

Report of the Board of Directors to the General Shareholders' Meeting

Appointment of the Board of Statutory Auditors and its Chairman for financial years ending 31 December 2015, 2016 and 2017 and determination of the annual remuneration of the Statutory Auditors; relevant and ensuing resolutions

Shareholders,

With the approval of the Financial Statements for the year ended 31 December 2014, the mandate of the Company's Statutory Auditors, conferred by the Shareholders' Meeting on 24 April 2012 for the three-year period 2012/2014, is terminated as the period of office has come to an end.

We extend our heartfelt thanks and appreciation to the members of the control body for their relentless efforts to date on the Company's behalf, and remind you that, pursuant to Article 20 of the Articles of Association, the Board of Statutory Auditors is composed of a three Regular Auditors and two Alternate Auditors.

The new Board of Statutory Auditors will remain in office until the date of the Shareholders' Meeting which will be called to approve the Financial Statements for the year ending 31 December 2017.

Under the Articles of Association mentioned, the Board of Statutory Auditors is appointed based on lists of candidates, made up of two sections: one for the appointment of the Regular Auditors and the other for the appointment of the Alternate Auditors. The lists contain a number of candidates no higher than the number of members to be elected, listed by progressive number. Each of the two sections of the lists must present candidates in a manner that ensures gender balance, as required by applicable regulations. Each candidate may appear on only one list, upon penalty of ineligibility.

Candidates who fall within situations that are incompatible pursuant to law or those exceeding the maximum number of concurrent positions set forth by regulations in force may not be appointed to the Board of Statutory Auditors, and if so appointed, will fall from office.

Moreover, Auditors shall possess all requisites required by law.

Shareholders who individually or jointly represent at least 1.00% of share capital are entitled to submit a list.

Each shareholder (as well as (i) shareholders belonging to the same group, the latter being defined to include the party, which need not necessarily be a corporation, exercising

control within the meaning of Article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party, or (ii) shareholders who have entered into the same shareholders' agreement within the meaning of Article 122 of Legislative Decree No. 58 of 24 February 1998 as further amended, or (iii) shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and/or regulatory framework) may contribute to the submission of only one list. In the event of breach, account will not be taken of the relative backing given to any of the lists.

The lists, signed by shareholders with standing must be filed no later than the 25th day prior to the scheduled date of the first calling of the Shareholders' Meeting. If at the above deadline only one list has been filed or lists have only been filed by shareholders related to one another, lists shall be submitted through to the third day after the said deadline.

In this case, shareholders who individually or jointly represent at least 0.50% of share capital are entitled to submit a list. Lists must be accompanied by the information on the identity of shareholders who submitted them, with an indication of the percentage of share capital held jointly, as well as the following documentation:

- a) the resume of each candidate, containing exhaustive information on the candidate's personal and professional features, as well as their skills and experience in the insurance, financial and/or banking fields;
- b) a declaration by shareholders other than those who, even jointly, hold a controlling interest or relative majority stake, attesting the absence of associative relationships with the latter;
- c) the declarations in which each candidate accepts nomination and commits, if he/she is elected, to accept the office and also certifies, under his own responsibility, the inexistence of causes of incompatibility and of ineligibility, as well as possession of the requisites of integrity and professionalism which prevailing laws require for the office of Statutory Auditor of the Company.

The certifications from authorised brokers attesting to the collective ownership interest held as at the date of filing of the list must be delivered to the Company by 2 April 2015.

The election of the Board of Statutory Auditors will be carried out as provided for by Article 20, paragraphs 8, 9 and 10, of the Articles of Association. The first two candidates on the list obtaining the highest number of votes and the first candidate on the list obtaining the highest number of votes from amongst the lists submitted and voted by shareholders who are not associated, not even indirectly, with the shareholders who submitted and voted for

the list obtaining the highest number of votes (Minority List), shall be deemed elected Regular Auditors. The first candidate on the list obtaining the highest number of votes and the first candidate on the Minority List will be the Alternate Auditors. In the case where the number of Regular Auditors belonging to the gender less represented falls short of the threshold established under applicable statutory provisions, the candidates appearing in the Regular Auditor section of the list obtaining the highest number of votes will be replaced following the order in which the candidates were presented for election. Should only one list be submitted, all the members of the Board of Statutory Auditors shall be appointed from the said list.

The Regular Auditor elected from the Minority List shall be the Chairman. In the event of submission of a single list, the first candidate specified therein will take the chairmanship. Lists submitted in disregard of the provisions set forth in Article 20 of the Articles of Association shall be considered as never having been submitted.

In inviting you to pass a resolution on the appointment of the members of the Board of Statutory Auditors, electing the said members from one of the lists submitted by the persons and parties entitled to do so, in accordance with Article 20 of the Articles of Association, it is pointed out that the text of the related shareholders' resolution must reflect the outcome of the ballot.

Resolutions must be passed in respect of the appointment as well as the annual remuneration of the members of Board of Statutory Auditors.

In such regard, it must be pointed out that the remuneration of the Company's Board of Statutory Auditors is currently established at the gross annual amount of 40,000.00 euros for the Chairman and the gross annual amount of 30,000.00 euros per each Regular Auditor, over and above the refund of out-of-pocket expenses sustained for discharging their tasks.

With regard to the above, the relevant administrative bodies of the Company have analysed prevailing trends, on the basis of in-depth sector-specific benchmarking. The aforesaid study confirms the appropriateness of current remuneration levels, taking due account of the features of the Banca Generali group. Accordingly, it is proposed to confirm for the three-year term of office of the Board of Statutory Auditors, and therefore through to the approval of the Financial Statements for the financial year ending 31 December 2017, the gross annual remuneration of 40,000 euros for the Chairman of the Board of Statutory

Auditors and 30,000 euros gross for each Regular Auditor, over and above the refund of out-of-pocket expenses sustained to discharge their tasks.

The Shareholders are accordingly invited to establish the remuneration due to the Chairman of the Board of Statutory Auditors and each Regular Auditor, over and above the refund of out-of-pocket expenses sustained for discharging their tasks, for the three-year term of office of the Board of Statutory Auditors previously appointed by this General Shareholders' Meeting and therefore through to the date of the approval of the Financial Statements for the year ending 31 December 2017.

The text of the shareholders' resolution must reflect the outcome of the decision to be taken by the General Shareholders' Meeting itself.

Trieste, 10 March 2015

THE BOARD OF DIRECTORS