



Vittoria
Assicurazioni

Ordinary Shareholders' Meeting

28 April 2017 first call

29 April 2017 second call

Report of the Board of Directors regarding the agenda items

pursuant to Article 125-ter of Italian Legislative Decree No. 58/1998

AGENDA

1. Financial Statements as at 31 December 2016, reports of the Board of Directors and Board of Statutory Auditors; related resolutions.
2. Remuneration Report pursuant to Article 123-ter of Italian Legislative Decree No. 58/1998 and ISVAP Regulation No. 39/2011; related resolutions.
3. Request to approve the long term incentive cash plan (LTI) "Performance Unit Plan 2017 – 2019" based on financial instruments; related resolutions.

Agenda item 1

Financial Statements as at 31 December 2016, reports of the Board of Directors and Board of Statutory Auditors; related resolutions.

Dear Shareholders,

the draft Financial Statements as at 31 December 2016 and the inherent Management Report will be made available to the public at the Registered Office and on the Company's website in the terms required by law, together with the Consolidated Financial Statements as at 31/12/2016, the certification pursuant to article 154 - bis, paragraph 5 of Legislative Decree 58/1998 (TUF), the reports of the Statutory Auditors and of the Independent Auditors and the Report on Corporate Governance and Ownership Structure.

Therefore please refer to such documents.

We propose you to approve the Financial Statements at 31 December 2016 which show a net profit amounting to euro 139,486,646, of which euro 138,504,075 relating to the Non-Life Business and euro 982,571 related to the Life Business, together with the relevant Management Report.

We also propose to allocate the net profit of Financial Year 2016 as follows: euro 49,129 to the Life Business Legal Reserve; euro 14,149,574 as dividend of euro 0.21 per each of the 67,378,924 shares comprising the share capital; euro 124,354,501 to increase the Available Reserve for Non-Life and euro 933,442 to increase the available reserve for Life Businesses.

If you agree with and approve our proposal, the dividend will be paid as from 10 May 2017 c/o custodian intermediaries with detachment of coupon no. 35 on 8 May 2017. Those who hold shares at the end of the record date of 9 May 2017, selected by the Company in accordance with the Italian Stock Exchange's calendar, will be entitled to collect the dividend.

We therefore submit the following draft resolution to the Shareholders' Meeting:

"The Shareholders' Meeting of Vittoria Assicurazioni S.p.A.

- *having examined the draft financial statements of Vittoria Assicurazioni S.p.A. as at 31 December 2016, accompanied by the annexes and documentation required by law;*
- *having read the Board of Directors Management Report;*
- *having accepted the Statutory Auditors' Report and the Independent Auditor's Report*

hereby resolves

- *to approve the financial statements of Vittoria Assicurazioni as at 31 December 2016, accompanied by the Management Report, recording profit for the year of Euro 139.486.646, of which Euro 138.504.075 relating to the Non-Life Business and Euro 982.571 relating to the Life Business;*
- *to approve the proposed allocation of the Board of Directors of the profit of financial year 2016, in compliance with Art. 20 of the Articles of Association, as follows:*
 - *provision for euro 49,129 to Life Business Legal Reserve;*
 - *distribution of euro 0.21 to each of the n. 67,378,924 shares comprising the share capital, for a total amount of euro 14,149,574;*
 - *allocation of the residual profit totaling euro 125.287.943 to increase the Non-life Business Available Reserve in the amount of euro 124.354.501 and to the Life Business Available Reserve in the amount of euro 933.442.*

Agenda item 2

Remuneration Report pursuant to Article 123-ter of Italian Legislative Decree No. 58/1998 and Isvap Regulation No. 39/2011; related resolutions

Dear Shareholders,

The Remuneration Report approved by the Board of Directors pursuant to article 123-ter of the Italian Legislative Decree 58/1998 and Isvap Regulation No. 39/2011 will be made available to the public at the Registered Office as well as on the Company's internet website by the terms required by regulations in force.

Therefore please refer to such document

As provided by article 123-ter del TUF, the report comprises two sections:

- the first section, which has been submitted for your approval pursuant to Isvap Regulation No. 39 and to Article 7 of the by-laws, illustrates the remuneration policy that the Company intends to adopt, for the current year, in relation to Directors, senior executives with strategic responsibilities and other categories of personnel whose activities may have a significant impact on the company's risk profile, as well as the procedures used to implement this policy;
- the second section, which does not require Shareholders' Meeting approval, is divided into two parts and provides an adequate representation of each of the items making up the remuneration for the Board of Directors and the Board of Statutory Auditors, for the General Manager and, in aggregate form, for senior executives with strategic responsibilities, with an analytic explanation of remuneration approved for the year 2016 for any title and any form by the Company and by subsidiary or affiliated companies, with reference of the elements of the aforesaid remuneration related to activities carried out in previous years.

We invite you to approve the Remuneration Policy described in the first section of the Report and we therefore submit the following draft resolution to the Shareholders' Meeting:

"The Shareholders' Meeting of Vittoria Assicurazioni S.p.A.

- *having read the Isvap Regulation No. 39/2011, the article 7 of the Company's by-laws as well as the article 123-ter of the Italian Legislative Decree 58/1998;*
- *having read the Remuneration Report drawn up by the Board of Directors,*

hereby resolves

To approve the first section of the Remuneration Report, prepared by the Board of Directors pursuant to Isvap Regulation No. 39/2011 and to article 123-ter of the Italian Legislative Decree 58/1998 (TUF) which illustrates the remuneration policies that the Company intends to adopt for the year 2017."

Agenda item 3

Request to approve the long term incentive cash plan (LTI) "Performance Unit Plan 2017 – 2019" based on financial instruments; related resolutions.

Dear Shareholders,

As set forth in Section One of the Remuneration Report, we submit for your approval a long-term cash incentive plan linked to business performance objectives, which is addressed to the CEO, the Co-General Manager and the Deputy General Managers, whose distribution is based on the market value of financial instruments.

The Plan provides for the allocation, subject to the achievement of specific performance indicators, of future cash payment linked to the market price of the ordinary shares of Vittoria Assicurazioni S.p.A., with the aim to create value in the long term and to ensure the business continuity.

Particularly, the plan provides for the assignment of "Performance Units" linked to the average ROE of 3 years (2017, 2018 and 2019) and to the Solvency II ratio indicator as set forth in the Company Risk Appetite Framework; The "Performance Units" are not financial instruments, but virtual shares based on the results achieved and whose value is based on the market value of the Company's ordinary shares. Assuming all the conditions are met, the Plan provides for the cash payment of the bonus only after the approval of the 2019 Financial Statement by the Shareholders' Meeting. However the entitled person will receive the payment only after a deferral period of one year and a lock-up of one additional year and therefore, after the 2020 Financial Statement approval.

The details of the plan are set out in Section One of the Remuneration Report and in the Information Document relating to the long-term cash incentive plan (LTI) "Performance Unit Plan 2017-2019" based on financial instruments published in accordance with Articles 114-bis of the TUF and 84-bis of the Issuers Regulation, documents to which reference is made.

We invite you to approve the long-term cash incentive plan (LTI) "Performance Unit Plan 2017-2019" based on financial instruments and we propose to grant to the Board of Directors all necessary powers to implement the Plan, including the approval of the implementing Regulations, and to authorize any changes and / or additions that, not altering the substance of the resolution, may be necessary for the implementation of the same. The Board of Directors may also identify additional beneficiaries of the Plan in the case of appointment of new officers for the identified positions or establishment of equivalent offices.

We therefore submit the following draft resolution to the Shareholders' Meeting:

"The Shareholders' Meeting of Vittoria Assicurazioni S.p.A.

- *having read the Isvap Regulation No. 39/2011, Art. 7 of the Articles of Association as well as Art. 114-bis of the Legislative Decree 58/1998 (TUF);*
- *having read the Remuneration Report prepared by the Board of Directors;*
- *having read the Information Document relating to the long-term cash incentive plan (LTI) "Performance Unit Plan 2017-2019" based on financial instruments published pursuant to articles 114-bis of the TUF and 84-bis of Consob Regulations*

hereby resolves

- *to approve the long-term cash incentive plan (LTI) "Performance Unit Plan 2017-2019" based on financial instruments;*
- *to grant the Board of Directors all necessary powers to implement the long-term cash incentive plan (LTI) "Performance Unit Plan 2017-2019", including the approval of the implementing Regulation, authorizing, where appropriate, any changes and / or additions that, not altering the substance of the resolution, may be necessary for the implementation of the same in accordance with legal and / or tax provisions, or in the event of capital increases, free or paid, extraordinary*



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dividend distributions or other events that could even potentially, affect the value of Vittoria Assicurazioni SpA shares;

- *to grant the Board of Directors the power to identify additional beneficiaries of the long-term cash incentive plan (LTI) "Performance Unit Plan 2017-2019" in the case of appointment of new officers for the identified positions or establishment of equivalent offices".*

The Board of Directors

Milan, 15 March 2017