

DIVERSITY POLICY

WITH REGARD TO THE COMPOSITION OF THE BOARD OF
DIRECTORS AND BOARD OF STATUTORY AUDITORS OF
UNIPOL GRUPPO S.P.A.

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Document approved by the Board of Directors of Unipol Gruppo S.p.A. at the meeting on 18 March 2021

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1. Definitions and terminology

For the purposes of the Policy, when the following terms are used with an initial capital letter, they shall have the meaning specified below. The terms defined in the singular also refer to the plural, and vice versa.

Private Insurance Code	Legislative Decree no. 209 of 7 September 2005 as amended and updated.
Corporate Governance Code	The Corporate Governance Code for listed companies drafted by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A..
Code of Ethics	The Code of Ethics of the Unipol Group adopted by the Unipol Board of Directors, most recently, at the meeting on 23 March 2017.
Board of Statutory Auditors or Control Body	The Unipol Board of Statutory Auditors.
Board of Directors or Board	The Unipol Board of Directors.
Fit & Proper Policy	The Policy adopted by the Unipol Board of Directors on requirements of fitness for the role, inter alia, of the Directors and Auditors.
Unipol Group or Group	Unipol Gruppo S.p.A., and the companies directly or indirectly controlled by it.
Screen-Based Stock Exchange (Mercato Telematico Azionario) or MTA	The Screen-Based Stock Exchange managed by Borsa Italiana S.p.A.
Company Bodies	Jointly the Board of Directors and the Board of Statutory Auditors of the Company.
Policy	This diversity policy with regard to the composition of the Unipol Board of Directors and Board of Statutory Auditors.
Company's By-Laws	The Unipol By-Laws.
Consolidated Finance Law or CFL	Legislative Decree no. 58 of 24 February 1998 as amended and supplemented.
Unipol Group, Unipol or Company	Unipol Gruppo S.p.A.

In consideration of the geographical presence and cross-border location of several companies within the Unipol Group, the Policy is also drafted in the English language. In any event, the Italian language text shall prevail in the case of any discrepancies with, or omissions in, the English translation.

2. Objectives and Recipients

The Diversity Policy, adopted by the Board of Directors of the Unipol Group, having heard the opinion of the Appointments and Corporate Governance Committee, in implementation of the provisions of Art. 123-*bis*, paragraph 2, letter d-*bis* of the Consolidated Finance Law, aims to provide guidelines on the criteria for the optimal composition of the Company Bodies, functional to the most effective conduct of the duties and responsibilities attributed to them by legislative provisions, even in terms of self-regulation, and by the Company's By-Laws

This Document is aimed at all persons involved in the process of selection and appointment of the members of the Company Bodies and, in particular:

- the Shareholders who, in accordance with the law and the Company's By-Laws, intend to submit lists of candidates for the appointment of the Board of Directors and the Board of Statutory Auditors;
- the Shareholders' Meeting asked to appoint those Company Bodies;
- the Board of Directors for producing, in accordance with the Corporate Governance Code, guidance given to the Shareholders on the quantitative and qualitative composition deemed optimal, in view of the outcomes of the self-assessment process;
- the Board of Directors, as well as the Shareholders' Meeting, if it is necessary to proceed with the replacement during the mandate of Directors in accordance with Art. 2386 of the Civil Code.

The Policy was drafted taking account of the complexities and specific aspects of the sector in which the Company and the Group operate, the role of parent company of the Unipol Insurance Group played by the Company, the experience accrued by the Management Body with regard to its activities and methods of operation, also with respect to the internal Board Committees as well as the outcomes of the self-assessment process.

Therefore, in respect of the prerogatives due to the Shareholders when designating and appointing members of the Company Bodies, it is hoped that the respective compositions will integrate different managerial and professional profiles also with regard to a balanced representation of genders, protected by law and by the Company's By-Laws, along with the benefits that may derive from a balanced composition in terms of seniority of role and age bracket with the aim of contributing to maximising the quality of the actions of the Board of Directors and the activity under the remit of the Control Body, insofar as they are respectively responsible.

3. Board of Directors

3.1 Principles

The following indications, not binding in nature, are aimed at identifying the characteristics of the Directors who, by diversity of training and professional path, age and gender, allow for an integrated, complementary and balanced composition of the Board.

With regard, in particular, to the managerial and professional profiles, with the dual aim of ensuring adequate dialogue within the Board of Directors, allowing it to make well-informed decisions, as well as to assign to the Directors different tasks within the Board and its internal Committees, the Management Body must include - also taking account of the legislation applicable in that regard, as specified *below* - a plurality of competencies, experiences and cultures, general and specialised, since the simultaneous presence of diversified competencies ensures the complementarity of the professional profiles and encourages the efficient operation of the Board and the Committees.

In that regard, the Code of Ethics also emphasises the importance of the choices and methods of appointment of the Directors, in compliance with the regulations in force *pro tempore*, making particular reference to criteria of

professional expertise and personal integrity, as well as independence, favouring within the Board of Directors the maintenance of a cohesive, collaborative, dialectic and synergic climate, allowing each Director to express his or her professionalisms to the best possible extent and to make them a common factor.

The Chairman of the Board of Directors must be in possession of authority which guarantees the correct and transparent functioning of the Board itself, also having adequate knowledge of corporate governance.

Finally, it is noted that the Company pays adequate attention to the training of its Directors. In accordance with Art. 71, paragraph 2, letter aa) of IVASS Regulation no. 38/2018 and the Corporate Governance Code, specific *induction sessions* are organised periodically (at which the Board of Statutory Auditors also participates), during which specific information is provided to allow the members of the management and control bodies to consolidate, and strengthen over time, the necessary technical expertise and adequate knowledge of the business sector in which the Company and the Group operate, the business dynamics and their evolution, as well as the regulatory framework of reference.

3.2 Quantitative composition of the Board of Directors

According to the provisions of Art. 10 ("Board of Directors") of the Company's By-Laws, the Board of Directors must be made up of a number of members of not less than 15 and not more than 25.

For the purposes of assessing the quantitative composition of the Board, consideration must be given to different criteria and distinctive requirements deriving from the peculiar role of *holding* company fulfilled by the Company and the areas of operation of the same, as well as the characteristics of the Group headed by it, seeking to achieve a balanced reconciliation of those needs.

The size of the Board of Directors must adequately support the tasks of strategic direction and coordination that the body will be called to carry out, considering the need to articulate the delegation of the functions of analysis and propositional and advisory support to its internal committees, also in view of the complexity of the Group, and the need to ensure the adequate operation of those committees.

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

- the specific role played by Unipol as issuer with shares listed on the MTA, which heads the Unipol Group, also having the role of parent company of the Unipol Insurance Group;
- the presence, along the chain of investment headed by the Company, of UnipolSai Assicurazioni S.p.A. (also an issuer with shares listed on the MTA, as well as direct parent company of all insurance companies of the Group itself) and other companies operating in the financial sector; an aspect that connotes the role of the Company and characterises it for the complex profiles and issues of the model of guidance and *governance* from the operational and organisational perspective;
- the diversification of the Group's *business*, of which the companies instrumental to the exercise of insurance activity (including those exercising real estate activities) as well as the companies operating in different sectors (hotels, health, agriculture and car rental) also form part

These characteristics lead to the adoption of a Board composition able to give an adequate contribution to the strategies to be adopted for the direction and management of the Group's activity, as well as to have a number of members such as to ensure the efficient operation of the Board Committees, also considering the need to ensure efficient balancing of the competencies within the latter. In view of the Shareholders' Meeting called to appoint the Board of Directors, the outgoing management body of Unipol, having examined the opinion of the Committee, formulates to the Shareholders, also taking account of the contents of this Policy, its suggestions on the quantitative composition of the Board as part of the guidance, as well as taking account of the results of the *Board Performance*

Evaluation and in line with the need for diversification of the skills considered necessary, indicated in the next paragraph, as well as with the cited dimensions and complexities of the Company and of the Group.

3.3 Qualitative composition of the Board of Directors

The legislation applicable to the Company envisages specific requirements of fitness for the role which must be held by members of the Management Body.

In that regard, taking into account the regulatory provisions in force and applicable to representatives of the parent company of Unipol Insurance Group, in accordance with Art. 212-*bis*, paragraph 1, letter c) of the Private Insurance Code, the provisions on requirements of fitness for the role, envisaged for persons who perform those functions in insurance companies, apply to persons who carry out roles of administration, management and control at Unipol¹.

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

- the Directors are for the most part non-executive, able to provide adequate contribution to the activities of the Board, enhancing the internal debate with competencies of a general strategic or technical nature, even formed outside the Group, so as to be able to analyse the different issues debated from different viewpoints, contributing in this way to spurring dialogue, which is the necessary requirement of a collegial decision, well-considered and informed;
- in addition to what is stated in that regard by the Consolidated Finance Law and in conformity with the applicable industry regulations, it is noted that, commencing from the first renewal of the Board of Directors after 31 December 2020 (*i.e.*, with reference to the Company, by the Shareholders' Meeting called to approve the financial statements of the 2021 financial year, upon which the mandate of the Board in office will expire), the new recommendations formalised in that regard by the Corporate Governance Code will take effect; they envisage that - in the case of issuers having the characteristics of Unipol in terms of size and diversification of its shareholder base - independent directors constitute at least half of that Management Body; this facilitates, amongst other things, a heterogeneous composition of the board committees. Until the next Shareholders' Meeting, the Board of Directors in office will continue to be made up for at least one-third of Directors in possession of requirements of independence in conformity with the previous text of the Corporate Governance Code for listed companies;
- in implementation of the provisions of the Company's By-Laws and in conformity with what is currently laid down by the regulations in force on gender balance, the Board of Directors must be made up for at least two-fifths (rounded upwards) of directors belonging to the "less represented" gender. That provision applies with effect from the first renewal of the management body after the date of approval of the Policy, it being understood that until that time, even in the case of co-opting, the share of at least one-third will continue to apply (with rounding to the higher integer in the case of a decimal number);
- a balanced composition of different levels of seniority in office and age brackets must be guaranteed within the Board of Directors, thereby sharing in any case the significant value that the experience accrued and knowledge of the activities and dynamics of the Group may bring in terms of a contribution to the effective operation of the Board;
- in order to guarantee the correct fulfilment of their duties and to ensure the effective nature of the role, the Directors are able to dedicate time and adequate resources to carrying out their mandate.

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

- the managerial and/or professional and/or academic and/or institutional profiles of each of the Directors, according to the provisions of the applicable industry regulations, are suitable to allow the Management Body to have, as a whole, technical skills and experiences that are different and complementary to each other, in order to fulfil its tasks.

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

- to what is stated in that regard by the cited national legislation applicable to the insurance sector², according to the principle of proportionality³, taking account of the mere activity of *holding* company performed by the Company, as well as the Fit & Proper Policy approved by the Board of Directors itself;
- The indications issued by the European institutions and *authorities*⁴;
- Of the functions assigned to the Board, its functioning and articulation into board committees, as well as the complexity and dimensions of the Group, the type of activity performed and the listing on regulated markets⁵;
- to the *best practices* in place on the market.

Given the mainly national nature of the Group, the Policy does not contain particular provisions on the international profile and experience of the Directors. The Company is, however, attentive to the principle of balance in terms of geographical origin of the Directors.

In view of the Shareholders' Meeting asked to appoint the new Board of Directors, the outgoing Management Body of Unipol, having examined the opinion of the Committee, also taking account of the results of the *Board Performance Evaluation*, reports in the guidance to the Shareholders if, in its own opinion, in general, its structure correctly and adequately reflects the different components (executive, non-executive, independent, of gender and age/seniority in the role) and necessary areas of expertise, providing in that regard specific indications to the Shareholders.

² At present, the regulatory rules of the relevant sector are represented by IVASS Regulation no. 38/2018, which - at Art. 71, paragraph 2, letter p) - states that “*the Board of Directors of the last Italian parent company (i.e. Unipol, ed.) is, as a whole, in possession of adequate technical skills in order to fulfil the duties required from it by the structure, the activity as well as the risk profile of the group.*”

³ Pursuant to Art. 30 of the Private Insurance Code: “*1. The Company acquires an effective system of governance (...) to ensure the sound and prudent management of the activity. The system of governance is proportional to the nature, size and complexity of the activity of the Company.*”

⁴ At the EU level, Art. 273, Par. 2 and 3 of Commission Delegated Regulation (EU) 2015/35, of 10 October 2014, which integrates Directive 2009/138/EC (*Solvency II*), states the following:)

“(...

2. *The assessment of the competence of a person includes the assessment of his/her professional and formal qualifications, relevant knowledge and expertise in the insurance sector, in other financial sectors or in other areas of activity and takes account of the tasks assigned to this person and, if required, of his/her competencies in the insurance, financial, accounting, actuarial and management field.*

3. *The assessment of the competence of the members of the administrative, executive or supervision body takes account of the tasks assigned to the individual members so as to ensure an appropriate diversity of the relevant qualifications, knowledge and expertise so as to guarantee that the Company is managed and supervised professionally.*”

⁵ In addition, pursuant to the Corporate Governance Code, at least one member of the Control and Risk Committee and the Remuneration Committee must be in possession, respectively, of adequate:

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

4. Board of Statutory Auditors

4.1 Quantitative composition of the Board of Statutory Auditors

In accordance with the provisions of Art. 17 ("Auditors") of the Company's By-Laws at the date of this Policy, the Unipol Board of Statutory Auditors is made up of three standing auditors and two alternate auditors.

4.2 Qualitative composition of the Board of Statutory Auditors

The legislation applicable to the Company envisages specific requirements of fitness for the role which must be held by members of the control body.

As stated in paragraph 3.3 above, the provisions on requirements of fitness for the role envisaged for persons who perform those functions at insurance companies apply to the Auditors of Unipol.

That said, with regard to the qualitative composition of the Board of Statutory Auditors, given the role of that body and the precise industry regulations envisaged for its members, this Policy merely states that:

- in implementation of the provisions of the Company's By-Laws and in conformity with what is currently envisaged by the legislation in force on gender balance, two-fifths of the same (rounding downwards) must belong to the less represented gender, both at the time of appointment of that body and during the mandate. That provision applies with effect from the first renewal of the control body after the date of approval of the Policy;
- to ensure the proper execution of their tasks and to guarantee the effectiveness of the role, the Auditors are able to devote adequate time and resources to the execution of their mandate.

5. Monitoring of implementation of the Policy and respective update

The Company's Board of Directors, with the support of the Appointments and Corporate Governance Committee, monitors the implementation of the Policy and – where necessary or appropriate - takes care of its update, taking account of the outcomes of the annual self-assessment process of the Board.

The Board of Directors

Bologna, 18 March 2021



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