



**Reports of the Board of Directors  
to the Shareholders' Meeting on the second  
item of the agenda (*Appointment and fees of  
the Board of Directors*)**

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## **Report of the Board of Directors to the Shareholders' Meeting**

### **Appointment and fees of the Board of Directors**

Determination of the number of members of the Board of Directors in office for the financial years ending on 31 December 2016, 2017 and 2018.

Shareholders,

with the approval of the financial statement for the year ending on 31 December 2015, the term of office of the Board of Directors specified in the 30 April 2013 Shareholders' Meeting for the 2013/2015 three-year period comes to an end.

You are therefore asked to resolve on appointment of a new Board of Directors under art. 28 of the Company's Articles of Association, to remain in office until the date of the Shareholders' Meeting summoned for approval of the financial statement for the financial year ending on 31 December 2018. The resolution appointing the new Board must, in accordance with the Company's Articles of Association, be preceded by a resolution determining the number of members to be elected.

In this regard, note that the Board of Directors must be composed of a minimum of 11 and a maximum of 21 directors.

Note that the Self-Regulatory Code of stock exchange listed companies, to which our Company adheres, suggests that boards of directors should express their own opinion, providing shareholders with a recommendation regarding the size and membership of the *board*, taking into account the results of the annual self-assessment process.

In this regard, in view of the results of the self-assessment process of the Board of Directors and the Board Committees, and in view of the favourable examination of the Committee for appointments and *corporate governance*, the Board has expressed its opinion, which has been available to all interested parties on our internet site ([www.generali.com](http://www.generali.com)) since February 18 and is attached to this report (Annex 1).

As for the size of the Company's administrative body, following a series of complex assessments, to which the reader is referred, the recommendation is as follows:

*In view of the above and of the positive dynamics of operation of the administrative body reported over the past three years, the Board recommends that, in formulating proposals to the Shareholders' Meeting, the Shareholders should once again elect 11 Board members for the 2016-2018 three-year period.*

*The Board also recommends that the majority of the 11 Board members should qualify as independent Board members under the Code, so as to permit the Board to be supported by committees within the Board – with experience in the areas of control and risks, pay and appointments – set up on the basis of the criteria set forth in the Code.*

In view of the above, the proposed resolution of the Shareholders' Meeting, reflecting the content of the above proposal, is shown below.

“The Shareholders' Meeting of Assicurazioni Generali S.p.A., meeting in the Palazzo dei Congressi della Stazione Marittima in Trieste at Molo Bersaglieri 3, duly called and qualified to pass resolutions, in an ordinary session under section 2369 of the Civil Code and article 21 of the Company's Articles of Association,

- in view of articles 19 and 28 of the Company's Articles of Association;
- in view of the Report of the Board of Directors prepared on this point on the agenda;

**hereby resolves**

- 1) to determine as .... the number of members of the Board of Directors for the 2016, 2017 and 2018 financial years”.

This having been stated, you are hereby asked to determine the number of members of the Board of Directors for the 2016 - 2018 three-year period.

Milan, 17 March 2016

THE BOARD  
OF DIRECTORS

Annex 1:

Advice for shareholders on the size and composition of the Board of Directors for the three-year period 2016-2018.

**ASSICURAZIONI GENERALI S.P.A.  
BOARD OF DIRECTORS**

**ADVICE FOR SHAREHOLDERS  
ON THE SIZE AND COMPOSITION  
OF THE BOARD OF DIRECTORS  
FOR THE THREE-YEAR PERIOD 2016-2018**

**1. Introduction**

The Listed Companies' Corporate Governance Code ("the Code") recommends that Boards of Directors should issue advice to shareholders on the size and composition of the Board, taking account of the results of the annual self-assessment process.

The Code recommends that at the time of submission of lists and subsequent appointment of directors, shareholders should take account of the Board's opinion when assessing the professional characteristics, managerial and other experience and gender of the candidates in relation to the size of the issuer, the complexity and specificity of the field in which it operates, and the size of the Board of Directors. It is appropriate for that opinion to be published in sufficient time to ensure that the choice of candidates can take account of the detailed recommendations.

The Code also indicates that it is good practice for the shareholders that control the issuer or, if none, those able to exercise considerable influence over it, to inform the public, a reasonable time in advance, of any proposals they intend to submit to the General Meeting on subjects as to which no specific proposals have been made by the directors. For example, the Code states that at the time of submission of the list of candidates, the market could be notified of those shareholders' opinions on subjects such as the number of members of the Board of Directors, and the duration and remuneration of that body.

The banking legislation, which represents a clear frame of reference for the development of corporate governance in Italy today, makes similar recommendations. On the subject of organisation and corporate governance it provides that the optimum qualitative and quantitative composition of the Board of Directors should be established in advance by the Board itself (assisted by the Appointments Committee in the case of the largest and most complex banks), and subjected to periodic self-assessment. It also states that the appointment procedures must be transparent and ensure that the various shareholders are appropriately represented on the company's governing bodies. The results of the analyses must be notified to shareholders in sufficient time to ensure that the choice of candidates to be submitted takes account of the assessments performed.

In that context, the Board of Directors ("the Board") of Assicurazioni Generali S.p.A. ("Generali" or "the Company") has identified in advance, with the support of the Appointments and Corporate Governance Committee ("the Committee"), the qualitative and quantitative composition deemed appropriate for the performance of its activities, including the candidates' characteristics of professionalism and independence, bearing in mind that the authoritativeness and competence of the

candidates must be commensurate with the tasks that the directors are required to perform, taking account of the size and complexity of the Company, its business objectives and its strategic vision.

It has therefore prepared this Advice for Shareholders, again with the Committee's support, which is submitted for examination and evaluation by shareholders in readiness for the forthcoming General Meeting, as the items on the agenda of that Meeting include the appointment of the Board for the three-year period 2016-18, after establishing the number of its members.

## **2. Quantitative aspects: size of the Board**

**2.1. Board evaluation information for shareholders** - According to the well-established corporate governance rules, the number of Board members must be suited to the size and complexity of the Company's organisational structure, to ensure that it can supervise the whole of its operations effectively, in terms of both management and control.

In 2013 the General Meeting set the number of Board members at 11, in accordance with the Board's recommendation made at the time. The Articles of Association state that the minimum number of directors shall be 11 and the maximum number 21.

The correct size of the Board is based partly on the composition of the Board Committees, on which a decisive role is played by members who meet the independence requirement. The presence of Committees with consultative, recommendatory and preparatory functions is a common organisational system that reflects the established national and international practice, and increases the efficiency and efficacy of the Board's work, as has been clearly demonstrated during the three-year term of office of the current Board.

A large number of directors does not always allow effective interaction at meetings, and the contribution made by each member of a crowded collective body is not always ideal. The presence of numerous directors often requires the setting-up of an Executive Committee, a body unknown in many countries, the presence of which is not always synonymous with good corporate governance. Equally, if the number of members is too small, it will be impossible to set up a committee system suited to the increasing governance requirements and complex management of the largest companies, especially if they are subject to regulatory legislation.

The international best practice does not specify an ideal number of members of the boards of listed issuers, merely indicating that it must be adequate for the conduct of the issuer's business activities. On that basis, in order to formulate its proposal, with the support of the Committee, the Board has examined a basket of issuers, consisting of its international peers in the insurance industry, comparable Italian issuers, and other international companies considered to represent the gold standard in corporate governance. The analysis indicated a variety of situations: the number of board members ranged from a minimum of 9 (ENI) to a maximum of 17 (Unicredit). The insurance peers have an average of 13.4 board members, the comparable national issuers considered have 13.4 (as against an average of 13.8 for the FTSE Mib index), and the "gold standard" companies have 13.

At the time of the 2015 self-assessment process the Board expressed the opinion, supported by the Committee, that the number of members elected for the three-year period 2016-18 should again be 11, and that the majority of that number should be people classed as independent pursuant to the

Code, partly with a view to the constitution of the Board Committees.

**2.2 The Board's recommendation** - *Having regard to the factors set out above and the smooth operation of the Board during the last three-year period, the Board expresses the opinion that when the proposals are put to the General Meeting, shareholders should vote for the number of directors to be elected for the three-year period 2016-2018 to be confirmed at 11.*

*The Board also recommends that the majority of that number should be people who can be classed as independent pursuant to the Code, so that the Board can be supported by Board Committees skilled in the field of control and risks, remuneration and appointments, set up in accordance with the criteria defined by the Code.*

### **3. Qualitative aspects: composition of the Board**

**3.1. Board evaluation information for shareholders** - The Corporate Governance Code recommends that the composition of the Board of Directors should suitably reflect, in relation to the business carried on by the issuer, the different types of director (executive, non-executive and independent) and their professional and managerial skills, including those of an international nature, and should take account of the benefits that can derive from the presence on the Board of members of different genders, geographical origins, educational and cultural backgrounds, ages and seniority in office. It is also recommended that the number, skills and authoritativeness of the non-executive directors, and the amount of time they are able to devote to their duties, should be sufficient to ensure that their opinion has significant influence when Board decisions are taken.

The insurance legislation also lays down further specific requirements of professionalism that must be possessed by Board members, in addition to those of respectability and independence, while s. 36 of Statute 214/2011 prohibits interlocking situations <sup>(1)</sup>.

According to the best practice, the presence of independent directors on the Board is the most suitable solution to guarantee that the interests of all shareholders, both majority and minority, are represented. In this respect, in the correct exercise of the right to appoint directors, independent directors may be nominated by the controlling shareholders or shareholders that exercise considerable influence.

The Code recommends that the lists of candidates for directorships should be accompanied by information as to whether the candidates can be classed as independent pursuant to art. 3 of the

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<sup>(1)</sup> The insurance legislation is contained in the Economic Development Ministry's Decree no. 220 of 11 November 2011, to which the reader should refer for further details. In accordance with s. 36 of Statute 214/11 governing *interlocking personal shareholdings on the credit and financial markets and prohibiting persons holding offices in management, supervision and control bodies and the top management executives of companies or groups of companies operating on the credit, insurance and financial markets from accepting or exercising similar functions in competing companies or groups*, it is recommended that candidates should only be nominated if it has already been established that there are no grounds for their incompatibility as defined by the said provision, in addition to the one applicable to insurance companies.

Code, provided that in any event, it is the responsibility of the Board of Directors as a whole to assess the independence of its members. It also recommends that directors who claim to be independent must undertake to maintain their independence throughout their term of office.

Acceptance of a directorship in companies which, like Generali, have adopted the Code, requires a prior evaluation as to whether the candidate will be able to devote the necessary time to diligent performance of the tasks of a director, taking account of the number of directorships or appointments as statutory auditor held in other companies listed on Italian or foreign regulated markets, or in finance, banking or insurance companies or other large companies, and of the other professional activities performed by the person concerned. Large companies are defined as those with net equity exceeding €10 billion. In this respect, the Board considers that a maximum of two offices for executive directors or five for non-executive directors is usually compatible with effective performance of a directorship of the Company. Multiple offices held in companies in the same Group are considered as a single office <sup>(2)</sup>.

During its term of office, the Board has implemented the provisions of art. 5.2.1 of IVASS Regulation no. 20 governing the qualitative composition of the Board, establishing that the Board of Directors shall collectively possess suitable knowledge and experience of the market on which the Company operates, its strategy and business model, its governance system, financial and actuarial analysis and the regulatory situation and legislative requirements <sup>(3)</sup>. In this respect, it is appropriate for all the skills indicated above, which are held by the current Board, in a perspective that takes account of both the individual and the collective dimension, to be represented on the new Board.

At present, Generali's Board of Directors consists of 90.9% non-executive directors (with a single Managing Director, namely the Group CEO), and 63.6% independent directors; this level appears to

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<sup>(2)</sup> Having sufficient time to devote to the performance of the directorship, taking account of its nature and quality, is a pre-requisite that candidates must guarantee, including as regards activities deriving from attendance at meetings of the Board Committees of which they are members. Shareholders are informed that in each year of the three-year period 2013-2015 an average of 13 meetings of the Board of Directors were held, 7 meetings of the Appointments and Corporate Governance Committee, 11 meetings of the Risk and Control Committee, 8.6 meetings of the Remuneration Committee, 8.6 meetings of the Investment Committee, and 6 meetings of the Related-party Transactions Committee, with an average duration of nearly 3 hours for Board meetings and between half an hour and over 4 hours for Board Committee meetings. Members are also required to attend off-site events during their three-year term of office, and one Board member is appointed as a member of the Supervision and Control Committee. The time devoted by each director to preparing for meetings is obviously additional to the actual meeting time. In view of the factors set out above, the Board recommends that candidates should only accept the office if they consider that they can devote the necessary time to it, having regard to the time devoted to other working or professional activities, and to the performance of any offices they may hold in other companies.

<sup>(3)</sup> In this context, it is specified that *market knowledge* means awareness and understanding of the broader business, economic and market context in which the company operates, and awareness of customers' knowledge level and requirements. *Knowledge of the governance system* means awareness and knowledge of the risks to which the company is exposed, and the ability to manage them, together with the ability to verify the efficacy of the measures taken by the company to guarantee effective governance, supervision and control of the business and, if necessary, the ability to manage change in those sectors. *Knowledge of financial and actuarial analysis* means the ability to interpret the company's financial and actuarial information, identify and evaluate the key factors, implement suitable controls and take the necessary measures on the basis of the available information. *Knowledge of the regulatory framework and legislative requirements* means awareness and understanding of the legislative framework within which the company operates, in terms of the requirements and expectations imposed by the legislation and the ability to adapt promptly to the associated changes.



comply with the best national and international practice<sup>(4)</sup>. Female members make up 36.4% of the Board, which has four members of the less represented gender: as from the next Board appointment, the minimum percentage of the less represented gender will be 33%.

The mean age of Board members is about 60 at present. Generali's corporate governance specifies an age limit of 77 for access to the Board and a lower limit of 70 and 65 for holding the offices of Chairman and Managing Director respectively.

The present Board's members reflect the presence, either directly or through representatives, of some of the most important shareholders, business owners operating in a variety of economic sectors, executives of major Italian and foreign companies, university lecturers on economic and financial subjects, and members of the professions. In particular, 64% of members have experience as directors of issuers with high stock-market capitalisation and a managerial profile, 55% have experience in the insurance field and in industry, 36% have skills in the financial & accounting field, while 27% have skills in the academic and business fields and 9% in the legal profession. The level of professional experience found in the current composition of the Board therefore appears to be appropriate in relation to the business carried on by the Company and the Group. The Board's current composition demonstrates a strong international profile, as indicated by the positions held by most of its members in foreign business, professional or academic contexts.

On the basis of the Board's membership over the last 12 years, the Board has a balanced distribution. The average seniority is 5.03 years; 36% of members have above-average seniority, 18% between the average and 3 years, and 45% under 3 years.

**3.2 The Board's recommendation** - *In view of the factors set out above and the result of the recent self-assessment process, which took account of the reference situation previously described, the Board considers that, having regard to the Company's business objectives and strategic vision, the current structure reflects in general, in a correct and balanced way, the different types of director (executive, non-executive and independent) and their professional and managerial skills, including those of an international nature, and a balanced membership in terms of diversity of gender, geographical origin, educational and cultural background, age and seniority in office.*

*It therefore recommends that the various components and key skills identified by the Board when implementing the terms of art. 5.2.1 of IVASS Regulation no. 20, which are possessed by the Board currently in office, should also be substantially possessed by the new Board, in a perspective that takes account of both the individual and the collective dimension.*

*The Board therefore emphasises the importance of:*

- a) ensuring that the new Board possesses a balanced combination of professional backgrounds, skills, experience and diversity, an adequate representation of the share capital, and promoting, in accordance with the business objectives and those of the strategic plan, knowledge of the insurance and financial industry and strategic and market orientation, with particular attention*

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<sup>(4)</sup> The coefficient of 63.7% relates to the proportion of members who meet the independence requirements laid down in the Code, which are those relevant to the composition of the Board Committees. Moreover, art. 28.2 of the Articles of Association refers, with regard to the appointment and debarment of Directors, to the possession of the independence requirements laid down by the Consolidated Finance Broking Act (CFBA) for holding office as Statutory Auditor. The Articles of Association provide that these requirements must be met by at least one-third of the directors; at present, they are met by 90.9% of the directors in office, the only exception naturally being the sole executive director.

*to the international profile of the candidates (regardless of nationality) and their willingness to confront the challenges posed by technological innovation, especially digitalisation, in the financial world in general and the insurance world in particular;*

- b) more specifically, in view of the developments in the legislation governing the industry (especially Solvency II), ensuring that the Board possesses the professional skills currently held by the present Board of Directors, which are required for supervision of the internal control and risk management system (in particular as regards risks and solvency), appointments to the corresponding Board Committee, and support for its efficacy;*
- c) also ensuring, as recommended by the Code, that the Board's members include at least one financial expert and one remuneration expert, to be appointed to the Risk and Control Committee and the Remuneration Committee respectively;*
- d) acknowledging that available time is a key factor in the effective performance of a directorship with the Company;*
- e) ensuring the presence of a suitable number of independent directors on the Board and the Board Committees;*
- f) maintaining the current ratio between executive and non-executive directors, and confirming a system of operational delegation of powers hinging on a sole Managing Director;*
- g) ensuring the distribution of the Directors' seniority, evaluating the advisability of maintaining the presence of a suitable number of the directors currently in office, partly with a view to implementation of the 2016-18 Strategic Plan and application of the internal capital calculation model, both issued by the Board in 2015, and at the same time confirming the value of new directors.*

*Finally, without prejudice to shareholders' right to make their own evaluations of the ideal composition of the new Board and to submit candidates consistent with them, the Board recommends that when the lists are submitted, shareholders should provide suitable evidence, in the form of each candidate's CV, that the skills of the candidates nominated in their lists (which should relate not only to individual qualifications, skills and experience, but also to the composition of the Board as a collective body) match those identified by the Board or by shareholders themselves.*

This opinion will be published at least 60 days prior to the date of the General Meeting to ensure that shareholders can take account of the Board's evaluations and recommendations at an early stage in the process of choosing the candidates.

Milan, 17 February 2016

BOARD OF DIRECTORS

## **Report of the Board of Directors to the Shareholders' Meeting**

### **Appointment and fees of the Board of Directors**

Appointment of the Board of Directors in office for the financial years ending on 31 December 2016, 2017 and 2018.

Shareholders,

with the approval of the financial statement for the financial year ending on 31 December 2015, the term of office of the Directors appointed for your Company by the 30 April 2013 Shareholders' Meeting for the 2013-2015 three-year period comes to an end.

You are therefore asked to pass a resolution under art. 28 of the Company's Articles of Association appointing a new Board of Directors, to remain in office until the date of the Shareholders' Meeting summoned to approve the financial statement for the financial year ending on 31 December 2018: the Board of Directors is appointed on the basis of lists presented by shareholders in accordance with the procedure described in art. 28 of the Company's Articles of Association. To help interested parties present lists, an operative instruction manual, attached to this report (Annex1), has been prepared and is available on the Company's internet site, under *Governance/Shareholders' Meetings/2016 Shareholders' Meeting*.

Candidates must possess the requirements of professionalism, integrity and independence required by law, must not be subject to any of the causes of incompatibility identified in current legislation, including art. 36 of Law no. 214 of 22 December 2011, and must possess the requirements of Generali's Fit&Proper Policy under art. 5, paragraph 2, letter l) of ISVAP Regulation no. 20/2008 and comply with the provisions of the legislation implementing Directive 2009/138/EC of the European Parliament and of the Council, dated 25 November 2009, on the taking up and pursuit of the business of insurance and reinsurance (referred to as Solvency II). Under the Company's Articles of Association, candidates aged 77 or over cannot be elected. Each candidate may appear in only one list, on pain of ineligibility.

At least one third of the directors must possess the requirements of independence under the Auditors' law. If the number of members of the Board of Directors established by the Shareholders' Meeting is not a multiple of three, the number of independent Directors required will be rounded off to the number below.

Note that Board membership must also reflect the gender balance required under current legislation, and therefore, for the next three-year period, at least one third of the members of the Board of Directors must be of the less represented gender. If this number is a fraction, it

will be rounded off to the whole number above. The lists, with the exception of those presenting less than three candidates, must contain a number of candidates sufficient to ensure the gender balance, no higher than the number of members to be elected, listed by progressive numbering.

As stated in the call to meet for this Shareholders' Meeting, the Company's Articles of Association and the applicable legislation, shareholders who, alone or jointly with other shareholders, represent at least 0.5% of the Company's share capital are entitled to present a list. A single shareholder may not present or vote for more than one list, even through an intermediary or a trust company. Those entitled to vote, the companies owned directly or indirectly by them and the companies owned directly or indirectly by the same owner may present and vote for only one single list; in the event of violation of this rule, their support for some of the lists will not be taken into account.

In accordance with the requirements of CONSOB communication no. DEM/9017893 of 26 February 2009, shareholders who intend to present minority lists are asked to file, along with the list and the additional documents required under art. 28 of the Company's Articles of Association, a statement attesting to the absence of any connections, even indirect, of the type identified in art. 147-ter, paragraph 3, of TUIF and art. 144-quinquies of the Issuers' Regulations, with the shareholder holding the majority of shares (Mediobanca S.p.A.). The statement must also specify any significant relationships that may exist with the shareholder holding the relative majority of shares, if this party can be identified, and the reasons for which the relationship is not considered to determine the existence of such a relationship, or the absence of such a relationship must be declared.

Lists must be filed in the Company's registered offices by the 25th day prior to the date of first call of the Shareholders' Meeting, and therefore by Friday 1 April 2016, and must be complete with information on the Shareholders who presented them, identifying the total percentage of share capital they own, and the following documents:

- a) *curriculum vitae* of each of the candidates, containing exhaustive information on their personal and professional characteristics and their experience in the fields of insurance, finance and/or banking (also see, below, the requirements identified in opinion expressed by the Board of Directors);
- b) declarations in which each candidate accepts the nomination, agrees to accept the office if elected and attests, under his or her own responsibility, that he or she is not subject to any causes of incompatibility or ineligibility and possesses the requirements of integrity, professional conduct and, if applicable, independence required by current legislation;
- c) copy of certificates issued by intermediaries attesting to ownership of the percentage of share capital required for presentation of lists.

Lists filed by shareholders will be published by Generali within the twenty-first day prior to the date of first call of the Shareholders' Meeting, and therefore by 5 April 2016, which is also the deadline for presenting documents demonstrating shareholders' legitimacy to act.

Directors will be elected as described in art. 28, paragraph 10 of the Company's Articles of Association, and if a single list is presented, art. 21, paragraph 3 of the Company's Articles of Association shall apply.

Lists presented without complying with the provisions of art.28 of the Company's Articles of Association will be considered not to have been presented.

In this context, note that the Self-Regulatory Code of stock exchange listed companies, to which our Company adheres, advises Boards of Directors to express a recommendation for shareholders regarding the size and composition of the *board*, taking into account the results of the annual self-assessment process.

The Code states that when presenting lists and appointing directors, shareholders should, in view of the opinion expressed by the board, consider the professional qualities, experience, including managerial experience, and the gender of the candidates, in relation to the issuer's size, the complexity and specific nature of the business sector in which it operates, and the size of the board of directors.

The Code likes notes that it is good practice for the shareholders owning the controlling share in the issuer, or those with significance influence over it, to notify the public sufficiently in advance of any proposals they may intend to make to the shareholders' meeting regarding topics on which the directors have not made a specific proposal.

In this regard, in view of the results of the self-assessment process of the Board of Directors and the Board Committees and in view of the approval of Committee for appointments and *corporate governance*, the Board has expressed an opinion, which has been available to all interested parties on the Company's internet site ([www.generali.com](http://www.generali.com)) since 18 February and is attached to this report (Annex 2).

As for the profile of the composition of the company's administrative body, following complete assessments, to which the reader is referred, the recommendation is as follows:

*In view of the above and the outcome of the self-assessment process conducted recently, taking into account the reference framework described above, it is considered that, with regard to the Company's business goals and strategic vision, the current set-up, generally speaking, correctly and fairly reflects the different components (executive, non-executive, independent) and the professional and managerial skills, with an international scope, and the appropriate diversity in terms of gender, geographic origin, educational and cultural differences, age and seniority.*

*We therefore recommend that the different components and key skills identified by the Board in implementation of the requirements of art. 5, paragraph 2, letter l) of IVASS Regulation no. 20, possessed by the administrative body currently in office, should be confirmed in the new Board, in a vision that takes into account both the individual and collegial dimensions.*

*We therefore underline the importance of:*

- a) ensuring that the newly appointed Board also reflects a balanced combination of professional profiles, skills, experience and diversity, with appropriate representation of the Company's share capital, and, consistently with the Company's business targets and strategic plan, possesses the appropriate know-how in the insurance and finance sector and market orientation, with a focus on candidates' international profile (no matter what their nationality) and the required openness to the challenges of technological innovation and particularly the digitalisation of the world of insurance and of finance in general;*
- b) more specifically, also in view of the evolution of legislation governing the sector (particularly Solvency II), ensuring that the Board includes those professional skills currently present in the company's administrative body which are required to oversee the internal control and risk management system (particularly risks and solvency) which are also required to form committees within the Board in charge of these areas and support the efficacy of their role;*
- c) also ensuring, in conformity with the recommendations of the Code, the presence on the Board of at least one expert in finance and one expert in remuneration, to be appointed to the Control and Risks Committee and the Remuneration Committee, respectively;*
- d) acknowledging the availability of the time of at least one key member for effectively performing the role of the Company's managing director;*
- e) guaranteeing the presence of a sufficient number of independent directors on the Board and in the committees on the Board;*
- f) preserving the current ratio between the number of executive and non-executive directors, and confirming the system of operative proxies based on a single managing director;*
- g) ensuring distribution of Directors' seniority, considering the appropriateness of maintaining an adequate number of the directors currently in office, also with a view to implementation of the 2016-18 strategic plan and application of the internal model for calculation of capital, both passed by the Board in 2015, while at the same time confirming the value of diversification of the backgrounds and identity of the directors.*

*Lastly, we recommend – while confirming the Shareholders' right to form their own opinions regarding the optimal composition of the new Board and to present candidacies consistent with their opinions – that, at the time of presentation of the lists, Shareholders should provide appropriate evidence, identifiable in each candidate's curriculum vitae, of the alignment of the candidates' skills as indicated in their lists (to be described not only in terms of individual qualifications, skills, capacity and experiences, but also in terms of Board membership as a collegial body) in relation to those identified here by the Board or by themselves.*

Emphasising this final recommendation of the Board of Directors to your Company, we therefore invite Shareholders who intend to present a list of candidates to complete the documentation listed above with evidence of the alignment of the candidates' skills with those identified by the Board in its recommendations.



This having been stated, you are now invited to pass resolutions regarding the appointment of members of the Board of Directors to remain in office for the 2016-2018 three-year period, expressing your preference for one of the lists presented by the parties entitled to present them under the provisions of the Articles of Association referred to above.

Milan, 17 March 2016

THE BOARD  
OF DIRECTORS

Annex 1:

Operating Manual on the election procedure of the Board of Directors of Assicurazioni Generali S.p.A. as based on the slate voting system pursuant to Art. 28 of the Company's Articles of Association

Annex 2:

Advice for shareholders on the size and composition of the Board of Directors for the three-year period 2016-2018.

# **Assicurazioni Generali S.p.A.**

## **Operating Manual on the election procedure of the Board of Directors of Assicurazioni Generali S.p.A. as based on the slate voting system, pursuant to Art. 28 of the Company's Articles of Association**



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## General background

This document illustrates, to the benefit of the interested shareholders, the formal rules regulating the procedure for submitting a list of candidates for election to the Board of Directors (hereinafter also indicated as the "**Board**") of Assicurazioni Generali S.p.A. (hereinafter also indicated as "**Generali**" or the "**Company**").

With regard to other more fundamental aspects, please refer to the **Guidance Statement** as approved by the Board on 17 February 2016 and published on Generali's web-site ([www.generali.com](http://www.generali.com)), in the section relating to the 2016 Shareholders' Meeting. In this regard, shareholders wishing to submit a list of candidates are recommended to attach the relevant documentation showing the consistency of their competences in respect to the ones identified by the Board into the Guidance Statement.

### Information on the size and composition of the Board

As specified in Art. 28, Paragraph 1 of Generali's Articles of Association (hereinafter also referred to as the "**Articles of Association**" - **Annex A**), the composition of the Board varies from a minimum of 11 to a maximum 21 members, as appointed by the Shareholders' Meeting, which also previously sets the number of Board members.

With the exception of those lists presenting less than three candidates, all the lists include a number of candidates:

- ensuring gender balance;

- not higher than the number of members to be elected, listed in progressive order.

Each candidate may stand for election on only one of the lists, under penalty of ineligibility. Pursuant to Art. 147, Paragraph 1-ter of Legislative Decree 24 February 1998, No. 58 (**The Consolidated Finance Act**), at least one third of the Board Members for the next three-year term shall belong to the least represented gender.

Those who have reached the age of 77 cannot stand for election (Art. 28 Paragraph 2 of the Articles of Association). Board Members shall meet the requirements of professionalism, respectability and independence as required by the regulations in force and cannot fall under those situations of incompatibility as described by the laws and regulations in force (**Annex B**) as well as by internal rules (**Annex C**).

Pursuant to Art. 36 of Law 22 December 2011, No. 214, with regard to the independence of top managers of companies operating in the finance and credit markets, it is established that, in order to protect competition (**Annex D**), it is forbidden for those holding top-level positions in the administrative, governing and supervisory bodies as well as the top-level officers of companies or groups of companies operating in the credit, insurance and finance markets, to accept or hold similar offices in competitor companies or groups of companies (prohibition of interlocking). To the purposes of the aforementioned prohibition, competitor companies or groups of companies are those among which there are no controlling relationships as mentioned in Art. 7 of Law 10 October 1990, No. 287, and that operate in the same product or geographical markets.

Board Members shall meet the independence requirements as required by laws and regulations in force, particularly, at least one-third of those shall meet the independence requirements as provided by law for a position of Member of the Board of Auditors (**Annex E**). Should the number of Board Members as established by the Shareholders' Meeting not be a multiple of three, the number of independent members shall be rounded down to the nearest whole number. Even though, for the purposes of presenting a list of candidates only the independence requirements as provided by Law for the Members of the Board of Auditors is relevant, it should be noted that, for the purpose of forming the internal board committees as required by the Corporate Governance Code of the Listed Companies (hereinafter also referred to as the "Code"), the independence requirements as per Art. 3 of the Code is relevant (**Annex F**).

The Code underlines that acceptance of a Director position includes a previous assessment on being able to devote the necessary time to the diligent performance of the relevant duties, taking into account any other director-level or supervisor-level positions held in other listed companies in regulated markets (domestic and foreign alike), in financial companies, banks, insurance companies or large companies whatsoever, as well as any other professional activity carried out by the candidate. To this purpose and as a general rule, Generali set that a maximum of **two positions** for executive directors and **five positions** for non-executive directors are compatible with an effective performance of Company Director's duties. More than one position held in companies of one single group are considered as one single position.

## List submission procedure

Art. 28 of the Articles of Association requires that Board Members be appointed based on lists.

Shareholders holding at least 0.5% of the Company's share capital (whether individually or jointly with others) are entitled to submit lists. Each shareholder may neither submit nor vote on more than one list, whether directly or through trust companies or third parties; each candidate may be included in one list only, under penalty of ineligibility.

Lists shall be filed with the Company's registered office **by the 25<sup>th</sup> calendar day prior to the date of the first call of the Shareholders' Meeting (set for 26 April 2016), therefore by Friday 1 April 2016.** The lists filed by the shareholders are published by Generali by the 21<sup>st</sup> calendar day prior to the date of the first call of the Shareholders' Meeting, therefore by 5 April 2016, by which date documents shall be submitted legally demonstrating that the shareholders are entitled to submit the lists at issue pursuant to the provisions of Art. 147-ter, Paragraph 1-bis of the Consolidated Finance Act and Art. 28 Paragraph 8 of the Articles of Association.

The elections of Board Members proceeds in compliance with Art. 28, Paragraph 10 of the Articles of Association: all the Board Members shall be elected from the list obtaining the highest number of votes apart from one, two, or three Members (depending on whether the number of Board Members to be appointed – as set by the Shareholders' Meeting with a separate resolution, which is made prior to the election – be 11, between 12 and 15 or higher than 15) which are chosen out of the list which came second in terms of votes.

To the purposes of submitting a list, a shareholder shall send a notification of list

submission to the Company's registered office (I-34132 Trieste, Piazza Duca degli Abruzzi No. 2) or, via email to the certified address [azioni@pec.generalis.com](mailto:azioni@pec.generalis.com), by the aforementioned date; the contents of such notification – as specified below – shall vary in one aspect, should a list be submitted by shareholders other than those holding a relative majority of the shares (hereinafter also referred to as “**Minority Shareholders**”). In fact, the laws and regulations in force as well as CONSOB recommendations on the matter at issue (**Annex G**) provide that Minority Shareholders submit a declaration on the possible connections between their lists and those submitted by Relative Majority Shareholders.

For confidentiality reasons, it is recommended that the documents filed, which will also be published on the Company's website, omit any other information which may not be strictly necessary given the laws and regulations in force (e.g. it would be inappropriate to include a candidate's telephone number in his/her CV).

### **Submission of a list by a shareholder holding a relative majority of shares**

A shareholder holding a relative majority of shares shall send a notification of list submission, the content of which shall be consistent with the attached template (**Annex H.1**) and shall attach the documents indicated below:

**H.2** a copy of the communication issued by an authorized intermediary, declaring the shareholder is entitled to submit the list;

**H.3** a statement (undersigned and dated) that each candidate accepts his/her nomination and any future appointment and confirms the absence of causes for ineligibility and incompatibility, and the fulfilment of the requirements of professionalism and respectability (by crossing out the relevant boxes) as provided by laws, regulations and internal rules in force;

**H.4** the C.V. of each candidate, undersigned and dated, including exhaustive information on the personal and professional characteristics of the candidate at issue and his/her competence in the insurance, finance and/or banking fields as well as in other relevant fields, as indicated in Assicurazioni Generali's Fit & Proper Policy. The C.V. shall point out the work experience of the candidate that, on the one hand, meets the requirement of eligibility and, on the other, is an aspect to be assessed by the Supervisory Authority (IVASS);

**H.5** a list (undersigned and dated) of the director-level, executive and supervisor positions held by each candidate with other companies;

**H.6** a declaration (undersigned and dated) with which each candidate confirms the fulfilment or the absence of the independence requirements as per Art. 6 of the Decree of the Ministry of Economic Development 11.11.2011, No. 220, of Art. 148, Paragraph 3 of the Consolidated Finance Act, and the fulfilment or absence of the requirements of independence as indicated by the Code (by crossing out the relevant box/boxes).

### **List submission by Minority Shareholders**

Minority Shareholders shall file a notification of list submission, the content of which shall be consistent with the attached template (**Annex I.1**) and shall attach the documents indicated below:

**I.2** a copy of the communication issued by an authorized intermediary, declaring the shareholder is entitled to submit the list;

**I.3** a statement (undersigned and dated) that each candidate accepts his/her nomination and any future appointment and confirms the absence of causes for ineligibility and incompatibility, and the fulfilment of the requirements of professionalism and respectability (by crossing out the relevant box/boxes) as provided by laws, regulations and internal rules in force;

**I.4** the C.V. of each candidate, undersigned and dated, including exhaustive information on the personal and professional characteristics of the candidate at issue and the competence in the insurance, finance and/or banking fields as well as in other relevant fields, as indicated in Assicurazioni Generali's Fit & Proper Policy. The C.V. shall point out the work experience of the candidate that, on the one hand, meets the requirement of eligibility and, on the other, is an aspect to be assessed by the Supervisory Authority (IVASS);

**I.5** a list (undersigned and dated) of the director-level, executive and supervisor positions held by each candidate with other companies;

**I.6** a declaration (undersigned and dated) with which each candidate confirms the fulfilment or the absence of the independence requirements as per Art. 6 of the Decree of the Ministry of Economic Development 11.11.2011, No. 220, of Art. 148, Paragraph 3 of the Consolidated Finance Act, and the fulfilment or absence

of the requirements of independence as indicated by the Code (by crossing out the relevant box/boxes);

**I.7** a declaration confirming the absence of connections pursuant to Art. 147-ter, Paragraph 3 of the Consolidated Finance Act, in conjunction with Art. 144-quinquies of the Provision on Issuers and the Consob recommendations of communication No. DEM/9017893 of 26 February 2009.

*alternatively*

**I.8** a declaration confirming the existence of connections pursuant to Art. 147-ter, Paragraph 3 of the Consolidated Finance Act, in conjunction with Art. 144-quinquies of the Provision on Issuers and the Consob recommendations of communication No. DEM/9017893 of 26 February 2009.

### **INFORMATION STATEMENT PURSUANT TO ART 13 OF LEGISLATIVE DECREE 196/2003**

Pursuant to laws and regulations in force with regard to personal data protection, it is hereby reported that Generali, the data controller, holds or intends to acquire the personal data relating to the candidates indicated by the shareholders interested in submitting lists for the appointment of Board Members for the three year -period 2016-2018, within the procedure for the election of the Board of Generali and to the purpose of managing the corporate procedures connected to any such appointment.

Such data are only those which are strictly necessary to the aforementioned purposes and are only processed with ways and procedures – with or without the aid of electronic instruments – necessary in order

to initiate the relationships subject of this information statement, including the case when some of this data are communicated to other persons connected to the corporate procedures pertaining to the appointment of Board Members; furthermore, for some of the services we also use trusted persons that carry out technical, organizational and operational tasks on our behalf, in Italy or abroad.

The data may also become known to collaborators of Generali, specifically authorised to the processing of such data, in their capacity of Managers or Instructed Persons for the pursuit of the aforementioned purposes.

The aforementioned data may be subject to diffusion to the purpose of compliance with laws, EU rules or regulation or with orders issued by Authorities authorised to

do so by law or supervisory and control bodies. Without such data, Generali would be unable to fulfil the abovementioned obligations, in whole or in part.

The concerned individuals are entitled to know which data are processed by Generali and, should the conditions arise, exercise the various rights connected thereto (rectification, update, removal, opposition, etc.) by addressing the relevant Corporate Manager as per Art. 7: Privacy, Via Marocchessa 14, 31021 Mogliano Veneto TV - [privacy.it@general.com](mailto:privacy.it@general.com).

The updated list of the information statements, the Managers and the categories of persons to whom the data may be communicated as well as Generali's Privacy policies are available on Generali's website ([www.general.com](http://www.general.com)).



**Assicurazioni Generali S.p.A.  
Articles of Association**

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**Art. 28**

- 28.1** The Company is managed by a Board consisting of not less than 11 and not more than 21 members appointed by the Shareholders' Meeting after having decided upon the number of members.
- 28.2** The composition of the Board of Directors shall comply with the criterion of gender balance prescribed by current laws and regulations. The members of the Board of Directors shall meet the requirements of professionalism, respectability and independence laid down by current legislation. No one who has reached the age of 77 may be elected Director. At least one-third of the Directors ("Independent Directors") shall meet the independence requirements laid down by law for Internal Auditors. If the number of members of the Board of Directors established by the Shareholders' Meeting is not a multiple of three, the number of Independent Directors called on to compose it shall be rounded down to the nearest whole number.
- 28.3** The Board of Directors shall be appointed based on lists, in accordance with the procedure laid down in this article.
- 28.4** The lists, except those containing less than three candidates, shall contain a number of candidates capable of ensuring a balance between the genders, no greater than that of the members to be elected, listed in accordance with a sequential number. Each candidate may be nominated in only one of the lists under penalty of ineligibility.
- 28.5** Lists may be submitted by members who, either alone or jointly with others, represent at least the minimum percentage of the share capital laid down by current legislation. Each shareholder entitled to vote and the companies directly and indirectly controlled by them, and companies directly or indirectly subject to joint control, may only submit one list. No account shall be taken of support given to any of the lists in breach of the terms of the preceding sentence.
- 28.6** Lists must be submitted to the Company within 25 days from the day before the date of the Shareholders' Meeting convened in first or single call.
- 28.7** The following documents shall be filed with the lists:
- (i) the curriculum vitae of each candidate, containing detailed information about the candidate's personal and professional characteristics and the skills acquired by him/her in the insurance, financial and/or banking field;
  - (ii) statements in which the candidates accept the nomination, undertake to accept the office if appointed, and further declare, under their own responsibility, that no grounds for incompatibility or ineligibility exist, and that they meet the requirements of respectability, professionalism and, if applicable, independence required by current legislation.
- 28.8** By the twenty-first day prior to the date of the Shareholders' Meeting in first or single call, shareholders who have submitted a list shall file a copy of the intermediaries' certificates certifying ownership of the percentage of share capital required by article 28.5. If this is not done, for the purposes of article 28 the list shall be deemed not to have been submitted

- 28.9** Each shareholder entitled to vote, the companies directly or indirectly controlled by it, and companies directly or indirectly subject to joint control, may only vote for one list. No account shall be taken of votes cast in breach of this provision.
- 28.10** Elections of Directors shall be conducted as follows:
- a) all the Directors to be elected, less those to be taken from the second list in accordance with the terms of paragraph b) below, shall be taken from the list that obtained the largest number of the votes cast by shareholders, in the sequential order with which the candidates are entered in the list. If the number of directors of the less represented gender drawn from that list is less than that prescribed by existing law, the candidate elected with the highest sequential number and belonging to the more represented gender shall be excluded. The excluded candidate shall be replaced by the next one belonging to the gender less represented drawn from the same list as the candidate excluded. If it is not possible to draw the necessary number of directors of the less represented gender from the list that obtained the highest number of votes, the missing directors shall be elected by the shareholders with a majority vote.
  - b) one, two or three Directors, depending on whether the number of members of the Board of Directors determined by the Shareholders' Meeting is 11, 12- 15 or over 15, shall be taken, based on the sequential number with which the candidates are indicated in the list, from the list which obtained the second-largest number of votes (without taking into account the votes cast by shareholders connected directly or indirectly with those who submitted or voted for the list that obtained the largest number of votes)
  - c) if two lists obtain the same number of votes, the Meeting shall vote again;
  - d) the Independent Directors shall be taken from the list that obtained the largest number of votes. If the number of Independent Directors taken from that list is less than the number specified in article 28.2, the elected candidate who has the highest sequential number and does not meet the necessary independence requirements shall be excluded. The excluded candidate shall be replaced by the next candidate who meets the said requirements, taken from the same list as the excluded candidate. If it is impossible to take the required number of Independent Directors from the list that obtained the largest number of votes, the missing directors shall be appointed by the Shareholders' Meeting on a majority vote.
  - e) if an elected candidate cannot or does not wish to accept the appointment, s/he shall be replaced by the first of the unelected candidates on the list to which the said refusing candidate belonged;
  - f) for the purpose of application of the preceding terms and the allocation of the Directors, no account shall be taken of lists that do not obtain a percentage of the votes amounting to at least half the amount required by the Articles of Association for submission of lists;
  - g) if only one list is submitted, Art. 21 Paragraph 3 shall apply.
- 28.11** If no list is submitted by the due date, the Shareholders' Meeting shall pass resolutions by a relative majority of the shareholders present.
- 28.12** The members of the Board of Directors stay in office for three financial years, their mandate ends on the date of the meeting for the approval of the Financial Statements related to the last financial year covered by their term of office and are eligible for re-appointment. In case of appointment during such three years, the term of office of the newly appointed directors shall expire with that of the directors in office.
- 28.13** If a Director taken from the list specified in article 28.10.b should cease to hold office.
- i) the Board of Directors shall replace that Director by appointing the first of the unelected candidates in the list to which the outgoing director belonged as Director, provided that

the said candidate is still eligible and willing to accept the appointment and is of the same gender;

- ii) the Shareholders' Meeting shall replace the outgoing Director by majority vote, selecting his/her replacement if possible from among the candidates on the same list who previously accepted the replacement and are of the same gender.

In all other cases in which a Director ceases to hold office during the three-year period, that Director shall be replaced in accordance with current legislative provisions, in compliance with the principle of necessary gender representation established by current law. If an Independent Director ceases to hold office, his/her replacement, co-opted by the Board of Directors or appointed by the Shareholders' Meeting, shall meet the independence requirements laid down by law for holding the office of Internal Auditor.

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**REGULATIONS REGARDING THE REQUIREMENTS OF PROFESSIONALISM, RESPECTABILITY, INDEPENDENCE AND THE CAUSES FOR INELIGIBILITY AND FORFEITURE OF OFFICE**

**ITALIAN CIVIL CODE**

**Art. 2382**

**Causes for ineligibility and forfeiture of office**

1. Interdicted and banned persons, disqualified persons, bankrupt persons or those persons who have been sentenced to a penalty entailing a ban, even temporary, from public office or the inability to exercise managerial functions cannot be appointed as directors and, if appointed, forfeit their office.

\* \* \* \* \*

**Legislative Decree 7.9.2005, No. 209**

**Art. 76**

**(Requirements of professionalism, respectability and independence of company members and persons carrying out fundamental functions)**

1. Persons carrying out director-level, executive and supervisory functions and those carrying out fundamental functions with insurance and reinsurance companies, shall meet the professionalism, respectability and independence requirements, according to principles of proportionality and taking into account the significance and complexity of the posts they hold, as set by the Rules adopted by the Ministry of Economic Development, having heard the opinion of IVASS.

1-bis. Insurance and reinsurance companies shall prove to IVASS that the persons carrying out director-level, executive and supervisory functions as well as those carrying out fundamental functions meet the requirements indicated in Paragraph 1 above.

2. Failure to meet the requirements, whether initially or at a later stage, is a cause for forfeiture of office. Such forfeiture is declared by the Board of Directors or the Supervisory Board or the Management Board within thirty days of the appointment or of such failure becoming known. The replacement is notified to IVASS. In the event of failure to act on the part of the above boards, forfeiture is declared by IVASS, which requests the person to forfeit his/her office, pursuant to Art. 188, Paragraph 3-bis, letter e).

3. In the event of failure to meet the requirements of independence as provided by the Civil Code or the Articles of Association of the insurance or reinsurance company, Paragraph 2 above shall apply.

4. The rule detailed in Paragraph 1 above sets the causes for temporary suspension from office and the duration of such suspension is declared following the same procedure as indicated in Paragraph 2 above.

\* \* \* \* \*

**DECREE OF THE ITALIAN MINISTRY OF ECONOMIC DEVELOPMENT**

**11 November 2011, No. 220**

**Regulations fixing the requirements of professionalism, respectability and independence of company members as well as the requirements of respectability of shareholders, pursuant to Articles 76 and 77 of the Code of Private Insurance Companies as per Legislative Decree 7 September 2005, No. 209.**

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**Art. 3 – Requirements of professionalism of company members**

1. The Directors and Auditors of an insurance or reinsurance company are selected in accordance with criteria of professionalism and competence from among candidates who have a total of at least three years' experience developed through carrying out one or more of the following activities:
  - a) director-level, executive or supervisory activities with companies or entities in the insurance, credit or finance industries;
  - b) director-level, executive or supervisory activities in public entities or public administrations connected to the insurance, credit or finance industries or with other industries if the functions carried out implied management and supervision of financial and economic resources;
  - c) director-level, executive or supervisory activities in public or private undertakings the sizes of which are commensurate to the size of the insurance or reinsurance company with which the office at issue is going to be held;
  - d) professional activities in matters connected with the insurance, credit or finance industries, or tenured university teaching positions in law, finance and statistics course subjects relating to the insurance industry.
2. The Chairman of the Board, the Members of the Executive Committees, the Managing Directors and at least one third of the actual and deputy Auditors are to be chosen based on professionalism and competence criteria among those individuals who have developed a total of at least five years' experience, with exclusive regard to the provisions of letters a), c) and d) of Paragraph 1.
3. For the office of General Manager or for offices involving the exercise of equivalent functions, specific professional competence is required in the fields of insurance, credit or finance by way of work experience acquired in positions entailing manager-level functions of appropriate responsibility for a period of no less than five years.

**Art. 4 – Impediments**

1. Candidates who have been directors, general managers, auditors or liquidators in companies that have been subject to procedures of extraordinary administration, bankruptcy or compulsory administrative liquidation or equivalent procedures during the three years prior to adoption of the relevant orders are prohibited from taking the office of director, general manager, auditor or liquidator in insurance and reinsurance companies, or offices involving the exercise of equivalent functions. This prohibition remains in place for a three-year period starting from the adoption of the relevant orders. This length of time is reduced to one year should any of the above procedure be initiated on request of the entrepreneur, the company's Board or as a consequence of a report made by the candidate concerned.
2. Nor can the offices mentioned in Paragraph 1 above be held by individuals who have been subject to a cancellation order from the consolidated national register of stock brokers as

required by Art. 201, Paragraph 15 of Legislative Decree 24 February 1998, No. 58, and the stock brokers who are excluded from negotiations in a regulated market. This prohibition remains in place for the three-year period starting from the adoption of the relevant orders. This length of time is reduced to one year in the event the order was adopted on request of the stock broker at issue.

3. The impediment mentioned in Paragraph 1 above shall not apply should the competent company body assess, based on adequate elements, and on criteria of reasonableness and proportionality, that the individual concerned is not involved in the facts that caused the crisis within the undertaking. To this purpose, the length of time during which the concerned individual carried out the functions at issue within the company and the absence of sanctions related to him/her will be taken into account, as well as the absence of convictions with permanent or provisionally enforceable orders to pay damage as a consequence of liability, pursuant to the Italian Civil Code, to resolutions for replacement on the part of the competent body and other relevant orders.
4. Should the circumstances mentioned in Paragraphs 1 and 2 above occur, the individuals concerned shall notify the undertaking for which they carry out the director-level, executive or supervisory functions and possibly point their non-involvement in the matters that caused the crisis within the undertaking with suitable elements, to the purposes of the assessment as mentioned in Paragraph 3 above.
5. The competent body shall make the relevant decisions with regard to the existence of the impediments mentioned in this article, no later than thirty days from the notification of the elements on the part of the concerned individual, thereby notifying the individual concerned and ISVAP of its motivated decisions. Such assessment shall be made again should new facts arise or orders be issued that may be relevant to this purpose, which the concerned individual shall promptly make known.

#### **Art. 5 – Requirements of respectability**

1. To the purposes of this decree, the requirement of respectability does not apply if the individuals concerned fall under any of the following categories:
  - a) legal disqualification or temporary debarment from direction functions over juridical persons and companies and, in any case, all the situations provided for by Art. 2382 of the Italian Civil Code;
  - b) liability to preventative measures taken by the judicial authorities pursuant to Law 27 December 1956, No. 1423 or Law 31 May 1965, No. 575, and Law 13 September 1982, No. 646 and subsequent amendments and additions, except for the effects of discharge;
  - c) a final judgment of conviction, except for the effects of discharge:
    - 1) to imprisonment for one of the crimes listed in the special regulations that discipline the insurance, credit and financial industries, as well as the securities and securities market industries, and in Legislative Decree 21 November 2007, No. 231 and subsequent amendments and additions;
    - 2) to imprisonment for one of the crimes described under Section XI, Book V of the Italian Civil Code and in Royal Decree 16 March 1942, No. 267;
    - 3) to imprisonment for a term of not less than one year for a crime against government, against public faith, against property, against public order, against the public economy or for a crime relating to tax issues;
    - 4) to imprisonment for a term of not less than two years for any offence committed with criminal intent.
2. The posts of Director, General Manager or Auditor (however named) in insurance and reinsurance companies may not be held by those who are or have been subject to any of the sentences provided for in Paragraph 1, letter c) above, on request of any of the parties, except in

the event of extinction of the related offences. Should the sentences provided for in Paragraph 1, letter c), under 1) and 2) be levied on request of any of the parties, they shall not be taken into account if their length is less than one year.

3. In the event of a case regulated in whole or in part by foreign legal systems, the assessment of the existence of the conditions provided for in Paragraphs 1 and 2 is carried out based on an assessment of substantial equivalence on the part of ISVAP.

#### **Art. 6 – Requirements of independence**

1. The director-level, executive and supervisory functions in an insurance or reinsurance company are not compatible with the carrying out of similar functions, with the simultaneous existence of working relationships, continuous consultancy relationship or paid provisions of work or services or other relationships having a financial nature, with other insurance or reinsurance companies which are their subsidiaries or holding companies, which may jeopardise their independence.
2. For the purpose of assessing the compatibility with regard to meeting the independence requirement detailed in Paragraph 1, the different relevance of the functions and the different roles held by the individuals concerned are taken into account. In any case, the positions and the relationships with undertakings belonging to the same insurance group are not considered capable of jeopardising such independence.
3. The individuals indicated in Art. 2, Paragraph 1, shall inform the competent Company Boards of the positions and the relationships detailed in this article, declaring whether they are capable of affecting their independence as specified in this article. The aforementioned competent Company Boards shall assess the above declarations and any report or information legally and independently acquired on the matter, taking into account the criteria mentioned in Paragraph 2.

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### **DECREE OF THE MINISTRY OF TREASURY, BUDGET POLICY AND ECONOMIC PLANNING 11 November 1998, No. 469**

#### **Regulations for the identification of the requirements of respectability of shareholders of brokerage firms (SIM), asset management companies and open-end investment companies (SICAV), and setting of the relevant thresholds.**

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#### **Art. 1 – Respectability of shareholders of SIMs, asset management companies and SICAVs**

1. Shareholders of brokerage firms (hereinafter also referred to as “SIM”), or asset management companies (hereinafter also referred to as “SGR”), holding more than 5% of the capital represented by shares with voting rights may not exercise their rights to vote relating to the exceeding shares or amounts in the following cases:
  - a) they are subject to preventative measures taken by the judicial authorities pursuant to Law 27 December 1956, No. 1423 or Law 31 May 1965, No. 575 and subsequent amendments and additions, except for the effects of discharge;

- b) they have been sentenced, with a final judgment of conviction, except for the effects of discharge:
    - 1) to imprisonment for a term of no less than six months for one of the crimes provided for by the regulations relating to banking, finance, insurance and securities-related fields and the regulations relating to securities and securities markets and payment instruments;
    - 2) to imprisonment for a term of no less than six months for one of the crimes described under Section XI, Book V of the Italian Civil Code and in Royal Decree 16 March 1942, No. 267;
    - 3) to imprisonment for a term of no less than one year for a crime against government, against public faith, against property, against public order, against the public economy or for a crime relating to tax issues;
    - 4) to imprisonment for a term of no less than two years for any offence committed with criminal intent;
  - c) they have been convicted and sentenced to one of the penalties as indicated under b) above, should the relevant sanction be levied on request of any of the parties, except in the event of extinction of the related offences. Penalties indicated in letter b), under 1) and 2) are not taken into account if their length is less than one year.
2. Paragraph 1 applies to any shareholder of an open-end investment company (hereinafter also referred to as "SICAV") holding more than:
    - a) five percent of the capital represented by registered shares, should the company's articles of association set limits to the issue of registered shares;
    - b) the lower threshold between 20,000 registered shares and ten percent of the capital represented by registered shares, should the company's articles of association not set limits to the issue of registered shares.
  3. Paragraph 1 also applies to anyone who, regardless of the amount of share capital owned, holds a majority interest in the SIM, SGR or SICAV at issue, pursuant to Art. 23 of Legislative Decree 1 September 1993, No. 385. In this case, the ban on exercising voting rights relates to the whole of the share capital held.
  4. Should the shareholder be a legal person, the requirements indicated in Paragraphs 1 and 2 shall be met by the directors and the general manager or the individuals holding similar positions.
  5. With reference to the cases regulated by foreign legal system, the assessment on the fulfilment of the requirements provided for in this article, is made by Consob based on an assessment of substantial equivalence with regard to the case indicated in Art. 3, Paragraph 2, letter a) above, and by Banca d'Italia in the cases provided for in Art. 3, Paragraph 2, letters b) and c) above.

....omissis...

\* \* \* \* \*

**DECREE OF THE MINISTRY OF TREASURY, BUDGET POLICY AND ECONOMIC PLANNING  
18 March 1998, No. 144**

**Regulations for the identification of the requirements of respectability of shareholders of banks and setting of the relevant threshold.**

....omissis...



**Art. 1 – Respectability of bank shareholders.**

1. Shareholders of banks, holding more than 5% of the capital represented by shares with voting rights may not exercise their right to vote relating to the exceeding shares or amounts in the following cases:
  - a) they are or have been subject to preventative measures taken by the judicial authorities pursuant to Law 27 December 1956, No. 1423 or Law 31 May 1965, No. 575 and subsequent amendments and additions, except for the effects of discharge;
  - b) they have been sentenced, with a final judgment of conviction, except for the effects of discharge:
    - 1) to imprisonment for a term of no less than six months for one of the offences provided for by the regulations relating to banking, finance, insurance and securities-related fields and the regulations relating to securities and securities markets and payment instruments;
    - 2) to imprisonment for a term of no less than six months for one of the crimes described under Section XI, Book V of the Italian Civil Code and in Royal Decree 16 March 1942, No. 267;
    - 3) to imprisonment for a term not less than one year for a crime against government, against public faith, against property, against public order, against the public economy or for a crime relating to tax issues;
    - 4) to imprisonment for a term of no less than two years for any offence committed with criminal intent.
  - c) they have been convicted and sentenced to one of the penalties as indicated under b) above, should the relevant sanction be levied on request of any of the parties, except in the event of extinction of the related offences. Penalties indicated in letter b), under 1) and 2) are not taken into account if their length is less than one year.
2. Paragraph 1 also applies to anyone who, regardless of the amount of share capital owned, holds a majority interest in the bank at issue, pursuant to Art. 23 of Legislative Decree 1 September 1993, No. 385. In this case, the suspension of the exercise of voting rights relates to the whole of the share capital held.
3. Should the shareholder be a legal person, the requirements indicated in Paragraphs 1 shall be met by the directors and the manager or the individuals holding similar positions.
4. With regard to those cases regulated by foreign legal systems, the assessment of the existence of the conditions provided for in this article is carried out based on an assessment of substantial equivalence made by Banca d'Italia.
5. Upon release of the authorization provided for in Art. 14 of Legislative Decree 1 September 1993, No. 385, the fulfilment of the requirements indicated in Paragraph 1 shall not prevent Banca d'Italia from assessing any criminal record or criminal investigation targeting those holding a share of the bank's capital, regardless of whether this is higher or lower than five percent.
6. The Chairman of the Shareholders' Meeting, in view of his/her task of assessing that the Meeting is duly convened and of verifying the shareholders are legally entitled to participate, has the task to admit (or not to admit) to vote the persons that, based on the available information, shall demonstrate they meet the requirement of respectability.

....*omissis*...

\* \* \* \* \*

**DECREE OF THE ITALIAN MINISTRY OF JUSTICE**  
**30 March 2000, No. 162**

**Regulations for the setting of the requirements of professionalism and respectability of the members of the Board of Auditors of listed companies to be issued pursuant to Art. 148 of Legislative Decree 24 February 1998, No. 58**

....*omissis*...

**Art. 1 – Requirements of professionalism**

1. Italian companies listed in regulated markets in Italy or other countries in the European Union, choose, out of those people entered in the registry of auditors who have carried out the activity of legal auditing for no less than three years, at least one of the permanent auditors, if there are three of them, at least two of the permanent auditors, if there are more than three of them and at least one of the substitute auditors in both cases.
2. The auditors who do not meet the requirement provided for in Paragraph 1 above are chosen from those who have, as a whole, at least three years' experience in the field of:
  - a) director-level or supervisory activities or non-managing tasks in capital companies having a share capital of no less than two million Euros, or
  - b) professional activities or tenured university teaching positions in legal, economic, financial and technical-scientific course subjects, strictly pertaining to the business of the Company, or
  - c) management functions in public entities or administration bodies in the credit, finance and insurance industries or in any case, in industries strictly connected the Company's business.
3. For the purpose of complying with the provisions of Paragraph 2, letters b) and c) above, the articles of association specify the matters and the industries which are strictly connected to the Company's business. The Articles of Association may include other additional conditions for the fulfilment of the professionalism requirements provided for in the previous paragraphs.
4. Those who have carried out director-level, management-level or supervisory functions in the categories of companies indicated below for at least eighteen months out of the two previous financial years preceding the adoption of the relevant orders and the current financial year, may not hold the post of auditor:
  - a) companies that have been subject to proceedings of bankruptcy or compulsory administrative liquidation or equivalent procedures;
  - b) companies operating in the credit, finance, securities-related and insurance markets, that have been subject to extraordinary administration proceedings.
5. Nor can the position of auditor be held by individuals who have been subject to a cancellation order from the consolidated national register of stock brokers as required by Art. 201, Paragraph 15 of Legislative Decree 24 February 1998, No. 58, and the stock brokers who are excluded from negotiations in a regulated market.
6. The prohibition mentioned in Paragraphs 4 and 5 above shall have a duration of three years as of the adoption of the relevant orders. This length of time is reduced to one year in the event the order was adopted on request of the entrepreneur, the administration bodies of the undertaking, or the stock broker at issue.

**Art. 2 – Requirements of respectability**

1. The position of auditor for the companies indicated in Art. 1, Paragraph 1 above may not be held by individuals who:

- a) have been subject to preventative measures taken by the judicial authorities pursuant to Law 27 December 1956, No. 1423 or Law 31 May 1965, No. 575 and subsequent amendments and additions, except for the effects of discharge;
  - b) have been sentenced, with a final judgment of conviction, except for the effects of discharge:
    - 1) to imprisonment for one of the crimes provided for in the regulations relating to banking, finance, and insurance fields and the regulations relating to markets, financial instruments, payment instruments and tax issues;
    - 2) to imprisonment for one of the crimes described under Section XI, Book V of the Italian Civil Code and in Royal Decree 16 March 1942, No. 267;
    - 3) to imprisonment for a term of no less than six months for a crime against government, public faith, property, public order and the public economy;
    - 4) to imprisonment for a term of no less than one year for any offence committed with criminal intent.
2. The position of auditor for any of the companies indicated in Art. 1, Paragraph 1 may not be held by individuals who are or have been subject to any of the sentences provided for in Paragraph 1, letter b) above, on request of any of the parties, except in the event of extinction of the related offences.

....*omissis*...

\* \* \* \* \*

**DECREE OF THE MINISTRY OF TREASURY, BUDGET POLICY AND ECONOMIC PLANNING  
30 December 1998, No. 517**

**Regulations for the setting of the requirements of respectability of shareholders of Financial brokers, pursuant to Art. 108 of Legislative Decree 1 September 1993, No. 385.**

....*omissis*...

**1 – Respectability of shareholders of Financial Brokers.**

1. Shareholders of financial brokers, who hold more than 5% of the capital represented by shares with voting rights may not exercise their right to vote relating to the exceeding shares or amounts in the following cases:
  - a) they are subject to preventative measures taken by the judicial authorities pursuant to Law 27 December 1956, No. 1423 or Law 31 May 1965, No. 575 and subsequent amendments and additions, except for the effects of discharge;
  - b) they have been sentenced, with a final judgment of conviction, except for the effects of discharge:
    - 1) to imprisonment for a term of no less than six months for one of the offences provided for by the regulations relating to banking, finance, insurance and securities-related fields and the regulations relating to securities and securities markets and payment instruments;

- 2) to imprisonment for a term of no less than six months for one of the crimes described under Section XI, Book V of the Italian Civil Code and in Royal Decree 16 March 1942, No. 267;
  - 3) to imprisonment for a term of no less than one year for a crime against government, public faith, property, public order, the public economy or for a crime relating to tax issues;
  - 4) to imprisonment for a term of no less than two years for any offence committed with criminal intent.
- c) they have been convicted and sentenced to one of the penalties as indicated under b) above, should the relevant sanction be levied on request of any of the parties, except in the event of extinction of the related offences. Penalties indicated in letter b), under 1) and 2) are not taken into account if their length is less than one year.
2. The provision indicated in Paragraph 1 above also applies to those who, regardless of the amount of the share capital they hold, hold a majority share in the financial broker, pursuant to Art. 23 of the Consolidated Finance Act. In this case, the suspension of voting rights affects the whole amount of share capital held.
  3. Should the shareholder be a legal person, the requirements indicated in Paragraph 1 shall be met by the directors and the manager or the individuals holding similar positions.
  4. In the event of a case regulated by foreign legal systems, the assessment of the existence of the requirements provided for in this article is carried out based on an assessment of substantial equivalence.
  5. The Chairman of the Shareholders' Meeting, in view of his/her task of assessing that the Meeting is duly convened and of verifying the shareholders are legally entitled to participate, has the task to admit (or not to admit) to vote the persons that, based on the available information, should demonstrate they meet the requirement of respectability.

....*omissis*...

**Assicurazioni Generali.  
FIT & PROPER POLICY**

....omissis...

**4.1 THE MEMBERS OF THE BOARD OF DIRECTORS**

**4.1.1 Fitness requirements**

The Board of Directors of Assicurazioni Generali, shall collectively possess appropriate experience and knowledge about:

- the market in which the undertaking operates,
- business strategy and business model,
- system of governance,
- actuarial and financial analysis,
- regulatory framework and requirements.

Market knowledge means an awareness and understanding of the wider relevant business economic and market environment in which the undertaking operates and an awareness of the level of knowledge of and needs of customers.

Business strategy and business model knowledge refers to a detailed understanding of the undertaking's business strategy and model.

System of Governance knowledge means the awareness and understanding of the risks that the undertaking is facing and the capability to manage them. Furthermore, it includes the ability to assess the effectiveness of the undertaking's arrangements to deliver effective governance, oversight and controls in the business and, if necessary, oversee changes in these areas.

Actuarial and Financial analysis knowledge means the ability to interpret the undertaking's actuarial and financial information, identify and assess key issues, and take any necessary measures (including appropriate controls) based on this information.

Regulatory framework and requirements knowledge means awareness and understanding of the regulatory framework in which the undertaking operates, in terms of both the regulatory requirements and expectations, and the capacity to adapt to changes in the regulatory framework without delay.

In particular, each member of the Board of Directors shall meet the requirements set forth in article 76 of Legislative Decree No. 209 of 7 September 2005 (the "Italian Insurance Code") and in article 3 of the Decree of the Italian Ministry of the Economic Development No. 220 of 11 November 2011.

Moreover, each member of the Board of Directors shall comply with the provisions set forth in article 36 of Law Decree No. 201 of December 6, 2011.

**4.1.2 Fitness evaluation**

The Board of Directors of Assicurazioni Generali is expected to take collective decisions based on the contribution of each single member. The members of the Board of Directors are not expected to possess, each of them individually, expert knowledge, competence and experience within all areas in which the Company operates. However, the collective knowledge, competence and experience of the Board of Directors as a whole have to provide for a sound and prudent management of the Company.

Therefore, the fitness of the members of the Board of Directors shall be evaluated from both an individual and a collective perspective.

When assessing the knowledge, competence and experience required for the performance of a particular role with the Board of Directors, the qualifications and experience of the employees within the undertaking can also be taken into account as a relevant factor.

The evaluation shall demonstrate that the collective knowledge of the body is maintained at an adequate level at all times.

The evaluation of the possession of the fitness requirements shall be executed by the Board of Directors itself:

- in one of the first meetings after their appointment,
- at least once a year,
- whenever a change in the composition of the Board of Directors occurs due to any reason whatsoever (including, without limitation, in the event of replacement of one of the members of the Board due to resignation, revocation, death, etc.).

....*omissis*...

**LAW 22 December 2011, No. 214  
converting the so-called “Salva Italia” Decree**

**Protection of competition and personal cross shareholdings in the credit and financial markets**

*....omissis...*

**Art. 36**

1. It is forbidden for those holding top-level positions in the administrative, governing and supervisory bodies as well as the top-level officers of companies or groups of companies operating in the credit, insurance and finance markets, to accept or hold similar offices in competitor companies or groups of companies.

2. To the purposes of the prohibition indicated in Paragraph 1 above, competitor companies or groups of companies are those among which there are no controlling relationships as mentioned in Art. 7 of Law 10 October 1990, No. 287, that operate in the same product or geographical markets.

*2-bis.* Should the situation mentioned in Paragraph 1 above arise, those holding incompatible positions may make a choice within 90 days of their appointment. Failure to do that shall result in forfeiture of all positions and such forfeiture shall be declared by the competent bodies of the concerned undertakings within thirty days following the expiry of the term or of the breach of the prohibition becoming known. In the event of inaction, forfeiture is declared by the competent Supervisory Authority of the industry at issue.

*2-ter.* In the event of a first-time application of the above, the deadline by which the option mentioned in Paragraph 2-bis above can be exercised is 120 days after the date the law converting this decree comes into force.

*....omissis...*

**LEGISLATIVE DECREE 24 February 1998, No. 58 (Consolidated Finance Act)  
Requirements of Independence**

....*omissis*...

**Art. 147-ter**

1. ....*omissis*...

2. ....*omissis*...

3. ....*omissis*...

4. In addition to what is provided for in Paragraph 3, at least one of the members of the board of directors, or two if the board of directors is composed of more than seven members, should meet the independence requirements established for members of the board of auditors in Article 148, Paragraph 3, and, if provided for in the articles of association, the additional requirements established in codes of conduct drawn up by regulated stock exchange companies or by trade associations. This paragraph shall not apply to the board of directors of companies organised under the one-tier system, which shall continue to be subject to the second paragraph of Article 2409-septiesdecies of the Italian Civil Code. The independent director who, following his or her nomination, loses the requisites of independence should immediately inform the board of directors about this and, in any case, shall fall from his/her office.

....*omissis*...

**Art. 148 – Paragraph 3**

1. ....*omissis*...

2. ....*omissis*...

3. The following persons may not be elected as auditors and, if elected, shall be disqualified from office:
- a) those who are in the conditions referred to in Article 2382 of the Italian Civil Code;
  - b) spouses, relatives and the like up to the fourth degree of kinship of the directors of the company, and directors, spouses, relatives and the like up to the fourth degree of kinship of the directors of the companies it controls, the companies it is controlled by and those subject to common control;
  - c) those who are linked to the company, the companies it controls, the companies it is controlled by and those subject to common control or to directors of the company or persons referred to in paragraph b) above by self-employment or employee relationships or by other relationships of an economic or professional nature that might compromise their independence.

....*omissis*...



## **CODE OF CORPORATE GOVERNANCE FOR LISTED COMPANIES**

### **Requirements of Independence**

#### **Art. 3 – Independent Directors**

##### ***Principles***

**3.P.1.** An adequate number of non-executive directors shall be independent, in the sense that they do not maintain, directly or indirectly or on behalf of third parties, nor have recently maintained any business relationships with the issuer or persons linked to the issuer, of such a significance as to influence their autonomous judgement.

**3.P.2.** The directors' independence shall be assessed by the Board of Directors after the appointment and, subsequently, on a yearly basis. The results of the assessments of the Board shall be communicated to the market.

##### ***Criteria***

**3.C.1.** The Board of Directors shall evaluate the independence of its non-executive members having regard more to the substance than to the form and keeping in mind that a director usually does not appear independent in the following events, to be considered merely as an example and not limited to:

- a) if he/she controls, directly or indirectly, the issuer, also through subsidiaries, trustees or third parties, or is able to exercise a dominant influence over the issuer, or participates in a shareholders' agreement through which one or more persons can exercise a control or dominant influence over the issuer;
- b) if he/she is, or has been in the preceding three fiscal years, a significant representative of the issuer, of a subsidiary having strategic relevance or of a company under common control with the issuer, or of a company or entity controlling the issuer or able to exercise over the same a considerable influence, including when jointly with others through a shareholders' agreement;
- c) if he/she has, or had in the preceding fiscal year, directly or indirectly (e.g. through subsidiaries or companies of which he/she is a significant representative, or in his/her capacity as partner of a professional firm or of a consulting company) a significant commercial, financial or professional relationship;
  - with the issuer, one of its subsidiaries, or any of its significant representatives;
  - with a person who, individually or jointly with others through a shareholders' agreement, controls the issuer, or – should this be a company or an entity – with its significant representatives;or is, or has been, an employee of the above-mentioned subjects in the previous three fiscal years;
- d) if he/she receives, or has received in the preceding three fiscal years, from the issuer or a subsidiary or holding company of the issuer, a significant additional remuneration (compared to the "fixed" remuneration as a non-executive director of the issuer and to the remuneration for membership in the committees that are recommended by this Code) also in the form of participation in incentive plans linked to the company's performance, including stock option plans;
- e) if he/she was a director of the issuer for more than nine years in the previous twelve years;

- f) if he/she is vested with the executive director office in another company in which an executive director of the issuer holds the office of director;
- g) if he/she is shareholder or quota holder or director of a legal entity belonging to the same network as the company appointed for the auditing of the issuer;
- h) if he/she is a close relative of an individual who is in any of the positions listed in the above paragraphs.

**3.C.2.** For the purpose of the above, the chairman of the entity, the chairman of the Board of Directors, the executive directors and key management personnel of the relevant company or entity, shall be considered as “significant representatives”.

**3.C.3.** The number and competences of independent directors shall be adequate in relation to the size of the Board and the activity performed by the issuer; moreover, they shall be such as to enable the constitution of committees within the Board, according to the indications set out in the Code.

As for issuers belonging to the FTSE-Mib index, at least one third of the Board of Directors members shall be made up of independent directors. If such a number is not an integer, it shall be rounded down.

In any event, there shall not be less than two independent directors.

**3.C.4.** After the appointment of a director who qualifies himself/herself as independent, and subsequently, upon the occurrence of circumstances affecting the independence requirement and, in any case, at least once a year, the Board of Directors shall evaluate, on the basis of the information provided by the same director or available to the issuer, those relations which could be or appear to be such as to jeopardize the autonomy of judgement of such director.

The Board of Directors shall notify the result of its evaluations, after the appointment, through a press release to the market and, subsequently, within the Corporate Governance Report.

In the documents mentioned above, the Board of Directors shall:

- disclose whether they adopted criteria for assessing the independence which are different from the ones recommended by the Code, also with reference to individual directors, and if so, specifying the reasons;
- describe quantitative and/or qualitative criteria used, if any, in assessing the relevance of relationships under evaluation.

**3.C.5.** The board of statutory auditors shall ascertain, in the framework of the duties attributed to it by the law, the correct application of the assessment criteria and procedures adopted by the Board of Directors for evaluating the independence of its members. The result of such controls is notified to the market in the Corporate Governance Report or in the report of the Board of statutory auditors to the shareholders’ meeting.

**3.C.6.** The independent directors shall meet at least once a year without the presence of the other directors.

....*omissis*...

**LEGISLATIVE DECREE 24 February 1998, No. 58 (Consolidated Finance Act)**

**Certification as to the existence or absence of connections between lists of candidates for the appointments to the Board of Director.**

**Art. 147 *ter* – Paragraph 3**

*1.....omissis*

*2. ...omissis*

3. Except as provided for in Article 2409-septiesdecies of the Italian Civil Code, at least one Board member shall be elected from the minority slate that obtained the largest number of votes and is not linked in any way, directly or indirectly, to the shareholders who presented or voted the list which resulted first by the number of votes. In companies organised under the one-tier system, the member elected from the minority slate must satisfy the respectability, experience and independence requirements established pursuant to Article 148, Paragraphs 3 and 4. Failure to satisfy the requirements shall result in disqualification from the position.

*....omissis...*

\* \* \* \* \*

**CONSOB REGULATION  
14 May 1999, No. 11971  
(DISCIPLINE OF ISSUERS)**

*....omissis...*

**Art. 144 *quinquies***

1. The material relationships of affiliation pursuant to Article 148, Paragraph 2, of the Consolidated Finance Act between one or more reference shareholders and one or more minority shareholders shall be deemed to exist in at least the following cases:
  - a) family relationships;
  - b) membership of the same group;
  - c) control relationships between a company and those who jointly control it;
  - d) relationships of affiliation pursuant to Article 2359, Paragraph 3 of the Italian Civil Code, including with persons belonging to the same group;
  - e) the performance, by a shareholder, of management or executive functions, with the assumption of strategic responsibilities, within a group that another shareholder belongs to;

- f) participation in the same shareholders' agreement provided for in Article 122 of the Consolidated Finance Act involving shares of the issuer, of its parent company or one of its subsidiaries.
2. When a person affiliated to the reference shareholder has voted for a minority shareholder list, the existence of such relationship of affiliation shall only be deemed to be material when the vote is decisive for the election of the auditor.

....*omissis*...

\* \* \* \* \*

## **CONSOB COMMUNICATION DEM/9017893 of 26 February 2009**

### **Appointment of the members of governing and supervisory bodies - Recommendations**

....*omissis*...

2. In the event of the election of the governing body it is recommended that shareholders submitting a minority list should file a statement, together with the list, that confirms the absence of connections, whether direct or indirect, pursuant to Art. 147-ter, Paragraph 3, of the Consolidated Finance Act and Art. 144-quinquies of the Discipline of Issuers, with those shareholders holding, individually or jointly with others, a controlling or relative majority stake, as identified based on the communications of the significant shareholdings as per Art. 120 of the Consolidated Finance Act or the publication of shareholders' agreements pursuant to Art. 122 of the same Decree.

The aforementioned statement shall also specify the significant connections, if any, with those shareholders holding, individually or jointly with others, a controlling or relative majority stake, as well as the reasons why such relationships were not deemed fundamental for the presence of the aforementioned connections or shall confirm the absence of the aforementioned connections

Particularly it is recommended that among the aforementioned significant connections, if any, the following are mentioned:

- family relationships;
- participation in the recent past to a shareholders' agreement (also on the part of companies of the respective groups) provided for in Article 122 of the Consolidated Finance Act, relating to shares of the issuer or of companies belonging to the group of the issuer;
- participation (also on the part of companies of the respective groups) to the same shareholders' agreement relating to shares of third party companies;
- the existence of shareholdings, whether direct or indirect, and the existence of crossholdings, if any, whether direct or indirect, including those between the companies of the respective groups;
- assuming offices in the governing or supervisory bodies of the companies of the reference or relative majority shareholder's (or shareholders') group or having done that in the recent past, as well as working as an employee for any of these companies, or having done that the recent past;

- belonging, directly or through representatives, to the list submitted by the shareholders holding, whether individually or together, a controlling or relative majority stake with regard to the previous election of the governing or supervisory bodies
- participating in the previous election of the governing or supervisory bodies to submitting a list with the shareholders holding, whether individually or together, a controlling or relative majority stake or voting a list submitted by the same.
- having commercial, financial (other than the typical lender's activities) or professional relations, or having had those in the past.
- the presence of candidates, in the so-called minority list, that are executive directors or manager with strategic responsibilities (or have been in the recent past) of the controlling or relative majority shareholder or shareholders or of companies belonging to the respective groups.

....*omissis*...

## Annex H.1

Messrs  
Assicurazioni Generali S.p.A.  
Piazza Duca degli Abruzzi, 2  
34132 TRIESTE

To the Kind Attention of the Secretary of the Board of Directors  
in charge of the Corporate Affairs function

[place], [date] 2016

**RE: Ordinary Shareholders' Meeting of 26-28 April 2016: submission of candidates' lists for the appointment to the Board of Directors of Assicurazioni Generali S.p.A.**

The undersigned [*name of company undersigning the declaration*], shareholder of Assicurazioni Generali holding No. [*enter number of shares held*] ordinary shares, equal to [*enter percentage of share capital held*] % of the company's share capital, with reference to your shareholders' meeting called, amongst other things, to decide upon the appointment of the Board of Directors for the three-year period 2016-2018, suggests that the Meeting should set the number of members to be appointed to the Board of Directors at [*enter the suggested number of members for the Board of Directors to be appointed*] and submits the following list of candidates listed under a progressive number, pursuant to Art. 28 of the Articles of Association:

No.	First Name	Surname
		( <i>etc.....</i> )

The list is accompanied by the documents as indicated below:

1. a copy of the communication issued by an intermediary, confirming the ownership of the number of shares represented to the purposes of submitting the list;
2. the curriculum vitae of each candidate, containing detailed information about the candidate's personal and professional characteristics, the skills acquired by him/her and the list of director-level, executive and supervisory positions currently held;
3. the declarations of each candidate accepting the nomination and the appointment, if elected; the confirmation, under the candidate's responsibility, that no causes of ineligibility and

incompatibility exist, and that the candidate meets the requirements of professionalism and respectability provided for by laws and regulations and internal rules in force to the purpose of holding the position of Board Members of Your Company;

4. the declarations of each candidate regarding the requirements of independence, pursuant to Ministerial Decree of 11 November 2011, No. 220, Art. 148, Paragraph 3 of Legislative Decree 24 February 1998, No. 58 and the Corporate Governance Code.

Yours faithfully

Annexes: (as above mentioned)

*[full name and signature of the person submitting the list]*

**Communications by the authorized intermediaries  
participating in the central securities system (Monte Titoli)**



**Declaration of accepting the nomination, the appointment if elected;  
declaration on the non-existence of causes for ineligibility and incompatibility and  
on meeting the requirements of professionalism and respectability**

I, the undersigned \_\_\_\_\_ born in \_\_\_\_\_ on \_\_\_\_\_ resident in \_\_\_\_\_, having tax code \_\_\_\_\_, with regard to my nomination to the position of Member of the Board of Directors (hereinafter also referred to as the “**Board**”), of Assicurazioni Generali S.p.A., with registered office in Trieste, Piazza Duca degli Abruzzi No. 2, share capital of Euros 1,556,873,283.00 fully paid up, tax code, VAT code and registration number in the Trieste’s Registrar of Companies 00079760328 (hereinafter also referred to as “**Generali**”), registered in the Register of Insurance Companies under No. 1.00003, parent company of the Generali group, registered in the Register of Insurance Groups under No. 026, in view of the ordinary and extraordinary Shareholder’s Meeting called for 26-27-28 April 2016, under my responsibility and duly warned about the criminal liability for perjury or the production or use of false documents (pursuant to Art. 76 of Presidential Decree 28 December 2000, No. 445, hereinafter referred to as the *Consolidated Act of the legislative and regulatory provisions regarding administrative documents*)

**declare**

- 1) that I irrevocably accept the nomination to the position of Generali's Board Member and, if elected, the appointment to the aforementioned position;
- 2) that I do not fall under any situation of ineligibility, forfeiture and incompatibility regarding the position of Director of Generali as provided for by laws and regulations in force and the internal rules and the Articles of Association and that I do not currently hold any position that is incompatible with the position of Generali's Director in the light of the provisions of Art. 36 of Law 22 December 2011, No. 214;
- 3) that I meet the requirements of professionalism provided for in Art. 3 of the Decree of the Ministry of Economic Development of 11 November 2011, No. 220, particularly that I have an overall experience of at least three years, having carried out:<sup>1</sup>
  - director-level, executive or supervisory activities with companies or entities in the insurance, credit or finance industries;
  - director-level, executive or supervisory activities in public entities or public administrations connected to the insurance, credit or finance industries or with other industries if the functions carried out implied management and supervision of financial and economic resources;
  - director-level, executive or supervisory activities in public or private undertakings the sizes of which are commensurate to the size of the insurance or reinsurance companies with which the office at issue is going to be held;
  - professional activities in matters connected with the insurance, credit or finance industries, or tenured university teaching positions in law, finance and statistics course subjects relating to the insurance industry.
- 4) Pursuant to Art. 5, Paragraph 2, Letter 1) of ISVAP Regulations 26 March 2008, No. 20, as amended and extended by ISVAP Rule of 8 November 2012, No. 3020, and ISVAP Rule 15 April 2014, No. 17, employed by Board Resolution of 5 December 2014 approving Generali’s

---

(1) Cross where appropriate.

Fit & Proper Policy di Generali, that I have acquired adequate knowledge and experience with regard to:<sup>2</sup>

- markets in which the Generali group operates;
- adopted business strategy and business model;
- system of governance;
- actuarial and financial analysis,
- regulation framework and regulatory requirements;
- finance matters and remuneration policies;
- accounting requirements and financial matters;

- 5) that I meet the requirements of respectability provided for in Art. 5 of the Decree of the Ministry of Economic Development of 11 November 2011, No. 220, particularly:
- a) that I am not in a situation of legal disqualification or temporary debarment from direction functions over legal persons and companies and, in any case, all the situations provided for by Art. 2382 of the Italian Civil Code;
  - b) that I am not in a situation of liability to preventative measures taken by the judicial authorities pursuant to Law 27 December 1956, No. 1423, to Law 31 May 1965, No. 575, and to Law 13 September 1982, No. 646 and subsequent amendments and additions, except for the effects of discharge;
  - c) that I am not subject to a final conviction, except for the effects of discharge, for any of the offences provided for in Art. 5 Paragraph 1, Letter c) of the Decree of the Ministry of Economic Development 11 November 2011, No. 220;
  - d) that I have not been convicted and sentenced to any of the penalties provided for in Art. 5, Paragraph 1, Letter c) of the Decree of the Ministry of Economic Development 11 November 2011, No. 220, including the cases where the penalty is levied on request of the parties, except in the event of extinction of the related offences;
- 6) that I do not fall under the impediment situations regulated by Art. 4 of the Decree of the Ministry of Economic Development of 11 November 2011, No. 220;
- 7) that the Bureau of Criminal Records of the Public Prosecutor's Office of the competent Court and/or of the equivalent foreign criminal justice bodies have no charges or proceedings against me with reference to the situations indicated in Paragraph 4, Letter c) above;
- 8) and that, to the best of my knowledge, the competent judicial bodies have no pending proceedings against me with reference to the aforementioned situations;

With regard to the share capital of insurance companies, banks, finance companies, asset management companies and brokerage firms held by Generali,

**declare**

- a) that I am not in a situation of liability to preventative measures taken by the judicial authorities pursuant to Law 27 December 1956, No. 1423, to Law 31 May 1965, No. 575 and to Law 13 September 1982, No. 646;
- b) that I have not been sentenced, with a final conviction, except for the effects of discharge:
  - to imprisonment for a term of no less than six months for one of the offences provided for by the regulations relating to banking, insurance and securities and the regulations relating to securities and securities markets and payment instruments;

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(1) Cross where appropriate.

- to imprisonment for a term of no less than six months for one of the crimes described under Section XI, Book V of the Italian Civil Code and in Royal Decree 16 March 1942, No. 267;
  - to imprisonment for a term of no less than one year for a crime against government, against public faith, against property, against public order, against the public economy or for a crime relating to tax issues;
  - to imprisonment for a term of no less than two years for any offence committed with criminal intent;
- c) that I have not been sentenced for any of the offences provided for in Art. 5 of the Decree of the Ministry of Economic Development 11 November 2011, No. 220, in Art. 1, Paragraph 1, letters b) and c) of the Decree of the Ministry of Treasury, Budget Policy and Economic Planning 11 November 1998, No. 469, in Art. 1, Paragraph 1, Letters b) and c) of the Decree of the Ministry of Treasury, Budget Policy and Economic Planning 18 March 1998, No. 144 and in Art. 1, Paragraph 1, Letters b) and c) of the Decree of the Ministry of Treasury, Budget Policy and Economic Planning 30 December 1998, No. 517;
- d) that I have not been sentenced to any of the aforementioned penalties, including the cases where penalties are levied on request of any of the parties;
- e) that I do not fall under any other situation of incompatibility as provided for in the laws, regulations and rules currently in force;
- f) that I have not received, whether in my Country of residence or any other country, any court order equivalent to those that would cause the loss of the requirements of respectability provided for in the Decree of the Ministry of Economic Development 11 November 2011, No. 220, the Decree of the Ministry of Treasury, Budget Policy and Economic Planning 18 March 1998, No. 144, the Decree of the Ministry of Treasury, Budget Policy and Economic Planning 11 November 1998, No. 469 and the Decree of the Ministry of Treasury, Budget Policy and Economic Planning 30 December 1998, No. 517;
- g) that the Bureau of Criminal Records of the Public Prosecutor's Office of the competent Court and/or of the equivalent foreign criminal justice bodies have no charges or proceedings against me with reference to the situations indicated in Letters b) and c) above;
- h) and that, to the best of my knowledge, the competent judicial bodies have no pending proceedings against me with reference to the situations indicated under b) and c) above;

I, the undersigned, undertake to promptly notify Generali from now on of any further modification to the above declarations to the purposes of the procedure of appointment of the Board and authorize the publication of the aforementioned information and of the information included in my CV and in the attached list of the director-level, executive and supervisory positions held in other companies. This declaration is made pursuant to Articles 46 and 47 of the *Consolidated Act of the legislative and regulatory provisions regarding administrative documents*.

By signing at the foot of the page I authorize Generali to process my personal data for the purposes relating to the appointment procedure for the Board and my appointment to the same, if I am elected, and to communicate to the persons indicated in the report that I have received the list for which I am a candidate from the proponent and have authorized the latter to process my personal information, pursuant to Art. 13 of Legislative Decree 196/2003.

Place and Date \_\_\_\_\_

Signature \_\_\_\_\_

Annexes:

- 1) Curriculum Vitae
- 2) list of director-level, executive and supervisor positions held in other companies
- 3) declaration on meeting the independence requirement

**Curriculum vitae of each candidate**

Place and Date\_\_\_\_\_

Signature\_\_\_\_\_

**List of director-level, executive and supervisor positions held in other companies**

**Director-level positions**

<b>Company</b>	<b>Group</b>	<b>Business industry</b>	<b>Located in</b>	<b>Remarks</b>

**Auditor positions**

<b>Company</b>	<b>Group</b>	<b>Business industry</b>	<b>Located in</b>	<b>Remarks</b>

**Executive positions**

<b>Company</b>	<b>Group</b>	<b>Business industry</b>	<b>Located in</b>	<b>Remarks</b>

Place and Date\_\_\_\_\_

Signature\_\_\_\_\_

**Declaration on meeting  
the Independence requirements**

I, the undersigned \_\_\_\_\_, with regard to the appointment to Member of the Board of Directors (hereinafter also referred to as the “**Board**”) of Assicurazioni Generali S.p.A. (hereinafter also referred to as “**Generali**”),

- having acknowledged the provisions of Articles 147-ter, Paragraphs 4, and 148, Paragraph 3, of the Consolidated Finance Act, according to which the following cannot qualify as *independent*:
  - a) those who are in the conditions referred to in Article 2382 of the Italian Civil Code;
  - b) spouses, relatives and the like up to the fourth degree of kinship of the directors of the company, and directors, spouses, relatives and the like up to the fourth degree of kinship of the directors of the companies it controls, the companies it is controlled by and those subject to common control;
  - c) those who are linked to the company, the companies it controls, the companies it is controlled by and those subject to common control or to directors of the company or persons referred to in paragraph b) above by self-employment or employee relationships or by other relationships of an economic or professional nature that might compromise their independence.; and
- having assessed my position,

**declare**<sup>3</sup>

- that I meet** the requirements of *independence* as defined and provided for by the aforementioned provisions of the Consolidated Finance Act.
- that I do not meet** the requirements of *independence* as defined and provided for by the aforementioned provisions of the Consolidated Finance Act.

Moreover:

**whereas:**

- the Corporate Governance Code of the listed companies (hereinafter also referred to as the "**Code**"), recommends that the Board of Directors of the listed issuers should also be composed of an adequate number of *independent* non-executive members;
- the independence of the directors should also be assessed at regular intervals by the board of directors, which should make a substantial assessment;
- the Code shall identify the situations that are, as a rule, incompatible with the fulfilment of the aforementioned requisite;
- as a rule, the requirement of independence is not fulfilled by those Directors who:
  - a) directly or indirectly, control the issuer also through subsidiaries, trustees or third parties, or are able to exercise a dominant influence over the issuer, or participate in a shareholders’ agreement through which one or more persons can exercise a control or dominant influence over the issuer;

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(1) Cross where appropriate.

- b) are or have been, in the preceding three fiscal years, significant representatives of the issuer, of a subsidiary having strategic relevance or of a company under common control with the issuer, or of a company or entity controlling the issuer or able to exercise over the same a considerable influence, including when jointly with others through a shareholders' agreement;
- c) have or have had, in the preceding fiscal year, directly or indirectly (e.g. through subsidiaries or companies of which they are significant representatives, or in their capacity as partners of a professional firm or of a consulting company) a significant commercial, financial or professional relationship:
  - with the issuer, one of its subsidiaries, or any of its significant representatives;
  - with a person who, individually or jointly with others through a shareholders' agreement, controls the issuer, or – should this be a company or an entity – with its significant representatives;
 or are or have been, employees of the above-mentioned persons in the previous three fiscal years;
- d) receive or have received in the preceding three fiscal years, from the issuer or a subsidiary or holding company of the issuer, a significant additional remuneration as compared to the "fixed" remuneration as non-executive directors of the issuer also in the form of participation in incentive plans linked to the company's performance, including stock option plans;
- e) have been directors of the issuer for more than nine years in the previous twelve years;
- f) hold the executive director office in another company in which an executive director of the issuer holds the office of director;
- g) are shareholders or quota holders or directors of a legal entity belonging to the same network as the company appointed for the auditing of the issuer;
- h) are close relatives of an individual who is in any of the positions listed in the above paragraphs;

after carefully examining the aforementioned cases and having made an overall substantial assessment of my position, under this particular profile towards the Company and having found that situations of incompatibility relating to myself may arise/may not arise, under my responsibility,

**declare<sup>4</sup>**

- that I meet** the independence requirement pursuant to Art. 3 of the Code
- that I do not meet** the independence requirement pursuant to Art. 3 of the Code.

Finally, I declare that I meet the independence requirements provided for in Art. 6 of the Decree of the Ministry of Economic Development 11 November 2011, No. 220.

I, the undersigned, undertake to promptly notify Generali from now on of any further modification to the above declarations to the purposes of the procedure of appointment of the Board, to provide a new communication replacing this one, should the current situation be subject to modifications and authorize the publication of the aforementioned data.

Place and Date \_\_\_\_\_

Signature \_\_\_\_\_

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(1) Cross where appropriate.



## Annex I.1

Messrs  
Assicurazioni Generali S.p.A.  
Piazza Duca degli Abruzzi, 2  
34132 TRIESTE

To the Kind Attention of the Secretary of the Board of Directors  
in charge of the Corporate Affairs function

[place], [date] 2016

**RE: Ordinary Shareholders' Meeting of 26-28 April 2016: submission of candidates' lists for the appointment to the Board of Directors of Assicurazioni Generali S.p.A.**

The undersigned [*name of company undersigning the declaration*], shareholder of Assicurazioni Generali with No. [*enter number of shares held*] ordinary shares, equal to [*enter percentage of share capital held*] % of the company's share capital, with reference to your shareholders' meeting called, amongst other things, to decide upon the appointment of the Board of Directors for the three-year period 2016-2018, suggests that the Meeting should set the number of members to be appointed to the Board of Directors at [*enter the suggested number of members for the Board of Directors to be appointed*] and submits the following list of candidates listed under a progressive number, pursuant to Art. 28 of the Articles of Association:

No.	First Name	Surname
		( <i>etc.....</i> )

The list is accompanied by the documents as indicated below:

1. a copy of the communication issued by an intermediary, confirming the ownership of the number of shares represented to the purposes of submitting the list;
2. the curriculum vitae of each candidate, containing detailed information about the candidate's personal and professional characteristics and the skills acquired by him/her and the list of director-level, executive and supervisory positions currently held;
3. the statements of each candidate accepting the nomination and the appointment, if elected; the confirmation, under the candidate's responsibility, that no causes of ineligibility and incompatibility exist, and that the candidate meets the requirements of professionalism and

respectability provided for by laws and regulations and internal rules in force to the purpose of holding the position of Board Members of Your Company.

4. the statement of each candidate regarding the requirements of independence, pursuant to Ministerial Decree of 11 November 2011, No. 220, Art. 148, Paragraph 3 of Legislative Decree 24 February 1998, No. 58, and the Corporate Governance Code.
5. statements relating to the connections with "relative majority" shareholders.

Yours faithfully

Annexes: (as above mentioned)

*[full name and signature of the person submitting the list]*

**Communications by the authorized intermediaries  
participating in the central securities system (Monte Titoli)**

**Declaration of accepting the nomination, the appointment if elected,  
declaration on the non-existence of causes for ineligibility and incompatibility and  
on meeting the requirements of professionalism and respectability**

I, the undersigned \_\_\_\_\_ born in \_\_\_\_\_ on \_\_\_\_\_ resident in \_\_\_\_\_, having tax code \_\_\_\_\_, with regard to my nomination to the position of Member of the Board of Directors (hereinafter also referred to as the “**Board**”), of Assicurazioni Generali S.p.A., with registered office in Trieste, Piazza Duca degli Abruzzi n. 2, share capital of Euros 1,556,873,283.00 fully paid up, tax code, VAT code and registration number in the Trieste’s Registrar of Companies 00079760328 (hereinafter also referred to as “**Generali**”), registered in the Register of Insurance Companies under No. 1.00003, parent company of the Generali group, registered in the Register of Insurance Groups under No. 026, in view of the ordinary and extraordinary Shareholder’s Meeting called for 26-27-28 April 2016, under my responsibility and duly warned about the criminal liability for perjury or the production or use of false documents (pursuant to Art. 76 of Presidential Decree 28 December 2000, No. 445, hereinafter referred to as the *Consolidated Act of the legislative and regulatory dispositions regarding administrative documents*).

**declare**

- 1) that I irrevocably accept the nomination to the position of Generali's Board Member and, if elected, the appointment to the aforementioned position;
- 2) that I do not fall under any situation of ineligibility, forfeiture and incompatibility regarding the position of Director of Generali as provided for by laws and regulations in force and the internal rules and the Articles of Association and that I do not currently hold any position that is incompatible with the position of Generali's Director in the light of the provisions of Art. 36 of Law 22 December 2011, No. 214;
- 3) that I meet the requirements of professionalism provided for in Art. 3 of the Decree of the Ministry of Economic Development of 11 November 2011, No. 220, particularly that I have an overall experience of at least three years, having carried out the activity of:<sup>5</sup>
  - director-level, executive or supervisory activities with companies or entities in the insurance, credit or finance industries;
  - director-level, executive or supervisory activities in public entities or public administrations connected to the insurance, credit or finance industries or with other industries if the functions carried out implied management and supervision of financial and economic resources;
  - director-level, executive or supervisory activities in public or private undertakings the sizes of which are commensurate to the size of the insurance or reinsurance companies with which the office at issue is going to be held;
  - professional activities in matters connected with the insurance, credit or finance industries, or tenured university teaching positions in law, finance and statistics course subjects relating to the insurance industry;
- 4) pursuant to Art. 5, Paragraph 2, Letter 1) of ISVAP Regulations 26 March 2008, No. 20, as amended and extended by ISVAP Rule of 8 November 2012, No. 3020 and ISVAP Rule 15

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(1) Cross where appropriate.

April 2014, No. 17, employed by Board Resolution of 5 December 2014 approving Generali's Fit & Proper Policy, that I have acquired adequate knowledge and experience with regard to:<sup>6</sup>

- markets in which the Generali group operates;
- adopted business strategy and business model;
- system of governance;
- actuarial and financial analysis;
- regulation framework and regulatory requirements;
- finance matters and remuneration policies;
- accounting requirements and financial matters;

- 5) that I meet the requirements of respectability provided for in Art. 5 of the Decree of the Ministry of Economic Development of 11 November 2011, No. 220, particularly:
- e) that I am not in a situation of legal disqualification or temporary debarment from direction functions over legal persons and companies and, in any case, in any of the situations provided for by Art. 2382 of the Italian Civil Code;
  - f) that I am not in a situation of liability to preventative measures taken by the judicial authorities pursuant to Law 27 December 1956, No. 1423 or Law 31 May 1965, No. 575 and Law 13 September 1982, No. 646 and subsequent amendments and additions, except for the effects of discharge;
  - g) that I am not subject to a final conviction, except for the effects of discharge, for any of the offences provided for in Art. 5 Paragraph 1, Letter c) of the Decree of the Ministry of Economic Development 11 November 2011, No. 220;
  - h) that I have not been convicted and sentenced to any of the penalties provided for in Art. 5, Paragraph 1, Letter c) of the Decree of the Ministry of Economic Development 11 November 2011, No. 220, including the cases where the penalty is levied on request of the parties, except in the event of extinction of the related offences;
- 6) that I do not fall under the impediment situations regulated by Art. 4 of the Decree of the Ministry of Economic Development of 11 November 2011, No. 220;
- 7) that the Bureau of Criminal Records of the Public Prosecutor's Office of the competent Court and/or of the equivalent foreign criminal justice bodies have no charges or proceedings against me with reference to the situations indicated in Paragraph 4, Letter c) above;
- 8) and that, to the best of my knowledge, the competent judicial bodies have no pending proceedings against me with reference to the aforementioned situations.

With regard to the share capital of insurance companies, banks, finance companies, asset management companies and brokerage firms held by Generali,

**declare**

- a) that I am not in a situation of liability to preventative measures taken by the judicial authorities pursuant to Law 27 December 1956, No. 1423 or Law 31 May 1965, No. 575, and Law 13 September 1982, No. 646;
- b) that I have not been sentenced with a final conviction, except for the effects of discharge:
  - to imprisonment for a term of no less than six months for one of the offences provided for by the regulations relating to banking, insurance and securities and the regulations relating to securities and securities markets and payment instruments;

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(1) Cross where appropriate.

- to imprisonment for a term of no less than six months for one of the crimes described under Section XI, Book V of the Italian Civil Code and in Royal Decree 16 March 1942, No. 267;
  - to imprisonment for a term of no less than one year for a crime against government, against public faith, against property, against public order, against the public economy or for a crime relating to tax issues;
  - to imprisonment for a term of no less than two years for any offence committed with criminal intent.
- c) that I have not been sentenced for any of the offences provided for in Art. 5 of the Decree of the Ministry of Economic Development 11 November 2011, No. 220, in Art. 1, Paragraph 1, letters b) and c) of the Decree of the Ministry of Treasury, Budget Policy and Economic Planning 11 November 1998, No. 469, in Art. 1, Paragraph 1, Letters b) and c) of the Decree of the Ministry of Treasury, Budget Policy and Economic Planning 18 March 1998, No. 144 and in Art. 1, Paragraph 1, Letters b) and c) of the Decree of the Ministry of Treasury, Budget Policy and Economic Planning 30 December 1998, No. 517;
- d) that I have not been sentenced to any of the aforementioned penalties, including the cases where penalties are levied on request of any of the parties;
- e) that I do not fall under any other situations of incompatibility as provided for in the laws, regulations and rules currently in force;
- f) that I have not received, whether in my Country of residence or any other country, any court order equivalent to those that would cause the loss of the requirements of respectability provided for in the Decree of the Ministry of Economic Development 11 November 2011, No. 220, the Decree of the Ministry of Treasury, Budget Policy and Economic Planning 18 March 1998, No. 144, the Decree of the Ministry of Treasury, Budget Policy and Economic Planning 11 November 1998, No. 469 and the Decree of the Ministry of Treasury, Budget Policy and Economic Planning 30 December 1998, No. 517;
- g) that the Bureau of Criminal Records of the Public Prosecutor's Office of the competent Court and/or of the equivalent foreign criminal justice bodies have no charges or proceedings against me with reference to the situations indicated in Letters b) and c) above;
- h) and that, to the best of my knowledge, the competent judicial bodies have no pending proceedings against me with reference to the situations indicated under b) and c) above.

I, the undersigned, undertake to promptly notify Generali from now on of any further modification to the above declarations to the purposes of the procedure of appointment of the Board and authorize the publication of the aforementioned information and of the information included in my CV and in the attached list of the director-level, executive and supervisory positions held in other companies. This declaration is made pursuant to Articles 46 and 47 of the *Consolidated Act of the legislative and regulatory provisions regarding administrative documents*.

By signing at the foot of the page, I authorize Generali to process my personal data for the purposes relating to the appointment procedure for the Board and my appointment to the same, if I am elected, and to communicate to the persons indicated in the report pursuant to Art. 13 of Legislative Decree 196/2003, that I have received the list for which I am a candidate from the proponent and have authorized the latter to process my personal information.

Place and Date \_\_\_\_\_  
 Signature \_\_\_\_\_

Annexes:

- 1) Curriculum Vitae

- 2) list of director, executive and supervisor posts held other companies
- 3) declaration on meeting the independence requirement

**Curriculum vitae of each candidate**

Place and Date\_\_\_\_\_

Signature\_\_\_\_\_



**List of director-level, executive and supervisor positions held in other companies**

**Director-level positions**

<b>Company</b>	<b>Group</b>	<b>Business industry</b>	<b>Located in</b>	<b>Remarks</b>

**Auditor positions**

<b>Company</b>	<b>Group</b>	<b>Business industry</b>	<b>Located in</b>	<b>Remarks</b>

**Executive positions**

<b>Company</b>	<b>Group</b>	<b>Business industry</b>	<b>Located in</b>	<b>Remarks</b>

Place and Date \_\_\_\_\_

Signature \_\_\_\_\_

**Declaration on meeting  
the Independence requirements**

I, the undersigned \_\_\_\_\_, with regard to the appointment to Member of the Board of Directors (hereinafter also referred to as the “**Board**”) of Assicurazioni Generali S.p.A. (hereinafter also referred to as “**Generali**”),

- having acknowledged the provisions of Art. 147-ter, Paragraph 4, and Art. 148, Paragraph 3, of the Consolidated Finance Act, according to which the following cannot qualify as *independent*:
  - a) those who are in the conditions referred to in Article 2382 of the Italian Civil Code;
  - b) spouses, relatives and the like up to the fourth degree of kinship of the directors of the company, and directors, spouses, relatives and the like up to the fourth degree of kinship of the directors of the companies it controls, the companies it is controlled by and those subject to common control;
  - c) those who are linked to the company, the companies it controls, the companies it is controlled by and those subject to common control or to directors of the company or persons referred to in paragraph b) above by self-employment or employee relationships or by other relationships of an economic or professional nature that might compromise their independence; and
- having assessed my position,

**declare**<sup>7</sup>

- that I meet** the requirements of independence as defined and provided for by the aforementioned provisions of the Consolidated Finance Act.
- that I do not meet** the requirements of independence as defined and provided for by the aforementioned provisions of the Consolidated Finance Act.

Moreover:

**whereas:**

- the Corporate Governance Code of the listed companies (hereinafter also referred to as the “**Code**”), recommends the Board of Directors of the listed issuers should also be composed of an adequate number of *independent* non-executive members;
- the independence of the directors should also be assessed at regular intervals by the board of directors, which should make a substantial assessment;
- the Code shall identify the situations that are, as a rule, incompatible with the fulfilment of the aforementioned requisite;
- as a rule, the requirement of independence is not fulfilled by those Directors who:
  - a) directly or indirectly, control the issuer also through subsidiaries, trustees or third parties, or are able to exercise a dominant influence over the issuer, or participate in a shareholders’ agreement through which one or more persons can exercise a control or dominant influence over the issuer;

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(1) Cross where appropriate.

- b) are or have been in the preceding three fiscal years, significant representatives of the issuer, of a subsidiary having strategic relevance or of a company under common control with the issuer, or of a company or entity controlling the issuer or able to exercise over the same a considerable influence, also jointly with others through a shareholders' agreement;
- c) the preceding fiscal year, have or have had directly or indirectly (e.g. through subsidiaries or companies of which they are significant representatives, or in their capacity as partners of a professional firm or of a consulting company) a significant commercial, financial or professional relationship;
  - with the issuer, one of its subsidiaries, or any of its significant representatives;
  - with a person who, individually or jointly with others through a shareholders' agreement, controls the issuer, or – should this be a company or an entity – with its significant representatives;
 or are or have been, employees of the above-mentioned persons or entities in the previous three fiscal years;
- d) receive or have received in the preceding three fiscal years, from the issuer or a subsidiary or holding company of the issuer, a significant additional remuneration as compared to the "fixed" remuneration as non-executive directors of the issuer also in the form of participation in incentive plans linked to the company's performance, including stock option plans;
- e) have been directors of the issuer for more than nine years in the previous twelve years;
- f) hold the executive director office in another company in which an executive director of the issuer holds the office of director;
- g) are shareholders or quota holders or directors of a legal entity belonging to the same network as the company appointed for the auditing of the issuer;
- h) are close relatives of an individual who is in any of the positions listed in the above paragraphs;

after carefully examining the aforementioned cases and having made an overall substantial assessment of my position, under this particular profile towards the Company and having found that situations of incompatibility relating to myself may arise/may not arise, under my responsibility,

**declare<sup>8</sup>**

- that I meet** the independence requirement pursuant to Art. 3 of the Code
- that I do not meet** the independence requirement pursuant to Art. 3 of the Code.

Finally, I declare that I meet the independence requirements provided for in Art. 6 of the Decree of the Ministry of Economic Development 11 November 2011, No. 220.

I, the undersigned, undertake to promptly notify Generali from now on of any further modification to the above declarations to the purposes of the procedure of appointment of the Board, to provide a new communication replacing this one, should the current situation be subject to modifications and authorize the publication of the aforementioned data.

Place and Date \_\_\_\_\_

Signature \_\_\_\_\_

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(1) Cross where appropriate.

**Declaration confirming  
the absence of connections  
pursuant to laws and regulations in force**

I, the undersigned Shareholder of Assicurazioni Generali S.p.A., holding \_\_\_\_\_ ordinary shares representing \_\_\_\_\_ % of the share capital of the issuer

**whereas:**

- pursuant to and to the effects of Art. 28 of the Articles of Association I intend to submit a list of candidates for election to Members of the Board of Directors of Assicurazioni Generali S.p.A., which will be subject to a decision on the part of the ordinary and extra-ordinary Shareholders' Meetings called on 26, 27 and 28 April 2016 (respectively, first, second and third call);
- I have been duly informed of the provisions of Art. 147-ter, Paragraph 3 of Legislative Decree 24 February 1998, No. 58 (Consolidated Finance Act), as well as of Art. 144-quinquies of the Discipline of Issuers, that identifies the existence of connections between one or more reference shareholders and one or more minority shareholders in the following cases:
  - a) family relationships;
  - b) membership of the same group;
  - c) control relationships between a company and those who jointly control it;
  - d) relationships of affiliation pursuant to Article 2359, Paragraph 3 of the Italian Civil Code, including with persons belonging to the same group;
  - e) the performance, by a shareholder, of management or executive functions, with the assumption of strategic responsibilities, within a group that another shareholder belongs to;
  - f) participation in the same shareholders' agreement provided for in Article 122 of the Consolidated Finance Act involving shares of the issuer, of its parent company or one of its subsidiaries.
- I have been duly informed about the Consob recommendations with Communication DEM/9017893 of 26 February 2009 that is that, to the purposes of any connection between lists, identifies the following significant relationships:
  - a) family relationships;
  - b) participation in the recent past to a shareholders' agreement (also on the part of companies of the respective groups) provided for in Article 122 of the Consolidated Finance Act, relating to shares of the issuer or of companies belonging to the group of the issuer;
  - c) participation (also on the part of companies of the respective groups) to the same shareholders' agreement relating to shares of third party companies;
  - d) the existence of shareholdings, whether direct or indirect, and the existence of crossholdings, if any, whether direct or indirect, including those between the companies of the respective groups;
  - e) assuming offices in the governing or supervisory bodies of the companies of the reference or relative majority shareholder's (or shareholders') group or having done that in the recent past, as well as working as an employee for any of these companies, or having done that the recent past;

- f) belonging, directly or through representatives, to the list submitted by the shareholders holding, whether individually or together, a controlling or relative majority stake with regard to the previous election of the governing or supervisory bodies;
- g) participating in the previous election of the governing or supervisory bodies to submitting a list with the shareholders holding, whether individually or together, a controlling or relative majority stake or voting a list submitted by the same;
- h) having commercial, financial (other than the typical lender's activities) or professional relations, or having had those in the past;
- i) the presence of candidates, in the so-called minority list, that are executive directors or manager with strategic responsibilities (or have been in the recent past) of the controlling or relative majority shareholder or shareholders or of companies belonging to the respective groups;

**declare**

- the absence of connections as provided for in the aforementioned laws, regulations, Consob rules and the recommendations of Consob Communication DEM/9017893 of 26 February 2009;
- that I undertake the provide Assicurazioni Generali S.p.A. with suitable documents that confirm the truth of the aforementioned data.

Place and Date\_\_\_\_\_

Signature\_\_\_\_\_

**undertake**

to provide a new communication replacing this one, should the current situation be subject to modifications.

Place and Date\_\_\_\_\_

Signature\_\_\_\_\_

**Declaration confirming  
the existence of connections  
pursuant to laws and regulations in force**

I, the undersigned Shareholder of Assicurazioni Generali S.p.A., holding \_\_\_\_\_ ordinary shares representing \_\_\_\_\_ % of the share capital of the issuer

**whereas:**

- pursuant to and to the effects of Art. 28 of the Articles of Association, I intend to submit a list of candidates for election to Members of the Board of Directors of Assicurazioni Generali S.p.A., which will be subject to a decision on the part of the ordinary and extra-ordinary Shareholders' Meetings called on 26, 27 and 28 April 2016 (respectively, first, second and third call);
- I have been duly informed of the provisions of Art. 147-ter, Paragraph 3 of Legislative Decree 24 February 1998, No. 58 (Consolidated Finance Act), as well as of Art. 144-quinquies of the Discipline of Issuers, that identifies the existence of connections between one or more reference shareholders and one or more minority shareholders in the following cases:
  - a) family relationships;
  - b) membership of the same group;
  - c) control relationships between a company and those who jointly control it;
  - d) relationships of affiliation pursuant to Article 2359, Paragraph 3 of the Italian Civil Code, including with persons belonging to the same group;
  - e) the performance, by a shareholder, of management or executive functions, with the assumption of strategic responsibilities, within a group that another shareholder belongs to;
  - f) participation in the same shareholders' agreement provided for in Article 122 of the Consolidated Finance Act involving shares of the issuer, of its parent company or one of its subsidiaries.
- I have been duly informed about the Consob recommendations with Communication DEM/9017893 of 26 February 2009 that is that, to the purposes of any connection between lists, identifies the following significant relationships:
  - a) family relationships;
  - b) participation in the recent past to a shareholders' agreement (also on the part of companies of the respective groups) provided for in Article 122 of the Consolidated Finance Act, relating to shares of the issuer or of companies belonging to the group of the issuer;
  - c) participation (also on the part of companies of the respective groups) to the same shareholders' agreement relating to shares of third party companies;
  - d) the existence of shareholdings, whether direct or indirect, and the existence of crossholdings, if any, whether direct or indirect, including those between the companies of the respective groups;
  - e) assuming offices in the governing or supervisory bodies of the companies of the reference or relative majority shareholder's (or shareholders') group or having done that in the recent past, as well as working as an employee for any of these companies, or having done that the recent past;

- f) belonging, directly or through representatives, to the list submitted by the shareholders holding, whether individually or together, a controlling or relative majority stake with regard to the previous election of the governing or supervisory bodies;
- g) participating in the previous election of the governing or supervisory bodies to submitting a list with the shareholders holding, whether individually or together, a controlling or relative majority stake or voting a list submitted by the same;
- h) having commercial, financial (other than the typical lender's activities) or professional relations, or having had those in the past;
- i) the presence of candidates, in the so-called minority list, that are executive directors or manager with strategic responsibilities (or have been in the recent past) of the controlling or relative majority shareholder or shareholders or of companies belonging to the respective groups;

**declare**

- that I have a connection with the so-called "Majority List" submitted by shareholder \_\_\_\_\_, and have the significant relationships as indicated below \_\_\_\_\_;
- that I undertake to provide Assicurazioni Generali S.p.A. with suitable documents that confirm the truth of the aforementioned data.

Place and Date \_\_\_\_\_

Signature \_\_\_\_\_

**ASSICURAZIONI GENERALI S.P.A.  
BOARD OF DIRECTORS**

**ADVICE FOR SHAREHOLDERS  
ON THE SIZE AND COMPOSITION  
OF THE BOARD OF DIRECTORS  
FOR THE THREE-YEAR PERIOD 2016-2018**

**1. Introduction**

The Listed Companies' Corporate Governance Code ("the Code") recommends that Boards of Directors should issue advice to shareholders on the size and composition of the Board, taking account of the results of the annual self-assessment process.

The Code recommends that at the time of submission of lists and subsequent appointment of directors, shareholders should take account of the Board's opinion when assessing the professional characteristics, managerial and other experience and gender of the candidates in relation to the size of the issuer, the complexity and specificity of the field in which it operates, and the size of the Board of Directors. It is appropriate for that opinion to be published in sufficient time to ensure that the choice of candidates can take account of the detailed recommendations.

The Code also indicates that it is good practice for the shareholders that control the issuer or, if none, those able to exercise considerable influence over it, to inform the public, a reasonable time in advance, of any proposals they intend to submit to the General Meeting on subjects as to which no specific proposals have been made by the directors. For example, the Code states that at the time of submission of the list of candidates, the market could be notified of those shareholders' opinions on subjects such as the number of members of the Board of Directors, and the duration and remuneration of that body.

The banking legislation, which represents a clear frame of reference for the development of corporate governance in Italy today, makes similar recommendations. On the subject of organisation and corporate governance it provides that the optimum qualitative and quantitative composition of the Board of Directors should be established in advance by the Board itself (assisted by the Appointments Committee in the case of the largest and most complex banks), and subjected to periodic self-assessment. It also states that the appointment procedures must be transparent and ensure that the various shareholders are appropriately represented on the company's governing bodies. The results of the analyses must be notified to shareholders in sufficient time to ensure that the choice of candidates to be submitted takes account of the assessments performed.

In that context, the Board of Directors ("the Board") of Assicurazioni Generali S.p.A. ("Generali" or "the Company") has identified in advance, with the support of the Appointments and Corporate Governance Committee ("the Committee"), the qualitative and quantitative composition deemed appropriate for the performance of its activities, including the candidates' characteristics of professionalism and independence, bearing in mind that the authoritative and competence of the candidates must be commensurate with the tasks that the directors are required to perform, taking



account of the size and complexity of the Company, its business objectives and its strategic vision.

It has therefore prepared this Advice for Shareholders, again with the Committee's support, which is submitted for examination and evaluation by shareholders in readiness for the forthcoming General Meeting, as the items on the agenda of that Meeting include the appointment of the Board for the three-year period 2016-18, after establishing the number of its members.

## **2. Quantitative aspects: size of the Board**

**2.1. Board evaluation information for shareholders** - According to the well-established corporate governance rules, the number of Board members must be suited to the size and complexity of the Company's organisational structure, to ensure that it can supervise the whole of its operations effectively, in terms of both management and control.

In 2013 the General Meeting set the number of Board members at 11, in accordance with the Board's recommendation made at the time. The Articles of Association state that the minimum number of directors shall be 11 and the maximum number 21.

The correct size of the Board is based partly on the composition of the Board Committees, on which a decisive role is played by members who meet the independence requirement. The presence of Committees with consultative, recommendatory and preparatory functions is a common organisational system that reflects the established national and international practice, and increases the efficiency and efficacy of the Board's work, as has been clearly demonstrated during the three-year term of office of the current Board.

A large number of directors does not always allow effective interaction at meetings, and the contribution made by each member of a crowded collective body is not always ideal. The presence of numerous directors often requires the setting-up of an Executive Committee, a body unknown in many countries, the presence of which is not always synonymous with good corporate governance. Equally, if the number of members is too small, it will be impossible to set up a committee system suited to the increasing governance requirements and complex management of the largest companies, especially if they are subject to regulatory legislation.

The international best practice does not specify an ideal number of members of the boards of listed issuers, merely indicating that it must be adequate for the conduct of the issuer's business activities. On that basis, in order to formulate its proposal, with the support of the Committee, the Board has examined a basket of issuers, consisting of its international peers in the insurance industry, comparable Italian issuers, and other international companies considered to represent the gold standard in corporate governance. The analysis indicated a variety of situations: the number of board members ranged from a minimum of 9 (ENI) to a maximum of 17 (Unicredit). The insurance peers have an average of 13.4 board members, the comparable national issuers considered have 13.4 (as against an average of 13.8 for the FTSE Mib index), and the "gold standard" companies have 13.

At the time of the 2015 self-assessment process the Board expressed the opinion, supported by the Committee, that the number of members elected for the three-year period 2016-18 should again be 11, and that the majority of that number should be people classed as independent pursuant to the Code, partly with a view to the constitution of the Board Committees.

**2.2 The Board's recommendation** - Having regard to the factors set out above and the smooth operation of the Board during the last three-year period, the Board expresses the opinion that when the proposals are put to the General Meeting, shareholders should vote for the number of directors to be elected for the three-year period 2016-2018 to be confirmed at 11.

The Board also recommends that the majority of that number should be people who can be classed as independent pursuant to the Code, so that the Board can be supported by Board Committees skilled in the field of control and risks, remuneration and appointments, set up in accordance with the criteria defined by the Code.

### **3. Qualitative aspects: composition of the Board**

**3.1. Board evaluation information for shareholders** - The Corporate Governance Code recommends that the composition of the Board of Directors should suitably reflect, in relation to the business carried on by the issuer, the different types of director (executive, non-executive and independent) and their professional and managerial skills, including those of an international nature, and should take account of the benefits that can derive from the presence on the Board of members of different genders, geographical origins, educational and cultural backgrounds, ages and seniority in office. It is also recommended that the number, skills and authoritativeness of the non-executive directors, and the amount of time they are able to devote to their duties, should be sufficient to ensure that their opinion has significant influence when Board decisions are taken.

The insurance legislation also lays down further specific requirements of professionalism that must be possessed by Board members, in addition to those of respectability and independence, while s. 36 of Statute 214/2011 prohibits interlocking situations <sup>(9)</sup>.

According to the best practice, the presence of independent directors on the Board is the most suitable solution to guarantee that the interests of all shareholders, both majority and minority, are represented. In this respect, in the correct exercise of the right to appoint directors, independent directors may be nominated by the controlling shareholders or shareholders that exercise considerable influence.

The Code recommends that the lists of candidates for directorships should be accompanied by information as to whether the candidates can be classed as independent pursuant to art. 3 of the Code, provided that in any event, it is the responsibility of the Board of Directors as a whole to

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<sup>(9)</sup> The insurance legislation is contained in the Economic Development Ministry's Decree no. 220 of 11 November 2011, to which the reader should refer for further details. In accordance with s. 36 of Statute 214/11 governing *interlocking personal shareholdings on the credit and financial markets* and *prohibiting persons holding offices in management, supervision and control bodies and the top management executives of companies or groups of companies operating on the credit, insurance and financial markets from accepting or exercising similar functions in competing companies or groups*, it is recommended that candidates should only be nominated if it has already been established that there are no grounds for their incompatibility as defined by the said provision, in addition to the one applicable to insurance companies.

assess the independence of its members. It also recommends that directors who claim to be independent must undertake to maintain their independence throughout their term of office.

Acceptance of a directorship in companies which, like Generali, have adopted the Code, requires a prior evaluation as to whether the candidate will be able to devote the necessary time to diligent performance of the tasks of a director, taking account of the number of directorships or appointments as statutory auditor held in other companies listed on Italian or foreign regulated markets, or in finance, banking or insurance companies or other large companies, and of the other professional activities performed by the person concerned. Large companies are defined as those with net equity exceeding €10 billion. In this respect, the Board considers that a maximum of two offices for executive directors or five for non-executive directors is usually compatible with effective performance of a directorship of the Company. Multiple offices held in companies in the same Group are considered as a single office <sup>(10)</sup>.

During its term of office, the Board has implemented the provisions of art. 5.2.1 of IVASS Regulation no. 20 governing the qualitative composition of the Board, establishing that the Board of Directors shall collectively possess suitable knowledge and experience of the market on which the Company operates, its strategy and business model, its governance system, financial and actuarial analysis and the regulatory situation and legislative requirements <sup>(11)</sup>. In this respect, it is appropriate for all the skills indicated above, which are held by the current Board, in a perspective that takes account of both the individual and the collective dimension, to be represented on the new Board.

At present, Generali's Board of Directors consists of 90.9% non-executive directors (with a single Managing Director, namely the Group CEO), and 63.6% independent directors; this level appears to

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<sup>(10)</sup> Having sufficient time to devote to the performance of the directorship, taking account of its nature and quality, is a pre-requisite that candidates must guarantee, including as regards activities deriving from attendance at meetings of the Board Committees of which they are members. Shareholders are informed that in each year of the three-year period 2013-2015 an average of 13 meetings of the Board of Directors were held, 7 meetings of the Appointments and Corporate Governance Committee, 11 meetings of the Risk and Control Committee, 8.6 meetings of the Remuneration Committee, 8.6 meetings of the Investment Committee, and 6 meetings of the Related-party Transactions Committee, with an average duration of nearly 3 hours for Board meetings and between half an hour and over 4 hours for Board Committee meetings. Members are also required to attend off-site events during their three-year term of office, and one Board member is appointed as a member of the Supervision and Control Committee. The time devoted by each director to preparing for meetings is obviously additional to the actual meeting time. In view of the factors set out above, the Board recommends that candidates should only accept the office if they consider that they can devote the necessary time to it, having regard to the time devoted to other working or professional activities, and to the performance of any offices they may hold in other companies.

<sup>(11)</sup> In this context, it is specified that *market knowledge* means awareness and understanding of the broader business, economic and market context in which the company operates, and awareness of customers' knowledge level and requirements. *Knowledge of the governance system* means awareness and knowledge of the risks to which the company is exposed, and the ability to manage them, together with the ability to verify the efficacy of the measures taken by the company to guarantee effective governance, supervision and control of the business and, if necessary, the ability to manage change in those sectors. *Knowledge of financial and actuarial analysis* means the ability to interpret the company's financial and actuarial information, identify and evaluate the key factors, implement suitable controls and take the necessary measures on the basis of the available information. *Knowledge of the regulatory framework and legislative requirements* means awareness and understanding of the legislative framework within which the company operates, in terms of the requirements and expectations imposed by the legislation and the ability to adapt promptly to the associated changes.

comply with the best national and international practice<sup>(12)</sup>. Female members make up 36.4% of the Board, which has four members of the less represented gender: as from the next Board appointment, the minimum percentage of the less represented gender will be 33%.

The mean age of Board members is about 60 at present. Generali's corporate governance specifies an age limit of 77 for access to the Board and a lower limit of 70 and 65 for holding the offices of Chairman and Managing Director respectively.

The present Board's members reflect the presence, either directly or through representatives, of some of the most important shareholders, business owners operating in a variety of economic sectors, executives of major Italian and foreign companies, university lecturers on economic and financial subjects, and members of the professions. In particular, 64% of members have experience as directors of issuers with high stock-market capitalisation and a managerial profile, 55% have experience in the insurance field and in industry, 36% have skills in the financial & accounting field, while 27% have skills in the academic and business fields and 9% in the legal profession. The level of professional experience found in the current composition of the Board therefore appears to be appropriate in relation to the business carried on by the Company and the Group. The Board's current composition demonstrates a strong international profile, as indicated by the positions held by most of its members in foreign business, professional or academic contexts.

On the basis of the Board's membership over the last 12 years, the Board has a balanced distribution. The average seniority is 5.03 years; 36% of members have above-average seniority, 18% between the average and 3 years, and 45% under 3 years.

**3.2 The Board's recommendation** - *In view of the factors set out above and the result of the recent self-assessment process, which took account of the reference situation previously described, the Board considers that, having regard to the Company's business objectives and strategic vision, the current structure reflects in general, in a correct and balanced way, the different types of director (executive, non-executive and independent) and their professional and managerial skills, including those of an international nature, and a balanced membership in terms of diversity of gender, geographical origin, educational and cultural background, age and seniority in office.*

*It therefore recommends that the various components and key skills identified by the Board when implementing the terms of art. 5.2.1 of IVASS Regulation no. 20, which are possessed by the Board currently in office, should also be substantially possessed by the new Board, in a perspective that takes account of both the individual and the collective dimension.*

*The Board therefore emphasises the importance of:*

*h) ensuring that the new Board possesses a balanced combination of professional backgrounds, skills, experience and diversity, an adequate representation of the share capital, and promoting,*

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<sup>(12)</sup> The coefficient of 63.7% relates to the proportion of members who meet the independence requirements laid down in the Code, which are those relevant to the composition of the Board Committees. Moreover, art. 28.2 of the Articles of Association refers, with regard to the appointment and debarment of Directors, to the possession of the independence requirements laid down by the Consolidated Finance Broking Act (CFBA) for holding office as Statutory Auditor. The Articles of Association provide that these requirements must be met by at least one-third of the directors; at present, they are met by 90.9% of the directors in office, the only exception naturally being the sole executive director.

*in accordance with the business objectives and those of the strategic plan, knowledge of the insurance and financial industry and strategic and market orientation, with particular attention to the international profile of the candidates (regardless of nationality) and their willingness to confront the challenges posed by technological innovation, especially digitalisation, in the financial world in general and the insurance world in particular;*

- i) more specifically, in view of the developments in the legislation governing the industry (especially Solvency II), ensuring that the Board possesses the professional skills currently held by the present Board of Directors, which are required for supervision of the internal control and risk management system (in particular as regards risks and solvency), appointments to the corresponding Board Committee, and support for its efficacy;*
- j) also ensuring, as recommended by the Code, that the Board's members include at least one financial expert and one remuneration expert, to be appointed to the Risk and Control Committee and the Remuneration Committee respectively;*
- k) acknowledging that available time is a key factor in the effective performance of a directorship with the Company;*
- l) ensuring the presence of a suitable number of independent directors on the Board and the Board Committees;*
- m) maintaining the current ratio between executive and non-executive directors, and confirming a system of operational delegation of powers hinging on a sole Managing Director;*
- n) ensuring the distribution of the Directors' seniority, evaluating the advisability of maintaining the presence of a suitable number of the directors currently in office, partly with a view to implementation of the 2016-18 Strategic Plan and application of the internal capital calculation model, both issued by the Board in 2015, and at the same time confirming the value of new directors.*

*Finally, without prejudice to shareholders' right to make their own evaluations of the ideal composition of the new Board and to submit candidates consistent with them, the Board recommends that when the lists are submitted, shareholders should provide suitable evidence, in the form of each candidate's CV, that the skills of the candidates nominated in their lists (which should relate not only to individual qualifications, skills and experience, but also to the composition of the Board as a collective body) match those identified by the Board or by shareholders themselves.*

This opinion will be published at least 60 days prior to the date of the General Meeting to ensure that shareholders can take account of the Board's evaluations and recommendations at an early stage in the process of choosing the candidates.

Milan, 17 February 2016

BOARD OF DIRECTORS

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

## Appointment and fees of the Board of Directors

Determination of the fee payable to members of the Board of Directors for the financial years ending on 31 December 2016, 2017 and 2018.

*Shareholders,*

You have been summoned to meet to appoint a Board of Directors for the 2016-2018 three-year period and to determine, under paragraph one of section 2389 of the Civil Code, the amount of the fees payable to members of the Board of Directors for the duration of their term of office.

For the outgoing directors, the unitary fee was composed of a fixed fee of €100,000.00 gross per annum (with a 50% increase for members of the Executive Committee), and a variable fee equal to 0.01% of the Company's consolidated profit (up to a total ceiling of €300,000.00) to be divided in equal parts by the Directors, and, lastly, €4,000.00 for each Board of Directors' meeting and Executive Committee meeting attended. In addition to this, each Director may receive a refund of all out-of-pocket expenses borne in order to attend meetings.

In relation to the above, the Board of Directors, with the support of the Remuneration Committee and of an external consultant, has prepared a peer benchmarking study. The study confirmed the substantial adequacy of the pay package currently offered, in relation to the features and standing of the Generali Group; despite this, in order to align Generali with best practice on the market, the Board is in favour of removing the variable component from the existing pay package. For more information on this point, the reader is referred to the appropriate point in the Remuneration Report, which is the subject of another point on the agenda of the Shareholders' Meeting.

For the three-year period of office of the Board of Directors to be appointed by the Shareholders' Meeting, and therefore up to the date of the Shareholders' Meeting called to approve the Financial Statement for the year ending on 31 December 2018, we therefore recommend that each member of the Board of Directors receive, in addition to refund of out-of-pocket expenses borne to attend Board meetings and perform other activities required by their office:

- a gross annual fee of €100,000.00, plus a 50% increase for members of the Executive Committee, if one is set up;
- A gross amount of €4,000.00 for each Board of Directors' Meeting and Executive Committee Meeting attended.

In view of the above, the proposed resolution of the Shareholders' Meeting, reflecting the content of the above proposal, is shown below.

“The **Shareholders' Meeting** of Assicurazioni Generali S.p.A., meeting in the Palazzo dei Congressi della Stazione Marittima in Trieste at Molo Bersaglieri 3, duly called and qualified to

pass resolutions, in an ordinary session under section 2369 of the Civil Code and article 21 of the Company's Articles of Association,

- in view of Section 2389 of the Italian Civil Code;
- in view of Articles 19 and 36 of the Company's Articles of Association;
- in view of the Board of Directors' Report on this point on the agenda;

**hereby resolves**

- 1) to determine the annual fee payable to each member of the Board of Directors as follows:
  - a) a gross annual fee of €100,000.00, plus a 50% increase for members of the Executive Committee, if one is set up;
  - b) a gross amount of €4,000.00 for each Board of Directors' Meeting and Executive Committee Meeting attended;
- 2) that this resolution shall go into effect – as a result of the resolution passed by today's Shareholders Meeting on the fifth point on the agenda – for the entire three-year period of office of the Board of Directors appointed today by the Shareholders' Meeting, and therefore until the date of effective approval of the financial statement for the financial year ending on 31 December 2018.”

Milan, 17 March 2016

THE BOARD  
OF DIRECTORS