

MEDIOLANUM S.p.A.

**REPORT ON CORPORATE GOVERNANCE
AND OWNERSHIP STRUCTURES**

pursuant to Art. 123-bis Consolidated Law on Finance

2014

Version approved by the Board of Directors on February 25, 2015

WWW.MEDIOLANUM.COM

SUMMARY

GLOSSARY	page 2
1. SYSTEM OF CORPORATE GOVERNANCE	page 4
<i>Introduction and information on ownership structures</i>	page 4
<i>Delegations of authority pursuant to Art. 2443 of the Italian Civil Code</i>	page 6
<i>Governance structure</i>	page 8
2. ADOPTION OF THE CODE OF CONDUCT	page 28
3. ANNUAL SURVEY OF OFFICES HELD BY DIRECTORS PURSUANT TO PRINCIPLE 1.C.2. OF THE CODE OF CONDUCT FOR LISTED COMPANIES	page 59
ATTACHMENTS	page 63

GLOSSARY

Code/Code of Conduct: the Code of Conduct for listed companies in the version most recently approved by the Corporate Governance Committee in July 2014 and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria. As explained in the report, on November 8, 2012 the company approved the appropriate resolutions for compliance with the Code.

Civil Code / c.c.: the Italian Civil Code

Board: the Issuer's Board of Directors

Issuer: the issuer of the securities to which the Report refers

Year: the corporate financial year to which the Report refers

CONSOB Issuers' Regulations: The Regulations CONSOB issued in resolution no. 11971 of 1999 (as amended) regarding issuers

CONSOB Market Regulations: the Regulations CONSOB issued in resolution no. 16191 of 2007 (as amended) regarding markets

CONSOB Regulations on Transactions with Related Parties: the Regulations CONSOB issued in resolution no. 17221 of March 12, 2010 (as amended) regarding transactions with related parties

Report: the report on corporate governance and ownership structures that companies are required to prepare pursuant to Art. 123-bis of the Consolidated Law on Finance

Consolidated Law on Finance/CLF: Legislative Decree no. 58 of February 24, 1998

The purpose of this report, prepared by Mediolanum S.p.A., is to explain Mediolanum S.p.A.'s governance structure.

Having adopted the Code of Conduct – available at www.borsaitalia.it under the section Borsa Italiana / Publications – issued by Borsa Italiana's Corporate Governance Committee, in this report the Company also considers the extent to which the system of corporate governance complies with the Code's recommendations, according to the principle of "*comply or explain.*"

Mediolanum S.p.A.'s corporate purpose is financial activities not vis-à-vis the public. It is the holding company of the "financial conglomerate" Mediolanum as per coordination agreements with regulatory bodies (Banca d'Italia, CONSOB and IVASS) for purposes of supplementary supervision and, as of July 29, 2014, effective on April 16, 2014, it also assumed the position of holding company for the Mediolanum Banking Group.

1. SYSTEM OF CORPORATE GOVERNANCE

Introduction and information on ownership structures (pursuant to Art. 123 bis, paragraph 1 of the Consolidated Law on Finance)

The company's subscribed and paid-in capital at December 31, 2014 was €73,743,699.80 divided into 737,436,998 ordinary shares with a par value of €0.10 each. There are no shares in any other categories.

According to the results of in the shareholders' register, communications received, and other available information, the following parties have a direct or indirect stake of more than 2% of Mediolanum S.p.A.'s subscribed share capital, represented by shares with voting rights:

(data as of February 25, 2015)	NO. SHARES	%
SILVIO BERLUSCONI INDIRECT THROUGH:		
- FININVEST S.p.A. (OWNERSHIP)	222,023,000	30.12768
ENNIO DORIS		
- DIRECTLY THROUGH OWNERSHIP	23,563,070	3.19713
- INDIRECTLY THROUGH:		
FIN.PROG.ITALIA S.A.P.A. di E. Doris & C.	195,269,557	26.49495
TOTAL	218,832,627	29.69208
LINA TOMBOLATO		
- DIRECTLY THROUGH OWNERSHIP	24,307,595	3.29815

- INDIRECTLY THROUGH:

T-INVEST S.r.l.	25,394,701	3.44565
TOTAL	49,702,296	6.7438

On February 13, 2015, UBS GROUP AG advised CONSOB that it had acquired a significant interest equal to 2.013% of Mediolanum S.p.A.’s share capital, 0.763% of which is without voting rights.

On September 14, 2013 the shareholders’ agreement between FININVEST S.p.A. and Fin.Prog.Italia S.a.p.a. di Ennio Doris & C. (Fin.Prog.) was renewed. Through this agreement, the parties are obligated to contribute equal amounts of shares representing a total of at least 51% of the company’s share capital. This shareholders’ agreement and voting trust governs the transfer of shares for purposes of equal control and joint management of Mediolanum S.p.A. by FININVEST and Fin. Prog.

The details and features of the agreement – a copy of which was filed with the Milan Company Registry office on September 16, 2013 – are available for consultation at www.mediolanum.com under the section Investor Relations / Corporate Governance / Shareholder Structure under **“Essential information pursuant to Art. 130 Issuers’ Reg.”**

At present the Mediolanum voting trust has not gone into effect.

In a provision dated October 7, 2014, Banca d’Italia, in agreement with IVASS (the Italian insurance supervisory authority), took measures against Fininvest S.p.A. as provided by articles 24 and 25 of the Consolidated Law on Banking. In addition to disposal of interests,

these measures include suspension of voting rights and other rights that allow it to influence Mediolanum S.p.A., for the portion of its interest in Mediolanum S.p.A. that exceeds 9.9%.

Given the immediate enforceability of said provision, Fininvest S.p.A. nullified the Mediolanum Voting Trust.

Banca d'Italia's provision was nevertheless challenged before the Regional Administrative Court of Lazio, which, on February 11, 2015, set a hearing date of April 22, 2015 to examine the issue.

Delegations of authority pursuant to Art. 2443 of the Italian Civil Code and authorizations to purchase treasury shares

With regard to the delegations of authority to increase share capital pursuant to Art. 2443 c.c., refer to Art. 6 of the Corporate By-laws, which are available at Borsa Italiana's website and at www.mediolanum.com in the section Investor Relations / Corporate Governance / Corporate Governance Documents.

On April 29, 2014, as proposed by the Board of Directors, the Shareholders' Meeting resolved to give the Board authority to purchase a maximum of 8,000,000 treasury shares at a par value of €0.10 each, corresponding to 1.09% of share capital, within the limit of 60 million euros. The authorization was given up until the date of the Shareholders' Meeting convened to approve the 2014 financial statements and in any case for no more than eighteen months, and to dispose of them during the same period. This limit should be considered absolute, that is without considering any treasury shares that may have been resold over the same period of

time. Purchases must be effected under the trade terms set out in Article 5, paragraph 1 of EC Regulation no. 2273/2003. Purchases will be made on-exchange in accordance with the rules established by Borsa Italiana S.p.A. and in compliance with Art. 132 of the Consolidated Law on Finance as well as Art. 144-bis, paragraph 1, lett. b) of the Issuers' Regulation.

On the other hand, treasury shares held in portfolio will be sold in the manner considered most appropriate to the company's best interest. This includes selling on-exchange, outside a regulated market or a multilateral trading facility, or by exchanging treasury shares with equity investments or other assets, for a per share price no lower than the average price recorded on the Italian electronic trading system managed by Borsa Italiana S.p.A., in the five trading days preceding the sale.

Subject to the above, authorization is also granted to purchase or sell treasury shares – within the total quantity limits indicated above but in the manners specifically applicable – in compliance with the market practices set out in Art. 180, paragraph 1, lett. c) of the Consolidated Law on Finance, approved through CONSOB resolution no. 16839 of March 19, 2009, and in terms of the practice of supporting market liquidity (the "Practice"). In accordance with the Practice, in order to support stock liquidity on the market the Company may, under the conditions set out by CONSOB resolution no. 16839/2009, enter into a contract with an outside broker for an established period of time, thus encouraging regular trading activities and avoiding price movements that are not in line with market performance. If the conditions and prerequisites for performing transactions in accordance with said Practice are met, the executive directors will be responsible for taking the appropriate preliminary actions

and sending the consequent notices to the market and supervisory authorities. Subject to the conditions and limits established by CONSOB resolution no. 16839/2009, this trading includes both purchases and sales of the shares in question.

Governance Structure

Firstly, it should be noted that the Issuer and its subsidiaries have not concluded or are parties to significant agreements that become effective, are amended, or are extinguished in the event there is a change in control of the company.

The company is characterized by a traditional governance structure which consists of the Shareholders' Meeting, the Board of Directors, the Board of Auditors and the External Auditing Company, which is entrusted with auditing the accounts.

For company organs at December 31, 2014, refer to the following points.

The auditing firm Deloitte & Touche S.p.A., which was appointed by the Shareholders' Meeting of April 21, 2011, is responsible for auditing the accounts pursuant to law, including an audit of the financial statements and consolidated financial statements, and a limited audit of the half-year Financial Report. This appointment will expire upon approval of the annual financial statements ending at December 31, 2019.

Shareholders' Meeting

In terms of its operation and with respect to shareholders' rights and the methods of exercising said rights, the Shareholders' Meeting is governed by the applicable primary and secondary legislation, as outlined in Articles 9) to 16) of the corporate by-laws.

With regard to the aforementioned Articles 9) to 16), we note the following in particular:

- pursuant to Art. 9)
- *“The Shareholders shall meet at company headquarters or elsewhere, provided this is in Italy.*
- *Meetings are called through a notice published on the Company's website in accordance with the provisions of law and in the other manners set out by the applicable regulations.*
- *The notice of meeting must indicate the day, time and place of the meeting, as well as a list of business to be discussed and other information required by law and the regulations in effect at the time.*
- *If the notice of meeting so provides, the right to participate in and vote at the meeting may be exercised electronically, in the manners provided by the applicable rules and regulations.*
- *Shareholders may, in accordance with the law, ask for a meeting to be convened, ask for additional matters to be placed on the meeting agenda, and present proposed resolutions.”*
- pursuant to Art. 11)

- *“Standing to participate in the Shareholders’ Meeting and exercise voting rights is attested by the intermediary’s notice to the Company, based on accounting records as of the end of the seventh market trading day prior to the date set for the meeting in a first or single call. Credit or debit entries to the accounts after this term shall not be effective for the purposes of standing to vote at the Shareholders’ Meeting.*
- *The Company must receive the notice by the end of the third market trading day prior to the scheduled meeting date in a first or second call or within any other time established by the applicable regulatory provisions.*
- *Standing to participate in the shareholders’ meeting and exercise voting rights shall be effective even if the Company receives the notifications after the terms indicated in this article, provided this is before the meeting’s work begins.”*
- pursuant to Art. 12):
- *“Parties with standing to participate in the meeting may be represented through a written proxy in accordance with the law.*
- *A proxy may also be granted through an electronic document with digital signature pursuant to Art. 135-novies, paragraph 6, of Legislative Decree no. 58/1998 and its implementing provisions.*
- *Depending on the methods indicated in the notice of meeting, electronic notice of the proxy may be through the special section on the company’s website or by emailing the document to the company’s certified email address.*

- *For each meeting, and noting this in the relative notice of meeting, the Board of Directors may designate a party that shareholders may appoint as their proxy, with voting instructions for all or some of the proposals on the meeting agenda. This appointment must be in accordance with the methods provided by law or regulations and must be made by the end of the second market trading day prior to the scheduled meeting date, including in a second or later call. The proxy shall be effective only for proposals for which voting instructions were given.*
- *Shareholders may submit questions on the agenda business even prior to the Meeting. The details on the manners of exercising this right are set out in the notice of meeting, which can also be found on the Company's website.”*

The Ordinary Shareholders' Meeting has the responsibilities set out in the applicable provisions of law.

Finally, it is noted that, as more clearly detailed below (paragraph on “Relationships with Shareholders” at p. 55), since 2001 the company has had Meeting Rules, which are available at www.mediolanum.com under the section Investor Relations / Corporate Governance / Shareholders' Meetings.

At the company's last Ordinary Shareholders' Meeting, held on April 29, 2014, the following members of the Board of Directors were present:

- Carlo Secchi
- Ennio Doris
- Massimo Antonio Doris

- Alfredo Messina
- Maurizio Carfagna
- Mario Molteni
- Angelo Renoldi
- Danilo Pellegrino
- Maria Alessandra Zunino de Pignier.

During this meeting, the Managing Director and Vice Chairman of the Board of Directors explained the principal contents of the financial statements, provided updated information on the Mediolanum Group, and reported on company performance in 2014.

Amendments to the By-laws

Pursuant to the By-laws and without prejudice to the authority of the extraordinary shareholders' meeting, which has decision-making power in this regard, the Board of Directors is responsible for the following pursuant to articles 15, paragraphs 2 and 23, paragraph 3:

- mergers in the cases provided by Article 2505 of the Civil Code, within the limits of law
- opening or closing branch offices
- indicating which directors have the authority to represent the company
- reduction of capital in the event of shareholder withdrawal
- adaptation of the corporate by-laws to comply with the provisions of law

- issuance of non-convertible bonds within the limits set out in Article 2412 of the Civil Code, without prejudice to the authority of the extraordinary shareholders' meeting to issue securities beyond those limits

The Board of Directors

The current Board of Directors of Mediolanum S.p.A. was appointed by the Shareholders' Meeting of April 29, 2014. Two slates were presented for the Board of Directors – one slate proposed by the parties to the Shareholders' Agreement (majority slate) cited above, and one slate proposed by shareholders representing a total of 1.206% of Mediolanum S.p.A.'s share capital (minority slate). The term of office for members thus appointed will expire upon approval of the financial statements for the year ending December 31, 2016.

The list of candidates, the list of persons elected, and the percentage of votes received in proportion to voting capital are available and may be consulted at www.mediolanum.com under the section Investor Relations / Corporate Governance / 2014 Shareholders' Meeting.

The statutory provisions that govern the appointment and replacement of Directors are contained in Art. 17 of the By-laws, which was amended as follows during the Extraordinary Shareholders' Meeting of April 23, 2013 in order to adapt it to Law no. 120 of July 12, 2011 (known as the law on gender balance):

Article 17)

1. The company is governed by a Board of Directors composed of seven to fifteen directors, who must meet the prerequisites set out by the primary and secondary laws temporarily in force and who may be re-elected.

2. Before proceeding with their appointment, the Shareholders' Meeting determines the number of Board members and the term of office in compliance with the time limits set by law.

3. The Directors are appointed by the Shareholders' Meeting based on slates of no more than fifteen candidate per slate, with each candidate identified by a sequential number.

A candidate may appear on only one slate, upon penalty of disqualification.

Shareholders with the right to vote may present slates if, alone or together with other shareholders, they represent the minimum percentage of share capital set by the Italian securities and exchange commission (Commissione Nazionale per le Società e la Borsa – CONSOB).

Ownership of the percentage of share capital is determined based on the shares registered to shareholders on the day the slate is submitted to the Company, on accordance with the share capital subscribed on that date.

The relative certification may be sent to the Company even after the slate has been submitted, provided it arrives within the deadline by which the Company must publish the slates.

The Company allows shareholders who intend to submit slates to file them through at least one means of remote communication, following the procedures it indicates in the notice of Shareholders' Meeting, which must make it possible to identify the shareholders submitting them.

The shareholding required in order to submit slates of candidate for the election of the Board of Directors is indicated in the notice of the meeting called to deliberate on the appointment of that body.

4. Shareholders may not submit or vote for more than one slate, including through proxies or trust companies. Shareholders who belong to the same group – that is the controlling company, subsidiaries, and companies subject to joint control – and shareholders who are parties to a shareholders’ agreement pursuant to Article 122 of Legislative Decree no. 58/1998 that governs the issuer’s shares may not submit or vote for more than one slate, including through proxies or trust companies.

5. Each slate, which may contain no more than seven candidates, must include and identify at least one candidate who meets the requirements set out by Legislative Decree no. 58/1998 on independent directors of listed companies (hereinafter also “Independent Directors pursuant to Legislative Decree 58/1998” or “Independent Director pursuant to Legislative Decree 58/1998”).

In order to ensure gender balance in compliance with the temporary regulations in effect, each slate that contains three or more candidates must include candidates of both genders, so that at least one third of them include the less represented gender, rounded up in case of a fraction. During the first application of this provision, the quota for the less represented gender is at least one fifth, rounded up in case of a fraction.

6. Slates must be submitted to the Company by the twenty-fifth day prior to the date of the Shareholders’ Meeting in a first or single call convened to deliberate on the appointment of members of the Board of Directors. These slates shall be made available to the public at the Company’s registered office, on its website, and in the other manners set out by the Italian securities and exchange commission (Commissione Nazionale per le Società e la Borsa –

CONSOB) at least twenty-one days prior to the Shareholders' Meeting.

The slates must include:

a) information on the identity of the shareholders who have submitted the slates, including the total percentage stake held

b) a declaration by shareholders who do not hold a controlling or relative majority interest, attesting to whether or not they are related to these parties, in accordance with the provisions of Article 144-quinquies, first paragraph, CONSOB Resolution no. 11971/1999 (hereinafter also the "Issuers' Regulation")

c) detailed information on the personal and professional backgrounds of the candidates, a declaration from said candidates stating that they meet the legal eligibility requirements and that they accept the nomination, as well as whether or not they meet the requirements of independence set out in Article 148, paragraph 3 of Legislative Decree no. 58/1998 and if applicable any additional requirements set out by the codes of conduct established by bodies that govern regulated markets or by the trade associations to which the company belongs.

Slates submitted in violation of the above provisions will not be submitted to a vote.

7. Before commencing the voting process, the meeting chairman notes any declarations pursuant to letter b) above, and asks meeting participants who have not submitted or contributed to submitting the slates to declare any relationships, as defined above.

If a party who is related to one or more key shareholders has voted for a minority slate, the existence of this relationship becomes relevant only if the vote was decisive in electing the director.

8. At the end of voting, the votes received by the lists are divided by whole sequential numbers from one to the number of directors to be elected, without considering slates that did not receive at least one half of the votes required for their submission.

The quotients thus obtained are assigned to the candidates of each slate, in the numerical order in which the candidates appear.

The quotients assigned to the candidates on the various slates are then organized into a single ranking in descending order. The persons elected are those who receive the highest quotients, up to the number of directors set by the Shareholders' Meeting, provided that the candidate at the top of the slate that received the second highest number of votes must be appointed director, and that this candidate must in no way be related, not even indirectly, to the shareholders who submitted or voted for the slate that received the most votes.

Therefore, if said candidate has not received the necessary quotient to be elected, the candidate who received the lowest quotient from the slate that received the most votes will not be elected, and the candidate ranking first on the list that received the second highest number of votes will be elected to the Board.

9. The candidate ranking first on the slate that received the most votes will be elected as Chairman of the Board of Directors.

10. If, for purposes of completing the Board of Directors, multiple candidates received the same quotient, the candidate elected will be the one from the slate that has still not elected any directors or the one that has elected the lowest number of directors.

If none of these slates have elected a director yet or if they have all elected the same number of directors, the candidate on the slate list that received the highest number of votes among these slates will be the elected candidate.

In case of a tie in slate voting, and if the quotients are the same, the Shareholders' Meeting will vote again, and the candidate who receives a simple majority of votes will be elected.

Proceeding in this way, if the Board of Directors to be appointed consists of seven or more members and at least one or two "Independent Directors pursuant to Italian Legislative Decree 58/1998" have not been elected, the following procedure will be used:

a) If the Board of Directors is composed of seven members, the candidate who would be elected last from the slate that received the most votes based on the sequential quotient will be replaced by the top candidate who received a lower sequential quotient but who is identified on that slate as an "Independent Director pursuant to Legislative Decree 58/1998."

b) If the Board of Directors is composed of more than seven members, the two candidates from the slate that received the most votes who were elected last based on the sequential quotient will be replaced by the top two candidates who received a lower sequential quotient but who are identified on that slate as "Independent Directors pursuant to Italian Legislative Decree 58/1998."

c) If the Board of Directors is composed of more than seven members and has only one appointed director identified as an “Independent Director pursuant to Legislative Decree 58/1998,” the procedure described in letter a) above will be used to appoint the second candidate.

If, as a result of the voting and procedures described above, the composition of the Board of Directors does not comply with temporary regulations on gender balance, the candidate of the more represented gender who appeared on the top slate that received the most votes and was elected last based on the sequential quotient will be replaced by the top candidate of the less represented gender who appeared on the same slate and received the lower sequential quotient, provided the minimum number of independent directors required by the temporary regulations in effect is met. If this is not so, the candidate of the more represented gender to be replaced would be the candidate elected next to last, third to last, and so on, based on the sequential quotient taken from the top slate that received the most votes.

If the required result is not ensured in this manner, the replacement will be made through a resolution approved by a majority vote of the relative Shareholders’ Meeting, based on the submission of candidacies of persons from the less represented gender.

11. If only one list has been submitted, the Shareholders’ Meeting will vote on it and, if it receives the relative majority of votes, without counting abstentions, the candidates listed in sequential order will be elected as directors, up to the number set by the Shareholders’ Meeting.

The candidate indicated in first place on the slate will be elected Chairman of the Board of Directors.

If, proceeding this way, the Board of Directors to be appointed will not comply with the temporary regulations on independent directors and/or gender balance, the procedure described in paragraph 10 above (with the necessary changes) will be used.

12. In the absence of slates and if the slate voting mechanism has resulted in a lower number of candidates elected than the number established by the Shareholders' Meeting, the Board of Directors will be either appointed or integrated by the Meeting based on the majority vote established by law.

13. If one or more directors leave office for any reason, those remaining in office will replace them by means of co-option, pursuant to and for purposes of Art. 2386 of the Civil Code, subject to the obligation to maintain the minimum number of Independent Directors pursuant to Legislative Decree 58/1998 and the applicable temporary provisions of law on gender balance.

The Shareholders' Meeting is free to appoint directors to replace directors who have left office, including as a result of their co-option, based on a majority vote pursuant to law, and subject to the requirement to maintain the minimum number of Independent Directors pursuant to Legislative Decree 58/1998 and the temporary provisions of law regarding gender balance.

14. Directors whose respective slates indicate that they are Independent Directors pursuant to Legislative Decree 58/1998 are required to immediately inform the board of directors if they no longer meet the relative requirements and thus become ineligible pursuant to law.

The Ordinary Shareholders' Meeting of April 29, 2014 confirmed Carlo Secchi as Chairman – independent pursuant to the Code of Conduct for listed companies and Art. 148, paragraph 3 of Legislative Decree no. 58/1998. The Board did not grant him any operating power, without prejudice to his authority to represent the Company based on current statutory provisions. The Chairman, or the person acting in his stead, is responsible for convening the Board of Directors, which pursuant to the By-laws must meet on at least a quarterly basis.

In exercising its legal and statutory powers (Art. 24 of the By-laws), during 2014 Mediolanum S.p.A.'s Board of Directors confirmed Ennio Doris as Managing Director, and granted him all powers of ordinary and extraordinary management already granted during previous mandates, with the exception of powers related to significant and strategic issues, which remain under the purview of the Board of Directors (“more significant” transactions).

During the same period, the Deputy Vice Chairman (Alfredo Messina) was granted all powers of ordinary management already delegated to him during prior mandates and was assigned functional and policy responsibilities in the following areas: tax affairs, corporate affairs, administration and management control, finance, legal affairs and internal auditing.

The Deputy Vice Chairman is also identified as the “Director charged with the internal control and risk management system,” with the duties set out in Art. 7, principle 7.p.3, lett. a) sub (i) of the “Code” (in this regard, see page 42).

The other Vice Chairman, Massimo Antonio Doris, was assigned the task of coordinating and supervising the ordinary operation and regular functioning of the company's offices and services.

The delegated activity, as well as general operating performance and its expected development (including in terms of the subsidiaries), key economic, financial and capital transactions, transactions in which the directors have an interest on their own behalf or on behalf of others, and transactions governed by CONSOB Resolution 17221 on transactions with related parties are reported to the Board and the Board of Auditors at least quarterly through a periodic reporting system, pursuant to the current provisions of the By-laws (Art. 20).

In concrete terms, the purpose of distributing tasks is to allow the Board of Directors to focus on creating value for shareholders.

The Board is responsible for defining strategic guidelines and management policies and for monitoring company performance.

The Corporate Affairs Department, which works together with the Chairman in order to provide Board members with increasingly accurate knowledge of the business sector, brings principal legislative and regulatory changes to the Board's attention and explains them to it.

On September 25, 2014 and November 25, 2014, the Directors and Auditors of Mediolanum S.p.A. participated in two Board Induction sessions for the 2014 financial year that were aimed at examining certain governance issues.

On March 26, 2014, Paolo Sciumé turned in his resignation as non-executive Director and member of the Control and Risks Committee.

With the shareholders' meeting of April 29, 2014, the term of office expired for Francesco Barbaro, Independent Director pursuant to Art. 147-ter of the Consolidated Law on Finance, who had been in office since April 2013.

On October 24, 2014, Director Maurizio Carfagna turned in his resignation in order to comply with the provisions of Art. 36 of the Decree Law of December 6, 2011, converted into Law no. 214 of December 22, 2011, which prohibits "holders of offices in managerial, supervisory and control organs and executive officers of enterprises or groups of enterprises operating in credit, insurance, and financial markets, from assuming or holding similar positions in competitor enterprises or groups of enterprises."

Each item of business on the agenda is guaranteed a thorough discussion during Board meetings. Normally, the heads of the competent departments are present in order to provide adequate supporting details on the items of business, and appropriate documents are generally sent to the Directors and Auditors in advance.

In this regard, for purposes of complying with the "Code," during its November 8, 2012 meeting, the Board of Directors resolved that when there are no confidentiality issues, it is vital for any available documents assisting the meetings to be received at least 48 hours in advance so that the Board can properly examine and discuss matters during the meeting. The Independent Directors formally acknowledged compliance with this provision during 2014.

Including at the request of one or more Directors, the Chairman of the Board of Directors may

ask managers of the company and of the companies in the group to which it belongs, as well as managers of the company functions responsible for the matter in question, to participate in board meetings in order to provide appropriate details on the agenda business.

The Board of Directors has set out the following general criteria on the maximum number of offices as Director and Auditor that its members may hold in companies involving significant commitments (listed companies and banking, insurance, financial or large companies), including participation in board Committees:

I) an **executive** director may not:

- i) hold the position of executive director in another Italian or foreign listed company, or in a financial, banking or insurance company
- ii) hold the position of non-executive director or auditor (or member of another control organ) in more than five of said companies

II) a **non-executive** director may not, in addition to the office held in the Company:

- i) hold the position of executive director in more than three of said companies and the position of non-executive director or auditor (or member of another control organ) in more than five of said companies
- or
- ii) hold the position of non-executive director or auditor (or a member of another control organ) in more than eight of said companies

Any multiple offices held within the same Group of companies – and thus which are related to one other by a common key shareholder or shareholders and/or which are subject to joint control – should be considered as one single office.

For non-executive Directors who are also members of one or both Board committees of the company, the above-described limits are respectively reduced by 50% of the office or by one entire office.

The Board of Directors reserves the right to make a different evaluation, which will be duly disclosed in the annual report on corporate governance.

On February 11, 2015, through declarations signed by the interested parties, the Board of Directors verified that all members of the governing body had complied with the aforementioned limits.

Internal Dealing

In accordance with Art. 114, paragraph 7 of the Consolidated Law on Finance, the Board of Directors of Mediolanum S.p.A. approved the **“Regulations on transactions by relevant persons and persons closely related to them - INTERNAL DEALING,”** available on the Company’s website.

In line with regulatory provisions (an extract of which appear as an attachment to the Regulations), these Regulations, which were last updated on March 21, 2013, govern transactions involving the purchase and sale of the Issuer’s shares and the financial instruments related to such, when they reach an annual total of €5,000.00 and are carried out by so-called

“relevant persons,” as defined by Art. 152-sexies of the CONSOB Issuers’ Regulation (CONSOB Resolution no. 11971/99), either directly or through proxy or trust companies, as well as by persons closely related to the above relevant persons. Transactions following each communication are not reported if their total value does not reach a market value of an additional five thousand euros by the end of the year.

In addition to the relevant persons identified by law (Directors, Auditors, and closely related individuals), the Company also considers the regulations to be applicable to Mr. Luigi Del Fabbro, the Financial Reporting Manager.

As provided by current Regulations, the aforementioned Parties with reporting obligations have delegated the company's Corporate Affairs department to generate the required reports, in accordance with the methods and the terms set out by Art. 152-octies of the Issuers’ Regulation.

Significant purchase and sale transactions for purposes of Internal Dealing are published on the Company's website within the next market trading day after they are reported, and are reported to CONSOB, market management companies, and the public.

Disclosure of Confidential and Insider Information

In application of Art. 115-bis of the Consolidated Law on Finance, a Registry has been established which lists individuals with access to insider information (that is, information directly concerning Mediolanum S.p.A. or its subsidiaries that has not been publicly disclosed and which may, if disclosed, significantly impact the price of its financial instruments).

According to the application methods established by Art. 152-bis et seq. of the CONSOB Regulations, each Group company controlled by Mediolanum S.p.A. has established its own Registry managed by Mediolanum S.p.A. Pursuant to a delegation of authority from all subsidiaries, Mediolanum S.p.A. is responsible for keeping this Registry.

The Register is managed through a specifically adopted procedure.

The information management procedures, including keeping the Registry, are outlined in the **“Manual on the Disclosure and Monitoring of Confidential and Insider Information,”** last updated on July 30, 2013, which has been distributed to all subsidiaries of the Group and published on the Company's website ([www. mediolanum.com](http://www.mediolanum.com) under Investor Relations / Corporate Governance / Other Corporate Documents).

Pursuant to law, the individuals listed in the Registries are informed of this circumstance and its legal consequences, including by reference to the summary of the regulation published on the company's website.

2. ADOPTION OF THE CODE OF CONDUCT

Mediolanum S.p.A. has adopted the Code of Conduct for listed companies, which is available on the website www.borsaitalia.it. At the Board of Directors' meeting of November 9, 2006, it identified the wholly-owned company Banca Mediolanum S.p.A. as a company of strategic importance in terms of its size as well as its role within the Group.

During the Mediolanum S.p.A. Board of Directors' Meeting of February 11, 2015, the Board unanimously agreed on the adequacy of the subsidiary's organizational, administrative and accounting structure.

The Company also provided that the subsidiaries should submit any transactions of significant strategic, economic, capital or financial importance to Mediolanum S.p.A. to Mediolanum S.p.A.'s Board of Directors for approval.

Board of Directors

The Board of Directors is the organ responsible for business management. Within this sphere:

- It handles the policy and supervisory functions provided by law and the corporate by-laws, determining business objectives and strategies and ensuring that an efficient and effective internal auditing system, consistent with the complexity of the activity performed, is implemented and periodically examined.
- It examines and approves any strategic, industrial and financial plans of the issuer and the Group it heads, the issuer's corporate governance system, and the structure of the Group itself.

- It evaluates the adequacy of the organizational, administrative and general accounting structure of the issuer and of strategically important subsidiaries as set up by the managing directors, with particular regard to the internal auditing system and conflicts of interest.
- It grants and revokes delegations of authority to managing directors and the executive committee, if appointed, setting their limits and the manner of exercising this authority; it also establishes the frequency (at least quarterly) for delegated bodies to report to the board on activity pursuant to their delegated authority.
- After examining the proposals of the special committee and consulting with the Board of Auditors, it determines the remuneration for managing directors and other directors who hold special offices; unless the shareholders' meeting has provided otherwise, it also determines the allocation of the overall compensation to due Board members.
- It evaluates general operating performance, with particular consideration for information received from delegated organs, and also periodically compares expected results with the results actually achieved.
- It examines the transactions of the issuer and its subsidiaries, when these transactions have a strategic, economic, capital or financial significance for said issuer, in particular focusing on situations where one or more directors have a personal interest or interest on behalf of third parties and, more generally, on situations involving transactions with related parties as governed by the procedure adopted through the board resolution of November 10, 2010 in accordance with Art. 4 of CONSOB resolution 17221/2010, last

amended on November 12, 2013.

- At least once a year it performs an evaluation of the size, composition, and functioning of the Board and its committees, if necessary expressing opinions on professional figures whose presence on the board it considers appropriate.
- Through the report on corporate governance, it provides information on the manner of applying the aforementioned Code of Conduct, in particular on the number of board meetings held during the year and on each director's participation in percentage terms.
- It examines and decides on the most significant transactions, as defined in Article 23 of the By-laws.

In addition, the Board of Directors of Mediolanum S.p.A. has established both the Control and Risks Committee (previously the Internal Control Committee) and the Nomination and Remuneration Committee (previously the Remuneration Committee), which is discussed below.

Based on the criteria established by the Code and on the information provided by each Director, the Board of Directors has evaluated the eligibility of a number of directors who indicated that they were independent.

The Board of Directors also determined that the annual amount over which economic transactions are considered to be significant was €200,000.00, and confirmed that a family relationship is created when a second degree of kinship exists.

The Board of Directors appointed by the Shareholders' Meeting of April 29, 2014, based on the slates presented to the Shareholders by the participants of the Shareholders' Agreement indicated in paragraph 1, page 5 and by the minority, in accordance with Art. 147-ter of the

Consolidated Law on Finance and Art. 17 of the Corporate By-laws, will remain in office until approval of the financial statements for the year ended December 31, 2013. Following said resolutions, notices from the individual parties and subsequent board verifications, the Board of Directors currently includes the following:

- Carlo Secchi – Chairman (no del. of authority) - (majority slate) Independent pursuant to the Code of Conduct and Art. 147-ter of the CLF, in office since July 2012
- Alfredo Messina – Deputy Vice Chairman – (majority slate) Executive, in office since December 1995
- Massimo Antonio Doris – Vice Chairman – (majority slate) Executive, in office since February 1996
- Ennio Doris – Managing Director – (majority slate) Executive, in office since December 1995
- Luigi Berlusconi – Director – (majority slate) Non-executive, in office since April 2007
- Elena Biffi – Director – (majority slate) Independent pursuant to Code of Conduct and Art. 147-ter CLF, in office since April 2014
- Pasquale Cannatelli – Director – (majority slate) Non-executive, in office since April 2004
- Roberto Maviglia – Director – (minority slate) Independent pursuant

	to Code of Conduct and Art. 147-ter CLF, in office since April 2014
Edoardo Lombardi – Director	– (majority slate) Executive (Vice Chairman Banca Mediolanum S.p.A.), in office since February 1996
Mario Molteni – Director	– (majority slate) Independent pursuant to Code of Conduct and Art. 147-ter CLF, in office since April 2001
Danilo Pellegrino – Director	– (majority slate) Non-executive, in office since April 2008
Angelo Renoldi – Director	- (majority slate) Independent pursuant to Code of Conduct and Art. 147-ter CLF, in office since April 2001
Anna Scarfone – Director	– (majority slate) Non-executive, in office since April 2014
Maria Alessandra Zunino de Pignier	- (majority slate) Independent pursuant to Code of Conduct and Art. 147-ter CLF, in office since March 2012

With regard to whether Messrs. Molteni and Renoldi are qualified to act as independent directors pursuant to the Code of Conduct, and with an eye to substance over form, the Board of Directors has confirmed the above and has therefore unanimously agreed that they are

qualified, including with regard to application criteria 3.C.1. e), that is holding the office for more than nine out of the past twelve years.

In fact, the Board verified the length of time the parties in question have possessed these ethical qualities and took this into consideration along with the recognized professional attributes that have always allowed them to maintain and express complete autonomy and independence of judgment – as they themselves stated in the self-assessments submitted – and determined that they met the Code’s requirement of independence, also considering that they have held this office for over nine of the last twelve years.

Lastly, the Board of Directors noted that because six of its fifteen members appointed by the Shareholders’ Meeting are independent in accordance with the Consolidated Law on Finance and the Code, the Board is thus compliant with the new provisions of the Code of Conduct, which requires that at least one third (rounded down) of the members of the boards of directors of Issuers trading on the FTSE-Mib index must be Independent Directors.

After the appointment of the Directors, on April 29, 2014 the Board of Directors issued a notice to the market that reported the result of its assessment of whether the requirement of independence had been met.

The Board of Auditors verified proper application of the assessment criteria and procedures used by the Board of Directors to evaluate the independence of its members, and it will refer to its findings in its report.

The Independent Directors, who have been meeting as a board of solely independent directors since 2007, provide the Board with an evaluation of the size, composition and operation of the Board and its Committees, which may include an indication of the professional figures they consider to be appropriate for the Board (the so-called self-assessment); they also monitor Corporate Governance, submitting to the Board any changes or updates to the system that they consider advisable. At the meeting of October 23, 2012, the Independent Directors did not deem it necessary to name a Lead Independent Director, and this decision was noted at the board meeting of November 8, 2012.

The Independent Directors met five times during 2014 (average duration: 1 hour and 11 minutes), in order to support the Board: i) in terms of the report on Corporate Governance and ownership structures for 2012; ii) to examine, pursuant to Art. 4, paragraph 3 of CONSOB Regulation 17221/2010, the changes in the Regulation that govern transactions with related parties; iii) to support the Board in locating a contact for outsourced activities; and iv) with regard to the above-mentioned self-assessment.

For the latter, the Independent Directors performed a self-assessment of the Board of Directors through a questionnaire sent to all Directors:

A) BOARD ASSESSMENT

This section is the common thread that connects the 2104 self-assessment with previous ones and consists of the questionnaire used to this point.

B) EVALUATION OF COMPETENCIES

The second section is new and was introduced in compliance with the Code of Conduct (application criterion 1.C.1. lett. h) – in order to provide “*shareholders with guidelines on professional figures considered to be appropriate for the board, before the new board is appointed.*”

The section being examined contains a list of the competencies related to the Mediolanum Group and an indication of which areas of competence are considered to be priorities in order for the board to function properly and, consequently, in selecting Directors, based on the size of the Group and the specific complexity of the sector in which it operates.

At its meeting of February 11, 2015, the Board of Directors examined the self-assessment questionnaires, which show that the competencies related to the Mediolanum conglomerate’s activities were on average almost all considered to be of significant importance, with less consideration for experience and competencies related to foreign affairs.

C) COMMENTS AND SUGGESTIONS

In this section, each director may make comments they consider to be useful and/or appropriate.

After examining the responses received – by the Independent Directors at the meeting of February 11, 2015 and by the Board at its meeting on the same date – it was verified and confirmed that the Directors are more than sufficiently satisfied with the size, composition and functioning of the Board. In terms of the results of the assessment of competencies, refer to the

Board of Directors' report to the Shareholders' Meeting – prepared in accordance with Art. 125 ter, Consolidated Finance Law – with regard to reappointing the board.

The Board of Directors met a total of ten times during 2014 (average duration: 2 hours).

Ten meetings of the Board of Directors are currently anticipated for 2015.

The Board of Directors identified the **most significant transactions** from among those listed under Art. 23 of the By-laws, which provide that this is the exclusive responsibility of the Board.

In terms of **transactions with related parties**, in its resolution of November 10, 2010, the Board of Directors adopted the “Procedures Pursuant to CONSOB Resolution no. 17221, Article 4,” most recently updated on November 12, 2013, and promptly distributed them to all companies in the Mediolanum Financial Conglomerate. These procedures are published on the website www.mediolanum.com under Investor Relations / Corporate Governance / Corporate Governance Documents.

The procedures in question provide, among other things, that the organs and responsible departments must annually determine whether these procedures need to be updated. On November 13, 2014, after consulting with the Committee of Independent Directors, jointly with the Financial Reporting Manager Luigi Del Fabbro, and after consulting with the Board of Auditors, the Board of Directors unanimously determined that it was not necessary to make changes to the aforementioned procedures.

Nomination and Remuneration Committee

Based on the new July 2014 version of the “Code,” the Board of Directors – with the support of the Independent Directors – changed the name of the Remuneration Committee to the “Nomination and Remuneration Committee,” and charged said Committee not only with the tasks of the former Remuneration Committee, but also the tasks provided in criterion 5.C.1 of the Code, as follows:

- *to submit opinions to the Board of Directors regarding the Board's size and composition and, where applicable, to make recommendations on the professional figures whose presence on the Board is deemed appropriate, as well as on the issues pursuant to Articles 1.C.3 (number of offices held) and 1.C.4 (competing offices) of the “Code”*
- *to propose candidates to the Board of Directors for the office of director in cases of co-option, when it is necessary to replace independent directors*

The Committee consists of the following members:

- Angelo Renoldi (independent pursuant to CLF and “Code”) – Committee Chairman
- Elena Biffi (independent pursuant to CLF and “Code”)
- Mario Molteni (independent pursuant to CLF and “Code”)

who are all experts in accounting and financial matters.

The Committee has the following additional duties:

- to submit proposals or express opinions to the Board on the remuneration of executive directors and other directors charged with special tasks, as well as to set performance objectives for the variable component of said remuneration; to monitor application of the decisions adopted by the board, in particular verifying effective achievement of performance objectives
- to periodically evaluate the adequacy, overall consistency and concrete application of the general policy adopted for the remuneration of directors and key managers, in the latter case based on information provided by the managing directors; to make the relative recommendations on this matter to the board of directors
- to draw up rules governing all aspects of the Stock Option Plan, which will then be submitted for approval by the Board of Directors
- to manage all of the necessary initiatives for implementation of the Stock Option Plan, including identification of recipients, determination of the number of stock options assigned to each of them, and the relative conditions for exercising the option
- to define any economic and/or financial performance objectives that will be a condition for the Recipients' right to exercise their stock options

In addition, each year the Nomination and Remuneration Committee presents its annual budget; this took place during the Board of Directors' meeting of February 11, 2015.

During 2014, the Committee met three times (average duration: 1 hour and 16 minutes), in the presence of the members of the Board of Auditors, with minutes taken for all meetings, as has been customary since its establishment, in order to proceed with evaluations and examinations, in collaboration with the Remuneration Committee and the Board of Directors of

of the subsidiary Banca Mediolanum S.p.A. Results were as follows:

- a) A favorable (consultative) opinion from the Shareholders' Meeting of April 29, 2014 regarding the report on remuneration (available at www.mediolanum.com under the section Investor Relations / Corporate Governance / 2014 Shareholders' Meeting). This updated and supplemented report will be resubmitted to the shareholders – of course after being evaluated and approved by the Committee and the Board of Directors – who have been called to meet in a single session on March 26, 2015.
- b) The Board of Directors' meeting of May 14, 2014 executed two long-term stock option incentive plans for (i) directors and managers of the Company and the subsidiaries (the “**2010 Top Management Plan**”) and for (ii) collaborators – that is members of the sales network – of the Company and the subsidiaries (the “**2010 Collaborators Plan**”) as follows:
 - (i) a paid capital increase for the Company, up to a maximum of €97,335.00 (ninety-seven thousand three hundred and thirty-five euros) by issuing a maximum of 973,350 (nine hundred and seventy-three thousand three hundred and fifty) shares serving the assignment of options under the 2010 Top Management Plan
 - (ii) a paid capital increase for the Company, up to a maximum of €121,425.00 (one hundred and twenty-one thousand four hundred and twenty-five euros), by issuing a maximum of 1,214,250 (one million two hundred and fourteen thousand two hundred and fifty) shares serving the assignment of options under the 2010 Collaborators Plan

(iii) assignment to recipients of a portion of Plan options – a total of 18 recipients for the Top Management Piano and 185 recipients for the 2010 Collaborators Plan

Finally, primarily for purposes of the Code of Conduct for listed companies, the Committee ascertained that it had amply and exhaustively evaluated the criteria adopted for the remuneration of key managers, monitored their implementation based on the information provided by managing directors, and provided the Board of Directors with general recommendations in this area.

In terms of the variable remuneration for Executive Directors, once again in 2014, the Committee proposed adding two Executive Directors to the “**2010 Top Management Plan**” stock option plan, and the Board expressed its agreement with this proposal.

Note that, in terms of relevance, the Board of Directors' Meeting of November 8, 2012 determined that it was not currently necessary to draw up a succession plan for executive directors, given the current shareholding structure and the existing Voting Trust governing the company and its outlook in terms selecting Executive Directors.

Directors do not participate in meetings of the Remuneration Committee when proposals to the Board of Directors are made regarding their own remuneration.

Finally, it is noted that:

- The Committee has the power to gather information and access company departments as necessary in order to perform its duties, and to use outside consultants where necessary.
- In its meeting of February 6, 2015, the Committee (i) performed the evaluations necessary to implement the fifth Stock Option issue for the Collaborators Plan and (ii) presented its 2015 budget of €25,000.00 for the approval of the Board of Directors.
- At the Committee's invitation, non-members, including other members of the Board or of the company structure, may participate in Committee meetings for purposes of individual items of business on the agenda.

The Remuneration Committee did not use consulting services in 2014.

Remuneration of Directors

After examining the Board of Directors' explanatory report of March 26, 2014, the Shareholders' Meeting of Mediolanum S.p.A. held on April 29, 2014 approved this report on compensation policies, including the compensation policies of the financial conglomerate, pursuant to Art. 123 ter, paragraph 6 of the Consolidated Law on Finance and for any other purpose of the law and regulations.

This report was published on the Company's website (www.mediolanum.com, under the section Investor Relations / Corporate Governance / Shareholders' Meeting).

Control System

Following is a description of the current control system, completed by Attachment 1) to this report and regarding the **“Principal Characteristics of Existing Risk Management and**

Internal Control Systems in Relation to the Financial Reporting Process,” drawn up pursuant to Art. 123-bis, paragraph 2, letter b) of the Consolidated Law on Finance.

As already indicated, based on the provisions of the Code, the Board of Directors selected Deputy Vice Chairman Alfredo Messina as the Director “charged with the internal control and risk management system,” with the relative duties provided by the “Code.” The director charged with the internal control and risk management system:

- a) identifies the principal business risks, considering the type of activities engaged in by the issuer and its subsidiaries, and periodically submits them to the examination of the board of directors
- b) implements the guidelines of the Board of Directors, handling planning, implementation, and management of the internal control and risk management system and regularly monitoring its adequacy and effectiveness
- c) handles the adaptation of that system to changes in operating conditions and the legislative or regulatory context
- d) may ask the Internal Audit function to audit specific operating areas and compliance with internal rules and procedures in company operations, reporting this to the chairman of the board of directors, the chairman of the control and risks committee, and the chairman of the board of auditors
- e) promptly reports to the control and risks committee (or to the board of directors) regarding problems and issues which have emerged during his activity or of which he has become aware, so that the committee (or the board) may take the appropriate steps

Upon proposal by the Deputy Vice Chairman, after consulting with the members of the Control and Risks Committee and the Board of Auditors, presenting board members with Mr. Rotondi's curriculum vitae, the structure at his disposal, and the relative remuneration plan, on May 14, 2014, the Board of Mediolanum S.p.A. approved a resolution to appoint Massimo Rotondi as Internal Audit Manager in replacement of Massimo Rella, and assigned the following duties to him:

- 1) to assist the Director charged with the control and risk management system:
 - 1.1) in identifying the principal company risks that should be examined by the Board of Directors
 - 1.2) in implementing the Board of Directors' guidelines on the Internal Control and Risk Management system, through planning, implementation, management and monitoring of said system
- 2) verify the effectiveness and appropriateness of the internal control and risk management system on an ongoing basis, in relation to specific needs, and in accordance with international standards, through an audit plan approved by the Board of Directors based on a structured analysis and prioritization of the principal risks
- 3) prepare periodic reports that contain adequate information on his activities, on risk management procedures, and on compliance with the plans set up to limit risks. The periodic reports contain an evaluation of the appropriateness of the internal control and risk management system.

- 4) promptly prepare reports on events of particular significance
- 5) submit the reports described in points 3) and 4) to the Chairmen of the Board of Auditors, of the Control and Risk Committee, and of the Board of Directors, as well as the director charged with the internal control and risk management system
- 6) within the sphere of the audit plan, verify the reliability of the information systems, including the accounting systems

Although the Internal Audit Manager reports to the Deputy Vice Chairman (executive), he has broad autonomy, because his duty to report to the Deputy Vice Chairman, who is charged with the internal control and risk management system, is set out in the shareholders' agreement mentioned in point 1), according to which, in essence, one contracting party exercises the operational/strategic management function and the other party exercises the control and guarantee function.

The Internal Audit Manager has direct access to all information useful for carrying out his assignment and prepares periodic reports which contain adequate information on his activities, on how risks are managed, and on compliance with plans for limiting risks.

Moreover, since 2005, in order to implement the risk monitoring and management system in compliance with new regulations in the banking and financial sector, the risk monitoring and management system has been reinforced through establishment of the "Compliance & Risk Control" unit within the group.

This unit, which has also been created within the subsidiary Banca Mediolanum S.p.A., has been providing the service to Mediolanum S.p.A. on an outsourcing basis since 2006. Since April 28,

in compliance with the “New Provisions on Prudential Supervision for Banks,” 15th update (July 2, 2013) of Banca d’Italia Memorandum no. 263, it has also been divided into two distinct second level control functions, “Compliance” and “Risk Management.”

Said Compliance function outsources the following principal activities for Mediolanum S.p.A.:

- consulting and collaboration in training activity and in the various organizational units of Mediolanum S.p.A. on matters where there is a significant risk of non-conformity, with a preliminary evaluation of the impact of regulatory changes
- ex ante evaluation of compliance with applicable regulations, innovative projects and, in particular, operations involving new products or services
- within its sphere of competence, provision/validation of internal rules, policies and regulations for compliance purposes
- proposal to Mediolanum S.p.A. of the methodological framework for identifying and evaluating risks of legal non-compliance and the periodic review of such
- formulation and implementation, jointly with Mediolanum S.p.A., of the annual Compliance Plan for the regulatory areas set out by applicable rules and regulations
- ongoing identification and monitoring of laws applicable to Mediolanum S.p.A., regulatory alerts, and measurement/evaluation of their impact on products, processes, and company structures

- identification, in collaboration with the company and anyone delegated by it, of organizational oversight mechanisms (structures, processes, internal procedures) aimed at preventing the identified risk of legal non-compliance
- verification of the adequacy and functioning of organizational oversight mechanisms (structures, operating and commercial processes) and the effective implementation of suggested actions to prevent the risk of legal non-compliance
- validation of compliance measures identified by the responsible structures of Mediolanum S.p.A.
- planning and performing assessments of operating risks, within the sphere of integrated assessment activity and periodic reporting of results to Company functions
- monitoring of Supervisory requests received by the company
- participation in working groups on specialized issues within its competence
- preparation of periodic reports to Company organs and supervisory authorities

Said Risk Management department outsources the following principal activities on behalf of Mediolanum S.p.A.:

- set up and maintain the framework of control and manage all risks of Mediolanum S.p.A., in compliance with the guidelines of the Board of Directors and the applicable regulatory provisions

- formulate and develop the quantitative methods aimed at determining and managing significant risks
- prepare internal rules, policies, and regulations regarding all significant risks
- propose the quantitative and qualitative parameters necessary to set up the Risk Appetite Framework (RAF)
- oversee the development of risks by implementing the processes of identifying, measuring and controlling them, as governed by internal regulations and in accordance with the Company's determined risk appetite
- verify, gather, and reconcile losses due to operating risks, with the support of Mediolanum SpA's organizational unit managers
- analyze losses originating from operating risks, formulate plans of action and verify their completion
- oversee coordination activities of the Mediolanum Group on behalf of the Company
- prepare the periodic report to Company organs and supervisory authorities

Control and Risks Committee

The Control and Risks Committee, which the Board of Directors reappointed on April 29, 2014 and whose term of office runs until the term of office for the entire Board of Directors expires, that is until the Meeting to approve the Financial Statements at Dec. 31, 2016, includes the following members:

- Angelo Renoldi (independent pursuant to CLF and "Code") Chairman

- Mario Molteni (independent pursuant to CLF and “Code”)
- Anna Scarfone, non-executive

All are experts in accounting and financial matters.

In compliance with the Code of Conduct for listed companies, the Committee includes all non-executive Directors and most Independent Directors and is chaired by an independent member.

In 2014, the Control and Risks Committee met seven times (average duration: 1 hour and 25 minutes).

There are currently six meetings planned for 2015.

Since its establishment, the Committee has prepared minutes of all meetings, which in most cases are held in the presence of the members of Banca Mediolanum’s “Internal Control and Risks Committee,” which in turn meets in the presence of the members of Mediolanum S.p.A.’s Control and Risks Committee in order to supplement their mutual knowledge of issues related to Internal Control for the entire Mediolanum Group.

In 2014, the Committee examined and evaluated the following, among other things: i) Risk Assessment activities; ii) activity carried out and planned with regard to internal control and Risks and Compliance Control; iii) the annual Report from the Supervisory Board established pursuant to Legislative Decree 231/2001; iv) proper utilization of accounting standards and their uniformity for purposes of preparing the consolidated financial statements – jointly with the Financial Reporting Manager Luigi Del Fabbro and after consulting with the external auditors and the board of auditors

Finally, the Committee also verified the impairment procedure on the interest held in Mediobanca S.p.A., which on March 4, 2014 caused the Board of Directors to slightly revalue this interest.

The Control and Risks Committee is subject to the following rules.

The Committee, which is intended to offer an opportunity for briefing and coordination of the functions involved in the risk control and management system, was assigned the following tasks in accordance with the “Code” and the aforementioned Board resolution of November 8, 2012:

- 1) to assist the Board of Directors in defining guidelines for the internal control and risk management system, so that the principal risks impacting the issuer and its subsidiaries are properly identified as well as adequately measured, managed and monitored, also determining the extent to which said risks are compatible with company management that is consistent with strategic objectives
- 2) to assist the Board of Directors in evaluating the adequacy and effectiveness of the internal control and risk management system, based on the company’s characteristics and the accepted risk profile, at least once a year
- 3) to approve, at least once a year, the work plan drawn up by the Head of Internal Audit, after consulting with the Board of Statutory Auditors and the Director charged with the internal control and risk management system
- 4) to assist the Board of Directors in describing, within the corporate governance report, the principal characteristics of the internal control and risk management system, expressing its own assessment of the system’s adequacy

- 5) after consulting with the Board of Auditors, to assist the Board in evaluating the results reported by the external auditor in any letter of recommendations and in the report on fundamental issues that emerged during the audit
- 6) to advise the Board of Directors of its preliminary approval of the person appointed as Head of Internal Audit and the resources provided to such, based on the proposal by the director charged with the internal control and risk management system
- 7) jointly with the Financial Reporting Manager after consulting with the external auditor and the Board of Auditors, to determine whether accounting standards have been properly applied and, for groups, uniform accounting standards have been used to prepare the consolidated financial statements
- 8) to express opinions on specific issues related to identifying principal business risks
- 9) to examine periodic reports that assess the internal control and risk management system, as well as particular significant reports prepared by the internal audit department
- 10) to monitor the autonomy, adequacy, effectiveness and efficiency of the internal audit department, which it may ask to perform audits of specific operating areas, with concurrent notice to the chairman of the board of auditors
- 11) at least twice a year upon approval of the annual and half-year financial report, to report to the Board on activities and on the adequacy of the internal control and risk management system

In performing its functions, the Control and Risks Committee also coordinates with the Chairman of the Board of Auditors or another Statutory Auditor he appoints, and the Board of Auditors may participate in Committee meetings.

Finally, note that:

- The Committee has the power to gather information and access company departments as necessary to perform its duties, and also has the power to use outside consultants where necessary.
- At the meeting of January 21, 2015, the Committee submitted its 2015 budget of €50,000.00 for the approval of the Board of Directors.

An examination of its activity, as reported by the Committee and analyzed by the Board of Directors, revealed no significant problems in terms of the control system.

Parties identified pursuant to Regulations on transactions with related parties (adopted by CONSOB in resolution no. 17221 of March 12, 2010 and subsequently amended through resolution no. 17389 of June 23, 2010)

Pursuant to Art. 4, paragraph 3 of CONSOB Regulations no. 17221 of March 12, 2010 as amended by resolution no. 17389 of June 23, 2010, certain resolutions regarding related parties require a preliminary “favorable opinion from a committee composed exclusively of independent directors, which committee may be specially established,” and it is thus indispensable to identify these directors.

Considering the provision in question and the provisions of the Procedures adopted by the company, on April 29, 2014 the Board of Directors

charged the Committee composed of the following Independent Directors:

- Carlo Secchi
- Mario Molteni
- Angelo Renoldi
- Roberto Maviglia

with the task of expressing an opinion on the procedures and the need to update them, and an opinion in the cases indicated by the Regulations adopted through CONSOB resolution no. 17221 of March 12, 2010 as amended by resolution no. 17389 of June 23, 2010.

Financial Reporting Manager

After verifying that the prerequisites had been met and receiving a favorable opinion from the Board of Auditors, on April 29, 2014, the Board of Directors once again confirmed Luigi Del Fabbro as Financial Reporting Manager and also confirmed the appropriate powers.

Pursuant to Art. 24 of the corporate by-Laws, the above Manager's term of office will expire “on the date of the first Board of Directors’ meeting after the Shareholders’ Meeting that deliberated on the appointment of the entire Board,” and thus after the next reappointment of company organs upon approval of the 2016 financial statements.

On April 29, 2014, the Board of Directors resolved to grant the Financial Reporting Manager of Mediolanum S.p.A. all appropriate powers to carry out his assigned tasks. In order to perform his duties, Luigi Del Fabbro may act without limits in authority, with full decision-making autonomy within the scope of the budget that he will prepare each year and submit for the approval of the Board of Directors, except in case of emergency. This is all within the scope of existing company procedures, although these procedures may not limit the effectiveness of his delegated authority.

Mr. Del Fabbro's authority and powers include but are not limited to the following:

- the power to organize an adequate structure in terms of the number and professional competencies of the resources within the sphere of his activity
- independent spending authority within the annual budget to be submitted for the approval of the Board of Directors, except in case of emergency
- the power to utilize the resources of the information and management control systems, as well as the power to use the Internal Audit function in order to examine the adequacy of procedures and the effective application of controls
- broad access to all information deemed important for performing his duties, both within the company and within other companies in the Mediolanum Group
- participation in Boards of Directors with particular attention to meetings that address issues pertinent to the Financial Reporting Manager's activity
- authority to engage in discussions with any administrative and control body within the Mediolanum Group

- authority to approve company procedures that have an impact on developing documents which require certification, as well as direct participation in designing the related information systems

Supervisory Board established pursuant to Italian Legislative Decree 231/2001

Upon adoption of the “Organizational, Management and Control Models” contemplated by Art. 6 of Legislative Decree 231/2001 (Administrative responsibility of entities), the Company's Board of Directors established a Supervisory Board that was assigned the task of monitoring the effectiveness, compliance with, and updating of said Models.

This Board consists of the following individuals:

- Angelo Renoldi, Director (Independent pursuant to CLF and “Code”) in the position of Chairman
- Alfredo Messina, Deputy Vice Chairman of Mediolanum S.p.A. (Executive)
- Ettore Parlato Spadafora, Head of the Group’s Legal Division

who were confirmed as members of the Supervisory Board by the Board of Directors on April 29, 2014, with a term of office that expires upon approval of the 2016 financial statements.

The Supervisory Board submits an annual report to the Internal Control Committee, to the Board of Directors, and to the Board of Auditors on current and planned activities, and also drafts its expense budget.

At the meeting on March 26, 2014 the Board of Directors approved the 2014 expense budget of €50,000.00 that the Supervisory Board presented during its periodic report on implementing the Models it had prepared.

Relationships with shareholders

Mediolanum has a unit known as **Investor Relations**, which is supervised by the Managing Director. The function of this unit, for which Manager Alessandra Lanzone is responsible, is to maintain relationships with institutional investors, and it contributes to fulfilling market disclosure requirements related to insider information, in full compliance with the regulations in force.

The **Corporate Affairs Department** is in charge of handling relationships with all other shareholders with the exception of institutional ones, particularly with regard to corporate reporting.

In terms of managing meetings, the Board of Directors takes steps to maximize shareholder participation and facilitate shareholders in exercising their rights, including by encouraging meetings for the purpose of providing shareholders with information on the company.

Some time ago a special section containing important corporate information was created on the Company's website (www.mediolanum.com), which is now subject to key primary and secondary legislative provisions. The website is continuously updated and is easily identifiable and accessible.

There is also a special section which publishes important company documents such as the Corporate By-laws, previously published press releases, and the Report on Corporate Governance.

Furthermore, on April 12, 2001, the Ordinary Shareholders' Meeting adopted a set of Meeting Rules. These Rules are also available on the Company's website.

Dividends Policy

The Company continued its dividends distribution policy in 2014, which, assuming good economic performance, provides for the advance distribution of a portion of dividends during the year. In fact, on November 13, 2014 the Company resolved to distribute an advance on dividends for 2014 in the amount of €110,550,997.20, designating €0.15 for each share with a par value of €0.10, gross of legal withholding tax.

Board of Auditors

The Board of Auditors, whose office expires with the Shareholders' Meeting to approve the financial statements ended December 31, 2016, consists of the following individuals:

Stefano Fiorini – Chairman of the Board of Auditors

Francesca Novati – Statutory Auditor

Riccardo Perotta – Statutory Auditor

Ferdinando Gatti – Alternate Auditor

Francesca Meneghel – Alternate Auditor

Mario Signani – Alternate Auditor

Like the Board of Directors, the Board of Auditors was appointed by the Shareholders' Meeting of April 29, 2014 based on two slates presented to the Shareholders pursuant to Article 27 of the company by-laws – one by the signatories of the shareholders' agreement (majority slate) and one by shareholders who represented a total of 1.206% of the share capital of Mediolanum S.p.A. (minority slate).

The list of candidates, the list of those elected, and the percentage of votes received based on voting capital are available and may be consulted at the website www.mediolanum.com under the section Investor Relations / Corporate Governance / 2014 Shareholders' Meeting.

The Board of Auditors met ten times during 2014 (average duration 1 hour and 53 minutes).

Lastly, it is noted that the Board of Directors has taken the position that it is appropriate to fully apply Art. 3 of the Code of Conduct for listed companies, which sets out the criteria for independence for Directors, to members of the Board of Auditors as well. During the aforementioned meeting of February 11, 2015, after examining the relative declarations from members of the Board of Auditors, the Board of Directors determined that said requirements had been met.

For the offices held by the statutory members of the Board of Auditors pursuant to Art. 148-bis of the Consolidated Law on Finance, see the table attached to this report, which is also available at www.consob.it (area interattiva / SAIVIC / Informativa al pubblico), where they are published in full.

Changes since the end of the year

Taking into consideration the information in the introduction regarding the situation of the Mediolanum voting trust, there have been no changes in the Corporate Governance structure since the end of 2014.

**1. 3. ANNUAL SURVEY OF OFFICES HELD BY DIRECTORS PURSUANT TO PRINCIPLE
1.C.2 OF THE CODE OF CONDUCT FOR LISTED COMPANIES**

On February 11, 2015, after acknowledging observance of the guidelines set out in the Board of Directors' meeting of November 8, 2012 regarding limitations on the number of offices held by Directors, and also considering participation in Board Committees, in accordance with the Code of Conduct, the Board of Directors examined the Director and Auditor positions that said directors currently hold in other listed companies outside the Mediolanum Group, including companies listed in regulated markets in other countries, and financial, banking, insurance, and large companies.

More specifically:

CARLO SECCHI – Chairman

Member of the Board of Directors of:

- Italcementi S.p.A.
- Mediaset S.p.A.

ALFREDO MESSINA – Deputy Vice Chairman

Member of the Board of Directors of:

- Mediaset S.p.A.
- Molmed S.p.A.

MASSIMO ANTONIO DORIS – Vice Chairman

Does not hold important offices in companies outside the group



ENNIO DORIS – Managing Director

Does not hold important offices in companies outside the group

LUIGI BERLUSCONI – Director

Chairman of the Board of Directors of:

- Holding Italiana Quattordicesima S.p.A.

Member of the Board of Directors of:

- Fininvest S.p.A.

Sole Director of:

- B Cinque S.r.l.

ELENA BIFFI – Director

Liquidator for:

- La Concordia S.p.A. insurance company in compulsory liquidation

PASQUALE CANNATELLI – Director

Managing Director of:

- Fininvest S.p.A.

Member of the Board of Directors of:

- Arnoldo Mondadori Editore S.p.A.
- A.C. Milan S.p.A.
- Mediaset S.p.A.

EDOARDO LOMBARDI – Director

Chairman of the Board of Directors of:

- Banca Esperia S.p.A.

Member of the Board of Directors of:

- Istituto Europeo di Oncologia S.r.l.
- Fedrigoni S.p.A.

ROBERTO MAVIGLIA – Director

Chairman of the Board of Directors of:

- YP OP S.r.l.

Sole Director of:

- MyOpenCare S.r.l.

MARIO MOLTENI – Director

Member of the Board of Directors of:

- Ternienergia S.p.A.

DANILO PELLEGRINO – Director

Chairman of the Board of Directors of:

- Il Teatro Manzoni S.p.A.
- ISIM S.p.A.

Member of the Board of Directors of:

- Arnoldo Mondadori Editore S.p.A.
- Fininvest S.p.A.



- Fininvest Gestione Servizi S.p.A.

ANGELO RENOLDI – Director

Member of the Board of Directors of:

- Arnoldo Mondadori Editore S.p.A.

ANNA SCARFONE – Director

Holds no important offices in companies outside the group

MARIA ALESSANDRA ZUNINO DE PIGNIER – Director

Statutory Auditor of:

- Terna S.p.A.
- Esperia Fiduciaria S.p.A.

Basiglio - Milan 3, February 25, 2015

For the Board of Directors

The Chairman

Carlo Secchi

ATTACHMENT 1

Attachment 1: Paragraph on the “Principal Characteristics of Existing Risk Management and Internal Control Systems in Relation to the Financial Reporting Process” pursuant to Art. 123- *bis*, paragraph 2, letter b) of the Consolidated Law on Finance.

Mediolanum S.p.A.’s internal control system (hereinafter ICS) consists of a group of rules, functions (including management functions), structures, resources, processes and procedures that aim to ensure the following, with full respect for healthy and prudent management:

- verifying the implementation of strategies and company policies
- keeping risk within the limits set out in the Mediolanum Banking Group’s Risk Appetite Framework (RAF)
- safeguarding the value of assets and protection against losses
- effectiveness and efficiency of company processes
- reliability and security of company information and IT procedures
- preventing the risk that the Group may become involved in illicit activities, even unknowingly (in particular activities connected to money laundering, charging more than the maximum interest rates, and financing terrorism)
- compliance of transactions with the law and supervisory regulations, as well as with internal policies, rules, and procedures

In particular, the ICS is of strategic importance, playing a central role in company values, because it regards not only corporate control functions but also involves the entire business organization in the development and application of logical and systemic methods to identify, measure, communicate and manage risks. In particular:

- It is a fundamental element of knowledge for company organs, guaranteeing that they are fully aware of these issues and can effectively monitor business risks and the relative interrelations.
- It makes it possible to consistently adapt the organizational context in which the Company operates.
- It monitors the functionality of management systems and fulfillment of supervisory-related obligations.
- It encourages a proper culture of risks, legality, and corporate values.

The Group's ICS is set up on a number of levels, which are summarized below:

- Line controls (first level controls): ensure that operations go forward smoothly. These controls are performed by the operational structures themselves (for example first line, systematic, and sample controls), including through units with exclusively control duties that report to managers of operating structures (or which duties are performed in the back office), and they are incorporated into automated procedures when possible. In this arrangement, operating structures are primarily responsible for the risk management process. During daily operations, these structures are in fact required to identify, measure or evaluate, monitor, mitigate and report risks arising from ordinary business activity in accordance with the risk

management process. In addition, these structures must respect their assigned operating limits consistently with risk objectives and with the procedures used in the risk management process.

- Risk and conformity controls (second level controls): these are aimed at ensuring compliance with the operating limits for the various functions, correct implementation of the risk management process and compliance of operations with the law, including self-regulatory provisions. In accordance with legal requirements, the functions responsible for second level controls are distinct from production functions.

Specifically, these functions are:

- o Risk Management Function
- o Compliance Function
- o Network Inspection and Anti-Money Laundering Sector (of Banca Mediolanum S.p.A.)
- Internal auditing (third level controls): aimed at periodically identifying violations of procedures and rules, based on the nature and level of risk, as well as periodically evaluating the completeness, adequacy, functionality (in terms of efficiency and effectiveness) and reliability of the ICS and the information system (ICT audit).

An additional level of control consists of the Board of Auditors, which i) pursuant to the Civil Code, monitors, among other things, the adequacy of the organizational, administrative-accounting and control structure and; ii) in accordance with the provisions of Legislative Decree 39 of 27 January 2010, now has supervisory duties within so-called public interest entities, including listed companies, regarding:

- a) the financial reporting process
- b) the effectiveness of the internal control system, internal audit system, if applicable, and the risk management system
- c) external audit of the annual accounts and consolidated accounts
- d) independence of the external auditor or auditing firm, particularly with regard to providing non-auditing services to the entity being audited

There is also the Auditing Company, which is responsible for ensuring that accounting records are regularly kept and that the financial statements are consistent with accounting records and comply with the laws that govern them.

Pursuant to Legislative Decree 231/2001, which introduced into Italian legislation the notion of strict “administrative” liability of entities for certain offenses committed in their interest, the Company has adopted the “Organizational, Management and Control Models” and established a Supervisory Board in charge of monitoring the effectiveness, compliance and updating of these Models.

The Board of Directors offers guidance and periodically evaluates the adequacy, efficiency, and effectiveness of the internal control system, in relation to the complexity of the activity carried out.

With the introduction of the provisions set out by Art. 154-bis of the Consolidated Law on Finance, amended in application of Law 262/2005, Legislative Decree 303/2006, and Legislative Decree 195/2007, Mediolanum S.p.A. also implemented an organizational model to manage the obligations handled by Mediolanum S.p.A.'s Financial Reporting Manager, governed by the "Policy on Managing Activities Handled by the Financial Reporting Manager - Law 262/2005."

The figure of the Financial Reporting Manager, who acts as guarantor for third parties with regard to financial reporting, is therefore one of the various players who jointly contribute to creating an effective corporate governance system, that is the set of organizational rules and structures designed to ensure proper and efficient corporate governance.

The Financial Reporting Manager is therefore responsible for signing the accounting report released to the market, declaring the consistency of the data disclosed with the Company's accounting results.

Furthermore, in terms of financial statements, including consolidated statements, and the half-year report, a periodic certification is issued in accordance with the model provided by CONSOB (Attachment 3C-ter of the Issuers' Regulation) that confirms that the content of the financial statements and of all documents released to the market is consistent with accounting entries, and that appropriate administrative-accounting procedures have been adopted. There is also a certification that the financial statements are a truthful and accurate representation of the capital and financial situation of the issuer and the consolidated companies.

To this end, following the market's best practices and in accordance with the regulatory provisions in force, Mediolanum S.p.A. has adopted a methodological approach that allows the Financial Reporting Manager to certify that accounting records are consistent with all documents

released to the market, that appropriate administrative-accounting procedures have been adopted and that the financial statements have been drawn up in a manner that truthfully and accurately represents the financial and economic position of the issuer and the consolidated companies.

This approach, governed by a special policy, covers four distinct areas:

- **Definition of a management model and documentation system for purposes of Unit 262:** assignment of roles and responsibilities and establishment of procedures and information channels through which the various players involved can interact with each other
- **Scoping & Planning:** planning and definition of the scope of intervention based on criteria of relevance, identifying Group Companies and the administrative processes within them that significantly contribute to the Consolidated Financial Statements of Mediolanum S.p.A., considering quantitative parameters and qualitative criteria.
- **Survey of administrative and accounting processes: formalization** of the administrative and accounting processes identified above, evaluating the associated risk and effectiveness of controls to monitor them, taking steps to mitigate the identified risk.
- **Control and Governance Environment:** definition of processes and instruments that constitute the Group's governance environment, handling the identification of regulations, systems and control mechanisms (*Company Level Control*) and the identification of general rules governing technologies and application developments (*IT General Controls*).

The current management model relies primarily on the following fundamental principles:

- **Certification system:** regards the line responsibility system set up under the process managers of the administrative areas and departments involved, to ensure, through certification by the relative managers, that the procedures determined to be appropriate for purposes of ensuring the identified control objectives are respected on an ongoing basis; and if any events that may jeopardize objectives occur, they are noted and brought to the attention of the Financial Reporting Manager in time to resolve them.
- **Testing system:** regards Testing Unit 262's activity of examining documents for purposes of independently verifying the effectiveness of the controls provided in administrative-accounting procedures.

The logical process therefore consists of identifying and better defining or updating, if necessary, the procedures and activities used in the processes being analyzed, as well as the controls that ensure their proper implementation. After defining and better formalizing the documentation system, appropriate steps are taken to guarantee performance through passive measures, that is the certification system adopted, and through active measures, by performing control tests.

The Foreign Companies that significantly contribute to entries in Mediolanum S.p.A.'s Consolidated Financial Statements are the subsidiaries Banco Mediolanum S.A., Mediolanum International Life Limited, Mediolanum Asset Management Limited and Mediolanum International Fund Limited. For these Companies, at the request of the Financial Reporting Manager, the Governing Bodies have identified a local contact who, based on a criterion of proportionality, could adequately perform the activities carried out by the Financial Reporting

Manager in order to monitor administrative and accounting processes, in accordance with the Group model. In addition to performing the activities necessary to satisfy the regulatory requirements which are the responsibility of the Financial Reporting Manager, the foreign local contact persons also provide the Manager with information on their activities, through an internal certification submitted before the financial statements are prepared. The activities involved in monitoring processes that act as a foundation for preparing and disseminating financial information are subject to ongoing reporting obligations, and the control model is updated in order to make it increasingly consistent with the financial conglomerate's business model.

TABLE 1: INFORMATION on OWNERSHIP STRUCTURES

SHARE CAPITAL STRUCTURE				
	No. shares	% of share capital	Listed (indicate markets) / not listed	Rights and obligations
Ordinary shares	73,743,699.80	100%	ITALY (MI)	
Shares with limited voting rights				
Shares with no voting rights				

OTHER FINANCIAL INSTRUMENTS
 (granting the right to subscribe newly issued shares)

None

SIGNIFICANT INVESTMENTS IN CAPITAL

See table at page 4

TABLE 2: STRUCTURE OF THE BOARD OF DIRECTORS AND COMMITTEES

Board of Directors													Control and risks committee		Nomination and remun. Committee		Executive Committee (if any)	
Office	Members	DOB	Date of first appointment	In office since	In office until	Slate **	Exec.	Non-exec.	Indep. Code	Indep. CLF	Number of other offices ***	(*)	(*)	(**)	(*)	(**)	(*)	(**)
Chairman	Secchi Carlo	04/02/1944	31/07/2012	29.04.2014	Approv. Fin. Stmts. 31.12.16	M		X	X	X	2	9/9 100%						
Deputy Vice Chairman	Messina Alfredo*	08/09/1935	28/12/1995	29.04.2014	Approv. Fin. Stmts. 31.12.16	M	X				2	9/9 100%						
Vice Chairman	Doris Massimo Antonio	09/06/1967	19/02/1996	29.04.2014	Approv. Fin. Stmts. 31.12.16	M	X				0	9/9 100%						
Managing Director	Doris Ennio	03/07/1940	28/12/1995	29.04.2014	Approv. Fin. Stmts. 31.12.16	M	X				0	9/9 100%						
Director	Berlusconi Luigi	27/09/1988	19/04/2007	29.04.2014	Approv. Fin. Stmts. 31.12.16	M		X			3	5/9 55.56%						
Director	Biffi Elena	27/01/1966	29/04/2014	29.04.2014	Approv. Fin. Stmts. 31.12.16	M		X	X	X	1	7/7 100%			2/2 100%	M		
Director	Cannatelli Pasquale	08/09/1947	27/04/2004	29.04.2014	Approv. Fin. Stmts. 31.12.16	M		X			4	6/9 66.66%						
Director	Lombardi Edoardo	19/02/1936	19/02/1996	29.04.2014	Approv. Fin. Stmts. 31.12.16	M	X				3	8/9 88.89%						
Director	Maviglia Roberto	17/06/1960	29/04/2014	29.04.2014	Approv. Fin. Stmts. 31.12.16	m		X	X	X	2	7/7 100%						
Director	Molteni Mario	18/09/1958	12/04/2001	29.04.2014	Approv. Fin. Stmts. 31.12.16	M		X	X	X	1	8/9 88.89%	5/7 71.43%	M	3/3 100%	M		
Director	Pellegrino Danilo	18/09/1957	22/04/2008	29.04.2014	Approv. Fin. Stmts. 31.12.16	M		X			5	8/9 88.89%						
Director	Renoldi Angelo	07/08/1949	12/04/2001	29.04.2014	Approv. Fin. Stmts. 31.12.16	M		X	X	X	1	8/9 88.89%	6/7 85.71%	P	3/3 100%	P		
Director	Scarfone Anna	10/07/1974	29/04/2014	29.04.2014	Approv. Fin. Stmts. 31.12.16	M		X			0	7/7 100%	3/3 100%	M				
Director	Zunino de Pignier Maria Alessandra	01/05/1952	01/03/2012	29.04.2014	Approv. Fin. Stmts. 31.12.16	M		X	X	X	2	8/9 88.89%						

-----DIRECTORS WHO LEFT OFFICE DURING THE YEAR -----

Director	Barbaro Francesco	31/08/1945	23/04/2013		29/4/2014	(1)		X		X	0	2/2 100%			1/1 100%	M			
Director	Carfagna Maurizio	13/01/1947	19/04/2007		24/10/2014	(1)		X			5	5/6 83,33%							
Director	Sciumè Paolo	31/01/1943	19/02/1996		26/03/2014	(1)		X			2	1/2 50%	3/4 75%	M					
No. of meetings held during the year:					BOD: 9					CRC: 7					NRC: 3				
Indicate the required quorum for the minority to present slates for the election of one or more members (Art. 147-ter CLF): 1% CONSOB res. no. 18775 of Jan. 29, 2014																			

NOTES

The following symbols should be inserted in the column "Office":

- This symbol indicates the director responsible for the internal control and risk management system
- Δ This symbol indicates the primary person responsible for the issuer's management (Chief Executive Officer or CEO).
- This symbol indicates the Lead Independent Director (LID).
- * Date of first appointment for each director means the date the director was first appointed (in absolute terms) to the issuer's Board of Directors.
- ** This column indicates the slate from which each director was elected ("M": majority slate; "m": minority slate; "BoA": slate presented by the issuer.
- ***This column indicates the number of offices of director or auditor held by the relevant party in other companies listed in regulated markets, including foreign ones, in financial, banking, insurance or large companies. The offices are indicated in full in the Report on Corporate Governance.
- (*). This column indicates the director's respective participation in meetings of the BoD and the committees (indicate the number of meetings in which he/she participated compared to the total number of meetings in which he/she could have participated; for example, 6/8; 8/8 etc.).
- (**). This column indicates the director's position within the Committee: "C": chairman; "M": member
- (1) A single slate of candidates was submitted for the appointment of the Board of Directors.

TABLE 3: STRUCTURE OF THE BOARD OF AUDITORS

BOARD OF AUDITORS									
<i>Office</i>	Members	DOB	Date of first appt.*	In office since	In office until	Slate **	Indep. Code	Participation in BoA meetings ***	No. other offices ****
Chairman	Fiorini Stefano	15/07/1969	29/4/2014	29/4/2014	Approv. Fin. Stmts. 31.12.16	m	X	100% 8/8	6
Statutory auditor	Perotta Riccardo	21/04/1949	22/4/2008	29/4/2014	Approv. Fin. Stmts. 31.12.16	M	X	90% 9/10	7
Statutory auditor	Novati Francesca	31/07/1963	29/4/2014	29/4/2014	Approv. Fin. Stmts. 31.12.16	M	X	100% 8/8	0
Alternate auditor	Gatti Riccardo	17/06/1950			Approv. Fin. Stmts. 31.12.16	M		//	
Alternate auditor	Meneghel Francesca	02/12/1961			Approv. Fin. Stmts. 31.12.16	M		//	
Alternate auditor	Signani Mario	24/09/1953			Approv. Fin. Stmts. 31.12.16	m		//	
----- AUDITORS WHO LEFT OFFICE DURING THE YEAR -----									
Chairman	Simonelli Ezio Maria (°)	12/02/1958	22/04/2008		18/02/2014	(1)	X	100% 1/1	15
Statutory auditor	Vittadini Francesco (°)	25/05/1943	27/06/2007		29/04/2014	(1)	X	100% 2/2	22
Statutory auditor	Marchesi Antonio (°)	06/06/1946	18/02/2014		29/04/2014	(1)	X	100% 1/1	2
Number of meetings held during the year: 10									
Indicate the quorum required for minorities to present slates for the election of one or more members (Art. 148 CLF): 1% CONSOB resolution no. 18775 of Jan. 29, 2014									

NOTES

(°) On February 18, 2014 Ezio Simonelli turned in his resignation and was succeeded, respectively, by Statutory Auditor Francesco Vittadini as Chairman of the Board of Auditors and by Alternate Auditor Antonio Marchesi as Statutory Auditor.

** The date of first appointment for each auditor means the date the auditor was first appointed (in absolute terms) to the issuer's board of auditors.*

*** This column indicates the slate from which each auditor was taken ("M": majority slate; "m": minority slate).*

**** This column indicates the participation of auditors in meetings of the board of auditors (indicate the number of meetings in which he/she participated compared to the total number of meetings in which he/she could have participated; for example 6/8; 8/8 etc.).*

*****This column indicates the number of offices as director or auditor that the person in questions holds pursuant to Art. 148-bis CLF and the relative implementing provisions set out in the CONSOB Issuers' Regulations. CONSOB publishes the complete list of offices on its website pursuant to Art. 144-quinquiesdecies of the CONSOB Issuers' Regulations.*

(1) A single slate of candidates was submitted for the office of Auditor.