

Report
on **Corporate Governance**
and **Ownership Structure**
pursuant to Article 123-bis of the
Consolidated Law on Finance (TUF)

(one-tier administration and control model)

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GLOSSARY¹

AG/Assicurazioni Generali: Assicurazioni Generali S.p.A.

CAP: Legislative Decree No. 209 of 9 September 2005, as amended, or the Italian Code of Private Insurance (*Codice delle Assicurazioni Private*).

Cattolica Assicurazioni, Issuer, Company: Società Cattolica di Assicurazione – a public limited company, issuer of transferable securities. Since 5 November, the Company has been part of the Generali Group and has lost its status as Parent Company of the Cattolica Group, which has been removed from the Register of Groups kept by IVASS (the Insurance Companies Supervisory Authority). As a result of this change, as of the said date, AG exercises management and coordination over the Company.

Code/CG Code: the Corporate Governance Code for listed companies approved by the Corporate Governance Committee in January 2020 and promoted by Borsa Italiana S.p.A., the Italian Banking Association (ABI), the Italian National Association of Insurance Companies (ANIA), the Italian Investment Management Association (Assogestioni), the Association of Italian Joint Stock Companies (Assonime) and the Confederation of Italian Industry (Confindustria).

MCC/Management Control Committee: the body with the control function within Cattolica Assicurazioni.

Board of Directors, Board: the management body of Cattolica Assicurazioni.

Financial Reporting Officer: The financial reporting officer pursuant to Article 154-bis of the Consolidated Law on Finance.

Financial Year: the financial year ended 31 December 2021.

Key Functions (formerly the control functions): together, the Internal Audit, Risk Management, Compliance and Actuarial functions.

Cattolica Group: Cattolica Assicurazioni and its subsidiaries until 5 November 2021, the date of completion of the takeover bid launched by Assicurazioni Generali.

TAKEOVER BID: The voluntary full public tender offer launched by Assicurazioni Generali S.p.A. for Cattolica Assicurazioni S.p.A.

Q&A: the Q&As for the application of the new Corporate Governance Code were published on 4 November 2020.

Regulation for Issuers: the Regulation governing issuers enacted by Consob with Resolution No. 11971 of 1999, as subsequently amended.

¹ Unless indicated otherwise, definitions in the Corporate Governance Code concerning directors, executive directors [see Q. Def. (1) and Q. Def. (2)], independent directors, a significant shareholder, the chief executive officer (CEO), the administrative body, the control body, the business plan, a concentrated ownership company, a large company, sustainable success and top management are to be considered referred to by reference.

IVASS Regulation No. 38: IVASS Regulation No. 38 of 3 July 2018 on corporate governance systems, as subsequently amended.

Consob Market Regulation: the Regulation concerning markets enacted by Consob by resolution 20249 of 2017, as subsequently amended.

Report: the Report on Corporate Governance and Ownership Structure for 2021, compiled by the Company pursuant to Article 123-bis of the Consolidated Law on Finance, Article 89-bis of the Regulation for Issuers, and the CG Code.

Website: the Company's website at www.cattolica.it

Articles of Association: the Articles of Association of the company Cattolica di Assicurazioni S.p.A. in force as of 1 April 2021, as subsequently amended.

Sustainable success: an objective that guides the actions of the administrative body and that pursues long-term value creation for the benefit of shareholders, while taking into account the interests of other stakeholders relevant to the company.

Consolidated Law on Finance or TUF: Legislative Decree No. 58 of 24 February 1998, as amended.

*

PRELIMINARY REMARKS ON METHODOLOGY

This Report fulfils the disclosure obligations laid down in Article 123-bis of the TUF, according to which issuers are required to provide the market, on an annual basis, with precise information on their ownership structure, the structure and functioning of their corporate bodies and the governance practices they apply.

The Report describes the corporate governance system and ownership structure of Cattolica Assicurazioni in 2021, also highlighting the most significant events that occurred during the financial year, leading to developments and changes in its corporate structure.

The corporate governance described in the Report complies with the principles and recommendations contained in the Corporate Governance Code reformed in 2020 and takes into account the contents of the Report on the application of the Code, compiled by the Italian Corporate Governance Committee in December 2021. With regard to individual recommendations, on the basis of the 'comply or explain' principle, evidence of any deviation from the provisions of the Code is provided.

The Report takes into account the new structure of Borsa Italiana's Format 2022 which, compared to the previous format, reorganised the contents of chapters and redefined chapter names.

In the Report, reference is made to the "Cattolica Group", to be understood as such until 5 November 2021, the date of completion of the takeover bid for the company launched by Assicurazioni Generali and its consequent entry into the Generali Group.

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1.0 OVERVIEW OF THE ISSUER

Corporate governance system

The company Cattolica Assicurazioni, founded in 1896, maintained the legal form of a cooperative society until 31 March 2021. The transformation of the company into a public limited company took effect on 1 April 2021, with the simultaneous entry into force of the Articles of Association as amended by the shareholders' resolution of 31 July 2020. Cattolica Assicurazioni is listed on the electronic stock market (*Mercato Telematico Azionario* or MTA).

Cattolica is the parent company of insurance companies (in the Non-Life and Life classes) as well as reinsurance companies, real estate companies and operating service companies.

The governance structure of Cattolica Assicurazioni consists of the following main corporate bodies:

- (i) the Board of Directors
- (ii) the Chairman of the Board of Directors
- (iii) the Chief Executive Officer
- (iv) the Appointments and Remuneration Committee
- (v) the Corporate Governance, Sustainability and Value Generation Committee
- (vi) the Control and Risks Committee
- (vii) the Related Parties Committee
- (viii) the Management Control Committee
- (ix) The Shareholders' Meeting

In addition to the General Manager, General Management is exercised by four Deputy General Managers with responsibility for the following areas:

- Deputy General Manager: CFO,
- Deputy General Manager: COO,
- Deputy General Manager: Non-motor claims/Reinsurance,
- Deputy General Manager: Commercial.

The administration and control model adopted is "one-tier", with a Board of Directors and an internal Management Control Committee, both appointed by the Shareholders' Meeting. The statutory audit is assigned to an auditing company appointed by the Shareholders' Meeting.

For more information on the Board of Directors, see Section 4.0 below.

Significant events in the 2021 financial year

On 31 May 2021, Assicurazioni Generali launched a voluntary takeover bid for all the company's shares pursuant to Articles 102 and 106, paragraph 4, of the TUF. The Offer Document, authorised by CONSOB, was subsequently published on 28 September with the subscription period closing on 29 October. In addition to obtaining the necessary authorisations from the competent authorities, the conditions for effectiveness of the offer included the achievement by Assicurazioni Generali of a minimum threshold of 66.67% of the Company's share capital after completion of the offer, taking the treasury shares already held by the Company into account.

At the end of the tender period on 4 November, the bidder AG announced the final results of the offer, pursuant to Article 41, paragraph 6, of the Regulation for Issuers, on the basis of which 138,842,677 shares were tendered to the offer during the tender period, amounting to approximately 79.660% of the shares offered and 60.803% of the Issuer's share capital.

Accordingly, taking into account the 138,842,677 Shares tendered and the 54,054,054 Shares already held by the bidder AG as a result of the subscription of the capital increase reserved for AG on 23 October 2020, the latter came to hold a total of 192,896,731 Shares, amounting to 84.475% of the Issuer's share capital, thereby exercising legal control over Cattolica.

Therefore, since 5 November, the date of payment of the consideration, the Company is part of the Generali Group and has lost its status as parent company of the Cattolica Group, which has been removed from the Register of Groups kept by IVASS (the Insurance Companies Supervisory Authority). As of that date, as a result of the developments described above, AG exercises management and coordination over the Company.

Consequently, on 16 December 2021 the Board of Directors approved amendments to the Articles of Association concerning membership of the Generali Group, in compliance with IVASS Regulation 22/2016 on the supervision of Groups.

Following the completion of the tender bid, the independent auditors appointed to audit the Company's separate and consolidated financial statements, PriceWaterhouseCoopers S.p.A. (hereinafter "PWC") no longer met the independence requirements established by the regulatory framework of reference. It was therefore necessary to proceed, at the Shareholders' Meeting held on 23 December 2021, with the consensual early termination of the existing mandate with PWC and the award of a new mandate for the years 2021 – 2029 to the auditing company BDO Italia S.p.A., as specified in greater detail in Section 9.5.

In summary, the following corporate events occurred during 2021:

- on 12 April, the sale to Intesa San Paolo S.p.A. of the shareholding held by Cattolica in Lombarda Vita S.p.A. was closed;
- on 3 December, the merger by incorporation into Cattolica of the wholly owned subsidiaries ABC Assicura S.p.A. and Berica Vita S.p.A. were formalised and took effect as of 23:59 hours on 31 December 2021, with accounting and tax effects brought forward to 1 January 2021, following registration with the competent Verona Companies Register on 27 December 2021.

The goal of sustainable success

By adhering to the Code, the Company has embraced the principle of sustainable success as the objective guiding the actions of the management body. Sustainable success consists of the creation of long-term value for the benefit of shareholders, taking into account the interests of other stakeholders relevant to the Company.

The Company's path to sustainable success is described in detail in the Consolidated Non-Financial Statement that the Company has published since 2017, the year in which the CSR function was established. Please refer to this Statement for an explanation of the CSR structure of Cattolica and its subsidiaries, and in particular for a breakdown of activities and initiatives related to the Sustainable Development Goals set by the Group and a description of the methods by which the Company engages in dialogue with its stakeholders.

The Cattolica Group's approach to sustainability starts with an "integrated" conception of CSR, and the construction of an effective governance structure. Its goals are implemented through initiatives across the three aspects of ESG (Environmental, Social, Governance) by decisions that prioritise projects deemed to have a greater impact in terms of the CSR concept adopted by the Company and its overall strategies. For example, initiatives have concerned environmental issues (extension of the risk framework, CDP questionnaire, TUA

carbon neutrality, Group Environmental Policy and Environmental Policy of the Ca' Tron Estates), social issues (activities in the Foundation's territory, projects and activities for employees, pandemic healthcare, welfare) and governance/economic issues (total tax contribution disclosure, training and induction programmes in the field of sustainability, establishment of the ESG Committee, sustainability rating by Standard Ethics).

The idea of sustainability has been translated into a governance structure and operating procedures that seek to combine the most widespread best practices with the Company's specific organisational and cultural characteristics.

This creates a perspective in which the selection of certain strategic guidelines inspires and sets the long-term orientation:

- the principle of customer centrality;
- the lever of distribution efficiency;
- emphasis on innovation, digitisation and multi-channel;
- a foundation in social responsibility;
- the importance attached to environmental sustainability;
- respect for and enhancement of resources.

Through the harmonisation and integration of these principles, an entrepreneurial formula is created that nurtures and supports the three pillars of the economic dimension:

- Financial and capital soundness;
- Profitability;
- Competitive excellence;

with the ultimate aim of generating lasting value for stakeholders and ensuring the stability and economy necessary for balanced long-term growth, adopting a business model that progressively and strategically integrates ESG factors and environmental sustainability according to a strategic vision.

Cattolica is continuing the virtuous trajectory it has embarked on in its investment activity, with a strategy that focuses increasingly on responsible investment, with ESG criteria as a constant reference in the selection and monitoring of investments.

Cattolica intends to develop further initiatives and projects with a positive impact on social, environmental and governance variables, and to promote a culture of sustainability within the perimeter of the Group and in the region, for the benefit of all stakeholders.

For a more specific analysis of the integration of the sustainable success objective, see Sections 4.1, 6, 8 and 9.

The Company has published its Non-Financial Statement pursuant to Legislative Decree 254 of 30 December 2016 in the "Sustainability" section of the Company's corporate website at "www.cattolica.it/home-corporate".

Pursuant to the CG Code, Cattolica belongs to the category of "large companies" as its capitalisation exceeded €1 billion on the last market day of each of the previous three calendar years. Since Cattolica is a controlling shareholder of Assicurazioni Generali following the voluntary tender offer, since 5 November 2021, the Issuer comes within the category of a 'concentrated ownership company' according to the CG Code.

2.0 INFORMATION ON OWNERSHIP STRUCTURE (pursuant to Article 123-bis, paragraph 1, of the TUF) as at 22 March 2022

a) **Share capital structure (pursuant to Article 123-bis, paragraph 1, letter a), of the Consolidated Law on Finance (TUF))**

As at the Report approval date, the share capital stands at €685,043,940, made up of 228,347,980 ordinary shares with no par value.

There are no other categories of shares.

No financial instruments have been issued that grant the right to subscribe for new shares.

For the periods 2018 - 2020 and 2021 - 2023, share-based incentive plans were established for certain categories of employees, with respect to which deferred instalments are still payable as provided in the plan regulations.

b) **Restrictions on transfers of securities (pursuant to Article 123-bis, paragraph 1, letter b), of the Consolidated Law on Finance (TUF))**

The securities are freely transferable.

c) **Significant investments in the share capital (pursuant to Article 123-bis, paragraph 1, letter c), of the Consolidated Law on Finance (TUF))**

According to the Shareholders' Register, supplemented by communications received pursuant to Article 120 of the TUF and other available information, at the date of approval of the Report, the only shareholder with significant holdings (over 3% of the share capital) was Assicurazioni Generali S.p.A., which since the closing of the tender offer, has held an 84.475% stake in the Company's share capital.

d) **Securities that confer special rights (pursuant to Article 123-bis, paragraph 1, letter d), of the Consolidated Law on Finance (TUF))**

As of the date of approval of this Report, Cattolica Assicurazioni has not issued securities that confer special rights of control and has not adopted provisions in the Articles of Association that allow multiple votes or increased voting rights.

e) **Employee share ownership: mechanism for the exercise of voting rights (pursuant to Article 123-bis, paragraph 1, letter e), of the Consolidated Law on Finance (TUF))**

There are no particular mechanisms for exercising voting rights for shares held by employees.

f) **Restrictions on voting rights (pursuant to Article 123-bis, paragraph 1, letter f), of the Consolidated Law on Finance (TUF))**

There are no restrictions on voting rights.

g) Shareholders' agreements (pursuant to Article 123-bis, paragraph 1, letter g), of the Consolidated Law on Finance (TUF))

On 24 June 2020, Assicurazioni Generali and the Issuer signed an Agreement for the development of a common project for a corporate and business transaction designed to strengthen Cattolica's income and capital position and to adjust its corporate governance, and also to create a strategic industrial and commercial partnership between AG and Cattolica (hereinafter the "Agreement").

The term of the Agreement was set at 24 months from its signature.

The Agreement contains certain significant shareholders' agreements, as provided for in Article 122, first paragraph and fifth paragraph, letter a), of the TUF, which emphasise the aspects summarised below and which, for the most part, have already been implemented⁽²⁾ or which can now be considered to have been superseded by the transformation of the Issuer into a public limited company and its subjection to control by AG.

1. The transformation of the Issuer from a cooperative society into a public limited company (resolved at the Shareholders' Meeting of 31 July 2020), with effect deferred until 1 April 2021. Following the transformation, the Issuer assumed the legal form of a public limited company, adopting the Articles of Association that are still in force today - except for certain amendments made during 2021 ⁽³⁾ - with the abolition of the principle of one-man-one-vote previously in effect due to its cooperative form (and according to which each shareholder could cast only one vote at shareholders' meetings regardless of their holding of the share capital).

2. The approval of an 'interim' text of the Articles of Association in force until the transformation into a public limited company (resolved by the Shareholders' Meeting of 31 July 2020), which provided, *inter alia*, for an extension of the limit on share ownership by shareholders other than natural persons up to a limit of 25% of the capital, rules for the election of the Board of Directors with the right, for a shareholder with a holding of at least 20% of the share capital, to appoint 3 directors.

3. The capital increase of Cattolica totalling €500 million (resolved by the Board of Directors on 4 August 2020 pursuant to the mandate granted to it by the extraordinary Shareholders' Meeting of 27 June 2020), with an undertaking to execute (i) a first tranche of the increase, totalling €300 million, between nominal and share premium, reserved for AG (which, as a result, as of the subscription date of 23.10.2021, obtained a shareholding in the Issuer greater than the 20% threshold mentioned above), and (ii) a second tranche of increase on option, totalling €200 million, between nominal and share premium, to be offered to all shareholders⁴.

(2) For a more detailed analysis of the contents of the Agreement, see the Report on Corporate Governance and Ownership Structure for 2020, which is available on the Issuer's website at <https://www.cattolica.it/relazione-sul-governo-societario>.

(3) In particular, the amendments adopted by the Board of Directors on 22 July and 16 December 2021 concerned, respectively, the incorporation into the text of the Articles of Association of (i) an extension of the subscription deadline for the second tranche of the capital increase resolved by the administrative body on 4 August 2020, according to the mandate granted to it by the Extraordinary Shareholders' Meeting of 27 June 2020, and (ii) the Issuer's membership of the Generali Group.

(4) With regard to the second tranche of the capital increase in option of €200 million, as referred to in paragraph i) below, on 18 January 2022 the Company received a communication from IVASS stating that it did not foresee any impediment to the decision taken by the Board of Directors on 3 December 2021 of the company regarding the absence of any need to execute the second tranche of the capital increase of €200 million.

4. The partial recomposition of the Board of Directors of Cattolica, with an undertaking by Cattolica to ensure that (i) three directors (not members of the Management Control Committee) will resign with effect from the date of subscription by AG for the capital increase reserved for it and that (ii) the Board of Directors that will, on the same execution date (with the involvement of the corporate bodies appointed for this purpose) appoint, by co-option pursuant to Article 2386 of the Civil Code, the persons designated by AG to replace the resigning directors. Of these persons: (x) one co-opted director was appointed Chairman of the Corporate Governance and Sustainability Committee, with a statutory function for matters within the purview of the Board of Directors indicated in point 1 (D) above; and (y) one co-opted director was appointed Chairman of the Remuneration Committee. These undertakings were fulfilled on 23 October 2020, the date of execution of the reserved capital increase as described in more detail below. The co-opted directors appointed by AG in accordance with the provisions of the Articles of Association in force until 31 March 2021 (Stefano Gentili, Roberto Lancellotti and Elena Vasco) ceased to hold office on the natural expiry of the term of the administrative body on the occasion of the approval of the financial statements for 2020. They were candidates on the list submitted by the outgoing Board of Directors pursuant to the Articles of Association of the public limited company in force as of 1 April 2021, which was successful following the shareholders' resolution of 14 May 2021 and are still in office.

With specific reference to the reserved capital increase, it should be noted that this increase was completed on 23 October 2020 ⁽⁵⁾, following the fulfilment of all the conditions precedent for execution set out in the Agreement (including the obtention by AG, on 7 October last, of authorisation from IVASS to purchase the shareholding in the Issuer) and the waiver by Cattolica and AG of the condition relating to the CONSOB authorisation for the publication of the prospectus relating to the admission to trading of the Cattolica Assicurazioni shares resulting from the reserved capital increase ⁽⁶⁾. Accordingly, the Cattolica shares subscribed by Generali on that date had the same characteristics as the ordinary Cattolica shares in circulation, except for admission to trading on the MTA. Subsequently, on 23 July 2021, following CONSOB's authorisation to publish the prospectus for the admission of the shares in question to listing, they were admitted to trading on the MTA, and therefore became fungible with the other ordinary shares in Cattolica.

⁽⁵⁾ See press release of 23 October 2020, available at:

"https://www.cattolica.it/documents/21801/662111/70_2020.pdf/932a10ec-c023-2b06-8035-756c6ae64c92"

⁽⁶⁾ This waiver was agreed as part of certain amendments to the existing Agreement (the "Amendment Agreement"), which were formalised on 23 September 2020. The Amendment Agreement also established, *inter alia*, an undertaking on the part of Cattolica to (x) update the prospectus and to deposit the updated prospectus, including an information note on the shares resulting from the rights issue with CONSOB within a time frame that is consistent with the provisions of the resolution of the Cattolica Board of Directors for the exercise of the mandate to execute the rights issue adopted on 4 August 2020; and (y) cooperate in good faith, providing CONSOB with any data or information that may be required by the authority during the relevant procedure for the approval by CONSOB of the documentation on the prospectus indicated in point (x) above within a time frame that is consistent with the provisions of the resolution of the Cattolica Board of Directors for the exercise of the mandate to execute the capital increase adopted on 4 August 2020. It should also be recalled that the Board resolution of 4 August 2020 set the deadline for subscription of the rights issue at 28 February 2021, subsequently extended - by Board resolution of 11 February 2021 - until 31 July 2021, and further extended, by Board resolution of 22 July 2021, until 31 December 2021 [this latter extension was necessary because, in the communication by which AG launched the takeover bid for all of the Issuer's shares (hereinafter, the "Generali takeover bid"), the bidder had specified that failure to execute the rights issue was a condition for the effectiveness of the takeover bid]. On this point, it should finally be noted that, in light of the new corporate structure resulting from the Generali takeover bid and on the basis of a specific request by the Issuer, IVASS, in a communication dated 18 January 2022, found that there was no impediment to the decision taken by Cattolica's Board of Directors regarding the absence of any need to proceed with the second tranche of the rights issue for €200 million (see press releases dated 4 December 2021 and 19 January 2022, respectively available at the links "<https://www.cattolica.it/-/comunicazione-dell-ivass-in-merito-alla-secondo-tranche-dell-aumento-di-capitale-sociale>" and "<https://www.cattolica.it/-/decisione-inerente-alla-seconda-tranche-dell-aumento-di-capitale>")

h) Change of control clauses (pursuant to Article 123-bis, paragraph 1, letter h), of the Consolidated Law on Finance (TUF) and provisions in the Articles of Association on public purchase offers (pursuant to Article 104, paragraph 1-ter and Article 104-bis, paragraph 1)

The Current Articles of Association, until the date of approval of the Report, do not provide for any exceptions to the provisions of Article 104 of the TUF.

It should be recalled that on 4 November 2021, the Tender Offer closed, during which 138,842,677 shares were subscribed, amounting to approximately 79.660% of the shares offered. Therefore, taking into account the 54,054,054 shares already held by AG following the subscription of the reserved capital increase (on 23 October 2020), the latter held a total of 192,896,731 shares, amounting to 84.475% of the Issuer's share capital.

This situation resulted in AG assuming legal control over Cattolica and, consequently, its exercising management and coordination over the latter.

In this regard, please note as follows.

A shareholders' agreement was in force with Banco BPM S.p.A. between 29 March 2018 and 5 March 2021. The agreement concerned the management of the companies Vera Assicurazioni, Vera Vita and their subsidiaries which, together with the distribution agreements relating to these companies, were terminated under the contractual arrangements between the parties in the event that certain types of entities took control of the Company. With particular regard to the change of control of the Issuer, such a situation would have occurred if a bank, insurance company or financial investor had acquired control of the Company pursuant to Article 2359 of the Italian Civil Code. On 5 March 2021, Banco BPM Bank and Cattolica Assicurazioni reached an agreement in which they defined the terms and methods of the adaptation and continuation of their partnership in the bancassurance sector and the relevant exit rights, thus combining their respective interests and taking the changed economic environment into account. This new agreement, formalised on 16 April 2021, no longer provides for termination as a result of events of change of control.

Instead, exit mechanisms were provided under the shareholders' and commercial agreements formalised on 25 March 2019 with Inter Mutuelles Assistance S.A. relating to IMA Italia Assistance S.p.A. and IMA Servizi S.r.l., when Cattolica entered the share capital of the latter two companies, acquiring stakes of 35% and 10% respectively. In particular, under the agreements, Inter Mutuelles Assistance S.A. (as long as the latter held a majority interest in IMA Italia Assistance and IMA Servizi S.c.a r.l.) had an option to purchase from Cattolica the interest in IMA Italia Assistance and the interest in IMA Servizi S.c.a r.l. when the change of control of Cattolica took place pursuant to Article 72 of the Code of Private Insurance: this option was exercised by communication dated 27 December 2021.

i) Authorisations to increase the share capital and to purchase treasury shares (pursuant to Article 123-bis, paragraph 1, letter m), of the TUF)

Capital increases

By resolution of 27 June 2020, the Extraordinary Shareholders' Meeting, following requests for capital strengthening made by IVASS, granted the Board of Directors, pursuant to Article 2443 of the Civil Code, the power to increase the share capital, in one or two tranches, by 26 June 2025, for a maximum total amount of €500 million, including any share premium, by issuing ordinary shares with no par value and the same characteristics as the outstanding shares, to be offered optionally to those entitled, with the widest powers to establish, from time to time, in accordance with the limits indicated above, the procedures, terms and conditions of the

transaction, including the issue price of the shares and any share premium, and the dividend entitlement.

By resolution of the Board of Directors of 4 August 2020, with effect from 23 October 2020, the aforementioned delegated capital increase was partially implemented through the subscription, by Assicurazioni Generali S.p.A., of the portion of the increase reserved for it, for a total amount of approximately €300 million.

As a result of this transaction, Assicurazioni Generali gained stake in the Company on the date of subscription, of 24.46% of the Issuer's voting capital (calculated excluding treasury shares: the percentage is 23.672% if the treasury shares held at the subscription date are taken counted). The capital increase reserved for Assicurazioni Generali resulted in the issue of 54,054,054 shares of Cattolica, at an issue price per share of €5.55, including a share premium of €2.55, for a nominal share capital increase of €162,162,162.00.

On 22 July 2021, the Board of Directors approved the amendment to the Articles of Association to incorporate the postponement of the second tranche of the capital increase until 31 December 2021. Subsequently, on 3 December 2021, the Company's Board of Directors, acknowledging the positive outcome of the takeover bid launched by Assicurazioni Generali and the simultaneous increase in value of almost all of the treasury shares previously held by Cattolica, with a consequent further improvement in Cattolica's solvency margins, resolved to refer the absence of any need to proceed with the second tranche of the rights issue, amounting to €200 million, to IVASS for assessment. On 18 January 2022, the Company received a communication from IVASS in which the authority indicated that it did not foresee any impediment to the decision taken by the Cattolica Board of Directors on 3 December 2021 regarding the absence of any need to execute the second tranche of the capital increase of €200 million. Consequently, the company will not proceed with the execution of the second tranche of the capital increase, as there is no need to do so.

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Purchase of treasury shares

The Shareholders' Meeting of 14 May 2021 resolved to authorise the Board of Directors to purchase and/or dispose of ordinary treasury shares pursuant to the current provisions of law and the Articles of Association, for a period of 18 months from the Shareholders' Meeting resolution, according to the procedures set out below, to revoke and replace the resolution authorising the purchase and/or disposal of treasury shares of the Shareholders' Meeting of 27 June 2020, without prejudice to what was done or carried out as a result thereof.

With regard to the underlying reasons, in its report for the Shareholders' Meeting of 14 May 2021, the Board of Directors noted that the purpose of the purchase, trading and sale of treasury shares, in the interest of the Company and in compliance with the legislation, including regulations and provisions in the Articles of Association in force and applicable at the time, and with permitted market practices, is to pursue the following objectives:

- to arrange in advance a package of shares available for various types of transactions, including:
 - extraordinary transactions to establish partnerships or collaborations with other industrial or financial operators, always within the scope of the Company's ordinary business;
 - compensation plans based on financial instruments;
 - the allotment of shares to shareholders in the form of a dividend;
- from an investment standpoint, to take advantage of market opportunities and provide liquidity for the stock when needed;
- to facilitate, where necessary, in extraordinary circumstances when stock liquidity is low,

the prompt restructuring of the company's ownership without the risk of destabilising it and of sudden market movements that might make it hard to achieve a balance between demand and supply of the stock.

The request for authorisation to purchase treasury shares is not geared towards reducing the Company's share capital by cancelling the treasury shares purchased.

The following are the key terms of the transactions on treasury shares approved by the Shareholders' Meeting on 14 May 2021:

Purchase of treasury shares

- a) The purchase may be made within the limit of the available reserves up to the maximum number of shares allowed by current legislative provisions, and thus up to 20% of the Company's share capital *pro tempore*, taking into account the treasury shares held by the Company and its subsidiaries.
- b) Purchases can take place at any time within 18 months of the date of this resolution.
- c) The share purchase price may not be more than 20% less or more than 20% more than the official price of the Cattolica shares registered by Borsa Italiana S.p.A. in the trading session preceding each individual transaction.
- d) Purchases may not exceed 25% of the average daily volume of shares traded on Borsa Italiana S.p.A., calculating the average volume based on the average daily trading volume in the 20 trading days preceding the date of each individual purchase.
- e) Purchases must be made in compliance with the applicable legislative provisions, and particularly the methods set forth in Article 144-bis, paragraph 1, letter b) of the Regulation for Issuers.
- f) The accounting treatment of purchase transactions will comply with the current provisions of law, regulations and Articles of Association and with the applicable accounting standards. In the event of disposal, the corresponding amount may be reused for further purchases until the meeting authorisation expires, subject to quantitative and expenditure limits and the conditions set by the Shareholders' Meeting.

The trading and sale of treasury shares

- a) Shares that are purchased in implementation of the resolution of the Shareholders' Meeting or are already available to the Company may be subject to deeds of sale and purchase, and therefore may be transferred even before the quantity of purchases covered by this request for authorisation is exhausted, on one or more occasions, without time limits, in the ways considered most appropriate in the light of the reasons given in the Report of the Board of Directors and in the interest of the Company.
- b) The disposal of treasury shares may take place on one or more occasions, even before the maximum quantity of treasury shares that can be purchased has been reached. Disposal may take place in the manner and at the time deemed most appropriate in the interest of the Company, by adopting any method deemed appropriate in relation to the objectives to be pursued, notwithstanding compliance with applicable legislation.

In the light of the aforementioned resolutions, transactions continued in 2021 as part of the new authorisation granted by the Shareholders' Meeting.

It should be noted that specific proposals on the matter will be submitted to the Shareholders' Meeting convened, *inter alia*, to approve the 2021 financial statements. For a detailed examination of these, see the content of the specific report, which will be made available within the legal deadlines.

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As of the date of approval of this report, Cattolica holds 450,397 treasury shares, underlying the share performance plans, as all the other 27,004,484 were subscribed in the tender offer launched by Assicurazioni Generali.

*

I) Management and coordination (pursuant to Articles 2497 et seq. of the Civil Code)

Cattolica Assicurazioni has been part of the Generali Group since 5 November 2021. As of this date it is subject to the management and coordination of Assicurazioni Generali S.p.A., pursuant to Articles 2497 et seq. of the Italian Civil Code.

Accordingly, as of the same date the Company is subject to the Consob Market Regulation. In this regard, at its meeting on 3 December 2021, the Board of Directors, within the terms established in the Regulation, amended the regulations of the Board of Directors, the Appointments and Remuneration Committee and the Control and Risk Committee in order to require that all the members of the said committees meet the independence requirement as established in the Code.

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See Section 9.0 for the information required by Article 123-bis, paragraph 1, letter i) of the Consolidated Law on Finance (TUF) regarding any agreements between the Company and directors that provide for compensation in the event of resignation or dismissal without just cause or if their employment contract ends as a result of a public purchase offer.

It should be noted that for the purposes of the information required under Article 123-bis, paragraph 1, letter l) of the TUF, no rules other than the laws and regulations applicable to the appointment and replacement of directors and to the amendment of the Articles of Association are applied.

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3.0 COMPLIANCE (pursuant to Article 123-bis, paragraph 2, letter a), of the Consolidated Law on Finance (TUF))

Since March 2006, the Company has adopted the principles of the Corporate Governance Code, incorporating its various editions over time (the most recent was published in July 2020⁷), with the relevant adjustments, mainly related to its specific institutional and operational characteristics.

The Company has complied with the Code under the terms specified in the Report, which indicates any situations of non-compliance or non-application of the recommendations contained in the Code's principles and application criteria.

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Neither Cattolica nor its strategic subsidiaries are subject to non-Italian laws that affect the corporate structure of the Issuer, obviously without prejudice to directly applicable Community regulations. For the sake of completeness, it should be noted that the Group includes the company Vera Financial DAC, based in Dublin and governed by Irish law, and the reinsurance company CattRe, governed by Luxembourg law.

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In March 2021, the Company formally adhered to the CG Code issued by Borsa Italiana's Corporate Governance Committee, which is effective as of 1 January 2021.

⁷ The current edition of the Code, published in January 2020, is available from the website: <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf>.

4.0 BOARD OF DIRECTORS

4.1 ROLE OF THE BOARD OF DIRECTORS

The Board of Directors is vested with all powers for the ordinary and extraordinary administration of the Company, except where expressly reserved for the Shareholders' Meeting by law and the Articles of Association. The Board of Directors guides and directs the Company and its management, in compliance and in accordance with the provisions of the law and regulations of the Supervisory Authority for the sector.

Article 27 of Current Articles of Association states that the Board of Directors is exclusively responsible, *inter alia*, for defining the general guidelines and entrepreneurial policies of the Company and the Group, with the relevant strategic, business, financial and budget plans, and for assessing general operational performance, including the adequacy of the organisational, administrative and accounting structure of the Company.

In addition to powers that cannot be delegated in accordance with law, the Articles of Association and regulatory and supervisory provisions, the Articles of Association reserves decisions concerning the following matters exclusively for the Board of Directors:

- a) definition of the general guidelines and business policies of the Company and the Group, with the relevant strategic, business and financial plans and budgets;
- b) general guidelines and aspects concerning value generation, sustainability and risk levels;
- c) the determination, within the scope of the powers that may be delegated in accordance with the law, of the powers of the Chief Executive Officer, where appointed, as well as specific duties that may be assigned to the special offices referred to in paragraph 30.1 of the Articles of Association;
- d) appointment of one or more General Managers, and adoption of the relevant contractual conditions, granting of powers and identification of duties and termination of their employment, all at the proposal of the Managing Director, where appointed;
- e) approval of the organisational structure of the Company and the Group and the system of proxies and powers, ensuring its adequacy over time;
- f) assessment of the Company's general performance and of the adequacy of the Company's organisational, administrative and accounting structure;
- g) the allocation of an annual fund to promote the Company's image in relation to the principles of sustainability and social responsibility. Said allocation to be resolved upon when setting the annual budget in line with the Company's financial performance;
- h) decisions concerning the establishment of criteria for the coordination and management of group undertakings and for the implementation of IVASS provisions;
- i) the adoption of procedures that ensure the transparency and substantive and procedural probity of related party transactions in accordance with applicable legislation;
- j) the management and handling of corporate, inside and relevant market information, and of what is appropriate for dialogue with Shareholders.

Furthermore, the Board of Directors, also in accordance with the supervisory regulations, defines and assesses, for the purposes of any revision, the most significant risk assumption,

assessment and management strategies and policies, in accordance with the level of the company's capital adequacy, and establishes risk tolerance levels.

Without prejudice to the provisions of Articles 2420-ter and 2443 of the Italian Civil Code, the Board of Directors is exclusively responsible, pursuant to Article 2436 of the Civil Code, the resolutions referred to in Article 2365, paragraph 2, of the Italian Civil Code.

The Board may, with an absolute majority of the votes of the Directors in office, adopt resolutions relating to matters that come under the powers delegated to the Chief Executive Officer, where appointed.

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Driving sustainable success:

The Board of Directors, through the decisions reserved to it by the Articles of Association concerning general guidelines and aspects of value generation, sustainability and risk levels (Article 27.2, letter b), has among its objectives the pursuit of sustainable success with the support of the Corporate Governance, Sustainability and Value Generation Committee, which, in addition to its competence in governance matters, plays a proactive, advisory and supervisory role in all matters and issues concerning CSR, and also supports the Board of Directors, with reference to the business plan of the Company and the Group, in analysing issues relevant to long-term value generation.

The issue of sustainability has long been monitored and present in the dynamics of the Company, which has included it in its corporate strategy and established, in order for management to be effectively involved in the issue of sustainability, that part of the variable component of top management remuneration be linked to the achievement of one or more objectives related to the issue of sustainability.

The Board of Directors pursues the creation of long-term value for the benefit of shareholders, while taking the interests of other stakeholders into account by an approach that is based on the sustainability of business management, centred on strategic planning oriented to a time horizon of three years at most, which integrates financial objectives that are subject to periodic supervision.

During the 2021 financial year, the Board demonstrated its constant focus on CSR issues with a quality path towards a more effective and responsible management of sustainability issues in continuity with the previous years, which earned Cattolica the raising of its SER® - Standard Ethics Rating to EE- (adequate) from the previous E+ (also confirmed in the 2022 rating with reference to the 2021 financial year).

The sustainable journey that the Board of Directors has embarked on and which is designed to give even more space and impetus to business strategies and policies, has resulted in the activation of an ESG Committee: a managerial committee tasked with providing guidance and coordination to ensure oversight of all initiatives and actions that have a social, environmental and governance impact and assessing the relevant risks. The secretary/member of the ESG committee is Head of the Risk Management function, who is responsible for the identification and management of all ESG impacts, including at the level of the overall risk management framework, and for the inclusion of all ESG risk factors in the Risk Management Framework, including ORSA assessments of long-term climate stress scenarios.

At its meeting of 28 January 2021, the Board of Directors approved a 2021/2023 Rolling Plan for the Cattolica Group based, not only on the consolidation of the initiatives already under way and a focus on selected strategic projects, but also on sustainability through initiatives

on the Cattolica Estates, the recovery of sustainability in the Life area via a review of the offer, the optimisation of the portfolio in force, and the strengthening of the ESG strategy for a sustainable transformation of the business.

On the theme of sustainability, during the presentation of the Rolling Plan, the Board of Directors was shown the Plan for Enhancement of the Cattolica Estates, which is based on three main principles: Agro-ecological Food, Health Innovation and Green Energy. In terms of "Green Energy", in April 2021, the "Le Tenute Biomethane" Project was launched. This project is identified as one of the drivers of sustainability in the area, and will also enhance the profitability of the Group's non-insurance subsidiaries.

The goal of creating sustainable value that is integrated into a business thinking and decision-making that never forgets the environment also includes the communities and territorial entities in which Cattolica operates.

The Board of Directors has set aside an annual provision for charitable contributions and for the promotion of the Company's image in relation to the principles of sustainability and social responsibility (Article 27.2, letter g) of the Articles of Association) when approving the annual budget in relation to the Company's economic performance.

The fund was used to support solidarity and welfare bodies in the territory, as well as cultural promotion, with a significant contribution to the Fondazione Arena in response to the recently published UN objectives, and in particular the UNESCO indicators for culture – Agenda 2030, which concern "Knowledge and Skills".

Monitoring of the plan: The Board of Directors regularly monitors the implementation of the business plan and assesses the general performance of operations, periodically comparing results achieved with forecasts, including by the use of accounting documents that, in accordance with the law and the Articles of Association, fall within the administrative body's drafting responsibilities.

The Board of Directors was also kept constantly informed of general operating performance and trends, as well as most significant economic and financial transactions, including on the basis of reports by the Chief Executive Officer (Article 28 of the Articles of Association), who specifically kept the Board updated on extraordinary transactions involving the capital of some subsidiaries and significant events for the Company.

Definition of risk levels: Decisions concerning policies and general aspects, together with the definition of the nature and level of risk consistent with the Issuer's strategic objectives, are the exclusive preserve of the Board of Directors. Specifically, in performing its duties related to the internal control and risk management system, the Board of Directors relies on the support of the Control and Risks Committee. Among the Committee's duties – which are described in detail in the dedicated section – is to pay attention to instrumental functions so that the Board of Directors can correctly and efficiently determine the Risk Appetite Framework (RAF) and the closely related risk management policies and strategic guidelines. This arrangement to ensure that the Board of Directors is aware of the risks to which Company and its subsidiaries can be exposed as a result of such policies.

During 2021, the Board of Directors regularly reviewed the reports and information on the Solvency of Cattolica and the Group, reviewed and prepared the current and prospective Own Risk and Solvency Assessment (ORSA) (the meeting of 3 June 2021), and monitored from time to time the financial impact of each extraordinary transaction in respect of which it made decisions (the sale of Lombarda Vita, the BPM Agreement). The Board also recognised

that the Solvency problems that in 2020 led IVASS to request a capital increase had been overcome, and conducted analytical assessments on each occasion of all the circumstances that led it to consider that the second tranche of the capital increase was no longer necessary, not least because of the success of the takeover bid launched by Assicurazioni Generali and the consequent change of control.

Corporate Governance system

In March 2021, the Board of Directors, following preliminary consultation with the Corporate Governance, Sustainability and Value Generation Committee, adopted the code, noting that the Company's governance structure was essentially adequate and in line with the principles and recommendations set out in the Code, also taking into account the new provisions of the Articles of Association related to the transformation of the Company into an S.p.A. (public limited company), with particular reference to the composition of the administrative body, the relevant competence and professionalism requirements, and the composition of the committees.

Accordingly, in March 2021, the Board of Directors approved the Regulations of the Board of Directors and the Regulations of the Control and Risk Committee, the Appointments Committee, the Remuneration Committee, the Related Parties Committee and the Corporate Governance, Sustainability and Value Generation Committee in accordance with the corporate governance rules set out in the applicable legislation, and with the principles recommended in the Code approved by the Corporate Governance Committee in January 2020.

In April 2021, the (outgoing) Board of Directors approved the proposed list for the shareholders' meeting of 14 May of proposed candidates for the Board of Directors and the Management Control Committee (at the meeting of the Board of 15 April 2021) compiled in accordance with the Articles of Association of public limited companies. The lists included candidates with a mix of knowledge, skills and experience gained in insurance, finance, and risk management and controls, thereby ensuring the collective adequacy of the management body for the implementation of the medium and long term objectives as set out in the Company's Rolling Strategic Plan.

Dialogue with stakeholders

With regard to the promotion of dialogue with shareholders and other stakeholders relevant to the Issuer, the Board of Directors assessed the stakeholder engagement work undertaken in 2020, the materiality analysis conducted, the data collected and the associated materiality matrix, which represents its final summary, and preparatory work for the drafting of the 2020 Non-Financial Statement that the Board of Directors approved at its meeting of 24 March 2021. The analysis was extended to include the category of "community and territory" stakeholders, consisting of associations, non-profit sector bodies and social organisations, as well as multi-stakeholders (i.e. employees, agents, customers and shareholders).

During the 2021 financial year, the Company continued its established practice of maintaining an ongoing dialogue with all shareholders. Given the evolution of the corporate structure during the year, the Company has not yet formalised this practice in a Policy, given the process of rationalisation under way within the Generali Group and pending its consolidation. However, this did not prevent the Company from maintaining constant dialogue with all shareholders.

4.2 APPOINTMENT AND REPLACEMENT (pursuant to Article 123-bis, paragraph 1, letter I), of the Consolidated Law on Finance (TUF))

This section sets out rules governing the appointment of the Board of Directors in accordance with the current Articles of Association.

Appointment of Directors

Pursuant to Article 19.1 of the Articles of Association, the Company is administered, according to the one-tier system of administration and control, by a Board of Directors with a minimum of 13 and a maximum of 15 members, appointed by the Shareholders' Meeting, within which a 3-member Management Control Committee is constituted. The Directors remain in office for a period not exceeding three financial years and may be re-elected.

Pursuant to Article 19.3 of the Articles of Association, the Board of Directors is composed according to the following diversity criteria: i) at least 2/5 (two fifths) of the members must be of a different gender than the one most represented; ii) at least 1/3 (one third) must have experience of functions such as directors or statutory auditors or senior managers with strategic responsibilities in companies that conduct insurance or banking or financial business for at least six years overall in the last twelve preceding their appointment in the Company; the said companies must be of a significant size and therefore have a net book worth of at least €30 million or revenues from sales and services of at least €60 million or have issued shares listed on a regulated market or widely disseminated among the public; iii) at least 1/3 (one third) must not have completed the sixtieth year of age when nominated by the Shareholders' Meeting. Slates for the appointment of Directors must be consistent with these criteria and in any case enable the composition of the Board of Directors to comply with the criteria, without prejudice to the personal requirements laid down by laws, regulations and by the Articles of Association.

The Articles of Association also provide (in Article 20) that Directors must meet the requirements of professionalism and integrity established by applicable law.

At least ten Directors must also meet the independence requirements established for statutory auditors under Article 148, paragraph 3 of the TUF, without prejudice to the additional independence requirements for Directors for the purposes of application of the Supervisory regulations or the governance rules if implemented by the Company.

In any case, a Director cannot be considered independent if he/she held the position of Director of the Company for a period exceeding 9 (nine) years continuously before the appointment or if he/she was an executive director or employee of the Company or of a subsidiary company in the three years prior to the appointment or is still related or related, up to the fourth degree, to one of the aforementioned persons. The independence requirement must be declared by the person concerned at the time the Slates are submitted and then verified after their appointment by the Board of Directors. If a Director who is not a member of the Management Control Committee no longer meets the independence requirements, he/she will not be removed provided the minimum number of Directors required to meet that requirement under applicable law and the Articles of Association continue to meet those requirements.

At least one Director must be included in the Register of Statutory Auditors.

Without prejudice to other legal and supervisory authority provisions regarding incompatibility, requirements and prohibitions on holding office, Directors may not be elected if they are members of the board of directors of more than five listed companies or their subsidiaries. This is all without prejudice to the grounds for revocation established by

applicable law in the event that the personal requisites for Directors are no longer met.

The Company, as an insurer, is subject to the rules set out in Article 36 of Legislative Decree No. 201 of 6 December 2011, converted with amendments by Law No. 214 of 22 December 2011, which introduced legislation on cross-shareholdings in the corporate bodies of companies operating in the credit, insurance and financial markets.

Article 22 of the Articles of Association provides that Directors are elected, on the expiry of the term of the Board of Directors or in the event of the replacement of one or more Directors outgoing for other reasons, on the basis of lists which may be submitted by the Board of Directors or Shareholders in the manner provided for by law and by the Articles of Association as follows:

- (a) the Board of Directors and each Shareholder may submit one slate and each candidate may appear on only one slate.
- (b) If the Board of Directors submits a slate, the slate must be composed in compliance with the provisions governing the composition of the Board of Directors under applicable law and the Articles of Association. The slate of the Board of Directors is filed at the Company's registered office and made available to the public under the terms and conditions of applicable legislation and the Articles of Association.
- (c) If Shareholders submit a slate, the slate must be composed in compliance with the provisions governing the composition of the Board of Directors pursuant to applicable legislation and the Articles of Association. Shareholders' slates may also be submitted by Shareholders that, alone or together with other Shareholders, own shares representing in total at least 2.5% of the share capital⁸.
- (d) In accordance with the provisions governing the composition of the Board of Directors pursuant to applicable legislation and the Articles of Association, the lists are divided into two sections, in each of which the candidates are ranked sequentially. The first section of the lists shows candidates for the position of Director who are not candidates for the position of member of the Management Control Committee. The second section of the slates shows candidates for the position of Director who are also candidates for the position of member of the Management Control Committee.
- (e) The candidate for the position of Chief Executive Officer is indicated when the slates are submitted.
- (f) Together with each slate, by the deadline for filing the slates at the Company's registered office, each slate must be accompanied by declarations in which individual candidates accept their nomination and confirm, under their own responsibility, that there are no grounds for ineligibility or incompatibility and that they fulfil the requirements established by applicable law (including corporate governance) and the Articles of Association for holding the office of Director and member of the Management Control Committee, with a specific indication in their *curriculum vitae* of the professional experience and Company shares held directly or indirectly on said date.
- (g) If, by the deadline for filing the slates at the Company's registered office, only one slate has been submitted, regardless of its composition, the deadline for submitting slates is extended to the third calendar day following said deadline, and the thresholds provided for in the Articles of Association are halved.

The said slates for the appointment of Directors must be consistent with the criteria established in Article 19.3 of the Articles of Association and in all cases allow compliance with the said criteria in the composition of the Board of Directors, without prejudice to the personal

⁸ Without prejudice to the determination of the minimum quota established by CONSOB pursuant to Article 144-septies of the Regulation for Issuers.

requirements laid down by laws, regulations and the Articles of Association.

Each Shareholder can vote for only one slate.

If only one slate is submitted, all the Directors are taken from that slate in the sequential order in which the candidates are named in the respective sections. The office of Chairman of the Management Control Committee is the candidate ranked first in the second section of each individual slate.

As provided in Article 23.3 of the Articles of Association, in the event that more than one list is submitted:

- a) Four fifths of the Directors are drawn from the slate obtaining the highest number of votes ("Majority Slate"), in the sequential order in which the candidates are listed in the respective sections; specifically, two Directors are taken from the second section of the Majority Slate in the sequential order in which the candidates are listed who will be members of the Management Control Committee; the other Directors are taken from the first section of the Majority Slate, again in the sequential order in which the candidates are listed therein;
- b) One fifth of the Directors are taken from the slate obtaining the second highest number of votes which is not linked, according to current legislation, to the Majority Slate ("Minority Slate"), namely the candidate listed first in the second section of the Minority Slate and the candidate listed first in the first section of the Minority Slate ("Minority Directors"); if these candidates do not ensure compliance with current legislation and these Articles of Association concerning the composition of the Board of Directors, the next candidates in the first and second sections respectively of the Minority Slate who ensure compliance with this legislation are elected as Minority Directors; in the absence of suitable candidates in the first and second sections of the Minority Slate, the other suitable candidates in the first and second sections of the Minority Slate are elected as Minority Directors; the Minority Director taken from the second section assumes the position of Chairman of the Management Control Committee;
- c) if none of the candidates on the Minority Slate can ensure that they meet the requirements of applicable law and these Articles of Association concerning the composition of the Board of Directors, the Minority Directors shall be taken from any further slates in the order of the votes each has received and according to the sections of the said slates;
- d) if there are no further slates or the slates do not contain candidates who ensure the requirements of applicable law and these Articles of Association concerning the composition of the Board of Directors, the fourteenth and the fifteenth Directors are taken from the Majority Slate.

Pursuant to Article 23.4 of the Articles of Association, if the Majority Slate does not indicate a sufficient number of candidates to complete the Board of Directors:

- a) all the candidates indicated therein are taken from the Majority Slate, in the sequential order for both sections, without prejudice to the following provisions;
- b) the Minority Directors are taken from the Minority Slate;
- c) all the Directors required to complete the Board of Directors are taken from the Minority Slate, in accordance with the provisions relating to its composition under applicable law and these Articles of Association; in this case, should the majority of Directors be taken from the Minority Slate, the office of Chairman of the Management Control Committee shall be assigned to the candidate ranked first in the second section of the slate from which the lower number of Directors is taken;
- d) in the event that there are insufficient candidates on the Minority Slate, the remaining Directors shall be taken from any additional slates in the order of the votes they have obtained.

The appointment of the Board of Directors must respect the gender balance and the diversity criteria established in the Articles of Association, without prejudice in all cases to the mandatory provisions of law, which provide that:

- a) the lists must indicate the candidates required to ensure compliance with the gender balance at least in proportion to the minimum required under Article 19.3 of the Articles of Association;
- b) in the event of replacement, appointments must be made in accordance with the gender allocation criterion established in Article 19.3 of the Articles of Association in relation to the situation at that time.

If, for any reason and in every case, one or more Directors cannot be appointed in accordance with the provisions of the Articles of Association, the Shareholders' Meeting decides, for the purpose of completing the Board of Directors, in accordance with the legal and regulatory provisions and these Articles of Association, by a relative majority, between the candidates proposed at the same Shareholders' Meeting.

The lists, accompanied by information on the characteristics of each candidate, are published on the Company's website in accordance with law.

Replacement of Directors

In accordance with Article 24 of the Articles of Association, if, for any reason, Directors other than members of the Management Control Committee cease to hold office, the Board of Directors may co-opt members as provided in Article 2386 of the Italian Civil Code.

If, for any reason, Directors that are members of the Management Control Committee leave office, the first of the eligible candidates not elected from the second section of the slate from which the Director to be replaced was taken will replace him or her, failing which the first of the eligible candidates not elected from the first section of the slate from which the Director to be replaced was taken will replace him or her. If there are no eligible candidates on the slate from which the Director to be replaced was taken, the outgoing member of the Management Control Committee is replaced by a Shareholders' Meeting to be called without delay.

If the Chairman of the Management Control Committee leaves office early, the chairmanship is taken over by the member of the Management Control Committee who replaces him or her.

The Shareholders' Meeting shall replace outgoing Directors by a resolution passed by a relative majority on the basis of nominations proposed by the Board of Directors or by the Shareholders in accordance with the procedures described in paragraph 22.1 of the Articles of Association.

4.3 COMPOSITION (pursuant to Article 123-bis, paragraph 2, letters d) e d-bis), of the Consolidated Law on Finance (TUF)

The Shareholders' Meeting held on 14 May 2021 set the number of members of the Board of Directors at 15, including 3 members of the Management Control Committee, and appointed them for the 2021-2023 three-year period. The candidates were found to meet the eligibility requirements for the position set out in the specific "Company policy for identifying and assessing fitness and propriety for the position in terms of integrity, professionalism and independence" and the requirements established in the Articles of Association, also having regard to guidelines on the qualitative and quantitative composition of the Board.

Prior to the presentation of the lists, the outgoing Board of Directors of the Company set out its Guidelines for Shareholders on the qualitative and quantitative composition of the Board of Directors following the self-assessment process.

For the appointment of members of the Board of Directors and members of the Management Control Committee, in addition to the list presented by the Board of Directors, two further lists were presented by Shareholders, under the terms established by applicable legislation and the Articles of Association. Specifically, List 2 was submitted by some Shareholders (Arca Fondi Sgr, Eurizon Capital Sgr S.p.A., Eurizon Capital S.a., Fideuram Intesa Sanpaolo Private Banking Asset Management Sgr S.p.A., Mediobanca Sgr S.p.A. and Pramerica Sgr S.p.A.) for a total of 3,806,090 shares, certified as 1.67% of the share capital. List 3, called the “Territories List”, was submitted by shareholders holding a total of 3,346,331 certified shares, amounting to 1.47% of the share capital.

The slate obtaining the highest number of votes was the slate submitted by the outgoing Board of Directors, from which the following Directors were taken: Davide Croff, Carlo Ferraresi (CEO), Camillo Candia, Luigi Migliavacca, Daniela Saitta, Giulia Staderini, Cristiana Procopio, Stefano Gentili, Roberto Lancellotti and Elena Vasco. In addition, Silvia Arlanch and Laura Santori were elected as Directors from the second section of the said list. The directors Laura Ciambellotti and Paolo Andrea Rossi were elected from the minority list, while from the second section of the said list Michele Rutigliano, the Director and member of the Management Control Committee was elected. Mr Rutigliano took the position of Chairman, as provided in the Articles of Association.

The meeting of the Board of Directors held after the Shareholders' Meeting of 14 May assigned Company positions to the newly appointed Directors and established internal Board Committees as follows:

- Davide Croff: Chairman
- Carlo Ferraresi: Chief Executive Officer
- Camillo Candia; Deputy Vice-Chairman
- Luigi Migliavacca: Vice-Chairman

Appointments and Remuneration Committee:

- Roberto Lancellotti (Chairman);
- Paolo Andrea Rossi
- Cristiana Procopio

Control and Risks Committee:

- Camillo Candia (Chairman)
- Luigi Migliavacca
- Stefano Gentili
- Roberto Lancellotti
- Daniela Saitta

Related Parties Committee:

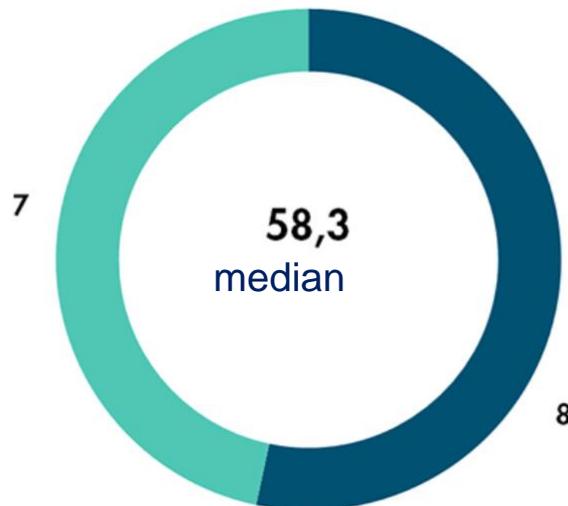
- Laura Ciambellotti (Chairman)
- Luigi Migliavacca
- Elena Vasco

Corporate Governance and Sustainability Committee:

- Giulia Staderini (Chairman)
- Stefano Gentili

- Camillo Candia

● MEN
● WOMEN



At the said meeting on 14 May, the Board verified the integrity, professionalism and independence requisites of Dr Davide Croff and Dr Carlo Ferraresi, but deferred the completion of their integrity verification until a subsequent meeting. At the same meeting, the Board also verified the independence of all directors pursuant to Article 147-ter, fourth paragraph, of the Consolidated Law on Finance and the Code. Subsequently, at the meeting of 14 June 2021, the Board of Directors conducted a verification that the Directors met the requirements of integrity and professionalism established in Decree of the Ministry of Economic Development No. 220 of 11 November 2011 (hereinafter also "DM 220/2011"), IVASS Regulation No. 38/2018, and the "Company policy for identifying and assessing fitness and propriety for the position in terms of integrity, professionalism and independence".

Table 2 shows the composition of the Board of Directors at the end of the 2021 financial year, indicating, for each Board member, the year of birth and the date of the first appointment to the Company's Board, together with any changes in the composition of the Board after the end of the financial year.

The following section provides a summary profile of each member of the Board of Directors in office at the end of the financial year.

*

Davide Croff (born 1 October 1947) - Chairman.

A graduate in Economics and Commerce from the Ca' Foscari University in Venice, he specialised in Economics at Pembroke College, Oxford University. Currently Chairman of the Ugo and Olga Levi Foundation of Venice, Deputy Chairman of Credito Fondiario S.p.A.,

member of the boards of directors of Webuild S.p.A. and Genextra S.p.A., he is also a member of the Council for Relations between Italy and the United States (Consiusa) and a member of the Assonime Council. Deputy General Manager of the Banca Nazionale del Lavoro from 1989 to 1990, he was then appointed CEO, a role he held until 2003. During his career he has held various positions in the finance area of FIAT S.p.A., including Finance Director Fiat Auto and Finance Director of the FIAT Group. He has been Chairman of the La Biennale Venice Foundation, of Permasteelisa S.p.A. and of the Eurovita Holding S.p.A. insurance group. He has also been a member of the Board of Directors of Banco BPM S.p.A. and various companies including Fiera Milano S.p.A., Snam Rete Gas S.p.A. and Elica S.p.A. He has served on the Board of Directors of the Querini Stampalia Foundation in Venice and has been a Senior Advisor to the private equity fund TPG Capital and to Nomura.

Carlo Ferraresi (born 27 September 1966) - Chief Executive Officer and General Manager

He is Chairman of Cattolica Immobiliare and Cattolica Services.

An honours graduate in Political Science from the University of Padua with an MBA from the Bocconi University School of Business Management in Milan.

Previously General Manager Markets and Distribution Channels with responsibility for the agency network, Bancassurance and Strategic Marketing, and prior to that CFO, CIO, Investor Relations Officer and head of M&A and Group equity investments, including in his capacity as Deputy General Manager of Cattolica.

Within the Generali Group he has been a Marine underwriter at the UK Branch and on the staff of the Chief Executive Officer, where he was responsible for coordinating the Administration and Finance area. He gained experience of risk financing with the Marsh Group and was a Senior Director at Arthur Andersen and Deloitte, working in Financial Advisory Services for the leading Italian insurance and banking groups.

He has been a Senior Banker at ABN Amro and Managing Director at Crédit Agricole Corporate & Investment Bank, head of the Financial Institutions Group.

He is currently a member of the Corporate Governance Committee, consisting of business associations (ABI, ANIA, Assonime and Confindustria), professional investors (Assogestioni) and Borsa Italiana – and a member of the National and International High Education and Research Committee of the UNESCO Chair on the "Future of Sustainability Education" at the Pontifical Lateran University.

Camillo Candia (born on 8 October 1961) - Deputy Vice-Chairman

A graduate in Business Economics from the Bocconi University in Milan with a Master of Business Administration from Fontainebleau's Insead Business School.

He has been a member of the Board of Directors of Cargeas S.p.A. Having begun his career at McKinsey & Company as a management consultant in the financial sector, from 2000 to 2004 he worked at Zurich Group in the roles of Commercial Director and CEO of Zurich Investment SIM S.p.A.

Between 2004 and 2009 he was responsible for bancassurance at the Allianz Italia Group, contributing to development of the relationship with Unicredit also as a representative of Allianz on the Unicredit Banca Board of Directors.

He then returned to Zurich Group where he spent 9 years as CEO of Zurich Italia, a member of the Group Leadership Team, before being appointed Group Functional Audit Director.

Luigi Migliavacca (born 15 June 1950) - Deputy Chairman

An honours graduate in Economics and Commerce from the University of Pavia; he is now a lecturer in Economics and Law at the University of Pavia.

A chartered accountant, he is statutory auditor who serves as standing auditor, sole auditor or member of the Supervisory Board of over 30 companies belonging to national and international groups and corporations.

He joined the company Price Waterhouse in 1975 as an auditor and was appointed an Associate Director to the company in 1985, managing the audits of major national and international groups. Since July 2010 he has been an independent professional providing services in governance, audits, restructuring, specialist reports, assessments, due diligence and accounting opinions.

Cristiana Procopio (born 17 November 1979)

After graduating in Economics from the Guido Carli LUISS University in Rome, Cristiana Procopio began her career in investment banking in 2003, after a brief experience at Deloitte Consulting in the Corporate Finance - M&A Division of the Capitalia Group (now Unicredit), where she was advisor to several industrial groups in important extraordinary finance operations.

In 2006 she joined Leonardo & Co. (Banca Leonardo Group, now Houlihan Lokey), where she remained until 2012, serving as Director in the Corporate Finance – M&A Division.

In 2012 she joined Cassa Depositi e Prestiti as Head of Equity Investments Energy, Industrial and Real Estate in the Equity Investments – M&A department, where, among other things, she managed all the Group's extraordinary operations, while also holding the following roles: Member of the Board of Directors of CDP RETI (holding company with equity investments in Snam, Terna and Italgas), Director of CDP Immobiliare and its subsidiaries Residenziale Immobiliare 2004 and MT Manifatture Tabacchi Firenze, and Member of the Advisory Committees of the real estate funds “Fondo Investimenti per la Valorizzazione” and “Fondo Investimenti per il Turismo”, managed by CDP Immobiliare Sgr.

Cristiana Procopio left CDP at the end of 2019 and joined Claudio Costamagna as Managing Director of CC&Soci. He is also currently a member of the Board of Directors and the Appointments and Remuneration Committee of Tiscali S.p.A., a member of the Board of Directors and the Executive Committee of Pharma Green Holding and a member of the Board of Directors of Cerea (BeLocal).

Daniela Saitta (born 9 August 1962)

A graduate in Economics and Commerce from the Guido Carli LUISS University, she is a chartered accountant, statutory auditor and adjunct professor in Financial Mathematics from the Faculty of Economics of the Sapienza University of Rome.

She is a Director of Aeffe S.p.A., Alfiere S.p.A. and Menarini Manufacturing Logistics and Services, providing tax, corporate and insurance advice to organisations, companies, banks, insurance companies, nursing homes and associations.

She is an extraordinary director, court administrator and consultant to the Public Prosecutor's Office of Rome, Perugia and Reggio Calabria, as well as a Court-Appointed Expert at the Court of Rome.

She is a receiver for several companies in extraordinary administration (under the L. Prodi-bis and Marzano laws).

She is a lecturer in criminal matters at the Higher School of the Judiciary.

A former member of the Association of Chartered Accountants and Accounting Experts of Rome, she served as an Inspector (management career grade) at the insurance regulator ISVAP between 1985 and 1991.

Giulia Staderini (born 20 August 1964)

She began her professional career with stock market regulator Consob, where she worked from 1990 to 2017. She was an official in the Takeovers and Ownership Office within the Corporate Governance Division before becoming Head of the Division in 2011. She went on to become Head of the Rome Administration and Contracts Office, within the Consob

Administration Division.

Since 2017, she has been Of Counsel at Studio Gianni & Origoni, where she works in M&A and is part of the Corporate Governance Focus Team.

Paolo Andrea Rossi (born 11 September 1966)

A graduate in Economics and Commerce from La Sapienza University in Rome, he holds a Master of Business Administration from the INSEAD Business School in Fontainebleau.

For the last 19 years, he has been Chairman and Director of the Board of Directors of various AXA Group subsidiaries and JVs in which he has held prestigious positions. He has been member of the Group executive committee, as well as Global Managing Director of Axa Investment Managers, Managing Director and General Manager of Axa Italy, and Managing Director and Vice President for Axa Insurance Gulf & Middle East.

Previously he held executive roles at GE Capital Europe, Morgan Stanley and Olivetti.

He is currently a Senior Advisor at Boston Consulting Group and a Senior Advisor at Quadrivio Group.

Laura Ciambellotti (born 20 May 1970)

A graduate in Political Economics from the Bocconi University in Milan, she is the founder and senior partner of C&C Studio, which provides family office and financial advisory services to high net worth individuals and family holding companies.

She has served on the Board of Directors of Banca Sistema S.p.A. (a listed company), acting as Chair of the Internal Control, Risk Management and Related Parties Committee, and a Director of Gamenet Group (a listed company), where she was Chair of the Risks and Sustainability Committee. Throughout her career, she has held various leadership roles in the Capital Markets area with leading international banks such as UBS Investment Bank in London and Credit Agricole Investment Bank in Milan.

Stefano Gentili (born 17 February 1960)

A graduate in Economics & Commerce from Bocconi University in Milan, during his career he has been Chief Marketing & Distribution Officer at Generali Italia S.p.A., with responsibility for Marketing and Distribution, Deputy General Manager of Allianz S.p.A., General Managers and Director of CreditRas Vita and CreditRas Assicurazioni and Chairman of Genialloyd.

He has also previously served as Chief Operating Officer of the Aviva Group for operations in Italy, CEO of Aviva Assicurazioni and Eurovita, Deputy General Manager of Lloyd Adriatico, CEO of Antonveneta Vita e Danni and Joint General Manager of Vittoria Assicurazioni.

Roberto Lancellotti (born 21 July 1964)

A graduate in Information Sciences from the University of Milan with an MBA from the School of Business Management at Milan's Bocconi University.

An active investor and senior advisor to companies and start-ups on ICT, digital technology, innovation and fintech. A member of the boards of directors of Italian national insurance agency INPS (with an IT, digital and innovation mandate), Venistar and Libra GroupCo and of the steering committee of the Fondazione Welfare Ambrosiano. Formerly also a Director and member of the Remuneration Committee and the Risks and Sustainability Committee of Banca MPS. Previously a Senior Partner at McKinsey & Company, assisting clients across multiple service sectors with the large-scale transformation of their business and operating models.

Elena Vasco (born 31 December 1964)

She graduated with honours in Economics and Commerce in Naples in 1989, she obtained a master's degree in economics in 1991 from Northeastern University in Boston.

Since May 2015 she has been General Secretary of the Milan, Monza, Brianza and Lodi Chamber of Commerce, where she has worked since 2009. Previously, between 1992 and 1997 she worked at the Mediobanca Equity Investment and Special Affairs Service Office (consultancy, M&A and corporate finance). She then held various executive roles at the Hdp-RCS Group and also served on several boards, including Valentino, RCS Editori, RCS Libri, Parmalat S.p.A., RAI Sat and Terna S.p.A.

She is currently a director of the listed companies Dea Capital S.p.A and Fiera di Milano S.p.A. She is also Vice-Chairman of the Board of Directors of Fondazione La Triennale di Milano.

*

Michele Rutigliano (born on 6 October 1953) - Chairman of the Management Control Committee.

A graduate in Business Economics from the Bocconi University in Milan, he is Visiting Assistant Professor in the Department of Finance of the Wharton School at the University of Pennsylvania. He has worked as a researcher at the Bocconi University, then as an associate professor of the Economics of Financial Intermediaries at the University of Brescia, and subsequently as a full professor at the Universities of Udine and Verona. He lectures at the Bocconi University School of Management in the Banking and Insurance area. Author of numerous financial publications. He is a chartered accountant and statutory auditor.

He has many years of experience as Chairman of the Board of Statutory Auditors or standing auditor of listed and unlisted banking, financial and industrial companies. He has also been a member of the Board of Directors of Credito Veronese S.p.A. He is currently Chairman of the Board of Statutory Auditors of Iren S.p.A.

Silvia Arlanch (born 27 August 1966) - member of the Management Control Committee.

A graduate in Economics from the University of Verona, she is registered with the Association of Chartered Accountants and the Register of Statutory Auditors.

Member of the Board of Directors of Dolomiti Energia Holding S.p.A. and Hydro Dolomiti Energia S.p.A.

Member of the Board of Statutory Auditors of Ninz S.p.A., Marangoni Meccanica S.p.A. and W. Walch S.p.A., and Chair of the Board of Statutory Auditors of Ecosystem Costruzioni S.p.A. and Auditor at S.I.T.C. S.p.A., Funivie Baffaure S.p.A., Eurise S.r.l., Imm. Oss S.r.l. She is also a member of the Supervisory Body of Associazione Filarmonica e Opera Armida Barelli Rovereto. She is a partner with expertise in audit and assurance at MM&A Studio, an associate firm of accountants and corporate consultants.

During her career, she has been Vice-President of the Fondazione Cassa di Risparmio Trento e Rovereto, a member of the Board of Statutory Auditors of Confindustria Trento and a member of the Supervisory Board of Trentino Sviluppo S.p.A. She has carried out audits at a number of insurance and finance companies. Previously she was also a member of the Board of Statutory Auditors of BCC Assicurazioni, a company of the Cattolica Assicurazioni Group.

Laura Santori (born 16 March 1968) - member of the Management Control Committee.

A graduate in Statistical and Actuarial Sciences from La Sapienza University of Rome, she is a member of the Order of Actuaries and an associate of the Institute of Actuaries.

Currently a director of AIG Life UK Ltd, Beazley Furlonge Ltd and Gamalife, she has extensive knowledge of the global insurance markets and of risk management, strategy, credit risk analysis, insurance debt structuring and fixed income and insurance-linked securities portfolio management.

She began her career as an actuary, working for several international groups. She went on to gain considerable experience as an analyst at Standard & Poor's France, where she held increasingly important roles, ultimately becoming Managing Director, Head of Southern

European Insurance Ratings and European Head of Insurance Enterprise Risk Management. She has also been a partner of the Swiss asset management boutique Twelve Capital AG.

Changes in the composition of the Board of Directors since the end of the financial year

On 14 February 2022, the Company announced that Giulia Staderini, a non-executive and non-independent director who also serves as Chairman of the Corporate Governance, Sustainability and Value Generation Committee, had resigned from her position as Director of Cattolica's Board of Directors and concomitantly as Chair of the Corporate Governance, Sustainability and Value Generation Committee, due to professional commitments that prevented her from dedicating the necessary time to her position.

At its meeting of 23 February 2022, the Board of Directors, after obtaining the approval of the Appointments and Remuneration Committee, co-opted Dr Cristina Rustignoli onto the Board as a non-independent, non-executive Director, replacing the outgoing Giulia Staderini. On the same date, the Board of Directors also appointed Dr Cristina Rustignoli as Chairman of the Corporate Governance, Sustainability and Value Generation Committee.

Furthermore, on 23 February 2022, the company announced that Laura Santori, a non-executive independent director, had resigned from her position as a member of the Board of Directors of Cattolica and also as a member of the Management Control Committee, due to professional commitments that prevented her from dedicating the necessary time to her position. Accordingly, at its meeting of 14 March, the Board of Directors, after obtaining the approval of the Appointments and Remuneration Committee, proceeded to fill the vacant position with Carlo Maria Pinardi, the first eligible unelected candidate from the second section of the slate from which the outgoing candidate was elected (at the Shareholders' Meeting of 14 May 2021), in accordance with Article 24.2 of the Articles of Association.

Also on 14 March, the Company announced that Mr Luigi Migliavacca, a non-executive and independent director, had resigned from his positions as director of Cattolica, Vice Chairman of the Company, and member of the Control and Risks Committee and the Related Parties Committee for personal reasons that prevented him from dedicating the necessary time to his positions. Acknowledging the resignation, the Board of Directors resolved on the same date to appoint non-executive and independent directors Laura Ciambellotti and Andrea Rossi, respectively as members of the Control and Risk Committee and the Related Parties Committee, in replacement of the outgoing Director.

Finally, on 22 March, the Board of Directors co-opted Dr F. Bardelli as a non-independent and non-executive director from among its members. The Board also resolved to appoint the director S. Gentili as Vice-Chairman.

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Diversity criteria and policies for the composition of the Board and corporate organisation

The culture of diversity, which has always been pursued in the Cattolica Group, specifically in terms of how the corporate bodies are structured, is considered fundamental, due to the benefits that discussion between individuals with different experiences and temperaments can produce within collective bodies, which may also have positive effects on the sustainability of the business in the medium-long term. These aspects are specifically emphasised during meetings of these bodies, which are held in a frank and collaborative atmosphere, open to participation and discussion, where each person can play an active role and express their potential to the best of their ability. The training programmes organised by the Company, which are also delivered to all representatives of the Company and the Group, also help to encourage this.

Notwithstanding the attention paid by the Board to these matters, it was decided that, at this time, a diversity policy for the members of the Board and the Board Committees would not be formally adopted, in view of the composition of the management body, without prejudice to the provisions on diversity in the Corporate Governance Code, to which Cattolica adheres.

Moreover, the Board of Directors believes that diversity is a distinctive factor and value to be promoted when defining the optimal qualitative composition of the Board.

It should be noted that the theme of diversity has found its place within the process of transformation into a limited company. The provisions of the New Articles of Association (Article 19.3) introduced express and specific diversity criteria for the composition of the Board: *("i) at least 2/5 (two fifths) of the members must be of a different gender than the one most represented; ii) at least 1/3 (one third) must have experience of functions such as directors or statutory auditors or senior managers with strategic responsibilities in companies that conduct insurance or banking or financial business for at least six years overall in the last twelve preceding their appointment in the Company; the said companies must be of a significant size and therefore have a net book worth of at least €30 million or revenues from sales and services of at least €60 million or have issued shares listed on a regulated market or widely disseminated among the public; iii) at least 1/3 (one third) must not have completed the sixtieth year of age when nominated by the Shareholders' Meeting."*)

In order to promote equal treatment and opportunities between genders within the entire corporate organisation, Cattolica has established an Equal Opportunities Commission, a body with equal composition composed of representatives of trade union organisations and the company.

The Commission addresses issues of social importance, such as:

- the conception and implementation of positive actions to create or promote a substantive level playing field for employees within the Company;
- the implementation of actions and initiatives aimed at removing all forms of direct and indirect discrimination that hinder the achievement of equal opportunities in employment;
- proposing ways of reconciling work and private life that encourage, through a different organisation of work, a balance between family and professional responsibilities in order to achieve a fairer gender distribution;
- promoting equal treatment in the workplace, including through the establishment of programmes of positive joint actions for female employment and the elimination of gender differences and discrimination, as provided for in the Lisbon Treaty, together with equal treatment programmes focusing on gender, age and skill levels;
- ensuring equal training and professional development opportunities for all staff without distinction on the grounds of gender, race, language, religion, political opinions or individual or social conditions.

In order to guarantee their transparency, the results achieved in terms of gender equality in treatment and opportunities are published on the Company's corporate website, which also provides an annually updated breakdown of Cattolica and its subsidiaries' workforce by classification and gender.

Awareness-raising initiatives were also undertaken in order to foster an inclusive culture.

Following a holistic approach, action was taken on several levels:

- engagement actions, addressing the entire corporate population, with a particular focus on fostering gender sensitivity
 - o awareness-raising courses, with high-impact digital educational content focusing on behavioural skills

- o Interactive webinars and events to encourage discussion, exchange and reflection on the most topical diversity & inclusion issues
- Actions targeted at a defined cluster of staff for the implementation of short- and long-term development pathways and instruments.

These actions include Cattolica4Women, a programme expressly dedicated to female staff, which is designed to cultivate their talent and foster their potential for professional growth, with a view to making female representation one of the Company's growth drivers.

*

Maximum number of positions held in other companies and other provisions

Without prejudice to the aforementioned provisions of law (Ministerial Decree No. 220/2011 and Article 36 of Decree Law No. 201/2011, converted with amendments by Law No. 214/2011), the Articles of Association (Article 20.5) provide that anyone holding such positions in more than five listed companies or companies controlled by them cannot be elected as Directors.

Relatives by blood or marriage up to the fourth degree may not be members of the Board of Directors. In the event of the simultaneous appointment of relatives by blood or marriage, the person who obtained the highest number of votes or, in the case of a tied vote, the eldest, shall remain in office.

Furthermore, members of the Management Control Committee must comply with the limits on the accumulation of positions provided for by applicable legislation for members of the control bodies of insurance companies issuing shares listed on regulated markets (Article 21.1 of the Articles of Association).

Lastly, the Parent Company's policy for identifying and assessing whether the Directors are fit and proper persons in terms of integrity, professionalism and independence establishes the criteria for the accumulation of positions, limiting the number of directorships in listed companies or subsidiaries of listed companies to five, and also provides that persons who are members of corporate bodies or hold senior positions in other insurance companies competing with the Company or in competing companies or groups are not eligible.

4.4 FUNCTIONING OF THE BOARD OF DIRECTORS (pursuant to Article 123-bis, paragraph 2, letter d), of the Consolidated Law on Finance (TUF))

In February 2009, the Board adopted a Regulation, which it has updated over time, establishing, *inter alia*, the operational procedures for providing Directors with adequate information on matters to be discussed at each meeting (hereinafter the "Regulation"). Particular attention is paid to internal procedures relating to the preparation of Board meetings, also considering that there is a dedicated organisational oversight structure (Corporate Secretariat) and the adoption of specific procedures for convening meetings and providing information in advance.

On 5 March 2021, the Board of Directors resolved to amend the rules and regulations of the internal Board Committees in order to define the operating rules for these bodies following the Company's transition to the form of an 'S.p.A.' or public limited company.

The Regulation defines the powers and operating procedures of the Board itself, in line with the corporate governance rules laid down by applicable legislation and the principles recommended by the Code.

With regard to the procedures for recording the minutes of meetings, the Regulation provides that the Chairman of the Board of Directors (hereinafter the "Chairman") or, if not the Chairman, the person who chaired the meeting in the event of the Chairman's absence or impediment, oversees the drafting of the minutes of the meetings, assisted by the Secretary

of the Board of Directors (hereinafter the "Secretary") or, if not the Secretary, the person who performed this function during the board meeting, in the event of the latter's absence or impediment.

In particular, the minutes must provide a complete and detailed account of the Board's discussions and the decision-making process, including the reasons for decisions and the vote of each Director.

On 16 December 2021, the Board of Directors also approved guidelines for the Company Secretariat (hereinafter the "Guidelines"), defining the operating procedures for the management of documents and minutes of meetings of corporate bodies, together with measures implementing other regulations governing the Board of Directors, internal Board committees and the Management Control Committee of Cattolica.

The Guidelines provide that the Secretary of the Board and the said Committees, with the assistance of the Company Secretariat, compile and draft the minutes of the meeting of the body and forward the draft minutes to the Chairman for any comments and/or additions, assisting the Chairman in amending the minutes on the basis of requests received from Directors.

The Secretariat operationally supports the Chairman in circulating the final text of the minutes to Directors and Auditors on an electronic portal to which the members of the Board of Directors have access (hereinafter the "Confidential Portal") for formal approval. It is standard practice for the final text of the minutes to be approved at a subsequent meeting of the Board of Directors, except in cases where it becomes necessary to compile and approve the minutes, or part thereof, immediately for reasons of urgency or to facilitate specific formalities or requirements.

The final draft of the minutes may also be produced at a later date than the resolution adopted during the meeting, given the complexity of meetings of the Board of Directors and the degree of detail required or deemed appropriate by the Chairman, including by agreement with the Secretariat, in order to ensure fidelity, accuracy and completeness in the interest of directors, shareholders and third parties.

The procedures described above also apply to the committees, where applicable, taking as reference the provisions of the regulations for each committee and the instructions of the Chairman of said committee.

With specific regard to the certification of the minutes, the Regulation specifies that they must contain the following minimum elements: place/date/time of the start and end of the meeting, and procedures by which the meeting was held, the agenda, the names of those in attendance, the votes cast individually, the result of votes (or opinions/proposals for Committees), and the signature of the Chairman and the Secretary.

The Regulation also governs any decision to make reference to annexes in order to document discussions. Reference may be made to supplementary documents in order to describe the content of questions, objections and answers provided in general, without in any case departing from the principle of self-sufficiency of the minutes. The minutes and their annexes must indicate all the conditions for validity of a decision, the opinions and judgments expressed by participants, including in abbreviated or summary form and indicating, in order to enable retrospective verification of the propriety of the resolutions, the names of the participants, voters and the respective positions they adopted.

With regard to the procedures for managing prior reporting to Directors, the Regulation provides that supporting documentation for matters to be discussed at the meeting will, as a rule, be sent together with the notice of meeting or, as soon as available subsequently, according to the terms and conditions set out in the Regulation. Reporting to the Management Control Committee on the Company's business and the most significant economic, financial and asset-related transactions concluded by the Company or its subsidiaries, particularly transactions in which the Directors have an interest of their own or on behalf of third parties, is also provided by the delegated bodies pursuant to Article 2381 of

the Italian Civil Code, at least on a quarterly basis and in all cases ordinarily at the meetings of the Board of Directors. Reporting to the Committee outside Board meetings is provided to the Chairman of the Management Control Committee.

In order facilitate information prior to Board meetings and to ensure the timeliness and adequacy of the information provided to directors, the use of the Confidential Portal to which all members of the Board of Directors and the Management Control Committee have confidential electronic access, has been adopted, subject to appropriate security checks and in compliance with the regulations adopted by the Company for the correct management of confidential information. Using this portal, Directors can peruse supporting documentation provided in advance containing information on items on the agenda of each Board meeting. The Confidential Portal can also be accessed during meetings, in a protected wi-fi environment, and is structured to provide immediate access to supporting documents for the various topics under discussion on tablets provided to each Director.

As indicated above, the Regulation sets the deadlines for making the said documentation available (within the 3 days prior to the date set for the meeting).

In order to exclude generic confidentiality requirements such as a possible exemption from compliance these deadlines, supporting documentation may only be provided after this deadline in exceptional cases for justified objective reasons, which must be justified by the Chairman of the Board of Directors.

In order to ensure the adequacy of the information provided to the Directors, the Regulation requires the proposing company offices to prepare an adequate and exhaustive descriptive report, containing all the necessary information and elements for assessment and also containing the proposed resolution - if the matter is subject to Board resolution - accompanied by any documents and supporting annexes, by the methods specifically defined by the Secretariat in the relevant procedure. The said documentation, made available in advance to the Directors, is often accompanied by an executive summary summarising the most significant and relevant points for the decision to be taken. It is understood that the drafting of executive summaries is not in any way considered a replacement for the complete documentation sent to Directors.

In view of the conduct of the meeting, each Director, taking into account the agenda of the meeting and the documentation made available, must assess whether there is a significant personal interest, as provided for in Article 2391 of the Italian Civil Code. If this is the case, the Director must promptly inform the Chairman of the Board of Directors and the Management Control Committee, specifying its nature, terms, origin and scope. This provision applies in all cases without prejudice to the further safeguards established in applicable legislation and internal regulations on the question of personal interests and related-party transactions.

As provided in the Guidelines, in the event that the documentation is uploaded to the Confidential Portal after the expiry of the said time frame, members of the Board of Directors must be notified, stating the reasons for the delay.

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Also as part of its monitoring of the Remedial Plan, the Management Control Committee has verified the correct application of the new Regulation of the Board of Directors and of the Internal Board Committees. It also recognised the quality and quantity of information made available for discussion of agenda items, indicating a positive impression to the Board of Directors in this regard.

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The very collegial nature of the work of the corporate bodies is primarily based on the frequency of their meetings. The Board of Directors met 38 times in 2021. The average duration

of meetings was approximately 4 hours ⁽⁹⁾.

12 meetings are scheduled for 2022, 6 of which had already been held at the date of approval of this report.

The Chairman is responsible for organising the work of the Board meetings, which are normally attended by representatives of General Management and the Chief Financial Officer (CFO) as well as members of the Board of Directors.

In the said Regulation, the Chairman of the Board of Directors, including at the request of the other Directors, is granted the power to request that the managers overseeing the specific matters under discussion participate in Board meetings. This power was constantly put into practice during the year. Similarly, professionals and consultants may be admitted to the meeting, always after the Chairman exercises the aforementioned power.

In accordance with Article 2381 of the Italian Civil Code, and as provided in the Articles of Association, at least once every quarter, the Board of Directors is informed by its Chairman, on the basis of reports from the Chief Executive Officer, where appointed, and/or by the General Manager, where appointed, on business performance and outlook, and the most significant economic, financial and asset-related transactions of the Company and its subsidiaries, with a particular focus on transactions in which members of the Board of Directors have an interest, either on their own behalf or on behalf of third parties. In any case, the Chairman, by agreement with the Chief Executive Officer, if appointed, and/or with the General Manager, if appointed, ensures that adequate information is promptly provided to the Board of Directors in the event of extraordinary events or situations of concern to the Company.

With regard to the procedure for managing “conflicts of interest”, see Section 10.0.

The Board also determines the allocation of the annual compensation for members of the Board of Directors, pursuant to the Articles of Association, resolved upon by the Shareholders' Meeting, and determines the remuneration of the Chief Executive Officer and other Directors with specific duties, in view of those referred to in the Corporate Governance Code, i.e. in line with the remuneration policies resolved upon by the Shareholders' Meeting.

In particular, Article 29 of the Articles of Association states that:

- members of the Board of Directors are entitled to reimbursement of expenses - which may also be predetermined by the Board of Directors in a fixed contractual amount - as well as overall remuneration determined by the Shareholders' Meeting, for both members of the Board of Directors and for participation in the Committees within the Board of Directors and for the special offices determined by the Board of Directors, with the exception of the Chief Executive Officer whose remuneration is remitted to the Board of Directors; the Board of Directors also has the authority to allocate the total amount determined by the Shareholders' Meeting;
- the Shareholders' Meeting establishes a specific fee for the members of the Management Control Committee, which is determined at a fixed rate and at the same per capita rate, but with an appropriate higher rate for the Chairman of the Management Control Committee;
- Directors are also entitled to an attendance fee, the amount of which is determined by the Shareholders' Meeting, for each meeting of the Board of Directors, the Management Control Committee and any other Committee established by the Board of Directors.

The Board of Directors will take responsibility for the remuneration and incentive policies, also taking into account the provisions of the applicable regulatory provisions and the Corporate Governance Code.

The Board also assesses the general operating performance and business outlook by

⁽⁹⁾ For details of individual attendance, see Table 2.

comparing them with company objectives, particularly in view of the information received from the delegated bodies or from representatives of General Management.

4.5 ROLE OF THE CHAIRMAN

The Chairman of the Board of Directors convenes, chairs and directs the proceedings of Shareholders' Meetings and meetings of the Board of Directors, ensuring that all Directors are provided with adequate information on the items on the agenda.

The Chairman may not have executive powers or functions. Furthermore, by agreement with the Chief Executive Officer, the Chairman

- fosters the efficient operation of the corporate governance system as a whole, and of the Company's bodies and committees, coordinating between them;
- promotes internal dialogue within the Board of Directors, particularly between executive and non-executive members;
- monitors the general performance of the Group, handling relations with subsidiaries;
- oversees external, institutional and supervisory relations;
- handles relations and dialogue with Shareholders.

With the assistance of the Secretariat, the Chairman of the Board of Directors ensures that:

- a) pre-Board meeting reporting and the additional information provided during meetings are sufficient to enable directors to act in an informed manner in the performance of their role;
- b) the work of board committees with investigative, proposal-making and advisory functions is coordinated with the work of the management body;
- c) by agreement with the chief executive officer, the managers of the company and those of the group companies that it heads responsible for the corporate functions competent in the relevant the subject matter, attend Board meetings, also at the request of individual directors, in order to provide the details on agenda items;
- d) all members of the administrative and control bodies may participate, after their appointment and during their term of office, in initiatives aimed at providing them with an adequate knowledge of the business sectors in which the Company operates, of Company dynamics and their evolution, with a view to the sustainable success of the Company itself, together with the principles of proper risk management and of the reference regulatory and self-regulatory framework;
- e) the adequacy and transparency of the management body's self-assessment process, with the support of the appointments committee.

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The Chairman of the Board of Directors, with the assistance of the Secretary of the Board and in coordination with the Company Secretariat, ensured that the entire process of preparing the meetings of the Board of Directors, specifically with regard to the formation of the agenda, the convening of meetings, the preparation of supporting informative material and the relevant information flows, took place in accordance with the Regulation of the Board of Directors and its relevant implementing provisions.

The Secretary, with the support of the Secretariat, ensured the Chairman was promptly and fully informed of the completion of pre-Board meeting preparations, and made aware of any requests or comments by individual Directors, given that preparatory information on matters to be discussed during meetings is of primary importance, since it is a fundamental prerequisite in order for Directors to be in a position to make decisions in an informed manner and conduct more detailed study and analysis at Board meetings.

The Chairman managed and coordinated the work of the Board and also ensured that the discussion of items on the agenda took place within an analytical framework, dedicating the

time necessary to allow a constructive debate, particularly on the most important issues, and providing opportunities for contributions by the Board members during meetings.

The Chairman also ordered that information/documents relevant to Board be uploaded to the Confidential Portal before and during Board meetings to enable directors to act in an informed manner in the fulfilment of their duties within the time frames indicated in the Board Regulation. With the support of the Secretary, Directors were promptly informed of such uploads.

If matters submitted for resolution of the Board must be submitted in advance to the Board Committees, the Chairman of the Board of Directors, with the assistance of the Secretary of the Board, supported by the Company Secretariat, coordinates with the Chairs of the relevant Committees - and, where appropriate, with the secretaries of the Committees (where they are other than the Secretary of the Board of Directors) - to ensure that documentation concerning the Committees is made available to participants in the Board's deliberations, in accordance with the provisions of the Regulation of the Board of Directors and the procedures and time frames established in the committees' Regulations.

In particular, on the basis of the provisions of the said Regulations, the Chairman, with the support of the Secretary and the Chairs of internal Board Committees, ensured that:

- the minutes of the committee meetings were normally made available to members of the Board of Directors in full form, within 5 days of their approval;
- the Chairman of the individual committee reported to the earliest convenient meeting of the Board of Directors on the preliminary and proposal-making work undertaken by the Committee pursuant to its Regulations;
- scheduling of the committees' meetings took account, *inter alia*, of the schedule of meetings of the Board of Directors and the fact that their decisions are functional to the preparation and discussion of the agenda of the Board of Directors.

In particular, the Chairman, with the support of the Secretary and Company Secretariat, ensured that the supporting documentation for the Board's work included opinions or proposals made by the Committees.

The Chairman also assessed, with the assistance of the Corporate Governance, Sustainability and Value Generation Committee, some proposals for improving and streamlining the pre-Board meeting reporting and the management of Board proceedings, including discussions within the Board of Directors with the Chairs of the various committees – always in the presence of the heads of the relevant company departments – of issues that have been examined in detail by the said committees.

During the year, the Board of Directors also approved a Policy on interaction and direct information flows between Group bodies and committees and the relevant procedures, with a view to regulating information flows between the Board of Directors and internal Board committees, while respecting the prerogatives of the control bodies and their autonomy.

As provided in the Board Regulation, by agreement with the Chief Executive Officer and with the assistance of the Secretary, during the year the Chairman invited managers of the Company and of Group companies, the heads of corporate departments and other individuals to Board meetings in order to provide supplementary information on items appearing on the agenda.

The persons concerned responded to these invitations by participating at Board meetings, each in relation to the matter within their competence, reporting on the issues or providing the clarifications and detailed explanations requested by the Board.

The Chairman also invited persons from outside the Company to participate at meetings, in all cases with the prior agreement of the Chief Executive Officer pursuant to the Board Regulations and after explaining the reasons for the invitation, including within the Board.

Pursuant to the Regulation and in accordance with the internal Policy on suitability requirements, the Chairman ensures, with the assistance of the Secretary, that Directors, following their appointment and during their mandate, participate in initiatives designed to provide them with an adequate knowledge of the business sector in which the Company operates, Company dynamics and their evolution, with a view to the sustainable success of the Company itself, together with the principles of proper risk management and of the reference regulatory and self-regulatory framework.

Induction sessions are organised with an appropriate degree of structure: directors are formally invited by the Chairman to take part, the relevant documentation is made available to them sufficiently in advance, and they are given the opportunity to participate by video conference if they cannot be present at the place of the meeting.

During the annual self-assessment, the Board of Directors, with the support of the Appointments and Remuneration Committee, is expected to give its opinion on the implementation and quality of the previous induction plan, with a view to contributing to the refinement of the process and the enhancement training quality.

The Chairman, with the assistance of the Chief Executive Officer, has arranged special meetings and events to provide Board members with an adequate knowledge of the business sectors in which the Company operates, the corporate dynamics and their evolution, with a view to the sustainable success of the Company.

Following the renewal of the administrative body, the Chairman, with the support of the Secretary, through the Chairman's Secretariat, organised four induction sessions on the following themes:

- The history of the Cattolica Group, its evolution, its objectives as established in the 2021-2023 Plan, and the main business areas in which the Company operates;
- the state of progress of the Remedial Plan launched following complaints reported to the Company by the Insurance Companies Supervisory Authority (IVASS);
- The Business Plan, with a specific focus on the management of the Company's operating costs;
- a detailed analysis of the subsidiaries active in the "specialty lines", explaining their main business and the various development projects.

In view of the Company's evolution, following the renewal of the Board, the issue of the Administrative Responsibility of Companies was also identified and studied in a lecture entitled "*Twenty years of Legislative Decree 231/2001: experiences, cases and case law guidelines*", given in January 2022.

Finally, on 10 May and 7 September, guided tours were organised at the Cattolica Agricultural Estates, focusing on sustainability initiatives and the H-Farm Campus.

The training plans, which are shared with the Board of Directors, are defined and delivered as part of a dedicated company process that involves the control functions, senior management and the various company offices in identifying training needs and objectives, designing and developing interventions up to delivery, often with the assistance of experts and specialists from the academic world, the economic field and the sector.

The Chairman, with the assistance of the Secretary, also saw to the definition of the annual training programme for 2022 which had been submitted for the approval of the Board of Directors at its meeting of 14/03/2022. The programme sets out the dates and content of induction (training).

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The Board Regulation requires that each member of the Board of Directors be required to

update, promptly notify the Secretary, certifications attesting to compliance with requirements and any information of interest for the overall assessment of their suitability for the position they hold. The Board of Directors regularly evaluates the effectiveness of its actions and the contribution of its individual members, availing itself for this purpose of the support of the Appointments and Remuneration Committee, in accordance with the provisions of the relevant Regulation.

With the assistance of the Secretary and the support of the said Committee, the Chairman ensures that the self-assessment process is fulfilled effectively, that the procedures by which it is conducted are consistent with the degree of complexity of the work of the Board of Directors, that corrective measures are taken to address any shortcomings detected, and that training plans are prepared and implemented.

For a detailed analysis of the performance of the self-assessment process, see Chapter 7.1 below.

Secretary of the Board

The Articles of Association provide that the Secretary of the Board of Directors is appointed from the members of the Board or from the directors or officers of the Company.

The Regulation governs the appointment and revocation of the Secretary by the Board of Directors on the proposal of the Chairman, pursuant to the Articles of Association. Specifically, the Regulation provides that in the event of the Secretary's absence or impediment, the Board of Directors, again at the proposal of the Chairman, may appoint a replacement for the individual meeting, defining the relevant requirements. The Regulation specifies that the appointment of a Secretary should normally be made on the basis of expertise and experience in the legal, corporate, corporate governance and/or company secretariat fields.

The duties of the Secretary of the Board are detailed in the Regulation. The Secretary supports the work of the Chairman, in the terms described in the Regulation and in line with the recommendations of the CG Code, providing impartial advice and assistance to the Chairman, the Chief Executive Officer and all other members of the Board on all aspects relevant to the proper functioning of corporate governance.

During the 2021 financial year and until the renewal of the Board of Directors, the role of Secretary was held by a Director. Subsequently, in accordance with the Regulation, the role was assigned to the Head of Secretariat, Legal Affairs and Corporate Compliance.

In the exercise of his duties and functions, the Secretary availed himself of the organisational structure of Company Secretariat established within the Company.

The Secretary supported the work of the Chairman of the Board (in particular with regard to the aspects set out in Recommendation 12 of the Code, as indicated in the previous points of this Report).

In particular, the Secretary assisted the Chairman in scheduling and preparing Board meetings, in managing pre-Board meeting reporting, in coordinating with the various Committees and in compiling the minutes of meetings.

4.6 EXECUTIVE DIRECTORS

The Shareholders' Meeting of 14 May 2021 elected the Company's current Board of Directors and Management Control Committee. On the same date, the newly appointed Board of Directors appointed, from among its members, not only the Chairman but the Acting Vice Chairman, another Vice Chairman, a Secretary and the Chief Executive Officer, the only executive director, granting the latter the necessary powers for governance of the Company.

Chief Executive Officer/General Manager

Following its appointment by the Shareholders' Meeting of 14 May 2021, the Board of Directors, at its meeting held on the same date, re-appointed Mr Carlo Ferraresi, who had

already been Chief Executive Officer in the previous Board, as Chief Executive Officer of the Company and also resolved to grant Mr Carlo Ferraresi powers to fulfil his duties pursuant to Article 32 of the Articles of Association in force and in continuity with the powers already granted him on 4 August 2020.

The Chief Executive Officer is the hierarchical head of the Company and all its structures. In accordance with the resolutions of the Board of Directors, he or she:

- ensures that the organisational, administrative and accounting structure of the Company and the Group is appropriate for the nature and size of the enterprise, within the scope of the powers granted to him or her and according to the general guidelines approved by the Board of Directors;
- promotes, coordinates and oversees the entrepreneurial management of the Company and the Group;
- develops the strategic, industrial, financial and organisational development hypotheses of the Company and the Group, submitting them to the collegiate bodies for their assessments and consequent determinations within their remit;
- promptly provides the Chairman and therefore the Board of Directors with information and data on the general operations of the Company and the Group and on transactions and events of particular importance;
- reports, usually on a monthly basis and at least every quarter, to the Board of Directors on the activities he or she carries out when performing the duties and exercising the powers assigned to him or her, on general business performance and outlook, on continuing operations, and on the most significant transactions, in terms of size or characteristics, performed by the Company or its subsidiaries, with particular reference to atypical, unusual or related party transactions;
- establishes, chairs and coordinates any intercompany operating committees and requesting from the subsidiaries any data useful or information appropriate for the purposes of the optimum performance of his or her duties;
- is responsible for the internal control and risk management system and, in accordance with the Corporate Governance Code, is granted all powers that enable him or her to faithfully fulfil all the relevant duties.

The Chief Executive Officer also exercises the following powers:

- managing all matters for the purposes of resolutions within the remit of the Board of Directors and ensuring that these resolutions are implemented by the General Managers, without prejudice to the power to implement them directly;
- supervising the operation of the company and the Group, as well as the corporate organisation as a whole;
- coordinating and overseeing the General Managers in relation to staff policies, determining general guidelines with which the latter must comply in human resources management and overseeing their application;
- verifying that incentive policies are in place for employee career development;
- adopting disciplinary measures for executives and, in cases of emergency, dismissing them and in any case referring the matter immediately to the Board of Directors;
- authorising the assumption of commitments or obligations for amounts up to €5,000,000 (five million Euro);
- authorising the issue or waiver of guarantees in any form for amounts up to €5,000,000 (five million Euro);
- authorising waivers of credit positions or authorising transactions for amounts up to €5,000,000 (five million Euro);
- arranging without limits amounts relating to insurance and reinsurance business and related disputes;
- supervising current and ordinary financial transactions within the limits of the financial framework resolution adopted by the Board of Directors;
- bringing legal actions and granting appropriate powers of attorney in both active and

- passive lawsuits, including monitoring and emergency powers;
- appointing attorneys for individual acts or categories of acts within the scope of his or her powers;
- sub-delegating, within the limits of the powers conferred on him or her, including on an ongoing basis and following consultation with the Chairman, certain powers, in whole or in part, to employees of the Company.

The Chief Executive Officer is responsible for all other matters or acts not included in the above powers if not reserved for the Board of Directors.

In the event of an urgent need to protect the interests of the Company or the Group, the Chief Executive Officer may adopt, without prejudice to the power assigned to the Chairman, all resolutions that are the exclusive responsibility of the Board of Directors, except those that cannot be delegated pursuant to the law, reporting to that body, which is exclusively responsible for the determination adopted, at the next convenient meeting.

It should be recalled that Mr Ferraresi is also General Manager of the company, a role in which he was confirmed at the said meeting of 4 August 2020, at which the Board of Directors, following consultation with the Appointments Committee, granted him specific powers in addition to those granted to him in his capacity as Chief Executive Officer.

The General Manager is responsible for:

- the insurance management of the Group and the Company, overseeing all of its activities in all aspects of products (including pricing), underwriting and settlement;
- overseeing the Group and the Company's commercial networks;
- the digitalisation of the Group and the Company;
- overseeing the organisational structure of the Group and the Company, including strategic hypotheses for organisational development;
- managing information systems and defining development strategies for them.

The General Manager, as a member of Senior Management, is also granted the powers provided for Senior Management by the rules for the relevant areas of competence.

In particular, the General Manager is responsible for the following activities of ordinary administration:

- overseeing the Life and Non-Life underwriting process, in accordance with the strategies defined by the Board of Directors;
- overseeing all activities relating to reinsurance;
- overseeing the application of underwriting policies (Life and Non-Life) and reinsurance and other risk mitigation techniques;
- overseeing the application of claims settlement policies with a view to maximising efficiency and effectiveness;
- overseeing activities related to technical, pricing and regulatory product development;
- overseeing the productivity and technical performance of the Life and Non-Life portfolio;
- defining the contractual or tariff conditions generally applicable to customers, taking into account the guidelines of the Board of Directors;
- authorising the assumption of commitments or obligations for fixed amounts, without prejudice to responsibility for insurance and reinsurance matters, within the guidelines established by the Chief Executive Officer;
- overseeing the ordinary management of activities relating to the channels, in particular agency channels, bancassurance channels and the broker channel;
- defining the product plan and in particular overseeing activities related to product concept development and launch on the networks;
- overseeing the total sales of the channels for which he/she is responsible, in accordance with the provisions of the business plan;
- deciding, in accordance with the business plans and budgets established by the Board

of Directors, on the stipulation of agricultural and bancassurance relationships, as well as the activation or streamlining of agencies, representatives, other structures or forms of intermediation, or direct sales channels, or their appointment or termination;

- planning, in accordance with the business plan and budget established by the Board of Directors, the development of current methods of sale, submitting these to the Board of Directors for assessment and consequent determinations within its remit;
- authorising expenses to third parties in accordance with the provisions of the Group's internal rules and procedures in terms of type of expenditure, quantitative limits and payment instruments.

In addition, the General Manager has the following powers and responsibilities with sole signing authority:

- performing the operations specified in the Company's regulations and whatever is appropriate to conform to them;
- representing the Company before the Italian and foreign supervisory authorities and signing correspondence, communications, instructions and any other document intended for them;
- representing the Company in any operation, including with public bodies and offices of every order and level;
- implementing protective measures to safeguard the Company's rights;
- bringing legal actions and, therefore, granting appropriate powers of attorney in both active and passive lawsuits, including monitoring and emergency powers;
- filing complaints, petitions and suits – and retracting or refiling them accordingly – against any person considered liable for any offence against the Company;
- bringing a civil action in criminal proceedings; making arrangements with respect to controlled administration proceedings, composition with creditors or bankruptcy and the submission of bankruptcy petitions;
- authorising legal proceedings in active and passive cases and lodge administrative and tax appeals, where the amount of the dispute does not exceed €1,000,000 (one million Euro) or, in cases of urgent need, for amounts exceeding the above threshold;
- appointing attorneys for individual acts or categories of acts within the scope of his or her powers;
- sub-delegating, within the limits of the powers conferred on him or her, including on an ongoing basis and following consultation with the Chairman, certain powers, in whole or in part, to employees of the Company;
- authorising the assumption of risks, per insured risk, for amounts over €70,000,000.00 (seventy million Euro), net of cessions to reinsurance, including in the context of contractor selection procedures for both the Non-Life and Life classes;
- authorising the settlement and payment of claims relating to Non-Life policies, for amounts over €10,000,000 (ten million Euro);
- authorising the settlement and payment of benefits to Life policies for any amount;
- authorising payments for any other reason relating to or resulting from the existence of policies."

The powers granted to the four Deputy General Managers, reporting directly to the Chief Executive Officer and General Manager Mr Ferraresi, are set out below.

Deputy General Manager CFO Atanasio Pantarrotas

During the 2020 Financial Year, the Board of Directors appointed Atanasio Pantarrotas as the new Group Chief Financial Officer and Deputy General Manager of the Issuer, granting him the relevant powers.

In particular, in accordance with the resolutions adopted by the Board of Directors on the System of Delegation of Powers and Responsibilities of Società Cattolica di Assicurazione and the Cattolica Group, and the decisions of the General Manager, the CFO's Deputy General

Management is responsible for and manages activities pertaining to *Strategic Planning and Control, Capital Management, Investor Relations, Actuarial Assessments, Administration and Budget and Procurement & Project Governance*.

Moreover, in addition to the above areas of responsibility related to the role of CFO and in accordance with the current structure of powers of corporate governance, the responsibilities of the position of Deputy General Manager include:

- supporting the Board of Directors and Senior Management in assessing external growth opportunities;
- authorising expenses to third parties in accordance with the provisions of the Group's internal rules and procedures in terms of type of expenditure, quantitative limits and payment instruments;
- managing the strategies and tools for communicating with the financial community and managing relations with the ratings agencies;
- supporting the development and monitoring of the strategic business plan and operating budget in accordance with the instructions of the Board of Directors, and monitoring the Group's economic/financial performance and changes in available capital, through governance of the process of annual budgeting and the constant monitoring of business and management trends and Capital Management policies;
- overseeing the compilation of the individual and consolidated financial statements for the Parent Company and for the investee companies, ensuring the correct application of accounting standards and the fulfilment of administrative and financial reporting obligations in accordance with applicable legislation;
- supervising the accounting organisation and the keeping of the relevant records, preparing and signing the periodic accounting statements required by laws and regulations, including for the purposes of supervisory reporting, and the drafting and presentation of financial statements on the basis of the compilation of the annual and interim accounts by the Board of Directors and the Supervisory Bodies;
- ensuring the correct valuation of technical reserves (budgets/plans/ORSA and projections) through the application of statistical and actuarial methods and preparing the technical reports on Solvency II reserves, the foreseeable return, the active reinsurance reserves and the relevant supervisory statistics;
- authorising expenses to third parties in accordance with the provisions of the Group's internal rules and procedures in terms of type of expenditure, quantitative limits and payment instruments;
- representing the Company before the Italian and foreign supervisory authorities and sign correspondence, communications, instructions and any other document intended for them;
- representing the Company in any operation, including with public bodies and offices of every order and level;
- implementing protective measures to safeguard the Company's rights;
- appointing attorneys for individual acts or categories of acts within the scope of his or her powers.

Deputy General Manager COO Samuele Marconcini

Also during the 2020 Financial Year, Samuele Marconcini was appointed Deputy General Manager and Chief Operating Officer of the Company, and was also granted, *inter alia*, corporate signature authority for the actions and activities listed below:

- authorising expenses to third parties in accordance with the provisions of the Group's internal rules and procedures in terms of type of expenditure, quantitative limits and payment instruments;

- representing the Company before the Italian and foreign supervisory authorities and sign correspondence, communications, instructions and any other document intended for them;
- representing the Company in any operation, including with public bodies and offices of every order and level;
- implementing protective measures to safeguard the Company's rights;
- bringing legal actions and, therefore, granting appropriate powers of attorney in both active and passive lawsuits, including monitoring and emergency powers;
- filing complaints, petitions and suits – and retracting or refiling them accordingly – against any person considered liable for any offence against the Company;
- bringing a civil action in criminal proceedings; making arrangements with respect to controlled administration proceedings, composition with creditors or bankruptcy and the submission of bankruptcy petitions;
- authorising legal proceedings in active and passive cases and lodging administrative and tax appeals, where the amount of the dispute does not exceed €1,000,000.00 (one million point zero Euro) or, in cases of urgent need, for amounts exceeding the above threshold;
- settlement and payment of claims relating to Non-Life policies for amounts up to €10,000,000.00 (ten million point zero zero Euro);
- settlement and payment of benefits relating to Life policies;
- making payments for any other reason relating to or resulting from the existence of policies;
- appointing attorneys for individual acts or categories of acts within the scope of his or her powers.

Deputy General Manager Marco Lamola

By decision taken on 4 December 2020, Marco Lamola was appointed Deputy General Manager of the Issuer and granted the power of corporate signature in single form for the acts and activities listed below:

- authorising expenses to third parties in accordance with the provisions of the Group's internal rules and procedures in terms of type of expenditure, quantitative limits and payment instruments;
- representing the Company before the Italian and foreign supervisory authorities and sign correspondence, communications, instructions and any other document intended for them;
- representing the Company in any operation, including with public bodies and offices of every order and level;
- implementing protective measures to safeguard the Company's rights;
- bringing legal actions and, therefore, granting appropriate powers of attorney in both active and passive lawsuits, including monitoring and emergency powers;
- filing complaints, petitions and suits – and retracting or refiling them accordingly – against any person considered liable for any offence against the Company;
- bringing a civil action in criminal proceedings; making arrangements with respect to controlled administration proceedings, composition with creditors or bankruptcy and the submission of bankruptcy petitions;
- authorising legal proceedings in active and passive cases and lodging administrative and tax appeals, where the amount of the dispute does not exceed €1,000,000.00 (one million point zero zero Euro) or, in cases of urgent need, for amounts exceeding the above threshold;
- appointing attorneys for individual acts or categories of acts within the scope of his or her powers.

Deputy General Manager Nazareno Cerni

The Deputy General Manager Nazareno Cerni is granted the power of corporate signature in single form for the acts and activities listed below:

- authorising expenses to third parties in accordance with the provisions of the Group's internal rules and procedures in terms of type of expenditure, quantitative limits and payment instruments;
- representing the Company before the Italian and foreign supervisory authorities and sign correspondence, communications, instructions and any other document intended for them;
- representing the Company in any operation, including with public bodies and offices of every order and level;
- implementing protective measures to safeguard the Company's rights;
- underwriting risks up to the limit of €50,000,000.00 (fifty million point zero zero Euro) per insured amount, or claim limit, net of cessions to reinsurance, including in the context of contractor selection procedures for the Non-Life business;
- appointing attorneys for individual acts or categories of acts within the scope of his or her powers.

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Reporting to the Board by directors/delegated bodies

In accordance with Article 2381 of the Italian Civil Code, and as provided in the current Articles of Association, at least quarterly, the Chairman reported to the Board of Directors, on the basis of reports by the Chief Executive Officer, on operating performance and outlook, company business, and the most significant economic and financial transactions of the Company and its subsidiaries, with particular attention to transactions in which members of the Board of Directors have an interest, either on their own behalf or on behalf of third parties. The Chairman, by agreement with the Chief Executive Officer, also ensured that adequate information was provided to the Board of Directors on the occurrence of extraordinary events or situations of interest to the Company.

The Board of Directors was also kept constantly informed of general operating performance and trends, as well as most significant economic and financial transactions, including on the basis of reports by the Chief Executive Officer, who specifically updated the Board on extraordinary transactions involving the capital of some subsidiaries and significant events for the Company, as reported in Chapter 4.1.

4.7 INDEPENDENT DIRECTORS AND LEAD INDEPENDENT DIRECTOR

An assessment of compliance with the independence requirements is conducted following the appointment of corporate bodies and thereafter on an annual basis.

At its meeting of 14 May 2021, the Board of Directors ascertained that all Directors met the independence requirements established in Article 147-ter, paragraph four, of the TUF and in the Corporate Governance Code. All the Directors, including the Chairman, who was nominated for the position on the winning list submitted by the outgoing board, met the said independence requirements, with the exception of Carlo Ferraresi and Giulia Staderini. This outcome was acknowledged in a press release issued on the same date.

The outgoing Board has undertaken to comply with the Code's instructions for lists proposed by it pursuant to the Articles of Association, also given the need to form several internal committees that include independent directors.

Following and as a result of the Company's entry into the Generali Group, in December the Board carried out a further verification that the independence requirements for directors had been maintained, confirming that this was the case for the directors who had been classified as independent upon their appointment.

Accordingly, as of 31 December 2021, of the 15 Directors in office, 13 were classed as independent pursuant to the TUF and the Code. The Company is therefore compliant with the provisions of the Code regarding the minimum number of independent directors.

It should be noted that verification of the requirements takes place after the documentation has been collected and subsequently analysed by the competent office, which is followed up with meetings with the Directors concerned for their evaluation and observations.

As indicated in the Company's Policy for the identification and assessment of eligibility for office in terms of integrity, professionalism and independence, as approved by the outgoing Board of Directors on 24 March 2021, the independence requirement is defined on the basis of the role played by the person concerned, as described below.

In application of Ministerial Decree 220/2011, the role of Director, member of the Management Control Committee or General Manager in an insurance or reinsurance company is incompatible with:

- holding a comparable position with another company
- with the existence of employment, consultancy or paid work relationships
- the existence of other relationships of a financial nature with other insurance or reinsurance companies, their subsidiaries or parent companies, such as to compromise their independence.

For the purposes of assessing compatibility, in order to meet the independence requirement, account is taken of the importance of the functions performed and the various roles played by the persons concerned. In any event, mandates and relations with companies belonging to the same Group are deemed not to compromise the independence.

Moreover, in compliance with the provisions of Article 36 of Law No. 214 of 22 December 2011, i.e. the "prohibition on interlocking", those who hold the above positions in companies or groups of companies operating in the credit, insurance and financial markets are prohibited from accepting or performing similar positions in competing companies or groups of companies. For the purposes of the "interlocking prohibition", 'competitors' are defined as undertakings or groups of undertakings between which there is no controlling relationship within the meaning of Article 7 of Law No. 287 of 10 October 1990, and which operate in the

same markets.

The rules on independence and incompatibility in the role one performs are completed with the reference in the company's Articles of Association to Article 2399 of the Italian Civil Code, which is applicable to a defined minimum number of members of the Board of Directors identified in the Articles of Association.

It should also be noted that, as provided in Article 2, principle VIII, of the Corporate Governance Code to which the company has adhered: "*a significant component of non-executive directors are independent.*" According to the said Article of the Code, the circumstances that compromise, or appear to compromise, the independence of a director, are at least the following:

- a) if one is a significant shareholder in the Company
- b) if one is, or has been in the previous three years, an executive director or employee:
 - of a strategically important subsidiary of the Company or a company under common control
 - of a significant shareholder in the company
- c) if one, directly or indirectly (e.g. through subsidiaries or companies of which one is executive director, or partner of a professional practice or consulting company) has, or had in the previous three years, a significant commercial, financial or professional relationship:
 - with the company or its subsidiaries, or with its executive directors or top management;
 - with a person who, also together with others through a shareholders' agreement, controls the company; or, if the parent company is a company or entity, with its executive directors or top management;
- d) if one receives, or has received in the preceding three years, from the company, one of its subsidiaries or its parent company, significant additional remuneration over the fixed remuneration for the position and what is provided for participation in committees, as recommended by the Code or provided for in applicable legislation;
- e) if one has been a director of the company for more than nine financial years, even if not consecutively, of the last twelve financial years;
- f) if one holds the office of executive director in another company in which an executive director of the company is a director;
- g) if one is a shareholder or director of a company or entity belonging to the network of the company appointed to perform the statutory audit;
- h) if one is a close relative of a person who is in one of the situations listed in the previous points.

In particular, with regard to the provisions set out in points c) and d) above, the criteria established for assessing the significance of the remuneration component for the director are specified below:

- For the purposes of letter c) above, it is deemed appropriate to assume, as a quantitative criterion, that the threshold of 15% of the annual turnover of the director and/or of the group - understood as a company/body/professional firm/consulting company - of which the director has control or is a significant representative, has been exceeded in the three previous financial years under examination considered individually, having regard to the remuneration received by him/her, directly or indirectly (through a professional firm, consultancy firm and/or other company or group of companies), as disbursed by the Company and/or companies of the Cattolica Group as remuneration for a commercial, financial or professional relationship. In any event, the exceeding of the said threshold is relevant, for the purposes of meeting the independence requirement, only if it exceeds €70,000.00 in absolute value and on an annual basis.

- For the purposes of letter d) above, the additional remuneration received by the director in the previous three years, considered individually, and paid by the Company, one of its subsidiaries, or by the parent company that exceeds, on an annual basis, 50% of the fixed annual remuneration established for the position at the time that the director meets the independence requirement, is considered significant. For these purposes, the annual remuneration received by the director of the Company for duties in the parent company or subsidiary is considered, in its entirety and by its very nature, as additional remuneration

Finally, reference is made to Article 148, paragraph 3 of the TUF, concerning persons holding positions in a listed company, and Article 2 of the Borsa Italiana Corporate Governance Code, applicable to members of the Board of Directors, and the provisions of the Articles of Association which, in particular, provide that at least 10 Directors, including all members of the Management Control Committee, must meet the independence requirements established for statutory auditors under Article 148 of the TUF, without prejudice to the additional independence requirements imposed on directors for the purposes of applying self-regulatory or supervisory legislation. The purpose of this is also to enable an adequate role for independent directors and, in particular, for their participation in internal Board Committees.

The Management Control Committee ascertained that the assessment criteria and procedures adopted by the Board to assess independence had been correctly applied, agreeing with the outcomes shown in the Report.

The Independent Directors are authorised to meet during the year. It should be borne in mind, however, that the high number of Independent Directors and the frequency of Board meetings already allows for a wide-ranging discussion of matters for which the Board is responsible. In view of this, in 2021 the Independent Directors did not meet on any occasion other than the meetings of the Board of Directors.

*

Lead independent director

Since the requirements of Recommendation 13 of the Code are not met, no Lead Independent Director¹⁰ has been appointed.

¹⁰ The (alternative) prerequisites provided for in the Code are as follows: (a) if the chairman of the Board is the CEO of the Issuer or holds significant management powers; (b) if the chairman of the Board is the person who controls, or jointly controls, the Issuer; or (c) if the Issuer is a large company, if requested by the majority of independent directors.

5.0 MANAGEMENT OF CORPORATE INFORMATION

In view of the importance of market communication processes, the Board of Directors has adopted a specific Market Abuse Policy, pursuant to EU Regulation 596/2014 of the European Parliament and of the Council of 16 April 2014, accompanied by an Operating Procedure for its application, most recently updated in the month of December 2020.

Without prejudice to the confidentiality obligations that apply to the processing of company information, as also reaffirmed in the code of conduct adopted by the Company⁽¹¹⁾, the procedures, having defined the concepts of significant and inside information, govern the powers and safeguards, including procedural safeguards, relating to the identification/classification of such information, their internal management and compliance with applicable legislative provisions, including disclosure to the public, the keeping of the list of persons with access to inside information (insider list) and internal dealing (transactions carried out by relevant persons on financial instruments issued by the Company).

The press releases are published in the relevant "Investor Relator" section of the Company's Website.

*

Rules on internal dealing

Within the Market Abuse Policy, a specific section is dedicated to internal dealing. It sets out disclosure obligations to the market and the limitations on significant transactions by internal dealers and persons closely associated with them.

"Relevant Persons" and persons "closely associated with Relevant Persons" are the same as those identified in the applicable legislation (EU Regulation 596/2014, Consob Regulation for Issuers 11971).

Close to the time when the periodic financial reports are published, there are some blocking periods during which internal dealers are prohibited from carrying out transactions on the company's financial instruments.

Information on transactions carried out with Relevant Persons is provided in the "Governance/Internal Dealers" section of the website.

The Company has provided for an internal escalation process in the event of detection of irregularities or omissions by internal dealers in order to channel these irregularities to the control bodies and the Board of Directors.

⁽¹¹⁾ The document is available via the link "www.cattolica.it/codice-di-comportamento".

6.0 BOARD COMMITTEES (pursuant to Article 123-bis, paragraph 2, letter d), of the Consolidated Law on Finance (TUF))

Article 36 of the Company's Articles of Association provides that the Board of Directors may establish internal Board committees, defining their specific tasks and functioning through specific regulations.

Within the Board, which was appointed by the Shareholders' Meeting of 14 May, the following committees have been established:

- the Control and Risks Committee
- the Related Parties Committee
- the Corporate Governance, Sustainability and Value Generation Committee
- the Appointments and Remuneration Committee which, as of 14 May 2021, has replaced the separate Appointments Committee and Remuneration Committee.

In this regard, it should be noted that at its meeting of 14 May 2021, following the shareholders' meeting that appointed it, the Board of Directors resolved, in accordance with the Articles of Association, to merge the Appointments Committee with the Remuneration Committee in order to simplify the structure, in line with the best market practice of listed companies, as it did not believe that such merger would prevent the proper performance of the duties for which it is responsible. The newly formed "Appointments and Remuneration Committee" based its operations on the applicable regulations of the old "Appointments Committee" and the "Remuneration Committee" for the specific duties that the Committee was asked to perform from time to time until their harmonisation, which formally took place with the resolution approving the new "Regulation of the Appointments and Remuneration Committee" of 3 June 2021.

When forming the committees, the Board of Directors took into account the specific competences of their members, avoiding a concentration of duties in the hand of particular members.

The Regulation of the Board of Directors provides that all committees are governed by their own specific regulations, which are approved by the Board of Directors following consultation with the Corporate Governance, Sustainability and Value Generation Committee and the Management Control Committee.

The Committee Regulations govern the procedures and deadlines for the making available of the material to be discussed.

The Regulation also requires that, with the support of the Committee Secretariat and the Company Secretariat, the full form of the minutes of Committee meetings be made available by the Committee Chairman to members of the Board of Directors within 5 days of their approval. The Chairman of the individual Committee reports to the first appropriate meeting of the Board of Directors on the preliminary and proposal-making work undertaken by the Committee pursuant to its Regulations, and on the activities of the Committee in response to a request from the Board of Directors.

During the 2021 financial year, internal Board committees performed an important function of analysis, detailed examination and preparation of the issues within their competence for and in support of the Board of Directors, through close interaction with the Company's operating structures, before bringing to the Board - in summary form - the aspects that, because of their importance, required in-depth examination and collective discussion on the Board of Directors itself.

The Committees met on the basis of an internal schedule of meetings that was updated whenever deemed appropriate or necessary in the light of developments in the company's business, and in any event in good time to deal with the matters within their remit that were on the agenda of a Board meeting, at which the preliminary results of their work were then submitted to the Board for examination and assessment before taking the relevant and consequent decisions.

In addition, the work undertaken by the Committees was reported by their respective Chairs to the Board of Directors at the at the earliest possible meetings, and the approved minutes of committee meetings were also made available on the portal reserved for directors.

For details of the composition and functioning of committees as provided by the Code, see the specific sections of the Report. For details of the Control and Risk Committee, see Chapter 9.2 below. For details on the Appointments and Remuneration Committee, see to Chapter 7.2 below.

For details of the Related Parties Committee, see Chapter 11.

The following section sets out some information on the Corporate Governance, Sustainability and Value Generation Committee that are not specifically discussed elsewhere in the Report.

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The Corporate Governance, Sustainability and Value Generation Committee

As early as August 2010, the Board of Directors of Cattolica Assicurazioni established a corporate governance commission, which was converted into the Corporate Governance Committee in May 2013. The Committee, which initially had merely investigative and advisory functions within the Board of Directors regarding the definition of the corporate governance system, had its Regulations amended by the Board of Directors in October 2018. The amendments granted the Committee propositional and advisory functions, including with regard to Corporate Social Responsibility, and changed its name to the Corporate Governance and Sustainability Committee.

The latest version of the Regulations of the Committee – which adopted the name of “Corporate Governance, Sustainability and Value Generation Committee” – was reviewed and approved by the Board of Directors at its meeting of 5 March 2021.

The Committee has been assigned the following tasks:

- a) verification of the alignment of the Group's corporate governance system with national and international corporate governance rules and best practices;
- b) formulation of proposals and opinions for the Board of Directors on corporate governance, including at Group level, in particular on the adequacy of the Company's senior management structure, and conducting any specific investigations requested or deemed appropriate from time to time;
- c) supporting the Board of Directors in assessing the consistency of the procedures adopted by the Company regarding the succession of executive directors with the overall governance structures of the Company, giving an opinion, within its remit, on the proposals made in this regard by the Appointments Committee;
- d) advising the Board of Directors on the adoption and updating of the Company's Code of Conduct;
- e) formulation of proposals for the Board of Directors on the adaptation of the corporate governance structure, including structure of the Group, while taking account of the indications of the Authorities and best practice;

- f) review of resolutions concerning amendments to the Articles of Association and company regulations or in any case providing opinions such matters;
- g) assistance to the Board of Directors with specific reference to all the Group's corporate governance activities pursuant to Article 3.6 of the Regulation of the Board of Directors;
- h) monitoring of the application of the Corporate Governance Code and compliance with the "comply or explain" principle, reporting periodically to the Board of Directors, and examination of the report on the Company's corporate governance and ownership structure;
- i) playing a proactive, advisory and supervisory role on all matters and issues relating to CSR and to corporate sustainability strategies and policies, including with reference to the Company and the Group's industrial plan, and supporting the Board of Directors in analysing issues relevant to long-term value generation;
- j) monitoring the implementation of CSR policies and guidelines established by the Board of Directors by receiving periodic updates from the Communications and Institutional Relations Office, which is responsible for the Group CSR function;
- k) providing opinions to the Board of Directors on the definition and updating of the Group's sustainability policy, also with a view to its formal approval by the Board of Directors, and examining decisions and projects presented or proposed by the Communications and Institutional Relations Office that have an impact on sustainability;
- l) assessing the objectives and targets of management initiatives in the field of CSR, reporting to the Board of Directors on those considered most effective and consistent with the Company's broader strategies, and monitoring their implementation over time;
- m) proposing the desired development initiatives in response to the main regulatory pressures in the area of CSR and making recommendations to the Board of Directors in this regard;
- n) assessing the completeness and reliability of procedures for drafting the Consolidated Non-Financial Statement (NFS), in coordination with the Control and Risk Committee and without prejudice to the latter's responsibilities in this regard, and preliminarily examining the report on the annual reporting, on which it gives its opinion in view of approval by the Board of Directors, together with as any other documentation concerning sustainability disclosure;
- o) regularly updating the Board of Directors on issues relevant to the company in terms of CSR and any emerging critical issues;
- p) assessment and providing opinions on the appropriateness, with respect to the CSR objectives pursued by the Cattolica Group, of any proposals on CSR issues by shareholders and other categories of stakeholders;
- q) performing any additional duties that are assigned to it by the Board of Directors, company procedures, legislative or corporate provisions.

Throughout 2021 and until 14 May, the Committee was composed of the acting Chief Executive Officer, the Acting Deputy Vice-Chairman, the acting Vice-Chairman, the acting Secretary of the Board of Directors, the acting Chairman of the Control and Risks Committee and a member of the Board of Directors taken from the Capital Slate, or designated by a shareholder holding a stake equal to 20% in the Company's share capital, who was assigned the role of chairman of the Committee (as per the current Articles of Association of 23 October 2020, the date of subscription of the tranche of the capital increase reserved by Assicurazioni Generali).

With the review of the regulations of 5 March 2021, the provision on the composition of the committee was updated to provide for it to be composed of three or five directors appointed by resolution of the Board of Directors - which also determines the number - in accordance with the provisions of the Articles of Association and the Regulation of the Board of Directors on the subject of limits on the concentration of positions. The majority of Committee members

meet the independence requirements established in Article 148, paragraph 3 of Legislative Decree 58 of 24 February 1998 and Article 2, Recommendation 7, of the Corporate Governance Code.

Accordingly, until 14 May 2021, the following Directors were members of the Corporate Governance, Sustainability and Value Generation Committee:

- Stefano Gentili, Chairman (taken from the Capital Slate);
- Aldo Poli, Acting Deputy Chairman
- Barbara Blasevich, Deputy Chairman
- Carlo Ferraresi, Chief Executive Officer
- Alessandro Lai, Secretary of the Board of Directors
- Bettina Campedelli, Chair of the Control and Risks Committee.

On 14 May 2021, the newly appointed Board of Directors established the Corporate Governance, Sustainability and Value Generation Committee, appointing the following members:

- Giulia Staderini, Chair
- Camillo Candia
- Stefano Gentili.

It should be noted that, as described in Chapter 4.3, on 14 February 2022, Giulia Staderini, a non-executive and non-independent director who also serves as Chair of the Corporate Governance, Sustainability and Value Generation Committee, had resigned from her position as Director of Cattolica's Board of Directors and concomitantly as Chair of the Corporate Governance, Sustainability and Value Generation Committee due to professional commitments that prevented her from dedicating the necessary time to her positions. After obtaining the approval of the Appointments and Remuneration Committee, at its meeting of 23 February, the Board of Directors appointed Cristina Rustignoli, co-opted on the same date as a non-independent and non-executive director, as Chairman of the Corporate Governance, Sustainability and Value Generation Committee.

The new regulations provide that, at meetings of the Corporate Governance, Sustainability and Value Generation Committee, the Management Control Committee must always be invited to participate in the person of its Chairman or another representative identified by the Chairman as the Chairman's delegate.

The secretary is also appointed by the Committee from outside its members, in the latter case from the corporate structure to which the Company Secretariat functions are assigned.

The Corporate Governance, Sustainability and Value Generation Committee is granted the option of engaging consultants from outside the Company, an option that it did not avail itself of in 2021.

The Corporate Governance, Sustainability and Value Generation Committee met 20 times in 2021. The average length of meetings was approximately one hour and forty minutes.

Seven meetings are scheduled for 2022, four of which had already been held at the date of approval of this Report.

The main opinions and assessments issued by the Corporate Governance, Sustainability and Value Generation Committee during 2021 are as follows:

- a) it analysed topics relevant to the Committee and supported the Board of Directors in planning its work and in the definition of the Remedial Plan, in response to the IVASS inspection report which was received on 8 January 2021;

- b) it examined and approved the proposed integration of the criteria for verifying volatility for the purposes of determining the strategic nature of the investments of the Cattolica Group - pursuant to IVASS Regulation no. 10 of 22 December 2015;
- c) it reviewed liquidity payments to subsidiaries, as required by the Supervisory Authority in its report of 8 January 2021;
- d) it commented on the letter from the Chairman of the Corporate Governance Committee and on the Annual Report on the application of the 2020 Code;
- e) it indicated its approval of the consolidated Non-Financial Statement (NFS), after assessing the completeness and reliability of the procedures for its drafting and after preliminarily examining the materiality matrix following the stakeholder engagement activity, on which it issued its opinion;
- f) it indicated its approval of the content of the Report on Corporate Governance and Ownership Structure;
- g) it acknowledged and expressed its approval of that was agreed in terms of obligations related to the 2021 Ordinary Shareholders' Meeting;
- h) it examined and gave its endorsement the chapter on the governance system in the annual Report on Solvency and Financial Condition, and the periodic report to the Insurance Companies Supervisory Authority (IVASS);
- i) it examined and gave its opinion on the amendment of the regulations of the Control and Risk Committee and the Appointments and Remuneration Committee, which were amended to specify that they must consist entirely of independent directors, as required by the Consob Market Regulations, following their subjection to management and coordination by Assicurazioni Generali;
- j) it examined the amendments to the Articles of Association relating to the indication of the company's membership of the Generali Group, as required by IVASS Regulation 22/2016 in particular the amendment to Article 11, paragraph 4, and approved their submission of the relevant resolutions to the Board of Directors;
- k) it gave its opinion on the Directives on the Corporate Governance System of Cattolica Assicurazioni and the Group, and on the Engagement Policies pursuant to IVASS Regulation No. 46 of 17 November 2020;
- l) was regularly updated on sustainability issues and reviewed the initiatives undertaken in this area.

The specific contents of the work performed by the Corporate Governance, Sustainability and Value Generation Committee are described in detail in the meeting minutes and were promptly reported by the Chairman to the Board of Directors.

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7.0 SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS – APPOINTMENTS COMMITTEE

7.1 SELF-ASSESSMENT AND SUCCESSION OF DIRECTORS

At least once a year, the Board undertakes a self-assessment process in order to verify its adequacy in terms of the powers, functioning and composition of the Board itself and its Committees, in accordance with the provisions of applicable law and regulations, and in compliance with the recommendations of the CG Code, considering the role it has played in defining strategies and monitoring management performance and the adequacy of the internal control and risk management system.

The purpose of the self-assessment is, *inter alia*, to update the internal regulations of the Board and the committees, to identify the main weaknesses and foster the relevant discussion within the Board in order to identify the corrective actions to be taken.

The self-assessment process consists of: i) a preliminary phase of collection of information and data (including through questionnaires and interviews) on the basis of which an assessment is to be conducted; ii) a processing phase; iii) a phase of preparation of the results of the process, identifying the strengths and weaknesses identified; iv) a phase of collegiate discussion of the results and preparation of any appropriate corrective measures. For self-assessments after the after the initial self-assessment, there is also a phase of verification of the status of implementation of previously implemented measures.

At least once every three years, the process is outsourced to an external professional or to a company identified by the Board, in order to ensure an independent and impartial judgment. The consulting firm engaged to support the administrative body in the self-assessment process during the 2021 financial year is SpencerStuart, which does not have any other mandates with the Issuer or its subsidiaries.

In March 2021, the Board of Directors performed its self-assessment pursuant to the provisions of IVASS Regulation No. 38. The Appointments Committee also participated in the preliminary phase of this process, defining terms and procedures, also in view of the preparation of the qualitative/quantitative guidelines for the presentation of lists of candidates for the office of director prior to the Shareholders' Meeting of 14 May 2021.

The survey covered the following aspects: (i) The structure and composition of the Board, in terms of size and responsibilities; (ii) Board meetings and decision-making processes; (iii) the role of the Chairman of the Board; (iv) relations between the BoD, CEO/GM and management, and the role of Directors; (v) the information flow to the Board; (vi) risks and the relevant controls; and (vii) summaries and benchmarking.

The results of the self-assessment confirmed the Directors' unanimous approval of the composition of the Board, the presence within it of the necessary expertise and professionalism and its work in 2020.

The document on the qualitative and quantitative guidelines for appointments to the Board of Directors was published on the company website and on the Borsa Italiana authorised e-market storage facility on 3 April 2021.

The list submitted for renewal by the outgoing Board of Directors was approved by the Board itself, which verified that the candidates' requirements for the qualitative and quantitative Guidelines had been met.

In February 2022, the updated and supplemented self-assessment questionnaire with particular regard to the role of the Control and Risks Committee, was submitted to the Board of Directors, together with the validation of the annual self-assessment process.

Succession plans

With respect to the succession plan for the Chief Executive Officer: in view of the Company's recent entry into the Generali Group, at present the company has not deemed it necessary to prepare a succession plan for the Chief Executive Officer, the sole director classed as executive, pending the evolution of the corporate rationalisation programme that is under way. Once this programme is completed, the definition of a succession plan will make it possible to identify the most suitable resources for this role. In any event, we do not believe that there are any risks to the continuity of company management until its completion, as the organisational structure provides for four Deputy General Managers to whom specific powers are assigned within their respective areas of competence, ensuring the continuity of the company's business in the event of an emergency situation.

Furthermore, emergency plans are in place for any unplanned absence of company representatives – including the Chief Executive Officer – to ensure that the Company continues to function as necessary.

7.2 APPOINTMENTS AND REMUNERATION COMMITTEE

Composition and functioning of the Appointments Committee (Article 123-bis, paragraph 2, letter d) of the Consolidated Law on Finance (TUF))

The Appointments Committee, established by the company from the 2019 financial year until the date of the Shareholders' Meeting of 14 May 2021, was composed of the following directors:

- Eugenio Vanda, Chairman
- Bettina Campedelli
- Anna Strazzera.

Up to the date of 14 May 2021, the Committee:

- a) formulated its own proposal for the Board of Directors regarding the appointment of the new member of the Related Parties Committee, together with a new Chairman of the Committee itself, following the resignation of its Chairman as a Director;
- b) analysed, with the support of an independent external consultant, the process to be followed to identify an independent consultant to assist the Company (and on its behalf, the Committee and the Board of Directors) with independence, professionalism, efficiency, authority and speed of action in the work to prepare a list of members of the Board of Directors for the 2021 Shareholders' Meeting;
- c) identified an independent external consultant to assist the Company (and on its behalf, the Committee and the Board of Directors) in producing a list of members of the Board of Directors for the 2021 Shareholders' Meeting;
- d) expressed its views on the plan of work and the process outlined by the independent advisor engaged to support the Committee and the Company with the preparatory

- work and implementation of the initiatives called for by IVASS in its inspection report, concerning a “profound overhaul” of the administrative body, including the selection of a shortlist of possible candidates for submission to the Board of Directors. The Committee assessed the proposal it received, sharing and defining its contents with the advisor;
- e) it gave its opinion on the self-assessment process of the Board of Directors, of its relevant internal Board Committees, and of the Management Control Committee with reference to the 2021 financial year, having regard to the provisions of IVASS Regulation 38 and the new Corporate Governance Code. The Committee received the results of the self-assessment questionnaires and submitted them to the Board of Directors;
 - f) gave its opinion on the appointment of the new head of the Group and Parent Company Audit Function.
 - g) indicated its approval of the proposed amendments to its Regulations, submitting a draft of the said amendments to the Board of Directors for approval;
 - h) gave its opinion on the on the amendments made to the policy on fitness and eligibility for office of the Group and Parent Company;
 - i) gave its opinion on the document entitled "Guidelines on the qualitative and quantitative composition of the Board of Directors", produced with the support of advisor Spencer Stuart;
 - j) gave its opinion on the identification of candidates for positions as member of the administrative body of subsidiaries;
 - k) produced a proposal, for the purposes of the relevant decisions of the Board of Directors, for the composition of the lists of Directors to be appointed by the 2021 Shareholders' Meeting, giving its opinion on the professional requirements to be required of prospective candidates and for appointments for special offices;

The new Board of Directors of Cattolica Assicurazioni, meeting following the conclusion of the Shareholders' Meeting held on 14 May 2021, resolved to establish the Appointments and Remuneration Committee, bringing together in a single Committee the duties of the previous Appointments Committee and Remuneration Committee, appointing as members three non-executive Directors who are not members of the Management Control Committee and who are all independent pursuant to Article 148, paragraph 3, of Legislative Decree 58 of 24 February 1998 and Article 2, Recommendation 7, of the Corporate Governance Code.

According to the Regulations, Committee members must collectively possess adequate characteristics and skills to ensure, a good overall knowledge of governance systems and mechanisms, interpersonal skills and professional experience with remuneration policies and practices, risk management and control procedures, in particular with regard to the mechanism for aligning the remuneration structure with risk and capital profiles. The Committee members act with independent judgement to formulate assessments of the adequacy of policies and their implications for risk taking and management. At least one Committee member must have adequate knowledge and experience of financial matters, as established by the Board of Directors at the time of his or her appointment.

The Committee, which is not vested with powers of management or decision-making, has investigative, advisory and propositional functions within the Board of Directors with regard to (i) the assessment of the size and composition of the Board, any co-options, the allocation of special mandates, the composition of Board Committees and the appointment and/or succession of Company executives with strategic responsibilities and heads of the Group control functions, and (ii) the remuneration policies of the Company and the Group, in accordance with the provisions of IVASS Regulation No. 38 of 3 July 2018.

The Secretary is also appointed by the Committee and may be a non-member of the Committee, but in such cases, the appointment must be made from within the corporate structure. The Secretary is assigned the functions of the Company Secretariat.

As provided in the Committee Regulations, the Appointments and Remuneration Committee has always invited the Management Control Committee to attend its meetings, in the person of its Chairman, or another member identified by him or her as his or her delegate.

The following Directors are members of the Appointments and Remuneration Committee:

- Roberto Lancellotti, Chairman
- Paolo Andrea Rossi
- Cristiana Procopio

The Appointments and Remuneration Committee has the option of engaging consultants outside the Company, an option that it did not avail itself of in 2021.

The Appointments and Remuneration Committee has met 10 times in since 14 May 2021.

The average duration of meetings was approximately one hour.

Nine meetings are scheduled for 2022, six of which had already been held as of the date of approval of this report.

With regard to appointments, the Committee has the following duties:

- a) it assists the Board of Directors with the Board's own self-assessment process and that of its internal Board committees, in particular giving advice on the procedures for conducting the self-assessment, examining the results with a view to their submission to the administrative body, and assessing the advisability of engaging external independent consultants. Furthermore, as part of the self-assessment process, it supports the Board of Directors in assessing the implementation and quality of the past induction plan with a view also to contributing to the refinement of the process and the enhancement of training quality;
- b) it provides opinions to the Board of Directors on the functioning, size and optimal composition of the Board of Directors and internal Board committees, and makes recommendations on the professional profiles whose presence on the Board of Directors it deems appropriate;
- c) if a list is submitted by the outgoing Board of Directors, it conducts a preliminary review and then makes proposals for the composition of the list, for the purposes of the relevant decisions of the Board of Directors, in a manner that demonstrates its transparent compilation and presentation, providing its opinion on the professionalism requirements to be required of prospective candidates and in relation to appointments to particular positions;
- d) it proposes candidates for the office of Director to the Board of Directors in cases of co-option;
- e) it provides support, in coordination with the Control and Risk Committee, with the proposal to the Board of Directors on the appointment and revocation of the heads of the Company's control functions and on the relevant appointments in subsidiaries and, where relevant, investee companies;
- f) it supports the Board of Directors in the preparation and updating, following consultation with the Corporate Governance, Sustainability and Value Generation Committee, the succession plans for executive directors, if adopted by the Board of Directors, and oversees their implementation;

- g) in relation to subsidiaries and investee companies, without prejudice to any powers granted in this regard by the Board of Directors, the Committee produces opinions and recommendations on the identification of candidates for the post of member of the administrative and/or control body, in accordance with the fitness and propriety requirements for the proposed positions;
- h) it also gives its opinion to the Board of Directors on:
 - (i) the appointment and dismissal of the Chief Executive Officer, the General Managers and Deputy General Managers, and the determination of their relevant powers and resources;
 - (ii) the appointment and dismissal of the Financial Reporting Officer pursuant to Article 154-bis of Legislative Decree No. 58 of 24 February 1998 (following consultation with the Management Control Committee);
 - (iii) the appointment and revocation of key management personnel;
 - (iv) the Policy of the Parent Company and of the Group on the requirements of integrity, professionalism and independence for corporate representatives and on the maximum number of positions on management or control bodies in other listed or large companies that may be considered compatible with the effective fulfilment of the office of Director of the Company, taking into account the commitment involved in the position they hold;
 - (v) the process of defining, updating and implementing succession plans for General Managers and Deputy General Managers;
 - (vi) the qualitative and quantitative composition of the bodies of subsidiaries.

With regard to remuneration, the Committee has the following duties:

- a) it carries out advisory and proposal-making functions as part of the definition of the Remuneration Policies. To this end, it coordinates with the Control and Risks Committee in order to verify the consistency of the remuneration and incentive systems with the Risk Appetite Framework;
- b) it formulates proposals or expresses opinions regarding the compensation of each Director with specific duties and regarding the setting of performance targets related to the variable component of that remuneration;
- c) it verifies the appropriateness of the overall remuneration scheme and the proportionality of the remuneration of the Chief Executive Officer, where appointed, to that of the company's Key Staff;
- d) it verifies that the Company has taken into account the compensation and working conditions of its employees and/or the employees of the Group in determining the remuneration policy;
- e) it periodically checks the remuneration policies to ensure that they continue to be appropriate including in the event of changes to the company's operations or to the market environment in which the company operates;
- f) it identifies potential conflicts of interest and the measures to be taken to manage them;
- g) it monitors the concrete application of the Remuneration Policy and verifies, in particular, the actual achievement of the conditions for the payment of incentives to executive Directors, Executives with Strategic Responsibilities and Key Staff;
- h) it provides information to the Board of Directors on the effectiveness of the Remuneration Policies;
- i) it supports the Board of Directors, in cases where external consultants are used to determine remuneration policies, by verifying in advance that these persons are not in situations which compromise their independent judgement;
- l) it makes proposals to the Board of Directors concerning the remuneration to be paid to the members of committees and bodies;

- m) it gives it advance opinion on the contents of the remuneration report to be released to the public pursuant to applicable regulations, and on any other information document on remuneration intended for public consultation;
- n) in accordance with the Related Party Transactions Procedure, it gives its prior opinion pursuant to Article 7 of the Consob Regulations on decisions concerning the award of remuneration and economic benefits, in any form, to members of administrative bodies and Executives with Strategic Responsibilities (as defined in the Consob Regulations), other than those resolved upon by the Shareholders' Meeting, and performs other duties that may be assigned to it in relation to company procedures on related party transactions;
- o) it periodically assesses the criteria adopted for the remuneration of the corporate bodies of Subsidiaries, and issues opinions and recommendations to the Board of Directors in this regard;
- p) for variable or financial instrument-based remuneration for the heads of the Company's control functions, it gives its opinion to the Board of Directors on their consistency with the duties assigned, taking care to ascertain that they are independent of the results achieved by operating units subject to the control of such functions and that they are linked to the achievement of objectives related to the effectiveness and quality of control actions, and that they are not a source of conflicts of interest.

Since 14 May 2021, the Committee:

- a) proposed the appointment of a Director as a member of the Control and Risks Committee to replace a member of the Committee appointed by the Board of Directors at its meeting of 14 May last;
- b) having acknowledged what was already allocated for the 2019-2021 three-year period to the budget of each Board Committee and for the Management Control Committee, and taking the potential overall cost savings into account, in view of the merger of the Appointments and Remuneration Committees into a single Committee, it agreed not to submit any amendment proposal to the Board of Directors concerning the annual budget to be assigned to each Board Committee and to the Management Control Committee, reserving the right to make further assessments for 2022 in light of the final balance that will emerge at the end of 2021;
- c) indicated its approval of the proposed amendments to its Regulations, submitting a draft of the said amendments to the Board of Directors for approval;
- d) it endorsed the appointment of a member of the administrative body of the Easycare Foundation as a representative of Cattolica Assicurazioni;
- e) it proposed to the Board of Directors to reallocate the excess resulting from the merger of the Committees in equal parts among the 12 Directors who are not members of the Management Control Committee, due the direct allocation of a precisely defined remuneration by the Shareholders' Meeting to the latter committee, and only to that committee;
- f) it gave its opinion on the confirmation of the Chief Executive Officer's remuneration as a director of the Company;
- g) it compiled a proposal for guidelines for defining the composition criteria for the administrative bodies of the Group's subsidiaries and joint ventures, having regard to the criteria outlined in the "Group policy for identifying and assessing fitness and propriety for the position in terms of integrity, professionalism and independence";
- h) it produced opinions on the identification of candidates for the office of member of the administrative body of subsidiaries and Italian and foreign investee companies, and on the structure of remuneration for Group companies;
- i) it examined the Technical Regulations for the remuneration of Group Directors and Statutory Auditors and approved their submission to the Board of Directors;
- j) it gave its opinion on the proposal to adjust the remuneration of senior managers;

- k) it gave its opinion on the disbursement of the suspended MbO 2019, MbO 2020, LTI 2018-2020, LTI 2021-2023 variable remuneration;
- l) having noted the approval of the Control and Risks Committee of the proposed final statement for MbO 2020 and the proposal for MbO 2021 targets for holders of Key Functions, the Head of the AML Function and the DPO, it approved the said proposals for subsequent submission to the Board of Directors;
- m) After verifying the existence of the eligibility requirements for the position pursuant to the reference legislation and internal rules, it endorsed the appointment of the Head of the Risk Management Function of the companies under the ordinary regime (BCC Vita and Vera Vita) for submission to the Board of Directors.

The Committee performs any additional duties that are assigned to it by the Board of Directors, company procedures, or regulatory or self-regulatory provisions.

The specific contents of the activities performed by the Committee are described in detail in the meeting minutes and were promptly reported by the Chairman to the Board of Directors.

At its meeting of 3 December 2021, the Board of Directors resolved to amend the Regulations of the Appointments and Remuneration Committee and the Control and Risks Committee, which were amended to specify that these Committees are composed entirely of independent directors, as required by the Consob Market Regulations, as a result of being subject to management and coordination by Assicurazioni Generali.

8.0 REMUNERATION OF DIRECTORS – REMUNERATION COMMITTEE

8.1 REMUNERATION OF DIRECTORS

Remuneration policy

The rules on remuneration are contained in IVASS Regulation No. 38 issued on 3 July 2018, and partially incorporate the provisions of the Code, with particular reference to the preparation by the Board of Directors of a report on remuneration policies subject to the approval of the Shareholders' Meeting, and the role of the Appointments and Remuneration Committee which is envisaged for companies of greater size or complexity, composed of non-executive directors, the majority of whom are independent¹².

In December 2011, CONSOB issued implementing provisions for Article 123-ter of the Consolidated Law on Finance (TUF), as amended by Legislative Decree No. 259 of 30 December 2010, on remuneration reports for general meetings.

After consulting with the Remuneration Committee, at its meeting of 7 April 2021, the Company's Board of Directors approved the document containing the proposal for Cattolica's remuneration policies for the year 2021, together with the report on the application of the 2020 remuneration policy. Pursuant to IVASS Regulation No. 38 and Article 59, paragraph 2, Article 93, paragraph 6 and Article 123-ter of the TUF, the report was submitted for approval to the Ordinary Shareholders' Meeting of 14 May 2021.

In accordance with legislative provisions and best market practice, the Remuneration Policies have also been defined in accordance with the values and principles of corporate social responsibility that have always characterised the Company and the Group.

The remuneration of Directors and Executives, in particular executive Directors and Executives with Strategic Responsibilities, must therefore be established while taking into account the need for profitable and sustainable management. The Remuneration Policies are therefore consistent with the Company's risk and solvency management and assessment policy.

The Company's variable incentive systems are increasingly oriented towards taking account, in addition to aspects related to business strategies and the results expected from the Business Plan, of sustainability-related issues, which have become a fundamental element, including in the pursuit of the strategic objectives of the new Business Plan.

Accordingly, among the objectives useful for the achievement of these variable remuneration quotas, the approach adopted in recent years of placing alongside business indicators certain sustainability-related indicators that include both aspects relating to environmental issues and aspects relating to social and human resources issues, has continued.

It should also be noted that on conclusion of the suspension period recommended by the supervisory authorities at European and national level regarding the disbursement of variable remuneration components, in October 2021 the relevant beneficiaries were paid the amounts due by way of variable remuneration (Management by Objectives) for 2019 and 2020. In the same month, the 'up front' portion of the long-term variable equity component of the LTI 2018-2020 Performance Share Plan and the pro rata equity portion of the LTI 2021-2023 Plan were also awarded.

It is confirmed that no form of variable remuneration will be paid to non-executive directors.

¹² As of 3 December 2021, all members of the Committee are independent.

For an explanation of the essential elements of the remuneration policy, see the reports produced for the Shareholders' Meeting.

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Indemnities for Directors in the event of resignation, dismissal or termination of the relationship following a public purchase offer (pursuant to Article 123-bis, paragraph 1, letter i), of the Consolidated Law on Finance (TUF))

There are no agreements between the Company and the Directors providing for indemnities in the event of resignation, dismissal or termination of the relationship following a public purchase offer.

On 4 August 2020, the Board of Directors of Cattolica unanimously resolved to appoint Carlo Ferraresi as Chief Executive Officer of the Company, while he continues to serve as General Manager.

In the event of cessation of employment, the provisions of law and, where not in conflict with the latter, the version in force at the time of the Collective Agreement applied by the Company shall apply to the General Manager.

If the employment relationship is terminated and in order to prevent or end a dispute, the Company, in accordance with the delegations from time to time in force, may enter into settlement agreements in addition to the notice required by law or contract, where due, that entail the payment of pre-determined amounts in return for the waiver of any appeal against the termination of the relationship and of any other request relating to the employment relationship. In the event of termination of the relationship with the General Manager, as a permanent member of the Management Committee, the total amount subject to the agreement will consist of twenty-four months' salary with the addition of twelve months' prior notice calculated in accordance with Article 2121 of the Italian Civil Code, with the part relating to MbO calculated at the theoretical target value. For a detailed explanation of the rules, see the Company's Remuneration Report.

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8.2 REMUNERATION COMMITTEE

In 2001, the Company established the Remuneration Committee, with investigative, advisory and proposal-making functions within the Board of Directors, in relation to the remuneration policies of the Company and the Group, as compatible with the duties assigned to the CEO and/or to other Committees established within the Company's Board of Directors. The Committee does not have any managerial powers or responsibilities.

The meeting of the Board of Directors of Cattolica Assicurazioni held following the Shareholders' Meeting of 14 May 2021, merged the Remuneration Committee and the Appointments Committee by establishing a new Committee entitled the Appointments and Remuneration Committee, as specified in Chapter 7.2 above, to which reference should be made for detailed information on the Committee.

This paragraph describes the composition and work of the Remuneration Committee up to 14 May 2021.

The Compensation Committee was composed of the following Directors:

- Roberto Lancellotti (Chairman)
- Eugenio Vanda
- Alessandro Lai.

The Remuneration Committee of Cattolica Assicurazioni met 13 times during 2021, up to the date of 14 May 2021.

The average length of meetings was approximately one hour and fifth eight minutes.

In particular, during the 2021 financial year, until 14 May 2021, the Remuneration Committee examined:

- the Company's remuneration policies, and the report on remuneration, as summarised in the relevant document. In this regard, the Committee also interacted with external consultants, who supported and validated, from a technical standpoint, the decisions proposed by management for the approval of the Board of Directors;
- the proposal for remuneration relating to Directors and/or members of internal Board Committees of Cattolica Assicurazioni, and its subsidiaries, and Directors vested with particular roles in those companies. In this regard, the Remuneration Committee also conducted, where possible, functional analyses to support its proposals to the Board of Directors, always with the support of external consultants;
- proposals for the financial terms of Executives with Strategic Responsibilities and the guidelines in the event of remuneration interventions for senior Executives. In this respect also, the work of the Committee was supported by the technical opinions of external consultants on this remuneration, in order to have a comparison with quantitative and contractual market benchmarks;
- the MbO 2021 Targets and the MbO 2020 final statement for the Chief Executive Officer/General Manager and Executives with strategic responsibilities;
- the 2021-2023 LTI Plan;
- issues related to the one-off bonus for the General Manager and an extraordinary bonus for the team implementing the partnership agreement with Assicurazioni Generali, for which she was assisted by external consultants, including legal counsel.

The newly appointed Board of Directors of Cattolica Assicurazioni, meeting after the Shareholders' Meeting of 14 May 2021, merged the Remuneration Committee and the Appointments Committee by establishing a new Committee entitled the Appointments and Remuneration Committee, as specified in Chapter 7.2 above, to which reference should be made for detailed information on the Committee.

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9.0 INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM – CONTROL AND RISKS COMMITTEE

The Company complies with the internal control instructions laid down in the Corporate Governance Code, in compliance with the provisions of the Private Insurance Code and those issued by the Insurance Supervisory Authority through IVASS Regulation No. 38.

The internal control system (hereinafter also the "System"), which is incorporated within the corporate governance system, consists of a set of rules, procedures and organisational structures designed to ensure the proper operation and smooth running of the Company and its subsidiaries, also ensuring:

- the efficiency and effectiveness of corporate processes;
- adequate control of current and prospective risks;
- the timeliness of the corporate reporting system;
- the reliability, integrity and security of corporate, accounting and management information and IT procedures;
- the safeguarding of the Company's assets, including from a medium to long-term perspective;
- compliance with applicable legislation, self-regulatory rules and corporate procedures;
- preventing the risk of unlawful activities being carried out (pursuant to Legislative Decree 231/2001).

The system is divided according to criteria of proportionality based on the nature, scope and complexity of the current and future risks inherent in the business activity, or any type of risk identified from a medium/long-term asset safeguarding perspective.

The effective implementation of the system – in terms of the actual conduct and exercise of the control mechanisms, procedures and rules – is widespread, integrated into the corporate structures and involves all personnel according to their respective skills and responsibilities.

The Board of Directors is ultimately responsible for the system and, pursuant to the Corporate Governance Code and IVASS Regulation 38, defines its guidelines and ensures their overall consistency. This task is performed by approving the "Corporate Governance System Directives" produced pursuant to Articles 5 and 71 of IVASS Regulation No. 38.

The Control and Risk Committee assists and supports the Board of Directors in making assessments and taking decisions regarding the internal control and risk management system. The Corporate Governance, Sustainability and Value Generation Committee has investigative and advisory functions within the Board of Directors concerning the definition of the corporate governance system and the assessment of its adequacy. It also makes proposals and advises on the Corporate Social Responsibility (CSR) strategy, policies and initiatives. It examines the economic, social and environmental impact of the Company's activities and gives its opinions on compliance with regulations, according to established guidelines and taking into account the expectations of the relevant stakeholders.

The Management Control Committee supervises the internal control system through verifications of the efficiency of the structures and functions involved, and makes sure that the management and administration acts in compliance with the provisions of law, regulations and Articles of Association. It also monitors the way in which corporate governance rules are actually implemented, proposing corrective actions for any shortcomings found;

The Chief Executive Officer is the Director responsible for the internal control and risk management systems. In accordance with the Corporate Governance Code, he is vested with all powers that enable him to faithfully fulfil all the relevant functions.

The Key Functions (Internal Audit, Risk Management, Compliance and Actuarial) and the Anti-Money Laundering Function were established by resolution of the Board of Directors which, pursuant to the reference legislation, defines their responsibilities, tasks and operating procedures by the drafting of specific policies. These policies are an indispensable part of the corporate governance and internal control system, and are reviewed at least once a year.

The main guidelines that characterise the system, taking into account the various applicable regulations and the various fields of activity, are outlined below:

- pervasiveness and uniqueness, as described by the structure of the control levels described below;
- separation of tasks and responsibilities: duties and responsibilities are allocated to corporate bodies and structures in a timely manner, so as to avoid any omissions or overlaps that may affect corporate functionality; the separation of duties is also a mechanism for managing potential conflicts of interest and prevents the excessive concentration of powers in a single person or structure;
- formalisation of documents: the work of the corporate bodies and delegated persons is documented in order to enable control over management actions and decisions taken;
- independence of controls: the necessary segregation of the control functions from the operating units is ensured, including by appropriate organisational positioning;
- internal control culture: adherence to the principles of legality and integrity is primarily ensured by the adoption of the Internal Code of Conduct intended for the corporate bodies, staff and other stakeholders.

Up to the date of conclusion of the Assicurazioni Generali tender offer, the Company, in its capacity as the Parent Company, required its subsidiaries to comply with the guidelines on the internal control system issued in the exercise of its management and coordination role.

The Cattolica Group and the Company, in line with the most advanced governance systems, adopted a three-tier control structure for their system, which, by responding to specific and differentiated control objectives, helped to ensure that it functioned properly. They are defined as follows.

- **First level.** This level includes controls inherent in operating processes that require specific skills in relation to business, risks and/or the relevant regulations; also defined as operating, line or permanent controls, these are performed by both the person who carries out a given activity and by the person responsible for overseeing it, generally within the same organisational unit. These are checks carried out by the same operating structures, including in the form of self-control, or incorporated into automated procedures, or carried out as part of back-office activity. These controls are defined within the organisational procedures that describe the corporate processes; level one controls are present in each company activity or function and are primarily the responsibility of the manager of the individual organisational unit.
- **Second level.** These controls, also known as periodic controls, safeguard the process of identifying, assessing and managing risks associated with operations, ensuring consistency with company objectives and meeting segregation criteria that allow effective monitoring. These controls are entrusted to specialised units that contribute, together with the management body and operating structures, to the definition of risk management policies, risk measurement methodologies and operational limits assigned to the various functions, and to the control of the consistency of operations with the objectives and risk levels defined by the relevant corporate bodies. These are the control functions, such as the key functions established pursuant to the Code of Private Insurance, i.e. the Risk Management Function, the Compliance Function and the Actuarial Function,

as well as the Anti-Money Laundering Function, established pursuant to Regulation IVASS No. 44/2019 on insurance companies operating in the Life business. Further structures and persons with control duties established by various regulatory sources, who perform their activities with varying degrees of independence and segregation from the operational and key functions are the Financial Reporting Officer, established pursuant to Legislative Decree No. 58/98 (the Consolidated Law on Finance); the Data Protection Officer (DPO), appointed pursuant to EU Regulation 2016/679; the Head of the Group Complaints and Privacy Department, established pursuant to ISVAP Regulation No. 24/2008; the Single Representative for the communication of statistical information to IVASS pursuant to IVASS Regulation No. 36/2017; in the cases provided for by the reference legislation, the Distribution Manager, pursuant to IVASS Regulation No. 40/2018; and the Anti-Fraud Liaison Officer for obligations connected with this activity, including those relating to the Centralised Computer Archive, pursuant to the IVASS Letter to the Market dated 21 May 2014.

- **Third level.** Third level controls provide overall assurance on the design and operation of the internal control system and additional components of the corporate governance system through independent assessments. This is the periodic control activity carried out by the Internal Audit Function, which also extends to the functionality and adequacy of the first and second level safeguards.

The functions report directly to the Board of Directors and have no operational responsibility in order to ensure their independence and autonomy. For the second and third level Key Functions, set up in accordance with the rules governing the insurance sector, the Board of Directors has established an organisational structure based on centralisation with organisational units of the Parent Company, to facilitate consistency in the adoption of policies, procedures and methodologies for risk governance and control.

The Internal Audit Function is responsible for assessing and monitoring the effectiveness, efficiency and adequacy of the internal control system and of the additional components of the corporate governance system, and any need adjustments, including through support and advice to other company functions.

The Risk Management Function supports the Board of Directors in the definition of risk management strategies, in the definition and measurement of monitoring tools and provides, through an adequate reporting system, data for the evaluation of the resilience of the risk management system as a whole.

The Actuarial Function also contributes to the effective implementation of the risk management system.

The Compliance Function identifies and assesses the risk of non-compliance with the rules, or the risk of incurring judicial or administrative sanctions, of suffering losses or reputational damage as a result of failure to comply with laws, regulations and European standards, orders of the Supervisory Authorities, or self-regulation rules.

In accordance with the provisions of IVASS Regulation 38, key functions cooperate with each other to fulfil their respective duties, and with the control bodies to perform the tasks assigned to them.

The relationships between Key Functions and with the control functions (Anti-Money Laundering, DPO) are oriented towards a synergistic approach in order to allow integrated planning of the "assurance" activities and to ensure more effective coverage of risk areas with checks and controls organised in a synergistic or combined manner, and are specifically regulated in the "Directives on the Corporate Governance System".

Checks on the Internal Control System are carried out by means of direct oversight by the heads of the organisational units as part of their roles and responsibilities, and through specific audits, scheduled annually and conducted by the Internal Audit function.

With regard to the transmission of information, the Company has a planning and reporting system that enables the Board of Directors to have at its disposal adequate accounting and management information for decision-making processes and to verify the achievement of the strategic objectives that it sets, in order to review them if necessary.

Senior Management ensures that the administrative body has complete knowledge of the relevant company events.

To this end, the Company equips itself with:

- organisational structures specialising in the production of accounting and management information flows useful for the purposes of supervising the Group, which act in accordance with the principles of accuracy, completeness, timeliness, consistency, transparency and relevance of the information;
- procedures and criteria for the circulation and collection of data and information useful for the exercise of supervision and mechanisms for verifying the completeness and timeliness of the relevant information flows;
- information and reporting flows according to a bottom-up and top-down approach;
- reporting and data recording systems that ensure traceability in order to have complete and up to date information on aspects that may affect the risk and solvency profile, and to ensure that actions can be traced and those responsible identified;
- effective communication channels that enable the relevant Company bodies to have complete and timely knowledge of particularly grave situations.

In order to facilitate the management and transmission of information, it is also stipulated that that each Company policy should clearly define the information flows that are produced, indicating the recipients and the frequency with which the flows must be produced.

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With regard to risk management, the Board has defined a risk management process, including from a Group¹³ perspective, taking into account the objectives of the business plan and the annual budget, based on the following components:

- 1) risk map analysis (risk identification)
- 2) risk measurement and assessment
- 3) definition of risk appetite
- 4) risk management
- 5) risk monitoring
- 6) reporting and escalation process.

Specifically:

1) Risk map analysis (risk identification)

The Company continually collects information on the risks to which it is exposed. This activity is performed by the Risk Management function, in collaboration with the heads of the business areas in charge of managing the risks associated with the areas for which they are responsible (Risk Owners) by analysing the processes within their remit that present material risks and identifying individual events that give rise to risk, and the relevant controls established to safeguard against them. The operational risk identification processes are set out in the individual risk management policies.

¹³ 'Group' means the Cattolica Group until 5 November 2021

A specific Risk Register has been introduced, which analytically and dynamically defines the risks to which individual companies are exposed. This document represents the common reference language at the corporate level for robust overall risk governance.

The risk taxonomy is consistent with the cataloguing provided for in IVASS Regulation No. 38, appropriately adapted on the basis of the Solvency II regulations.

The risk map and the Risk Register also include sustainability risk, i.e. the risk arising from an environmental, social or governance event or condition which, if it were to occur, could have a significant real or potential negative impact on the Company's business.

Furthermore, risks associated with non-insurance companies, i.e. risks associated with strategic companies not regulated by insurance sector rules, are also monitored.

Finally, studies are made of emerging risks, i.e. risks that are new or starting to occur, which are difficult to quantify in terms of frequency, and whose effects on the Company and/or the entire insurance industry may be significant.

2) Risk measurement and assessment

The methodologies to be adopted for measuring and assessing risks are defined as part of the risk management process.

The main objective of this phase is to determine the estimated level of current and prospective risk in relation to the overall exposure to all risks, individual risk categories, and the most significant individual risk factors.

To this end, the Company uses various types of analysis:

- metrics for calculating the Solvency II capital requirement for Pillar 1 risks;
- qualitative assessments for Pillar 2 risks;
- assessment of the impacts generated by adverse market movements (sensitivity) on the solvency ratio according to the Solvency II rules and taking into account the risk tolerance thresholds set;
- scenario analysis;
- stress tests;
- reverse stress tests.

In line with the Group's risk profile, the scenarios for 2021 have been defined with respect to market risks and Non-Life and Health technical risks.

3) Definition of risk appetite

Within the risk management system, the Risk Appetite Framework (RAF) is of key importance. The RAF aims to ensure an overall financial soundness that is above the regulatory minimums and capable of withstanding, due to an adequate prudential buffer, periods of stress resulting from the levels and characteristics of the assumed risks.

The medium/long-term risk appetite is defined by taking into account the results of the risk and solvency assessment, in accordance with risk management objectives. It is understood as the level of risk that the Group and individual Companies intend to assume in pursuit of their respective strategic objectives. The risk appetite is specified by setting thresholds and establishing the related monitoring and escalation procedures.

4) Risk management

The main objective of the risk management strategy is to fulfil commitments to the customers, shareholders and, more generally, the various stakeholders of the Company (employees, distribution networks, etc.). Its main objective is to equip the Group and the Company with strategies, techniques and tools to manage and mitigate the risks to which it is exposed.

5) Risk monitoring

The main objective of this phase is to continuously assess the evolution of the Company's risk exposure in order to promptly detect any unexpected developments in the risks considered. Risk monitoring is performed with reference to two key dimensions:

- monitoring of the level of risk appetite by type of risk
- monitoring of operational limits.

With respect to the first dimension, risk monitoring is based on the frequency and manner in which the measurement of risk exposure is actually implemented.

The operational limits specify the maximum exposure to the risks permitted by the operating structures, in line with the risk appetite, in both quantitative and qualitative terms. They therefore delimit management activity in both the risk assumption and the risk management phases. Operational limits are set by Senior Management with the support of the Risk Management Function.

6) Reporting and escalation process

The main objective of the reporting phase is to provide the relevant information on the Company's exposure to risks. The set of information flows supporting the risk management system involves first-level control managers, second-level fundamental functions, senior management of the Company, the Control and Risks Committee and the Board of Directors. Also involved are the company departments that govern the information necessary for the assessments (data owners) that typically support the process.

The Risk Management function is required to consolidate the information flows generated within the risk management system and to provide specific periodic information to Senior Management, the Control and Risk Committee, and the Board of Directors of the Company.

The purpose of the escalation phase is to provide the Group and the Company with appropriate processes to be adopted in the event of a breach of the thresholds for risk assessment and monitoring, which are calibrated according to the severity of possible breaches.

The internal control and risk management system, in relation to the financial reporting process adopted by the Company, is a component of the broader internal control and risk management system described above.

The Company has adopted a control model, in support of the Financial Reporting Officer, to verify the adequacy and effective application of administrative and accounting procedures related to financial reporting. This model is based on a process defined in accordance with the *CoSO Framework (Internal Control – Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission)* and, for the IT component, with the applicable processes of the *COBIT (Control Objectives for Information and related Technology) Framework*, which represent generally accepted international reference frameworks.

In particular, the model comprises the following phases:

- (i) assessment of controls at entity level (entity-level controls)
- (ii) definition of scope and activity scheduling (scoping)
- (iii) identification and assessment of risks and process controls on financial reporting
- (iv) verification of the operational effectiveness of financial reporting process controls
- (v) assessment of IT general controls
- (vi) preparation of the certification of the Financial Reporting Officer and the confirmation letters of the subsidiaries.

For further information on the main characteristics of the internal control and risk management system in relation to financial reporting, see Annex 1.

9.1 CHIEF EXECUTIVE OFFICER

The Chief Executive Officer exercises powers of guidance and operational management of

the company, with all powers of ordinary administration, in accordance with the general programmatic and strategic guidelines established by the Board of Directors. He or she is therefore granted specific delegated and management powers.

In particular, the Chief Executive Officer is the only director classified by the Company as "executive" pursuant to the Corporate Governance Code.

The Managing Director is the hierarchical head of the Company and all its structures and, in accordance with the resolutions of the Board of Directors, is responsible for the internal control and risk management system. In accordance with the Corporate Governance Code, he is vested with all powers to enable him to faithfully fulfil all the relevant functions.

The Managing Director is assigned a mandate to oversee the internal control system.

The Chief Executive Officer carries out his or her activities of identifying and monitoring the main risks and the relevant control systems by the procedures indicated below.

The emerging requirements of adjusting this system to the dynamics of operating conditions and the legislative and regulatory landscape have been taken into account.

The Chief Executive Officer acquires information useful for these purposes, as well as through specific reports, also from the internal control bodies or functions, participating in committees and meetings at managerial level and meetings with the Financial Reporting Officer, as well as with the heads of the internal control functions.

The Chief Executive Officer may ask the Internal Audit function to carry out checks on specific operating areas of the Company or corporate transactions, in accordance with the procedures defined in the function's policy.

The Control and Risk Committee Regulations provide that the Chief Executive Officer may attend meetings of the Control and Risk Committee, in his or her capacity as director in charge of the internal control and risk management system.

Finally, the Chief Executive Officer handles relations with the Supervisory Authority for internal controls, overseeing interactions with the Authority directly and taking initiatives within his or her remit.

9.2 CONTROL AND RISKS COMMITTEE

In 2001, the Company established the Internal Control Committee which, by resolution passed in December 2012, in implementation of the Corporate Governance Code then applicable and unchanged in this regard, assumed the duties and the name of the Control and Risks Committee.

Until the date of 14 May 2021, the Control and Risks Committee was composed of the following members:

- Bettina Campedelli (Committee Chairman)
- Barbara Blasevich
- Rosella Giacometti.

On 14 May 2021, the newly appointed Board of Directors established the Control and Risks Committee, appointing the members listed below, who were in office at the end of the Financial Year:

- Camillo Candia (Committee Chairman)
- Luigi Migliavacca

- Daniela Saitta
- Stefano Gentili
- Roberto Lancellotti.

The characteristics and professional expertise of the Directors, with particular reference to accounting and financial matters, were borne in mind by the Board at the time of appointment.

The Committee met 25 times in 2021. The average duration of meetings was two hours and fifty eight minutes ⁽¹⁴⁾.

Fourteen Committee meetings are scheduled for 2022, six of which had already been held at the date of approval of this report.

The Committee is composed of five directors selected by the Board of Directors - which also determines their number - from non-executive members not members of the Management Control Committee, all of whom are independent pursuant to Article 148, paragraph 3, of Legislative Decree 58 of 24 February 1998 and Article 2, Recommendation 7, of the Corporate Governance Code. The Committee members must have sufficient knowledge, skills and experience to fully understand and monitor the strategies and risk orientations of the Company and its subsidiaries. In particular, the Committee as a whole must have adequate experience in accounting, finance and risk analysis and assessment, as ascertained by the Board of Directors at the time of its appointment, and at least one member of the Committee must have adequate knowledge and experience in accounting and finance and/or risk management.

The Chairman of the Committee is appointed by the Board of Directors in accordance with the provisions of the Articles of Association and the Regulation for the Board of Directors.

The Chairman of the Board of Directors and of the Management Control Committee, either personally and/or represented by other members, may attend the Committee's proceedings in accordance with the provisions of the Articles of Association.

The Management Control Committee, in the person of its Chairman and/or other members, attended all meetings of the Control and Risk Committee.

Meetings may be attended by the Chief Executive Officer, in his or her capacity as director in responsible for the internal control and risk management system, and the heads of the Company's control and risk management functions (Internal Audit, Compliance, Risk Management and Actuarial Function). General Managers may request to attend Committee meetings. On the invitation of the Chairman, other members of the Board of Directors and, after informing the Chief Executive Officer, representatives of the relevant corporate functions as well as other persons, including persons from outside the Company, whose presence is deemed necessary or appropriate in view of the matters to be discussed at the meeting, may also attend the Committee's meetings.

The Secretary is also appointed by the Committee and may be a non-member of the Committee, but in such cases, the appointment must be made from within the corporate structure. The Secretary is assigned the functions of the Company Secretariat. The Committee meetings are duly minuted. The Chairman of the Committee, or his or her replacement, reports to the first meeting of the Board of Directors after each Committee meeting on the meetings held by the Committee and its work and decisions.

⁽¹⁴⁾ For details of individual attendance, see Table 2.

The Committee supports the Board of Directors in the performance of its functions with regard to the internal control and risk management system. It pays particular attention to the work that is essential for the Board of Directors to achieve a correct and effective determination of the Risk Appetite Framework (RAF) and the risk governance policies.

In particular, the Committee:

- a) supports the Board of Directors in defining and approving the risk appetite framework (RAF) and the closely related strategic guidelines, in order to foster an awareness of the risks to which the Company and its subsidiaries are exposed;
- b) supports the Board of Directors in verifying results achieved against RAF forecasts;
- c) supports the Board of Directors in examining and approving proposals relating to the establishment of the corporate control functions, their duties, responsibilities and methods of coordination and collaboration, information flows between these functions and between the functions and the corporate bodies, taking account of the opinions of the Management Control Committee; in this context and with reference to the control functions (understood as the key functions - Internal Audit, Risk Management, Compliance, the Actuarial Function - and the Anti-Money Laundering Function) it contributes to the drafting of the document on the Corporate Governance System referred to in Article 5, paragraph 2, letter i) of IVASS Regulation No. 38/2018;
- d) following consultation with the Management Control Committee, and with the contribution of the Appointments and Remunerations Committee, it gives its opinion to the Board of Directors on the appointment and dismissal of the head of the Company's internal audit function and other Company control functions, ensuring that they have sufficient resources to fulfil their responsibilities and are remunerated in accordance with company policies; with regard to the head of internal audit, the opinion given is binding.
gives its opinion on proposals submitted to the Board of Directors on the appointment of the heads of the control functions of subsidiaries and, where appropriate, of the investee companies.
also gives an opinion on the objectives of the heads of the Company's control functions.
- e) examines in advance the information provided to the Board of Directors by the control functions concerning the assessment of the internal control and risk management system, in particular information produced by the Internal Audit function, coordinating with the Control Management Committee and the Chief Executive Officer, as the director responsible for the internal control and risk management system;
- f) supports the Board of Directors in examining the information flows transmitted by the control functions on any significant violation or shortcoming observed (for example, violations that may entail a high risk of regulatory or legal penalties, significant financial losses or significant impacts on the financial situation or capital position, reputational damage), making the relevant observations and proposing to the Board of Directors any decisions to be taken, also taking into account the results of the work of the Management Control Committee;
- g) examines, prior to approval by the Board of Directors, policies concerning the Company's internal control and risk management system;
- h) gives its opinion to the Board of Directors, when the Board is required to define the guidelines of the internal control and risk management system, in accordance with the Company's strategies and those of its subsidiaries so that the main risks are correctly identified and adequately measured, managed and monitored through appropriate information flows for the circulation and collection of data, also determining the extent to which such risks are compatible with a management strategy for the Company and its subsidiaries that is consistent with the strategic objectives and risk appetite identified at that time;

- i) gives its opinion to the Board of Directors when the Board is required to assess, at least once a year, the adequacy and effectiveness of the internal control and risk management system in terms of the characteristics of the Company, its subsidiaries, the risk profile it has assumed and its effectiveness;
- j) gives its opinion to the Board of Directors, when the Board is required to assess whether to adopt measures to ensure the efficacy and impartiality of judgement of the corporate functions involved in second and third level controls (Risk Management, Compliance and Anti-Money Laundering, Internal Audit), and verifies that their professionalism and resources are adequate;
- k) gives its opinion to the Board of Directors on the composition of the Supervisory Body established by the Company pursuant to Article 6, paragraph 1, letter b), of Legislative Decree No. 231/2001;
- l) assists and supports the Board of Directors with appropriate preliminary work, and monitors the autonomy, adequacy, effectiveness and efficiency of the corporate functions involved in second and third level controls (Risk Management, Compliance and Anti-Money Laundering, Internal Audit);
- m) issues its opinion to the Board of Directors on the work plan produced by the head of the Internal Audit function and the activity plan produced by the heads of other control functions, after consulting with the Management Control Committee and the Chief Executive Officer, as the director responsible for the internal control and risk management system;
- n) supports the Board of Directors in describing, in the corporate governance report, the main characteristics of the internal control and risk management system and the methods of coordination between the persons involved in it, indicating the models and national and international best practices of reference, and providing in the same report an overall assessment of the adequacy of the system, taking account of decisions taken with regard to the composition of the Supervisory Body established within the Company pursuant to Legislative Decree 231/2001;
- o) supports the Board of Directors in ascertaining that the incentives underlying the remuneration and incentive system are consistent with the RAF and generally take account of the risks, without prejudice to the powers of the Appointments and Remuneration Committee;
- p) gives opinions on specific aspects relating to the identification of the main corporate risks, evaluating scenarios and assumptions used for stress tests and the results of periodic analyses conducted pursuant to the risk management policy;
- q) assists and supports, with adequate preliminary activities, the Board of Directors in defining the directives on the internal control and risk management system, and in revising them, so that the strategies and policies for risk identification, assumption, assessment and management are appropriate for sound and prudent management of the Company;
- r) assesses, in consultation with the Financial Reporting Officer and the collaboration of the auditing company and the Management Control Committee, whether the accounting standards are being used correctly and consistently for the purposes of compiling the consolidated financial statements;
- s) assesses the suitability of periodic financial and non-financial information to correctly represent the Company's business model, strategies, the impact of its activities and its performance, in coordination with the Corporate Governance, Sustainability and Value Generation Committee;
- t) examines the content of periodic non-financial information relevant for the purposes of the internal control and risk management system;
- u) gives its opinion to the Board of Directors, when the latter is required, in consultation with the Management Control Committee, to assess the results presented by the auditing company in any letter of suggestions and in its report on the key issues arising during the statutory audit;

- v) reviews the periodic reporting on its work and progress with corrective measures prepared by the Financial Reporting Officer.
- w) supports the Board of Directors with the approval of the accounting and reporting systems, investigating problems associated with the preparation of the individual and consolidated financial statements and analysing the logic and processes underlying the drafting of the accounting documents (data governance);
- x) supports the Board of Directors in approving ICT development strategies, including corporate cyber security and business continuity plans;
- y) reports to the Board of Directors, at least every six months, on the occasion of the approval of the annual and half-year financial reports, on its work and on the adequacy of the internal control and risk management system, it being understood that any significant critical issues must immediately be brought to the attention of the Board of Directors;
- z) supports the Board of Directors, with appropriate investigative work, in assessments and decisions on the management of risks arising due to prejudicial events of which the Board of Directors has become aware;
- aa) co-operates with, assists and supports the Board of Directors with appropriate investigative work, verifying that the Internal Control functions have the necessary autonomy, resources and means to fulfil their functions;
- bb) co-operates with, assists and supports the Board of Directors with appropriate investigative work, verifying the implementation and assessment of the functionality and adequacy of the internal control and risk management system by Senior Management, composed of the CEO and the General Managers;
- cc) examines the periodic reports relating to the assessment of the internal control and risk management system, together with reports of particular importance produced by the Internal Audit function and by other second and third level control functions;
- dd) examines and instructs the Board of Directors on decisions on structural interventions to be taken if the "hard" thresholds defined in the risk and solvency management and assessment policy are exceeded;
- ee) examines: a) properly documented proposals from Senior Management on the activation of scenario and sensitivity analyses when the soft thresholds defined in the risk appetite resolution are exceeded; and b) Senior Management's proposals for structural measures to be adopted when the hard thresholds defined in the risk and solvency management and assessment policy are exceeded, for the purposes of the activities referred to in the previous point; in both the above cases, the Committee may request Senior Management to identify, assess and analyse alternative proposals/solutions.

The Committee also undertakes any additional duties that are assigned to it by the Board of Directors, company procedures, company procedures or regulatory or self-regulatory provisions. In particular and *inter alia*, it supports the Board of Directors in verifying the adequacy and operation of the ORSA process.

The Control and Risks Committee, including in the context of periodic meetings arranged for this purpose, avails itself of the support of the control functions, which may be responsible for carrying out assessments and checks on specific operating areas and for preparing supporting documentation.

In the performance of its functions, the Control and Risks Committee has the authority to access to all information and documents deemed necessary for this purpose and to request additional information and clarifications from the operating structures. To this end it may liaise directly with the control functions, the Financial Reporting Officer and the auditing company for the matters pertaining to them, and with any other structures it believes may be useful for the performance of its activities. In the performance of its role, it may also use the services of

independent external consultants. It did not make use of this option during the year.

The work done by the Control and Risks Committee in 2021 related to:

1. Assistance to the Board of Directors with regard to:
 - the definition of directives relating to the internal control and risk management system;
 - the description of the structure and operation of the internal control and risk management system in the Corporate Governance Report and production of the planned adequacy assessment;
 - the assessment of the control procedures adopted;
 - the assessment of the level of autonomy and the adequacy of the resources assigned to the Internal Audit, Compliance and Risk Management functions, the Actuarial function and the Anti-Money Laundering function;
 - monitoring the appropriateness of the resources assigned to the Internal Audit, Compliance and Risk Management functions, the Actuarial function and the Anti-Money Laundering function, in light of increasing workloads.
2. Examination of:
 - the annual work plans for the control functions and updates thereto;
 - the periodic reports of the Internal Audit, Compliance and Risk Management functions, the Actuarial function and the Anti-Money Laundering function;
 - the complaints report.
3. Expression of opinions on:
 - the assignment of duties to the persons responsible for internal control;
 - the identification and monitoring of corporate risks;
 - the design and management of the internal control system;
 - significant company policies on the internal control system and risk management;
 - the assumptions used in the valuation of technical provisions;
 - the organisational structure of the internal control and risk management system.
4. Assessment of the correct use of accounting standards, jointly with the Financial Reporting Officer.

The specific content of the most significant activities carried out by the Committee concerned the following areas:

1. Governance processes and corporate documents;
2. Strategic planning processes (assessment from the perspective of the Internal Control and Risk Management System);
3. The Internal Control and Risk Management System;
4. Financial reporting processes.

The specific contents of the work performed by the Committee are in any case described in detail in the meeting minutes and were promptly reported by the Chairman of the Committee to the Board of Directors.

The Board has approved the allocation of specific financial resources to the Control and Risks Committee.

At its meeting of 3 December 2021, the Board of Directors resolved to amend the Regulations of the Control and Risk Committee and the Appointments and Remuneration Committee, which have been amended to specify that these Committees are composed entirely of

independent directors, as required by the Consob Markets Regulations, as a result of being subject to management and coordination by Assicurazioni Generali.

On 14 March 2022, the Company announced that Mr Luigi Migliavacca, a non-executive and independent director, had resigned from his positions as director of Cattolica, Vice Chairman of the Company, and member of the Control and Risks Committee and the Related Parties Committee for personal reasons that prevented him from dedicating the necessary time to his positions. Acknowledging the resignation, the Board of Directors resolved on the same date to appoint non-executive and independent director Laura Ciambellotti to the Control and Risk Committee.

9.3 THE INTERNAL AUDIT OFFICER

At 31 December 2021, the Internal Audit Officer was, and remains, Carmelo Nolasco, appointed by the Board of Directors on 15 April 2021 pursuant to IVASS Regulation No. 38 of 3 July 2018 with effect from 17 May 2021, with the prior approval of the Appointments Committee and the endorsement of the Control and Risks Committee and the Management Control Committee.

The Internal Audit function assesses and monitors the effectiveness, efficiency and adequacy of the internal control system and of the additional components of the corporate governance system and any adjustment requirements, including by supporting and advising other company functions. It takes a systematic professional approach to assess control, risk management and corporate governance processes, drawing on the Internal Code of Conduct and principles of professional ethics, in line with the Professional Practices Framework of The Institute of Internal Auditors. In accordance with the requirements of the framework, in the latter part of 2021 the function underwent an independent assessment by an external assessor. The result was "generally compliant" (green) with the requirements of the Code of Conduct (i.e. principles and rules of conduct) and the Standards for Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

The Internal Audit function takes the form of a specific organisational unit and reports to the Board of Directors to ensure the independence and autonomy of the heads of the operational areas and the other Key Functions. The Internal Audit Officer does not have any operational roles.

The tasks, responsibilities and operating procedures of the function are established by the policy approved by the Board of Directors, which provides, *inter alia*, freedom of access for persons in charge of all corporate structures and documentation relating to the company area subject to control, including useful information relating to peripheral structures and the sales network, and information to verify the adequacy of the controls carried out on outsourced corporate activities.

The Internal Audit Officer compiles the annual internal audit programme, applying a risk-based approach, which enables the identification of areas to be analysed as a priority in line with the mapping of the main risks to which the company is exposed, while also ensuring the coverage of all significant activities within a reasonable period of time. The plan also includes the activities to be carried out in accordance with regulatory obligations and scope for responding to unforeseen verification requirements. It is submitted for the approval of the Board of Directors, after consultation with the Control and Risks Committee, before the start of the reporting year. On the instructions of, and for alignment with Assicurazioni Generali S.p.A., which exercises management and coordination over Cattolica as provided in Articles

2497 et seq. of the Italian Civil Code, following its acquisition of legal control over Cattolica, the plan was approved in the early months of 2022.

For targets that are specific to the function, the Internal Audit Officer comes within the incentive system provided for managers in accordance with the remuneration policy approved by the Shareholders' Meeting. The Internal Audit Officer is allocated a budget of economic, human and technological resources that is appropriate to the nature, scope, complexity and development objectives of the Company and its subsidiaries, in accordance with the aim of assessing and monitoring the internal control and corporate governance system as set out in the annual audit plan. The financial resources are defined as part of the corporate budgeting process and mainly relate to expenditure on ordinary business activities, including travel and relocation expenses.

With regard to the 2021 financial year, in accordance with the internal standards established in the Function's policy, the Internal Audit Officer submitted to the administrative, management and control body, after transmission to the Control and Risks Committee, quarterly reports and the annual report summarising, in accordance with the plan of activities, the activities and controls performed, their results, critical issues and recommendations for their resolution, together with progress and time frames for the implementation of any improvements. Reports on events of particular importance were promptly sent to the same persons, also at the request of the Management Control Committee.

In accordance with the audit plan, the verifications concerned company processes, including corporate governance and risk management issues, information and management accounting systems, and the activities of the distribution networks.

9.4 ORGANISATIONAL MODEL PURSUANT TO LEGISLATIVE DECREE No. 231/2001

The Parent Company, the Italian subsidiaries and the Group's main strategic companies not subject to sector regulations have adopted an Organisation, Management and Control Model, pursuant to Legislative Decree No. 231 of 8 June 2001 (hereinafter the "Model").

The Organisation and Control Model adopted by the Issuer consists of two parts.

The General Part concerns:

- the provisions contained in Legislative Decree 231/01 and the prerequisites for Administrative Liability;
- the scope of legislation specifically applicable to Cattolica Assicurazioni, including a description of the types of offence under Legislative Decree 231/01 relevant to the Company;
- the Organisational Model adopted by the Company, indicating the persons to whom the Model is addressed, the operating principles of the Supervisory Board, the definition of a penalty system to sanction violations of the Model, an indication of the obligations to disseminate the Model, and staff training.

The purpose of the Special Part is to:

- set out the essential control measures designed to prevent or mitigate offences, which are transposed into Company operating procedures and practices to make them capable of preventing the perpetration of the offences referred to in the Decree and deemed potentially applicable to the Company;
- to provide the Supervisory Board and the heads of other company functions that cooperate with it with the operational tools necessary to perform control, monitoring and verification duties.

The Special Section, composed of various sections, discusses and analyses the Company's

business areas whose activities have been identified by the Company as “sensitive” to the risk the offences provided for in the Decree.

For each sensitive activity performed by the Company in-house, the Special Section indicates, in addition to the types of underlying offence in relation to which the activity is deemed sensitive, the general principles of conduct, the preventive measures to protect against such activities, and the essential control measures designed to prevent or mitigate offences. With regard on the other hand to outsourced sensitive activities, the general principles of conduct and the specific safeguards established to control these activities are omitted, as reference is made to the Organisation and Management Models of the companies that offer these services.

In view of the socio-economic environment in which the Company operates, its history, and the type of business it undertakes, it considers the following categories of predicate offences to be potentially relevant:

- offences committed in relations with the public administration (Articles 24 and 25 of the Decree);
- cybercrime and unlawful data processing (Article 24-bis of the Decree);
- organised crime (Article 24-ter), transnational crimes (Article 10 of Law No. 146 of 16 March 2006);
- counterfeiting of legal tender, official stamps and deeds or distinguishing marks (Article 25-bis of the Decree);
- offences against industry and trade (Article 25-bis of the Decree);
- corporate offences (Article 25-ter of the Decree);
- offences of terrorism or subversion of the democratic order as provided for in the criminal code and special legislation (Article 25-quater of the Decree);
- offences against the individual (Article 25-quinquies of the Decree), restricted to the cases referred to in the amended Article 603-bis of the Criminal Code, and “Unlawful intermediation and exploitation of labour”;
- market abuse offences (Article 25-sexies of the Decree);
- offences of negligent homicide or grave or grievous injury committed in breach of workplace health and safety legislation (Article 25-septies of the Decree);
- receiving stolen goods, money laundering and using money, goods or assets of illegal origin, and self-laundering (Article 25-octies of the Decree);
- copyright infringement offences (Article 25-nonies of the Decree);
- inducement not to make statements or to make false statements to the judicial authorities (Article 25-decies of the Decree);
- environmental offences (Article 25-undecies of the Decree);
- employment of illegally staying third-country nationals (Article 25-duodecies of the Decree);
- tax offences (Article 25-quinquiesdecies of the Decree).

For each family it may apply to, the Model indicates: (i) the predicate offences associated with each family; (ii) offences deemed applicable following a risk assessment.

The Organisation, Management and Control Model is available in the Governance section of the Issuer's corporate website at (<https://www.cattolica.it/modello-ex-d.leg-231>).

The Issuer has established a Supervisory Board (hereinafter also the SB) pursuant to Legislative Decree 231/01, with specific responsibilities for monitoring the actual functioning of the Organisation, Management and Control Model.

The Issuer's Supervisory Board is composed of four members:

- two external members, including the Chairman;

- o the *pro tempore* Head of the Audit Function;
- o the *pro tempore* Head of the Compliance Function.

The external members have undisputed authority, expertise in legal, economic and financial matters and proven experience in matters relating to the specific tasks assigned to the SB.

The internal members identified as the heads of the Audit and Compliance Functions are those who, due to their knowledge of the Company and their organisational independence from the management bodies and operational functions, are the most suitable to serve as members of the Supervisory Board.

The Supervisory Boards of subsidiaries are normally composed of three members.

On the date of approval of this report, the Company's Supervisory Body was composed of:

- Silvano Corbella, external member and Chairman
- Wilmo Ferrari, external member
- Carmelo Nolasco, Internal Audit Officer of the Parent Company
- Giada Malaspina, Head of the Parent Company Compliance Function.

It should be noted that the Board of Directors has, at present, considered it preferable not to assign the Supervisory Board functions pursuant to Legislative Decree 231/2001 to the Management Control Committee, bearing in mind that such an assignment would entail a further extension of the already demanding duties fulfilled by the said control body, and that the presence of a further control "body", while requiring coordination, facilitates internal debate with a view to stronger oversight.

With regard to the Issuer, the Model, by resolution of the Board of Directors on 24 March 2021, was adapted to the organisational and regulatory changes that had taken place since its most recent approval on 26 April 2018. Nevertheless, the updating process for the Parent Company and its subsidiaries is ongoing, in line with the evolution of the regulatory and corporate framework.

In this regard, on the date of approval of this report, Cattolica Assicurazioni S.p.A. updated the Model to include safeguards designed to prevent tax offences, and to transpose the organisational changes that have taken place in the meantime.

During 2021, the companies "BCC Vita" and "BCC Assicurazioni" formalised a new Model.

As of the date of publication of this report, updates of the models of the following companies are being finalised: Vera Assicurazioni S.p.A., Vera Protezione S.p.A., Vera Vita S.p.A., TUA Assicurazioni S.p.A., Cattolica Agricola S.a.r.l. and Cattolica Beni Immobili S.r.l.

The Model is updated in three phases: an initial phase involving a preliminary assessment of the methods of intervention on the basis of the existing Model and the company's internal regulatory and procedural framework; a second phase of precise identification of the need to update the document (introduction of new offences/organisational changes); and a third phase of drafting the General and Special Sections of the Models of the companies involved in the project.

The process primarily involves the senior management of the companies, their respective supervisory bodies and the individual process owners, through sharing and alignment.

During 2021, a tool was launched to support the exchange of information flows to the Supervisory Body.

The new reporting framework represents a significant change compared with the previous system, in terms of the scope of monitoring and the level of detail of the information collected.

The activities related to the effective implementation of the Model are as follows:

- the definition of ethical principles in relation to behaviours which may include the types of offence provided for in the Decree: a specific Code of Conduct has been adopted for this purpose;
- the definition of the Company's processes within which, in principle, the conditions, opportunities or means could arise to commit offences or related activities;
- the definition of staff training methods;
- the definition of the report to be provided to the sales network, the service companies and other third parties with which the Company comes into contact;
- the definition and application of disciplinary measures to sanction non-compliance with the measures indicated in the Model with an appropriate level of deterrence;
- identification of the Supervisory Body and allocation to it of specific supervisory duties relating to the effective and correct functioning of the Model, with a "mixed collegiate" composition;
- the definition of ordinary and extraordinary information flows to the Supervisory Board.

9.5 AUDITING COMPANY

The auditing firm appointed by the Shareholders' Meeting of 27 June 2020 for the 2021-2029 financial years, on the recommendation of the Management Control Committee as the Internal Control and Audit Committee, was PriceWaterHouseCoopers S.p.A.

The Shareholders' Meeting of 23 December 2021 approved, by a majority of approximately 87.75% of those entitled to vote, the consensual early termination of the statutory audit mandate granted on 27 June 2020 to PriceWaterHouseCoopers S.p.A. for the financial years 2021 – 2029, on the basis of the opinion on the matter formulated by the Management Control Committee.

The consensual termination became necessary because, on 5 November 2021, following the tender offer made by Assicurazioni Generali S.p.A., the latter company gained legal control over Cattolica Assicurazioni. The acquisition of control led to PricewaterhouseCoopers S.p.A. being in a situation of incompatibility, due to services being performed by the independent auditors and entities belonging to the relevant network to Generali and its relevant group. This situation was promptly reported by PricewaterhouseCoopers S.p.A. to Cattolica Assicurazioni.

Due to the early termination of the mandate of PricewaterhouseCoopers S.p.A., the Shareholders' Meeting also approved, with a majority of approximately 87.75% of those entitled to vote, the appointment of the audit company BDO Italia S.p.A. as the statutory auditor of the Company for the 2021-2029 nine-year period, approving the relevant proposed annual fee. As provided for in the relevant regulations, the resolution of the Shareholders' Meeting was adopted on the basis of a recommendation by the Management Control Committee, acting as the Internal Control and Audit Committee, following a selection procedure pursuant to Article 16 of Regulation (EU) No 537/2014.

In this regard, it should be noted that a Shareholders' Meeting of the Company scheduled for 26 April 2022 will be convened, *inter alia*, to pass resolution on the consensual early termination of the statutory audit mandate granted to BDO Italia and the appointment of a new auditing company for the 2022 – 2030 financial years, possibly as the Group's sole auditor.

9.6 FINANCIAL REPORTING OFFICER AND OTHER CORPORATE ROLES AND FUNCTIONS

According to the Articles of Association, the Financial Reporting Officer must have adequate

administrative, accounting and financial expertise. This expertise, which is ascertained by the Board of Directors, must have been acquired through working experience in a position of appropriate responsibility for at least three years.

The current Financial Reporting Officer is Mr Atanasio Pantarrotas, appointed by resolution of the Board of Directors of 30 April 2020, who also acts as Deputy General Manager and Chief Financial Officer.

The Financial Reporting Officer is responsible for the preparation of appropriate administrative and accounting procedures for the formation of the individual financial statements, the consolidated financial statements and any other financial communications, with the cooperation of the competent Company structures, also for the purpose of overall coordination of actions. Autonomous spending power is provided to this end, without prejudice, in the event of overrun, to approval by the competent corporate bodies.

The Financial Reporting Officer is also authorised, with regard to the subsidiaries, to: (i) request (and obtain) information and data from the individual company functions involved in the preparation, implementation, application and control of administrative and accounting procedures and/or involved in the processes relating to the preparation of the separate and consolidated financial statements and, more generally, any company function concerning information or data that may have an effect on the economic or financial situation of the Company and the Group (both equivalent and higher hierarchical levels and lower levels even if not reporting directly to him/her); (ii) carry out checks and controls on the application of administrative and accounting procedures, even if they involve processes managed by functions that do not report directly to him/her.

With regard to other corporate roles and functions with specific tasks in terms of internal control and risk management, the reader is referred to the foregoing paragraphs.

9.7 COORDINATION BETWEEN PERSONS INVOLVED IN THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The circulation of information between Corporate Bodies, internal Board Committees and key functions is an essential condition for the effective achievement of the objectives of efficiency of corporate management and effectiveness of controls.

In its "Corporate Governance System Directives", the Board of Directors provides for the exchanging of information between the various corporate bodies and other persons responsible for control. Provisions is also made for meetings on matters of common interest between the corporate bodies of the companies, the internal Board committees and the Key Functions, which may also be instigated by the Management Control Committee. The internal control functions are also connected to company bodies through invitations to the heads of the respective functions to participate in Board meetings, in order to describe the results of their activities and future work plans.

The Chairman of the Management Control Committee participates in the work of the Control and Risk Committee.

Procedures are also in place to connect these internal control functions, which also identify opportunities for information exchange, on a periodic basis or if particularly serious situations occur, in order to ensure an adequate level of coordination and effectiveness and the maximum mutual disclosure and transparency.

Furthermore, in the last quarter of 2021, the Company approved the "Policy on interaction and direct information flows between Group bodies and committees and the relevant

procedures" with a view to defining the general rules of reference for the routing and management of direct interactions, as well as the exchange of information, data and documents between the various parties involved in the internal control and risk management system of Cattolica Assicurazioni S.p.A. and its subsidiaries.

In the context of coordination between the parties involved in the internal control and risk management system, it should be noted that the Management Control Committee promotes the prompt exchange of any useful information with the Control and Risk Committee, for the performance of their respective duties, and with the control bodies of subsidiaries, providing for coordination between their control bodies which facilitates an overall view of the risks and any deficiencies through the exchange of information.

In particular, the Management Control Committee:

- makes its own contribution to the Control and Risks Committee in order for the latter to assess whether the accounting standards for the preparation of the separate and consolidated financial statements are being applied correctly.
- As part of its supervision of the efficiency of all the structures and functions involved in the control system and their proper coordination, it promotes corrective action against any shortcomings found. In particular, by coordinating with the Control and Risk Committee, it:
 - ascertains the adequacy of all the functions involved in the system of controls, the correct performance of their duties and their adequate coordination, and promotes the adoption by the Board of Directors or the CEO (where appointed) of the corrective measures necessary to remedy the shortcomings or correct the irregularities detected in the supervisory activity with regard to the adequacy of the functions involved in the system of internal controls, the correct performance of their tasks, and their adequate coordination;
 - monitors the adequacy, reliability and functionality of the operational continuity plan.

In the performance of its duties, the Committee coordinates with the Control and Risk Committee, with particular reference to tasks and reporting of common interest. Information flows sent to the Committee by the heads of control functions, by the Financial Reporting Officer and by the auditing company, which are also intended for the Control and Risks Committee, may be explained, when deemed necessary, at meetings in which the members of both committees participate, without prejudice to the fact that each committee proceeds autonomously with the duties for which it is responsible.

The Management Control Committee, including through its Chairman or another member designated by the latter, participates in meetings of the Control and Risk Committee. Furthermore, all members of the Committee may take part in meetings of Board Committees pursuant to their respective regulations.

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10.0 INTERESTS OF DIRECTORS AND RELATED PARTY TRANSACTIONS

On 29 November 2010, in accordance with the provisions of Consob Regulation No. 17221 of 12 March 2010, as amended by Resolution No. 17389 of 23 June 2010 and subsequent amendments, the Board of Directors, having obtained the positive opinion of the Related Parties Committee established for the purpose pursuant to the aforementioned legislation, approved the "Related Party Transactions Procedure" (the "Procedure"), last amended on 30 April 2021 and available on the Company's website ⁽¹⁵⁾, which applies to the cases provided for by the aforementioned Consob Regulation, except for cases of exemption resolved upon by the Board under the powers provided for by law. Senior management also issues specific implementing and interpretative provisions to accompany the Procedure. It should be noted that, by resolution No. 21624 of 10 December 2020, Consob enacted the new Regulations for related-party transactions, which became effective as of 1 July 2021. The company adapted by making the appropriate changes to the Procedure, which was approved by the Board of Directors on 30 April 2021 and came into force on the following 1 July.

The Related Parties Committee was composed of the following members until 14 May 2021:

- Pierluigi Caldana (Chairman)
- Elena Vasco
- Anna Strazzerà.

On 14 May, the newly-appointed Board of Directors established the Related Parties Committee, appointing the following independent members, who were in office at the end of the financial year:

- Laura Ciambellotti – President
- Luigi Migliavacca
- Elena Vasco.

On 14 March 2022, the Company announced that of Luigi Migliavacca, a non-executive and independent director, had resigned from his positions as director of Cattolica, Vice Chairman of the Company, and member of the Control and Risks Committee and the Related Parties Committee for personal reasons that prevented him from dedicating the necessary time to his positions. Acknowledging the resignation, the Board of Directors resolved on the same date to appoint non-executive and independent director Andrea Rossi, a member of the Related Parties Committee.

The Secretary is also appointed by the Committee externally, in the latter case from the Corporate Secretariat.

While the current Procedure should be referred to for further details, mention should be made of the following key information:

- 1) an ad hoc Related Parties Committee has been established, separate from the other Committees present in the Company and composed of non-executive Directors who are not members of the Management Control Committee, all recognised by the Company as independent pursuant to the Corporate Governance Code. In the event of resolutions on remuneration, the duties provided for in the regulations are assigned to the Appointments and Remuneration Committee;
- 2) the provision in the Articles of Association on the possibility of submitting to the Shareholders' Meeting for approval major transactions on which the Related Parties

⁽¹⁵⁾ The Procedure can be found at "www.cattolica.it/parti-correlate".

- Committee has expressed a negative opinion (whitewashing) was approved by the Shareholders' Meeting, also providing that the Shareholders' Meeting can only refuse to authorise the transaction when at least 2.5% of unrelated Members are present (quorum to convene);
- 3) the following exemptions from the application of the Procedure exist, for which it is not necessary to instigate the preliminary resolution procedure accompanied by the Committee's opinion:
- a. for small transactions, the value of which does not exceed:
 - €100,000, if concluded with natural person counterparties;
 - €250,000 if concluded with counterparties that are non-group legal entities;
 - €1,000,000 if concluded with counterparties that are legal entities within the group;
 - b. for ordinary transactions concluded under market-equivalent or standard conditions;
 - c. for compensation plans based on financial instruments approved by the Shareholders' Meeting, as well as the remuneration of directors with specific duties and key management personnel if the conditions for exemption established by the Regulation are met (Article 13, paragraph 3, point b);
 - d. for intercompany transactions, where there are no significant interests of related parties to the Company other than Group companies.
 - e. for certain extraordinary transactions resolved upon by the Company and addressed all shareholders under equal conditions, as identified in the Rules (Article 13, paragraph 1bis);
 - f. transactions concluded in response to instructions for stability issued by the Supervisory Authority;
 - g. transactions carried out in response to instructions given by the Parent Company acting on instructions given by the Supervisory Authority in the interest of the stability of the Group.

Specific procedures exist for the registration of related parties and interception of transactions in advance, as well as quarterly ex post monitoring of transactions carried out that are not subject to preliminary investigation.

According to the Committee's Regulations, the Committee performs the functions laid down by applicable law and by the RPT Procedure, except where such functions are assigned to another Board committee.

In particular, the Committee is required to examine particular types of transactions with related parties before they are approved by the competent decision-making body. With specific reference to significant transactions (as defined in the RPT Procedure), the Committee:

- a) is promptly involved in the negotiation and investigation phase by the receipt a complete and up-to-date information flow from the delegated bodies and persons responsible for the negotiations or investigation (including the Related Party Transactions Control, the administrative body or Senior Management);
- b) has the power to request information and submit observations to the delegated bodies and persons responsible for the negotiations or investigation;
- c) is required to issue a prior binding and reasoned opinion on the interest of Cattolica in concluding the transaction and on the appropriateness and substantive propriety of the relevant conditions. This opinion, which must be appended to the minutes of the Committee meeting, is normally issued at least 3 days before the meeting of the Board of Directors convened to resolve on the transaction, so that it can be made available to

the Directors in accordance with the Regulation for proceedings of the Board of Directors.

The procedures indicated in letters a) and b) of Article 3.2 above may be delegated by the Committee to one or more of its members.

With regard to less significant transactions (as defined pursuant to the RPT Procedure), the Committee, after receiving complete and adequate information, to be sent to the Committee well in advance – at the latest, at least three days before the meeting – issues a non-binding reasoned opinion on Cattolica's interest in concluding the transaction and the appropriateness and substantive propriety of the relevant conditions. The opinion is appended to the minutes of the Committee meeting.

During 2021, in addition to the Committee's usual activities in the cases provided for by the Procedure, it should be noted that the Committee will be involved in the tender offer (OPA) launched by Assicurazioni Generali for all of the ordinary shares in Società Cattolica di Assicurazione S.p.A., including treasury shares, minus the shares already held by Generali.

In fact, in light of the correlation existing between Cattolica and Generali, any acceptance of the offer by the Issuer with the Treasury Shares that it holds, with the exception of those assigned to execute the Issuer's Performance Share Plans until the end of the Tender Period (the "Transaction"), constituted for Cattolica a significant transaction with a related party that was subject to Consob Regulation 17221/2020 "Procedure for transactions with related parties" - and the relevant internal company regulations.

On 28 September 2021, the Related Parties Committee gave its prior binding opinion on the transaction, which was essential for the resolution of the Board of Directors that met on the same date and resolved to include Cattolica, with its own shares, in the full public tender offer that had been launched by Assicurazioni Generali.

The Committee met 21 times during 2021. The average length of meetings was approximately one hour and thirty minutes.

Twelve Committee meetings are scheduled for 2022, four of which have already been held at the date of approval of this report.

The specific contents of the work performed by the Committee are in any case described in detail in the meeting minutes and were promptly reported by the Chairman of the Committee to the Board of Directors.

The Board has approved the allocation of specific financial resources to the Related Parties Committee.

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11.0 MANAGEMENT CONTROL COMMITTEE

The one-tier management and control system adopted by the Company reserves specific control functions for the Management Control Committee established within the Board of Directors.

The three members who make up the Management Control Committee, including the Committee's Chairman, are members of the Board of Directors.

Requirements for members of the Management Control Committee

Management Control Committee members meet the requirements laid down in laws, regulations and the Articles of Association for members of the Board of Directors and the specific requirements for members of the control body.

In accordance with Article 21 of the New Articles of Association, the members of the Management Control Committee must meet the requirements of integrity and professionalism and comply with the limits on accumulation of positions established by applicable legislation for members of the control bodies of insurance companies issuing shares listed on regulated markets. They must also meet the independence requirements established for statutory auditors in Article 148, paragraph 3 of the Consolidated Law on Finance (TUF) or other supervisory provisions. In addition, at least one member of the Management Control Committee must be on the Register of Statutory Auditors.

If the above requirements are no longer met, the members of the Management Control Committee forfeit their mandates as Directors.

The composition of the Management Control Committee is shown in Table 2.

Appointment, replacement and dismissal

The members of the Management Control Committee of Cattolica Assicurazioni will remain in office for the term of the mandate of the Board of Directors and, therefore, for a period of no more than three financial years, and may be re-elected.

With regard to the replacement of the members of the Management Control Committee, see Article 24 of the Articles of Association.

Responsibilities and powers

In accordance with current legislation and the Articles of Association (Article 33), the Management Control Committee, *inter alia*:

- a) monitors compliance with laws, regulations and the Articles of Association;
- b) monitors the adequacy of the Company's organisational structure and internal control system, as well as its administrative and accounting systems and its reliability in correctly representing operations, including in relation to the Group;
- c) monitors the efficiency of all the structures and functions involved in the system of controls and the appropriate coordination of these, ensuring corrective measures are implemented when shortcomings are identified;
- d) is consulted on decisions regarding the appointment and revocation of the Financial Reporting Officer and the appointment and removal of the heads of the corporate control functions;
- e) monitors the practical implementation of the corporate governance rules required under corporate governance and supervisory regulations;

- f) recommends the auditing company to the Shareholders' Meeting for the assignment of the statutory audit, proposes the fees for its services, oversees its work and provides the relevant information required for the performance of its duties;
- g) performs the tasks assigned by Article 19 of Legislative Decree no. 39 of 27 January 2010 to the internal control and audit committee;
- h) reports to the Supervisory Authority in accordance with applicable law;
- i) reports on the supervisory activity carried out, any omissions and reportable issues raised at the Shareholders' Meeting called to approve the financial statements;
- j) having first notified the Chairman of the Board of Directors, calls the Shareholders' Meeting;
- k) expresses opinions if required by the law applicable to the control body.

The Management Control Committee liaises with the Financial Reporting Officer and with the Control and Risks Committee in relation to information of common interest.

The heads of the internal control functions and structures provide any information relevant for the performance of their duties to the Management Control Committee on their own initiative or at the request of even only one of the members of the Management Control Committee. Reports produced by the functions and internal control bodies must be sent directly by the respective managers to the Management Control Committee.

The Management Control Committee works with the control bodies of the subsidiaries to promote the prompt exchange of all useful information.

Pursuant to Article 35 of the Articles of Association, without prejudice to the provisions of law, the members of the Control and Management Committee, including severally, have:

- a) the power to request information from the other Directors or the management and control bodies of the subsidiaries, which is provided to all members of the Management Control Committee;
- b) the power to request that the Chairman of the Management Control Committee call a meeting of the Management Control Committee, indicating the matters to be discussed;
- c) the power, subject to notification of the Chairman of the Board of Directors, to call meetings of the Board of Directors;
- d) the power to make use of Company employees to carry out its duties.

The Management Control Committee is authorised to carry out inspections and checks at any time, including by means of a specially appointed member.

Composition and Operation

The Management Control Committee in office at the end of the Financial Year, appointed by the Shareholders' Meeting of 14 May 2021, is composed of the following independent Directors pursuant to Article 21, paragraph 1, of the Articles of Association, or pursuant to Article 148, paragraph 3 of the Consolidated Law on Finance (TUF).

- Michele Rutigliano (Chairman)
- Silvia Arlanch (Member)
- Laura Santori (Member).

It should be noted that on 23 February 2022, the company announced that Laura Santori, a non-executive independent director, had resigned from her position as a member of the Board of Directors of Cattolica and also a member of the Management Control Committee, due to professional commitments that prevented her from dedicating the necessary time to her position. Accordingly, at its meeting of 14 March, the Board of Directors, after obtaining

the approval of the Appointments and Remuneration Committee, proceeded to fill the vacant position with Carlo Maria Pinardi, the first eligible unelected candidate from the second section of the slate from which the outgoing candidate was elected (at the Shareholders' Meeting of 14 May 2021), in accordance with Article 24.2 of the Articles of Association.

The Articles of Association govern the responsibilities, functions and powers of the Management Control Committee

In 2021, 45 meetings of the Management Control Committee were held. The average duration of meetings was two hours and nineteen minutes.

Twenty five meetings of the Management Control Committee are scheduled in 2022, eleven of which had already been held at the date of approval of this Report.

The Committee has carried out its annual verification to ascertain whether each of its members continued to meet the relevant requirements. The members certified that they meet the requirements established by the regulations and by the Articles of Association currently in force. The outcome was brought to the attention of the Board of Directors at its meeting of 14 June 2021.

Given the Company's adherence to the CG Code, as a result of the general reference to provisions concerning the Supervisory Body, each member of the Management Control Committee who, on his or her own behalf or on behalf of third parties, has an interest in a certain company transaction, must promptly and exhaustively inform the other members of the Committee and the Chairman of the Board of Directors of the nature, terms, origin and extent of his or her interest.

The Management Control Committee, as the Internal Control and Audit Committee, monitored the independence of the auditing company, checking both compliance with the relevant provisions and the nature and extent of any services other than financial auditing provided to the Company and its subsidiaries by this auditing company. During the Financial Year, the Management Control Committee, which is in charge of the auditor selection procedure, drafted its own Recommendation to the Shareholders' Meeting held on 23 December 2021 for the granting of a mandate for the statutory audit: this recommendation was formulated pursuant to Article 13 of Legislative Decree No. 39/2010 and EU Regulation 537/2014.

The Management Control Committee coordinates its activities with the Internal Audit Function and the Control and Risks Committee and also mainly in the person of its Chairman, attends their meetings.

The Management Control Committee adopted its own regulations to govern its operating procedures, most recently updated on 5 March 2021.

Meetings of the Management Control Committee are valid when a majority of the members are present and their resolutions are passed by an absolute majority of the votes of the members who are present. If the vote is tied, the Chairman of the Committee has the casting vote.

Meetings of the Management Control Committee may be held through remote connection systems, in accordance with the Articles of Association.

As members of the Board of Directors, the members of the Management Control Committee take part in the Induction Programme referred to in Section 4.5.

Diversity policies

See the comments in this regard in paragraph 4.2.

12.0 RELATIONS WITH SHAREHOLDERS

The Company's website contains information on Cattolica that is relevant for its shareholders (see, in particular, the "Governance", "Investor Relations" and "Media" links in the "Corporate" section of the Company's website).

Until the Issuer's transformation into a limited company, i.e. until 1 April 2021, a link for Members will remain active to provide information on the initiatives dedicated to them.

An Investor Relations Officer has been identified to manage relations with institutional shareholders: Deputy General Manager and Chief Financial Officer Atanasio Pantarrotas, making use of a specific support structure.

With regard to relations with the corporate base, the Company used the structures of its Members' Service for as long as it had a cooperative form.

As indicated in Chapter 4.1, during the 2021 financial year, the Company continued its established practice of maintaining an ongoing dialogue with all shareholders. Given the evolution of the corporate structure during the year, the Company has not yet formalised this practice in a Policy, given the process of rationalisation under way within the Generali Group and pending its consolidation. However, this did not prevent the Company from maintaining constant dialogue with all shareholders.

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13.0 SHAREHOLDERS' MEETINGS (pursuant to Article 123-bis, paragraph 2, letter c), of the Consolidated Law on Finance)

The Ordinary Shareholders' Meeting to approve the financial statements is called at least once a year within 120 days of the end of the financial year or within 180 days, if the conditions laid down by law apply.

The Shareholders' Meeting may be called at any time, upon a resolution of the Board of Directors, in other cases provided by law or by these Articles of Association, or at the request of Shareholders representing at least one twentieth of the share capital, or another percentage established by the applicable regulations.

The Management Control Committee may call a Shareholders' Meeting, subject to prior notification of the Chairman of the Board of Directors, when this is deemed necessary to perform its duties.

In addition to applicable legislation and the Articles of Association, the proceeding of Shareholders' Meetings are governed by the Shareholders' Meeting Regulation. The version of this Regulation in effect at the date of approval of this Report as approved on 14 May 2021 and can be found on the Company's website¹⁶.

The Shareholders' Meeting, in both ordinary and extraordinary session, shall resolve upon the matters assigned to it by applicable legislation and the Articles of Association.

Pursuant to the Articles of Association, the Ordinary Shareholders' Meeting is specifically responsible for resolutions concerning:

- a) the appointment and dismissal of members of the Board of Directors according to the procedures set out in Articles 22 and 23 of the Articles of Association;
- b) the appointment and dismissal, with due cause, of the members of the Management Control Committee and the election of its Chairman, according to the procedures set out in Articles 22, 23 and 30 of the Articles of Association;
- c) the determination, for their entire term in office, of the remuneration payable to members of the Board of Directors and the Management Control Committee, as well as the attendance allowance referred to in paragraph 29.4 of the Articles of Association, without prejudice to the provisions of Article 39 thereof;
- d) authorisations for carrying out acts of the Board of Directors on related party transactions, in the event of a negative opinion by the Related Parties Committee according to the procedures and terms set out in Article 13;
- e) the approval of the remuneration policies for Company Offices and staff, including remuneration plans based on financial instruments;
- f) the adoption and amendment of the procedural rules for Shareholders' Meetings;
- g) any other resolution assigned to the purview of the Ordinary Shareholders' Meeting by the legislation in force.

In accordance with the methods, deadlines and limits established by applicable law, Shareholders who, alone or with others, meet the legal quorum, may request that the list of items indicated in the notice of meeting for discussion at the Shareholders' Meeting be supplemented, indicating the additional proposed items in the request, or may submit draft resolutions on items already on the agenda.

¹⁶ <https://www.cattolica.it/documenti-societari>

The Articles of Association provides that persons for whom the Company has received, within the legal deadlines, a notification of authorisation of proxy attesting to their entitlement, may participate in the Shareholders' Meeting. Persons entitled to vote may be represented at the meeting, by written proxy or electronically, in accordance with applicable legislation. The Company may designate, for each Shareholders' Meeting, by indicating in the notice of meeting, a person to whom those entitled to vote may confer a proxy with voting instructions on all or some of the proposals on the agenda according to the procedures and deadlines provided by the legislation in force at the time. The granting of a proxy to the person designated by the company is only effective with regard to proposals for which voting instructions have been given.

The procedural rules for Shareholders' Meetings provide, *inter alia*, that members of the Management and representatives of the Independent Auditors may attend the Shareholders' Meeting without any formalities. With the Chairman's authorisation, the following persons may also attend: a) employees and contract staff of the Company or its subsidiaries if this is deemed useful by the Chairman in relation to the matters to be discussed or for the proceedings of the meeting; b) accredited experts, financial analysts and journalists; c) external experts specifically invited to assist the Company; d) other persons in various capacities related to the Company or its subsidiaries. Before explaining the items on the agenda, the Chairman informs the meeting of the presence of any of the persons indicated above.

During 2021, the Shareholders' Meeting met in ordinary session on 14 May and 23 December 2021.

With respect to the presence of the Directors at the said Shareholders' Meetings, it should be noted that at the Shareholders' Meeting of 14 May 2021, three Directors were present/connected, while at the meeting of 23 December four Directors were present/connected.

On the occasion of the said Shareholders' Meetings, in view of the Covid-19 epidemic emergency and for the purposes of maximum protection and safety of Members, as permitted by legislation applicable at the time, the Shareholders were able to attend and vote at the Shareholders' Meeting without access to the premises where it was held, exclusively through a Designated Representative pursuant to Article 135-*undecies* of the Consolidated Law on Finance (TUF), according to the procedures described in the notice of meeting.

The responsibilities of the Shareholders' Meeting are governed by law and the Articles of Association.

In order for the Shareholders' Meeting to be validly constituted, and for the validity of its resolutions, the applicable legislation applies, without prejudice to Articles 22 and 23 of the Articles of Association for the election of the Board of Directors and the Management Control Committee, for which list voting applies.

Voting is by open ballot on all the items on the agenda.

The Board ensures that information will be provided to Shareholders to enable them to vote in an informed manner.

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See Section 2.0, letter c), and Table 1 for information on significant holdings in the Company's share capital as of the date of approval of this report.

14.0 OTHER CORPORATE GOVERNANCE PRACTICES (pursuant to Article 123-bis, paragraph 2, letter a), of the Consolidated Law on Finance (TUF))

No corporate governance practices are adopted in addition to those described in this document.

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15.0 CHANGES SINCE THE REPORTING DATE OF THE FINANCIAL YEAR UNDER REVIEW

With reference to:

- changes in the composition of the board of directors after the end of the financial year
- a change of auditing company to adapt to the auditor of the Generali Group

See the respective chapters (**4.3** Composition of the Board of Directors, **9.5** Auditing Company).

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16.0 OBSERVATIONS ON THE LETTER OF THE CHAIRMAN OF THE CORPORATE GOVERNANCE COMMITTEE

On 03 December 2021, the Chairman of the Corporate Governance Committee, as usual, sent a letter to all the chairmen of the management bodies, chief executive officers and chairmen of the control bodies of the Italian listed companies, along with the 2021 Annual Report on the application of the Code. The letter informed the issuers of the results of the monitoring carried out by the Committee, the main issues encountered and suggestions for improvements in order to overcome them.

The Corporate Governance, Sustainability and Value Generation Committee, at its meeting of 2 February 2022, took note of the letter from the Chairman of the Corporate Governance Committee and the Annual Report on the application of the Code 2021 and, at its subsequent meeting on 9 March, formulated its observations on the Recommendations of the Committee, which it then brought to the attention of the Board of Directors, including the Management Control Committee.

The recommendations of the Corporate Governance Committee and a summary of the observations of the Corporate Governance Committee and the Board are provided below.

RECOMMENDATION 1: On the question of sustainable success

Companies are recommended to provide adequate and concise information in the Corporate Governance Report on the methods adopted for its pursuit and the approach adopted to promote dialogue with relevant stakeholders. In this regard, it is recommended that summary information be provided on the content of the policy on dialogue with shareholders in general, without prejudice to the advisability of publishing it in full, or at least its essential elements, on the company website.

The Company's path to sustainable success is described in detail in the Consolidated Non-Financial Statement that the Company has published since 2017, the year in which the CSR function was established. Please refer to this statement for an explanation of the Group's CSR structure* and in particular for a breakdown of activities and initiatives related to the Sustainable Development Goals set by the Group and a description of the methods by which the Company engages in dialogue with its stakeholders

The Cattolica Group's approach to sustainability starts with an "integrated" conception of CSR, and the construction of an effective governance structure. Its goals are implemented through initiatives across the three aspects of ESG (Environment, Social, Governance) by decisions that prioritise projects deemed to have a greater impact in terms of the CSR concept adopted by the Company and its overall strategies. This approach is pursued in full regulatory compliance and with transparent disclosure. For example, initiatives have concerned environmental issues (extension of the risk framework, CDP questionnaire, TUA carbon neutrality, Group Environmental Policy and Environmental Policy of the Ca' Tron Estates), social issues (activities in the Foundation's territory, projects and activities for employees, pandemic healthcare, welfare) and governance/economic issues (total tax contribution disclosure, training and induction programmes, establishment of the ESG Committee, Standard Ethics sustainability rating).

The Company has also set up an ESG management committee, chaired by the Chief Executive Officer, established to oversee and supervise sustainability issues related to the conduct of business, the integration of environmental, social and governance factors into the business strategy for creating value, as well as the dynamics of interaction with all

stakeholders. The main mission of the Committee is to oversee initiatives and actions with an environmental, social or governance impact and to assess, manage and mitigate the risks to which the Group is exposed

Extensive disclosure of the Committee's mission and work is given in the Corporate Governance Report.

During the 2021 financial year, the Company continued its established practice of maintaining an ongoing dialogue with all shareholders. Given the evolution of the corporate structure during the year, the Company has not yet formalised this practice in a Policy, given the process of rationalisation under way within the Generali Group and pending its consolidation. However, this did not prevent the Company from maintaining constant dialogue with all shareholders.

*(as of 5 November 2021, the date of completion of the tender offer launched by Assicurazioni Generali, Cattolica is a member of the Generali Group, losing its status as Parent Company. Up to that date, all the considerations relating to the Group apply).

RECOMMENDATION 2: On the question of proportionality

It is recommended that the company give consideration to classification in the categories set out in the Code and to the simplification options available for “non-large” and/or “concentrated” companies, and that the decisions made be adequately explained.

This is highlighted in Chapter 1. OVERVIEW OF THE ISSUER: the company is classified as “large” based on market capitalisation for the last three financial years. Accordingly, the Report applies the Principles and Recommendations with reference to “large companies” with which the company is compliant, with the exception of the recommendation relating to the succession plan for the CEO, the sole executive director, which the company did not consider necessary, given the existence of four Deputy General Managers that guarantee operational management continuity.

RECOMMENDATION 3: On the question of assessment of independence

It is recommended that the criteria used to assess the materiality of professional, commercial or financial relationships and additional remuneration be included in the Corporate Governance Report, including with reference to the Chairman of the Board of Directors, if the Chairman has been assessed as independent according to the Code.

The quantitative criteria used to determine the materiality of professional and commercial relationships and additional remuneration for the purposes of assessing the independence requirement were set out in the Fit & Proper Policy approved in 2021.

RECOMMENDATION 4: On the question of pre-Board meeting reporting

The Committee invites boards of directors to oversee the drafting of regulations for boards and committees, paying particular attention to an explicit determination of the appropriate deadlines for the sending of documentation, and to the exclusion of general confidentiality requirements as possible exemptions from such deadlines. When drafting the corporate governance report, companies should also adequately explain whether they have complied with the said deadlines and if, in exceptional cases, it was not possible to meet them, explain

the reasons for this and describe how the appropriate follow-up was provided at Board meetings.

The Board of Directors reviewed the regulations of the Board itself and those of the Internal Board Committees as part of the reform launched with the project to transform the Company into a public limited company and the Remedial Plan activated following receipt of the IVASS Inspection Report. The new Regulations govern in detail the timescales for making information available prior to Board meetings and for perusal by internal Board committees, and the procedures for management of any exceptions to compliance with the deadlines indicated therein. In order to prevent generic confidentiality requirements being cited as an exemption to the observance of these deadlines, the following provision has been included in the Board's Regulation: "In exceptional cases, arising for justified objective reasons, which must be justified by the Chairman of the Board of Directors, supporting documentation may be provided after the said 3-day deadline. In such cases, the Chairman of the Board of Directors, with the assistance of the Secretary, will ensure that detailed analysis is conducted in an adequate and timely manner during Board meetings".

The Management Control Committee, including as part of its monitoring of the Remedial Plan, verified the proper application of the provisions of the new Regulation of the Board of Directors and of the internal Board Committees. It also recognised the quality and quantity of information made available for discussion of agenda items, indicating a positive impression to the Board in this regard.

RECOMMENDATION 5: On the question of the appointment and succession of directors
Companies with non-concentrated ownership are invited to give due consideration to the recommendations addressed to them on the renewal of the board of directors. It should be noted in this regard that for such companies, the Code not only recommends that the outgoing board of directors give an opinion on the optimal composition of a renewed board, taking into account the results of the self-assessment, but also bear this responsibility in the subsequent phase of presentation of slates by the outgoing board and/or the shareholders. In particular, boards of directors of "non-concentrated" companies are invited to request that those submitting a slate containing a number of candidates exceeding half of the members to be elected, provide adequate information (in the documentation submitted for the filing of the slate) on whether the list corresponds to the views expressed by the outgoing board, and to indicate their candidate for the office of Chairman.

The Company's Board of Directors was appointed on 14 May 2021 from a list submitted by the outgoing Board of Directors, whose candidates endorsed the quantitative/qualitative Guidelines expressed following the Board's self-assessment.

In order for the new administrative body to be collectively eligible, the Appointments Committee, assisted by an independent advisor in the selection of candidates, has adopted the following criteria: 1) Overall experience: functional involvement the implementation of the medium and long-term objectives set out in the Company's Rolling Strategic Plan; 2) mix of skills, knowledge and experience, specifically in insurance but also in banking, finance and risk management characteristic of the Company's business; 3) compliance with statutory and diversity requirements, in particular with regard to the two main criteria: a) insurance experience, which implies that at least one third of the members of the Board must have experience as a Director, Statutory Auditor or senior executive with strategic responsibility in insurance or banking and financial companies of a complexity comparable to Cattolica; b) age, which implies that at least one third of the members of the Board must not have reached

the age of sixty at the time of appointment by the Shareholders' Meeting. Within the qualitative and quantitative guidelines approved by the Board, five key skills for selection have been identified, in particular: i) a mix of knowledge, skills and experience in insurance and/or banking/finance and the risks underlying the Company's core business; ii) experience of legal and regulatory corporate governance; iii) experience in risk management and controls; iv) experience in strategic planning; v) specific knowledge of administration, accounting and actuarial. These five skills, together with sustainability issues and competence in technological and digital matters, constituted the basis for assessment of each candidate and the definition of the administrative body's collective suitability, analysed as a whole.

As provided for in the Articles of Association, the list indicates the candidate for the position of Chief Executive Officer and the candidate to hold the position of Chairman appointed by the newly appointed Board that took office on the day of the Shareholders' Meeting.

With respect to the succession plan for the Chief Executive Officer: in view of the Company's recent entry into the Generali Group, at present the company has not deemed it necessary to prepare a succession plan for the Chief Executive Officer, the sole director classed as executive, pending the evolution of the corporate rationalisation programme that is under way. Once this programme is completed, the definition of a succession plan will make it possible to identify the most suitable resources for this role. In any event, we do not believe that there are any risks to the continuity of company management until its completion, as the organisational structure provides for four Deputy General Managers to whom specific powers are assigned within their respective areas of competence, ensuring the continuity of the company's business in the event of an emergency situation.

RECOMMENDATION 6: On the question of equal treatment and opportunities between genders
The Committee, while observing increasing attention to these issues, calls on companies to provide adequate information in the corporate governance report on the actual identification and implementation of these measures.

As indicated in Chapter 4.3 of the Report, diversity and inclusion issues, which are among the most important in the ESG area in recent years, have long been at the heart of Cattolica's agenda and, together with fairness issues, have found a valuable forum for comparison and action in the Group's Equal Opportunity Commission.

The Commission is constituted as a joint body made up of representatives of trade unions and the company; it met regularly in 2021, addressing issues of significant social value, especially in the current difficult context:

- proposal and implementation of positive actions to create or promote a substantive level playing field for employees within the Company;
- implementation of actions and initiatives aimed at removing all forms of direct and indirect discrimination that hinder the achievement of equal opportunities in employment;
- proposal of ways of reconciling work and private life that encourage, through a different organisation of work, a balance between family and professional responsibilities in order to achieve a fairer gender distribution;
- promotion of equal treatment in the workplace, including through the establishment of programmes of positive joint actions for female employment and the elimination of gender differences and discrimination, as provided for in the Lisbon Treaty, together with equal treatment programmes focusing on gender, age and skill levels;
- ensuring equal training and professional development opportunities for all staff without distinction on the grounds of gender, race, language, religion, political opinions or individual or social conditions.

Awareness-raising initiatives were also undertaken in order to foster an inclusive culture.

These actions include Cattolica4Women, a programme expressly dedicated to female staff, which is designed to cultivate their talent and foster their potential for professional growth, with a view to making female representation one of the Company's growth drivers.

RECOMMENDATION 7: On the question of remuneration policies

The Committee, in addition to stressing the opportunity for an improvement in policies and the definition of clear and measurable rules for the disbursement of the variable component and of any end-of-service indemnity, recommends thoroughly considering the consistency of the parameters identified for variable remuneration with the strategic objectives of the business and the pursuit of sustainable success, considering, where appropriate, the introduction of non-financial parameters. With particular reference to remuneration parameters linked to the achievement of environmental and social objectives, the Committee recommends that companies ensure that these parameters are predetermined and measurable.

In accordance with legislative provisions and best market practice, the Remuneration Policies have also been defined in accordance with the values and principles of corporate social responsibility that have always characterised the Company and the Group.

The remuneration of Directors and Executives, in particular executive Directors and Executives with Strategic Responsibilities, must therefore be established while taking into account the need for profitable and sustainable management. The Remuneration Policies are therefore consistent with the Company's risk and solvency management and assessment policy.

The 2021 Policies provide for the reinforcement of the link between performance and the Group's solvency level for short as well as long-term variable remuneration systems. This reinforcement consists of increasing the frequency of measurement of the gate for the soft limit of the Solvency II Ratio, and introducing a further clause to verify the solvency level at the time of actual recognition of the portions of variable remuneration due to the Beneficiaries; Furthermore, in order to strengthen the link between remuneration structures and the Group's capital solvency limits, in accordance with the indications of the Supervisory Authorities, a more precise definition of the conditions for the recognition of other remuneration components of an exceptional nature was introduced, as well as a maximum percentage of annual payment of these components.

Therefore, among the objectives useful for the achievement of these variable remuneration quotas, the approach adopted in recent years of placing alongside business indicators certain sustainability-related indicators that include both aspects relating to environmental issues and aspects relating to social and human resources issues, has continued.

TABLES.

TABLE 1: INFORMATION ON THE OWNERSHIP STRUCTURE AS AT 22/03/2022

| SHARE CAPITAL STRUCTURE | | | | |
|--|---------------|----------------------|--------------------------------------|---------------------------------------|
| | No. of shares | No. of voting rights | Listed (indicate markets)/not listed | Rights and obligations |
| Ordinary shares (specifying whether provision is made for increased voting rights) | 228,347,980 | 228,347,980 | Listed on a regulated market | Administrative and proprietary rights |
| Preference shares | // | // | // | // |
| Multiple-vote shares | // | // | // | // |
| Other categories of shares with voting rights | // | // | // | // |
| Savings shares | // | // | // | // |
| Convertible savings shares | // | // | // | // |
| Other categories of shares without voting rights | // | // | // | // |
| Other | // | // | // | // |

| OTHER FINANCIAL INSTRUMENTS (giving the right to subscribe for newly issued shares) | | | | |
|--|--------------------------------------|-----------------------------------|---|---|
| | Listed (indicate markets)/not listed | Number of instruments outstanding | Share class for conversion/financial year | No. of shares for conversion/financial year |
| Convertible bonds | // | // | // | // |
| Warrants | // | // | // | // |

| SIGNIFICANT EQUITY INVESTMENTS | | | |
|---------------------------------------|-------------------------------|-----------------------------|---------------------------|
| Declarant | Direct shareholder | % share of ordinary capital | % share of voting capital |
| Assicurazioni Generali S.p.A. | Assicurazioni Generali S.p.A. | 84.475% | 84,475% |

*

TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AT THE CLOSING DATE OF FINANCIAL YEAR

| Board of Directors | | | | | | | | | | | | | |
|-------------------------|---------------------|---------------|------------------------|-----------------|-----------------------------|-------------------------|------------------|-------|-----------|-----------|----------|---------------------------|-----------------------|
| Office | Members | Year of birth | Date of first appt (*) | In office since | In office until | Slate (presenters) (**) | List (M/m) (***) | Exec. | Non-exec. | Ind. Code | Ind. TUF | No. of other posts (****) | Participation (*****) |
| Chairman | Croff Davide | 1947 | 14/05/21 | 14/05/21 | 2024 Shareholders ' Meeting | BoD | M | | X | YES | YES | 3 | 22/22 |
| Chief Executive Officer | Ferraresi Carlo | 1966 | 31/07/20 | 14/05/21 | 2024 Shareholders ' Meeting | BoD | M | X | | NO | NO | 0 | 22/22 |
| Deputy Vice-Chairman | Candia Camillo | 1961 | 14/05/21 | 14/05/21 | 2024 Shareholders ' Meeting | BoD | M | | X | YES | YES | 0 | 22/22 |
| Vice-Chairman | Migliavacca Luigi | 1950 | 14/05/21 | 14/05/21 | 2024 Shareholders ' Meeting | BoD | M | | X | YES | YES | 5 | 22/22 |
| Director | Ciambellotti Laura | 1970 | 14/05/21 | 14/05/21 | 2024 Shareholders ' Meeting | Shareholders | m | | X | YES | YES | 0 | 22/22 |
| Director | Gentili Stefano | 1960 | 23/10/20 | 14/05/21 | 2024 Shareholders ' Meeting | BoD | M | | X | YES | YES | 0 | 22/22 |
| Director | Lancellotti Roberto | 1964 | 23/10/20 | 14/05/21 | 2024 Shareholders ' Meeting | BoD | M | | X | YES | YES | 0 | 22/22 |
| Director | Procopio Cristiana | 1979 | 14/05/21 | 14/05/21 | 2024 Shareholders ' Meeting | BoD | M | | X | YES | YES | 1 | 22/22 |
| Director | Rossi Paolo Andrea | 1966 | 14/05/21 | 14/05/21 | 2024 Shareholders ' Meeting | Shareholders | m | | X | YES | YES | 0 | 22/22 |
| Director | Saitta Daniela | 1962 | 14/05/21 | 14/05/21 | 2024 Shareholders ' Meeting | BoD | M | | X | YES | YES | 0 | 21/22 |
| Director | Staderini Giulia | 1964 | 14/05/21 | 14/05/21 | 2024 Shareholders ' Meeting | BoD | M | | X | NO | NO | 0 | 22/22 |
| Director | Vasco Elena | 1964 | 23/10/20 | 14/05/21 | 2024 Shareholders ' Meeting | BoD | M | | X | YES | YES | 3 | 22/22 |

| | | | | | | | | | | | | | |
|---|----------------------|------|----------|----------|-----------------------------|--------------|---|---|---|-----|-----|---|-------|
| Director | Arlanch Silvia | 1966 | 14/05/21 | 14/05/21 | 2024 Shareholders ' Meeting | BoD | M | | X | YES | YES | 2 | 22/22 |
| Director | Rutigliano Michele | 1953 | 14/05/21 | 14/05/21 | 2024 Shareholders ' Meeting | Shareholders | m | | X | YES | YES | 1 | 22/22 |
| Director | Santori Laura | 1968 | 14/05/21 | 14/05/21 | 2024 Shareholders ' Meeting | BoD | M | | X | YES | YES | 0 | 17/22 |
| -----DIRECTORS WHO LEFT DURING THE YEAR ----- | | | | | | | | | | | | | |
| Chairman | Bedoni Paolo | 1955 | 18/12/99 | 13/04/19 | 2021 Shareholders ' Meeting | BoD | M | | X | NO | YES | | 16/16 |
| Deputy Vice-Chairman | Poli Aldo | 1942 | 28/04/07 | 13/04/19 | 2021 Shareholders ' Meeting | BoD | M | | X | NO | YES | | 16/16 |
| Vice-Chairman | Blasevich Barbara | 1966 | 30/04/11 | 13/04/19 | 2021 Shareholders ' Meeting | BoD | M | | X | NO | YES | | 16/16 |
| Director | Lai Alessandro | 1960 | 15/01/16 | 13/04/19 | 2021 Shareholders ' Meeting | BoD | M | | X | NO | YES | | 16/16 |
| Chief Executive Officer | Ferraresi Carlo | 1966 | 31/07/20 | 14/05/21 | 2021 Shareholders ' Meeting | BoD | M | X | X | NO | NO | | 16/16 |
| Director | Caldana Piergiuseppe | 1963 | 13/04/19 | 13/04/19 | 2021 Shareholders ' Meeting | BoD | M | | X | YES | YES | | 16/16 |
| Director | Campedelli Bettina | 1962 | 21/04/12 | 13/04/19 | 2021 Shareholders ' Meeting | BoD | M | | X | YES | YES | | 16/16 |
| Director | Lancellotti Roberto | 1964 | 23/10/20 | 14/05/21 | 2021 Shareholders ' Meeting | BoD | M | | X | YES | YES | | 16/16 |
| Director | Gentili Stefano | 1960 | 23/10/20 | 14/05/21 | 2024 Shareholders ' Meeting | BoD | M | | X | YES | YES | | 16/16 |
| Director | Giacometti Rosella | 1965 | 13/04/19 | 13/04/19 | 2021 Shareholders ' Meeting | BoD | M | | X | YES | YES | | 15/16 |
| Director | Strazzera Anna | 1959 | 13/04/19 | 13/04/19 | 2021 Shareholders ' Meeting | BoD | M | | X | YES | YES | | 15/16 |
| Director | Vasco Elena | 1964 | 23/10/20 | 14/05/21 | 2021 Shareholders ' Meeting | BoD | M | | X | YES | YES | | 15/16 |

| | | | | | | | | | | | | | |
|----------|-------------------|------|----------|----------|----------------------------|-----|---|--|---|-----|-----|--|-------|
| Director | Vanda Eugenio | 1967 | 16/04/16 | 13/04/19 | 2021 Shareholders' Meeting | BoD | M | | X | YES | YES | | 16/16 |
| Director | Glisenti Giovanni | 1956 | 13/04/19 | 13/04/19 | 2021 Shareholders' Meeting | BoD | M | | X | YES | YES | | 16/16 |
| Director | Bonato Federica | 1955 | 13/04/19 | 13/04/19 | 2021 Shareholders' Meeting | BoD | M | | X | YES | YES | | 16/16 |
| Director | Cesare Brena | 1965 | 13/04/19 | 13/04/19 | 2021 Shareholders' Meeting | BoD | M | | X | YES | YES | | 16/16 |
| Director | Castelletti Luigi | 1955 | 13/04/19 | 13/04/19 | 2021 Shareholders' Meeting | BoD | M | | X | YES | YES | | 1/1 |

Indicate the number of meetings held during the Financial Year: 16 meetings before the Shareholders' Meeting of 14 May 2021; 22 meetings after the Shareholders' Meeting of 14 May 2021.

Indicate the quorum required for the submission of slates by minorities for the election of one or more members (pursuant to Article 147-ter TUF): 2.50% of the share capital

NOTES

The following symbols must be entered in the "Office" column:

- This symbol indicates the director in charge of the internal control and risk management system.
- This symbol indicates the Lead Independent Director (LID).

(*) The date of first appointment of each director means the date on which the director was appointed for the first time (ever) to the Board of Directors of the Issuer.

(**) This column indicates whether the slate from which each director was drawn was submitted by shareholders (indicating "Shareholders") or by the Board of Directors (indicating "Board of Directors").

(***) This column indicates whether the slate from which each director was drawn is 'majority' (indicating 'M'), or 'minority' (indicating 'm').

(****) This column shows the number of directorships or statutory auditor mandates held by the person concerned in other listed or large companies. Details of the offices held are provided in the Report on Corporate Governance.

(*****) This column shows the directors' attendance at Board of Directors meetings (indicate the number of meetings attended out of the total number of meetings that could have been attended, e.g. 6/8, 8/8, etc.).

Changes in the composition of the Board of Directors between the date of closure of the financial year and the date of approval of the Report

- On 14 February 2022, Director G. Staderini resigned, and on 23 February the Board of Directors co-opted C. Rustignoli to the Board.
- 23 February 2022, the Director L. Santori, who was also a member of the Management Control Committee, resigned, and on the same date the Board of Directors replaced him with C. M. Pinarci.
- On 14 March 2022, the Director L. Migliavacca resigned,
- On 22 March 2022, the Board of Directors co-opted Mr. F. Bardelli among its members and also assigned the position of Deputy Chairman to the director S. Gentili.

TABLE 3: STRUCTURE OF BOARD COMMITTEES AT THE CLOSING DATE OF FINANCIAL YEAR

| BoD | | Management Control Committee | | OPC Committee | | Control and Risks Committee | | Corporate Governance, Sustainability and Value Generation Committee | | Remuneration Committee (1) | | Appointments Committee (1) | | Appointments and Remuneration Committee (1) | |
|---|---------------------|------------------------------|------|---------------|------|-----------------------------|------|---|------|----------------------------|------|----------------------------|------|---|------|
| Position/Category | Members | (*) | (**) | (*) | (**) | (*) | (**) | (*) | (**) | (*) | (**) | (*) | (**) | (*) | (**) |
| Chairman | Croff Davide | | | | | | | | | | | | | | |
| Chief Executive Officer | Ferraresi Carlo | | | | | | | | | | | | | | |
| Deputy Vice-Chairman | Candia Camillo | | | | | 15/15 | C | 8/8 | M | | | | | | |
| Vice-Chairman | Migliavacca Luigi | | | 14/14 | M | 15/15 | M | | | | | | | | |
| Director | Ciambellotti Laura | | | 14/14 | C | | | | | | | | | | |
| Director | Gentili Stefano | | | | | 15/15 | M | 8/8 | M | | | | | | |
| Director | Lancellotti Roberto | | | | | 15/15 | M | | | | | | | 10/10 | C |
| Director | Procopio Cristiana | | | | | | | | | | | | | 10/10 | M |
| Director | Rossi Paolo Andrea | | | | | | | | | | | | | 10/10 | M |
| Director | Saitta Daniela | | | | | 15/15 | M | | | | | | | | |
| Director | Staderini Giulia | | | | | | | 8/8 | C | | | | | | |
| Director | Vasco Elena | | | 14/14 | M | | | | | | | | | | |
| Director | Arlanch Silvia | 28/28 | M | | | | | | | | | | | | |
| Director | Rutigliano Michele | 28/28 | C | | | | | | | | | | | | |
| Director | Santori Laura | 25/28 | M | | | | | | | | | | | | |
| -----DIRECTORS WHO LEFT DURING THE YEAR ----- | | | | | | | | | | | | | | | |
| Chairman | Bedoni Paolo | | | | | | | | | | | | | | |
| Deputy Vice-Chairman | Poli Aldo | | | | | | | 7/12 | M | | | | | | |
| Vice-Chairman | Blasevich Barbara | | | | | 10/10 | M | 12/12 | M | | | | | | |
| Director | Lai Alessandro | | | | | | | 12/12 | M | 13/13 | M | 19/20 | M | | |

| | | | | | | | | | | | | | | | |
|---------------------------------|----------------------|-----------|-----|-----------|-------|-----------|-------|-----------|---|-----------|-------|-----------|---|-----------|--|
| Chief Executive Officer | Ferraresi Carlo | | | | | | | 12/12 | M | | | | | | |
| Director | Caldana Piergiuseppe | | 6/7 | C | | | | | | | | | | | |
| Director | Campebelli Bettina | | | | 10/10 | C | 9/12 | M | | | 19/20 | M | | | |
| Director | Lancellotti Roberto | | | | | | | | | 13/13 | C | | | | |
| Director | Gentili Stefano | | | | | | 12/12 | C | | | | | | | |
| Director | Giacometti Rosella | | | | 10/10 | M | | | | | | | | | |
| Director | Strazzera Anna | | 7/7 | M | | | | | | | 20/20 | M | | | |
| Director | Vasco Elena | | 7/7 | M | | | | | | | | | | | |
| Director | Vanda Eugenio | | | | | | | | | 13/13 | M | 20/20 | C | | |
| Director | Glisenti Giovanni | 17/17 | C | | | | | | | | | | | | |
| Director | Bonato Federica | 17/17 | M | | | | | | | | | | | | |
| Director | Brena Cesare | 17/17 | M | | | | | | | | | | | | |
| Director | Castelletti Luigi | | | | | | | | | | | | | | |
| No. of meetings in year: | | 45 | | 21 | | 25 | | 20 | | 13 | | 20 | | 10 | |

NOTES

(*) This column shows the directors' attendance at committee meetings (indicate the number of meetings attended out of the total number of meetings that could have been attended, e.g. 6/8, 8/8, etc.).

(**) This column shows the status of the director within the Committee: "C": chairman; "M": member.

(1) Following the resolution adopted by the Board of Directors on 14 May 2021, the Appointments Committee and the Remuneration Committee were merged into a single Committee known as the "Appointments and Remuneration Committee".

Changes in the composition of internal Board Committees occurring between the date of closure of the financial year and the date of approval of the Report

- On 14 February 2022, the Director G. Staderini, Chair of the Corporate Governance, Sustainability and Value Generation Committee resigned. Therefore, on 23 February the Board of Directors co-opted C. Rustignoli, appointing her as Chair of the Corporate Governance, Sustainability and Value Generation Committee.
- On 23 February 2022, the Director L. Santori, who was also a member of the Management Control Committee, resigned, and on the same date the Board of Directors replaced him with C. M. Pinardi.
- On 14 March 2022, the Director L. Migliavacca, who was also a member of the Management Control Committee, resigned, and on the same date the Board of Directors replaced him with Andrea Rossi.

ANNEXES

ANNEX 1: PARAGRAPH ON THE “MAIN CHARACTERISTICS OF THE EXISTING RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM IN RELATION TO THE FINANCIAL REPORTING PROCESS” PURSUANT TO ARTICLE 123-BIS, PARAGRAPH 2, LETTER b) OF THE CONSOLIDATED LAW ON FINANCE (TUF)

1) Introduction

The internal control and risk management system in relation to the financial reporting process (hereinafter the “System”) adopted by the Company is a component of the broader internal control and risk management system described in Section 11.0 of the Report.

The objective of this System is to frame and regulate internal control and risk management relating to the financial reporting process from an integrated perspective, with the aim of identifying and assessing risks relating to the financial reporting process (administrative and accounting risk) to which the Company and the Group are exposed, as well as identifying and assessing the related controls.

The System is designed to ensure the reliability, accuracy, reliability and timeliness of financial reporting by preparing a specific policy and guidelines on the design, implementation, monitoring and updating of the system over time.

Responsibility for implementing the system, in the Company and in the Group, involves various corporate functions, as better defined in paragraph 2.2 below.

The System is based on a process defined in accordance with the *CoSO Framework (Internal Control – Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission)* and, for the IT component, with the applicable processes of the *COBIT (Control Objectives for Information and related Technology) Framework*, which represent generally accepted international reference frameworks.

2) Main characteristics of the existing risk management and internal control system in relation to the financial reporting process

2.1 Phases of the System

The Company has adopted a control model, in support of the Financial Reporting Officer, to verify the adequacy and effective application of administrative and accounting procedures relating to financial reporting. This model was defined in line with best practices¹⁷ and a progressive implementation plan is provided for.

In particular, the system is made up of the following phases:

¹⁷ With regard to internal control of financial reporting, the following are generally recognised and accepted at the international level:

- The CoSO Framework, which defines the guidelines for the implementation and assessment of internal control systems;
- The COBIT Framework, which represents the benchmark for IT governance.

- (i) assessment of controls at entity level (entity-level controls);
- (ii) definition of scope and activity scheduling (scoping);
- (iii) identification and assessment of risks and process controls on financial reporting;
- (iv) verification of the operational effectiveness of financial reporting process controls;
- (v) assessment of IT general controls;
- (vi) preparation of the certification of the Financial Reporting Officer and the confirmation letters of the subsidiaries.

2.1.1 Assessment of entity-level controls

Entity-level controls (ELC) are an overall, summary analysis of the control system at corporate (and Group) level, designed to verify the existence of a business environment that reduces the risk of errors and improper conduct for the purposes of financial reporting. The method used to assess ELCs includes checklists to evaluate the level of compliance of the specific requirements defined in the CoSO Framework with the business context.

ELC analysis enables the Financial Reporting Officer to periodically reassess the organisational and control system existing in the Group companies, to support the responsibilities assigned to him/her by the legislative provisions (Article 154-bis of the Consolidated Law on Finance (TUF)) and by the Board of Directors.

In particular, the ELC analysis is intended to achieve the following objectives:

- to verify the completeness of the variables of the internal accounting control model, i.e. the control environment, corporate information and internal communication, and risk monitoring and assessment processes;
- to draw up a frame of reference for the business context in which the administrative and accounting control system is incorporated, obtaining useful information to guide the subsequent phases of process assessment;
- to obtain an immediate picture of the level of implementation of the internal regulatory framework of the Group companies, in support of the certifications of the Financial Reporting Officer;
- to identify, if ELC assessment results in a less than positive picture, compensating controls to mitigate any shortcomings detected in the subsequent process testing phase.

2.1.2 Definition of scope and activity scheduling (scoping)

The scope of the analysis is defined by identifying significant subsidiaries according to both quantitative criteria (the individual companies' contribution to consolidated assets or total consolidated revenues) and qualitative criteria based on the risk profile of the individual companies. Company processes that are significant in terms of their potential impact on financial reporting are identified according to the consolidated financial statement accounts valued as significant.

2.1.3 Identification and assessment of risks and process controls of financial reporting

The document system containing the mapping of organisational procedures is the starting point for identifying risks and controls relating to financial reporting, through which the key controls, whose design is then assessed and whose operational effectiveness is verified, are defined.

Risks relating to financial reporting are identified taking into account relations with financial statement assertions that represent the characteristics that the accounting data must have over the course of its life up to its representation in the financial statements.

The relevant control safeguards for financial reporting are associated with the identified risks. The process owners perform control activities in order to mitigate the specific administrative and accounting risks identified.

The design of the key controls is periodically assessed in order to verify the adequacy of the administrative and accounting procedures, i.e. the ability to control financial reporting risks. This assessment consists in analysing the adequacy of the control design, i.e. the ability of the control to mitigate at an acceptable level the possible risk of failure to achieve the control objective (financial statement assertion) for which it was designed.

If, during the assessment, there is a shortcoming due to an inadequate control design, specific action plans are provided for in order to mitigate the risk. These plans enable (i) the most appropriate corrective action to be defined given the shortcoming identified, (ii) the entity responsible for the corrective action to be identified, and (iii) the level of priority and the deadline to be defined.

2.1.4 Verification of the operational effectiveness of financial reporting process controls

The assessment of operations designed to verify the effective application of accounting administrative procedures consists of all activities aimed at verifying that the controls, designed to reduce the identified risks to an acceptable level, are operational in the period in question, or actually carried out in accordance with the design.

Key control testing is performed twice a year, corresponding to the consolidated half-year financial report and the separate and consolidated financial statements.

In response to any shortcomings identified in the operational effectiveness phase, corrective actions and/or action plans are defined and implemented, with the aim of strengthening the internal control system on financial reporting.

2.1.5 Assessment of IT general controls

The control model also provides for the assessment of the IT component through the execution of IT general controls.

IT general controls (ITGC) are the set of "control objectives" that enable an assessment of the controls to safeguard the risks inherent in processes of managing information systems and relevant to financial reporting.

The analysis of the adequacy of the ITGC, carried out by applying the methodological approach defined by the COBIT Framework, involves, in the same way as for the process controls, the following main steps: (i) definition of the scope; (ii) identification of the risks and control objectives; and (iii) testing activities to verify that the controls identified are effective. When the testing is completed, the results are analysed and corrective actions are defined for any shortcomings detected.

2.1.6 Preparation of the certification of the Financial Reporting Officer and the confirmation letters of the subsidiaries

The overall assessment of corporate, process and IT general controls is the means by which the Financial Reporting Officer and the delegated management body prepare the certifications required under Article 154-bis, paragraph 2 and 5, of the TUF (Legislative Decree 58/98).

The subsidiaries are also asked for specific confirmation letters to certify in particular that: i) the disclosure regarding the representation of the economic and financial situation of the Group company is complete, timely, accurate, truthful and in accordance with the accounting principles and methodologies adopted by the Group; ii) the disclosure conforms to the applicable legislation; and iii) the related administrative and accounting procedures, internal control of financial reporting in relation to the activities of the Financial Reporting Officer and the organisational, administrative and accounting structure are adequate.

2.2 The functions involved in the System, their respective roles and the relevant information flows

Responsibility for the effective implementation of the internal control system, in terms of the concrete conduct and exercise of control mechanisms, procedures and rules, is widespread and integrated into the company structures.

In particular, with regard to the financial reporting process, the System involves the corporate bodies and operational and control structures in integrated management, vesting each body and structure of the functions relating to the design, implementation, monitoring and updating of the System over time.

In order to ensure that the corporate bodies and functions, which are assigned specific tasks within the internal control and risk management system in relation to financial reporting, are able to collaborate by exchanging all useful information for the performance of their respective tasks, the Company has identified a series of information flows.

The main information flows between the Financial Reporting Officer and the various bodies and functions of the internal control system are set out below.

- In addition to assisting the Board of Directors in carrying out its tasks in relation to accounting control, the Control and Risks Committee, with reference to the financial reporting process:
 - assesses, in consultation with the Financial Reporting Officer and the collaboration of the auditing company and the Management Control Committee, whether the accounting standards are being used correctly and consistently for the purposes of compiling the consolidated financial statements;
 - examines the periodic information on the activities carried out and the progress of the corrective measures provided for by the Financial Reporting Officer.

the Control and Risks Committee reports to the Board of Directors when the latter is required to assess, at least once a year, the adequacy and effectiveness of the internal control and risk management system with respect to the characteristics of the Company and the Group, the risk profile assumed and its effectiveness.

The Financial Reporting Officer provides the Control and Risks Committee with an annual plan of activities for the financial year and reports, at least once every six months, on the activities carried out, the main critical issues encountered and the corrective actions identified.

- The Management Control Committee, within the scope of the tasks assigned under applicable legislation, monitors the adequacy of the Company's organisational structure and internal control system, as well as its administrative and accounting systems and its reliability in correctly representing operations, including in relation to the Group. The Management Control Committee examines the periodic information on the activities

carried out and the progress of the corrective measures provided for by the Financial Reporting Officer and makes its contribution to the Control and Risk Committee for the purposes of the assessment of the correct use of accounting principles in the preparation of the separate and consolidated financial statements.

- The Board of Directors ensures that the Financial Reporting Officer has adequate powers and means to perform the duties assigned to him by the regulations, as well as effective compliance with administrative and accounting procedures. The Chief Executive Officer, together with the Financial Reporting Officer, is tasked with certifying the adequacy and effective application of the administrative and accounting procedures for the preparation of the separate and consolidated financial statements and the consolidated half-year financial report.
The Financial Reporting Officer periodically reports to the Board of Directors, also through the Control and Risks Committee, on the activities carried out in the performance of his duties.
- The Financial Reporting Officer collaborates with the Audit function, the Compliance function, the Risk Management function, the Actuarial function and the Tax Risk Officer through the exchange of information (and the scheduling of specific meetings) relating to the planning and results of the activities within his remit, in order to develop the synergies deriving from joint actions in the Group companies.
- The Financial Reporting Officer collaborates with the Supervisory Body pursuant to Legislative Decree No. 231/2001 by exchanging information on the activities within his remit, while upholding the principle of independence from this body. Specifically, the Financial Reporting Officer may be called upon by the Supervisory Board to report on his activities and, in turn, to collaborate with the Supervisory Body by exchanging information on the planning and results of the activities within his remit, in order to develop the synergies deriving from joint actions.
- The auditing company may receive requests for information from the Financial Reporting Officer with regard to the investigation activities within his area of responsibility.

The other participants in the risk management system are:

- The 262 Supervisor, reporting to the Financial Reporting Officer and assisting him with the implementation and monitoring of the 262 framework, ensuring that the Policy and Guidelines are correctly adopted by the Group;
- The liaison officer for the Financial Reporting Officer, who is the Chief Executive Officer of the Group company, unless otherwise indicated by the management body, assists the Financial Reporting Officer in carrying out his or her tasks at the subsidiary and in relation to its corporate bodies;
- Organisation updates the administrative and accounting processes continuously to support the activities of the Financial Reporting Officer;
- The process owner, who is responsible for managing administrative and accounting procedures to ensure adequate monitoring of financial reporting risk;
- The control owner, an operational liaison officer who physically carries out the control subject to analysis and testing.

* * *

Verona, 22 March 2022