

# Unlock your potential

Qualitative and quantitative composition  
of UniCredit S.p.A. Board of Statutory  
Auditors

Milan, January 2022

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# Introduction

In January 2022 the Board of Statutory Auditors of UniCredit S.p.A. approved this document in view of the renewal of the body for the 2022-2024 financial years.

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The composition of the corporate Bodies has a central importance for the effective fulfillment of the duties that are attributed to them by law, by the Supervisory Regulations and by the Articles of Association. The allocation of tasks and responsibilities within the corporate bodies must be consistent with the role assigned to them within the management and control system adopted by the bank.

Coherently with the provisions of the applicable Supervisory Regulations for banks on corporate governance issued by the Bank of Italy<sup>1</sup> (the “**Supervisory Regulations**”) and also following the issuance of the Decree of the Ministry of Economics and Finance no. 169 of 23 November 2020 (the “**Decree**”) on the suitability requirements of corporate officers of banks, Collective bodies of banks are required to identify their own qualitative and quantitative composition deemed to be optimal for the fulfillment of the duties that are attributed to them by law, by supervisory regulations, and by the articles of associations.

According to the general principles set out in the mentioned Supervisory Regulations:

- a) from a quantitative perspective, the number of the members of the corporate bodies must be adequate to the size and complexity of the organizational setup of the bank in order to effectively safeguard the entire business functionality for what concerns management and controls;
- b) from a qualitative perspective, the correct fulfillment of functions requires that in bodies entrusted with control functions (as the Board of Statutory Auditors in the traditional governance system adopted in UniCredit S.p.A.) there are individuals:
  - fully aware of the powers and obligations inherent to the functions that they are called to discharge;
  - endowed with professional skills which are appropriate for the role they undertake and proportionate to the operational and dimensional features of the bank;
  - with skills that are distributed among all members and are appropriately diversified, to allow each member to effectively contribute to the discharge of the role attributed to the Control Body, also with respect to the effective management of risks in all areas of the bank;
  - that devote time and resources which are adequate for the complexity of their office;
  - that address their activity to pursue the overall interest of the bank, regardless of the shareholders that voted for them or the slate from which they are drawn, operating with independent judgement.

\* \* \*

It is deemed useful to recall below – for the sake of completeness – the relevant applicable national and European rules, as it was deemed essential that the principles therein established are reflected in the slates, in addition to those in the supervisory regulations:

- Legislative Decree no. 58 of 24 February 1998 (Consolidated Law on finance or “**TUF**”) and the related implementing regulations, as well as the Consob Issuers Rules adopted with resolution no. 11971 of 14 May 1999, as subsequently amended;
- Legislative Decree no. 385 of 1 September 1993 (Consolidated Law on banking or “**TUB**”) and the related implementing regulations;
- Bank of Italy, Supervisory Regulations for banks, Circular no. 285 of 17 December 2013 on corporate governance (First Part, Title IV, Chapter 1) and on the internal control system (First Part, Title IV, Chapter 3, Section 2);

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<sup>1</sup> Circular no. 285 of 17 December 2013, First Part, Title IV, Chapter 1 (update no. 35 of 30 June 2021)

- Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and Regulation (EU) no. 575 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions;
- EBA guidelines on internal governance (2021);
- EBA/ESMA joint guidelines on the assessment of the suitability of members of the management body and key function holders (2021);
- ECB, guide to fit and proper assessments (2021).

Within self-regulation, the following documents are particularly significant:

- Italian Corporate Governance Code addressed to companies listed in Italy, to which the Company adheres (2020);
- Rules of conduct for the Board of Statutory Auditors of Italian listed companies issued by the National Committee of Legal Auditors and Accounting Experts (*Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili*) (2018).

Where applicable, the guidance provided below already takes into account the amendments to the Articles of Association of UniCredit S.p.A. which will be submitted for approval to the Extraordinary Shareholders' Meeting to be held on 8 April 2022, aimed at aligning the wording of the Articles of Association (specifically, clause. 30 for the Board of Statutory Auditors) to the current legal framework on suitability requirements of Directors and Statutory Auditors, as resulting following the Decree – implementing section 26 of TUB – and the review of the principles of self-regulation of listed companies.

# The Assessment process by the Board of Statutory Auditors concerning its own qualitative-quantitative composition

The Supervisory Regulations and the Decree mentioned require that, for the purposes of appointments or replacement of its members, the Control Body, taking into account the regulations applicable to it:

1. preemptively identifies its own qualitative-quantitative composition deemed to be optimal with respect to the goals indicated in the applicable rules, identifying and justifying the theoretical profile (including characteristics of experience and independence) of the candidates that is deemed appropriate to such end;
2. subsequently assesses the correspondence between the qualitative-quantitative composition deemed to be optimal and the effective one that results from the appointment process.

The outcome of the assessment carried out by the Control Body must be made available to the Shareholders in due time so that they can take it into account while choosing the candidates.

In accordance with the regulations and with the aim to provide Shareholders with clear and detailed guidance as to guarantee that the slates of candidates which are filed for the upcoming renewal of the Board of Statutory Auditors are consistent with their responsibilities, the Board of Statutory Auditors has therefore identified its theoretical qualitative-quantitative profile.

This document is made available to Company's Shareholders in due time so as to facilitate the best possible identification of candidates to be proposed at the next Shareholders' Meeting called to renew the Control Body and subsequently the correspondence of the qualitative-quantitative composition of the Board of Statutory Auditors appointed will be assessed against this Profile – as required by the regulations set forth by the Supervisory Authority.

## 2.1 Quantitative composition

The UniCredit Articles of Association provide, in Clause 30, paragraph 1, that the Board of Statutory Auditors consists of **five permanent Auditors, including the Chair, and four substitute Auditors**, against a legislative framework that provides for a minimum of three permanent Auditors and two substitute Auditors.

## 2.2 Qualitative composition

Given the framework previously outlined, when formulating the recommendation to the Shareholders who have to submit the slates of candidates, regarding the experience and skills deemed necessary for the purposes of achieving an optimal composition of the Board of Statutory Auditors of UniCredit, the latter considers useful to reiterate the importance of:

- ensuring in the Control Body a balanced combination of profiles and experiences;
- promoting profiles with personal and aptitudinal characteristics which are capable of ensuring the optimal performance of the office by the Statutory Auditors;
- identifying profiles with adequate availability of time to ensure the effective performance of the office of Statutory Auditor;
- provided the implementation of the existing rules on gender diversity, further promoting the diversity characteristics, in particular with regards to training, professional experience, gender and age diversity.

### 2.2.1 Professional experience requirements

As set forth in the introduction, in defining the requirements the applicable rules were taken into account, with significant attention placed on the Capital Requirements Directive V and the Supervisory Regulations for banks established by the Bank of Italy, as well as on the development of the rules for listed companies and on the Guide to fit and proper assessments issued by the European Central Bank which regulate the requirements of experience and

reputation of the corporate officers. Significant attention was also placed on the self-regulation principles of the Italian Corporate Governance Code.

With regard to the above, the Board of Statutory Auditors defined the optimal composition that can ensure the complementarity of its members in terms of professional experience and skills acquired.

The Board of Statutory Auditors recommends Shareholders to take into account, for the purposes of choosing candidates, that these have a mix of knowledge, skills and technical experience that enable the Control Body to understand the main business areas together with the main risk to which the UniCredit Group is exposed, having taken into account studies, training, characteristics of the roles held.

The candidate as Statutory Auditor should have a fair knowledge of the English language to allow him/her a full understanding of written texts, thereby ensuring the possibility of directly performing his/her own control activity also on documents of that nature, also given the use of that language in the correspondence between the Company and the European Supervisory Authority.

The Statutory Auditors must possess the requirements established by law and by the applicable regulatory regulations.

At least **two permanent Statutory Auditors and one substitute Statutory Auditor** must be enrolled with the Italian Legal Auditors Register and must have practiced the legal auditing of accounts for a period of no less than three years.

**The Chair of the Board of Statutory Auditors must:**

- (i) be enrolled with the Italian Legal Auditors Register and have practiced the legal auditing of accounts for a period of no less than five years;
- (ii) have exercised, even alternatively, the activities provided for the other members of the Board of Statutory Auditors established under current provisions (as described below) for a period of no less than five years.

**The other members** of the Board of Statutory Auditors must possess the experience requirements set forth by the rules implementing section 26 of the TUB and section 148 of the TUF. With respect to the activity of the Company, it is relevant to have carried out, for at least three years, even alternatively:

- a) activity of legal auditing of accounts;
- b) activity of administration or control or executive tasks in the credit, financial, securities or insurance sector;
- c) administration or control activities or executive tasks at listed companies or companies whose size and complexity are greater than, or comparable to, that of the Company (in terms of turnover, nature and complexity of the organisation or activity carried out);
- d) professional activities as a business accountant or lawyer, undertaken primarily in the credit, financial, securities or insurance sector;
- e) teaching, as university professor of first or second level, subjects concerning – in the field of law – banking, commercial and/or tax law, as well as the running of financial markets and – in the field of business/finance – banking operations, business economics, accountancy, the running of the securities markets, the running of the financial and international markets and corporate finance, as well as other subjects in any way connected with the activities of the credit, financial, securities or insurance sector;
- f) performing managerial, executive or top management duties, however called, within public organisations or offices of the Public Administration, relating to the credit, financial, securities or insurance sector, or to the investment services sector or to the collective investment-management sector as defined in Legislative Decree no. 58 of 24 February 1998, whose size and complexity are comparable with that of the Company.

For the purposes of meeting the above requirements, for the Statutory Auditors who are not enrolled with the Italian Legal Auditors Register, it is taken into account the experience gained in the twenty years preceding the taking up of

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the office; experiences gained simultaneously in multiple functions are counted only for the period of time in which they were carried out, without accumulating them.

Additionally, the Board of Statutory Auditors recommends that candidates for the role of Statutory Auditors of UniCredit possess at least two of the following competences:

- **BANKING BUSINESS**
- **BANKING CORPORATE GOVERNANCE**
- **RISK MANAGEMENT**
- **INTERNAL CONTROL SYSTEMS AND INTERNAL AUDIT**
- **CORPORATE LEGAL AND COMPLIANCE**
- **FINANCIAL AND NON-FINANCIAL DISCLOSURE**

In order to ensure that the Board of Statutory Auditors can fully exercise its control functions taking into account relevant risks as to medium-long term sustainability, two additional competence areas are of interest as aspects that are further qualifying but not indispensable:

- **DIGITAL TECHNOLOGY**
- **SUSTAINABILITY (ESG).**

The Board of Statutory Auditors recommends that all competences above are represented within the Control Body as the joint presence of diversified skills and experiences ensures the complementarity of professional profiles, favors the dialogue and efficient functioning of the Board of Statutory Auditors, as well as the emergence of a plurality of approaches and perspectives in the analysis of issues.

In line with the strengthening process of the corporate governance of the Bank already initiated in 2017, the Board of Directors chose, also consistently with the provisions of Legislative Decree no. 231/2001, to adopt the organizational setup suggested by the Supervisory Regulations for banks which provides that the functions of the Supervisory Body established pursuant to Legislative Decree no. 231/2001 (*Organismo di Vigilanza*) are carried out by the Board of Statutory Auditors. Such choice, consistent with the national best practices set forth in the Italian Corporate Governance Code, was effective as from the renewal of the body for the financial years 2019 – 2021, and contributed to the strengthening of the powers of the mentioned 231 Supervisory Body (in light of the powers, responsibilities and independence of a body such as a Board of Statutory Auditors) and to streamline and simplify the internal control systems of the Company.

In light of the above, and in order to ensure the presence of officers which possess knowledge, skills and technical experiences that allow, among others, to fully understand the activities and the main risks to which the Bank is exposed, the Board of Statutory Auditors recommends to Shareholders the identification of at least one candidate with specific experience in legal matters and adequate knowledge of management and management processes.

In order to allow Shareholders to comprehend the expertise of each candidate more easily, the Board of Statutory Auditors requests that the appointment proposal is accompanied by *curricula* along with a declaration, signed by the candidates themselves, providing analytical evidence of the expertise gained in the various areas of competence listed above.

## 2.2.2 Aptitude profiles

The Board of Statutory Auditors also recommends that the Shareholders appropriately consider the following aptitudinal qualities which are qualifying for the role of member of the UniCredit Board of Statutory Auditors:

- Independent mind, ability to be objective, open minded and prepared to challenge; ability to take a stand and

- defend it; ability to manage conflict situations to maintain positive relationships.
- Integrity, adherence to core values and ability to live according to said values; honesty, truthfulness and transparency; authenticity, self-awareness and self-confidence.
- Hard work and commitment, willingness to invest time and effort in learning about the Bank; and staying up to date with it.
- Professional skepticism.

### **2.2.3 Time commitment and number of offices**

Pursuant to the relevant provisions, the availability of time to be dedicated in performing the office, based upon the nature, quality and complexity of the latter, is an essential requirement to be guaranteed by candidates to the Statutory Auditor position, also in relation to the activities deriving from the participation of the Statutory Auditors to the Board Committees' activities.

In this respect, the mentioned Supervisory Regulations require that the members of the Control Body ensure an adequate time commitment to their office, considering:

- the nature and quality of the commitment required and the functions carried out in the bank, also in light of its characteristics;
- other roles in companies or entities, commitments or professional activities carried out.

With regard specifically to UniCredit, it is noted - by way of information - that in each financial year of the three-year period 2019-2021, on average, the following meetings were held: 49 meetings of the Board of Statutory Auditors in its "ordinary" session, 12 meetings of the 231 Supervisory Body, 19 meetings of the Board of Directors. The Chair of the Board of Statutory Auditors joined 47 meetings of Board Committees while each of the other Statutory Auditors joined, on average, 15 meetings of Board Committees.

Specifically, in the last financial year (2021), the following meetings were held: 52 meetings of the Board of Statutory Auditors in its "ordinary" session, as well as 12 meetings as 231 Supervisory Body (in 2020, 50 meetings in its "ordinary" session as well as 12 as 231 Supervisory Body; in 2019 – following the renewal of the Board of Statutory Auditors – no. 31 meetings in its "ordinary" session, as well as no. 13 meetings in its session with functions of 231 Supervisory Body).

It is also necessary to take into account the necessary commitment to attend meetings devoted to induction and recurring training as well as that deriving from the above attendance of Statutory Auditors to the Committees' activities.

The time spent in meetings, of course, must be supplemented by the time that each Statutory Auditor invests in the transfers and preparation for said meetings. In that regard, it should be noted how, based upon past experience, the resources dedicated by the Chair of the Board of Statutory Auditors to the performance of such role have absorbed a significant part of his time: it is therefore appropriate that the Shareholders take into due account this situation when identifying the profiles of candidates who may be asked to hold this position.

Moreover, the Board of Statutory Auditors draws the Shareholders' attention to the expected attendance threshold to the Board of Statutory Auditors' meetings in respect to which Article 2404 of the Italian Civil Code provides that "the statutory auditor who, without a justified reason, does not attend two meeting of the Board of Statutory Auditors within one financial year forfeits his/her office". Bearing in mind that Section 149 of the TUF establishes, among others, that "the statutory auditors, who, without a justified reason, do not attend Shareholders' Meetings or, within one financial year, two consecutive meetings of the Board of Directors or of the Executive Committee forfeit their offices", the Board of Statutory Auditors invites Shareholders to pay attention also to the attendance threshold expected for Board of Directors meetings and Shareholders' Meetings of the Company.



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Finally, it is highlighted that, as Control Body of a listed Holding Company and considering the size of the Group, its composition, its complexity which is also related to other factors, including the relevance of the applicable legal framework and the significance related to the implementation of the new Strategic Plan approved in December 2021 “UniCredit Unlocked 2022 - 2024”, the Board of Statutory Auditors to be appointed will be called to a considerable commitment.

The outgoing Board of Statutory Auditors thus invites the Shareholders' Meeting to carefully consider the following, in the interest of the Company and of the incoming Control Body which will have to ensure an adequate time commitment for carrying out their duties, considering the number and complexity of the roles possibly held in corporate bodies of other companies (also taking into account the limits on number of offices) as well as the commitment required of them for the additional professional activities requested.

The remuneration that the Shareholders' Meetings resolves in favour of the Control Body should be effectively proportionate to the significant and increasing commitment requested to the Board of Statutory Auditors, also with a view to the necessary and continuous training and the responsibilities attributed to it, coherently with the recommendations of the Corporate Governance Code (2020 version) and the Rules of conduct for the Board of Statutory Auditors of Italian listed companies (2018 version), also on the basis of a benchmark analysis of the remuneration of the main comparables, which highlights that the remuneration granted by comparable companies to the Chair and the Members of the Control Body are higher than the existing ones for the Board of Statutory Auditors of UniCredit S.p.A. currently in office.

For the sake of completeness, it is useful to recall that the 2019 Shareholders' Meeting resolved upon an adjustment of the remuneration only to take into account the new duties attributed to the Board of Statutory Auditors appointed in 2019 deriving from the functions as 231 Supervisory Body (*Organismo di Vigilanza*) established pursuant to Legislative Decree 231/2001, with a lower amount compared to the remuneration granted to the previous 231 Supervisory Body.

Therefore, it is submitted to the assessment of the Shareholders' Meeting, which will be called to appoint the new Control Body, the opportunity to reconsider the amount of the remuneration of the Chair and of the Members of the Board of Statutory Auditors so as to align them to the market benchmarks and make the remuneration policy of the Board of Statutory Auditors more consistent with the commitment requested for the performance of the office and with the related responsibilities.

In view of the above considerations related to the workload, the Board of Statutory Auditors – also in line with the recommendations expressed by the ECB – highlights that candidates should accept the office only whether they believe to be able to dedicate the necessary time to that position, considering the following factors: their other professional or personal commitments and circumstances, as well as the offices held in other companies, undertakings or entities; the nature, scale and complexity of the activities performed, the size and the situation of the entities where the offices are held, the place or country where the same entities are based.

In that regard, the outgoing Board of Statutory Auditors draws the Shareholders' attention to the following estimate to be intended as a reference point to assess the minimum amount of time needed for the effective fulfillment of functions and meeting attendance:

- for the Chair of the Board of Statutory Auditors are needed 140 days per year (including the activities related to the functions of the 231 Supervisory Body)
- while for the permanent Statutory Auditors 94.5 days per year (including the activities related to the functions of the 231 Supervisory Body).

The Board of Statutory Auditors is subject to the **limits on number of offices** to be held established by the applicable legal and regulatory framework. In this respect, the Board of Statutory Auditors deems appropriate to recall the specific limits established by the Decree. According to said provisions, each member of the Board of Statutory Auditors may hold an overall number of positions in banks and other commercial companies that combines into one of the following alternative options:

- 1 executive position and 2 non-executive positions
- 4 non-executive positions

with the following specifications:

- a) offices refer to the positions held in Board of Directors, Supervisory Board, Management Board, Board of Statutory Auditors, or as General Manager; in foreign companies, offices refer to positions equivalent to those preceding, on the basis of the relevant regulations applicable to the relevant companies;
- b) for the purposes of calculating the above limits
  - i. the position held in UniCredit is included;
  - ii. the following aggregation mechanism is applied: the total number of positions held is considered as a single office when the offices are held within (i) the same group, (ii) in companies not belonging to the UniCredit Group, in which UniCredit holds a qualifying shareholding as defined by Section 4 of the Regulation (EU) no. 575/2013. The set of offices counted as a single position is considered as an executive position if at least one of the positions is executive; in the other cases it is considered as non-executive;
  - iii. the following are not considered: offices held (i) in companies or entities whose sole purpose is to manage the private interests of a Statutory Auditor or of his/her spouse who is not legally separated, of a person bound by a civil union or a de facto cohabitation, or of a relative, or a relative-in-law up to the fourth degree, and which do not require any type of day-to-day management by the Statutory Auditor; (ii) as a professional in a professionals' company; (iii) as a substitute Statutory Auditor.

The holding of one additional non-executive post, with respect to the above limits, is allowed only if it does not jeopardize the possibility of the Statutory Auditor to commit an adequate time to the office in UniCredit in order to carry out effectively his/her functions, under the limitations and with the manners established by Section 19 of the Decree. Specifically, said exception does not apply to the Chair of Board of Statutory Auditors or to the Statutory Auditor that avails her/himself of the combination mechanism on the offices held in the same group or in companies not belonging to the UniCredit Group, in which UniCredit holds a qualifying shareholding.

#### **2.2.4 Tenure**

Without prejudice to the opportunity to ensure an appropriate balance between the needs of continuous renewal and continuity of the Board of Statutory Auditors, on the basis of the Italian Corporate Governance Code addressed to companies listed in Italy, to which the Company adheres, the members of the Control Body are not deemed independent if they have been Statutory Auditors of the Company for more than nine financial years, even if not consecutive, in the last twelve financial years.

#### **2.2.5 Incompatibility**

In compliance with Section 36 of the Law Decree no. 201/2011 (converted into statute, with amendments, by Law no. 214/2011), regarding “interlocking personal shareholdings in banking and financial markets”, and the prescribed prohibition to the “holders of an office in managerial, supervisory and control bodies, as well as officers charged with managerial duties in companies or groups of companies acting in banking, insurance and financial markets to hold, or exercise, similar offices in competing companies or groups of companies”, the Board of Statutory Auditors deems useful to draw the Shareholders’ attention to the opportunity that the slates to be presented for the appointment of the new Control Body indicate candidates that have been preemptively assessed with respect to the absence of incompatibilities established by the abovementioned provision.

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In compliance with Section 17 of the Legislative Decree no. 39/2010, the key supervising officer charged with legal auditing, performing said activity on behalf of the external auditing firm of UniCredit, cannot be appointed as UniCredit Statutory Auditor before two years have elapsed since such activity ended. Such ban also applies to the employees and partners, other than the key supervising officers charged with the legal auditing, as well as any other natural person whose activities have been made available to, or carried out under the control of, the external auditing firm, if authorized to perform the function of legal auditor, for a two years' period starting from the ending of their involvement in the external auditing activities.

In compliance with the Supervisory Regulations, the members of the Board of Statutory Auditors shall not hold posts in corporate bodies different from the ones with control functions in other companies belonging to the UniCredit Group or in companies in which UniCredit holds, even indirectly, a strategic shareholding, which means a shareholding at least equal to 10% of the share capital or of the voting rights in the ordinary shareholders' meeting of the subsidiary as well as equal to 5% of the consolidated regulatory capital of the banking Group. This ban also includes appointments in management control committees.

## **2.2.6 Independence**

Without prejudice to the ineligibility cases provided by law, including those established by section 14 of the mentioned Decree, the Board of Statutory Auditors reminds that, in order to comply with the principles of the Italian Corporate Governance Code, the slates of candidates shall be drawn up in such a way as to guarantee that the Statutory Auditors are chosen among persons who can be qualified as independent also on the basis of the criteria envisaged by the Italian Corporate Governance Code with regard to Directors (article 2, recommendation 9).

Specifically, the circumstances which compromise, or appear to compromise, independence of Statutory Auditors are at least the following:

- a) if he/she is a significant shareholder of the Company, to be understood as any person who, directly or indirectly (through subsidiaries, trustees or intermediaries), controls the Company or is able to exercise significant influence over the Company or who participates, directly or indirectly, in a shareholders' agreement through which one or more persons exercise control or significant influence over the Company;
- b) if he/she is, or was in the previous three financial years, an executive director or an employee:
  - of the Company, of one of its subsidiaries having strategic relevance or of a company subject to joint control;
  - of a significant shareholder of the Company;
- c) if he/she has, or had in the previous three financial years, a significant commercial, financial or professional relationship, directly or indirectly (for example through subsidiaries, or through companies of which he or she is an executive director, or as a partner of a professional or a consulting firm):
  - with the Company or its subsidiaries, or with their executive directors or top management;
  - with a subject who, also together with others through a shareholders' agreement, controls the Company; or, if the control is held by a company or another entity, with its executive directors or top management;
- d) if he/she receives, or received in the previous three financial years, from the Company, one of its subsidiaries or the parent company, a significant remuneration other than the fixed remuneration for the position held within the board and for the membership in the committees recommended by the Italian Corporate Governance Code or required by law;
- e) if he/she served on the board either of directors or of statutory auditors for more than nine financial years, even if not consecutive, in the last twelve financial years;
- f) if he/she holds the position of executive director in another company whereby an executive director of the Company holds the office of director;
- g) if he/she is shareholder, quota-holder or director of a company or other legal entity belonging to the network of the external auditor of the Company;

- h) if he/she is a close relative – meaning parent, child, a spouse not legally separated and cohabitee - of a person who is in any of the circumstances set forth in previous letters.

The assessment on the independence is carried out, with the timeline and mechanism provided for under recommendation 6 of the mentioned Italian Corporate Governance Code, by the control body, on the basis of the information provided by each Statutory Auditor.

### ***2.2.7 Independence of mind***

The Board of Statutory Auditors reminds that all members of the Board of Statutory Auditors shall perform their duties with full independence of mind and awareness of the obligations and rights deriving from their office, in the interest of the sound and proper management of the Company, in addition to the compliance with laws and any other applicable rule.

In that regard, it is emphasized that having a conflict of interest does not necessarily mean that a corporate officer cannot be considered suitable: this will only be the case if the conflict of interest poses a material risk and if it is not possible to adequately prevent, mitigate or manage the conflict of interest on the basis of the policies approved by the Company.

### ***2.2.8 Gender quotas***

Law no. 160 of 27 December 2019, which amended Section 147-ter and 148 of the TUF, introduced in Italy a criterion for the composition of the corporate bodies of listed companies, pursuant to which the least represented gender should be given at least two-fifths of the available seats for permanent members of board of statutory auditors appointed.

The above provisions apply to the renewal of the Board of Statutory Auditors and therefore the slates of candidates shall be drawn up in a way that ensures that at least two-fifths of the members belong to the least represented gender (2 Statutory Auditors).

### ***2.2.9 Integrity and fairness requirements***

Without prejudice to other provisions currently in force, the Board of Statutory Auditors reminds that a Statutory Auditor shall meet the integrity and fairness requirements recalled by the Decree at sections 3 and 4.

It is understood that the relevance of potential circumstances and facts and the impact, even cumulative, that these could have on the abidance of the candidate to the criteria of integrity of personal and professional conduct, also in the past, will be taken into consideration in order to verify if – even in such circumstances – the sound and prudent management of the bank is safeguarded as well as, in particular, its reputation and public trust.

### ***2.2.10 Terms and conditions for the appointment procedure***

In order to enable its Shareholders to better evaluate the profiles of the candidates for the office of Statutory Auditor of UniCredit, the Board of Statutory Auditors hopes that Shareholders will be able to anticipate the submission of their slates, filing them at least 30 days before the Shareholders' Meeting.

Further information relating to the appointment of Statutory Auditors and to the submission of the slates are briefly described in the document "Information on the appointment process of the UniCredit S.p.A. Board of Statutory Auditors", made available on the website of the Company ([www.unicreditgroup.eu](http://www.unicreditgroup.eu)).

# Induction and training

The Board of Statutory Auditors reminds that in UniCredit there is an active and permanent induction program for Board of Directors' members, also to the benefit of the Board of Statutory Auditors' members, consisting of both sessions aimed at fostering the integration of the new Statutory Auditors, and recurring training to preserve over time the expertise needed for the proper fulfilment of the office.

In addition, individual training plans will be activated if deemed necessary to strengthen specific technical knowledge and expertise, also in order to increase the level of diversity and the collective experience of the Board of Statutory Auditors.