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Information compendium to the Corporate Governance and Share Ownership Report 2019



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Information compendium

to the Corporate Governance and Share Ownership Report 2019

- 1 – Powers reserved to the Board of Directors
by Board resolution
- 2 – Powers assigned to the Managing Director and Group CEO
by resolution of the Board of Directors
- 3 – Powers assigned to the Risk and Control Committee by
resolution of the Board of Directors
- 4 – Powers assigned to the Appointments and Remuneration
Committee by resolution of the Board of Directors
- 5 – Check list against the Corporate Governance Code
(version 7/2018)
- 6 – General Meeting

1 – Powers reserved to the Board of Directors by Board resolution

Confirming and also in addition to the powers reserved for the Board of Directors by the applicable legislation and regulatory provisions and the Articles of Association, the following powers are always reserved solely for the Board of Directors:

- 1) to examine and approve the budget and the strategic, industrial and financial plans of the Company and the Group proposed by the Group CEO, monitoring their implementation on a quarterly basis and evaluating the general management trend, taking account, in particular, of the information received from the executive bodies, and periodically comparing the results achieved with the planned results;
- 2) to establish, on the proposal of the Group CEO, the system of risk objectives of the Company and the Group compatibly with the strategic goals, the risk appetite of the Company and the Group and the corresponding global solvency requirement, identifying the types of risks the Board believes may be assumed in relation to the medium/long-term sustainability of the business of the Company and the Group, and establishing the risk tolerance levels accordingly, to be reviewed at least once a year to ensure their effectiveness over time;
- 3) to examine and approve, on the proposal of the Group CEO, the organisational structure of the Company and the assignment of tasks and responsibilities to the operating units of the Group, and ensure their ongoing adequacy;
- 4) to assess the adequacy of the general administrative and accounting structure of the Company and the strategic subsidiaries, and ensure its ongoing adequacy;
- 5) to approve the system of delegated powers and responsibilities, ensuring their adequacy over time;
- 6) to establish, with the support of the RCC, directives concerning the Company and Group corporate governance system, including the internal control and risk management system, and reviewing them at least once a year; to this end, ensuring that top management implements the system in accordance with the directives issued and assesses its functionality, including by examining the prompt, regular information received on any critical issues;
- 7) to evaluate, after consulting the Board of Statutory Auditors, the findings of the external auditors presented in their suggestion letter, if any, and in the report on crucial issues identified during the certification audit;
- 8) to appoint the ICRM Director; to appoint, dismiss and establish the remuneration of, on the proposal of the Group CEO, the heads of the Internal Audit function (after obtaining the binding opinion of the RCC and that of the Board of Statutory Auditors) and the Risk Management, Compliance and Actuarial functions (after consulting the RCC); to evaluate and approve, after consulting the RCC, the annual activity plans of the said Internal Control functions and examine the final results presented by them;
- 9) to examine, approve and periodically review, at the intervals specified therein, the policies issued at Company and Group level, on the proposal of the relevant function and after consulting the Committees as regards their specific competences;
- 10) to grant and revoke delegated powers to the executive bodies, Committees and any sub-committees, establishing their limits and the procedures for their exercise; and to establish the intervals, not exceeding quarterly, at which the executive bodies must report to the Board of Directors on the activities performed in the exercise of the powers delegated to them;
- 11) on the proposal of the Group CEO and after consulting the ARC:
 - a) to set up the GMC;
 - b) to establish the internal roles within the Company and the Group which carry membership of the GMC;
 - c) to appoint and dismiss those who hold internal positions within the Company and the Group which carry membership of the GMC: if the appointment or dismissal relates to the head of the Internal Control functions, the prior opinion is expressed by the RCC;
- 12) to resolve, on the proposal of the Group CEO and after consulting the ARC, on the appointment, dismissal and remuneration of the chairs, executive directors and general managers (or top management executives holding equivalent positions) of the strategic subsidiaries, their non-executive directors, if appointed from outside the Company and the Group, and the members of their Boards of Statutory Auditors (or similar corporate bodies exercising control functions);
- 13) to establish, on the proposal of the ARC and after consulting the GSC, the succession process of the Executive Director(s);
- 14) to establish, on the proposal of the Group CEO and after consulting the ARC, the succession plan for members of the GMC, identifying, at least once a year, the objectives, instruments and timing thereof; to establish, on the proposal of the Group CEO and after consulting the ARC, policies for the development and management of the resources of the GLG;

- 15) to draft the parent company financial statements for presentation for the approval of the General Meeting and the Group consolidated financial statements; to formulate proposals for the distribution of the profits and deliberate on the distribution of interim dividends to shareholders; to draft the quarterly and half-yearly reports;
- 16) on the proposal of the Group CEO and after consulting the IC, to approve the asset allocation strategy, monitoring its implementation at quarterly intervals and reviewing it at half-yearly intervals;
- 17) to examine and approve in advance, after considering the opinions of the Risk Management and Compliance functions (formulated pursuant to the Group guidelines), the transactions of the Company and its subsidiaries, if the said transactions have significant strategic, economic, capital or financial importance for the Company, paying particular attention to situations in which one or more Directors have an interest on their own account or on behalf of third parties, without prejudice to the regulations governing related party-transactions. The following transactions, including those entered into through controlled companies, shall be deemed to have significant strategic, economic, capital or financial importance:
- a) issuance of financial instruments for an overall value exceeding € 100 million;
 - b) the grant of loans and guarantees for amounts exceeding € 100 million;
 - c) transactions relating to the provision of works and/or services, and collaboration agreements for the exercise and development of the company's business, for amounts exceeding € 100 million;
 - d) costs, including budgeted costs, for amounts exceeding € 50 million;
 - e) merger or spin-off operations in relation to which the total assets of the company taken over (merged) or the assets spun off exceed € 100 million;
 - f) the following investment and divestment transactions, whose risk is borne entirely by the Company or shared with the Life insured, executed either directly or through Collective Investment Undertakings (OICRs) formed or managed by Group asset managers or third parties, reserved for investments of the Group companies, that are not in conflict with the regulation and/or prospectus and/or laws that regulate the operations of the OICR in question, concerning:
 - i) transactions on fixed-income bonds (debt securities and similar):
 1. issued by government or supranational bodies and similar bodies, with the following characteristics:
 - 1.1. "Investment Grade" for an amount equal to or in excess of € 1,000 million;
 - 1.2. "Sub-Investment Grade or non-rated" for an amount equal to or in excess of € 500 million;
 2. issued by bodies other than government or supranational bodies and similar bodies, including collateralized instruments and securitisations, with the following characteristics:
 - 2.1. "Investment Grade" for an amount equal to or in excess of € 400 million;
 - 2.2. "Sub-Investment Grade or non-rated" for an amount equal to or in excess of € 250 million;
 3. "Alternative Fixed Income" bonds, including OICRs:
 - 3.1. "Senior" instruments for an amount equal to or in excess of € 350 million;
 - 3.2. "Junior" instruments for an amount equal to or in excess of € 150 million;
 - ii) the purchase and sale of rights over real estate, the grant of licences to use the same and mortgage restrictions thereover, the purchase and sale of units or shares of real estate vehicles (including OICRs) for an amount equal to or in excess of € 200 million; without prejudice to decisions on investment/divestment transactions relating to OICRs made by the Group's asset managers in the exercise of their independent management powers and not on the recommendation of Group companies, which are neither among the powers that the Board reserves for itself nor among the powers delegated to the Group CEO, as such transactions come within the sphere of competence of the OICRs themselves;
 - iii) transactions on equity and equity-like financial instruments:
 1. listed, for an amount equal to or in excess of 3% of the voting capital of the issuer or € 200 million;
 2. unlisted (excluding private equity), for an amount equal to or in excess of 20% of the voting capital of the issuer or € 25 million;
 - iv) transactions on private equity instruments, including OICRs, for an amount equal to or in excess of € 150 million;
 - v) subscription and/or reimbursement of units of OICRs (funds, open-ended investment funds, ETFs):

1. harmonised (compliant with the UCITS Directive and equivalent laws), for which the same thresholds as those envisaged for listed equity instruments apply (with exclusive reference to the € 200 million threshold mentioned above in item iii) 1.) and for bonds (see items i)1., i)2. above), on the basis of the accounting classification rules of the OICR;
2. alternative (compliant with the AIFMD Directive and equivalent laws) for an amount equal to or in excess of € 150 million;

these provisions do not apply to the underwriting and reimbursement of:

- alternative fixed income OICR units, real estate and private equity, which are subject to the specific thresholds indicated above (see sections i)3., ii), iv));
- units of OICRs formed and/or managed by Group asset managers or third parties when reserved for investments of the Group companies, since investments made on behalf of such OICRs are subject to the limits set out under this heading f) (“Look Through”) when not in conflict with the regulation and/or prospectus and/or laws regulating the operation of the OICR.

Investment and divestment transactions are considered to be performed through individual “Transactions” or “Related Transactions”, that is, transactions relating to the same financial instrument/asset (or underlying instrument) performed over several consecutive days (depending on liquidity conditions on the markets concerned) or in multiple tranches or performed by more than one Group company, individually for an amount below the authorised thresholds but globally for an amount in excess of such thresholds, in cases where all the transactions clearly stem from the same investment decision.

With reference to investment and/or divestment programs consisting of multiple transactions that stem from the same investment/divestment decision and refer to different types of financial instrument/asset, one or more in excess of the relevant thresholds, prior authorisation may be granted for investment/divestment programs to be executed over a period of not more than 12 months;

- g) the following transactions concerning shareholdings not held for purposes relating to the investment and/or divestment activities as per item f) above:

- i) to acquire and/or increase shareholdings (directly or indirectly and by subscription of capital increases) for amounts in excess of € 100 million; to authorise the waiver or assignment of stock options relating to capital increases in investee companies and the waiver of rights of pre-emption;
 - ii) to approve capital increases by investee companies; to approve company transactions (such as mergers, spin-offs, contribution to capital of business divisions, issue of bonds or subordinated loans, purchase of own shares, etc.) performed by controlled or investee companies with which shareholders’ agreements have been entered into: all for transactions for amounts in excess of € 100 million;
 - iii) to approve transactions involving the total or partial acquisition, increase or assignment of shareholdings (including subscription of capital increases and the waiver of stock options on capital increases or rights of pre-emption) proposed by subsidiaries and investee companies for amounts in excess of € 100 million;
 - h) purchases and sales of companies or business divisions, assets and other operations, in relation to which the price of the business division or the purchased (or sold) assets is equal to or in excess of € 100 million;
- 18) to approve the signature of shareholders’ agreements of particular strategic importance relating to holdings in the capital of listed Italian and/or foreign companies;
 - 19) on the proposal of the Group CEO, to approve a procedure for the internal management and external communication of documents and information relating to the Company and the Group, with special reference to privileged information;
 - 20) to establish and periodically review, after consulting the ARC, the remuneration policies for members of the Company’s governing bodies and its personnel, including remuneration plans based on financial instruments, verifying their correct application;
 - 21) on the proposal of the ARC and after consulting the Board of Statutory Auditors, to establish the remuneration of the Executive Directors and other directors who hold particular offices; on the proposal of the Group CEO and after consulting the ARC, to establish the remuneration of executive personnel who hold internal roles in the Group that carry membership of the GMC;
 - 22) on the proposal of the Group CEO and after consulting the ARC, to examine and approve the guidelines of the incentive system for GLG members;

- 23) at least once a year, with the support of the GSC, to assess the size, composition and functioning of the Board of Directors, the Board Committees and any sub-committees, taking account of factors such as the professional characteristics, experience, including managerial experience, and gender of its members, and their seniority in office, possibly providing guidance on the professional and managerial figures whose presence on the Board of Directors is deemed advisable;
- 24) to provide information, in this Report, about the methods of application of the Corporate Governance Code and any other legislative or regulatory requirements;
- 25) after the appointment of a director who claims to be independent, and once a year thereafter, to evaluate, in accordance with the procedure set out in art. 10 of the Regulation of the Board of Directors and Board Committees, the independence of its non-executive members, announcing the result of its evaluations (by means of a press release to the market at the time of the appointment, and subsequently in the Report), and whether they meet the statutory respectability and professionalism requirements and those specified in the Fit&Proper Policy; to assess whether any of the statutory grounds for incompatibility or debarment from office apply to other members of the top management;
- 26) to express its view on the maximum number of directorships or positions as statutory auditor held in other Italian or foreign companies listed on regulated markets, in finance, banking or insurance companies or companies of significant size, which are deemed compatible with the effective performance of a directorship of the Company, taking account of directors' participation in the Board Committees;
- 27) to approve, with the support of the relevant corporate function instituted at GHO, the text of the Regulation and related variations thereto required by law, the Corporate Governance Code, the Articles of Association or resolutions of the Board of Directors, without prejudice to art. 39.3 of the Regulation;
- 28) to examine and approve, on the proposal of the Group CEO and after consulting the GSC, the method for reporting non-financial information, material performance indicators and the non-financial declaration;
- 29) to appoint, after consulting the RCC, the external auditors' firm – if different to that engaged to audit the accounts – to issue the attestation report pursuant to legislative decree no. 254, 30 December 2016;

- 30) to appoint, after consulting with the RCC and the Board of Statutory Auditors (the opinion of the latter being binding) an auditing firm to perform the activities as per IVASS Regulation no. 42 of 2 August 2018, and to establish its fee.

2 – Powers assigned to the Managing Director and Group CEO by resolution of the Board of Directors

Philippe Roger Donnet holds delegated powers including, but not limited to, and subject to the provisions of the previous section and as hereinafter further provided, operational management of insurance and reinsurance business, and the activities relating thereto, in Italy and abroad; responsibility for activities involving strategic planning, management control, enterprise risk management and asset liability management, mergers and acquisitions and management of the relevant shareholdings, and activities performed by the Group in the banking, financial and real estate sectors; responsibility for administrative, tax, legal and corporate affairs; responsibility for human resources and the work organisation, coordination of information technology activities, management and coordination of the companies belonging to the Group, and management of the communications, external relations and institutional relations of the Company and the Group. Philippe Roger Donnet also holds powers including, but not limited to, those listed below, relating to the performance of the delegated powers granted to him as Managing Director, provided that the quantitative limitations on the powers granted shall be considered as internal limits between the delegating body and the party to whom powers are delegated:

- a) to propose to the Board of Directors the adoption of measures falling within its responsibility;
- b) to formulate proposals relating to the long-term plans and annual budgets of Assicurazioni Generali and the Group to be submitted for examination and approval by the Board of Directors;
- c) to issue directives for the formation of the Company's financial statements; to prepare proposals for submission to the Board of Directors regarding the draft annual financial statements and consolidated financial statements, and the quarterly and half-yearly reports;
- d) to formulate proposals relation to the asset allocation strategy to be submitted for examination and approval by the Board of Directors;

- e) to establish the general organisational structure of Assicurazioni Generali S.p.A. and the Group, and submit it to the Board of Directors for the evaluation falling within its responsibility;
- f) to ensure that the resolutions of the General Meeting and the Board of Directors are implemented;
- g) to ensure the application of the corporate governance rules of the Company and the Group;
- h) as regards insurance and reinsurance:
 - i) to manage insurance and reinsurance business in Italy and abroad, authorising the underwriting of insurance and reinsurance risks in the sectors in which the Company is authorised to operate and the payment of the related compensation, to perform the activities relating thereto and to take the appropriate decisions;
 - ii) to supervise and guide the management of the Group's technical and actuarial activities and manage its research and development activities;
 - iii) to draft and approve the statements of the Company's Segregated Internal Funds and Internal Insurance Funds and establish the proportion of participation in the yield of the segregated internal funds, without prejudice to any more favourable contractual terms and/or clauses which provide for a minimum yield to be withheld by the Company;
- i) as regards human resource management and organisation:
 - i) to formulate proposals to the ARC relating to the guidelines of the remuneration policy of the Company and the Group;
 - ii) to establish human resource development and management policies and the associated incentive system; to manage relations with trade unions and employers' associations, with power to sign agreements with them on the Company's behalf; to attempt conciliation, make settlements and sign the minutes relating to settlements;
 - iii) to formulate proposals to the Board of Directors relating to:
 1. the formation of the Group Management Committee ("GMC");
 2. the definition of the internal roles in the Group relevant to the composition of the GMC;
 3. the appointment, revocation of the appointment and remuneration of the parties called on to hold internal roles in the Group carrying membership of the GMC;
 - iv) with the exception of the exclusive powers of the Board of Directors pursuant to art. 32.2 of the Articles of Association, to take decisions on hiring, promotion, duties, delegated powers and remuneration of personnel of all grades of the Company and the Group, with the exception of executives holding internal positions within the Company or the Group carrying GMC membership and having regard to the functional reporting of the human resources belonging to the areas that report to the General Manager (if appointed). As regards the said personnel: to take the necessary measures, authorise the grant of financial subsidies and leave of absence, arrange transfers and secondments, and take all precautionary and disciplinary measures including dismissal and establishing severance pay;
 - v) to determine, in accordance with the terms of articles 38 and 39 of the Articles of Association, the scope of the power of representation and company signature of the Company's executives, excluding members of the GMC, and to grant the said power on a continuous basis to the Company's officers and to revoke it;
 - vi) to propose to the Board of Directors the nomination of the Chairmen, Managing Directors and General Managers (or members of the top management holding equivalent positions) of subsidiaries with strategic importance, and to formulate proposals relating to revocation of their appointments and to their remuneration and that of the non-executive directors, if selected from figures external to the Group. For these purposes, the following companies are classed as strategic: Generali Italia S.p.A., Generali France S.A., Generali Deutschland Holding AG, Generali CEE B.V., Generali España Holding de entidades de seguros S.A., Generali Insurance Asset Management S.G.R.p.A., Generali Real Estate S.p.A., Banca Generali S.p.A., Generali Versicherung AG (Austria), Generali China Life Insurance and Generali Schweiz Holding AG; to nominate the non-executive members of the Boards of Directors of the strategic subsidiaries, if selected from persons belonging to the Group, and also the executive members of the non-strategic subsidiaries; to appoint the members of the Boards of Statutory Auditors of non-strategic subsidiaries;
 - vii) to propose to the Board of Directors the signature of shareholders' agreements of particular strategic importance relating to holdings in the capital of listed Italian and/or foreign companies;
 - viii) to submit to the Board of Directors, after consulting the Appointments and Remuneration Committee, the succession plan for members of the GMC, the country CEOs and senior managers with a Hay score of more than 1200 points (i.e., who belong to the GLG);

- j) to approve the following investment and divestment transactions, whose risk is borne entirely by the Company or shared with the Life insured, executed either directly or through Collective Investment Undertakings (OICRs) formed or managed by Group asset managers or third parties, reserved for investments of the Group companies, that are not in conflict with the regulation and/or prospectus and/or laws that regulate the operations of the OICR in question, concerning:
- i) transactions on fixed-income bonds (debt securities and similar):
1. issued by government or supranational bodies and similar bodies, with the following characteristics:
 - 1.1. "Investment Grade" for an amount below €1,000 million;
 - 1.2. "Sub-Investment Grade or non-rated" for an amount below € 500 million;
 2. issued by bodies other than government or supranational bodies and similar bodies, including collateralized instruments and securitisations, with the following characteristics:
 - 2.1. "Investment Grade" for an amount below € 400 million;
 - 2.2. "Sub-Investment Grade or non-rated" for an amount below € 250 million;
 3. "Alternative Fixed Income" bonds, including OICRs:
 - 3.1. "Senior" instruments for an amount below € 350 million;
 - 3.2. "Junior" instruments for an amount below € 150 million;
- ii) the purchase and sale of rights over real estate, the grant of licences to use the same and mortgage restrictions thereover, the purchase and sale of units or shares of real estate vehicles (including OICRs) for an amount below € 200 million, without prejudice to decisions on investment/divestment transactions relating to OICRs made by the Group's Asset Managers in the exercise of their independent management powers and not on the recommendation of Group companies, which are neither among the powers that the Board reserves for itself nor among the powers delegated to the Group CEO, as such transactions come within the sphere of competence of the OICRs themselves;
- iii) transactions on equity and equity-like financial instruments:
1. listed, for an amount below € 200 million and 3% of the voting capital of the issuer;
 2. unlisted (excluding private equity), for an

amount below 20% of the voting capital of the issuer and below € 25 million;

- iv) transactions on private equity instruments, including OICRs, for an amount below € 150 million;
- v) subscription and/or reimbursement of units of OICRs (funds, open-ended investment funds, ETFs):
1. harmonised (compliant with the UCITS Directive and equivalent laws), for which the same thresholds as those envisaged for listed equity instruments apply (with exclusive reference to the € 200 million threshold mentioned above in item iii)1.) and for bonds (see items i)1., i)2. above), on the basis of the accounting classification rules of the OICR;
 2. alternative (compliant with the AIFMD Directive and equivalent laws) for an amount below € 150 million;

these provisions do not apply to the underwriting and reimbursement of:

- alternative fixed income OICR units, real estate and private equity, which are subject to the specific thresholds indicated above (see sections i).3., ii), iv));
- units of OICRs formed and/or managed by Group Asset Managers or third parties when reserved for investments of the Group companies, since investments made on behalf of such OICRs are subject to the limits set out under this heading j) ("Look Through") when not in conflict with the regulation and/or prospectus and/or laws regulating the operation of the OICR.

Investment and divestment transactions are considered to be performed through individual "Transactions" or "Related Transactions", that is, transactions relating to the same financial instrument/asset (or underlying instrument) performed over several consecutive days (depending on liquidity conditions on the markets concerned) or in multiple tranches or performed by more than one Group company, individually for an amount below the authorised thresholds but globally for an amount in excess of such thresholds, in cases where all the transactions clearly stem from the same investment decision.

With reference to investment and/or divestment programs consisting of multiple transactions that stem from the same investment/divestment decision and refer to different types of financial

- instrument/asset, one or more in excess of the relevant thresholds, prior authorisation may be granted for investment/divestment programs to be executed over a period of not more than 12 months. Transactions performed in compliance with the limits and conditions established in the mandates assigned to the Group Asset Managers or Third Parties do not require the prior approval of the Group CEO, if they are examined by the Investment and Strategic Transaction Committee;
- k) with regard to shareholdings not held for purposes relating to the investment and/or divestment activities as per item j) above:
- i) to acquire and/or increase shareholdings (directly or indirectly and by subscription of capital increases) up to the value of € 100 million; to authorise the waiver or assignment of stock options relating to capital increases in investee companies and the waiver of rights of pre-emption;
 - ii) to approve capital increases by investee companies; to approve Company transactions (such as mergers, spin-offs, contribution to capital of business divisions, issue of bonds or subordinated loans, purchase of own shares, etc.) performed by controlled or investee companies with which shareholders' agreements relating to the matters in question have been entered into: all up to € 100 million;
 - iii) to approve transactions involving the total or partial acquisition, increase or assignment of shareholdings (including subscription of capital increases and waiver of stock options on capital increases or rights of pre-emption) proposed by subsidiaries and investee companies up to the value of € 100 million;
 - iv) to approve amendments to the Articles of Association of investee companies;
 - v) to issue voting instructions for the General Meetings of subsidiaries and investee companies;
- l) purchases and sales of companies or business divisions, assets and other operations, in relation to which the price of the business division or the purchased (or sold assets) is for an amount below € 100 million;
- m) as regards other transactions:
- i) to approve issues of financial instruments up to a total value of € 100 million;
 - ii) to approve the grant of loans and guarantees for amounts of up to € 100 million;
 - iii) to approve transactions relating to the provision of works and services, and collaboration agreements for the exercise and development of the company's business, for amounts up to € 100 million;
- iv) to approve merger or spin-off operations in relation to which the total assets of the company taken over (merged) or the assets spun off do not exceed € 100 million;
- n) as regards real estate management, without prejudice to item j), head ii):
- i) to grant servient easements over the Company's real estate, with no value limits;
 - ii) to consent to the cancellation, reduction and restriction of mortgages and/or liens of any kind (with express power to identify the property to be cancelled for Land Registry and mortgage purposes) and deeds of subordination or subrogation; to consent to the cancellation of transcriptions and annotations, exonerating the Land Registrar and registrars of other offices from the responsibility to establish that the extinction has taken place or a corresponding reduction made in the debt claimed and/or that an authorising resolution has been passed by the appropriate body of the Company;
- o) as regards expenditure: with reference to the Company, to authorise compulsory expenditure with no limit on the amount, and other costs up to € 50 million per item;
- p) as regards legal matters:
- i) to file suits and proceedings in courts and administrative tribunals, non-contentious proceedings and arbitration proceedings; to defend proceedings taken against the Company; to represent the Company in legal proceedings, both as Plaintiff and Defendant, before any authority, in any forum and at any level or stage of proceedings, and consequently in interlocutory, enforcement, appeal and cassation proceedings and arbitration proceedings, with all the corresponding powers, including power to conciliate and/or settle disputes, to sign arbitration agreements and compositions, to issue general and special powers of attorney ad litem and special powers of attorney pursuant to ss. 183 and 420 of the Italian Civil Procedure Code to represent the Company in legal proceedings, including with power to conciliate or settle disputes, to waive and accept waivers of judicial documents, to issue declarations as garnishee, and to claim damages in criminal proceedings; to file and withdraw complaints;
 - ii) to authorise payments of claims by third parties;
- q) as regards service activities: to sign and terminate service contracting and/or outsourcing agreements

relating to the performance of services for other companies in the Group;

- r) Group management and coordination activities: to perform, within the guidelines established by the Board of Directors, management and coordination activities for the companies in the Group;
- s) to establish guidelines for the exercise of the General Manager's powers;
- t) power of subdelegation: to subdelegate to employees or non-employees one or more of the powers specified in the preceding paragraphs, with the obligation to predetermine any limits thereon;
- u) emergency powers: to exercise any power held by the Board of Directors if, at his sole discretion, the urgency of the matter requires an immediate decision, excluding the powers set out in 2420-ter (Delegation to directors), 2423 (Drafting of financial statements), 2443 (Delegation to directors), 2446 (Reduction of capital due to losses), 2447 (Reduction of share capital below statutory limit), 2501-ter (Merger Plan) and 2506-bis (Spin-off Plan) of the Civil Code, with a value limit of € 100 million per operation. The value limit of € 100 million also applies to the case of multiple operations of the same type which, though individually falling below the said threshold, collectively fall into the same time, functional or planning scale. The exercise of emergency powers is subject to a prior check by the Group CEO, acting in liaison with the Chairman, to establish whether it is impossible to hold a meeting of the Board of Directors in time to pass a resolution falling within its powers, within a minimum of two days, as required by the Articles of Association in the case of calls to be issued in the event of emergency. Significant transactions performed to implement the above matters must be reported to the Board of Directors at its first meeting after the exercise of the delegated powers, but the actions performed remain valid in any event.

Philippe Donnet is also the executive director in charge of supervising the internal control and risk management system. In this capacity, he holds the following powers:

- 1) to identify the main company risks, taking account of the characteristics of the business carried on by the issuer and its subsidiaries, and periodically submit them for examination by the Board of Directors;
- 2) to implement the policies established by the Board of Directors and arrange the design, the implementation and management of the internal control and risk management system, regularly monitoring its adequacy and efficacy;
- 3) to adapt said system to the dynamics of the operating conditions and the legislative and regulatory scenario;

- 4) to ask the internal audit function to conduct audits on specific areas and check compliance with the internal rules and procedures in the performance of Company transactions, notifying the Chairs of the RCC and the Board of Statutory Auditors at the same time;
- 5) to report promptly to the RCC and the Board of Directors on any problems or critical factors that have emerged during the performance of his duties or which have come to his notice, so that the RCC and the Board of Directors may take any appropriate measures.

3 – Powers assigned to the Risk and Control Committee by resolution of the Board of Directors

The Risk and Control Committee (RCC) performs advisory, recommendatory and preparatory functions for the Board of Directors and may conduct investigations on the internal control and risk management system. The RCC ensures that the Board of Directors' evaluations and decisions relating to the internal control and risk management system, approval of the financial statements and half-year reports, and relations between the Company and the External Auditors, are supported by adequate preliminary activities. In this context, the RCC subdivides discussion of the questions falling within its competence into separate sessions, depending on whether they relate to internal control or to risk management, or whether they present common internal control and risk management profiles. In this context, the RCC's duties in the internal control field include:

- assisting the Board of Directors in performing the tasks assigned to it by law and by the Corporate Governance Code relating to the internal control system;
- together with the Manager in charge of Preparation of the Company's Financial Reports and after consulting representatives of the External Auditors and the Board of Statutory Auditors, evaluating correct use of the accounting standards and their harmonisation in the Group for the purpose of drawing up the consolidated financial statements and the consolidated half-year report, supervising the adequacy of the internal control system with regard to financial disclosure in relation to the activities of the MPFR;
- examining the substantiated proposal of the Board of Statutory Auditors on the appointment of the external auditors for the legal audit and formulating its observations on the subject, reporting thereon to the

Board of Directors, and also supporting the Board of Directors in the assignment of the engagement for the issue of the attestation report as per the following item;

- supporting the Board of Directors when engaging an auditing firm to conduct the activity as per IVASS Regulation no. 42 of 2 August 2018;
- evaluating the contents of the additional report of the external auditors for the Board of Statutory Auditors (envisaged by art.11 of EU Regulation no. 537/2014) and, for matters within its competence, of the attestation report issued pursuant to legislative decree no. 254, 30 December 2016;
- obtaining information, at least at the time of presentation of the annual work plan of the Fundamental Functions, about the adequacy of the expenditure budget and the quantitative and qualitative profiles of the resources assigned to said functions, monitoring the independence, efficacy and efficiency of the resources assigned to the functions, and expressing its opinion thereon to the Board of Directors;
- supporting the Board of Directors in formulating and subsequently evaluation the adequacy over time of the organisational structure of the Company and the Group;
- receiving the report on outsourced Company and Group activities as required by the relevant policy.

The RCC's duties in the risk management field include:

- assisting the Board of Directors in performing the tasks assigned to it by law and by the Corporate Governance Code regarding the risk management system;
- expressing its opinion on proposals regarding the appointment, dismissal and remuneration of the heads of the Fundamental Functions; that opinion is binding in the case of proposals relating to the head of the Internal Audit function;
- expressing its opinion on the adoption or revision of Company and Group policies required by the Solvency II Directive;
- supporting, with appropriate preliminary activities, the Board of Directors' evaluations and decisions regarding the management of risks arising from detrimental facts that have come to the Board's attention;
- supporting the Board of Directors, with appropriate preliminary activities, in determining the risk appetite and setting the risk tolerance levels, as defined in the Risk Appetite Framework, and drawing up the risk map, expressing its opinion thereon;
- assisting the Board of Directors with its evaluation of current and prospective risks and the criteria and methods used in that evaluation, with special reference to the risks considered most significant, also

expressing its opinion on the ORSA report of the Company and the Group;

- receiving periodic reports on the capital and liquidity metrics of the Company and the Group, with special reference to situations where the hard and soft thresholds established are exceeded;
- receiving reports, at least every six months, on the investments made by the Group and the development of the private equity and alternative investment portfolios;
- assisting the Board of Directors, on plans drawn up to guarantee compliance and business continuity, and expressing its opinion thereon.

The RCC's duties in areas common to internal control and risk management include:

- expressing its opinion, at least once a year, on the draft Audit Plan of the Company and the Group and examining the associated internal audit summary report, with a view to their submission to the Board of Directors;
- expressing its opinion, at least once a year, on the draft "Compliance Plan" of the Company and the Group and examining the associated summary of activities performed by the Compliance function for the Company and the Group, with a view to their submission to the Board of Directors;
- expressing its opinion, at least once a year, on the "Activity Plan of the Risk Management function" of the Company and the Group and examining the reports on the activities performed by the Risk Management function for the Company and the Group, with a view to their submission to the Board of Directors;
- expressing its opinion, at least once a year, on the "Activity Plan of the Actuarial function" of the Company and the Group and examining the reports on the activities performed by the Actuarial function for the Company and the Group, with a view to their submission to the Board of Directors;
- reporting to the Board of Directors on the activities performed and, on the basis of the assessments made by the Fundamental Functions, on the adequacy and efficacy of the internal control and risk management system of the Company and the Group, at Board meetings called to approve the draft financial statements and the half-yearly reports;
- at the request of the Board of Directors, expressing its opinions on specific aspects regarding the identification of the main corporate risks and the design, implementation and management of the internal control and risk management system;
- the RCC may request the Fundamental Functions to conduct checks on specific operational areas or issues of importance to the Company and/or the

Group, eventually notifying the chair of the Board of Statutory Auditors;

- the RCC may request the operational and business functions to analyse and examine specific issues by conducting investigations, and to report thereon to the RCC.

4 – Powers assigned to the Appointments and Remuneration Committee by resolution of the Board of Directors

The ARC performs consultative, recommendatory and preparatory functions for the Board of Directors on the subject of remuneration. It also expresses its opinion on related-party transactions regarding the remuneration of key management personnel in accordance with the RPT Procedures. Specifically, the ARC's responsibilities with regard to remuneration include:

- assisting the Board of Directors in fulfilling the tasks assigned to the Board by law and by the Corporate Governance Code;
 - formulating opinions and proposals to the Board of Directors regarding the remuneration to which Directors are entitled;
 - formulating opinions and proposals on remuneration policies for members of the governing bodies and personnel, including remuneration plans based on financial instruments, verifying their correct application;
 - submitting proposals and/or opinions to the Board of Directors on the amount of the remuneration payable to Executive Directors and Directors holding other particular offices or positions in accordance with the Articles of Association, and on the setting of performance targets correlated with the variable component of the said remuneration, and checking that the performance targets have been met; the opinions and proposals relating to Executive Directors are expressed on the basis of a discretionary evaluation which takes account (inter alia) of the following parameters:
 - importance of the responsibilities in the corporate organisational structure;
 - impact on the Company's results;
 - profit and loss figures;
 - attainment of specific objectives specified in advance by the Board of Directors;
 - expressing non-binding opinions and proposals on the amount of remuneration payable to the General Manager and the parties who hold internal roles in the Company and the Group carrying membership of the GMC, after a proposal by the Group CEO, according to a discretionary evaluation based on the following criteria:
 - the level of responsibility and the risks connected with the functions performed;
 - the results achieved in relation to the objectives set;
 - performance in the case of exceptional tasks;
 - periodically evaluating the criteria adopted for the remuneration of the directors and key personnel, in this latter respect using the information provided by the Group CEO and formulating general recommendations on the subject to the Board of Directors;
 - verifying the consistency of the overall remuneration structure and the proportionality of the Executive Directors' remuneration among the directors themselves and compared with the key personnel;
 - expressing an opinion of the Group CEO's proposal regarding the incentive system for resources belonging to the GLG;
 - expressing an opinion on the proposals formulated by the Group CEO regarding the remuneration of the chairmen, executive directors and general managers (or top management executives who hold equivalent positions) of subsidiaries with strategic importance, and of non-executive directors if recruited from outside the Company and the Group;
 - reviewing the consistency of the remuneration and incentive systems with the Risk Appetite Framework;
 - monitoring whether the decisions taken by the Board of Directors on the basis of the proposals submitted are implemented, and providing the Board with information on the effective operation of the remuneration policies;
 - periodically reviewing the adequacy of the remuneration policies, also in the event of changes to the operations of the Company or the Group or of the market context in which they operate;
 - ascertaining the existence of the conditions for the payment of incentives to key personnel;
 - identifying potential conflicts of interest and the measures taken to manage them.
- The ARC also performs an advisory, recommendatory and preparatory role for the Board of Directors with regard to appointments, including the following tasks:
- assisting the Board of Directors in fulfilling the tasks assigned to the Board by law and by the Corporate Governance Code;
 - submitting opinions, with the support of the GSC, to the Board of Directors regarding its size and composition, and making recommendations regarding the professional figures whose presence on the Board of Directors is deemed advisable;

- proposing to the Board of Directors candidates for the office of director in cases of co-optation, should the replacement of independent directors be necessary;
- preparing for the drafting of the succession plan for Executive Directors, if adopted by the Board of Directors;
- proposing to the Board of Directors, after consulting the GSC, the definition of the succession process for the Executive Director(s); expressing an opinion on the Group CEO's proposal for the succession plan for GMC members, identifying, at least on an annual basis, objectives, tools and timing for the execution of the plan;
- expressing an opinion on the Group CEO's proposals regarding development and management policies for resources belonging to the GLG;
- formulating opinions regarding the institution of the GMC, establishing which internal roles in the Company and the Group carry membership of the GMC and, subject to suitable involvement of its members, the appointment and revocation of the appointment of those nominated to hold internal roles in the Company and the Group which carry membership of the GMC, without prejudice to the cases as at article 8.2, item 7 and article 14.4;
- expressing an opinion on the proposal submitted by the Group CEO to the Board of Directors regarding the nomination (possibly by co-opting) of the chairmen, managing directors and general managers (or members of the top management holding equivalent positions) and statutory auditors of Subsidiaries with strategic importance, and formulating opinions on proposals relating to the revocation of their appointments; and of non-executive directors, if selected from persons external to the Company and the Group;
- expressing an opinion on proposals submitted by the Group CEO to the Board of Directors on other appointments or revocations.

5 – Check list against the Corporate Governance Code (CG Code)

KEY

Applied: governance conforming to the CG Code

Not applied: governance not conforming to the CG Code

Inapplicable: the pre-requisites in fact or law for the terms of the CG Code to apply are not fulfilled

Page reference: page numbers in the 2019 Corporate Governance Report where information referring to the recommendations of the CG Code may be found.

Principles and Criteria of Corporate Governance Code		Applied	Not applied	Inapplicable	Page reference
1. Role of the Board of Directors					
1.P.1.	Listed companies are governed by a Board of Directors that meets at regular intervals, adopts an organization and a modus operandi which enable it to perform its functions in an effective manner.	√			64 et seq.
1.P.2.	The directors act and make decisions with full knowledge of the facts and autonomously pursuing and placing priority on the objective of creating value for the shareholders over a medium-long term period.	√			64, 68
1.C.1.	The Board of Directors shall:	√			62, 66-67
	a) examine and approve the strategic, operational and financial plans of both the issuer and the corporate group it heads, monitoring periodically the related implementation; it defines the issuer's corporate governance and the relevant group structure;				
	b) define the risk profile, both as to nature and level of risks, in a manner consistent with the issuer's strategic objectives, taking into account any risk that may affect the sustainability of the issuer's business in a medium-long term perspective;	√			Compendium 3-6
	c) evaluate the adequacy of the organizational, administrative and accounting structure of the issuer as well as of its strategically significant subsidiaries in particular with regard to the internal control system and risk management;	√			64-66, 67
	d) specify the frequency, in any case no less than once every three months, with which the delegated bodies must report to the Board on the activities performed in the exercise of the powers delegated to them;	√			64 and 72
	e) evaluate the general performance of the company, paying particular attention to the information received from the delegated bodies and periodically comparing the results achieved with those planned;	√			63-66 and 72
	f) resolve upon transactions to be carried out by the issuer or its controlled companies having a significant impact on the issuer's strategies, profitability, assets and liabilities or financial position; to this end, the Board shall establish general criteria for identifying the material transactions;	√			63-64, Compendium 3-7
	g) perform at least annually an evaluation of the performance of the Board of Directors and its committees, as well as their size and composition, taking into account the professional competence, experience, (including managerial experience) gender of its members and number of years as director. Where the Board of Directors avails itself of consultants for such a self-assessment, the Corporate Governance Report shall provide information on their identity and other services, if any, performed by such consultants to the issuer or to companies having a control relationship with the issuer;	√			16, 69-70
	h) taking into account the outcome of the evaluation mentioned under the previous item g), report its view to shareholders on the managerial and professional profiles, deemed appropriate for the composition of the Board of Directors, prior to its nomination;	√			58 and 70
	i) provide information in the Corporate Governance Report on (1) its composition, indicating for each member the qualification (executive, non-executive, independent), the relevant role held within the Board of Directors (including by way of example, chairman or chief executive officer, as defined by article 2), the main professional characteristics as well as the duration of his/her office since the first appointment; (2) the application of article 1 of this Code and, in particular, on the number and average duration of meetings of the Board and of the executive committee, if any, held during the fiscal year, as well as the related percentage of attendance of each director; (3) how the self-assessment procedure as at previous item g) has developed; (4) the objectives, implementation and results of application of the diversity criteria recommended in arts. 2 and 8;	√			15, 52 et seq., 65, 69 and 70 Table 2 (p. 118)

Principles and Criteria of Corporate Governance Code		Applied	Not applied	Inapplicable	Page reference
	j) in order to ensure the correct handling of corporate information, adopt, upon proposal of the managing director or the chairman of the Board of Directors, internal procedures for the internal handling and disclosure to third parties of information concerning the issuer, having special regard to price sensitive information.	√			112
1.C.2.	The directors shall accept the directorship when they deem that they can devote the necessary time to the diligent performance of their duties, also taking into account the commitment relating to their own work and professional activity, the number of offices held as director or statutory auditor in other companies listed on regulated markets (including foreign markets) in financial companies, banks, insurance companies or companies of a considerably large size. The Board shall record, on the basis of the information received from the directors, on a yearly basis, the offices of director or statutory auditor held by the directors in the above-mentioned companies and include them in the Corporate Governance Report.	√			16, 60-61, 52-57
1.C.3.	The Board shall issue guidelines regarding the maximum number of offices as director or statutory auditor for the types of companies referred to in the above paragraph that may be considered compatible with an effective performance of a director's duties, taking into account the attendance by the directors to the committees set up within the Board. To this end, the Board identifies the general criteria, differentiating them according to the commitment entailed by each role (executive, non-executive or independent director), as well as the nature and size of the companies in which the offices are performed, plus whether or not the companies are members of the issuer's group.	√			16 and 61
1.C.4.	If the shareholders' meeting, when dealing with organizational needs, authorizes, on a general, preventive basis, derogations from the rule prohibiting competition, as per Article 2390 of the Italian Civil Code, then the Board of Directors shall evaluate each such issue, reporting, at the next shareholders' meeting, the critical ones if any. To this end, each director shall inform the Board, upon accepting his/her appointment, of any activities exercised in competition with the issuer and of any effective modifications that ensue.			√	52
1.C.5.	The chairman of the Board of Directors shall ensure that the documentation relating to the agenda of the Board is made available to directors and statutory auditors in a timely manner prior to the Board meeting. The Board of Directors shall provide information in the Corporate Governance Report on the promptness and completeness of the pre-meeting information, providing details, inter alia, on the prior notice usually deemed adequate for the supply of documents and specifying whether such prior notice has been usually observed.	√			64-65, 73
1.C.6.	The chairman of the Board of Directors, also upon request of one or more directors, may request to the managing directors that certain executives of the issuer or the companies belonging to its group, in charge of the pertinent management areas related to the Board agenda, attend the meetings of the Board, in order to provide appropriate supplemental information on the items on the agenda. The Corporate Governance report provides information on their effective attendance.	√			68
2. Composition of the Board of Directors					
2.P.1.	The Board of Directors shall be made up of executive and non-executive directors, who should be adequately competent and professional.	√			15, 52 et seq., 60-62
2.P.2.	Non-executive directors shall bring their specific expertise to Board discussions and contribute to the adoption of fully informed decisions paying particular care to the areas where conflicts of interest may emerge.	√			61-62
2.P.3.	The number, competence, authority and time availability of non-executive directors shall be such as to ensure that their judgement may have a significant impact on the taking of Board's decisions.	√			61-62
2.P.4.	The issuer also applies gender diversity criteria with respect to the composition of the Board of Directors, compatibly with the priority of ensuring adequate competence and professionalism among its members.	√			57-58
2.P.5.	It is advisable to avoid the concentration of corporate offices in one single individual.	√			52, 61-62
2.P.6.	Where the Board of Directors has delegated management powers to the chairman, it shall disclose adequate information in the Corporate Governance Report on the reasons for such organisational choice.	√			36-37, 71-72
2.C.1.	The following are qualified executive directors of the issue: <ul style="list-style-type: none"> - the managing directors of the issuer or a subsidiary having strategic relevance, including the relevant chairmen when these are granted individual management powers or when they play a specific role in the definition of the business strategies; - the directors vested with management duties within the issuer or in one of its subsidiaries having strategic relevance, or in a controlling company when the office concerns also the issuer; - the directors who are members of the executive committee of the issuer, when no managing director is appointed or when the participation in the executive committee, taking into account the frequency of the meetings and the scope of the relevant resolutions, entails, as a matter of fact, the systematic involvement of its members in the day-to-day management of the issuer. <p>The granting of deputy powers or powers in cases of urgency to directors, who are not provided with management powers is not enough, per se, to cause them to be identified as executive directors, provided however, that such powers are not actually exercised with considerable frequency.</p>	√			52-56, 71-72

Principles and Criteria of Corporate Governance Code		Applied	Not applied	Inapplicable	Page reference
2.C.2.	The directors shall know the duties and responsibilities relating to their office. The chairman of the Board of Directors shall use his best efforts to allow the directors and the statutory auditors, after the election and during their mandate, to participate, in the ways deemed appropriate, in initiatives aimed at providing them with an adequate knowledge of the business sector where the issuer operates, of the corporate dynamics and the relevant evolutions, of the principles of proper risk-management as well as the relevant regulatory and self-regulatory framework. The issuer shall describe in the Corporate Governance Report the type and organizational manners of the activities that took place during the fiscal year of reference.	√			68
2.C.3.	At least one third of the Board of Directors is composed of directors from the less represented gender.	√			16, 61-62
2.C.4.	The Board of Directors shall designate an independent director as lead independent director, in the following circumstances: (i) in the event that the chairman of the Board of Directors is the chief executive officer of the company; (ii) in the event that the office of chairman is held by the person controlling the issuer. The Board of Directors of issuers belonging to the FTSE-Mib index shall designate a lead independent director when so requested by the majority of independent directors, except in the case of a different and grounded assessment carried out by the Board to be reported in the Corporate Governance Report.			√	62
2.C.5.	The lead independent director: a) represents a reference and coordination point for the requests and contributions of non-executive directors and, in particular, those who are independent pursuant to Article 3 below; b) cooperates with the Chairman of the Board of Directors in order to guarantee that directors receive timely and complete information.			√	62
2.C.6.	The chief executive officer of issuer (A) shall not be appointed director of another issuer (B) not belonging to the same corporate group, in the event that the chief executive officer of issuer (B) is a director of issuer (A).	√			61

3. Independent Directors

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.	√			52-56, 61-62
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.	√			61-62, 66-67
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, also 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 is a significant representative, or in the 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 subject who, also jointly with others through a shareholders' agreement, controls the issuer, or – in the case of a company or an entity – with the relevant significant representatives; or is, or has been in the preceding three fiscal years, an employee of the above-mentioned subjects; 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 of nonexecutive director of the issuer and to remuneration of the membership in the committees that are recommended by the 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 last 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 quotaholder 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 a person who is in any of the positions listed in the above paragraphs.	√			61-62, 66-67
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, must be considered as "significant representatives".	√			61-62

Principles and Criteria of Corporate Governance Code		Applied	Not applied	Inapplicable	Page reference
3.C.3.	<p>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 must be such as to enable the constitution of committees within the Board, according to the indications set out in the Code.</p> <p>In 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.</p> <p>The number of independent directors shall in no case be less than two.</p>	√			52 et seq., 57-59, 73-74
3.C.4.	<p>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.</p> <p>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.</p> <p>In the documents mentioned above, the Board of Directors shall:</p> <ul style="list-style-type: none"> - 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. 	√			61-62, 66-67
3.C.5.	<p>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.</p>	√			62
3.C.6.	<p>The independent directors shall meet at least once a year without the presence of the other directors.</p>	√			62

4. Formation and operation of the internal committees of the Board of Directors

4.P.1.	<p>The Board of Directors shall establish among its members one or more committees with proposing and consultative functions according to what set out in the articles below.</p>	√			72-73
4.C.1.	<p>The establishment and functioning of the committees governed by the Code shall meet the following criteria:</p> <p>a) committees shall be made up of at least three members. However, in those issuers whose Board of Directors is made up of no more than eight members, committees may be made up of two directors only, provided, however, that they are both independent. The committees' activities shall be coordinated by a chairman;</p>	√			72-73
	<p>b) the duties of individual committees are provided by the resolution by which they are established and may be supplemented or amended by a subsequent resolution of the Board of Directors;</p>	√			72
	<p>c) the functions that the Code attributes to different committees may be distributed in a different manner or demanded from a number of committees lower than the envisaged one, provided that for their composition the rules are complied with those indicated from time to time by the Code and is ensured the achievement of the underlying objectives;</p>	√			72-73, 81-85
	<p>d) minutes shall be drafted of the meetings of each committee and the Chairman of the committee shall inform the Board of Directors thereof during the first available meeting;</p>	√			72-73, 78, 80, 83, 84, 86, 88
	<p>e) in the performance of their duties, the committees have the right to access the necessary company's information and functions, according to the procedures established by the Board of Directors, as well as to avail themselves of external advisers. The issuer shall make available to the committees adequate financial resources for the performance of their duties, within the limits of the budget approved by the Board;</p>	√			73, 79, 83
	<p>f) persons who are not members of the committee, including other Board members or persons belonging to issuer's structure, may participate in the meetings of each committee upon invitation of the same, with reference to individual items on the agenda;</p>	√			72-73, 78, 85
	<p>g) the issuer shall provide adequate information, in the Corporate Governance Report, on the establishment and composition of committees, the contents of the mandate entrusted to them, as well as, on the basis of the indications provided for by each committee, the activity actually performed during the fiscal year, the number of meetings held, their average duration and the relevant percentage of participation of each member.</p>	√			72-88

Principles and Criteria of Corporate Governance Code		Applied	Not applied	Inapplicable	Page reference
4.C.2.	<p>The establishment of one or more committees may be avoided and the relevant duties may be assigned to the Board of Directors, under the coordination of the Chairman, and provided that: (i) independent directors are at least half of the Board of Directors members; if the number of the Board members is odd, a rounding down to the lower unit shall be carried out; (ii) adequate time is dedicated during the Board meetings to actions that the Code requires the Committees to carry out, and this circumstance is disclosed in the Corporate Governance Report; (iii) as far as the control and risk committee is concerned, the issuer is neither controlled by another listed company nor it is subject to direction and coordination.</p> <p>The Board of Directors describes in detail in the Corporate Governance Report the reasons underlying the choice not to establish one or more committees; in particular, it provides adequate grounds for the choice not to establish the risks and control committee in consideration of the complexity level of the issuer and the sector in which it operates. In addition, the Board shall periodically reassess the choice made.</p>			√	72-73

5. Appointment of directors

5.P.1.	The Board of Directors shall establish among its members a committee to propose candidates for appointment to the position of director, made up, for the majority, of independent directors.	√			81
5.C.1.	<p>The committee for appointments shall be vested with the following functions:</p> <p>a) to express opinions to the Board of Directors regarding its size and composition and express recommendations with regard to the professional skills necessary within the Board as well with regard to the topics indicated by articles 1.C.3. and 1.C.4.;</p>	√			81, Compendium 12
	b) to submit the Board of Directors candidates for directors' offices in case of cooptation, should the replacement of independent directors be necessary.	√			59, 81, Compendium 12
5.C.2.	The Board of Directors shall evaluate whether to adopt a plan for the succession of executive directors. In the event of adoption of such a plan, the issuer shall disclose it in the Corporate Governance Report. The review on the preparation of the above mentioned plan shall be carried out by the nomination committee or by another committee established within the Board of Directors in charge of this task.	√			59

6. Remuneration of Directors

6.P.1.	The remuneration of directors and key management personnel shall be established in a sufficient amount to attract, retain and motivate people with the professional skills necessary to successfully manage the issuer.	√			Remuneration Report
6.P.2.	<p>The remuneration of executive directors and key management personnel shall be defined in such a way as to align their interests with pursuing the priority objective of the creation of value for the shareholders in a medium-long term timeframe. With regard to directors with managerial powers or performing, also de-facto, functions related to business management, as well as with regard to key management personnel, a significant part of the remuneration shall be linked to achieving specific performance objectives, possibly including non-economic objectives, identified in advance and determined consistently with the guidelines contained in the policy described in principle 6.P.4.</p> <p>The remuneration of non-executive directors shall be proportionate to the commitment required from each of them, also taking into account their possible participation in one or more committees.</p>	√			19, 70, Remuneration Report
6.P.3.	The Board of Directors shall establish among its members a remuneration committee, made up of independent directors. Alternatively, the committee may be made up of non-executive directors, the majority of which to be independent; in this case, the chairman of the committee is selected among the independent directors. At least one committee member shall have an adequate knowledge and experience in finance or remuneration policies, to be assessed by the Board of Directors at the time of his/her appointment.	√			81-84
6.P.4.	The Board of Directors shall, upon proposal of the remuneration committee, establish a policy for the remuneration of directors and key management personnel.	√			70, 81-84
6.P.5.	In case of the end of office and/or the termination of the employment relationship with an executive director or a general manager, the issuer discloses, through a press release, detailed information, following the internal process leading to the assignment or recognition of indemnities and/or other benefits.			√	43
6.C.1.	<p>The policy for the remuneration of executive directors and other directors covering particular offices shall define guidelines on the issues and consistently with the criteria detailed below:</p> <p>a) the non-variable component and the variable component are properly balanced according to issuer's strategic objectives and risk management policy, taking into account the business sector in which it operates and the nature of the business carried out;</p>	√			19, Remuneration Report
	b) upper limits for variable components shall be established;	√			Remuneration Report

Principles and Criteria of Corporate Governance Code		Applied	Not applied	Inapplicable	Page reference
	c) the non-variable component shall be sufficient to reward the director when the variable component was not delivered because of the failure to achieve the performance objectives specified by the Board of Directors;	√			Remuneration Report
	d) the performance objectives – i.e., the economic performance and any other specific objectives to which the payment of variable components (including the objectives for the share-based compensation plans) is linked – shall be predetermined, measurable and linked to the creation of value for the shareholders in the medium-long term;	√			Remuneration Report
	e) the payment of a significant portion of the variable component of the remuneration shall be deferred for an appropriate period of time; the amount of that portion and the length of that deferral shall be consistent with the characteristics of the issuer's business and associated risk profile;	√			Remuneration Report
	f) contractual arrangements shall be provided in order to permit the company to reclaim, in whole or in part, the variable components of remuneration that were awarded (or to hold deferred payments), as defined on the basis of data which subsequently proved to be manifestly misstated;	√			Remuneration Report
	g) indemnities eventually set out by the issuer in case of termination of directors shall not exceed a fixed amount or fixed number of years of annual remuneration. Termination payments shall not be paid if the termination is due to inadequate performance.	√			Remuneration Report
6.C.2.	In preparing plans for share-based remuneration, the Board of Directors shall ensure that:	√			Remuneration Report
	a) shares, options and all other rights granted to directors to buy shares or to be remunerated on the basis of share price movements shall have an average vesting period of at least three years;				
	b) the vesting period referred to in item a) shall be subject to predetermined and measurable performance criteria;	√			Remuneration Report
	c) directors shall retain a certain number of shares granted or purchased through the exercise of the rights referred to in paragraph a), until the end of their mandate.	√			Remuneration Report
6.C.3.	The criteria 6.C.1 and 6.C.2 shall apply, mutatis mutandis, also to the definition – by the bodies entrusted with that task – of the remuneration of key management personnel. Any incentive plan for the person in charge of internal audit and for the person responsible for the preparation of the corporate financial documents shall be consistent with their role.	√			Remuneration Report
6.C.4.	The remuneration of non-executive directors shall not be – other than for an insignificant portion – linked to the economic results achieved by the issuer. Non-executive directors shall not be beneficiaries of share-based compensation plans, unless it is so decided by the annual shareholders' meeting, which shall also give the relevant reasons.	√			19, Remuneration Report
6.C.5.	The remuneration committee shall:	√			81-84
	- periodically evaluate the adequacy, overall consistency and actual application of the policy for the remuneration of directors and key personnel, also on the basis of the information provided by the managing directors; it shall formulate proposals to the Board of Directors in that regard;				
	- submit proposals or issues opinions to the Board of Directors for the remuneration of executive directors and other directors who cover particular offices as well as for the identification of performance objectives related to the variable component of that remuneration; it shall monitor the implementation of decisions adopted by the Board of Directors and verify, in particular, the actual achievement of performance objectives.				
6.C.6.	No director shall participate in meetings of the remuneration committee in which proposals are formulated to the Board of Directors relating to his/her remuneration.	√			81
6.C.7.	When using the services of an external consultant in order to obtain information on market standards for remuneration policies, the remuneration committee shall previously verify that the consultant concerned is not in a position which might compromise its independence.	√			84

Principles and Criteria of Corporate Governance Code		Applied	Not applied	Inapplicable	Page reference
6.C.8.	<p>The press release referred to by principle 6.P.5. should provide:</p> <p>a) adequate information on the indemnity and/or other benefits, including their amount, timing of disbursement – distinguishing both between the component immediately paid out and the one subject to deferral mechanisms and between the component received as director from the other one related to an employment relationship, if any – and “claw-back” clauses, if any, in particular with reference to:</p> <ul style="list-style-type: none"> - indemnities for the end of office or termination of the employment relationship, specifying the circumstances of its accrual (for example, expiry, revocation or settlement agreement); - maintenance of rights related to any incentive plans, monetary or financial instruments based; - benefits (monetary and non-monetary ones) subsequent to the end of office; - non-competition commitments, describing their main contents; - any other payment assigned for any reason and in any form; <p>b) information about the compliance or non-compliance of the indemnity and/or other benefits with the remuneration policy and, in case of even a partial non-compliance with the remuneration policy, information about internal procedures applied according to Consob related party transactions’ regulation;</p> <p>c) information about the application, or non-application, of any mechanism that provides restrictions or corrections to the indemnity in case of termination due to the achievement of objectively inadequate results, as well as whether requests have been formulated for the reclaim of remuneration already paid out;</p> <p>d) information as whether the replacement of the ceased executive director or general manager is governed by any succession plan adopted by the company and, in any case, information about procedures that have been or will be applied for the replacement of the director or manager.</p>			√	43
7. Internal control and risk management system					
7.P.1.	Each issuer shall adopt an internal control and risk management system consisting of policies, procedures and organizational structures aimed at identifying, measuring, managing and monitoring the main risks. Such a system shall be integral to the organizational and corporate governance framework adopted by the issuer and shall take into consideration the reference model and the best practices that are applied both at national and international level.	√			100 et seq.
7.P.2.	An effective internal control and risk management system contributes to the management of the company in a manner consistent with the objectives defined by the Board of Directors, promoting an informed decision-making process. It contributes to ensuring the safeguarding of corporate assets, the efficiency and effectiveness of management procedures, the reliability of the information provided to the corporate bodies and to the market and the compliance with laws and regulations, including the by-laws and internal procedures.	√			100 et seq.
7.P.3.	<p>The internal control and risk management system involves each of the following corporate bodies depending on their related responsibilities:</p> <p>a) the Board of Directors, that shall provide strategic guidance and evaluation on the overall adequacy of the system, identifying within the Board:</p> <p>(i) one or more directors to be charged with the task of establishing and maintaining an effective internal control and risk management system (hereinafter, the “director in charge of the internal control and risk management system”), and</p> <p>(ii) a control and risk committee in line with the requirements set forth by principle 7.P.4., to be charged with the task of supporting, on the basis of an adequate control process, the evaluations and decisions to be made by the Board of Directors in relation to the internal control and risk management system, as well as to the approval of the periodical financial reports;</p> <p>b) the head of the internal audit function, entrusted with the task to verify the functioning and adequacy of the internal control and risk management system;</p> <p>c) the other roles and corporate functions having specific tasks with regard to internal control and risk management, organized depending on the company’s size, complexity and risk profile;</p> <p>d) the board of statutory auditors, also as internal audit committee with oversight of the internal control and risk management system.</p> <p>Each issuer shall provide for coordination methods between the above mentioned bodies in order to enhance the efficiency of the internal control and risk management system and reduce duplication of activities.</p>	√			101
		√			102
		√			102
		√			102-103
		√			102-105
		√			107
					101 and 107
7.P.4.	The control and risk committee is made up of independent directors. Alternatively, the committee may be made up of non-executive directors, the majority of which to be independent; in this case, the chairman of the committee is selected among the independent directors. If the issuer is controlled by another listed company or is subject to the direction and coordination activity of another company, the committee shall be made up exclusively of independent directors. At least one member of the committee is required to have an adequate experience in the area of accounting and finance or risk management, to be assessed by the Board of Directors at the time of appointment.	√			75-79, 102

Principles and Criteria of Corporate Governance Code		Applied	Not applied	Inapplicable	Page reference
7.C.1.	The Board of Directors, with the opinion of the control and risk committee, shall:	√			66-67, 101-102
	a) define the guidelines of the internal control and risk management system, so that the main risks concerning the issuer and its subsidiaries are correctly identified and adequately measured, managed and monitored, determining, moreover, the level of compatibility of such risks with the management of the company in a manner consistent with its strategic objectives;	√			66-67, 101-102
	b) evaluate, at least on an annual basis, the adequacy of the internal control and risk management system taking into account the characteristics of the company and its risk profile, as well as its effectiveness;	√			66-67, 101-102 and 106
	c) approve, at least on an annual basis, the plan drafted by the head of the internal audit function, after consulting the board of statutory auditors and the director in charge of the internal control system;	√			66-67, 100-102
	d) describe, in the Corporate Governance Report, the main features of the internal control and risk management system and how the different subjects involved therein are coordinated, expressing the evaluation on its adequacy;	√			101-102
	e) after hearing the Board of statutory auditors, assess the findings reported by the external auditor in the suggestions letter, if any, and in the report on the main issues resulting from the auditing.	√			66-67 and 101
	The Board of Directors shall, upon proposal of the director in charge of the internal control and risk management system, subject to the favourable opinion of the control and risk committee, as well as after hearing the Board of statutory auditors: - appoint and revoke the person in charge of the internal audit function; - ensure that such a person is provided with the adequate resources for the fulfilment of his/her responsibilities; - define the relevant remuneration consistently with company's policies.	√			76-77
7.C.2.	The control and risk committee, when assisting the Board of Directors, shall:	√			78-81 and 102
	a) evaluate together with the person responsible for the preparation of the corporate financial documents, after hearing the external auditors and the Board of statutory auditors, the correct application of the accounting principles, as well as their consistency for the purpose of the preparation of the consolidated financial statements, in any;	√			77
	b) express opinions on specific aspects relating to the identification of the main risks for the company;	√			77
	c) review the periodic reports of the internal audit function concerning the assessment of the internal control and risk management system, as well as the other reports of the internal audit function that are particularly significant;	√			77
	d) monitor the independence, adequacy, efficiency and effectiveness of the internal audit function;	√			77
	e) request the internal audit function to carry out reviews of specific operational areas, giving simultaneous notice to the chairman of the Board of statutory auditors;	√			76-77 and 101
	f) report to the Board of Directors, at least every six months, on the occasion of the approval of the annual and half-year financial report, on the activity carried out, as well as on the adequacy of the internal control and risk management system;	√			75 and 101-102
	g) support, with adequate preliminary activities, the Board of Directors assessments and resolutions on the management of risks arising from detrimental facts which the Board may have been become aware of.	√			78 and 107
7.C.3.	The chair of the Board of statutory auditors or another statutory auditor designated by the chair shall participate in the works of the control and risk committee; the remaining statutory auditors may also participate.	√			102
7.C.4.	The director in charge of the internal control and risk management system, shall:	√			
	a) identify the main business risks, taking into account the characteristics of the activities carried out by the issuer and its subsidiaries, and submit them periodically to the review of the Board of Directors;				
	b) implement the policies established by the Board of Directors and arrange the design, the implementation and management of the internal control and risk management system, regularly monitoring its adequacy and efficacy;				
	c) adjust such system to the dynamics of the operating conditions and the legislative and regulatory framework;				
	d) request to internal audit function to carry out reviews of specific operational areas and on the compliance of business operation with rules and internal procedures, giving simultaneous notice to the chairman of the Board of Directors, the chairman of control and risk committee and the chairman of the Board of statutory auditors;				
	e) promptly report to the control and risk committee (or to the Board of Directors) issues and problems that resulted from his/her activity or of which he/she became aware in order for the committee (or the Board) to take the appropriate actions.				

Principles and Criteria of Corporate Governance Code		Applied	Not applied	Inapplicable	Page reference
7.C.5.	The head of the internal audit function shall:	√			105-107
	a) verify, both on a continuous basis and in relation to special needs, in conformity with international professional standards, the adequacy and effective functioning of the internal control and risk management system, through an audit plan, to be approved by the Board of Directors. Such a plan shall be based on a structured analysis and ranking of the main risks;				
	b) not be responsible for any operational area and be subordinated to the Board of Directors;	√			31 and 105-107
	c) have direct access to all useful information for the performance of their duties;	√			105-107
	d) draft periodic reports containing adequate information on its own activity, and on the company's risk management process, as well as about the compliance with the management plans defined for risk mitigation. Such periodic reports contain an evaluation on the adequacy of the internal control and risk management system;	√			105-107
	e) prepare timely reports on particularly significant events;	√			77, 105-107
	f) submit the reports indicated under items d) and e) above to the chairman of the Board of statutory auditors, the control and risk committee and the Board of Directors, as well as to the director in charge of the internal control and risk management system;	√			105-107
	g) verify, according to the audit plan, the reliability of information systems, including the accounting one.	√			105-107
7.C.6.	The internal audit function may be entrusted, as a whole or by segments, to a person external to the issuer, provided, however, that it is endowed with adequate professionalism, independence and organization. The adoption of such organisational choices, with a satisfactory explanation of the relevant reasons, shall be disclosed to the shareholders and the market in the Corporate Governance Report.	√			105-107

8. Statutory auditors

8.P.1.	The statutory auditors shall act with autonomy and independence also vis-à-vis the shareholders, which elected them.	√			90 and 94-95
8.P.2.	The issuer also applies gender diversity criteria with regard to the composition of the board of statutory auditors.	√			93
8.P.3.	The issuer shall adopt suitable measures to ensure an effective performance of the duties typical of the board of statutory auditors.	√			93-95
8.C.1.	The statutory auditors shall be chosen among people who may be qualified as independent also on the basis of the criteria provided by this Code with reference to the directors. The board of statutory auditors shall check the compliance with said criteria after the appointment and subsequently on an annual basis, submitting the result of such verification to the Board of Directors that discloses it, after the appointment, through a press release to the market and, subsequently, in its Corporate Governance Report, according to manners complying with the ones provided with reference to directors.	√			94-95
8.C.2.	The statutory auditors shall accept the appointment when they believe that they can devote the necessary time to the diligent performance of their duties.	√			93, 94-95
8.C.3.	At least one third of the permanent statutory auditors shall be from the less represented gender.	√			93
8.C.4.	The remuneration of statutory auditors shall be proportionate to the commitment required from each of them, to the importance of his/her role as well as to the size and sector of the company.	√			95-96, Remuneration Report
8.C.5.	A statutory auditor who has an interest, either directly or on behalf of third parties, in a certain transaction of the issuer, shall promptly and exhaustively inform the other statutory auditors and the chair about the nature, the terms, origin and extent of his/her interest.	√			95
8.C.6.	In the framework of their activities, the statutory auditors may ask the internal audit function to make assessments on specific operating areas or transactions.	√			108
8.C.7.	The board of statutory auditors and the control and risk committee shall exchange material information on a timely basis for the performance of their respective duties.	√			102, 107 and 108

Principles and Criteria of Corporate Governance Code		Applied	Not applied	Inapplicable	Page reference
9. Relations with the shareholders					
9.P.1.	The Board of Directors shall take initiatives aimed at promoting the broadest participation possible of the shareholders in the General Meeting and facilitating the exercise of shareholder rights.	√			44-47
9.P.2.	The Board of Directors shall endeavour to develop a continuing dialogue with the shareholders based on the understanding of their reciprocal roles.	√			47-49
9.C.1.	The Board of Directors shall ensure that a person is identified as responsible for handling relations with the shareholders and shall evaluate from time to time whether it would be advisable to establish a corporate structure responsible for such function.	√			48
9.C.2.	All the directors usually participate in the shareholders' meetings. The shareholders' meetings are also an opportunity for disclosing to the shareholders information concerning the issuer, in compliance with the rules governing price-sensitive information. In particular, the Board of Directors shall report to the shareholders' meeting the activity performed and planned and shall use its best efforts for ensuring that the shareholders receive adequate information about the necessary elements for them to adopt in an informed manner the resolutions that are the competence of the shareholders' meeting.	√			44-46
9.C.3.	The Board of Directors should propose to the approval of the shareholders' meeting rules laying down the procedures to be followed in order to permit an orderly and effective conduct of the shareholders' meetings of the issuer, without prejudice, at the same time, to the right of each shareholder to express his or her opinion on the matters under discussion.	√			49
9.C.4.	In the event of significant changes in the market capitalisation of the company's shares or in the composition of its shareholders, the Board of Directors shall assess whether proposals should be submitted to the shareholders' meeting to amend the by-laws in respect to the majorities required for exercising actions and rights provided for the protection of minority interests.	√			44
10. Two-tier and one-tier systems					
10.P.1.	In the event of adoption of a two-tier or one-tier management and control system, the above articles shall apply insofar as compatible, adapting individual provisions to the particular system adopted, consistently with the objectives of good corporate governance, transparency of information and protection of investors and the markets pursued by the Code and in the light of the criteria provided by this article.			√	
10.P.2.	In the event that a new management and control system is proposed, the directors shall inform the shareholders and the market with regard to the reasons for such proposal, as well as on how it is envisaged that the Code will be applied to the new management and control system.			√	
10.P.3.	In the first Corporate Governance Report published after the modification of the management and control system, the issuer shall describe in detail how the Code has been applied to such system. Such information shall be published also in the subsequent reports, indicating any amendments to the procedure followed in applying the Code to the selected management and control system.			√	
10.C.1.	In the event of adoption of the two-tier management and control system, the Code shall be applied in accordance with the following criteria: a) except as provided in paragraph (b) below, the articles of the Code that make reference to the Board of Directors and the Board of statutory auditors, or their members, are applied, in principle, to the Management Board and Supervisory Board, or their members respectively; b) due to the specific options of the by-laws adopted, in the configuration of the management and supervisory bodies – also in relation to the number of their members and the powers and duties attributed to them – as well as of the specific circumstances existing, the issuer may apply the provisions concerning the Board of Directors or directors to the Supervisory Board or its members; c) the provisions relating to the appointment of directors provided by Article 5 of this Code shall apply, insofar as compatible, to the appointment of the members of the Supervisory Board and/or the members of the Management Board.			√	
10.C.2.	In the event of adoption of the one-tier management and control system, the Code shall be applied according to the following criteria: a) the articles of the Code that make reference to the Board of Directors and to the Board of statutory auditors, or their members shall be applied, in principle, to the Board of Directors and to the Management Control Committee, or their members respectively; b) the duties attributed to the control and risk committee by Article 7 of this Code may be reported to the Management Control Committee provided by Article 2409-eighteenth of the Italian Civil Code, where it complies with the composition criteria set forth by article 7.			√	

6 – General Meeting

The Annual General Meeting is one of the main opportunities for discussion between shareholders and the Company's top management. During the proceedings, the report on business performance presented by the top management is traditionally followed by a debate

between shareholders and management in the form of questions and answers. The resolutions passed by the General Meeting on the subjects falling within its powers express the will of the shareholders; resolutions passed in compliance with law and the Articles of Association are binding on all shareholders, including absent and dissenting shareholders.



www.generali.com/governance/annual-general-meeting/AGM-2019.html



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Call of General Meeting

The General Meeting is called by a notice published on the website at least 30 days before the date set for the first or only call of the General Meeting, specifying the date, time and place of the meeting, the list of subjects to be discussed, and the further information specified in the applicable legislation.

An extract from the notice is also published in some national newspapers, and the notice is sent directly to the shareholders who attended the most recent General Meetings.

The General Meeting may not pass resolutions on items that are not listed on the agenda.

The documents are published about 40 days before the Meeting to facilitate the decision-making process for shareholders and, in particular, for proxy advisors and institutional investors.

When the General Meeting is called to elect the members of the Board of Directors and the Board of Statutory Auditors, the notice of call is published at least 40 days before the date of the meeting, whereas for the General Meetings specified in ss. 2446 (Reduction of capital due to losses), 2447 (Reduction of share capital below statutory limit) and 2487 (Appointment and revocation of liquidators; liquidation criteria) of the Civil Code, the deadline is postponed to 21 days before the date of the meeting.

The General Meeting convened to approve the financial statements is called within 120 days of the end of the financial year; if the statutory conditions are met, the said period may be extended to 180 days. The General Meeting is usually held in Trieste, but may be held anywhere in Italy.

Shareholders who, either individually or jointly, represent at least 2.5% of the share capital may, within 10 days of publication of the notice of call of the General Meeting, request additions to the list of items to be discussed, indicating in their application the additional subjects they propose, or submit specific motions regarding items already on the agenda.

Attendance at the General Meeting

Shareholders holding voting rights may attend the General Meeting, provided that they prove their entitlement in the statutory forms. Entitlement to attend the General Meeting and exercise voting rights is certified by a notice sent to the Company by the intermediaries in accordance with their books of account, on the basis of evidence relating to the end of the accounting day on the 7th market trading day before the date set for the first or only call of the General Meeting. Debit and credit entries in the accounts made after that date shall not be taken into account for the purpose of entitlement to vote at the General Meeting.

The notice issued by the intermediary that keeps the accounts relating to the shares must be received by the Company by the end of the third market trading day prior to the date set for the first or only call of the Meeting or within such different period as may be indicated in the notice convening the Meeting in compliance with the statutory provisions, and in any event before the start of the proceedings on each call of the Meeting.

Shareholders may appoint proxies to represent them at the General Meeting; by law, the right of representation may be conferred on only one proxy for each General Meeting, save for the power to indicate substitutes, but a different proxy may be appointed for each of the accounts to which the intermediary's notice relates.

For each General Meeting the Company designates a representative whom shareholders may appoint as proxy with voting instructions on some or all of the items on the agenda. The identity of the said representative designated by the Company, and the procedures and time limits for shareholders to appoint a proxy, are indicated in the notice of call of the General Meeting. The proxy may be appointed in writing or in electronic form, in compliance with the current legislation and according to the procedures specified in the applicable regulations. The appointment of the proxy may be notified to the Company in a specific section of the website or by certified e-mail, using the procedures indicated in the notice of call.

General Meeting Regulation

The procedures of the General Meeting and those relating to speeches by shareholders are governed by a specific Regulation, available at our registered office and in the section of the Website which, together with the Regulation, contains the Articles of Association and information about the Company's governing bodies.

Generali has had a General Meeting Regulation since 1972, and that document was the prototype used by many listed and unlisted Italian companies when drafting their own regulations.

The Company's governance does not involve any departures from the terms of the applicable legislation as regards the percentages established for the exercise of shares.

Proceedings of the General Meeting

The Chairman presides over the discussion, and invites those who have requested in writing to speak on a specific item on the agenda to take the floor; the request may be made at any time after the Chairman has read out the agenda, until the discussion on the subject in question is closed. The Chairman may authorise attendees to submit requests to speak by raising their hand. Board members and Statutory Auditors may also ask to speak during the discussion.

To ensure that replies to questions asked by authorised parties are as exhaustive as possible, such parties may deliver written notes on the subjects on which they intend to request permission to speak, even before the constitution of the General Meeting.

All those authorised to speak at the General Meeting are entitled to speak for a maximum of 15 minutes on each of the items under discussion, provided that their speeches are relevant to the items on the agenda. The Chairman may impose a different time limit for speeches at any time, having regard to the importance of the subject under discussion, the number of people asking to speak and the number of items of the agenda.

The Chairman and, on his invitation, those assisting him, usually answer questions when all speeches on the item in question have been made. Those who have already spoken during the discussion are entitled to reply once only, for a maximum of 5 minutes.

General Meeting majorities

General Meeting	Quorum	1 st call	2 nd call	3 rd call (and subsequent calls)	Single call
Ordinary session	Constituent	≥ 50% of share capital	> 0% of share capital	N.A.	> 0% of share capital
	Voting	> 50% of voting capital	> 50% of voting capital	N.A.	> 50% of voting capital
Extraordinary session	Constituent	> 50% of share capital	> 33.33% of share capital	> 20% of share capital	> 20% of share capital
	Voting	≥ 66.67% of voting capital	≥ 66.67% of voting capital	≥ 66.67% of voting capital	≥ 66.67% of voting capital

Text

Corporate Affairs
Shareholders & Governance

Coordination

Group Communications
& Public Affairs

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