



**QUALITATIVE AND QUANTITATIVE
COMPOSITION
OF THE
UNICREDIT S.P.A.
BOARD OF DIRECTORS**

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1. INTRODUCTION

In compliance with the contents of the existing Supervisory Provisions for banks on corporate governance, issued by the Bank of Italy and recently updated¹ (the “**PROVISIONS**”), Boards of Directors (or Supervisory and Management Boards) of banks are required to identify their own optimal qualitative-quantitative composition for the effective completion of the duties and responsibilities entrusted to them by law, by the Supervisory Provisions and by the Articles of Association. According to the general principles set out in those Provisions:

- a) from the quantitative profile, the number of members of corporate bodies must be appropriate to the size and complexities of the bank's organisational structure so as to effectively oversee all business operations as regards management and control;
- b) from the qualitative profile, the correct fulfil of the duties falling under the responsibility of the bodies with strategic supervisory functions requires the presence of members:
 - fully aware of the powers and obligations inherent to the functions that each of them are called upon to perform (supervision or managerial; executive or non-executive; independent members, etc.);
 - who possess professional skills appropriate to the role they are required to fulfil, including on any internal board committees, tailored to the bank's operational characteristics and size;
 - who possess, among them, a variety of appropriately diversified competencies in order to ensure that on the committees on which they sit and as part of collegial decision-making, each member may effectively contribute to and ensure the effective management of risk across all areas of the bank;
 - who dedicate appropriate time and resources to the complex nature of their role;
 - whose action is directed towards pursuing the bank's overall interest, irrespective of the shareholder who voted for them or the list from which they were taken, acting with independent judgment.

The Provisions call for focus covering all members, including non-executive members, who are joint participants in decisions taken by the Board as a whole and who

¹ Circular no. 285 dated 17 December 2013

are called upon to carry out an important dialectic and monitoring role of decisions undertaken by the executive members. It is therefore fundamental also for the non-executive directors to be appropriately authoritative and professional to fulfil these tasks, which are crucial for the sound and prudent management of the bank. It is therefore essential for non-executive directors to possess and express adequate knowledge of the banking business, economic and financial system dynamics, financial regulation and, above all, risk management and control methodologies. Such knowledge is vital to the effective performance of the duties required of them.

The Provisions also require the body that performs the strategic supervision role to be made up of independent members who oversee corporate management with independent judgment, contributing to ensuring that it is performed in the interest of the company and coherently with the objectives of sound and prudent management. In banks of large sizes or with complex operations, the presence of specialized board committees (having instructing, consultative and proactive duties), even made up of those independent persons, facilitates the making of decisions, especially with reference to the most complex business sectors or those in which there is a higher risk of conflict of interest situations occurring.

The purpose of the Provisions is to ensure that - both in the appointment process, in which multiple bodies and functions take part (a Nomination Committee, where applicable; the Board; the Shareholders' Meeting) and over the long term - the senior bodies are made up of members who are capable of ensuring that their assigned role is performed effectively. In order to achieve this, the professional expertise required to achieve this result must be clearly defined in advance and reviewed as required over time in order to take account of any critical issues that may arise. Candidate selection and the appointments process must also take account of these indications.

* * *

On the occasion of the recent update of the Provisions, the Bank of Italy introduced a number of innovations most specifically concerning the composition of the Board and the establishment of Board committees. UniCredit's Board of Directors deems it useful to bring these innovations to the shareholders' attention, at least as regards their essential components, in order to facilitate the best identification of candidates to be put forward for the renewal of the supervisory body. Those innovations can be summarised as follows:

- in banks of large sizes or with complex operations, the maximum number of directors is no more than 15, except in exceptional cases, which must be analytically assessed and motivated;
- the Board members must ensure adequate time is dedicated to their role, taking account of the nature and quality of the commitment required; the functions performed in the bank (also in relation to its characteristics); of other offices in companies or entities, commitments or working activities performed, subject to compliance with the limits on the maximum number of offices provided in implementation of Directive 2013/36/EU of the European Parliament and of the Council dated 26 June 2013 (CRD IV);
- the number of independent directors must equate to at least a quarter of the members of the Board of Directors, in possession of professionalism and authority such as to ensure a high dialectic level within the relevant body and to make a significant contribution to the formation of the will of the same;
- in banks of large sizes or with complex operations, the strategic supervision body must establish within it three specialist committees in relation to “nominations”, “risks” and “remuneration”, each consisting, as a rule, of 3-5 members, all non-executives and mostly independent. The committees must be differentiated from each other by at least one member and, where a director elected by the minorities is present, that director forms part of at least one committee. The works of each committee are coordinated by a chairman chosen from the independent members;
- the Chairman of the Board of Directors must have a non-executive role and must not perform managerial roles, even on a de facto basis.

Although the transitional regulation of the Provisions requires the adjustment to most of the provisions set out above by 30 June 2017, the fact that the next Board of Directors' mandate would expire beyond that deadline and that UniCredit's Board governance structure is already compliant (also in view of its nature as a listed issuer) with a large part of those provisions, the Company's Board of Directors, in identifying its optimal qualitative-quantitative composition, hereby sees fit to take account of the same.

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For the sake of completeness, it is noted, finally, that the current Provisions detail the role and duties of the strategic supervision body and its committees – in addition to those provided by the general regulations – also referring, in this regard, to the regulation of Bank of Italy Circular no. 263 dated 27 December 2006 (15th update

of 2 July 2013) in relation to prudential supervisory provisions for banks (and, in particular, the internal controls system), as well as that of Bank of Italy Circular no. 285 dated 17 December 2013 (7th update of 18 November 2014) in relation to the remuneration and incentive systems of banks.

2. ASSESSMENT BY THE BOARD OF DIRECTORS CONCERNING ITS OWN QUALITATIVE-QUANTITATIVE COMPOSITION

Corporate bodies of banks that undertake strategic oversight and management functions must identify their optimal qualitative-quantitative composition, including professional and independence characteristics of candidates, bearing in mind that their authority and professionalism must be well suited to the tasks that directors are called upon to perform on such corporate bodies (and within their committees, if any) and taking into consideration the size and complexity of the companies and groups they belong to. Shareholders must be apprised in good time of the results of the analysis carried out by the above mentioned corporate bodies, so that they can take them into due account when choosing candidates. Shareholders obviously retain the right to make their own assessments of what constitutes an optimal Board composition, justifying any differences with regard to the analysis made by the latter.

The last time the Board was renewed, the Board of Directors had established the theoretical qualitative-quantitative profile of the Board itself², making it available to the shareholders of the Company and verifying subsequently - as required by the regulations dictated by the Supervisory Body - the correspondence of the qualitative-quantitative composition of the elected Board with the aforementioned profile.

That said, the Board deems that the profile defined at that time can be confirmed, for the most part, in this document, albeit having to take due account, in preparing the new profile, of the recent evolution of the relevant industry regulations. Thus, in addition to the Provisions, consideration must be given to the CRD IV and the Provisions issued by the Bank of Italy in relation to the internal controls system, as well as further evolutions of the relevant rules for listed companies (such as those deriving, for example, from the recent review of the Corporate Governance Code) and, finally, guidelines of a more general nature such as those expressed by the Basel Committee on Banking Supervision ("*Core Principles for effective banking supervision*" dated September 2012), the European Parliament ("*Resolution on a corporate governance framework for European companies*" dated March 2012) and the European

² In compliance with the regulation in question dictated by the Communication of the Bank of Italy dated 11 January 2012

Banking Authority (“*Guidelines on the assessment of the suitability of members of the management body and key function holders*” dated November 2013)³.

In preparing the profile, in addition, consideration has also been given to the experience accrued during the mandate with regard to the activities and methods of functioning of the Board and its Committees as well as, more specifically, the results of the self-assessment processes conducted in the last three years.

2.1. Qualitative composition of the supervisory body

Given the reference framework previously outlined, in formulating the recommendation for the shareholders who are to submit the lists of candidates regarding the professionalism and expertise deemed necessary for the purposes of the optimal composition of the Board of Directors of UniCredit, the latter wishes to emphasise the importance of:

- ensuring, also for the future, in the supervisory body, a balanced combination of profiles and experiences, favouring, in view of the challenges faced by the Bank, even greater expertise in terms of familiarity with the banking sector, strategic guidelines and risks and controls;
- promoting aptitude profiles capable of ensuring the optimal performance of the office by the directors;
- confirming a delegation system that qualifies the Chief Executive Officer as the only executive member of the Board of Directors, whilst ensuring that the latter is able to verify the exercise of the powers granted;
- guaranteeing the dialectic provided by independent directors, based upon the presence of an appropriate number of the latter in the composition of both the Board and the Committees;
- identifying the availability of time and resources as a key component to enable the effective conduct of the directors' roles within the Board and its Committees;

³ Notwithstanding the reference to previous indications, which maintain their validity, such as those contained in the “*Principles for enhancing corporate governance*” (Basel Committee on Banking Supervision – October 2010), in the “*Guidelines on Internal Governance*” (EBA - September 2011), in the “*Green Paper on the EU corporate governance framework*” (European Commission – April 2011).

- further promoting the diversity requirements already present, as regards, in particular, international projection (irrespective of nationality) and gender diversity;
- ensuring the distribution of the Directors' seniority, also promoting the value of having members of different ages.

2.1.1. Professional experience requirements

As more specifically regards professional experience requirements - subject to compliance with what is provided in that regard by existing regulations - the Board believes it is necessary for candidates for the role of UniCredit director to possess adequate knowledge of and experience in preferably two or more of the following areas of competency:

- **FAMILIARITY WITH THE BANKING BUSINESS AND WITH TECHNIQUES FOR ASSESSING, MANAGING AND CONTROLLING THE RISKS ASSOCIATED WITH THE BANKING BUSINESS:** gained through several years of experience as a director, manager or statutory auditor in the financial services sector;
- **EXPERIENCE IN MANAGING AND ORGANISING A CORPORATION:** gained through several years of experience as a director, manager or statutory auditor in large scale companies or groups;
- **THE ABILITY TO READ AND INTERPRET THE FINANCIAL STATEMENTS OF A FINANCIAL INSTITUTION:** gained through several years of experience as a director, manager or statutory auditor of companies in the financial services sector or in performing professional activities or as university lecturer;
- **CORPORATE SKILLS** (audit, compliance, legal, corporate, etc.): gained through several years of experience in auditing or management control with large scale companies or in performing professional activities or as a university lecturer;
- **AN UNDERSTANDING OF THE REGULATION OF FINANCIAL ACTIVITIES:** gained through several years of specific experience in financial services companies or supervisory bodies, or in performing professional activities, or as a university lecturer;

- **INTERNATIONAL EXPERIENCE AND FAMILIARITY WITH INTERNATIONAL MARKETS:** gained by performing the duties of an entrepreneur, manager or professional over several years in international institutions or agencies, companies or groups that operate in an international arena;
- **AN UNDERSTANDING OF GLOBAL TRENDS IN THE ECONOMIC-FINANCIAL SYSTEM:** gained through significant experience acquired in research bodies, corporate or international think tanks or supervisory authorities;
- **FAMILIARITY WITH THE SOCIO-POLITICAL SITUATIONS AND STOCK MARKETS MECHANISMS OF THE COUNTRIES IN WHICH UNICREDIT GROUP HAS A STRATEGIC PRESENCE:** gained through activities spanning several years in managerial roles in public or private companies or institutions or through research or studies conducted at research centres.

The Board recommends that all areas of expertise identified above are represented within the Board of Directors, since the presence of a diversified range of skills and experiences ensures that all professional profiles are represented and encourages dialogue and the efficient functioning of the Board.

Subject to the foregoing, the Board recommends, in addition, that at least one candidate from each list - qualifiable as independent in accordance with point 2.1.5 below - possesses qualified experience in chairing Internal Controls and Risks Committees of banking, financial or insurance institutions, so as to be able to contribute effectively to the management of the risks to which the Bank is exposed, a task that the Bank of Italy identifies in its Supervisory Provisions as among the most significant for the corporate bodies.

Finally, the Board recommends that all directors have sufficient knowledge of the English language to allow for the correct understanding of written texts and, thus, to ensure the possibility of making decisions directly concerning documents of that nature, also given the use of that language in correspondence between the Company and the European Supervisory Authority.

In order to allow the shareholders more easily to interpret the expertise held by each candidate, the Board requests that the appointment proposal is accompanied by *curricula* along with a declaration signed by the candidates themselves providing analytical evidence of the expertise accrued in the various areas listed above.

2.1.2. Aptitude profiles

The Board also recommends that due consideration is given to the following aptitude profiles as qualifying for the role of Member of the UniCredit Board of Directors:

- Ability to learn and undertake new challenges, i.e.:
 - possess intellectual curiosity and proactively seek new experiences, ideas and contents;
 - be open to mutual discussion and constructive feedback;
 - understand the value of continuous learning, and encourage a culture oriented towards change;
 - be able to challenge oneself both from the personal point of view, and intellectually, embracing the new challenges of the Board.

- Ability to collaborate, i.e.:
 - develop the distinctive contribution of other directors in terms of experience, expertise and functional competence;
 - understand the importance of diversity and encourage inclusion as the Board's philosophy and *modus operandi*;
 - actively promote sharing and encourage robust and rigorous debate, seeking discussion and exchange of opinions.

2.1.3. Number of offices

In light of the indications contained in the Provisions, the availability of time and resources to dedicate to performing the office, based upon the nature and quality of the same, is an essential requirement to be guaranteed by candidate directors, also in relation to the activities deriving from participation in the works of the board committees, for members thereof.

With regard specifically to UniCredit, it is noted - by way of information - that in each financial year of the three year period 2012-2014, on average, 14 meetings of the Board of Directors, 11 meetings of the Corporate Governance HR, and Nomination Committee, 12 meetings of the Internal Controls & Risks Committee (including those of its Sub-Committees), 6 meetings of the Remuneration Committee, 10 meetings of the Permanent Strategic Committee and 12 meetings of the Related-Parties and Equity Investments Committee were held with an average duration of

approximately 3 and a half hours for meetings of the Board and from 1 to over 5 hours for the Board committees.

In addition to the foregoing, substantial time and commitment was required for attending offsite events over the three years, as well as for directors to attend, as invitees, committees of which they are not members.

The time spent in meetings, of course, must be supplemented by the time required for each director to prepare for the same. In this regard, based upon past experience, the resources dedicated by the Chairman of the Board of Directors to the performance of his role have been significant and have absorbed a large part of his time: the shareholders must, therefore, take due account of that fact when identifying the profiles of candidates who may be asked to cover this role.

In view of the foregoing, the Board recommends that candidates accept the office only when they believe that they are able to dedicate the necessary time to that position, considering their commitments to other activities, work-wise or professional, as well as the conduct of offices covered in other companies.

In that regard, it is clear that the number of those offices represents a significant indicator of the time taken to fulfil the same, as confirmed recently by CRD IV. In view of that, whilst reiterating that the Board has, for some time, in its regulation as well as in its previous qualitative-quantitative profile established in 2012, defined limits upon the maximum number of offices covered by UniCredit directors, the Board hereby confirms that orientation and cites, in that regard, the provisions of CRD IV, albeit, as yet, not incorporated into domestic regulations. As is known, according to said Directive, each director may cover in total (in any type of company, excluding organisations that do not pursue primarily commercial objectives):

- 1 executive office and 2 non-executive offices
- 4 non-executive offices

with the specifications set out in Art. 91 of CRD IV, in accordance with which, *inter alia*, the following are considered as a single office as director: a) offices as executive or non-executive director covered within the same group; b) offices as executive or non-executive director covered within enterprises in which the entity has a qualified holding.

CRD IV also provides to the relevant Authorities the right to authorise members of the Board of Directors to cover an additional non-executive offices as director.

In light of the foregoing, and subject to any different requirements that might derive from the transposition of the Directive into domestic legislation, the Board wishes candidates not to cover, at the time of any appointment, more than:

- 1 executive office and 3 non-executive offices
- 5 non-executive offices,

provided that, as specified by CRD IV, the following are considered, *inter alia*, as a single office as director: a) offices as executive or non-executive director covered within the same group; b) offices as executive or non-executive director covered within enterprises in which the entity has a qualified holding.

2.1.4. Incompatibility

In compliance with Article 36 of the Law 214/11, regarding “interlocking personal shareholdings *in banking and financial markets*”, which provides that “holders of a seat in managerial, supervisory and control bodies, as well as officers charged with managerial duties in companies or group of companies acting in banking, insurance and financial markets are forbidden to hold, or to exercise, similar offices in competing companies or group of companies”, the Board of Directors recommends to shareholders that in the lists to be presented for the appointment of the new supervisory body be included candidates following the performance of a preliminary check in order to verify the not occurrence of reasons for their incompatibility under the above mentioned provision.

2.1.5. Independence

The Board of Directors notes that, in accordance with the provisions of the Company's Articles of Association and in order to comply with the principles of the Corporate Governance Code, the candidate lists should be drawn up in such a way as to guarantee that at least one-third of the members of the Board of Directors is independent, as specified in Art. 3 of the aforesaid Corporate Governance Code. The Board, moreover, deeming the current percentage of independent Directors (amounting to over 60% of its members) to be a guarantee of effective discussion and,

at the same time, the correct and efficient functioning of the board committees, wishes that percentage also to be confirmed in the future supervisory body.

Whilst the cases of incompatibility envisaged by current law stand firm, the Board also believes that, in order for the independency of judgment of the members of the Company supervisory body to be fully safeguarded, the candidates must not hold – or take on – elective or governmental offices, at national and/or local level, or offices in political organizations’ promoting committees or managerial bodies.

2.1.6. Gender quotas

Italian Law no. 120 dated 12 July 2011 (which inserted paragraph 1-ter into Art. 147-ter of the Consolidated Finance Act -TUF) required compliance in Italy with a criterion of composition of the supervisory body based upon which the least represented gender should be given at least one-third of the available seats. However, the implementation of the law will be gradual: starting from the first Board renewal the number of members belonging to the least represented gender shall constitute at least one-fifth of the total membership.

Although when UniCredit renewed its Board of Directors, on 11 May 2012, Law no. 120/2011 had not yet become effective, the composition of the supervisory body, in compliance with the recommendations of the Board itself, voluntarily respected the share of one-fifth.

The Board, in line with its orientation shown in the past - although there being no compulsion to increase the current share of one-fifth on the occasion of the next appointments⁴ - believes it is advisable that shareholders be recommended to spontaneously abide by the requirements of the provision, defining, for that purpose, candidate lists that ensure the presence of at least one-third of members of the least represented gender.

⁴ This will, in fact, formally be the first renewal of the Board that occurs after the coming into effect of the Italian Law 120/2011 meaning, therefore, that it is necessary, under the regulations, for the share of the least represented gender to be at least one-fifth of the members of the Board.

2.1.7. Integrity requirements

The Board of Directors, in accordance with what already contained in the qualitative-quantitative profile defined on the occasion of its previous renewal (which already set out the contents of the Board of Directors' rules and regulations) and considering the importance of the integrity requirements from the reputational standpoint, believes that a Director should not be considered as meeting the integrity requirements if his or her personal or business conduct gives rise to any founded doubt about his or her ability to ensure the sound and prudent management of the credit institution. Therefore the Board recommends that candidates to the appointment as UniCredit directors, in addition to possessing the integrity requirements envisaged by both Min. Decree no. 161 dated 18/03/1998 and Min. Decree no. 162 dated 30/03/2000:

1. should not be in any situation that might determine a discontinuance of their functions as a director pursuant to section 6 of Min. Decree no. 161 dated 18/03/1998, and
2. are not - and have not been in the past - in situations that, with regard to the economic activities and financial conditions of said candidates (or of the companies controlled by, significantly invested in or directed by the latter), are – or have been - even potentially likely to affect their reputation or involve significant losses for the Bank,
3. should not have displayed behaviour which, while not constituting a crime, does not appear to be compatible with the office of a bank director or might seriously jeopardise the reputation of the Bank.

2.2. Quantitative composition of the supervisory body

As mentioned in the introduction of this document, the Provisions, alongside general considerations in relation to the quantitative profile of the supervisory body, introduced stricter requirements in that regard, which it is worth noting here:

- in banks of large size or with complex operations, the maximum number of directors is no more than 15, except in exceptional cases, which must be analytically assessed and motivated;

- in banks of large size or with complex operations, the strategic supervision body must establish within it three specialist committees in relation to “nominations”, “risks” and “remuneration”;
- each of the aforementioned board committees must be composed, as a rule, of 3-5 members, all non-executives and mostly independent. The committees must be differentiated from each other by at least one member and, where a director elected by the minorities is present, that director forms part of at least one committee.

In relation to UniCredit, it is noted that the Articles of Association provide, at Clause 20, that the Board consists of a minimum of 9 and a maximum of 24 members. The Shareholders' Meeting held on 11 May 2012 determined the number of directors at 19, all currently in office. There are, in addition, 5 board committees, 4 of which were established in compliance with the respective regulatory provisions (Internal Controls & Risks Committee, consisting of 9 members; Corporate Governance, HR and Nomination Committee, consisting of 9 members; Remuneration Committee, consisting of 5 members; Related-Parties and Equity Investments Committee, consisting of 3 members) and 1 on a voluntary basis (Permanent Strategic Committee, consisting of 9 members).

Following the self-assessment process - carried out by the Board in compliance with the Provisions issued by the Bank of Italy and the provisions of the Corporate Governance Code to which UniCredit adheres - it clearly emerged that, on one side, the composition decided by the Shareholders' Meeting at the previous Board elections could be reduced, in line with what is prescribed by the Provisions, and that, on the other side, it is advisable to maintain, in their current structure, the board committees.

Based upon the outcome of the discussions that took place both in Corporate Governance HR, and Nomination Committee and in the Board in relation to the extent of the reduction and the ideal quantitative composition, the Board believes that any assessment of the quantitative composition must take account of various criteria and different requirements deriving from the unique characteristics of UniCredit, in an effort to strike a balanced arrangement.

The main criteria identified are:

- the international nature of the UniCredit Group, which suggests that due consideration should be given to the opportunity to maintain the presence of representatives of the major countries in which the Group operates;

- the direct responsibility of the Italian bank, which requires the presence of Italian entrepreneurs and professionals capable of significantly contributing towards defining strategies for managing the Italian business;
- the need for a number of members such as to guarantee the efficient functioning of various Board committees, in which the Board activities are carried out, also taking account of the need to ensure an efficient balance of the expertise present in said committees;
- the need for a Board of the right size to foster a greater dialogue and a more efficient team working.

It is also necessary to consider that, generally, the Board reflects the shareholders' pattern with particular regard to long-term shareholders.

Based upon these criteria and the indications that mainly emerged in the Board's discussions, the Board believes that it is not advisable to reduce drastically the number of Directors and suggests that the shareholders - who it is up to decide the composition of the Board - opt for a number of members that would enable the aforesaid criteria to be balanced and met; the Board believes this number should be 17.

That conclusion also appears consistent with an adequate numerical composition of the committees which takes account of the breadth and significance of their actions, which could also be performed by way of sub-committees.

In addition to this suggestion, it is also recommended that in both the quantitative and qualitative definition, due consideration is given to all the aforementioned criteria, so as to ensure a balanced composition.

3. INDUCTION AND TRAINING

The opinion of the Board is that the “Cumulative Experience” of the life of a Board is a value to be preserved.

Various scholars have attempted to formalise quantitatively an issue that is intuitively logical, that is that, irrespective of the experiences accrued in other boards, a new director takes time to develop a knowledge of the “relevant context” which helps him to contribute significantly to the working of the committee and the Board as a whole. In view of the fact that a director's mandate is for three years, it is estimated that in the case of an international and complex group, a new director takes between 30% and 60% of this first mandate to obtain full control of his role.

The UniCredit Board today presents a balanced distribution in terms of “Cumulative Experience”: the average “seniority” is, in fact, approximately 6 years with 37% of directors having seniority above the average, 11% having seniority between 3 and 6 years, and 52% having seniority of less than 3 years.

Every three years, the shareholders compose the lists in full autonomy, in light of the recommendations expressed by the Board in identifying its optimal qualitative-quantitative composition, and of additional specific motivations for each shareholder or group of shareholders. Based upon this premise, if there is a need to insert new profiles, the Board suggests considering that new methods be promoted such as to mitigate or offset the impact on the “Cumulative Experience” of the collegial body.

For that reason, the Board wishes future directors to:

- continue to possess, in addition to the current combination of expertise/experience represented today in the Board, the aptitudes identified above (i.e. willingness to learn and undertake new challenges and ability to collaborate) which are vital to allow the new Board to benefit from the board working as a whole and to contribute to the same;
- benefit from an articulated “induction” process in line with or even more complete and structured than that just performed. In fact, in the last three year period, UniCredit has been committed to promoting individual events (for new Directors) and team events (including management and the Board of Statutory Auditors) which have allowed new Directors to acquire a better knowledge of the “relevant context” and each of them to promote greater interaction which leads to a better team working.

In view of the increasingly extensive new challenges and the “relevant context”, which will become increasingly more international, the Board recommends enhancing investments in that sense at both individual and Group level.

For the new Directors, a basic course should be formalised with the possibility of undertaking more in-depth personalised courses based upon particular interests or responsibilities that individual Directors may take on in the board committees.

More generally, it is important to update all Directors on the main trends that may have an impact on the current and prospective performance of the Group.

At the same time, the Board considers it appropriate to invest so that these plenary events can also be an opportunity to further promote the necessary team spirit, belonging and collaboration: this is the only way, in fact, to create the premises necessary to capitalise on differently distributed expertise and the interdisciplinary skills of the various Directors.