number of the Directors to be elected.</p> <p>The quotients obtained in this way will be allocated one by one to the candidates on each Minority List, in the order provided.</p> <p>The quotients allocated in this way to the candidates on the Minority Lists will be arranged on a single descending scale. Those who have obtained the highest quotients will be elected, up to the number of Directors to be elected.</p> <p>In the event that several candidates obtain the same quotient, the candidate who is elected will be taken from the Minority List from which no Director has yet been elected or from which the lowest number of Directors has been elected. In the event that none of these lists has yet elected a Director or all have elected the same number of Directors, the candidate</p>	<p>[Unchanged]</p> <p>[Unchanged]</p> <p>[Unchanged]</p>

Current text	New text
<p>who is elected will be the one on these lists who has obtained the highest number of votes. In the event that there are the same number of list votes and the quotients are the same, the Shareholders' Meeting will vote again and the candidate who obtains the highest number of votes will be elected.</p> <p>If on completion of the voting the composition of the Board of Directors does not result in this balance between the sexes, those of the sex that is in the majority who, taking account of the order in which they are listed, were the last on the majority list to be elected are eliminated from the number needed to ensure that the requirement is fulfilled and are replaced by the first unelected candidates on the same list of the sex that is in the minority. If the majority list does not contain sufficient candidates of the sex that is in the minority to act as replacements, the Shareholders' Meeting appoints additional members of the Board of Directors according to the majorities laid down in law, ensuring that the requirement is fulfilled.</p> <p>In the event that only one list is submitted or no list is submitted, the above procedure will not be observed and the results of the voting at the Shareholders' Meeting will comply with the majorities laid down in law, but the proportion of the sexes provided for in current legislation</p>	<p><del>If on completion of the voting the composition of the Board of Directors does not result in this balance between the sexes, those of the sex that is in the majority who, taking account of the order in which they are listed, were the last on the majority list to be elected are eliminated from the number needed to ensure that the requirement is fulfilled and are replaced by the first unelected candidates on the same list of the sex that is in the minority. If the majority list does not contain sufficient candidates of the sex that is in the minority to act as replacements, the Shareholders' Meeting appoints additional members of the Board of Directors according to the majorities laid down in law, ensuring that the requirement is fulfilled.</del></p> <p>In the event that only one list is submitted or no list is submitted, the above procedure will not be observed and the results of the voting at the Shareholders' Meeting will comply with the majorities laid down in law, <b>ensuring, in any case, the existence of Independent Directors</b></p>

Current text	New text
<p>and regulations must be observed.</p> <p>In accordance with Article 2386 of the Civil Code, if one or more Directors cease to hold office during the year, provided the majority are Directors appointed by the Shareholders' Meeting the following procedure will be followed:</p> <p>i) the Board of Directors appoints candidates on the same list as the Directors who have ceased to hold office, starting with the first unsuccessful candidate, provided that, if the candidate appointed is required to be independent and/or of the sex that is in the minority, the first unsuccessful independent candidate on the list will be appointed and/or the first unsuccessful candidate of the sex that is in the minority on the same list;</p> <p>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), but the ratio between the sexes provided for in current legislation and regulations must be observed.</p>	<p><b>as required by the provisions of these By-Laws.</b> <del>but the proportion of the sexes provided for in current legislation and regulations must be observed.</del></p> <p><b>The voting by list mechanism applies only in the case of the appointment of the entire Board of Directors.</b></p> <p>In accordance with Article 2386 of the Civil Code, if one or more Directors cease to hold office during the year, provided the majority are Directors appointed by the Shareholders' Meeting the following procedure will be followed:</p> <p>i) the Board of Directors appoints candidates on the same list as the Directors who have ceased to hold office, starting with the first unsuccessful candidate, provided that, if the candidate appointed is required to be independent <del>and/or of the sex that is in the minority,</del> the first unsuccessful independent candidate on the list will be appointed <del>and/or the first unsuccessful candidate of the sex that is in the minority on the same list;</del></p> <p>ii) if there are no candidates left on this list who have not already been elected, <b>or candidates satisfying the requested requirements, or in any case when for any reason it is not possible to abide by the provisions of the preceding point i),</b> the Board of Directors replaces the Directors who have ceased to hold office without</p>

Current text	New text
<p>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.</p> <p>If it has been decided that the number of Directors shall be below the maximum provided for in this Article, during the Board's period of office the Shareholders' Meeting may increase the number up to this maximum. When appointing additional Board Members and when voting to replace Directors in accordance with Article 2386 of the 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 and that the ratio between the sexes provided for in current legislation and regulations is</p>	<p>observing the procedure outlined in point i), <b>ensuring, in any case, the existence of Independent Directors as required by the provisions of these By-Laws.</b> <del>but the ratio between the sexes provided for in current legislation and regulations must be observed.</del></p> <p style="text-align: center;"><b>[Unchanged]</b></p> <p>If it has been decided that the number of Directors shall be below the maximum provided for in this Article, during the Board's period of office the Shareholders' Meeting may increase the number up to this maximum. When appointing additional Board Members and when voting to replace Directors in accordance with Article 2386 of the 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, <b>ensuring, in any case, the existence of Independent Directors as required by the provisions of these By-Laws.</b> <del>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</del></p>

Current text	New text
<p>observed.</p>	<p><del>relating to independence and that the ratio between the sexes provided for in current legislation and regulations is observed.</del></p>
<p><b>ART. 13 – Powers of the Board of Directors</b></p> <p>The Board of Directors is granted the widest powers for the ordinary and extraordinary administration of the Company. It is therefore entitled to perform any action, including disposals, which it deems appropriate for the achievement of the Company's purpose, with the sole exception of any action which is expressly reserved for the Shareholders' Meeting.</p> <p>The Board of Directors is responsible for taking decisions regarding:</p> <ul style="list-style-type: none"> <li>- mergers and demergers with subsidiaries, in the cases permitted by legislation;</li> <li>- reduction of the share capital, should a Shareholder withdraw;</li> <li>- amendment of these By-Laws to comply with legal provisions;</li> <li>- issuing of non-convertible bonds;</li> <li>- acquisition and disposal of shareholdings resulting in changes in the composition of Unipol Gruppo Bancario;</li> <li>- determining the criteria for the coordination and management of</li> </ul>	<p><b>ART. 13 – Powers of the Board of Directors</b></p> <p style="text-align: center;"><b>[Unchanged]</b></p> <p style="text-align: center;"><b>[Unchanged]</b></p>

Current text	New text
<p>companies in Unipol Gruppo Bancario, as well as the criteria for the implementation of instructions issued by the Bank of Italy.</p> <p>In addition, in accordance with the Procedure for Transactions with Related Parties adopted by the Company, the Board of Directors: (a) may resolve to carry out transactions with related parties of major relevance despite the disapproval of the Committee for Transactions with Related Parties, or without taking account of its comments, provided it is authorised to do so by the Ordinary Shareholders' Meeting called by the Board of Directors in accordance with Article 2364, para. 1, 5) of the Civil Code; (b) may avail itself of the exemptions provided for in the Procedure to resolve that the Company carry out, direct or through its subsidiaries, urgent transactions with related parties that are not the responsibility of the Shareholders' Meeting nor require its authorisation.</p> <p>In compliance with legal provisions, the Board of Directors may delegate some of its powers to an Executive Committee consisting of some of its members or to one or more Managing Directors whose task it is, within the limits of the powers conferred on them, to represent the Company and fix their remuneration once the Board of Statutory Auditors has given its opinion.</p>	<p style="text-align: center;"><b>[Unchanged]</b></p> <p>In compliance with legal provisions, the Board of Directors may delegate some of its powers to an Executive Committee consisting of some of its members or to one or more Managing Directors whose task it is, within the limits of the powers conferred on them, to represent the Company and fix their remuneration once the Board of Statutory Auditors has given its opinion. <b>The Board of Directors may</b></p>

Current text	New text
<p>The Board of Directors may at any time revoke these powers. It may also set up commissions and committees within the Board of Directors that it deems appropriate and necessary for the proper functioning and growth of the Company.</p>	<p><b>at any time revoke these powers.</b></p> <p><del>The Board of Directors may at any time revoke these powers. It may also</del> <b>The Board of Directors establishes within it commissions and the committees established by legislation, including of a regulatory nature, in force at the time and those deemed</b> appropriate and necessary for the proper functioning and growth of the Company.</p>
<p>The delegated bodies will be responsible in particular for ensuring that the organisational, administrative and accounting structure is suited to the nature and size of the Company and will report to the Board of Directors and to the Board of Statutory Auditors at least once a quarter on the general performance of the management and on expected developments, as well as on the major operations, in terms of size and characteristics, carried out by the Company and its subsidiaries.</p>	<p><b>[Unchanged]</b></p>
<p>Each Director may ask the delegated bodies to provide information regarding the management of the Company during meetings of the Board of Directors.</p>	<p><b>[Unchanged]</b></p>
<p>After consulting the Board of Statutory Auditors the Board of Directors appoints someone to draw up the Company's financial statements who has had at least three years' experience of (a) managing</p>	<p><b>[Unchanged]</b></p>

Current text	New text
<p>or auditing or being a senior official of a joint-stock company that has share capital of not less than ten million Euro or a consortium of joint-stock companies with total share capital of not less than ten million Euro, or (b) professional activities or a post on the permanent teaching staff of a university lecturing in law, economics, finance and the technical-scientific field closely connected with the Company's business or (c) managerial functions with public or government bodies operating in the sectors of credit, finance and insurance or in any way in sectors closely connected with the business of the Company or of the group of companies belonging to the Company.</p> <p>By fields and sectors of activity that pertain closely to those of the Company or of the group of companies belonging to the Company are meant the fields and sectors referred to in Article 17 of the Company's By-Laws.</p> <p>The Board of Directors ensures that the person responsible for drawing up the Company's financial statements has sufficient powers and resources to carry out the duties allocated to him, in accordance with current legislation.</p>	<p style="text-align: center;"><b>[Unchanged]</b></p> <p style="text-align: center;"><b>[Unchanged]</b></p>



Current text	New text
<p><b>ART. 14 - The Chairman</b></p> <p>It is the task of the Chairman or, if he is absent or prevented from acting, of the Vice Chairman:</p> <p>a. to represent the Company, to represent the Company in lawsuits both as plaintiff and as defendant, in both administrative and judicial legal matters, before special judges and in the Constitutional Court; to appoint lawyers to act for the Company by conferring both the relevant special and general powers of attorney ad litem;</p> <p>b. to chair Shareholders' Meetings;</p> <p>c. to convene and act as Chairman of the Board of Directors;</p> <p>d. to confer powers on Directors and employees of the Company and on third parties, including those outside the Company, to implement resolutions made by the Board of Directors and also to grant powers to represent the Company and to sign on its behalf within the limits of their powers to employees, agents and those working with the Company by means of general or special powers of</p>	<p><b>ART. 14 - The Chairman</b></p> <p>It is the task of the Chairman or, if he is absent or prevented from acting, of the Vice Chairman:</p> <p>a. to <b>act as legal representative of the Company, including representing the Company in lawsuits both as plaintiff and as defendant, before any venue, level and instance</b><del>in both administrative and judicial legal matters, before special judges and in the Constitutional Court;</del> <b>to bring criminal proceedings in the name of the Company, file lawsuits, complaints or any other pleading, including joining as a civil party seeking damages and for prosecution;</b> to appoint lawyers to act for the Company by conferring both the relevant special and general powers of attorney ad litem;</p> <p>b. to chair Shareholders' Meetings;</p> <p>c. to convene and act as Chairman of the Board of Directors;</p> <p>d. to confer powers on Directors and employees of the Company and on third parties, including those outside the Company, to implement resolutions made by the Board of Directors and also to grant powers to represent the Company. <del>and to sign on its behalf within the limits of their powers to employees, agents and those working with the Company by means of general or special powers of</del></p>

Current text	New text
<p>attorney and to revoke such powers;</p> <p>e. to consent to extinguishing mortgages, variations to mortgages and other types of lien when Company's loans are redeemed, either by assignment, or where such extinguishing is dependent on the complete repayment of the loans;</p> <p>f. to take decisions and act independently, including through his own representatives, in bringing criminal proceedings on behalf of the Company, by bringing lawsuits, filing complaints or any other judicial action, including bringing civil cases and implementing the relevant action.</p>	<p><del>attorney and to revoke such powers;</del></p> <p><del>e. to consent to extinguishing mortgages, variations to mortgages and other types of lien when Company's loans are redeemed, either by assignment, or where such extinguishing is dependent on the complete repayment of the loans;</del></p> <p><del>f. to take decisions and act independently, including through his own representatives, in bringing criminal proceedings on behalf of the Company, by bringing lawsuits, filing complaints or any other judicial action, including bringing civil cases and implementing the relevant action.</del></p>
<p><b>ART. 17 - Statutory Auditors</b></p> <p>The Board of Statutory Auditors consists of three Statutory and two Alternate Auditors.</p> <p>The composition of the Board of Statutory Auditors must be such that there is a balance between the sexes in accordance with current legislation and regulations. In particular, the first time the Board of Statutory Auditors is re-elected following the date on which the provisions of Law 120 of 12 July 2011 come into effect, at least one fifth of the members of the Board of Statutory Auditors must be of the sex that is in the minority, whilst during the two subsequent terms of office at least one third of the members of the</p>	<p><b>ART. 17 - Statutory Auditors</b></p> <p><b>[Unchanged]</b></p> <p><del>The composition of the Board of Statutory Auditors must be such that there is a balance between the sexes in accordance with current legislation and regulations. In particular, the first time the Board of Statutory Auditors is re-elected following the date on which the provisions of Law 120 of 12 July 2011 come into effect, at least one fifth of the members of the Board of Statutory Auditors must be of the sex that is in the minority, whilst during the two subsequent terms of office at least one third of the members of the</del></p>

Current text	New text
<p>Board of Statutory Auditors must be of the sex that is in the minority, rounded up in the event of a fraction.</p> <p>Auditors must fulfil the requirements provided for by law, by the By-Laws and by other relevant legislation.</p> <p>The Board of Statutory Auditors is appointed on the basis of lists submitted by shareholders who at the time the lists are submitted are entitled to vote at the relevant Shareholders' Meeting, in accordance with the procedures and within the limits specified below. The candidates on each list are listed by means of a serial number. The list consists of two sections: one for candidates for the post of Statutory Auditor and the other for candidates for the post of Alternate Auditor. The list must contain at least one candidate for the post of Statutory Auditor and one candidate for the post of Alternate Auditor and may contain a maximum of three candidates for the post of Statutory Auditor and two candidates for the post of Alternate Auditor.</p> <p>Any list with three or more candidates, taking into account both sections, must observe the ratio between the sexes provided for in current legislation and regulations in such a way that the candidates of the sex that is in the minority constitute at least one fifth of the</p>	<p><del>Board of Statutory Auditors must be of the sex that is in the minority, rounded up in the event of a fraction.</del></p> <p><b>[Unchanged]</b></p> <p><b>[Unchanged]</b></p> <p><del>Any list with three or more candidates, taking into account both sections, must observe the ratio between the sexes provided for in current legislation and regulations in such a way that the candidates of the sex that is in the minority constitute at least one fifth of the</del></p>

Current text	New text
<p>total for the first term of office following the date on which the provisions of Law 120 of 12 July 2011 come into effect and at least one third of the total for the two subsequent terms of office, rounded up in the event of a fraction. In particular, in order to be valid any list with three or more candidates, taking into account both sections, must include, in the first three positions in the first section, at least one representative of the sex that is in the minority and, in the first two positions in the second section, at least one representative of the sex that is in the minority.</p> <p>As indicated in the notice of the Shareholders' Meeting lists submitted by members must reach the Company by the twenty-fifth day preceding the date of the Shareholders' Meeting and be made available to the public at the registered office, on the Company's website and in any other ways required by current legislation and regulations at least twenty-one days before the date fixed for the Meeting.</p> <p>Each shareholder, shareholders belonging to a relevant shareholders' agreement under Article 122 of Legislative Decree 58 of 24 February 1998, the parent, subsidiaries and joint ventures in accordance with Article 93 of Legislative Decree 58 of 24 February 1998 may not</p>	<p><del>total for the first term of office following the date on which the provisions of Law 120 of 12 July 2011 come into effect and at least one third of the total for the two subsequent terms of office, rounded up in the event of a fraction. In particular, in order to be valid any list with three or more candidates, taking into account both sections, must include, in the first three positions in the first section, at least one representative of the sex that is in the minority and, in the first two positions in the second section, at least one representative of the sex that is in the minority.</del></p> <p style="text-align: center;"><b>[Unchanged]</b></p> <p style="text-align: center;"><b>[Unchanged]</b></p>

Current text	New text
<p>submit or participate in submitting more than one list, even through an intermediary or trust company, nor may they vote for lists other than the one that they have submitted or participated in submitting, even through an intermediary or trust company, and in order to be eligible each candidate may appear on only one list. Shareholders' support and votes cast in violation of this ban will not be allocated to any list.</p> <p>Shareholders who, alone or in combination with other shareholders, 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 will be entitled to submit lists.</p> <p>Ownership of the shareholding required for submitting lists is based on the shares registered to the Member(s)/proxy(ies) on the day on which the lists are deposited with the Company.</p> <p>Along with each list the following must be deposited by the deadline mentioned above (i) declarations in which the individual candidates accept nomination for office and affirm that they are eligible and compatible and fulfil the legal requirements for taking on the various roles, including compliance with the limits on the total number of posts that may be held laid down in current legislation and</p>	<p style="text-align: center;"><b>[Unchanged]</b></p> <p style="text-align: center;"><b>[Unchanged]</b></p> <p style="text-align: center;"><b>[Unchanged]</b></p>

Current text	New text
<p>regulations; (ii) a curriculum vitae for each candidate containing a detailed personal and professional profile and (iii) the additional information required by legislation and regulations, which will be included in the notice of the Shareholders' Meeting.</p>	
<p>The certificate issued by an authorised intermediary proving ownership of the number of shares required for the submission of the list may be produced when the list is deposited, or even subsequently provided that it is within the deadline laid down in current legislation for the Company to publish the list.</p>	<p><b>[Unchanged]</b></p>
<p>Lists that are submitted without these provisions being observed are deemed not to have been submitted.</p>	<p><b>[Unchanged]</b></p>
<p>Each person entitled to vote may vote for only one list.</p>	<p><b>[Unchanged]</b></p>
<p>Candidates who are ineligible or incompatible or do not comply with the requirements laid down in the relevant legislation or who exceed the limits on the total number of posts that may be held laid down in current legislation and regulations may not be included in the lists.</p>	<p><b>[Unchanged]</b></p>
<p>For the purpose of defining the required professional competence, they should have had a total of at least three years'</p>	<p><b>[Unchanged]</b></p>

Current text	New text
<p>experience of:</p> <p>a. carrying out professional activities or a post on the permanent teaching staff of a university lecturing in law, economics, finance or a technical-scientific field closely connected with the Company's business, or</p> <p>b. carrying out managerial functions with public or government bodies operating in the sectors of credit, finance or insurance or in any way in sectors closely connected with the business of the Company or of the group of companies belonging to the Company.</p> <p>All subjects referred to under a. above are deemed to be closely connected with the business of the Company or the group of companies belonging to the Company provided they relate to insurance business, banking and financial business and activities relating to economic sectors that pertain closely to insurance, banking and the provision of investment services and payment and financial services.</p> <p>Economic sectors are deemed to be closely connected with the insurance sector if the companies operating in them may come under the supervision of insurance companies.</p> <p>The procedure for electing the Statutory Auditors is as follows:</p> <p>1. from the list that has obtained the</p>	<p style="text-align: center;"><b>[Unchanged]</b></p> <p style="text-align: center;"><b>[Unchanged]</b></p> <p style="text-align: center;"><b>[Unchanged]</b></p>

Current text	New text
<p>highest number of votes at the Shareholders' Meeting, two Auditors and one Alternate Auditor are drawn, based on the order in which they are listed in the sections of the list;</p> <p>2. from the minority list that obtains the highest number of votes at the Shareholders' Meeting, the remaining Auditor and the other Alternate Auditor are drawn, based on the order in which the candidates are listed in the sections of this list (the 'Minority List'). In the event that the Minority Lists receive the same number of votes, the candidates elected are those on the list that has been submitted by the shareholders with the largest holding or, alternatively, by the greatest number of Shareholders.</p> <p>Chairmanship of the Board of Statutory Auditors falls to the person whose name is first on the Minority List.</p> <p>If on completion of the voting the composition of the Board of Statutory Auditors does not result in this balance between the sexes, those of the sex that is in the majority who, taking account of the order in which they are listed in each section, were the last to be elected on the majority list are eliminated from the number needed to ensure that the requirement is fulfilled and are replaced by the first unelected candidates in the same section of the same list of the sex that is in the minority. If there are</p>	<p style="text-align: center;"><b>[Unchanged]</b></p> <p><del>If on completion of the voting the composition of the Board of Statutory Auditors does not result in this balance between the sexes, those of the sex that is in the majority who, taking account of the order in which they are listed in each section, were the last to be elected on the majority list are eliminated from the number needed to ensure that the requirement is fulfilled and are replaced by the first unelected candidates in the same section of the same list of the sex that is in the minority. If there are</del></p>



Current text	New text
<p>insufficient candidates of the sex that is in the minority in the relevant section of the majority list to act as replacements, the Shareholders' Meeting appoints the relevant number of Statutory or Alternate Auditors by the majorities laid down in law, ensuring that the requirement is fulfilled.</p> <p>An Auditor must step down in the cases provided for in the relevant legislation and if the requirements of the By-Laws for the appointment are not fulfilled.</p> <p>An Auditor must be replaced by the Alternate Auditor on the same list, but the proportion between the sexes provided for in current legislation and regulations must be observed. If both the Auditor elected from the Minority List and the Alternate Auditor from the same list have to be replaced, the candidate appointed will be the one who is next in order on the list or, if there isn't one, the first candidate on the Minority List that received the second highest number of votes but the ratio between the sexes provided for in current legislation and regulations must be observed.</p> <p>In the event that only one list is submitted or no list is submitted, the results of the voting at the Shareholders' Meeting will comply with the majorities laid down in law but the ratio between the sexes provided for in current legislation and</p>	<p><del>insufficient candidates of the sex that is in the minority in the relevant section of the majority list to act as replacements, the Shareholders' Meeting appoints the relevant number of Statutory or Alternate Auditors by the majorities laid down in law, ensuring that the requirement is fulfilled.</del></p> <p style="text-align: center;"><b>[Unchanged]</b></p> <p>An Auditor must be replaced by the Alternate Auditor on the same list, <del>but the proportion between the sexes provided for in current legislation and regulations must be observed.</del> If both the Auditor elected from the Minority List and the Alternate Auditor from the same list have to be replaced, the candidate appointed will be the one who is next in order on the list or, if there isn't one, the first candidate on the Minority List that received the second highest number of votes <del>but the ratio between the sexes provided for in current legislation and regulations must be observed.</del></p> <p>In the event that only one list is submitted or no list is submitted, the results of the voting at the Shareholders' Meeting will comply with the majorities laid down in law <del>but the ratio between the sexes provided for in current legislation and</del></p>

Current text	New text
<p>regulations must be observed.</p> <p>If the Chairman should consider it necessary, meetings of the Board of Statutory Auditors may validly take place by videoconferencing or audio conferencing, provided that all the participants can be identified by the Chairman and all the other participants, and are able to follow the discussion, to take part in real time in the discussion on the items under consideration and to exchange documents relating to these matters, and that minutes are drawn up in respect of all of the above. If these requirements are met, the Board of Statutory Auditors is deemed to have met at the place in which the Chairman is located.</p>	<p><del>regulations must be observed.</del></p> <p style="text-align: center;"><b>[Unchanged]</b></p>

### 3. INFORMATION ON THE RIGHT OF WITHDRAWAL

Please note that the proposed amendments to the By-Laws do not provide the Shareholders with the right of withdrawal if they do not approve of them, as they are not sufficient to provide the right of withdrawal as identified by Art. 2437 of the Civil Code.

\*\*\* \*\*

It is also recalled that the effectiveness of the proposed changes to the By-Laws is also subject - in addition to the approval of the Shareholders' Meeting - to the respective authorisation by IVASS, pursuant to Art. 196 of Legislative Decree no. 209 of 7 September 2005 and of ISVAP Regulation no. 14 of 18 February 2008.

\*\*\* \*\*

The Board of Directors therefore hereby submits the following resolution proposal to the Extraordinary Shareholders' Meeting.

## Proposal

*“The Extraordinary Meeting of the Shareholders of Unipol Gruppo S.p.A.,*

*– after reviewing the report of the Board of Directors,*

*hereby resolves*

*1. to amend Art. 8 of the By-Laws as follows:*

### ***“ART. 8 - Shareholders' Meetings***

*Shareholders' Meetings are convened in accordance with the formalities provided for by law, in a single call by applying the majorities required by law, and are held at the registered office or anywhere else in Italy indicated in the notice of meeting.*

*By law the notice of meeting containing the information required by current legislation must be published on the Company's website and in the other ways required by current legislation or regulations.*

*The notice of meeting may also fix the dates of the second, third and any subsequent meetings to be held if the quorum required by the law for each of the previous meetings is not reached.*

*Ordinary Shareholders' Meetings shall be convened at least once a year, in order to approve the annual financial statements, within 120 (one hundred and twenty) days or, if permitted by the law, within 180 days (one hundred and eighty) of closure of the financial year.*

*In compliance with applicable laws and regulations, the Ordinary Shareholders' Meeting, in addition to establishing the compensation of members of the bodies appointed by the same, approves the remuneration policies, including for the Group, of the corporate bodies and of the personnel identified as relevant, including remunerations plans based on financial instruments.*

*The Shareholders' Meeting may also be convened, subject to prior notification being sent to the Chairman of the Board of Directors, by the Board of Statutory Auditors or by at least two of its members.*

*The Board of Directors shall convene an ordinary or extraordinary Shareholders' Meeting without delay if requested to do so by Shareholders representing at least one twentieth of the share capital, provided that the request indicates the matters to be dealt with. In such case the report on the matters to be discussed shall be prepared by the Shareholders that have requested the Meeting to be called. Convocation by request is not permitted on matters which, under the terms of the law, must be discussed by the Shareholders' Meeting on a proposal from the Board of Directors or on the*

*basis of a draft or report submitted by the latter.*

*Moreover, Shareholders who, alone or jointly with others, represent at least one fortieth of the share capital may, in the manner and within the terms prescribed by the regulations currently in force, request to make additions to the list of matters to be discussed at the meeting, indicating in the request the further matters proposed by them or may submit proposals for resolutions on matters already on the agenda. Anyone entitled to the right to vote may submit individual proposals for resolution in the Meeting.”*

2. *to amend Art. 10 of the By-Laws as follows:*

**“ART. 10 - Administrative Body**

*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 – which also decides how many of them there should be – in accordance with the procedures mentioned below.*

*The Directors must possess the requisites set forth by the applicable provisions of law in force at the time.*

*The Board of Directors is comprised by at least one third of Directors satisfying the independence requirements set forth for Statutory Auditors by Art. 148, paragraph 3, of Legislative Decree no. 58 of 24 February 1998, as subsequently amended.*

*If the result of this ratio corresponds to a number that is not whole, it is rounded down to the next whole number.*

*Failure by a Director to satisfy these independence requirements does not entail losing office if they are still satisfied by the minimum number of Directors indicated above.*

*In order to be allowed to take office Directors must comply with current legal and regulatory requirements.*

*Directors are appointed for three years or for a shorter period fixed by the Shareholders' Meeting when making the appointment and are eligible for re-election.*

*Members of the Board of Directors are elected on the basis of lists, containing a number of candidates not exceeding twenty-five, submitted by the Board of Directors and/or by those shareholders who at the time they are submitted are entitled to vote at the relevant Shareholders' Meeting. The candidates on each list must be listed by means of a serial number.*

*The lists containing a number of candidates equal at least to the minimum number of members of the Board of Directors laid out in these By-Laws must contain and expressly specify some parties meeting the aforementioned independence requirements. If the number of candidates meeting these*

*requirements is equal to the minimum number established by these By-Laws, the last two numbers of such lists may not be assigned to an independent candidate.*

*As indicated in the notice of the Shareholders' Meeting, any lists submitted by Shareholders must reach the Company by the twenty-fifth day preceding the date of the Shareholders' Meeting convened to resolve upon the appointment of the members of the Board of Directors and be made available to the public at the registered office, on the Company's website and in any other ways required by current legislation and regulations, at least twenty-one days before the date fixed for the Meeting.*

*Any list presented by the Board of Directors must be approved through a resolution passed by an absolute majority of the members in office; this list must be filed with the Company and made public by the latter at least five days before the expiration of the deadline established by legislation in force for the filing of lists by shareholders, according to the same procedures established by current legislation for filing and publication of the lists presented by the latter.*

*Each shareholder, shareholders belonging to a relevant shareholders' agreement under Article 122 of Legislative Decree 58 of 24 February 1998, the parent, subsidiaries and joint ventures in accordance with Article 93 of Legislative Decree 58 of 24 February 1998 may not submit or participate in submitting more than one list, even through an intermediary or trust company, nor may they vote for lists other than the one that they have submitted or participated in submitting, even through an intermediary or trust company, and in order to be eligible each candidate may appear on only one list. Shareholders' support and votes cast in violation of this ban will not be allocated to any list.*

*Shareholders who, alone or in combination with others shareholders, hold the total number of shares laid down in accordance with current legislation and regulations and that will be mentioned on a case by case basis in the notice of the Shareholders' Meeting will be entitled to submit lists.*

*Ownership of the shareholding required for submitting lists is based on the shares registered to the member(s)/proxy(ies) on the day on which the lists are deposited with the Company.*

*The following must be deposited along with each list (i) declarations in which the individual candidates accept nomination for office and affirm that they are eligible and compatible and fulfil the requirements for taking on the various roles; (ii) the curriculum vitae of each candidate covering his/her personal and professional profile and, if relevant, a statement of suitability to be deemed to be independent and (iii) the additional information required by legislation and regulations, which will be included in the notice of the Shareholders' Meeting.*

*The certificate issued by an authorised intermediary proving ownership of the*

*number of shares required for the submission of the list may be produced when the list is deposited, or even subsequently provided that it is within the deadline laid down in current legislation for the Company to publish the list.*

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

*Each person entitled to vote may vote for only one list.*

*The procedure for electing the Board of Directors is as follows:*

*a) from the list that has obtained the highest number of votes cast by the shareholders (the 'Majority List') nine tenths of the number of Directors to be elected are drawn, based on the order in which they appear on the list, rounded up in the event of a fraction. In the event that the shareholders cast the same number of votes, the Shareholders' Meeting will vote again and the Majority List that obtains the highest number of votes is elected;*

*b) the remaining Directors will be taken from the other lists (hereinafter referred to as the 'Minority List(s)'). For this purpose the votes obtained by these Minority Lists will be subsequently divided by one, two or three, in accordance with the serial number of the Directors to be elected.*

*The quotients obtained in this way will be allocated one by one to the candidates on each Minority List, in the order provided.*

*The quotients allocated in this way to the candidates on the Minority Lists will be arranged on a single descending scale. Those who have obtained the highest quotients will be elected, up to the number of Directors to be elected.*

*In the event that several candidates obtain the same quotient, the candidate who is elected will be taken from the Minority List from which no Director has yet been elected or from which the lowest number of Directors has been elected. In the event that none of these lists has yet elected a Director or all have elected the same number of Directors, the candidate who is elected will be the one on these lists who has obtained the highest number of votes. In the event that there are the same number of list votes and the quotients are the same, the Shareholders' Meeting will vote again and the candidate who obtains the highest number of votes will be elected.*

*In the event that only one list is submitted or no list is submitted, the above procedure will not be observed and the results of the voting at the Shareholders' Meeting will comply with the majorities laid down in law, ensuring, in any case, the existence of Independent Directors as required by the provisions of these By-Laws.*

*The voting by list mechanism applies only in the case of the appointment of the entire Board of Directors.*

*In accordance with Article 2386 of the Civil Code, if one or more Directors*



cease to hold office during the year, provided the majority are Directors appointed by the Shareholders' Meeting the following procedure will be followed:

i) the Board of Directors appoints candidates on the same list as the Directors who have ceased to hold office, starting with the first unsuccessful candidate, provided that, if the candidate appointed is required to be independent, the first unsuccessful independent candidate on the same list will be appointed;

ii) if there are no candidates left on this list who have not already been elected, or candidates satisfying the requested requirements, or in any case when for any reason it is not possible to abide by the provisions of the preceding point i), the Board of Directors replaces the Directors who have ceased to hold office without observing the procedure outlined in point i), ensuring, in any case, the existence of Independent Directors as required by the provisions of these By-Laws.

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.

If it has been decided that the number of Directors shall be below the maximum provided for in this Article, during the Board's period of office the Shareholders' Meeting may increase the number up to this maximum. When appointing additional Board Members and when voting to replace Directors in accordance with Article 2386 of the 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, ensuring, in any case, the existence of Independent Directors as required by the provisions of these By-Laws.”

3. to amend Art. 13 of the By-Laws as follows:

**“ART. 13 - Powers of the Board of Directors**

The Board of Directors is granted the widest powers for the ordinary and extraordinary administration of the Company. It is therefore entitled to perform any action, including disposals, which it deems appropriate for the achievement of the Company's purpose, with the sole exception of any action which is expressly reserved for the Shareholders' Meeting.

The Board of Directors is responsible for taking decisions regarding:

- mergers and demergers with subsidiaries, in the cases permitted by legislation;
- reduction of the share capital, should a Shareholder withdraw;

- *amendment of these By-Laws to comply with legal provisions;*
- *issuing of non-convertible bonds;*
- *acquisition and disposal of shareholdings resulting in changes in the composition of Unipol Gruppo Bancario;*
- *determining the criteria for the coordination and management of companies in Unipol Gruppo Bancario, as well as the criteria for the implementation of instructions issued by the Bank of Italy.*

*In addition, in accordance with the Procedure for Transactions with Related Parties adopted by the Company, the Board of Directors: (a) may resolve to carry out transactions with related parties of major relevance despite the disapproval of the Committee for Transactions with Related Parties, or without taking account of its comments, provided it is authorised to do so by the Ordinary Shareholders' Meeting called by the Board of Directors in accordance with Article 2364, para. 1, 5) of the Civil Code; (b) may avail itself of the exemptions provided for in the Procedure to resolve that the Company carry out, direct or through its subsidiaries, urgent transactions with related parties that are not the responsibility of the Shareholders' Meeting nor require its authorisation.*

*In compliance with legal provisions, the Board of Directors may delegate some of its powers to an Executive Committee consisting of some of its members or to one or more Managing Directors whose task it is, within the limits of the powers conferred on them, to represent the Company and fix their remuneration once the Board of Statutory Auditors has given its opinion. The Board of Directors may at any time revoke these powers.*

*The Board of Directors establishes within it the committees established by legislation, including of a regulatory nature, in force at the time and those deemed appropriate or necessary for the proper functioning and development of the Company.*

*The delegated bodies will be responsible in particular for ensuring that the organisational, administrative and accounting structure is suited to the nature and size of the Company and will report to the Board of Directors and to the Board of Statutory Auditors at least once a quarter on the general performance of the management and on expected developments, as well as on the major operations, in terms of size and characteristics, carried out by the Company and its subsidiaries.*

*Each Director may ask the delegated bodies to provide information regarding the management of the Company during meetings of the Board of Directors.*

*After consulting the Board of Statutory Auditors the Board of Directors appoints someone to draw up the Company's financial statements who has had at least three years' experience of (a) managing or auditing or being a senior official of*



*a joint-stock company that has share capital of not less than ten million Euro or a consortium of joint-stock companies with total share capital of not less than ten million Euro, or (b) professional activities or a post on the permanent teaching staff of a university lecturing in law, economics, finance and the technical-scientific field closely connected with the Company's business or (c) managerial functions with public or government bodies operating in the sectors of credit, finance and insurance or in any way in sectors closely connected with the business of the Company or of the group of companies belonging to the Company.*

*By fields and sectors of activity that pertain closely to those of the Company or of the group of companies belonging to the Company are meant the fields and sectors referred to in Article 17 of the Company's By-Laws.*

*The Board of Directors ensures that the person responsible for drawing up the Company's financial statements has sufficient powers and resources to carry out the duties allocated to him, in accordance with current legislation.”*

4. *to amend Art. 14 of the By-Laws as follows:*

**“ART. 14 - The Chairman**

*It is the task of the Chairman or, if he is absent or prevented from acting, of the Vice Chairman:*

- a. *to act as legal representative of the Company, including representing the Company in lawsuits both as plaintiff and as defendant, before any venue, level and instance; to bring criminal proceedings in the name of the Company, file lawsuits, complaints or any other pleading, including joining as a civil party seeking damages and for prosecution; to appoint lawyers to act for the Company by conferring both the relevant special and general powers of attorney ad litem;*
- b. *to chair Shareholders' Meetings;*
- c. *to convene and act as Chairman of the Board of Directors;*
- d. *to confer powers on Directors and employees of the Company and on third parties, including those outside the Company, to implement resolutions made by the Board of Directors and also to grant powers to represent the Company.”*

5. *to amend Art. 17 of the By-Laws as follows:*

**“ART. 17 - Statutory Auditors**

*The Board of Statutory Auditors consists of three Statutory and two Alternate Auditors.*

*Auditors must fulfil the requirements provided for by law, by the By-Laws and by other relevant legislation.*

*The Board of Statutory Auditors is appointed on the basis of lists submitted by shareholders who at the time the lists are submitted are entitled to vote at the relevant Shareholders' Meeting, in accordance with the procedures and within the limits specified below. The candidates on each list are listed by means of a serial number. The list consists of two sections: one for candidates for the post of Statutory Auditor and the other for candidates for the post of Alternate Auditor. The list must contain at least one candidate for the post of Statutory Auditor and one candidate for the post of Alternate Auditor and may contain a maximum of three candidates for the post of Statutory Auditor and two candidates for the post of Alternate Auditor.*

*As indicated in the notice of the Shareholders' Meeting lists submitted by members must reach the Company by the twenty-fifth day preceding the date of the Shareholders' Meeting and be made available to the public at the registered office, on the Company's website and in any other ways required by current legislation and regulations at least twenty-one days before the date fixed for the Meeting.*

*Each shareholder, shareholders belonging to a relevant shareholders' agreement under Article 122 of Legislative Decree 58 of 24 February 1998, the parent, subsidiaries and joint ventures in accordance with Article 93 of Legislative Decree 58 of 24 February 1998 may not submit or participate in submitting more than one list, even through an intermediary or trust company, nor may they vote for lists other than the one that they have submitted or participated in submitting, even through an intermediary or trust company, and in order to be eligible each candidate may appear on only one list. Shareholders' support and votes cast in violation of this ban will not be allocated to any list.*

*Shareholders who, alone or in combination with other shareholders, 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 will be entitled to submit lists.*

*Ownership of the shareholding required for submitting lists is based on the shares registered to the Member(s)/proxy(ies) on the day on which the lists are deposited with the Company.*

*Along with each list the following must be deposited by the deadline mentioned above (i) declarations in which the individual candidates accept nomination for office and affirm that they are eligible and compatible and fulfil the legal requirements for taking on the various roles, including compliance with the limits on the total number of posts that may be held laid down in current legislation and regulations; (ii) a curriculum vitae for each candidate containing a detailed personal and professional profile and (iii) the additional information required by legislation and regulations, which will be included in the notice of the*

*Shareholders' Meeting.*

*The certificate issued by an authorised intermediary proving ownership of the number of shares required for the submission of the list may be produced when the list is deposited, or even subsequently provided that it is within the deadline laid down in current legislation for the Company to publish the list.*

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

*Each person entitled to vote may vote for only one list.*

*Candidates who are ineligible or incompatible or do not comply with the requirements laid down in the relevant legislation or who exceed the limits on the total number of posts that may be held laid down in current legislation and regulations may not be included in the lists.*

*For the purpose of defining the required professional competence, they should have had a total of at least three years' experience of:*

*a. carrying out professional activities or a post on the permanent teaching staff of a university lecturing in law, economics, finance or a technical-scientific field closely connected with the Company's business, or*

*b. carrying out managerial functions with public or government bodies operating in the sectors of credit, finance or insurance or in any way in sectors closely connected with the business of the Company or of the group of companies belonging to the Company.*

*All subjects referred to under a. above are deemed to be closely connected with the business of the Company or the group of companies belonging to the Company provided they relate to insurance business, banking and financial business and activities relating to economic sectors that pertain closely to insurance, banking and the provision of investment services and payment and financial services.*

*Economic sectors are deemed to be closely connected with the insurance sector if the companies operating in them may come under the supervision of insurance companies.*

*The procedure for electing the Statutory Auditors is as follows:*

- 1. from the list that has obtained the highest number of votes at the Shareholders' Meeting, two Auditors and one Alternate Auditor are drawn, based on the order in which they are listed in the sections of the list;*
- 2. from the minority list that obtains the highest number of votes at the Shareholders' Meeting, the remaining Auditor and the other Alternate Auditor are drawn, based on the order in which the candidates are listed in the sections of this list (the 'Minority List'). In the event that the Minority Lists receive the same number of votes, the candidates elected are those on the list that has*

*been submitted by the shareholders with the largest holding or, alternatively, by the greatest number of Shareholders.*

*Chairmanship of the Board of Statutory Auditors falls to the person whose name is first on the Minority List.*

*An Auditor must step down in the cases provided for in the relevant legislation and if the requirements of the By-Laws for the appointment are not fulfilled.*

*An Auditor must be replaced by the Alternate Auditor on the same list. If both the Auditor elected from the Minority List and the Alternate Auditor from the same list have to be replaced, the candidate appointed will be the one who is next in order on the list or, if there isn't one, the first candidate on the Minority List that received the second highest number of votes.*

*In the event that only one list is submitted or no list is submitted, the results of the voting at the Shareholders' Meeting will comply with the majorities laid down in law.*

*If the Chairman should consider it necessary, meetings of the Board of Statutory Auditors may validly take place by videoconferencing or audio conferencing, provided that all the participants can be identified by the Chairman and all the other participants, and are able to follow the discussion, to take part in real time in the discussion on the items under consideration and to exchange documents relating to these matters, and that minutes are drawn up in respect of all of the above. If these requirements are met, the Board of Statutory Auditors is deemed to have met at the place in which the Chairman is located.”*

6. *to grant the Chairman of the Board of Directors and the Managing Director, severally among them and with a right of sub-delegation, the widest powers to comply with the formalities required by law, to record the adopted resolution in the Register of Companies, with the right to make to this resolution non-substantial amendments or integrations or else required by the competent Authorities, as well as the powers to deal with the resulting legal and regulatory obligations.”*

Bologna, 14 March 2019

The Board of Directors

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