Policy - Organization and Management Model of UniCredit S.p.A. pursuant to Italian Legislative Decree 231/01 - General Section

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MASTER RECORD
[OMISSIS]

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Navigator for Recipient Entities/Foreign Branches
[OMISSIS]

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1 CHAPTER 1: SCOPE AND PURPOSE OF THE ORGANIZATION AND MANAGEMENT MODEL

1.1 Introduction

This Organization and Management Model of UniCredit S.p.A. (hereinafter "the Model"), adopted by the Board of Directors is composed of:

- this General Section, which contains
  - the regulatory framework;
  - a description of the control system adopted by UniCredit S.p.A. in order to mitigate the risk of perpetration of the offences envisaged by Italian Legislative Decree 231/01;
  - the identification and appointment of the Supervisory Body of UniCredit S.p.A. (hereinafter also the "SB") with specification of its powers, duties and relevant information flows;
  - the disciplinary system and its penalties;
  - the information and training plan to be adopted in order to ensure awareness of the Model's measures and provisions;
  - update policies and adjustment of the Model;
- the Special Section, that is the decision protocols, including the Information Notes.

The Model also includes the following annexes, which form an integral part thereof:

- Annex 1 "List of predicate offences and illegal conducts pursuant to Legislative Decree 231/2001";
- Annex 2 "Code of Ethics" pursuant to Italian Legislative Decree 231/01.

1.2 Recipients

The following entities ("Recipients") are required to comply with the principles and contents of the Model in the execution of their respective activities for UniCredit S.p.A.:

- members of the Corporate bodies of UniCredit S.p.A (hereinafter also "UniCredit" or "Bank");
- all UniCredit staff, including those seconded, namely:
  - employees, including the *top management* and the employees of UniCredit foreign branches;
  - employees seconded to Group companies limited to any activities carried out within the Bank;
  - employees of Group companies on secondment to UniCredit, limited to any activities carried out within the Bank;
  - subjects who, although not linked to UniCredit by a subordinate employment relationship, perform their activities in the interest and on behalf of the Bank, under its direction (e.g. employees under fixed-term employment contract atypical staff and interns, para-subordinate workers in general).

With reference to **external subjects** who, although they do not belong to UniCredit, take part in carrying out the Bank's activities, on the basis of contractual relations, they collaborate with the Bank for the realization of its activities, it is envisaged that - in the context of their relationships – they undertake to observe the principles enshrined in the **Code of Ethics pursuant to Legislative Decree 231/01** ("Code of Ethics"), a document (distinct from the Code of Conduct) that contains the rules that the Recipients must adopt to ensure that their behaviour is always inspired by criteria of fairness, cooperation, loyalty, transparency and mutual respect, as well as to avoid that they are put in place appropriate to integrate the types of crime and offences included in the list of D.Lgs. 231/01. Within third parties, are included without limitation the following:

Within the scope of existing relationships, third parties, including without limitation

- self-employed staff or quasi-employees;
- professionals;
- consultants;
- agents;
- suppliers;
- business partners.

1.3 Function and purpose of the Model

The decision of the Board of Directors of UniCredit (hereinafter also "BoD") to adopt a Model was taken as part of a broader Bank policy applied throughout the Group. This policy has been implemented through a series of initiatives to encourage the Recipients to espouse the principles of transparency and conscientious management to comply with current legislation, and to embrace fundamental ethical principles in the pursuit of the corporate purpose.

In particular, by adopting the Model, the Board of Directors intends to pursue the following objectives:

- to inform all the Recipients that UniCredit unequivocally condemns any conduct that is contrary to the provisions of the law, supervisory rules, internal regulations and the principles of sound and transparent business activities that guide the Bank;
- to remind the Recipients of the severe administrative sanctions that will be imposed on the Bank if offences are committed;
- to prevent unlawful conduct, including the commission of criminal offences, in the Bank by maintaining constant control over all areas of risk and by training staff in the proper discharge of their assigned duties;
- to integrate and reinforce the system of corporate governance, which presides over the management and Bank's control;
- to inform all those who operate in the name, on behalf of or in any case in the interest of the Bank, that the violation of the provisions contained in the Model will result in the application of sanctions, regardless of the possible commission of facts constituting a crime.

1.4 Adoption of the Model within the Group

For the purpose of this Model, companies being part of the Group shall mean all the Italian companies directly or indirectly controlled by UniCredit S.p.A., as well as the permanent establishments in Italy of foreign companies, directly or indirectly controlled by UniCredit (hereinafter also "Recipient Group Companies")

UniCredit, aware of the importance of a correct application of the principles established by Italian Legislative Decree 231/01 within the entire Group, provides the Recipient Group Companies and directly controlled, through the most suitable procedures, with the principles and guidelines to be accomplished in order to adopt the Organization and Management Model pursuant to Italian Legislative Decree 231/01". These companies are in turn responsible for sending the above information to their subsidiaries.

The Recipient Group Companies appoint their own Supervisory Body and autonomously adopt, by resolution passed by their Boards of Directors and under their own responsibility, their own «Organization and Management Model» pursuant to Italian Legislative Decree 231/01.

Each Recipient Group Companies identifies its own at-risk activities as well as suitable measures to prevent perpetration of the offences, considering the nature and type of the activity performed, as well as the size and structure of its organization.

In drawing up their own Model, the Recipient Group Companies follow the principles and criteria set forth in the UniCredit's Model, without prejudice to the need to conduct an independent analysis of one's activities at risk and consequently adopt suitable prevention measures, taking into consideration the contents of this Model, as relevant and / or applicable with respect to one's specific corporate, operational and governance structure and control. The Recipient Group Companies inform the UniCredit's Compliance unit about any problematic aspect that they may encounter in getting inspired by the principles and criteria set forth in the Holding Company's Model, representing to the same - before the approval of the Model by the respective corporate bodies - the solution they intend to adopt accordingly. As long as the Model is not approved, the companies in any case adopt all suitable measures to prevent risks pursuant to Legislative Decree 231/01.

It remains furthermore understood that the opinion eventually provided by the Holding Company's Supervisory Body will not however limit in any way the autonomy of either the Supervisory Bodies or the Boards of Directors of the individual companies in taking the decisions they deem most appropriate in relation to the concrete reality of their companies.

Each Group Company is responsible for ensuring the effective and efficient application of its Model, by constantly updating it over time.

In its capacity as holding company, UniCredit has the power to verify compliance of the models implemented by the subsidiaries with the criteria above specified. UniCredit may use the internal audit organizational structures to carry out this control activity.

2 CHAPTER 2: THE REGULATORY FRAMEWORK

2.1 The legal system of administrative liability of legal entities, companies and associations

Italian Legislative Decree no. 231/01 was issued in partial implementation of the Delegated Law no. 300 dated September 29, 2000 and regulates, by introducing for the first time into the Italian legislation, the concept of administrative liability of legal entities, companies and associations, including those without legal personality (Entities).

The Delegated Law no. 300/2000 which, inter alias, ratifies and implements the Convention on the Protection of the European Communities' Financial Interests of July 26, 1995, the EU Convention of May 26, 1997 on Prevention of Bribery involving European Community Officers or EU member States and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of December 17, 1997, complies with the obligations contained in the foregoing international agreements, and specifically those of the EU, which order the provision of paradigms of corporate liability and a corresponding system of sanctions to punish corporate crime.

Italian Legislative Decree 231/01, which brings Italy into line with international requirements and harmonizes its legislation with that of many other European countries, establishes the concept of liability of a "*societas*", defined as "*an autonomous centre of interests and legal relations, a reference point for duties of various nature, and a matrix of decisions and activities carried out by persons operating in the name, on behalf, or in the interest of the entity*"[1]

The establishment of the principle of corporate administrative liability arises from the empirical consideration that illegal activities carried out within a company, far from being the result of an individual's private initiative, are more frequently the result of a pervasive *company policy* and stem from decisions made at the top levels of the company in question.

It concerns an "administrative" liability unique in its characteristics, as although it entails civil sanctions, it ensues from a criminal offence, for which the rules and safeguards of criminal trials apply.

Specifically, in Article 9, Italian Legislative Decree 231/01 foresees a series of sanctions that can be divided into four types:

- pecuniary sanctions
- disqualifying sanctions:
  - disqualification from exercise of activities;
  - suspension/revocation of a license or a concession or an authorization functional to the perpetration of the offence;
  - prohibition on contracting with public administration;
  - exclusion from benefits, contributions, funding and subsidies and possible revocation of those already granted;
  - ban on advertising goods or services;
- confiscation;
- publication of the sentence.

Administrative sanctions against a company may only be imposed by a criminal court judge and only if all the objective and subjective conditions envisaged by the legislator are met, and namely: perpetration of the offence in the interest or to the advantage of the company by corporate officers ("apical" directors or their subordinates).

[1] Report to the preliminary project of the Criminal Code reform (Grosso Committee).

Corporate liability also extends to offences committed abroad, provided that no action is taken by the State where the offence was committed and provided that the specific conditions envisaged in Italian Legislative Decree 231/01 apply.

Administrative liability arises above all from an offence committed *in the interest of* or *to the benefit of* an entity. In case of an *exclusive* advantage of the perpetrator (or of a third person other than the entity), the entity will not be held liable insofar as it is absolutely and manifestly uninvolved in the offence.

With regard to the persons involved, Article 5 of Italian Legislative Decree 231/01 specifies that the entity will be held liable if the offence is committed:

a) "*by persons holding representative, administrative or directional functions in the entity or in a unit of the entity with financial and functional autonomy or by persons who have even de facto responsibility for management and control of the entity*" ("apical" subjects);
b) "*by persons under the direction or supervision of one of the persons referred to in point a) above*" ("subordinate" subjects).

The entity's liability is additional to that of the natural person who physically committed the offence, and is not dependent thereon, as it exists even when the perpetrator of the offence has not been identified or cannot be charged or in the event that the offence is extinguished for a cause other than amnesty.

For the purpose of asserting the liability of the entity, further to the above-mentioned criteria that objectively link the offence to the entity, the legislator requires also an inquiry as regards the entity's culpability. This condition is intended to determine an *organizational liability*, which consists in a breach of the due diligence rules set by the entity itself in order to prevent the specific risk of perpetration of offences.

The legislator has set forth specific provisions for the cases of transformation, merger, reverse merger and sale of business, for which further details can be found in the provisions of Articles 28-33 of Italian Legislative Decree 231/01.

2.2 Crimes and offences that give rise to the administrative liability of entities

Originally prescribed for offences against the Public Administration (hereinafter "P.A.") or prejudicial to P.A.'s wealth, corporate liability has since been extended by legislative measures subsequent to Italian Legislative Decree 231/01 to include many other crimes and administrative offences. With regard to the latter, it is hereby specified that each time this document refers to "predicate offences" or "offences", this reference includes all the crimes introduced by the legislator, such as those envisaged by the market abuse regulations (Article 187 *bis* and 187 *ter* of Italian Legislative Decree 58/98[2]).

Most notably, corporate administrative liability may arise from the offences/crimes foreseen by Italian Legislative Decree 231/01, as hereunder listed:

1) Offences against the public administration (Articles 24 and 25);
2) IT offences and unlawful data processing (Article 24 *bis*);
3) Organized crime (Article 24 *ter*);
4) Counterfeiting currency, securities and revenue stamps and distinguishing signs or marks (Article 25 *bis*);
5) Crimes against industry and commerce (Article 25 *bis*.1);

[2] In criminal law, the "**offence"** is a human act that has been perpetrated or omitted, to which the legal system associates a criminal punishment based on the fact that said conduct has been defined as unlawful as it constitutes an offence to a legal asset or to a series of legal assets (which may be financial or non-financial assets) protected by the legal system through a special criminal law provision. It is therefore included in the wider category of crime.

6) Corporate offences (Article 25 *ter*);
7) Crimes for the purpose of terrorism or subversion of democratic order (Article 25 *quater*);
8) Mutilation of female genital organs (Article 25 *quater*.1);
9) Crimes against the person (Article 25 *quinquies*);
10) Market abuse (Article 25 *sexies*);
11) Unlawful killing or serious/very serious personal injury caused by breach of laws on accident prevention and industrial health and safety (Article 25 *septies*);
12) Receipt of stolen goods, money laundering, use of money, goods or benefits of unlawful provenance, and self-laundering (Article 25 *octies*);
13) Non-cash payment instruments offences and fraudulent transfer of values (Article 25 *octies.1*);
14) Offences relating to the violation of restrictive measures of the European Union (Art. 25-*octies.2*)
15) Crimes involving breach of copyright (Article 25 *novies*);
16) Inducement not to provide statements or to provide untruthful statements to the judicial authorities (Article 25 *novies*);
17) Environmental offences (Article 25 *undecies*);
18) Employment of illegally staying third country nationals (Article 25 *duodecies*);
19) Racism and xenophobia (Article 25 *terdecies*);
20) Transnational Crimes (Article 10 Law no.146 of March 16, 2006);
21) Frauds in sports competitions, abusive gaming or betting practices and games of change exercised by means of prohibited equipment (Article 25 quaterdecies);
22) Tax offences (Article 25- quinquiesdecies);
23) Smuggling offences (art.25-sexiesdecies);
24) Offences against cultural heritage (art. 25-septiesdecies and 25-duodevicies);
25) Recycling of cultural assets and devastation and looting of cultural and landscape assets (art. 25 duodevicies)
26) Crimes against animals (Art. 25-*undevicies*).

For further details on description of the type of offences related to banking activity and example of perpetration of offences, see Annex 1 "List of predicate offences and illegal conducts pursuant to Legislative Decree 231/2001".

Corporate responsibility may arise both when all the prima facie elements of the offence are present (for example fraudulent actions, misleading action, profit and damage in the offence of fraud), and even when the offence has not been fully completed - since the action was not completed or because the event did not occur - therefore remaining at the attempt[3] stage only (if this is the case, the penalty applied to the natural person and any sanctions for the company will only be reduced where the rules to attribute liability pursuant to paragraph 2.1. exists, pursuant to Article 26 of Italian Legislative Decree 231/01).

In addition, for the commission of an offence by the parties pursuant to Article 5 of Italian Legislative Decree 231/01, they only have to have taken part as accomplices with the perpetrator in accordance with Article 110 of the Italian Criminal Code for which "When more than one person

[3] The attempted commission of an offense is punishable under Italian criminal law provided that the actions are judged to be *capable and unequivocally aimed* at committing a crime in accordance with the provisions of Article 56 of the Italian Criminal Code.

conspires to commit the same offence, they will each be subject to the penalty established for it"[4], taking part in the decision-making process or implementation leading to commission of the unlawful action.

Finally, with respect to the crimes of association described under Article 24 ter (Organized crime offences), the company may also be held liable if the parties described under 2.1. (management and underlings) have taken part, or in any case supported the conspiracy, in the interest of and/or to the advantage of the Bank, either as internal members or a competitor outside the organization, and regardless of the type of offences-scope of the conspiracy (which may not be included in the above-mentioned list: for example tax crimes, usury, unlawful bank activities, etc.) and their actual realization

2.3 Adoption of the Organization and Management Model for the purposes of exemption from administrative liability

Pursuant to Article 6 of Italian Legislative Decree 231/01, if the offence was committed by "apical subjects", the entity is not liable if it proves that:

a) before the offence was committed, the managing body had adopted and effectively implemented appropriate organization and management Models for preventing the offence in question;
b) the task of monitoring the functioning and compliance of the Model and their update was assigned to a corporate body with independent powers of initiative and control;
c) the perpetrators committed the offence by fraudulently circumventing the Organization and Management Model;
d) there was no omission or insufficient control by the body referred to in letter b).

Article 7 of Italian Legislative Decree 231/01 also establishes that if the offence is committed by persons under the direction and supervision of a person in an "apical" position (see paragraph 2.1), the entity's liability exists if perpetration of the offence was made possible due to failure to observe the obligations of direction and supervision. However, the failure to observe said obligations is excluded and likewise the entity's liability if, prior to perpetration of the offence, the entity had adopted and effectively implemented an appropriate Organization and Management Model for preventing offences of the sort that occurred.

It is also specified that, in the circumstance outlined in Article 6, (actions committed by persons holding "apical" positions) the burden of proving the existence of the dispensing circumstance lies with the entity, while in the case outlined in Article 7 (action committed by persons subject to the supervision of others) the burden of proof regarding non-observance, or nonexistence of the Models or their unsuitability, lies with the prosecution.

The mere adoption of the Organization and Management Model by the *managing body* - which is the body holding management powers, namely the Board of Directors - will not be deemed sufficient to exempt the entity from liability insofar as the Organization and Management Model must also be both *efficient* and *effective*.

As regards the efficiency of the Organization and Management Model, the legislator specifies, in Article 6 paragraph 2 of Italian Legislative Decree 231/01, that it must fulfil the following requirements:

a) identify activities in the context of which offences may be committed (the so called "mapping" of those activities that are exposed to risk);

[4] This regulation has incriminating power since it allows the punishment to be extended also to those who have made a significant contribution towards realization of the offense with the perpetrator - even though their actions do not fully correspond to those laid out in the prima facie elements - where the term significant must refer to a contribution that had a causal effect on the perpetration of the offense (either at a material level by facilitating the execution, or on a moral level, determining or strengthening the criminal intent of the perpetrator of the offense).

b) envisage specific protocols for the planning and implementation of the entity's decisions regarding the prevention of offences;
c) Identify appropriate methods of management of financial resources in order to prevent the commission of offences;
d) establish information obligations *vis à vis* the body in charge of overseeing the functioning of and compliance with the Organization and Management Model;
e) introduce a suitable disciplinary system envisaging penalties for lack of compliance with the rules indicated in the Model.

Conversely, the effectiveness of an Organization and Management Model depends on its *efficient implementation* which, pursuant to Article 7 paragraph 4 of Italian Legislative Decree 231/01, entails:

a) controls on a regular basis and, if necessary, amendment of the Model, if significant breaches of its prescriptions are discovered, or if changes take place in the organizational arrangements, in the company's business or in regulations (Model update);
b) a suitable disciplinary system to punish lack of compliance with the rules specified in the Model.

2.4 Sources of the Model: ABI guidelines for the adoption of Organization and Management Models for administrative liability of banks

In Article 6 paragraph 3, Italian Legislative Decree 231/01 expressly states that Organization and Management Models may be based on codes of conduct that have been prepared by industry associations and communicated to the Ministry of Justice.

In implementation of the foregoing legislative measure, ABI (Italian Banking Association) drew up and subsequently updated the "Guidelines for the adoption of Organization and Management Models relating to the administrative liability of banks".

In drawing up its own Organization and Management Model, the Bank took explicit account of the provisions of Italian Legislative Decree 231/01 and also of the aforementioned ABI guidelines. In general, the Bank takes into account any advice issued by Associations or Authorities to update the Model.

3 CHAPTER 3: ITALIAN LEGISLATIVE DECREE 231/01 RISKS PREVENTION MEASURES

This Model is integrated within the rules, procedures and control systems already in place and applied in UniCredit.

The Bank's organizational framework consists of the set of rules, structures and procedures that ensure the proper functioning of the Model; it is a structured comprehensive system which is in itself a tool to oversee the prevention of unlawful conducts in general, including those envisaged by the specific legislation on the administrative liability of entities, also with regard to the risks of liability arising pursuant to Legislative Decree 231/01 in the event of risky conduct by persons referable to UniCredit[5].

In particular, the Bank has identified the following specific tools to plan the implementation of business decisions and carry out the relevant checks:

- the internal controls system and risk management;

- the system of authorities and delegation.

In addition, the Bank has adopted a zero-tolerance policy towards acts of corruption by employees or related third parties, by defining an Anti-Corruption framework at Group level.

With the aim of promoting a culture of compliance, providing a description of rules, professional ethical standards, and a commitment to sustainability, a Code of Conduct has also been adopted. The Code of Conduct sets out the principles that all UniCredit employees and related third parties must comply with in carrying out activities performed in or on behalf of the Bank.

Principles have also been defined that employees must follow to ensure the responsible management of Artificial Intelligence.

Moreover, within the Model, the Bank

- formalized the following through specific decision protocols:
  - the result of the analysis of "at-risk activities" in relation to which the underlying offences may be committed;
  - the principles of control aimed at preventing offences, which are declined in the internal regulatory framework relating to sensitive processes (refer to the dedicated informative note);
- established additional rules of conduct in the Code of Ethics pursuant to Italian Legislative Decree 231/01 aimed at all the Recipients of the Model in order to prevent illegal conducts that fall within the offences envisaged in the Decree;
- provided guidance regarding the definition of relationships with third parties.

Taking into consideration the multiple convergences between the logic of Legislative Decree 231/01 aimed at preventing the commission of certain criminal offences and the values that ESG-oriented business models must be inspired by, the Model also contributes to the pursuit of sustainability objectives that underpin the choices made by the Bank and the Group. In fact, analysing the Model, it is possible to identify some offences directly related to the Environment, Social and Governance areas:

- in the environmental area, the cases dictated by special regulations are many and includes various types of negative situations caused by offences and contraventions relating to

[5] The following are examples of situations that could entail the risk of liability arising pursuant to Legislative Decree no. 231/01 for UniCredit: at-risk conduct by employees of the Bank (i) in the performance of activities also at another company of the Group (so-called "double hats") and/or (ii) in the performance of activities shared between UniCredit and another company of the Group and/or (iii) in the management of customers "shared" between UniCredit and another company of the Group.

environmental crimes (some examples may be environmental pollution or dangerous substances and the risk of a major incident)

- in the social area, crimes relate to offences against the Public Administration, in relation to the disbursement of public funds, corruption in relations with supervisory authorities, violations of regulations in the sphere of health and safety of workers and data protection, offences against the individual or offences for those who have made false statements to the judicial authorities;
- in the area of governance, the Model refers to market abuse offences such as corporate offences, money laundering, tax offences, smuggling, with a particular focus on false corporate communications.

3.1 Internal controls and risk management system

The UniCredit Group organization reflects an organizational and business model which ensures the autonomy of the countries / local banks on specific activities in order to guarantee greater proximity to the customer and efficient decision-making processes and maintains a divisional structure for the government of the business/products and the countries by Group Client Solutions Division and Central Europe & Eastern Europe (CE&EE) Germany and Italy Division, as well as for the government of the Digital & Information activities through the same Division.

UniCredit is a Company with shares listed on the Milan, Frankfurt and Warsaw regulated markets and as a bank, parent company of the UniCredit banking Group, it carries out, pursuant to the provisions of Section 61 of the TUB, in addition to banking activities, governance and coordination as well as control functions vis-à-vis its subsidiary banking, financial and instrumental companies within the banking Group.

UniCredit has adopted the one-tier management and control system based on the existence of one corporate body appointed by the Shareholders' Meeting, the Board of Directors, in charge of the strategic supervision, management and controls functions, the latter activity performed by some of its members who make up the Audit Committee (i.e. "Comitato per il Controllo sulla Gestione" under Italian law). Legal accounting supervision is entrusted by the Shareholders' Meeting to an external audit firm according to current provisions.

UniCredit believes that said governance model is capable of managing the business efficiently, while ensuring effective controls. That is, it creates the conditions for the Company to be able to guarantee the sound and prudent management of a complex and global banking group, such as the UniCredit Group.

The internal controls system plays a central role in their organization and can ensure an effective management of risks and of their interrelations, in order to ensure that the activities carried out will be in line with the corporate strategies and policies as well as founded on sound and prudent management principles. An effective and efficient internal controls system is, in fact, a prerequisite for the creation of value in the medium long term, for safeguarding the quality of the activities, for a correct risk perception and for an appropriate allocation of capital.

The UniCredit Group internal controls system is based on:

- control bodies and functions, involving, in particular, each one within its respective competence, the Board of Directors, the Audit Committee, the Board Committees, the Chief Executive Officer as Director in charge of the internal controls and risks management system, as well as the corporate functions with specific tasks to that regard;
- information flows and coordination procedures among the parties involved in the internal controls and risks management system;
- Group Governance mechanisms.

3.1.1 Bodies and functions

The Board of Directors

The guidelines of the internal controls and risks management system are defined by the Board of Directors verifying its consistency with the strategic orientation and risk appetite established by the same. In that way, the Board can guarantee that the main risks are properly identified, as well as measured, managed and monitored in the appropriate manner, taking into account how they evolve and interact, and, furthermore, establishing criteria for the compatibility of such risks with a sound and prudent management.

In that context, on a yearly basis the Board of Directors defines and approves the Group Risk Appetite Framework, consistently with the timeline of the Budget process and the definition of the financial plan, in order to guarantee that the business develops within the desired risk profile and in accordance with national and international regulations.

The Board of Directors is supported by the Audit Committee in its assessment and decision-making activities relating to the internal controls and risks management system.

The UniCredit Board of Directors, within its jurisdiction, approves the establishment of the corporate control functions, defining the relevant roles and responsibilities, forms of coordination and collaboration, and the information flows between them and the corporate bodies. Additionally, through the support of the Audit Committee, it draws up the coordination documents envisaged on the subject by Circular no. 285 issued by Bank of Italy, given the mandate to the CEO to execute the directions of the same Board through the design, management and monitoring of the internal controls and risks management system. Within that scope, the Board of Directors makes sure that the corporate control functions are stable and independent, and that they have access to all Bank and Group companies' activities and any data relevant to performing their respective duties.

At least once in a year, the Board of Directors assesses the adequacy of the organizational structure and the number and skills of the staff operating in the compliance function (Group Compliance) and in the risk management function (Group Risk Management). Furthermore, the Board resolves on any possible adjustments necessary in the organization and staffing of the internal audit function (Internal Audit).

In order to foster an efficient information and advisory system to enable the Board to better assess the topics for which it is responsible, also in accordance with the provisions of the Italian Corporate Governance Code, the Board has established, in addition to the Audit Committee, other Board Committees pursuant to Clause 23 of the Articles of Association, vested with research, advisory and proposal-making powers diversified by sector of competence. These Committees can operate according to their mandate following the methodology established by the Board.

Audit Committee

The Audit Committee is responsible for overseeing the completeness, appropriateness, functionality and reliability of the internal control system and compliance with the rules governing such a system. Therefore: (i) is consulted by the Board of Directors on the overall architecture of the control system and gives opinions on compliance with the principles that the internal control system and the corporate organization must comply with (including the internal validation model process); (ii) it is responsible for overseeing the adequacy and functionality of the RAF process and overall governance architecture and compliance with the ICAAP process

forecast with its forecasts, and is also heard by the Council on the annual reports of ICAAP and ILAAP.

The Audit Committee assesses the correct use of accounting principles for the purposes of preparing the annual financial statements and consolidated financial statements, as well as the suitability of periodic, financial and non-financial information, to correctly represent the Company's business model, strategy and its sustainability, including with reference to ESG factors, the impact of its activities and the returns achieved. To this end, it shall examine the content of the periodic non-financial information, taking into account the principles applicable or voluntarily adopted by the Company, and verify the adequacy of its internal control system and risk management.

Control functions

The types of controls in UniCredit - in compliance with current law and drawing inspiration from the international best practices - are structured on three levels:

- line controls (so-called first-level controls), in charge of the corporate functions responsible for business /operational activities, including those under "special laws" regime, with regard to the related structures / activities;
- risk and compliance controls (so-called second-level controls), in charge of the Group Compliance and Group Risk Management functions, each one for matters of their respective competence;
- internal audit (so-called third-level controls), in charge of the Internal Audit function.

The Compliance, Risk Management and Internal Audit functions are separated and hierarchically independent from the corporate functions that carry out the activities subject to their controls.

3.1.2 Coordination procedures among the parties involved in the Internal Controls and Risks Management System

According to Bank of Italy provisions, the "Document of corporate bodies and control functions" of UniCredit has been drafted and it defines the tasks and responsibilities of the control bodies and functions, the information flows among different functions/bodies and between the latter and the corporate bodies, and the methods of coordination and collaboration.

In UniCredit there are forms of collaboration and coordination among control functions, which are implemented through both the exchange of specific information flowsand the participation in managerial committees dedicated to control-related topics.

In addition, the interactions between 2nd and 3rd level corporate control functions are part of the overall steady and active cooperation framework, mostly formalized in specific internal regulations and are performed through the functions:

- participation in the definition and/or update of the internal regulations on risk and control matters;
- mutual exchange of information flows, documents or data, e.g. relating to the planning of controls and the monitoring of the results thereof, and the control functions access to any internal resource or corporate information in line with their specific control needs;
- participation to Board and Management Committees (systematically or on demand);
- participation on an ad-hoc basis to Working Groups set up on risk and control topics.

The improvement of the interactions among control functions and their constant update to the governing bodies about the activities carried out have the ultimate goal of building over time a corporate governance able to guarantee the safe and sound corporate management also through a more efficient supervision of the risks at all Company's levels.

3.1.3 Group Governance Mechanisms

An effective internal controls system is also based on appropriate governance mechanisms through which UniCredit, as Holding Company, carries out the management and the coordination of the Group Companies, in accordance with law and the regulations in force.

In particular, UniCredit acts through:

- the indication of "members" in the corporate bodies (the Board of Directors members of companies with traditional system or the Supervisory Boards members) and in the key management positions of the Group Companies;
- a management / functional system (the "Group Managerial Golden Rules", so-called "GMGR") that defines the mechanisms for the coordination of the Group management, assigning to the heads of the UniCredit functions specific responsibilities for the corresponding functions of the Group Companies as described below;
- the definition, the enactment and the monitoring of the Group rules adoption (the "Global Rules") by the Companies;
- the spreading of best practices, methodologies, procedures and the development of IT systems in order to standardize the operating procedures within the Group and reach the most effective risk management plus a wider operational efficiency (while preserving, where necessary, local specificities/best practices).

On the basis of the abovementioned managerial and functional system, the heads of the UniCredit functions have specific powers in relation to budget issues, definition of policies as well as guidelines / competence models definition, ensuring the monitoring of the Global Rules adoption by the Group Companies.

More specifically, the Global Rules are issued by UniCredit - in accordance with the guidelines established by the GMGR – in order to regulate, inter alia, relevant activities for the compliance with law and / or for the risk management, in respect of the Group stability and in order to ensure a unique approach to the corporate plan and the overall efficiency.

Each Group company, including UniCredit S.p.A., defines its own specific organizational setup through the establishment of a set of organizational units, linked by reporting lines and represented in an organizational chart in accordance with Group guidelines. Each organizational unit is assigned a specific scope of activities and responsibilities, formally described within the relevant official organizational documentation.

3.2 Delegated authority and responsibilities

In order to ensure the proper and orderly management of the Bank, the Board of Directors has put in place a structured system of delegations of authority and responsibilities to the Chief Executive Officer.

In particular, the Board of Directors has delegated the powers and responsibilities relating to execution of all the operations the Bank may perform pursuant to art. 4 of the Articles of Association.

The powers attributed by the Board of Directors to the Chief Executive Officer may be sub-delegated by the same, pursuant to the Articles of Association, to the members of the General Management, who have the right to sub-delegate them.

In order to ensure proper management of the powers conferred and effective control of the same, the provision of adequate information flows to the Board of Directors is ensured.

The delegated authority is exercised pursuant to and in accordance with the Group's governance as applicable to the specific delegated matters.

The Bank has also defined an expenditure and investment authorization and management process in order to ensure compliance with the principles of transparency, verifiability, relevance with respect to the bank business and consistency between the power to authorize expenses and organizational and managerial responsibilities.

3.3 Anticorruption Framework

UniCredit and the UniCredit Group have adopted and implemented specific principles, provisions and measures aimed at making the fundamental values of integrity, transparency and responsibility prevail, in a consistent manner throughout the Group and in all the jurisdictions where it operates, and to promote the culture of compliance according to which corruption is never allowed ("zero tolerance for corruption").

According to this assumption, they undertake to proactively fight corruption in the context in which they operate and promote integrity and ways of doing corruption-free business among all their stakeholders.

In addition to investing in the dissemination of culture and in Anti-corruption training for all staff, UniCredit and the Group make every possible effort to prevent corruption by third parties connected to them (e.g. joint ventures, partners, agents, consultants, contractors, suppliers, sellers, intermediaries), also including upstream and downstream parties in the chain of provision of such third parties. In this sense, specific measures are adopted to mitigate the corruption risks associated with third parties that may enter into relations with the Bank and the Group.

The Anti-corruption framework expands and develops, in an anti-corruption sense, the system of controls defined in this Model, also covering the needs of contrasting corruption phenomena not attributable to the types of corruption offences (towards the Public Administration and between private individuals) relevant pursuant to Legislative Decree no. 231/01.

In this context, within the present Model a link is provided between the control principles for the prevention of risks pursuant to Legislative Decree 231/01 and those for the prevention of the generality of corruption, in order to guarantee coordinated management in the 'area of daily business operations.

3.4 The Code of Conduct

The Bank and the Group acknowledge and promote the highest standards of conduct; as a consequence, in the Code of Conduct they have set the principles with which employees must comply in the performance of their work.

This Code defines the principles of general conduct and applies to the whole Group. This set of rules of conduct for key aspects of moral integrity strives to promote a Compliance culture and to guide actions directed at promoting the ethical commitment of the Bank and the Group.

3.5 Principles for the Responsible Management of Artificial Intelligence

UniCredit S.p.A. has adopted specific organizational, regulatory, and control measures aimed at ensuring a structured and responsible management of the risks associated with the use of Artificial Intelligence systems.

These measures are consistently embedded within the overall governance framework and are based on a risk-based approach, aimed at ensuring the identification, assessment, monitoring, and mitigation of potential operational, ethical, compliance, and reputational impacts arising from the use of Artificial Intelligence solutions throughout their entire lifecycle.

In this context, and in compliance with the AI Act, UniCredit has defined clear roles and responsibilities, authorization and oversight processes, as well as first- and second-level control mechanisms aligned with regulatory deadlines. It has also implemented specific staff training and awareness initiatives, ensuring coordination among the relevant functions and integration with other elements of the internal control system, also capable of preventing and mitigating potential risk profiles relevant under Legislative Decree 231/01.

Furthermore, assessments of third-party solutions are envisaged, along with a specific governance framework for the adoption of "General Purpose Artificial Intelligence", ensuring that providers have signed a code of conduct/practice (or equivalent).

3.6 Decision Protocols and "sensitive" processes pursuant to Italian Legislative Decree 231/01

Taking also into account ABI guidelines and on the basis of the analysis of the company's activity, the "sensitive" processes pursuant to Italian Legislative Decree 231/01 have been identified, as well as the risks of offence potentially associated with each at-risk activity and possible illegal conducts.

On the basis of the whole body of internal rules and regulations, that lays groundwork for the internal control system, and through employee interviews, principles of conduct and control are set forth aimed at preventing the commission of predicate offences previously identified.

The Decision Protocols, Special Section of the Model, are the result of the above mentioned analysis, bearing in mind the specific characteristics of each sector of activity of the Bank and include the following "sensitive" areas:

- establishment and management of business relationships with Public and Private Parties;
- management of subsidized loans and soft loans;
- management of public guarantees and funding from Public Entities;
- management of education and training;
- strategic planning and banking book management;
- management of external communications and relations;
- cash and securities management;
- management of contributions for the preparation of mandatory financial reporting and Public Disclosure – Pillar III;
- preparation of statutory accounting documents and tax management;
- management of share capital transactions, shareholdings and extraordinary corporate transactions and Management of transactions with conflicts of interest;
- management of dealings with Regulatory Authorities;
- management of purchases of goods and services, managing and monitoring Outsourcers, managing insurance and partnership, service contracting with intermediate third party network;
- real estate assets management;
- management of artistic heritage;

- management of gifts and hospitality;
- Personnel recruitment and management;
- management of advertising and promotional activities, brands and trademark and innovative prototypes;
- management of sponsorships, donations and membership;
- management of judicial and extrajudicial disputes and management of complaints;
- management and use of informative systems;
- credit management;
- management of corporate affairs;
- health and safety at work;
- management of the environmental system;
- event management.

3.6.1 Relations with third parties

Intercompany relations

The provision of services, performed by UniCredit in favour of Group companies and the provision of services, performed by Group companies in favour of UniCredit, that may feature risks of perpetration of offences that are relevant for the purposes of corporate liability pursuant to Italian Legislative Decree 231/01, must be governed by a previously signed contract.

Specifically, the service provision contract referred to above, must provide:

- roles, responsibilities and possible timeframes, concerning the activity in question;
- obligation for the company benefiting from the service to certify the veracity and completeness of the documentation or of the information disclosed to the company providing the service;
- obligation for the company providing the service to set up measures suitable to prevent the risk of perpetration of offences that are relevant for the purposes of corporate liability pursuant to Italian Legislative Decree 231/01 that could be attributed to the Bank;
- sanctions (e.g. letter of objection, reduction of remuneration up to termination of the contract) in the event of failure to comply with the obligations assumed in the contract or in the case of reports concerning breaches of Italian Legislative Decree 231/01 as well as, more in general, conduct contrary to the principles set forth in the Code of Ethics pursuant to Italian Legislative Decree no. 231/01;
- criteria on the basis of which, by way of refund, the direct and indirect costs and the charges incurred for performance of the services are attributed.

Relations with non-Group external parties

UniCredit also receives and/or provides services from non-Group third parties, which enter into contractually regulated collaboration relationships with UniCredit (i.e. "external parties" as defined in the paragraph "Recipients" of the present Model).

In case of services referable to sensitive activities pursuant to Legislative Decree 231/01 provided to UniCredit by external parties, the latter shall be informed about the content of the General Part of the Model and the Code of Ethics pursuant to Italian Legislative Decree 231/01 and shall comply with the relevant provisions, including the commitment to observe - within the framework of relations with the Bank - the principles laid down in the Code of Ethics pursuant to Legislative Decree 231/01.

In the case, on the other hand, of services referable to sensitive activities pursuant to Legislative Decree No. 231/01 in favour of external parties, the adoption of the principles of conduct and control set out in the Decision Protocols remains unchanged.

4 CHAPTER 4: SUPERVISORY BODY

4.1 Structure and composition of the Supervisory Body

Italian Legislative Decree 231/01 prescribes the establishment of an internal Supervisory Body with independent powers of initiative and control whose duty is to supervise the functioning of and compliance with the Organization and Management Model and to ensure its updating.

The existence of such a Supervisory Body is one of the required elements for the suitability of the Model itself.

Pursuant to art. 6 paragraph 4-bis of the Decree, the Board of Directors of UniCredit has assigned the functions attributed to this Body to the Audit Committee, (also referred to as "SB").

At this meeting and, subsequently, on a regular basis, the existence and maintenance of the requirements of independence, autonomy, integrity and professionalism of the members of the SB shall be verified as per the following paragraph. 4.1.1.

The term of office of the members of the SB coincides with that of the members of the Audit Committee.

4.1.1 Requirements

With regard to the subjective eligibility requirements, the requirements of professionalism and independence, the causes of suspension and temporary impediment, please refer to the provisions of the external and internal regulations in force for the "Audit Committee".

Autonomy and independence

The SB's autonomy and independence is guaranteed by:

- its position of independence from any corporate function, the Audit Committee in the UniCredit corporate governance structure;
- compliance of the Audit Committee' members with the independence, integrity and professionalism requirements, according to the regulation in force at the time;
- the reporting towards the company's senior management attributed to the SB;
- the indisputability of the activities implemented by the SB by any other corporate body or organizational entity;
- its autonomy in establishing its rules for functioning through adoption of its own Regulations.

The SB has autonomous expenditure powers based on an annual budget approved by the Board of Directors, upon the SB's proposal. In any case, the SB may request integration of the assigned budget, if it proves insufficient to the effective performance of its duties, and may extend its expenditure autonomy on its own initiative if so required by exceptional or urgent circumstances, which will then be reported to the Board of Directors.

During controls and inspections, the SB and the organizational structures employed for such purpose are granted the widest powers to enable them to effectively perform their assigned duties.

In exercising their functions, the members of the SB must not find themselves in situations of even potential conflict of interest with UniCredit and with its subsidiaries arising from whatsoever reason (for example personal or family-related).

In such circumstances they are obliged to immediately inform the other SB members and must abstain from participating in the related decisions.

If necessary, with regard to execution of the technical operations required for performance of the control function, the SB may avail of external consultants. In this case, the consultants must always report the outcome of their activities to the SB.

Continuity of action

The SB must be able to guarantee the necessary continuity in exercise of its functions, by programming its activities and controls, drawing up minutes of its meetings and regulating information flows from the corporate organizational structures.

4.1.2 Revocation of the SB members

The revocation of the SB members is permitted only for just cause, in the circumstances and in the form prescribed for the members of the "Audit Committee".

4.1.3 Revocation of the SB functions

In order to guarantee stability in the attribution to the Audit Committee of the SB functions, the Board of Directors may assess the assignment of such functions to a person other than that of the Audit Committee only on the occasion of the ordinary three-yearly renewal of the Board, except in the case of revocation of the functions for just cause.

In this regard, it constitutes "just cause" for the revocation of the SB functions assigned to the Audit Committee:

- serious negligence in performance of the duties associated with the assignment;
- "omitted or insufficient supervision" by the SB – in accordance with the provisions of Article 6, paragraph 1 letter d) of Italian Legislative Decree 231/01 – resulting from a conviction, even if not legally enforceable, issued against UniCredit, pursuant to Italian Legislative Decree 231/01 or from a sentence of application of the penalty upon request (the so-called plea bargaining).

4.2 Definition of duties and powers of the Supervisory Body

The control and inspection activity performed by the SB is strictly functional to the objectives of effective implementation of the Model and does not replace or substitute the institutional control functions of the Bank.

The SB's duties are expressly defined by Italian Legislative Decree 231/01 in Article 6, paragraph 1 b) as follows:

- supervise the functioning and the compliance of the Model;
- provide for its update.

In order to fulfil these duties, the SB has to perform the following activities:

- supervise continuously the effective functioning and adequacy of the Model with regard to prevention of commission of the offences envisaged by Italian Legislative Decree 231/01 and the respect of its provisions by the Recipients;
- carry out, for the aforementioned purposes, inspection and control activities, of an ongoing nature and whenever it deems it necessary, in consideration of the various sectors of intervention or types of activities and their critical points;
- develop and promote the constant updating of the Model, including the identification, mapping and classification of activities at risk, formulating, where necessary, proposals to the BoD for any additions and adjustments that may become necessary as a result of:
  - significant violations of the provisions of the Model;
  - significant changes to the internal structure of UniCredit and / or the methods of conducting the business;

- legislative changes or updates to Legislative Decree 231/01, such as the introduction of offences that potentially have an impact on the Bank's Model, as well as legal and case law developments.

In particular, in performing this control activity, the SB may:

- freely access any UniCredit organizational structures including through the specifically appointed organizational structures – without the need for prior consent – to request and obtain information, documentation and data which are deemed necessary to perform its duties. In case it receives a motivated refusal to access to documents with which it does not agree, the SB will draw up a report to transmit to the BoD;
- request relevant information or exhibition of documents, including IT documents, pertaining to the at-risk activities, from the directors, external auditors, collaborators, consultants and in general all those who operate on behalf of UniCredit;
- request and obtain information from the SB of the subsidiaries, as envisaged in the following par. 4.5.

In addition, the SB by virtue of the autonomous powers of initiative and control with which it is endowed:

- define and follow the information flow that allows the SB to receive periodic update from structures' representatives in order to identify possible weakness in the functioning of the Model and/or possible breaches thereof;
- set up an efficient information flow that allows the SB to report to the competent corporate offices on the effectiveness of and compliance with the Model;
- examine and evaluate all the reports received in relation to the effectiveness of and the respect for the Model, the Protocols and/or the Code of Ethics;
- detect any abnormal behaviour that may emerge from the supervisory activity (planned or not) or from the analysis of information flows and from the reports to which the Recipients of the Model are required;
- ensure - where necessary by giving impetus to initiate investigation activities, also with the support of the competent structures, aimed at ascertaining any violations of the Model, Protocols and / or Code of Ethics, in the face of any reports received and whenever it deems it necessary on the basis of the information acquired as part of its supervisory activities;
- ensure that, upon the outcome of these investigation activities, the structures and / or competent bodies initiate the consequent measures against the persons held responsible for the violations ascertained, in accordance with the provisions of the disciplinary system of the Model;
- verify the suitability and correct implementation of the disciplinary system pursuant to and for the purposes of Legislative Decree 231/01.

Please refer to par. 5.5 for a more complete representation of the procedure for ascertaining violations and applying sanctions.

The SB is also responsible for:

- verify the preparation of an effective internal communication system to allow the transmission of relevant information for the purposes of Legislative Decree 231/01, guaranteeing the protection and confidentiality of the whistleblower and promoting knowledge of the conduct that must be reported and the methods of reporting;
- promotion initiatives for the dissemination of knowledge and understanding of the Model, of the contents of Legislative Decree 231/01, of the impacts of the legislation on the Bank's activities, as well as initiatives for personnel training and awareness of the same regarding compliance of the Model;

- promoting and coordinating initiatives aimed at facilitating knowledge and understanding of the Model by all those who work on behalf of UniCredit;
- providing opinions on the meaning and application of the provisions contained in the Model, on the correct application of the protocols and related implementation procedures;
- formulate and submit for the approval of the management body the estimated expenditure necessary for the proper performance of the assigned tasks, with absolute independence.

The SB carries out its activities through a dedicated organizational structure, located within the Compliance control structures, as defined in the internal rules and may use any other relevant organizational structure within the Bank for the activities and/or areas in question.

On assignment by the BoD, the SB makes sure that the corporate organizational structures are provided with adequate disclosure on the Model and the SB's duties and powers.

The SB members, as well as the persons of which the SB avails for any account, are bound to observe the confidentiality obligation with regard to all the information that they come to acquire in the performance of their functions. This obligation does not however exist towards the BoD.

The members of the SB ensure confidentiality of the information that they come to acquire, especially if it refers to reports that they may receive concerning alleged breaches of the Organization Model. The members of the SB abstain from receiving and using confidential information for purposes other than those included in this paragraph and, in any case, for purposes that do not comply with its functions of Supervisory Body, without prejudice to the case of express and conscious authorization.

All information held by the members of the SB must in any case be handled in compliance with the provisions of the applicable legislation in force and in particular in compliance with regulation on data privacy time by time in force.

All information, reports, accounts, statements prescribed in the Model are retained by the SB in a special archive (IT and/or paper).

4.3 Reporting by the Supervisory Body

In order to guarantee full autonomy and independence in the performance of its functions, the SB reports directly to the Bank's BoD.

The SB yearly reports to the BoD with regard to:

- outcome of the supervisory activity performed in the reference period with indication of any problem or critical areas found during the supervisory activity;
- suggestions for the revision and updating of the Model
- the reports received and the consequent inspections performed;
- disciplinary measures and sanctions that may have been applied by UniCredit, with regard to breaches of the provisions of the Model and the protocols;
- account of expenses incurred;
- activities scheduled but not performed due to justified time and resource related reasons;
- inspections scheduled for the following year.

The SB may request a hearing with the BoD at any time if facts of particular importance are ascertained or if it deems appropriate for the Board to examine or act upon issues pertaining to the functioning and effective implementation of the Model.

In order to guarantee a proper and effective information flow, the SB may seek clarification or information directly from the CEO for the purposes of full and proper exercise of its powers.

The SB may in turn be convened at any time by the BoD to report on particular events or situations relating to the functioning of and compliance with the Model.

4.4 Information flows to the Supervisory Body

4.4.1 Periodical information flows

The Legislative Decree no. 231/2001 provides for the duty to establish specific information flows to the SB, concerning the execution of sensitive activities. The information flows regard all information and documents that must be brought to the attention of the SB, in order to allow to increase its level of knowledge of the Bank, to acquire information suitable to evaluate the risk of certain "sensitive" processes, as well as to conduct its controls on the effectiveness and the observance of the Model.

The Decision protocols - which are an integral part of the Model - provide for disclosure obligations relating to sensitive processes and activities that generally affect the Recipients of the Model, both periodically and "per event".

Below the different types of information flows are shown:

- semi-annual standard information to be provided by the Recipients of the Model, with reference to at-risk activities and the processes referable to them (e.g. changes in the perimeter of at-risk activities under their responsibility / included in the decision protocols, process anomalies / exceptions with respect to the principles defined in the protocols, any exercise of delegation or variation of powers or changes to powers of attorney, significant actions in which the Recipients are involved in relation to interventions by control functions insisting on at-risk activities);
- annual specific information flows consisting of information, of a technical and/or managerial nature functional to the identification and investigation of any points of attention connected to specific risk activities and/or the construction over time of "trend analysis" for the of any anomalous trends. These information flows are requested from the structures identified as a point of connection of relevant activities/data with respect to the object of each individual flow;
- specific information flows per event consisting of particularly relevant and significant information with respect to the Organization and Management Model and therefore, by their very nature, must be reported promptly to the Supervisory Board. These flows are indicated in the Decision Protocols;
- annual information flows from the control functions and other functions of the Bank which, by virtue of their powers, carry out relevant for the purposes of Legislative Decree no. 231/01 (e.g. Internal Audit, Compliance).

The aforementioned information flows, even if not specified in the protocols, are collected through specific Company tools, including IT tools, whose management is supervised by the dedicated Compliance structure.

The flows are sent regularly to the SB, which may otherwise regulate their content where it deems it appropriate.

In the normal course of its duties, the Bank's Supervisory Body reserves the right and on the basis of risk-based considerations, to require any information needed to perform its activities.

4.4.2 Reports of unlawful conduct and breaches of the Model

In addition to the information requirements described above the following events, of which all Recipients of the Model become directly or indirectly aware, must also be promptly reported to the SB:

- the commission, the alleged commission or the reasonable risk of commission of the crimes or offences provided for by Italian Legislative Decree no. 231/01;
- the breach or alleged breach of the Model or of the decision protocols and the serious irregularities in the functioning of the Models;
- any critical fact/behaviour/situation which might expose UniCredit to the penalties referred to in Italian Legislative Decree no. 231/01.

Reports of unlawful conduct or breaches of the Model must be substantiated and based on precise and consistent facts.

The obligation to inform of any conduct that is contrary to the provisions contained in the Model and the decision protocols falls within the wider duty of diligence and obligation of loyalty to be met by the worker. Proper fulfilment of the obligation to provide information on the part of the worker cannot give rise to application of disciplinary sanctions, except in the case in which the whistleblower carries out reports that prove to be unfounded with fraud or gross negligence.

The above-mentioned information must be reported to the SB through the channels established by the Bank pursuant to in Legislative Decree 24/2023 and the provisions governing specific sectors (the "Whistleblowing channels"):

In fact, the UniCredit Group, in promoting a corporate culture characterized by correct behaviour and a good corporate governance system, provides with additional channels of communication for the reception, analysis and treatment of reports of unlawful conduct (as described in the "Global Whistleblowing Policy"), which also allow the possibility of reporting anonymously and guarantee the confidentiality of the identity of the person making the report, of the person involved and of the person mentioned in the report, as well as of the content of the report and of the relevant documentation, information which will be handled in compliance with the provisions of the legislation in force and with the same guarantees provided for the person making the report, for the persons/entities connected to him/her or supporting him/her in the reporting process (so-called facilitators) in accordance with the provisions of Legislative Decree 24/2023 and the provisions issued by UniCredit.

The Whistleblowing channels - set out in the Bank's internal provisions, to which reference is made for operational aspects - are available on the dedicated page of the institutional website (Whistleblowing - UniCredit) and are summarized below:

Access to the **SpeakUp tool** which also allows the possibility of reporting anonymously through: • a web site • a dedicated app • a phone line
Paper mail at the following address: UniCredit S.p.A. *Livio Lazzarino* *Compliance Transversal Risk Management* *Corporate Conduct* Piazza Gae Aulenti 3 – Tower A - 20154 Milano
Meeting or phone call with the team that manages the process

If the reports received through these channels concern unlawful conduct and breaches of the Model, the SB will be promptly informed. Furthermore, the competent structure within Group Compliance periodically presents to the SB, with the timing agreed with the latter, an updated

document with all the reports received, referring to UniCredit, relevant and not relevant pursuant to Legislative Decree 231/01 or relating to possible violations of the Organization and Management Model of the Bank, guaranteeing the confidentiality of information in accordance with the provisions of Legislative Decree 24/2023.

The SB shall manage with its own Regulation the processing of the reports as above received, also referring to all the necessary investigations to ascertain the reported fact. The decisions of the SB regarding the outcome of the assessment must be motivated in writing.

The persons involved are guaranteed against any form of retaliation, discrimination, penalization and in any case the confidentiality of their identity and the other protection conditions provided for by Legislative Decree 24/2023 will be ensured, without prejudice to any legal obligations and specific internal provisions.

The provisions in force in fact establish the prohibition of retaliation[6] acts against persons who report, denounce to the judicial or accounting authorities, or publicly disclose information on violations they have become aware of in their work environment. Under the disciplinary system defined pursuant to Article 6, par. 2, of Legislative Decree 231/01, specific sanctions are envisaged against those responsible for the offences indicated in Article 21 of Legislative Decree 24/2023 (see Chapter 5 - Disciplinary system - par. 5.2.3.).

Lastly, it should be noted that some supervisory authorities (by way of example: National Anti-Corruption Authority ANAC, National Commission for Companies and the Stock Exchange, Bank of Italy, European Money Markets Institute, European Central Bank) have also activated specific reporting channels. In reiterating that UniCredit adopts the highest standards of confidentiality, confidentiality and data protection and guarantees the absence of retaliation measures, direct or indirect, against those linked to the report, the Recipients of the Model are invited to use, as a priority, the internal reporting channels set out in the Global Whistleblowing Policy.

4.5 Information to and from UniCredit's Supervisory Body and the subsidiaries' Supervisory Bodies

The Bank's SB may request information from the subsidiaries' SBs, if it is required for the purposes of performance of the Holding Company's control activities.

The subsidiaries' SBs are obliged to comply with the requests formulated by the Bank's SB.

The subsidiaries' SBs promptly notify each fact and / or event that is the responsibility of the Supervisory Body of UniCredit for profiles relating to Legislative Decree 231/01.

[6] Retaliation means any conduct, act or omission, even if attempted or threatened, put in place as a result of the report or of the whistleblowing to the judicial or accounting authorities or of public disclosure and which causes or may cause to the reporting person or to the person who made the report, directly or indirectly, an unjust damage. For cases that constitute retaliation, reference is made to Legislative Decree 24/2023 and to the Whistleblowing Policy adopted by UniCredit

5 CHAPTER 5: THE DISCIPLINARY SYSTEM

5.1 General principles

Article 6 paragraph 2 e) of Italian Legislative Decree 231/01 specifies that, in order for the Model to be considered efficient and adequate, the entity has to "*introduce a disciplinary system that punishes failure to comply with the measures laid down in the Model*".

Application of the disciplinary system and related sanctions is not dependent on the development and outcome of criminal proceedings that the judicial authorities may have commenced if the conduct to be censured has also constituted an offence that is relevant for the purposes of Italian Legislative Decree 231/01.

The concept of a disciplinary system shows that the Bank must graduate the applicable sanctions, in relation to the differing degree of danger the conduct may lead with reference to the perpetration of the offences.

Accordingly, the company has created a disciplinary system that firstly punishes all breaches of the Model, from the least to the most serious, using a system of *graded* sanctions and, secondly, follows a principle of *proportionality* between the breach found and the sanction imposed.

Regardless of the nature of the disciplinary system required by Italian Legislative Decree 231/01, its underlying principle remains the disciplinary power held by the employer, pursuant to Article 2106 of the Italian Civil Code, with regard to all categories of workers and exercised independently of the provisions of collective agreements.

The functioning and effectiveness of the system of sanctions is object to monitoring by the Supervisory Board, who in this area supervises the activities related to verification of breaches, the disciplinary procedures and imposition of sanctions are supervised by the structures and / or competent bodies according to the type of recipients, as specified below.

UniCredit is still entitled to lay claim for any damage and/or liability that it may incur as a result of employees' conduct in breach of the Model.

5.2 Measures against personnel

Failure to observe and conduct implemented by employees in breach of the rules set forth in this Model will lead to the imposition of disciplinary sanctions which are applied according to the proportionality criterion provided by Article 2106 of the Italian Civil Code, taking into account, in each case, the seriousness of the circumstance constituting the breach, the degree of fault, possible repetition of the same conduct, as well as the intentional nature of the conduct.

The disciplinary system identifies the breaches of the principles, conduct and specific elements of control contained in the Model and, in accordance with the provisions of the law and/or National Labour Agreement (*CCNL - Contratto Collettivo Nazionale di Lavoro*), identifies the sanctions provided for subordinate employees as set forth below.

With specific reference to the personnel employed by the Bank's foreign branches and employed with an employment contract that is governed by the law of the relevant foreign country, the system of sanctions is established by the laws and the contractual provisions regulating the specific employment contract shall apply.

The disciplinary system is binding for all employees and, pursuant to Article 7, paragraph 1, of Italian Law 300/1970, must be made available "through posting in a place accessible to all".

5.2.1 Sanctions applicable to the Professional Areas and to the Management

Failure to comply with the Model will lead to imposition of the following sanctions:

a) Verbal reprimand:

- minor non-compliance with the internal procedures set forth in the Model or negligent conduct that is not compliant with provisions of the Model;
- tolerance of or failure to report, on the part of those in charge, minor irregularities committed by other members of staff.

b) Written reprimand:

- misdemeanors which, though punishable by verbal reprimand, assume greater importance due to specific consequences or because they have been repeated (repeated breaches of the internal procedures defined by the Model or repetition of conduct that does not conform to the provisions of the Model);
- failure to report or tolerance of, on the part of those in charge, non-serious irregularities committed by other members of staff;
- repeated failure to report or tolerance of, on the part of those in charge, minor irregularities committed by other members of staff.

c) Suspension from service and pay for a period not exceeding ten days:

- non-compliance with the internal procedures set forth in the Model or negligence regarding the provisions of the Model;
- failure to report or tolerance of serious irregularities committed by other members of staff such as to expose the company to danger or to give rise to negative consequences for the company.

d) Dismissal on justified grounds:

- breach of the provisions of the Model through conduct that constitutes a potential criminal offence punishable under the terms of Italian Legislative Decree 231/01.

e) Dismissal for just cause:

- conduct in patent breach of the provisions of the Model, rendering UniCredit liable to application of the sanctions set forth in Italian Legislative Decree 231/01, and referring to misdemeanors of such gravity as to undermine the trust on which a working relationship is based and to exclude all possibility of continuing the working relationship, even on a temporary basis.

5.2.2 Sanctions applicable to Directors

Failure to comply with the provisions of the Model will lead to imposition of the following sanctions, in proportion to the seriousness of the breach:

a) Verbal reprimand:

- minor non-compliance with the internal procedures set forth in the Model or negligent conduct that is not compliant with the provisions of the Model;
- tolerance of or failure to report minor irregularities committed by other members of staff.

b) Written reprimand:

- misdemeanours which, though punishable by verbal reprimand, assume greater importance due to specific consequences or because they have been repeated (repeated breaches of the internal procedures defined by the Model or repetition of conduct that does not conform to the provisions of the Model);
- failure to report or tolerance, on the part of those in charge, of irregularities committed by other members of staff;

- repeated failure to report or tolerance of, on the part of those in charge, minor irregularities committed by other members of staff.

c) Dismissal pursuant to Article 2118 of the Italian Civil Code:

- non-compliance with the internal procedures set forth in the Model or negligence regarding the provisions of the Model;
- failure to report or tolerance of serious irregularities committed by other members of staff;
- breach of the provisions of the Model through conduct that constitutes a potential criminal offence punishable under the terms of Italian Legislative Decree 231/01, of such gravity as to expose the company to danger or to give rise to negative consequences for the company, thus representing considerable default of the obligations by which a worker is bound in execution of the employment relationship.

d) Dismissal for just cause:

- adoption of a conduct in patent breach of the provisions of the Model, rendering UniCredit liable to possible actual application of the sanctions set forth in Italian Legislative Decree 231/01, and referring to misdemeanours of such gravity as to undermine the trust on which a working relationship is based and to exclude all possibility of continuing the working relationship, even on a temporary basis.

The Company also reserves the right to take further measures, including supplementary disciplinary sanctions, to ensure the preventive effectiveness of the Model and to further raise awareness among Executives on the importance of full compliance with the provisions contained in the Model, and, in particular, the placement of the manager in vocational guidance courses (coaching, specific training, etc.).

In addition, in the event of behaviour in breach of the Model, the additional variable remuneration measures provided for by the Group's time-by-time incentive systems remain unchanged.

Finally, the organizational measures that the Company deems necessary or even appropriate to be adopted in order to ensure the full effectiveness of the Model and the prevention of behaviours in violation of it, such as role changes and transfers, remain unchanged, in compliance with legal and contractual provisions.

5.2.3 Sanctions applicable for breaches of Whistleblowing related provisions

Furthermore, in compliance with Legislative Decree 24/2023, the sanctions indicated in the previous par. 5.2.1. and 5.2.2. will be applied, according to a gradual scale related to seriousness of the breach against the persons responsible for the offences referred to in paragraph 1 of Article 21 of Legislative Decree 24/2023 as well as against the reporting persons whom criminal liability for the offences of defamation or slander has been ascertained, including by a judgment at first instance, pursuant to Article 16 of Legislative Decree 24/2023.

5.3 Measures against Corporate Offices

In the event of breach of the Model by one or more Directors of UniCredit, the SB informs the Board of Directors and the Audit Committee, which, in accordance with their respective authorities, will proceed – excluding any components affected by the violation from the evaluation and decision-making process – to take the initiatives that prove most appropriate and suited to the seriousness of the breach and in compliance with the powers provided by the law and/or by the corporate by-laws, such as:

- declarations in the minutes of meetings;
- formal warning;
- curtailment of emoluments or fees;
- revocation of office;

- request for convening or convening of the shareholders' meeting, placing on the agenda suitable measures against the persons responsible for the breach.

5.4 Rules applicable to relations with third parties

Each breach of the provisions of the "Intercompany relations" in par. 3.6.1. must be communicated, through concise written report sent to the SB (if any)of the company benefitting from the service by the person discovering the breach (for example, the Head of the Structure of the contracting company to which the contract or the relationship refers, the Audit, etc.).

Each breach of the provisions of "Relations with non-Group external parties" in par. 3.6.2. must be communicated to the SB of UniCredit, by the person who discovered the breach.

5.5 Procedure for verification of breaches and application of sanctions

The procedure for imposition of sanctions following breach of the Model, the decision protocols and Code of Ethics differ with regard to each category of recipients as well as to the phase of:

- verification of the breach;
- charge of the breach to the party concerned;
- determination and subsequent imposition of the sanction.

The Supervisory Body, as part of its duties to supervise the functioning and observance of the Model, as well as by virtue of the autonomous powers of initiative and control of which it is endowed, supervises the activities relating to the ascertainment of infringements and the imposition of sanctions, overseen by the structures and / or competent bodies depending on the type of Recipients, which also act on the basis of the investigation activities carried out by the corporate control functions and / or with control tasks.

In particular:

- the Head of People & Culture functions oversees the activities against personnel, in order to allow the possible taking of the measures indicated in par. 5.2;
- the Board of Directors and the Audit Committee oversee activities against members of the corporate offices, with the exclusion of any components involved and / or interested, in order to allow the taking of the measures indicated in par. 5.3;
- the Head of the organizational structure which manages the contractual relationship with external parties oversees the activities towards such external subjects, in order to allow the measures provided by the contractual clauses indicated in paragraphs 5.4.

The Supervisory Body ensures, where necessary by giving impetus, that these subjects supervise the start of investigations aimed at ascertaining potential violations of the Model, Protocols and / or Code of Ethics, in the face of any reports received and whenever it deems it necessary based on the information acquired as part of its supervisory activities.

These subjects make use of the support of the corporate control functions and / or with control tasks that conduct the investigation activities and can interact with the dedicated Compliance structure in order to understand the actual potential existence, within the context of the conduct of the Recipients subject to assessment, of relevant profiles pursuant to Legislative Decree 231/2001 and / or relating to the violation of the Model, Protocols and / or the Code of Ethics.

These subjects communicate the outcome of the investigation activities carried out to the Supervisory Body, which - in the case of actual existence of the aforementioned profiles - ensures that they supervise the initiation of the consequent measures against the subjects identified as responsible for the conduct ascertained, ensuring that the assessments regarding the possible initiation of the measures and the determination of any measure also take into consideration the

above profiles. To this end, the competent structures / bodies bring to the attention of the Supervisory Body the outcome of the respective assessments and decisions in this regard, so that it can assess their adequacy and consistency with the provisions of the Model.

The subjects above-mentioned shall report the closed proceedings and the penalties imposed.

6 CHAPTER 6: INFORMATION AND STAFF TRAINING

6.1 Dissemination of the Model

The Model must be communicated in a way that maximizes exposure so that the recipients of the communication campaign are aware of the procedures that must be followed to ensure proper fulfilment of their duties.

Information must be complete, promptly delivered, accurate, accessible and continuous.

It is UniCredit S.p.A.'s intention to communicate the contents and principles of the Model also to persons who, although they do not hold a formal position as employee, operate, even on an occasional basis, in pursuit of the objectives of UniCredit, pursuant to contractual relationships.

For this purpose, the Model and the Code of Ethics are published in a dedicated section of the institutional site; direct access has been also established from the company intranet to a specially dedicated section in which all the reference documentation concerning Italian Legislative Decree 231/01 is available and constantly updated.

The communication and training activity is supervised by the SB, through the competent organizational structures, which are assigned the task of promoting initiatives for spreading awareness and understanding of the Model, the contents of Italian Legislative Decree 231/01, the impacts of regulations on UniCredit activity as well as training personnel and raising their awareness of compliance with the principles contained in the Model and promoting and coordinating the initiatives aimed at facilitating knowledge and understanding of the Model on the part of all those who operate on behalf of UniCredit S.p.A..

As a further safeguard to mitigate 231/01 risks, compulsory training courses are provided for employees on services/products offered by the Bank, in order to ensure that they have the necessary qualifications, knowledge and skills to perform the responsibilities assigned to them.

6.2 Staff training

The personnel training activity is directed at promoting knowledge of the regulations contained in Italian Legislative Decree 231/01. This knowledge means providing a thorough view of the regulations, of the practical implications involved, as well as of the contents and principles underpinning the Model and the Code of Ethics pursuant to Italian Legislative Decree 231/01.

All Recipients are therefore obliged to know, observe and comply with said contents and principles and to contribute to their implementation.

To guarantee effective knowledge of the Model and of the procedures that have to be followed to ensure correct performance of personal duties, specific mandatory training activities have been designed, directed at the personnel of UniCredit S.p.A., and to be delivered through different procedures:

- an on-line course mandatory addressed to all the personnel, including the final test, which is periodically updated;
- additional training (classroom or online) on the basis of specific training needs that may arise: the objectives, target Recipients within the company and mode of delivery of these courses are defined by the SB from time to time in collaboration with the relevant corporate functions and may include, by way of example and without limitation, training aimed at individuals responsible for specific at-risk activities regulated by internal decision protocols, in-depth courses on certain types of 231 predicate offences, etc.

All employees are also provided with mandatory Whistleblowing training explaining the procedures to be followed and the potential consequences in the event of misconduct.

The competent organizational structures will ensure the execution of the scheduled initiatives, in the classroom and on-line, subsequent monitoring and any follow-up actions.

As further support to the training activity, staff are invited to consult the aforesaid specific section dedicated to Italian Legislative Decree 231/01, accessible through the company intranet, containing all the reference documentation and, if further clarification or investigation is needed, to contact the relevant business functions.

7 CHAPTER 7: UPDATE OF THE MODEL

The law expressly attributes responsibility for the adoption and efficient implementation of the Model to the Board of Directors. The Model adequacy is ensured by its ongoing updating (intended as both additions and/or amendments) of its constituting parts.

For example, updating of the Model may be necessary in the following circumstances:

- legislative update or amendment to D.Lgs. 231/01, and changes in laws and regulations and in case law;
- changes to the internal structure of UniCredit (changes in the organisational structure and business areas) and/or the way the company operates.

Also following the proposal made by the SB, the Model can be updated:

- by the Board of Directors, for substantial changes, such as updating or amendment of sensitive areas due to regulatory developments, (e.g., new predicate offences introduced in the decree) or Business changes (e.g., introduction of new business areas), the approval and modification of the Code of Ethics and the Decision Protocols drawn up pursuant to Italian Legislative Decree 231/01, the forecasts on the appointment/removal of the Supervisory Body;
- by the CEO or any of his/her sub-delegates, for non-substantial amendments to the Model and Protocols, namely those due to amendments or update of the internal regulation, reorganizations and subsequent reassignment of activities at risk of offence to new organizational structures or changes of a formal nature (renaming of activities/ organizational structures).

8 CHAPTER 8: ATTACHMENTS

1) "List of predicate offences and illegal conducts pursuant to Legislative Decree 231/2001"
2) "Code of Ethics pursuant to Italian Legislative Decree no. 231/01"
3) Decision Protocol n. 1 "Establishment and management of business relationships with Public and Private Parties"
4) Decision Protocol n. 2 "Management of subsidized loans and soft loans"
5) Decision Protocol n. 3 "Management of guarantees and funding from Public Entities"
6) Decision Protocol n. 4 "Management of education and training"
7) Decision Protocol n. 5 "Strategic planning and banking book management"
8) Decision Protocol n. 6 "Management of external communications and relations"
9) Decision Protocol n. 7 "Cash and securities management"
10) Decision Protocol n. 8 "Management of contributions for the preparation of mandatory financial reporting and Public Disclosure – Pillar III"
11) Decision Protocol n. 9 "Preparation of statutory accounting documents and tax management"
12) Decision Protocol n. 10 "Management of share capital transactions, shareholdings and extraordinary corporate transactions and Management of transactions with conflicts of interest"
13) Decision Protocol n. 11 "Management of dealings with Regulatory Authorities and other Public Authorities"
14) Decision Protocol n. 12 "Management of purchases of goods and services, managing and monitoring Outsourcers, managing insurance and partnership, service contracting with intermediate third-party network"
15) Decision Protocol n. 13 "Real Estate Assets Management"
16) Decision Protocol n. 14 "Management of artistic heritage"
17) Decision Protocol n. 15 "Management of Gifts and Hospitality"
18) Decision Protocol n. 16 "Personnel recruitment and management"
19) Decision Protocol n. 17 "Management of advertising and promotional activities, brands and trademarks and innovative prototypes"
20) Decision Protocol n. 18 "Management of sponsorships, donations and membership"
21) Decision Protocol n. 19 "Management of judicial and extrajudicial disputes and Management of Complaints"
22) Decision Protocol n. 20 "Management and use of informative systems"
23) Decision Protocol n. 21 "Credit Management"
24) Decision Protocol n. 22 "Management of corporate affairs"
25) Decision Protocol n. 23 "Health and Safety at work"
26) Decision Protocol n. 24 "Management of the environmental system"
27) Decision Protocol n. 25 "Event management"