

Ordinary Shareholders' Meeting

29.04.2014 (first call)

30.04.2014 (second call)

Report of the Board of Directors on the items of the Agenda.

Item 1

Financial Statements as of 31st December 2013, report of the Board of Directors and the Board of Statutory Auditors; relative resolutions.

Dear Shareholders

The draft Financial Statements and the Consolidated Financial Statements for the year ended 31 December 2013, the Directors' report on operation, the declaration pursuant to Article 154-bis, paragraph 5 of the Italian Consolidated Finance Act (TUF), together with the reports of the Statutory Auditors and of the Audit Firm as well as the Report on Corporate Governance and Ownership Structure are available to the public at the registered office, at Borsa Italiana S.p.A. (the Italian Stock Exchange) and on the Company's website. Reference is therefore made to these documents.

You are invited to approve the Financial Statements for the year ended 31 December 2013 and the relevant Report on operation as well as the proposal for the allocation of net profit shown in the dossier of the financial statements.

Item 2

Remuneration Policies; Report of the Board of Directors; relative resolutions.

Dear Shareholders

Pursuant to the combined provisions of Article 123-ter of Legislative Decree 58/1998 (TUF) and Isvap Regulation no. 39, we are submitting the first section of the Remuneration Report for your approval. This report describes the policies the Company intends to adopt for the remuneration of the Directors, the General Manager and Managers with strategic responsibilities.

As dictated by Article 123-ter of the TUF, the report consists of two sections:

- Section One, which is being submitted for your approval pursuant to ISVAP Regulation no. 39 and Article 7 of the Articles of Association describes:
 - a) the remuneration policies the Company intends to adopt with respect to Directors, Statutory Auditors, the General Manager, managers with strategic responsibilities and staff, in the sense specified in ISVAP Regulation no. 39, that is managers and staff at the highest level in internal control areas (Internal Audit, Compliance and Risk Management) and categories of staff whose activities could have a significant impact on the Company's risk profile;
 - b) the procedures used to implement this policy;

- Section Two, which does not require Shareholder Meeting approval, is divided into two parts with information by name for members of management and control bodies, the General Manager, and on a combined basis, managers with strategic responsibilities, and provides:
 - a) an appropriate reporting of each remuneration item;
 - b) a detailed breakdown of compensation resolved in 2013 in favor of the Directors, the General Manager, Senior Management and Statutory Auditors for the year 2013 for any reason and in any form by the Company and its subsidiaries or affiliated companies, with an indication, if necessary, of any components of the above compensation that related to activities performed in previous periods.

The Board of Directors

Milan, 7 March 2014