ASSEMBLEA DEGLI AZIONISTI
SHAREHOLDERS' MEETING
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GENERALI

24 April 2025

Guidance opinion to the shareholders on the quantitative and qualitative composition of the board of directors to be appointed for the 2025-27 three-year period

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1. INTRODUCTION

In accordance with what is established by the **insurance regulations**, the administrative body identifies in advance its qualitative-quantitative composition considered optimal in order to foster discussion and debate within the corporate bodies, to facilitate the emergence of a plurality of approaches and perspectives in analysing issues and making decisions, to provide effective support to corporate strategy development processes, management of activities and risks, control of the work of senior management and to take into account the multiple interests that contribute to the sound and prudent management of the company.

The insurance regulations, in establishing the central role of the board of directors (hereinafter, the "Board") in the corporate governance of insurance undertakings and groups, requires a self-assessment process to be carried out, at least once a year, on the size, composition and effective functioning of the administrative body as a whole, as well as its committees, requiring the Board to express guidelines on the professional figures whose presence is deemed appropriate and to propose corrective actions, where necessary. In conducting the self-assessment, the Board is also required to verify that the number of independent members is adequate in relation to the activities of the company.

The **corporate governance code** (hereinafter, the "Code") also recommends that, in the period prior to its renewal, the administrative body issues guidance on the quantitative and qualitative composition it deems optimal. This guidance should be expressed while taking account of the outcome of the self-assessment on the size, composition and functioning of the administrative body and its committees, also considering the role played by it in defining the strategies and in monitoring the operations and the adequacy of the internal control and risk management system.

It is also recommended for the administrative body to request that parties who present lists where the number of candidates is greater than half the number of members to be elected:

a) provide adequate information, in the documentation presented for filing the list, on the compliance of the list with the guidance expressed by the administrative body, including the diversity and gender equality criteria, in order to meet the primary objective of ensuring that the board members possess adequate expertise and professionalism;
b) indicate their candidate for the position of chair of the administrative body and managing director. In order to implement this recommendation and also to reflect the indication contained in CONSOB Notice no. 1/22 of 21 January 2022 ([1]), Assicurazioni Generali S.p.A. (hereinafter "Generali", or the "Insurance Company", or the "Company") has established at Article 28.4 of its articles of association (hereinafter the "Articles of Association") an obligation for those who submit lists of candidates for the appointment of the Board, aspiring to appoint the majority of its members, to indicate not only their candidature for the office of chair but also for that of managing director, under penalty of ineligibility.

The guidance also sets out the managerial and professional profiles and the expertise deemed necessary, also in relation to the Company's sectoral characteristics, considering the diversity criteria and the guidance expressed on the maximum number of positions held to be compatible with the effective performance of the position of Company director, given the commitment required by the role ([2]). The guidance of the outgoing administrative body should

(1) CONSOB Notice no. 1/22 of 21 January 2022, concerning the submission of a list by the board of directors for the renewal of the board itself, contains a reminder of the advisability of timely publication of the board's list "with possible indication of candidates for the posts of Chair and Managing Director".

(2) Pursuant to the Rules of the Board and board committees, for Directors appointed after 1 November 2022, the maximum number of offices considered compatible with the effective performance of the office of director of the Company corresponds to that identified by the provisions on the accumulation of offices set forth in Decree No. 88 of the Ministry of Economic Development of 2 May 2022. In this respect, see Annex 1.

be published on the Company website sufficiently in advance of publication of the notice of call of the shareholders' meeting for its renewal ([3]).

The common objective of these provisions is to guarantee that, through its members, the administrative body performs its role in an effective manner, as it will be able to call on the necessary personal and professional profiles: this implies that the professional expertise required to achieve this result must be clearly identified in advance and, if necessary, reviewed over time to take account of the strengths and any areas needing attention. It also implies that the process for selecting and appointing candidates must take into account the recommendations that the outgoing Board provides for the shareholders.

The main national and European sources on the subject directly applicable to the Company are noted below, the provisions of which, in addition to those contained in the general regulations and the Articles of Association, must be complied with when submitting lists:

– Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II);
– Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 (Delegated Acts) supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II);
– the guidelines issued by the European Insurance and Occupational Pensions Authority (EIOPA);
– Legislative Decree no. 209 of 7 September 2005, as amended and supplemented (hereinafter "Private Insurance Code" or "PIC");
– Decree of the Ministry of Economic Development no. 88 of 2 May 2022 laying down rules on the requirements for and fitness of persons to hold corporate positions and key functions pursuant to Art. 76 of the Private Insurance Code (hereinafter, "DM 88/2022"), in effect for appointments made after 1 November 2022;
– IVASS Regulation no. 38 of 3 July 2018, as amended and supplemented (hereinafter, "Regulation 38/2018"), laying down provisions on the corporate governance of insurance undertakings and groups;
– IVASS Regulation no. 44 of 12 February 2019, as amended and supplemented, laying down provisions aimed at preventing the use of insurance undertakings and insurance intermediaries for the purposes of money laundering and terrorist financing with regard to organisation, procedures and internal controls and customer due diligence pursuant to Article 7(1)(a) of Legislative Decree no. 23 of 21 November 2007, implementing the EBA corporate governance guidelines on the prevention of money laundering and the fight against terrorist financing (EBA/GL/2022/05);
– Legislative Decree no. 58 of 24 February 1998 (Consolidated Law on Finance, hereinafter "CLF"), Articles 147-*ter*, 147-*quinquies* and 148;
– the Issuers' Regulations adopted by CONSOB with resolution no. 11971 of 14 May 1999, Article 144- *quinquies* and 144-*undecies*.1;
– CONSOB Communication DEM/9017893 of 26 February 2009 and CONSOB Notice no. 1/22 of 21 January 2022;
– the Decree of the Minister of Justice, in concert with the Minister of the Treasury, Budget and Economic Planning, no 162 of 30 March 2000, containing the regulation on the requirements for statutory auditors of listed companies (hereinafter, "DM 162/2000") ([4]);

(3) The reference is to Recommendation no. 23 of the Code, which is intended for undertakings other than those with concentrated ownership: the Code was approved in December 2019 by the Corporate Governance Committee (formed by ABI, ANIA, Assonime, Confindustria, Borsa Italiana S.p.A. and Assogestioni di Borsa Italiana S.p.A.), published on 31 January 2020, and it was adopted by Assicurazioni Generali S.p.A. with a board resolution of 14 October 2020.

(4) This regulatory source is also applicable to the appointment of the Board since, pursuant to the combined provisions of Articles 147-*quinquies* and 148(4) of the CLF, persons performing administrative and management roles must also meet the integrity requirements established for members of the control body by DM 162/2000.

– Art. 36 of Decree-Law no. 201 of 6 December 2011, converted with amendments by Law no. 214 of 22 December 2011, and its application criteria, on the prohibition on interlocking situations;
– Directive (EU) 2022/2464 Art.1.2(b), as implemented by Legislative Decree no. 125 of 6 September 2024, and Regulation (EU) 2019/2088 Article 2(24) ([5]);
– the Code;
– the additional applicable legislation in force from time to time ([6]).

* * *

In light of this context, the Board identified, with the support of the Nominations and Corporate Governance Committee (hereinafter referred to as "NCG"), the qualitative and quantitative composition deemed optimal for the performance of its activities in view of the expiry of its three-year term of office and looking ahead, in particular considering the Board's role of supervision, direction and verification, on an ongoing basis, of the implementation of the strategic guidelines, also in relation to the pursuit of sustainable success, as well as the assessment of the adequacy of the organisational, administrative and accounting structure.

The analysis carried out included the characteristics of experience, professionalism, competence and independence required for the candidates, taking into account that their authority and professionalism should in any case be commensurate with the tasks that directors are called upon to perform, including in the board committees, in light of the size and complexity of the Company, and of the group of companies controlled - even indirectly - by it and connected to it (hereinafter, cumulatively, the "Group"), and of the Group's strategic vision and business objectives.

In carrying out this activity, the Board took into account, inter alia, the new Group strategy for the 2025-27 three-year period, definitively approved at the meeting on 28-29 January 2025 and communicated to the market on 30 January 2025, and the Insurance Company's corporate governance system, also reflected in the Articles of Association and internal regulations (first and foremost, the *Regulations of the Board and of the Board Committees*, but also the *Diversity Policy for Members of the Corporate Bodies*, recently updated by the board resolution of 26 June 2024).

In light of the above, the Board developed, again with the support of the NCG, this Guidance Opinion (hereinafter, the "Guidance"), which it presents for examination and assessment by the shareholders in preparation for the next shareholders' meeting when the items on the agenda will include the appointment of the Board for the 2025-27 three-year period, after determining the number of its members.

The Guidance also takes into account:

(5) Legislation relevant to the analysis of the sustainability expertise of the members of the administrative body, which is required to be disclosed to the public in sustainability reporting.

(6) In relation to the participation of Generali in the capital of insurance, reinsurance companies, banks, financial companies, asset managers and real estate brokerage firms, the following regulations should be respected, amongst others: Decree of the Ministry of Economic Development no. 220 of 11 November 2011, Art. 5; Decree of the Minister of the Treasury, Budget and Economic Planning no. 469 of 11 November 1998, laying down rules for determining the integrity requirements of participants in the capital of securities brokerage firms, asset management companies and SICAVs and setting of the relevant thresholds; Decree of the Minister of the Treasury, Budget and Economic Planning no. 144 of 18 March 1998, laying down rules for identifying the integrity requirements of participants in the share capital of banks and setting of the relevant thresholds; Decree of the Minister of the Treasury, Budget and Economic Planning no. 517 of 30 December 1998 laying down rules for determining the integrity requirements of participants in the capital of financial intermediaries, in accordance with Article 108 of Legislative Decree no. 385 of 1 September 1993; Law no. 1423 of 27 December 1956, Law no. 575 of 31 May 1965, Law no. 646 of 13 September 1982 as amended and supplemented, also taking account of Legislative Decree no. 159 of 6 September 2011, without prejudice to the effects of rehabilitation; Bank of Italy Provisions of 26 October 2021, Part B, Section 1(f) on fairness criteria in relation to "Information and documents to be sent to the Bank of Italy in the application for authorisation to acquire a qualifying holding" (the "Bank of Italy Provisions") for participants in the capital of an asset management company.

– the findings of the self-assessment conducted by the Board on nearing the completion of its three-year term of office, which reflects the strategic vision for the 2025-27 three-year period (7);
– feedback from the dialogue activity undertaken with the major shareholders and the various relevant stakeholders (e.g. institutional investors and their representative associations, proxy advisors, etc.) – activity carried out independently of the potential filing of a list by the outgoing board of directors – as well as from the examination of benchmarks and good corporate practices applied nationally and internationally.

Pursuant to the relevant legislation on the subject, the new Board of Directors will be required to assess the suitability of its members and the adequacy of the collective composition of the body, documenting the analysis process and providing reasons for the outcome of the assessment. The administrative body then will have to verify the compliance of the new body with the qualitative and quantitative composition requirements deemed optimal in the terms previously represented to the shareholders. It should be noted that this Guidance complements Generali Fit&Proper policy for the purposes of these assessments of the suitability of members and overall adequacy. The results of the analysis carried out shall be forwarded to the Supervisory Authority, which shall carry out an in-depth analysis, assessing the existence of the requirements for the members and the adequacy of the collective composition of the Board of Directors.

(7) The main outcomes of the self-assessment carried out for the year 2024 are available on the Company's website at the following link: www.generali.com/it/governance/board-of-directors/board-evaluation.

2. QUANTITATIVE ASPECTS: SIZE OF THE BOARD

2.1 Board evaluation elements for the shareholders

The number of members of the administrative body must be adequate to the size and complexity of the Company's organisational structure, so that the same is able to monitor effectively all corporate and business operations, in terms of providing guidance and supervising operations. This applies even more so when the company is the parent company of a complex group with branches in several legislations.

The corporate governance model adopted by Generali is the "traditional" one under Italian law, thus consisting of the Board and the board of statutory auditors. According to the Articles of Association, the Board consists of a minimum of 13 and a maximum of 17 members: in 2022, the Shareholders' Meeting established the number of members of the administrative body at 13 for the three-year period now expiring. As recently emerged also during the dialogue activity conducted between November and December 2024, a large number of directors does not always allow for effective interaction in board meetings, with the consequence that the contribution made by each member of the board suffers. On the other hand, too small a number of members does not make it possible to ensure that the composition of the committees is aligned with growing governance requirements and the complexity of managing large companies, especially companies subject to industry supervisory regulations. However, as the Articles of Association identify a minimum of 13 members, this number already represents, according to what emerged both during the dialogue and from the self-assessment, a sufficient measure to achieve the above-mentioned objectives.

The correct size of the administrative body is, therefore, also determined in relation to the number and composition of the board committees, where a decisive role is assigned to members who meet the independence requirement recommended by the Code ([8]). The presence of committees with advisory, recommendatory and preparatory functions represents an accepted organisational model in established national and international practice, which can increase the efficiency and effectiveness of the board's operations and consequently the quality of the decisions taken: this was clearly confirmed during the three-year term of office of the current Board, when the Board was assisted not only by the Related Party Transactions Committee (hereinafter, "RPTC") and the committees recommended by the Code, but also by the Investment Committee (hereinafter, "IC"). In addition, the Board entrusted the Committee for Innovation, Social and Environmental Sustainability (hereinafter, "ISC") with the task of supporting the analysis of issues relevant to the generation of long-term value, as envisaged by letter a) of Recommendation no. 1 of the Code.

The number of directors must therefore be adequate in view of the formation of the board committees, of which all members of the Board are asked to form part, avoiding an excessive accumulation of offices: in those recommended by the Code, the presence of members meeting the Code's independence requirements must be the clear majority and the role of chair must be entrusted to an independent member.

As is well-known, current legislation and international best practice do not prescribe an ideal number for the composition of the boards of directors of insurance undertakings, merely laying down the adequacy of the same for conducting the business activity that the issuer is called upon to perform.

(8) In the current three-year term, the Board formed 6 board committees, including those recommended by the Code. The average number of board committees for companies in the FTSE MIB index is 3.9, with each committee comprising an average of 3.8 members. The majority of the Generali's current board Directors were members of at least two committees, with an average participation of 2.2 committees each: 6 Directors served on 3 committees, 4 Directors on 2 committees and 2 Directors, including the Chair of the Board, on just one committee.

Based upon this premise, in order to formulate its own recommendation, with the support of the NCG, the Board took into account not only the provisions of the regulations in force, but also the results of the self-assessment process relating to the final year of the current term of office and the dialogue activities carried out with the major shareholders and relevant stakeholders. In addition, a basket of issuers, consisting of international peers in the financial services industry as well as comparable Italian issuers, was examined. Focusing on the issuers forming the FTSE MIB index, the analysis carried of market practices revealed varied situations. In this regard, it was found that the administrative bodies consist of a minimum number of 9 members ([9]) to a maximum number of 19 (Unipol) ([10]): the average figure for companies in the FTSE MIB index is 12.4 members. In comparison, the average number of members among international peers in the financial sector is 15.1 ([11]).

In the self-assessment process conducted during the third year of the term of office, it emerged that the majority of Directors were in favour of confirming the current number of members.

Consequently, it is deemed appropriate to confirm the current composition of 13 members: this decision was reached with careful consideration of the need to balance diverse perspectives and criteria, ensuring both quantitative and qualitative equilibrium of composition within the Board. Furthermore, as board meetings may be held in English, knowledge of the language is recommended.

2.2 Board Recommendation

In view of the above, the Board recommends that the number of Board members be established at 13 (thirteen). In the opinion of the Board, this recommendation allows the above-mentioned requirements to be met and balanced, including the adequate quantitative composition of the board committees. Knowledge of the English language is recommended for all members.

(9) Including: Amplifon, ENI, ENEL, Italgas, Iveco, Snam, Saipem, Poste Italiane.

(10) Public data on the composition of the boards of directors for companies in the FTSE MIB index has been obtained from the corporate governance and share ownership reports for 2023.

(11) The panel of international peers in the financial services sector consists of 17 companies, including 10 insurance firms and 7 institutions primarily in banking. The analysis of board composition was conducted using publicly available data updated as of October 2024.

3. QUALITATIVE ASPECTS: COMPOSITION OF THE BOARD

3.1 Board evaluation elements for the shareholders

The Code recommends that the administrative body consists of executive and non-executive directors, including a significant number of independent directors ([12]), all having the appropriate professional expertise and competences for the tasks assigned to them. It also specifies that the number and competences of the non-executive directors be such as to ensure they have a significant weight in the resolutions made by the Board and to guarantee effective monitoring of operations.

The Code also recommends that issuers apply diversity criteria, also in terms of gender, to the composition of the administrative body, in respect of the main priority of ensuring the adequate competence and professionalism of its members. In this regard, the *Diversity Policy for Members of the Corporate Bodies*, approved by the Board and available at the link www.generali.com/governance/corporate-governance-system/diversity-policy, stresses the strategic importance of diversity as a factor for promoting leadership and innovation and for pursuing sustainable success, also with regard to the qualitative and quantitative composition of the corporate bodies, as well as of management. Indeed, Generali recognises and embraces the benefits of diversity and inclusion with respect to various parameters such as gender, age, ethnicity, culture, personal beliefs, perspectives, qualifications, competences, training and professional career, as well as seniority.

Currently, non-executive directors make up 92% of the Board. They are decisive participants in all decisions taken by the Board and are called to perform an important role in discussing and monitoring the proposals and decisions of the only director with delegated powers (the Managing Director and Group CEO). Furthermore, the Board consists of 77% independent directors ([13]) and the least represented gender component accounts for 46%. The average age of the members of the administrative body is currently 61 years ([14]). The insurance regulations also lay down specific requirements to be met by members of the administrative body which are instrumental to the sound and prudent management of insurance undertakings and groups.

3.1.1. Good repute and integrity requirements

The members of the Board must be chosen from among candidates who meet the good repute and integrity requirements set forth in Articles 3 and 4, respectively, of DM 88/2022 (see **Annex 1**). It should be noted that, with reference to the criteria of good repute, the occurrence of one or more of the situations indicated in Article 4 of DM 88/2022 does not automatically entail the unsuitability of the individual, but requires the Board to carry out an assessment in this regard, concerning the objectives of sound and prudent management as well as the safeguarding of the company and of public trust and taking into account, where relevant, the parameters set out in Article 5 of the aforesaid decree (see **Annex 1**).

The members of the Board must also meet the requirements of integrity set forth in the combined provisions of Articles 147-*quinquies* and 148(4) of the CLF and Article 2 of DM 162/2000, Article 25 of Regulation 38/2018 and Articles 2382 and 2383 of the Italian Civil Code (see **Annex 2**).

(12) The independent directors according to the Code constitute at least half of the administrative body.

(13) The 77% coefficient refers to the proportion of members who meet the independence requirements envisaged by the Code, which are those of significance for the purposes of the composition of the board committees. Moreover, Art. 28.2 of the Articles of Association highlights possession of the requirements of independence envisaged by the CLF for assuming the post of Statutory Auditor, for the purposes of the appointment of directors and their possible lapse. The Articles of Association provide that such requirements be met by at least half of the directors: currently, they are met by 92% of the directors.

(14) The average figure for Italian issuers in the financial sector is close to 60 years *(Assonime – Emittenti Titoli, Note e Studi 6/2024. Report on Corporate Governance in Italy: The implementation of the Italian Corporate Governance Code (year 2023). June 2024.*

In view of the importance of these requirements from a reputational point of view, it is recommended that candidates, in addition to meeting the requirements of integrity laid down by the applicable regulations,

– do not find themselves in situations that could become grounds for exclusion or suspension from their position;
– have not engaged in conduct which, although not constituting an offence, does not appear to be compatible with the role of Director or which entails or may entail a detriment or serious reputational consequences for the Company.

It is understood that the relevance of any facts and circumstances and the impact, even cumulative, that these may have on the candidate's compliance with the criteria of good repute in personal and professional conduct, including past conduct, will be the subject of the above assessment.

3.1.2. Professional requirements and competence criteria

The members of the Board must be chosen from candidates who meet the professional requirements and competence criteria set forth in Articles 7 and 9, respectively, of DM 88/2022 (see **Annex 1**), as well as in Article 25 of Regulation 38/2018 (see **Annex 2**).

In light of the provisions of the insurance regulations, candidates for the office of Director must possess, individually and collectively, theoretical knowledge - acquired through studies, training or academic and/or professional career - and practical experience - gained in the course of previous or current work activities, or through several years of administration, management or control activities in companies or groups of significant size - with specific reference to the following areas:

– insurance markets;
– financial markets;
– regulatory framework and compliance rules in the insurance, banking and finance sector;
– insurance, banking and financial activities and products;
– strategic direction and planning;
– asset management;
– M&A and extraordinary transactions;
– internal control systems and risk management (identification, assessment, monitoring, control and mitigation of the main types of risks in the undertaking and solvency requirements, including the responsibilities of the individual concerned in these processes);
– accounting and financial reporting;
– statistical sciences;
– actuarial sciences;
– organisational and corporate governance structures;
– remunerations and personnel incentive systems;
– digital transformation ([15]), artificial intelligence and cybersecurity;
– ESG & sustainability;
– experience and international perspective, with a focus on the Generali Group's reference markets;
– transformational journey experienced in leading international organisations;
– legal.

(15) The concept of digital transformation includes and evolves that of information technology provided for in Art. 9 of DM 88/2022.

The mix of competences of the Board must be well-balanced and backed by knowledge of the business, considering its complexity and the need to complete the strategic development path launched by the current Board with the approval of the 2025-27 strategic plan.
Today, the Board is made up of managers from leading international undertakings, entrepreneurs operating in different economic sectors, university professors in economic, financial and legal subjects, and representatives of the world of professions (see, in that regard, the relevant section of the Company's website).

More specifically, at present:

– 100% of the members possess specific knowledge of the regulatory framework and corporate governance requirements;
– more than 90% of the members have experience international and financial markets, in financial and accounting matters, as well as of business models and strategy;
– more than 75% have experience in the insurance and financial services sector;
– about 70% have control and risk expertise;
– more than 60% have expertise in ESG and sustainability;
– the least represented competencies on the Board are experience in the digital sector, IT, cybersecurity (38%), and legal expertise (15%).

The level of experience and professional skills found in the composition of the Board currently in office appears adequate to the strategy and activities of the Company and the Group: the continuity of most of its members (also taking into account that the majority of the Directors have been in office for a few years, the Board having been widely renewed in 2022) is, therefore, also useful for the commitment required to implement the strategic plan approved by this Board, bearing in mind, however, that a term of office lasting more than nine years in the last 12 years entails the loss of the independence requirement.

The current composition of the Board already denotes an important international profile, irrespective of nationality, as attested by the roles held by most of its members in foreign corporate, professional or academic contexts and, during the three years of its mandate, the level of cohesion and ability to work as a team has gradually increased, as evidenced by the results of the self-assessment process ([16]).

The findings of this self-assessment, along with the engagement with shareholders and some relevant stakeholders, in highlighted the need to confirm the already solid presence of Board members with international experiences and background. Additionally, relevant experience in the financial sector will be duly considered, particularly in executive leadership roles, especially in insurance and asset management. In the context in which the Company operates, expertise related to digital issues, artificial intelligence, and cybersecurity is particularly crucial.

In addition to the above, it is suggested to increase the number of Board members of non-Italian nationality, particularly those with experience and expertise in the countries where the Group is most active, in line with what is found in international insurance groups similar to Generali, which have a significant percentage of foreign nationals on their administrative bodies.

The attention of the stakeholders to ESG *(Environment, Social, Governance)* issues, with Generali's stated objectives on the pursuit of sustainable success, moreover suggests a further strengthening of the competences currently present in the Board also from that perspective.

(16) The level of international experience is significantly higher than the average observed in companies within the FTSE MIB index (50%) and also exceeds the average found among international peers in the financial sector (70%).

With regard to the presence of members over the last 12 years ("tenure") ([17]), the Board already presents today a balanced distribution, projected towards the future, reflecting governance that ensures an adequate capacity for change. With average seniority of 5 years, 62% of the members are completing their first three-year term ([18]), 8% their second, 15% their third and the remaining 15% have been in office for over three three-year periods.

3.1.3. Gender quota

The Articles of Association establish that the composition of the Board must comply with the gender balance criteria envisaged by current legislation. In this regard, the provisions on gender balance set forth in Articles 147-*ter*, par. 1-*ter*, and 148, par. 1-*bis* of the CLF apply. Therefore, lists of candidates must be composed taking into account the necessary presence of a quota of "at least two- fifths", i.e. 40%, of members of the gender least represented at Board level ([19]).

3.1.4. Availability and number of offices

The availability of time to devote to carrying out the role, given its nature, quality and complexity, is a fundamental requirement that the candidates must guarantee, also with respect to activities arising from participation on the board committees, where they are members of the same.

The members of the administrative body are therefore required to devote adequate time to the performance of their role, in accordance with the provisions of Article 15 of DM 88/2022 (see **Annex 1**). Indeed, acceptance of the appointment requires - in light of the provisions of the applicable legislation and the recommendations of the Code - that candidates have successfully carried out a prior assessment on the possibility of being able to devote the necessary time to the diligent performance of the duties of director, also taking into account the number of offices as members of administrative, management and control bodies possibly held in other companies, undertakings or entities (including foreign ones), as well as any other professional activities performed.

In this regard, pursuant to Article 16 of DM 88/2022 (see **Annex 1**), each representative of Italian insurance undertakings of greater size or operational complexity ([20]) - which also includes Generali - may not hold a total number of offices in undertakings or other commercial companies (Italian and foreign) exceeding one of the following alternative combinations:

– No. 1 executive office and 2 non-executive offices;
– No. 4 non-executive offices.

For the purposes of calculating the above limits, the office held in Generali is also included, and the provisions on exemptions, aggregation methods and taking on additional offices set out in Articles 17 and 18 of DM 88/2022 (see **Annex 1**) may be applied. Multiple offices held in entities of the same corporate group are considered as a single office.

(17) The period of nine years within the last 12 years is relevant for the regulations applicable to insurance undertakings and the recommendations of the Code.

(18) In February 2022, the Board co-opted 3 independent directors following the resignation of 3 of its own members.

(19) The Company refers to the higher threshold established by the regulations concerning listed issuers compared to the one established by the insurance regulations (Art. 10, par. 3 of DM 88/2022), according to which, in the administrative and control bodies of the traditional model, the members of the least represented gender must make up at least 33% of the members of the plenum.

(20) Article 1(1)(f) of DM 88/2022 defines as *"undertakings of greater size or operational complexity"* those undertakings that are required to adopt an enhanced corporate governance system, in accordance with the IVASS implementing provisions on corporate governance, adopted pursuant to Article 30 of the PIC, i.e. undertakings that are significant with regard to their size, risk profile, type of business, complexity of business and operations carried out.

The commitment required of the Directors is not obviously limited to attendance at board meetings; it also involves prior analysis of the documentation made available before each board meeting, as well as attendance at the meetings of the board committees of which they are members and at informal strategic and training and/or induction sessions.

In this context, the Board, with the aim of ensuring the proper functioning of the bodies and the contribution of each member to the internal work of each body, and also taking into account average number of meetings held over the last few financial years and their duration, has made an estimate to assess the minimum time deemed appropriate for the effective performance of the office ([21]):

Chair of the Board of Directors	120 days FTE/year
Chief Executive Officer	Full time
Non-Executive Director	40 days FTE/year
Chair of Risk and Control Committee	40 days FTE/year
Risk and Control Committee Member	30 days FTE/year
Chair of Nominations and Corporate Governance Committee	20 days FTE/year
Nominations and Corporate Governance Committee Member	15 days FTE/year
Chair of Remuneration and Human Resources Committee	20 days FTE/year
Remuneration and Human Resources Committee Member	15 days FTE/year
Chair of Innovation, Social and Environmental Sustainability Committee	15 days FTE/year
Innovation, Social and Environmental Sustainability Committee Member	10 days FTE/year
Chair of Investment Committee	15 days FTE/year
Investment Committee Member	10 days FTE/year
Chair of Related Party Transactions Committee	10 days FTE/year
Related Party Transactions Committee Member	7 days FTE/year

(21) It should be noted - for information purposes - that in the 2022-24 three-year period an average of 18 Board meetings were held per year; 19 meetings of the Risk and Control Committee (hereinafter, "RCC"); 13 meetings of the NCG; 15 meetings of the Remuneration and Human Resources Committee (hereinafter, "RHRC"); 7 meetings of the ICS; 9.7 meetings of the IC; 3 meetings of the RPTC. The annual average duration of the Board meetings during the three years was approximately 3 hours and 55 minutes. In addition to the above, each Director devoted time to participation in off-site events on strategic matters held during the three-year period, annual meetings for the independent directors and annual meetings for the non-executive directors. Naturally, time was also given to preparation for the meetings. In consideration of the above, the Board recommends that candidates accept the post when they believe they are able to devote the necessary time and energy, taking into account the commitment required for other work or professional activities, as well as for other corporate offices. The figures contained in this note refer to the number of meetings held in the 2022-24 three-year period, up to 31 December 2024.

3.1.5. Incompatibility situations

The Board members are also required to comply with the interlocking provisions set forth in Article 36 of Law no. 214/2011, laying down provisions on "*cross personal shareholdings in credit and financial markets and the prescribed prohibition on holders of offices in management, supervisory and control bodies and top officials of undertakings or groups of undertakings operating in the credit, insurance and financial markets from assuming or exercising similar offices in competing undertakings or groups of undertakings*" and the related application criteria.

The Board recommends that, in the lists to be submitted for the appointment of the new administrative body, candidates should be clearly indicated for whom the absence of grounds for incompatibility prescribed by the aforementioned law, as well as by the general and special regulations applicable to the Insurance Company, has been verified in advance.

3.1.6. Independence requirement under applicable laws and regulations and the Code

According to the applicable regulations, as well as the best practice, the presence of an appropriate number of members in the administrative body who qualify as independent is an appropriate solution to ensure the composition of the interests of all shareholders. In particular, a certain number of Board members (as provided for by applicable law, the Articles of Association and the corporate governance code) must meet the independence requirements envisaged:

– by Article 12 of DM 88/2022 (see **Annex 1**);
– by Article 147-*ter*, par. 4 of the CLF, which establishes that at least one of the members of the board of directors, or two if the same is composed of more than seven members, must meet the independence requirements established for statutory auditors by Article 148, par. 3 of the CLF (see **Annex 3)**: however, the Articles of Association have raised this minimum level, establishing that this requirement must be possessed by **at least half of the Board members**;
– by the Code's Recommendation 7, which indicates that, in so-called large undertakings, such as Generali, the independence requirements must be met by at least half of the Directors ([22]): the Regulations of the Board and board committees, in implementing this recommendation, have defined specific qualitative and quantitative criteria for assessing the significance of circumstances that may compromise, or appear to compromise, the independence of the directors (see **Annex 3)**. It is good practice that the lists of candidates for the post of director be accompanied by an indication as to whether the candidates qualify as independent pursuant to Recommendation no. 7 of the Code, it being understood that it is up to the administrative body to assess the independence of its members ([23]).

Furthermore, it is good practice that a director who has indicated, when applying, that they qualify as independent undertakes to maintain such independence for the whole duration of the mandate.

3.1.7. Independence of judgement

All members of the administrative body must act with full independence of judgement and in awareness of the duties and rights relation to the role, in the interest of the sound and prudent management of the company and in compliance with the law and any other applicable regulations, as stipulated in Article 14 of DM 88/2022 (see **Annex 1**).

(22) The Code defines as "large undertakings" those whose capitalisation exceeded EUR 1 billion on the last open market day of each of the last three calendar years.

(23) See Recommendation 19.d of the Code, whereby the appointments committee assists the administrative body in the activity of *"presenting a list by the outgoing administrative body to be implemented by methods that guarantee its transparent formation and presentation"*. The Q&A at aforementioned Recommendation 19 specifies that the provision also refers to lists that may be presented by shareholders meeting the requirements of law.

The Board assesses the independence of judgement of each of its members in light of the information and reasons provided by the latter, as well as any other relevant information that is available, and verifies whether the safeguards envisaged by legal and regulatory provisions, as well as any additional organisational or procedural measures adopted by the Company or by the Board member are effective to address the risk that the aforementioned situations may impair the independence of judgement of said member and/or the decisions of the Board itself.

The Board also recommends that each candidate should not be found in one of the situations indicated in Article 2390 of the Civil Code. Directors are required to disclose any situations that may give rise to conflicts of interest in order to allow the Board to assess the independence of judgement of the individual in light of the information and reasons provided and any legal or regulatory safeguards and organisational and procedural measures adopted by the Company.

3.1.8. Appropriateness of the collective composition of the Board

In addition to the individual requirements of each member, pursuant to Article 10 of DM 88/2022 (see **Annex 1**), the collective composition of the new Board must, as a whole, be adequately diversified, so as to nurture debate and dialogue within the body, to foster the emergence of a plurality of approaches and perspectives in analysing problems and in the decision-making process, to provide effective support to the corporate processes of strategy formulation, business and risk management and monitoring of the work of senior management, to take into account the multiple interests that contribute to the sound and prudent management of the Company.

To these ends, it is recommended that the collective experience present in the new Board be **functional for the understanding, guidance and optimal supervision of the Company's and the Group's activities, also from a strategic point of view**, and that therefore the new Board include profiles with adequately diversified and represented knowledge, skills and technical and practical experience - with specific reference to the areas referred to in paragraph 3.1.2 - enabling the administrative body, in its collegial dimension, to understand the main business areas and the main risks to which the Company and the Group are exposed.

At the same time, Art. 4 of Regulation 38/2018 stipulates that monitoring of the corporate governance system should cover every type of business risk, including environmental and social risks that the company generates or to which it is exposed. It is therefore appropriate that all the competences indicated above, both in individual and collegial dimension, should be represented in the new Board and that shareholders who present lists provide precise evidence of the possession of such competences for each of their candidates.
Pursuant to IVASS Regulation 44/2019, the collective composition of the Board must also ensure adequate knowledge, skills and experience to understand the money laundering risks related to the company's activity and business model ([24]).

Please refer to section 3.2 below for the Board's indications and recommendations on the appropriateness of the collective composition.

3.2. The skills matrix

As part of the self-assessment process, the Board has defined the optimal composition to ensure the complementarity of its members in terms of professional experience and competences, consistently with the professional requirements and competence criteria and the appropriateness of the collective composition of the Board outlined in sections 3.1.2 and 3.1.8. In this regard, it is recommended that:

(24) Competences required by Article 9(2) of IVASS Regulation no. 44 of 19 February 2019, as introduced by IVASS Measure no 144 of 4 June 2024.

– the collective experience of the Board serves the strategic priorities that the Company and the Group will face over the coming years;
– the new Board includes individuals with a diverse range of technical knowledge, competencies and experiences to facilitate an understanding of the main business areas and key risks to which the Group is exposed;
– in selecting the board candidates, consideration will be given to their overall experience, acquired both through education and training as well as through practical experience in the positions they hold;
– account will also be taken of the dimension, level of operating complexity, scope of activities, related risks, markets and geographical areas in which the candidates have worked;
– the new Board should include members with international exposure, especially from the countries where the Group has the most significant presence.

In order to ensure that the new Board can effectively guide the Company and the Group towards the goal of sustainable success and of strategic targets, it is essential that a substantial majority of the Directors possess core competencies and experiences in the following areas:

– international experience and perspective, with a focus on the key markets of the Generali Group;
– insurance markets;
– financial markets;
– asset management;
– regulatory framework and compliance rules in the insurance, banking and finance sector;
– strategic direction and planning.

Additional priorities include: ESG and sustainability, prior experience in M&A and extraordinary transactions, internal control systems and risk management, organizational and corporate governance structures, insurance, banking and financial sector activities and products, accounting and financial reporting, transformational journey experienced in leading international organisations and, even if with the less common requirement, a solid understanding of digital transformation topics, artificial intelligence, and cybersecurity.

Furthermore, the following are essential: a broad, cross-cutting ability to grasp overall socio-economic and cultural scenarios; managerial skills ideally acquired at executive leadership level in relevant companies both in terms of size and organizational complexity; previous experience as a member of the board of directors of other listed companies comparable to the Group in size and organizational complexity.
In addition to the appropriate level of theoretical knowledge and practical experience mentioned above, the outgoing
Board has defined a matrix of skills and experience differentiated by degree of diffusion expected within the Board, according to their importance and specific relevance to the activities of the Company and the Group. Three levels of skills and experiences have been identified that should be reflected in the new Board of Directors to ensure an optimal collective composition:

- *widespread:* held by a number of candidates approximately more than half of the members of the entire Board;
- *common:* held by a number of candidates approximately between a quarter and a half of the members of the entire Board;
- *less common:* held by at least one member of the Board.

Widespread	• Experience and international perspective, with a focus on the Generali Group's reference markets • Insurance markets • Financial markets • Asset management • Regulatory framework and compliance rules in the insurance, banking and finance sector • Strategic direction and planning
Common	• Internal control systems and risk management • Organizational and corporate governance structures • Insurance, banking and financial sector activities and products • Accounting and financial reporting • Transformational journey experienced in leading international organisations • M&A and extraordinary transactions • ESG & sustainability
Less common	• Statistical sciences • Actuarial sciences • Legal • Remunerations and personnel incentive systems • Digital transformation, artificial intelligence and cybersecurity

It is recommended to outline a clear and specific definition of each competency, facilitating an objective assessment of the competencies assigned to each candidate.

The Board also recommends prioritizing candidates who, in addition to possessing the aforementioned skills and expertise, demonstrate personal qualities and attitudes, particularly with regard to the following key "soft" competencies:

- ability to manage complexity while simplifying issues to facilitate decision-making;
- long-term vision;
- persuasion and active listening skills, along with the ability to express their ideas firmly and constructively;
- a good level of emotional intelligence;
- a robust commitment towards teamwork;
- a proactive attitude in embracing challenges with courage and an innovative perspective that the Group faces.

3.3. Board Recommendations

In view of the above and the outcome of the recent self-assessment process, which took into account the reference framework described above, as well as the discussions with the main shareholders, proxy advisers and associations representing institutional investors, it is considered that, as regards the Insurance Company and the Group's business goals and strategic vision, the current composition of the Board, generally speaking, correctly and fairly reflects the different components (executive, non-executive, independent) and the personal, professional and managerial skills, an international profile and an appropriate balance in terms of gender, educational and cultural background, age and seniority.

Therefore, it is recommended that the various components and key competences, identified by the Board in accordance with the applicable regulations, be substantially confirmed in the composition of the new Board, with the addition of further expertise to strengthen asset management, wealth management, and specific experience in the insurance market. It is also important to include managerial profiles with competencies developed at the executive leadership level in organizations of significant size and organizational complexity. Attention should also be given to ensuring broader exposure to the international markets relevant to the Group, by enhancing the overall effectiveness of the Board both individually and collectively.

The Board emphasises the importance of:

a) ensuring that the new Board has a balanced combination of personal and professional profiles, competences, experiences, ages and diversity profiles, also taking into account the articulation of shareholder characteristics; it is recommended to select candidates with varied experiences who can make meaningful contributions across a range of business topics, drawing on a high-level perspective which enables them to discuss strategic, financial and organisational issues, and not only on any purely technical and regulatory aspects;

b) ensuring an appropriate balance between continuity and renewal among the current Directors, also with the aim of maintaining consistency in the implementation of the 2025-27 strategic plan;

c) preserving the current ratio between the number of executive and non-executive directors, confirming the system of operative proxies based on a single managing director;

d) preserving the number of independent members as intact as possible, ensuring compliance with applicable regulations and maintaining the presence of a significant quota within the plenum, ensuring a structure based on the vital role, particularly as regards preparation and recommendations, of the board committees, where the incoming Board is advised to confirm the presence of independent directors within the same, with particular reference to committees not envisaged by the Code or by the regulations;

e) ensuring the presence of Directors with competence and experience in line with the skills matrix referred to in paragraph 3.2 above;

f) fostering, in line with the business objectives and the new strategic plan, competencies in insurance, asset management and banking and financial services as well as the ability to understand and assess the Group's business model and medium to long-term strategic scenarios;

g) fostering the presence of adequate managerial competencies, managerial skills ideally acquired at executive leadership level in relevant companies both in terms of size and organizational complexity and/or profiles with an international perspective on cross-cutting business issues;

h) increasing the incident of non-Italian members on the Board by selecting profiles with experience in varied geographical areas and in markets where the Group has a significant presence;

i) recognising the availability of time and energies as a key element for effective performance of the role of director of the Insurance Company, taking into account the commitment required for carrying out the role exercise both in the Board and in the board committees;

j) considering, in the selection of the candidates, the presence and broad diffusion of soft skills, including: independence of thought, ability to work collectively, ability to interact with management and, in general, aptitude for dialogue, a balanced approach to achieving consensus, also with a view to managing conflicts in a balanced, constructive manner;

k) ensuring the establishment of board committees with competences in control and risk, remuneration, nominations, and related party transactions, formed in accordance with the criteria recommended by the Code and in compliance with the law and current regulatory standards (see also sub lett m);

l) in continuity with the current mandate, assigning board committees (as referenced in the previous [k]) or additional committees, responsibilities in the areas of corporate governance, social and environmental sustainability, human resources, innovation and investments, leveraging the knowledge and experience of the directors to ensure proper oversight of these matters;

m) establishing board committees with indicatively no more than 5 members and, in any case, a number that is not equal to or greater than half of the members of the plenum, in order to prevent members of a committee from having a decisive role in the decision-making process of the administrative body. The board committees recommended by the Code must be composed of non-executive and, in the majority, independent directors, and chaired by an independent Director. Committees other than those indicated by the Code should be formed of a suitable number of independent directors and chaired by a non-executive Director. All committees should be distinguished by at least one member and, where possible, the presence of at least one Director taken from minority lists, from which the chair of the related party transactions committee should be chosen;

n) ensuring, also in light of regulatory developments (notably Solvency II and regulations on accounting policies), that the Board has the necessary professional competences to monitor the internal control and risk management system (specifically, for the application of accounting policies, assessment and management of risks and solvency requirements), which are also included in the composition of the relevant board committee and support the effectiveness of the role;

o) ensuring the presence on the Board of at least one non-executive member with adequate experience in actuarial or at least statistical-financial matters, to be primarily valued in the risk and control committee and/or in the committee responsible for investment if established;

p) ensuring the presence on the Board of non-executive members with experience in remuneration and incentive systems and instruments, to potentially be appointed to the remuneration committee;

q) considering, consistently with the Group's strategic vision, the growing need for ESG competences, essential for monitoring the challenges posed by the environmental and technological transition, a significant requirement also from the perspective of relying on those competences within a board committee, so that the Board can effectively oversee the strategic and management decisions and management of risks relating to medium and long-term sustainability, including assessment and management of environment-related risks;

r) ensuring presence of at least one candidate with expertise in the digital topics, artificial intelligence, and cybersecurity, to be assigned to the role of member of the board committee responsible for innovation.

Given the importance of certain roles, the following specific indications are provided:

Specific characteristics of the Chair of the Board of Directors

– *a distinguished professional profile, recognized for his/her authority, reputation, and standing at national and international levels among both business and institutional community;*
– *independence and autonomy of judgment in relation to all stakeholders;*
– *prior experience serving on the boards of listed companies characterized by significant size and organizational complexity and a presence in international markets;*
– *preferably with prior exposure to the businesses in which the Group operates or similar regulated financial sectors in executive and/or non-executive roles;*
– *leadership skills and balance to ensure the effective functioning of the Board, promoting internal dialogue and decision-making;*
– *effective listening, mediation, synthesis, and communication skills.*

In accordance with Regulation 38/2018, the Chair of insurance undertakings may not perform any management functions.

Specific characteristics of the Chief Executive Officer

– *consolidated professional competence in the sectors in which the Group operates, acquired in senior leadership positions at international groups comparable to Generali in terms of size, geographical presence and complexity;*
– *proven ability to oversee multiple various lines of business and the overall organization in both the Italian and international markets;*
– *a strategic vision, coupled with strong executive capability and a focus on achieving results;*
– *awareness of issues relating to digital innovation and financial, socio-environmental and governance sustainability;*
– *recognised leadership in management of relations with key stakeholders, with a high sensitivity and exposure to the market, regulatory authorities, investors and analysts;*
– *a transparent communication style combined with a strong aptitude for listening, facilitating constructive interaction with corporate bodies, shareholders, and public and private institutions at both domestic and international levels;*
– *adequate knowledge, skills and experience regarding the risks to which the Group is exposed, with particular reference to money laundering, anti-money laundering policies, controls and procedures, and the business model of the Company and the Group and the sector in which it operates ([25]).*

Lastly, we recommend – while confirming the shareholders' right to form their own opinions regarding the optimal composition of the new Board and to present candidacies consistent with their opinions – that, when presenting the lists, the shareholders provide appropriate evidence, identifiable also in each candidate's curriculum vitae, of the alignment of the candidates' skills as indicated in their lists (to be described not only in terms of individual qualifications, skills, capacity and experiences, but also in terms of the overall composition of the Board as a collegial body) with those identified here by the Board, motivating any misalignments.

It should also be noted that the Board decided that it cannot use the option, granted by the Bylaws, to submit its own list of candidates, given the regulatory framework not yet fully defined. In any case, the Board hopes for an appropriate balance between broad continuity – having acknowledged the willingness to be reappointed by the majority of the outgoing Directors as well as those by the Chair and the outgoing CEO in the positions they currently hold – and renewal both in the composition of the body to be elected and in the management of the Company, in light of the significant results achieved and the important development targets,

(25) Competences required by Article 11-*bis* in IVASS Regulation no. 44 of 19 February 2019, as introduced by IVASS Measure no. 144 of 4 June 2024.

bearing in mind the above recommendations, especially with regard to maintaining the current number of independent Directors and a more marked international diversification.

* * *

The Board's considerations have been shared with the board of statutory auditors. This opinion will be published more than 80 days ahead of the presumable date of the shareholders' meeting at first call so that, in choosing candidates, the shareholders can take account, sufficiently ahead of the deadline for filing the lists, of the Board's considerations and recommendations.

Milan, 29 January 2025

ANNEX 1

MINISTERIAL DECREE 2 MAY 2022, No. 88

Art. 1
Definitions

1. The following definitions shall apply for the purposes of this regulation:

a) «**Code**»**:** Legislative Decree No. 209 of 7 September 2005, containing the Italian Insurance Code, as subsequently amended;

b) «**officers**»**:** means persons holding an office as defined in letter h) of this Article;

c) «**executive officers**»**:** means **i)** directors who are members of the executive committee, or who have delegated powers, or who carry out, also de facto, functions relating to the management of the company; **ii)** directors who hold managerial positions in the company, supervising specific areas of the company's management, who are regularly present in the company, obtaining information from the relevant operational structures, participating in management committees and reporting to the board on the activities carried out; **iii)** directors holding the offices under i) or the offices under ii) in any company of the group referred to in Article 210-*ter*, paragraph 2 of the Code; **iv)** the direttore generale or any other person performing equivalent functions;

d) «**group**»**:** means the group as defined in Article 1, paragraph 1, letter r-*bis* of the Code; the term "group" in any event includes the companies on the list referred to in Article 210-*ter*, paragraph 2 of the Code;

e) «**undertaking**»**:** means an insurance or reinsurance undertaking with its head office in Italy and an ultimate Italian parent company, as defined in letter z) of this decree;

f) «**greater size or more operational complexity undertakings**»**:** means undertakings that are required to adopt an enhanced corporate governance system, as provided for in the IVASS implementing provisions on corporate governance, adopted under Article 30 of the Code, i.e., companies that are significant with regard to their size, risk profile, type of business, complexity of business and operations;

g) «**smaller undertakings**»**:** undertakings that are required to adopt a simplified corporate governance system in accordance with the IVASS implementing provisions on corporate governance, adopted under Article 30 of the Code, and that do not belong to a group referred to in Article 210-*ter*, paragraph 2 of the Code;

h) «**office**»**:** means the offices: i) on the board of directors, supervisory board, management board; ii) on the board of statutory auditors; iii) as direttore generale, however named; for foreign companies, offices equivalent to those under i), ii) and iii) under the law applicable to the company;

i) «**offices on behalf of the State or other public bodies**»**:** means offices held under specific legal provisions conferring on a Member State of the European Union, or on other public bodies, the power to appoint one or more members of the governing bodies on their behalf; only cases in which the law expressly classifies the office as being held on behalf of the State or of other public bodies are included in this definition;

l) «**IVASS**»**:** the Italian Institute for the Supervision of Insurance (it. Istituto per la vigilanza sulle assicurazioni);

m) «**administrative body**»**:** means the board of directors or, unless otherwise specified, in the case of companies that have adopted the system referred to in Article 2409-*octies* of the Italian Civil Code, the management board or, in the case of branch offices, the general representative;

n) «**competent body**»**:** means the body of which the officer is a member; in the case of the holders of key functions and the direttore generale, the body which confers the respective office or role; in undertakings adopting the one-tier management and control system, the management control committee in the case of the members of the management control committee;

o) **«supervisory body»:** means the board of auditors or, in companies that have adopted a system other than that referred to in Article 2380, paragraph 1 of the Italian Civil Code, the supervisory board or the management control committee;
p) **«qualified participant»:** means, for the purposes of Articles 12 and 13, the holders of shareholdings referred to in Article 68 of the Code;
q) **«general representative»:** means the person referred to in Articles 16, paragraphs 3 and 4 and 28, paragraph 4 of the Code;
r) **«commercial company»:** means a company having its registered office in Italy, incorporated under one of the forms provided for in Book V of the Italian Civil Code, Title V, Chapters III, IV, V, VI and VII, and Title VI, having as its corporate purpose one of the activities envisaged in Article 2195, paragraph 1 of the Italian Civil Code, or a company having its registered office in a foreign country and qualifying as commercial under the provisions of the relevant law of the State in which it has its registered or its head office;
s) **«persons performing key functions»:** means persons other than those referred to in paragraph v) of this Article, which perform one of the functions referred to in Article 30, paragraph 2, letter e) of the Code and the relevant IVASS implementing provisions on corporate governance;
t) **«Consolidated Law on Banking»:** means the Consolidated Law on Banking and Credit laid down in Legislative Decree No. 385 of 1 September 1993;
u) **«Consolidated Law on Finance»:** means the Consolidated Law on Financial Intermediation, referred to in Legislative Decree No. 58 of 24 February 1998;
v) **«key function holders»:** means the persons responsible for the functions referred to in Article 30, paragraph 2, letter e) of the Code and the relevant IVASS implementing provisions on corporate governance;
z) **«ultimate Italian parent company»:** the company referred to in Article 210, paragraph 2 of the Code or the company identified by IVASS, under Article 210, paragraph 3 of the Code.

2. For all matters not expressly provided for in this Decree, the definitions laid down in Article 1 of the Code and in the IVASS implementing provisions, adopted under Article 30 of the same Code on corporate governance, apply.

Good repute and integrity criteria

Art. 3
Good repute requirements for officers

1. No office may be held by those who:
a) are legally disqualified or in another of the situations provided for in Article 2382 of the Italian Civil Code;
b) have been convicted by a final judgment:
1) to a conviction judgement of imprisonment for an offence under the provisions on companies, bankruptcy, insurance, banking, finance, payment services, anti-money laundering, intermediaries authorised to provide investment services and collective asset management, markets and centralised management of financial instruments, public savings appeals, issuers, or for one of the offences envisaged by Articles 270-*bis*, 270-*ter*, 270-*quater*, 270-*quater*.1, 270-*quinquies*, 270-*quinquies*.1, 270-*quinquies*.2, 270-*sexies*, 416, 416-*bis*, 416-*ter*, 418, 640 of the Criminal Code;
2) to imprisonment, for a term of not less than one year, for an offence against the public administration, against public trust, against property, in tax matters;
3) to imprisonment for a term of not less than two years for any non-negligent offence;
c) have been subject to preventive measures ordered by the judicial authorities under Legislative Decree No. 159 of 6 September 2011, as amended;
d) at the time of taking office, are temporarily disqualified from holding management offices of legal persons and companies, or temporarily or permanently disqualified from holding

administration, management and control functions under Articles 311-*sexies*, 324-*septies* of the Code and Article 190-*bis*, paragraphs 3 and 3-*bis*, of the Consolidated Law on Finance, or in one of the situations referred to in Article 187-*quater* of the Consolidated Law on Finance.

2. No office may be held by a person who has been given a final judgement at the request of the parties or after a summary trial under:
- **a)** paragraph 1, letter b, 1) unless the offence is extinct under Article 445, paragraph 2) of the Code of Criminal Procedure;
- **b)** paragraph 1, letter b), 2 and 3, for the duration specified therein, unless the offence is extinct under Article 445, paragraph 2) of the Code of Criminal Procedure.

3. With respect to cases governed in whole or in part by foreign law, the evaluation of whether the conditions set out in paragraphs 1 and 2 are fulfilled is carried out on the basis of an assessment of substantial equivalence.

4. With reference to paragraph 1, letter b) and c) and paragraph 2, the effects of rehabilitation and revocation of the conviction for abolition of the offence under Article 673, paragraph 1) of the Code of Criminal Procedure are not affected.

Art. 4.
Criteria of integrity for officers

1. In addition to the requirements of good repute set out in Article 3, officers' past personal and professional conduct must also meet the integrity criteria.

2. The following factors are taken into consideration for these purposes:
- **a)** criminal convictions imposed with judgements, even if not final, judgements, even if not final, which apply the penalty at the request of the parties or following summary proceedings, criminal convictions, even if not irrevocable, and personal precautionary measures relating to an offence under the provisions on companies, bankruptcy, insurance, banking, finance, payment services, usury, anti-money laundering, tax, intermediaries authorised to provide investment services and collective asset management, markets and centralised management of financial instruments, public savings appeals, issuers, or for one of the offences envisaged by Articles 270-*bis*, 270-*ter*, 270-*quater*, 270-*quater*.1, 270-*quinquies*, 270-*quinquies*.1, 270-*quinquies*.2, 270-*sexies*, 416, 416-*bis*, 416-*ter*, 418, 640 of the Criminal Code;
- **b)** criminal convictions imposed with judgements, including non-final judgements, judgements, even if not final, applying the penalty at the request of the parties or following summary proceedings, criminal conviction decrees, even if they have not yet become final, and personal precautionary measures relating to offences other than those referred to in subparagraph a); application, even provisionally, of one of the prevention measures ordered by the judicial authorities under Legislative Decree No. 159 of 6 September 2011;
- **c)** final judgments to pay damages for acts performed while carrying out duties in entities operating in the insurance, banking, financial, market, securities and payment services sectors; final judgments to pay damages for administrative and accounting liability;
- **d)** administrative sanctions imposed on the officer for breaches of corporate, insurance, banking, financial, securities, anti-money laundering and market and payment instrument regulations;
- **e)** disqualification or precautionary measures ordered by or at the request of the supervisory authorities; removal orders ordered under Article 188, paragraph 3-*bis*, letter e) and Article 220-*novies* of the Code and Articles 7, paragraph 2-*bis* and 12, paragraph 5-*ter* of the Consolidated Law on Finance;
- **f)** holding offices in entities operating in the insurance, banking, financial, markets, securities and payment services sectors that have been subject to an administrative sanction, or a sanction under Legislative Decree No. 231 of 8 June 2001;
- **g)** holding offices in companies that have been subject to extraordinary administration,

resolution, bankruptcy or compulsory administrative liquidation proceedings, collective removal of members of the administration and control bodies, withdrawal of authorisation under Article 242 of the Code or similar proceedings;

h) suspension or disbarment, cancellation (adopted as a disciplinary measure) from registers, lists and professional orders imposed by the competent authorities from the professional orders themselves; measures of removal for just cause from offices in management, administration and control bodies; similar measures taken by bodies entrusted by law with the management of registers, professional rolls and lists;

i) negative assessment by an administrative authority as to the suitability of the officer in authorisation procedures under the provisions of the law on companies, insurance, banking, finance, securities, markets and payment services;

l) ongoing investigations and criminal proceedings relating to the offences referred to in letters a) and b);

m) negative information on the officer contained in the Centrale dei Rischi (Italian Central Credit Register) established under Article 53 of the Consolidated Law on Banking; negative information means information on the officer including when he is not acting as a consumer, which is relevant for the purposes of complying with the obligations laid down in Article 125, paragraph 3 of the Consolidated Law.

3. With respect to cases governed in whole or in part by foreign law, the evaluation of whether the situations set out in paragraph 2 are fulfilled is carried out on the basis of an assessment of substantial equivalence.

Art. 5.
Evaluation of integrity

1. The occurrence of one or more of the situations referred to in Article 4 does not automatically lead to the unsuitability of the officer but requires an assessment by the competent body. The assessment shall be conducted with regard to the objectives of sound and prudent management as well as the safeguarding of the undertaking and of public confidence.

2. The evaluation is conducted on the basis of one or more of the following parameters, where relevant:

a) the objective seriousness of the acts committed or alleged, with particular regard to the extent of the damage caused to the protected legal asset, the damaging potential of the conduct or omission, the duration of the breach, and any logical consequences of the breach;

b) frequency of conduct, with particular regard to the repetition of conduct of the same type and the time lapse between them;

c) stage of the procedure for challenging the administrative sanction;

d) stage and level of criminal proceedings;

e) type and amount of the sanction imposed, assessed in accordance with criteria of proportionality, taking into account, among other things, the graduation of the sanction also on the basis of the financial capacity of the undertaking;

f) time elapsed between the occurrence of the relevant fact or conduct and the appointment resolution. As a general rule, account shall be taken of facts occurring or conduct not more than ten years prior to the appointment; where the relevant fact or conduct occurred more than ten years earlier, it shall be taken into account only if it is particularly serious or, in any event, there are particularly justified reasons why the sound and prudent management of the undertaking could be affected;

g) level of cooperation with the competent body and the supervisory authority;

h) any remedial conduct by the person concerned to mitigate or eliminate the effects of the breach, including after the adoption of the conviction, sanction or other measure referred to in Article 4, paragraph 2;

i) the degree of responsibility of the person in the breach, with particular regard to the actual structure of the powers within the company, bank, corporation or entity at which the office is held, to the conduct actually performed, and to the duration of the office held;

m) reasons for the measure taken by administrative bodies or authorities;
n) relevance and connection of the conduct, behaviour or facts to the insurance, banking, securities, payment services, anti-money laundering and terrorist financing sectors.

3. In the case referred to in Article 4, paragraph 2, letter f), the sanction imposed shall only be taken into account if there is objective evidence of the individual and specific contribution made by the person in the commission of the facts sanctioned. In any event, sanctions of an amount equal to the minimum amount shall not be taken into account.

4. The case provided for in Article 4, paragraph 2, letter g) shall be relevant only if there are objective elements capable of proving the individual and specific contribution made by the person to the facts that led to the crisis of the undertaking, taking into account, among other things, the duration of the period of performance of the functions of the person concerned in the undertaking and the period elapsed between the performance of the functions and the adoption of the measures referred to in Article 4, paragraph 2, letter g).

5. The criterion of integrity is not met when one or more of the situations set out in Article 4 paint a serious, definite and consistent picture of conduct that may conflict with the objectives set out in paragraph 1.

Art. 6.
Suspension from offices

1. The occurrence of one or more of the circumstances referred to in Article 4, paragraph 2, letter a) and b) entails the removal from office in case a conviction judgement of imprisonment is given, or in the case of application of a personal precautionary measure or of the provisional application of one of the prevention measures ordered by the judicial authority under Legislative Decree No. 159 of 6 September 2011.

2. The Articles of Association may provide that suspension shall also apply in one or more of the other cases referred to in Article 4, paragraph 2.

3. The suspension must be disclosed by the undertaking in accordance with the procedures referred to in Article 76, paragraph 2) of the Code. IVASS must be promptly informed of the disclosure of suspension. The maximum duration of the suspension is 30 days or, for the chief executive officer or the direttore generale, 20 days from the resolution of the competent body. Before the expiry of those time limits, and in any case without delay in the case of the chief executive officer or the direttore generale, the competent body shall carry out the assessment required by Article 5 and confirm the disqualification under Article 23 or reinstate the suspended person.

4. If the reason for suspension is the application of a personal protective measure or the provisional application of a preventive measure, the officer may not be reinstated until the end of the measure, without prejudice to the applicability of Article 23, paragraph 7.

5. The competent body shall at the earliest opportunity provide analytical and reasoned information to the meeting on the decision to confirm the disqualification or to reinstate the suspended person to his/her full function.

Professional requirements and competence criteria

Art. 7.
Professional requirements for persons performing administrative and management functions

1. Executive officers must be selected from among persons who have exercised, for at least three years, including alternatively:
a) administration or control activities or management tasks in the insurance, credit, finance or securities sector;
b) administration or control activities or management tasks in listed companies or companies of a size and complexity greater than or comparable (in terms of turnover or

premium income, nature and complexity of the organisation or business) to that of the company in which the office is to be held.

2. Non-executive officers must be selected from among persons who fulfil the requirements set out in paragraph 1 or who have exercised, for at least three years, including alternatively:
   a) professional activities in the field of insurance, credit, finance, securities or any other activity related to the company's business; the professional activity must be characterised by adequate levels of complexity, also with regard to the recipients of the services provided, and must be carried out on a continuous and relevant basis in the aforementioned fields;
   b) university teaching activities, as a first or second level lecturer, in legal or economic subjects or in other subjects however related to the activity of the insurance, credit, financial or securities sector;
   c) management, executive or top management functions, however called, in public entities or public administrations related to the insurance, credit, financial or securities sector, provided that the entity at which the officer performed such functions is of a size and complexity comparable with that of the undertaking at which the office is to be held.
3. The Chairman of the board of directors must be a non-executive member who has at least two years of cumulative experience beyond the requirements set out in paragraphs 1 or 2.
4. The chief executive officer and the direttore generale must be chosen from among persons having specific experience in the insurance, credit, financial or securities sector, acquired through administration or control activities or management tasks for a period of not less than five years in the insurance sector, insurance, credit, financial or securities sector, or in listed companies of a size and complexity greater than or comparable (in terms of turnover, nature and complexity of the organisation or business) to that of the company in which the office is to be held. Similar requirements must be met for offices involving the exercise of functions equivalent to that of the direttore generale.
5. For the purposes of meeting the requirements referred to in the preceding paragraphs, the experience acquired during the 20 years preceding the taking up of the office is taken into account; experience acquired in several functions at the same time is counted only for the period of time in which they were carried out, without cumulating them.
6. For officers of smaller undertakings, the professional requirements set out in paragraphs 1, 2 and 3 apply with the following reductions:
   a) from three to one year of the minimum duration of experience required under paragraphs 1 and 2;
   b) from five to three years of the minimum duration of experience required by paragraph 3.

Art. 9.

Competence criteria for officers and their evaluation

1. In addition to the professional requirements set out in Articles 7 and 8, officers shall meet competence criteria aimed at proving their suitability to take on the office, taking into account the tasks in the role assigned as well as the size, riskiness and operational complexity of the undertaking. For these purposes, theoretical knowledge - acquired through study and training - and practical experience, acquired in the course of previous or current work activities, are taken into account.
2. The criterion is assessed by the competent body, which:
   a) takes into account theoretical knowledge and practical experience in more than one of the following areas:
      1) financial markets;
      2) regulations in the insurance, banking and financial sector;
      3) strategic guidance and planning;
      4) organisational and corporate governance structures;

5) risk management (identification, assessment, monitoring, control and mitigation of the main types of risks of a business, including the officer's responsibilities in these processes);
6) internal monitoring systems and other operational mechanisms;
7) insurance, banking and financial activities and products;
8) statistical and actuarial sciences;
9) accounting and financial reporting;
10) IT;

b) analyses whether the theoretical knowledge and practical experience under a) is suitable with respect to:
1) the tasks inherent to the officer's role and any specific delegated tasks or powers, including participation in committees;
2) the characteristics of the undertaking and of any group to which it belongs, in terms of, among other things, size, complexity, type of activities carried out and related risks, reference markets, countries in which it operates, in accordance with the IVASS implementing provisions, issued under Article 30 of the Code on Corporate Governance.

3. For the office of Chairman of the board of directors, experience in the co-ordination, direction or management of human resources shall also be assessed, to ensure effective performance of his/her functions of co-ordination and direction of the work of the board, of promotion of its proper functioning, also in terms of circulation of information, effectiveness of confrontation and stimulation of internal dialogue, as well as the appropriate overall composition of the body.

4. The assessment provided for in this Article may be omitted for officers holding the professional requirements provided for in Articles 7, 8 and 20, when they have been accrued over a time period at least equal to that provided for in "Annex A - Conditions for the Application of the Exception" to this decree ([26]).

5. The competence criterion is not fulfilled when the information acquired with regard to theoretical knowledge and practical experience paints a serious, definite and consistent picture of the unsuitability of the officer to fill the position. In the event of specific and limited deficiencies, the competent body may take measures to rectify them.

Art. 10.

Criteria for the appropriate collective composition of bodies

1. In addition to the professional requirements and the competence criteria for the individual members set out in Articles 7 to 9, the composition of the administration and control bodies must be suitably diversified so as to nurture debate and dialogue within the bodies; foster the emergence of a plurality of approaches and perspectives in the analysis of issues and decision-making; effectively support the company's processes of strategy formulation, activity and risk management, and monitoring of top management's activities; take into account the multiple interests that contribute to the company's sound and prudent management.

2. Account is taken, for these purposes, of the presence of in the management and control bodies of officers:

a) who are diverse in terms of age, gender, length of term in office and, limited to companies with significant operations in international markets, officers' geographical origin;

(26) Specifically: (i) for executive members who have performed the activities set forth in Art. 7, paragraph 1, lett. a) of Decree 88/2022, at least 5 years (accrued over the last 8 years); (ii) for non-executive members who meet the requirements of Art. 7, paragraph 1, of Decree 88/2022, at least 3 years (accrued over the last 6 years); (iii) for non-executive members who do not fall into the category under (ii) above, in possession of the professionalism requirements set forth in Art. 7 of Decree 88/2022, at least 5 years (accrued over the last 8 years); (iv) for Chair in possession of the professionalism requirements set forth in Art. 7 of Decree 88/2022, at least 10 years (accrued over the last 13 years); (v) for the Chief Executive Officer and Direttore Generale who have performed the activities set forth in Art. 7 paragraph 1, lett. a) of Decree 88/2022, at least 10 years (accrued over the last 13 years).

b) whose competencies, taken collectively, are appropriate to achieve the objectives set out in paragraph 1;
c) adequate in number to ensure functionality and that there are not more members of the body than are necessary.

3. With regard to gender diversity, as referred to in paragraph 2, letter a), subject to the legal provisions, the number of members of the lesser represented gender shall be at least 33 per cent of the members of the management and supervisory bodies. For the two-tier model, this also applies to the management board. In the one-tier model, the quota applies to the board of directors, net of the management control members for the management control, and the management control committee.

4. The presence of a quota of officers meeting the independence requirements set out in Article 12 shall be ensured in the administrative body and in the relevant intra-board committees. The amount of the quota shall be defined - in compliance with the criteria of proportionality - by the IVASS provisions on corporate governance implementing Article 30 of the Code.

5. In ensuring compliance with the objectives set out in paragraph 1, account shall be taken, among other things, of the legal form of the undertaking, the type of business carried out, the ownership structure, whether the undertaking is part of a group referred to in Article 210-ter, paragraph 2 of the Code, and the constraints deriving from legal and regulatory provisions on the composition of the bodies.

Art. 11.
Evaluation of the appropriate collective composition of the bodies

1. Each body shall identify in advance its optimal qualitative and quantitative composition to achieve the objectives set out in Article 10 and subsequently verify that this and the actual composition resulting from the appointment process are consistent.

2. In the event that they are not consistent, the competent body shall take the necessary measures to rectify this, including:
a) amending the specific tasks and roles assigned to the officers, including any delegations of authority, in accordance with the objectives set out in Article 10;
b) identifying and implementing appropriate training plans.

3. If the measures referred to in paragraph 2 are not sufficient to restore the appropriate collective composition of the body, the body shall make recommendations to the shareholders' meeting (or other body entrusted with the appointment of officers) to overcome the shortcomings identified.

Independence requirements

Art. 12.
Independence requirements of certain board of directors members

1. A non-executive director shall be considered to be independent provided that none of the following situations apply to him or her:
a) he/she is a spouse who is not legally separated, a person in a civil partnership or who is a de facto cohabitee, relative or a relative-in-law up to the fourth degree:
1) of the Chairman of the administrative, management or supervisory board and the executive officers of the undertaking;
2) of the holders of the undertaking's key functions;
3) of persons set out in letters (b) to (i);
b) he or she is a qualified participant in the undertaking;
c) holds or has held within the last two years, with a qualified participant in the undertaking or its subsidiaries, the office of Chairman of the board of directors, of management or

supervisory board or of executive officer, or has held, for more than nine years within the last twelve years, offices as a member of the board of directors, of supervisory or management board as well as management positions with a qualified participant in the undertaking or its subsidiaries;

d) has been an executive officer in the undertaking in the last two years;

e) holds the office of independent director in another undertaking of the same group under Article 210-*ter*, paragraph 2, of the Code, except in the case of undertakings between which there is a direct or indirect full control relationship;

f) has held, for more than nine years in the last twelve years, the office of member of the board of directors, of supervisory or management board as well as of director in the undertaking;

g) is an executive officer in a company in which an executive officer of the undertaking holds the office of director or chief executive officer;

h) has, directly or indirectly, or has had in the two years prior to taking up the office, self-employment or employment relationships or other relationships of a financial, asset or professional nature, even if not continuous, with the undertaking or its executive officers or its Chairman, with the subsidiaries of the undertaking or the relevant executive officers or their Chairmen, or with a qualified participant in the undertaking or its executive officers or its Chairman, such as to compromise their independence;

i) holds or has held in the last two years one or more of the following offices:

1) member of the National and European Parliament, Government or European Commission;
2) regional, provincial or municipal alderman or councillor, president of the regional council, president of the provincial council, mayor, president or member of the district council, president or member of the board of directors of consortia among local authorities, president or member of the councils or boards of councils of unions of municipalities, director or president of special companies or institutions referred to in Article 114 of Italian Legislative Decree No. 267 of 18 August 2000, mayor or member of the metropolitan City council, president or member of the bodies of mountain or island communities, when the overlap or contiguity between the geographical area of reference of the entity where the aforesaid offices are held and the geographical organisation of the undertaking or group referred to in Article 210-*ter*, paragraph 2, of the Code to which it belongs is such as to compromise its independence.

2. In the case of offices held in non-corporate bodies, the provisions of paragraph 1 apply to persons who perform functions in the body that are equivalent to those referred to in that paragraph.

3. Failure to meet the requirements established by this article shall entail the forfeiture of the office of independent director. If, following disqualification, the remaining number of independent directors on the body is sufficient to ensure compliance with the IVASS provisions on corporate governance implementing Article 30 of the Code or of other provisions of the regulations establishing a minimum number of independent directors, the director who does not meet the requirements set out in this article shall, unless otherwise provided for in the Articles of Association, remain a non-independent director.

Art. 14.
Independence of judgement and its assessment

1. All officers shall act with full independence of judgement and awareness of the duties and rights inherent in their office, in the interest of sound and prudent management of the undertaking and in compliance with the law and any other applicable rules.

2. All officers shall disclose to the competent body the information concerning the situations referred to in Article 12, paragraph 1, letters a), b), c), h) and i) and the reasons why, in their opinion, those situations do not materially affect their independent judgement.

3. The competent body shall assess the officer's independence of judgement in the light of the information and reasons provided by the latter, and shall verify whether the safeguards provided for by legal and regulatory provisions, as well as any additional organisational or procedural measures adopted by the undertaking or the officer, are effective to address the risk that the situations referred to in paragraph 2 may affect the officer's independence of judgement or the decisions of the body. In particular, the safeguards provided by the following articles are relevant: Articles 2391 and 2391-*bis* of the Italian Civil Code and their implementing provisions; Chapter IX of Title V of Book V of the Italian Civil Code; 36 of Decree-Law No. 201 of 6 December 2011, converted, with amendments, by Law No. 214 of 22 December 2011; Title XV, Chapter III of the Code.
4. If the existing safeguards are not considered sufficient, the competent body may: a) identify additional and more effective ones; b) amend the specific duties and roles attributed to the officer, including any delegations of powers, in accordance with the objective indicated in paragraph 1. If the measures indicated in this paragraph are not adopted or are insufficient to eliminate the shortcomings identified, the competent body shall disqualify the officer in accordance with Article 23.
5. The competent body shall verify the effectiveness of the measures and steps taken to preserve the officer's independence of judgement, also in the light of his/her actual conduct in the performance of his/her duties.

Availability and limits on the accumulation of offices

Art. 15.
Availability to carry out the offices

1. Each officer shall devote appropriate time to the performance of his/her office. On appointment and in a timely manner in the event of intervening facts, he/she shall inform the competent body of offices held in other companies, enterprise (it. impresa) or entities, other work and professional activities performed and other work-related situations or facts which may affect his/her availability specifying the time which these offices, activities, facts or situations require.
2. The undertaking shall ensure that the officer is aware of the time it has estimated as necessary for the effective performance of the office.
3. On the basis of the information obtained under paragraph 1, the competent body shall assess whether the time which each officer can devote is appropriate for the effective performance of the office.
4. If the officer confirms in writing that he/she can devote at least the necessary time as estimated by the undertaking to the position, the assessment provided for in paragraph 3 may be omitted provided that all of the following conditions are met: a) the officer's offices do not exceed the limits provided for in Article 16; b) condition a) is met without relying on the provisions of Articles 17 and 18; c) the officer does not hold the position of chief executive officer or direttore generale nor is Chairman of a body or committee.
5. The competent body shall verify the appropriateness of the time actually devoted by the officers, also in the light of their attendance at meetings of bodies or committees.
6. If the officer does not have sufficient availability of time, the competent body shall request the officer to renounce one or more offices or activities or to provide specific undertakings to increase his/her availability of time, or take measures including the revocation of delegations of authority or specific tasks or the officer's exclusion from committees. The compliance with the officer's undertakings shall be verified under paragraph 5. The assessment as to availability of time shall not be of independent relevance for the officer's disqualification but shall contribute to the assessment of the officer's suitability under Article 23.

Art. 16.

Limits on the number of offices held by officers of greater size or more operational complexity undertakings

1. Without prejudice to Article 18, each officer in greater size or more operational complexity undertakings may not hold a total number of offices in undertakings or other commercial companies exceeding the following alternative combinations:
   a) No. 1 executive office and No. 2 non-executive offices;
   b) No. 4 non-executive offices.
2. For the purpose of calculating the limits referred to in paragraph 1, the office held in the undertaking is included.
3. The competent body shall pronounce the forfeiture of a person from holding office if it ascertains the exceedance of the limit on the number of offices and the person concerned does not renounce the office or offices that cause the exceedance of the limit in good time before the time limit specified in Article 23, paragraph 7.

Art. 17.

Exemptions and aggregation of offices

1. The limits on the total number of offices held laid down in Article 16 do not apply to persons holding offices in the undertaking representing the State or other public bodies.
2. For the purpose of calculating the limits on the aggregation of offices under Article 16, the following offices held by the officer shall not be taken into account:
   a) offices in companies or entities whose sole purpose is to manage the private interests of an officer or of a spouse who is not legally separated, a person in a civil partnership or a de facto cohabitee, a relative or a relative by marriage up to the fourth degree, and which do not require any kind of day-to-day management by the officer;
   b) offices in a professional capacity in societies between professionals;
   c) offices of alternate auditor.
3. For the purpose of calculating the limits on the aggregation of offices under Article 16, the offices held in each of the following cases shall be considered to be a single office:
   a) offices held within the same group;
   b) offices held in companies, not belonging to the group, in which the undertaking holds a qualifying shareholding as defined in Article 1, paragraph 1, letter mm-*ter*) of the Code.
4. If more than one of the cases referred to in paragraph 3, letters a) and b) occur at the same time, the offices are cumulative.
5. All offices counted as a single office are considered to be executive offices if at least one of the offices held in the situations referred to in paragraph 3, letters a) and b) is executive; in other cases it is considered to be a non-executive office.

Art. 18.

Assumption of additional offices

1. The assumption of additional offices beyond the limits indicated in Article 16 and determined also on the basis of the provisions of Article 17 shall be permitted provided that it does not prejudice the officer's ability to devote appropriate time to the office at the undertaking to perform his/her duties effectively.
2. For the purposes of paragraph 1, the competent body shall take into account, among other things:

a) the fact that the person holds an executive office in the undertaking, is a member of an endoconsiliar committee, holds the position of chief executive officer, direttore generale or chairman of the board of directors, board of statutory auditors, management board, supervisory board, management control committee or other endoconsiliar committee;
b) the size, activity and complexity of the undertaking or other commercial company where the additional office would be performed;
c) the duration of the additional office;
d) the level of expertise gained by the officer to perform the office in the undertaking and any synergies between the different offices;
e) possible aggregation under Article 17, paragraph 3.

3. Aggregation under Article 17, paragraph 3 does not apply to the additional offices under this article.

4. The provisions of Article 16, paragraph 3 apply to the cases referred to in this article.

ANNEX 2

MINISTERIAL DECREE 30 MARCH 2000, No. 162

Art. 2
Integrity Requirements

1. The position of statutory auditor in the companies indicated in Article 1.1 shall not be filled by persons who:
   - **a)** have been the subject of preventive measures ordered by the courts pursuant to Law no. 1423 of 27 December 1956 or Law no. 575 of 31 May 1965, as subsequently amended, except for the effects of rehabilitation;
   - **b)** have been sentenced by irrevocable judgment, except for the effects of rehabilitation, to:
     1) detention for one of the crimes specified in the laws and regulations governing banking, financial and insurance activity and by the law and regulations regarding markets and financial instruments, taxes and payment instruments;
     2) detention for one of the crimes specified in Title XI of Book V of the Civil Code and in Royal Decree no. 267 of 16 March 1942;
     3) detention for a period of no less than six months for an offense against the public administration, the public faith, public order and public economy;
     4) detention for a period of no less than one year for any non-malicious offense.
2. The position of statutory auditor cannot be filled by persons to whom one of the penalties prescribed by paragraph 1b) has been applied at the request of the parties, unless the crime has been prescribed.

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Art. 25
Fitness, proper and independence requirements

1. Taking into account the provisions of Article 273 of the Delegated Acts, the company shall verify that the persons referred to in Article 76, paragraph 1, of the Code and the additional personnel, as identified in the policy referred to in Article 5, paragraph 2, letter n), meet the requirements of professionalism, integrity and independence, in accordance with the provisions implementing Article 76, paragraph 1, of the Code and such company policy, making the relevant assessments as specified in Annex 1 to these Regulation.
2. The company's choices regarding the identification of the additional personnel referred to in paragraph 1 to whom the policy is to be applied shall be consistent with the organisational structure of the company and adequately formalised in the policy itself and in the document referred to in Article 5(2)(i).
3. The company shall continuously verify the existence and updating of the eligibility requirements for the position referred to in paragraph 1.
4. With regard to the subjects envisaged in article 76 (1-*bis*) of the Code, the undertaking shall inform IVASS, promptly and in any case not later than thirty days after the adoption of the relevant act or the occurrence of the relevant event, of the appointment, its renewal and any resignation, forfeiture, suspension and revocation, as well as of any new element which may affect the assessment of the suitability for the office. The obligation also applies in the event of outsourcing or sub-outsourcing of core functions with regard to the holder thereof.
5. In addition to the communication referred to in paragraph 4, IVASS shall be informed of the assessments of the administrative body by means of the transmission, within 30 days of their adoption, of the relevant resolution with adequate reasons. In the case of appointment or renewal, the undertaking shall certify that it has carried out the checks on the existence of the requirements and the absence of impeding situations, giving adequate reasons for

the assessment made. The resolution shall report analytically and for each individual subject examined, the assumptions on which the undertaking carried out the assessment and the relative conclusions it reached. IVASS reserves the right, where it deems it appropriate, to request the undertaking to acquire the documentation analysed in support of the assessment.

6. The data referred to in this article shall be communicated in accordance with the technical instructions provided by IVASS, made available on the Institute's website.

ITALIAN CIVIL CODE

Art. 2382
Reasons for inelegibility and forfeiture

Interdicted and banned persons, disqualified persons, bankrupt persons or those persons who have been sentenced to a penalty entailing a ban, even temporary, from public office or the inability to exercise managerial functions cannot be appointed as directors, and if appointed, forfeit their office.

Art. 2383
Appointment and removal of the directors

1. With the exception of the first directors, who are appointed in the By-laws, and without prejudice to the provisions of Articles 2351, 2449 and 2450, the directors are appointed by the shareholders' meeting. The directors' appointment shall in any case be preceded by the submission by the person concerned of a declaration that there are no grounds of ineligibility against him / her as provided for in Article 2382 and there are no disqualifications from the office of director adopted against him / her in a member state of the European Union.

[omissis]

ANNEX 3

CONSOLIDATED LAW ON FINANCE

Art. 147-*ter,* paragraph 4

4. In addition to what is provided for in paragraph 3, at least one of the members of the Board of Directors, or two if the Board of Directors is composed of more than seven members, should satisfy the independence requirements established for members of the board of auditors in Article 148(3) and, if provided for in the Articles of Association, the additional requirements established in codes of conduct drawn up by regulated stock exchange companies or by trade associations. This paragraph shall not apply to the boards of directors of companies organised under the one-tier system, which shall continue to be subject to the second paragraph of Article 2409-*septiesdecies* of the Civil Code.

The independent director who, following his or her nomination, loses those requisites of independence should immediately inform the Board of Directors about this and, in any case falls from his/her office.

Art. 148, paragraph 3

3. The following persons may not be elected as auditors and, where elected, they shall be disqualified from office:
- **a)** persons who are in the conditions referred to in Article 2382 of the Civil Code;
- **b)** spouses, relatives and the like up to the fourth degree of kinship of the directors of the company, spouses, relatives and the like up to the fourth degree of kinship of the directors of the companies it controls, the companies it is controlled by and those subject to common control;
- **c)** persons who are linked to the company, the companies it controls, the companies it is controlled by and those subject to common control or to directors of the company or persons referred to in paragraph b) by self-employment or employee relationships or by other relationships of an economic or professional nature that might compromise their independence.

ITALIAN CORPORATE GOVERNANCE CODE

Art. 2, Recommendation 7

7. The circumstances that jeopardise, or appear to jeopardise, the independence of a director are at least the following:
- **a)** if he or she is a significant shareholder of the company;
- **b)** if he or she is, or was in the previous three financial years, an executive director or an employee:
  - – of the company, of its subsidiary having strategic relevance or of a company subject to joint control;
  - – of a significant shareholder of the company;
- **c)** if he or she has, or had in the previous three financial years, a significant commercial, financial or professional relationship, directly or indirectly (for example through subsidiaries, or through companies of which he or she is an executive director, or as a partner of a professional or a consulting firm):
  - – with the company or its subsidiaries, or with their executive directors or top management;
  - – with a subject who, also together with others through a shareholders' agreement, controls the company; or, if the control is held by a company or another entity, with its executive directors or top management;

d) if he or she receives, or received in the previous three financial years, from the company, one of its subsidiaries or the parent company, significant remuneration other than the fixed remuneration for the position held within the board and for the membership in the committees recommended by the Code or required by law;
e) if he or she has served on the board for more than nine years, even if not consecutive, of the last twelve years;
f) if he or she holds the position of executive director in another company whereby an executive director of the company holds the office of director;
g) if he or she is a shareholder, quota-holder or director of a company or other legal entity belonging to the network of the external auditor of the company;
h) if he or she is a close relative of a person who is in any of the circumstances set forth in previous letters.

[…]

REGULATION OF THE BOARD OF DIRECTORS AND THE BOARD COMMITTEES

Art. 11

[…] subject to specific circumstances to be assessed case by case in accordance with the principle whereby substance prevails over form, as a rule, for the purposes of ascertaining independence, the Board considers the following to be of material significance and such as to undermine independence,

a) commercial, financial and professional relations whose consideration – invoiced by year even in only one of the three financial years preceding the date of the check – exceeds at least one of the following parameters:
   i) 5% of the annual revenues of the group to which the company or entity controlled by the Director belongs or of whose Top Management ([27]) they are a member or the professional firm or of the consultancy company of which they are a partner or associate;
   ii) 5% of the annual costs sustained by the Group in connection with business or financial relations of the same kind in the relevant financial years; this threshold is reduced to 2.5% in the case of professional relations;
b) the circumstance where a Director receives or has received in the three previous financial years from the Company, a subsidiary or the parent of the Company, an additional remuneration for an amount that is more than 30% higher than that envisaged as the fixed remuneration for the post determined with a resolution of the General Meeting and that envisaged for membership of the committees recommended by the Code or required by law ([28]);

[…]

(27) The Group CEO and the senior executives responsible for the planning, management and control of the activities of the entity and/or group to which they belong.

(28) With regard to the above, the term **"fixed remuneration for the post"** signifies:

i) the remuneration established by the General Meeting, including any attendance fees, for the Directors (or established by the BoD for non-executive Directors as part of the overall amount approved by the General Meeting for the BoD as a whole);

ii) any remuneration for a position taken by any non-executive Director on the Board (such as chair, deputy chair, lead independent director), established with reference to common remuneration practices in the industry and among companies of a similar size, and also considering comparable international experience.

The term **"remuneration for membership of the committees recommended by the Code"** signifies the remuneration that each Director receives, or has received in the three previous financial years, for their role as a member of the Risk and Control Committee, the Remuneration and Human Resources Committee, and the Nominations and Corporate Governance Committee, as well as the Innovation, Social and Environmental Sustainability Committee – as committees formed pursuant to recommendation 1.a of the Corporate Governance Code – and of the Related-Party Transactions Committee, as required by law.

c) the circumstance where a Director is in one of the following situations:
   i) they are a significant Shareholder of the Company ([29]);
   ii) they are, or have been in the three previous financial years, an executive director or an employee
      1. of the Company, of a Strategic Subsidiary of the Company or of a company subject to joint control;
      2. of a significant Shareholder of the Company.

(29) The term **"Significant Shareholder"** signifies a natural person or corporation who directly or indirectly controls the Company or is able to exercise a significant influence over it, also through subsidiaries, trustees or third parties, or who is directly or indirectly part of a shareholders' agreement through which one or more parties exercise control or a significant influence over the Company. In this connection, "significant influence" indicates a situation where a natural person or corporation holds, directly or indirectly, also through subsidiaries, trustees or third parties, an interest greater than 3% of the Company shares with voting rights.

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