



Vittoria
Assicurazioni

Ordinary Shareholders' Meeting

27 April 2018 first call

28 April 2018 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 2017, reports of the Board of Directors and Board of Statutory Auditors; related resolutions.
2. Board Member resignation; related resolutions.
3. Remuneration policies: report pursuant to Article 123-ter of Italian Legislative Decree No. 58/1998 and ISVAP Regulation No. 39/2011; related resolutions.

Agenda item 1

Financial Statements as at 31 December 2017, reports of the Board of Directors and Board of Statutory Auditors; related resolutions.

Dear Shareholders,

the draft Financial Statements as at 31 December 2017 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 31/12/2017, 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 as well as the Sustainability Report.

Therefore please refer to such documents.

We propose you to approve the Financial Statements at 31 December 2017 which show a net profit amounting to euro 78,445,162, of which euro 75,027,840 relating to the Non-Life Business and euro 3,417,322 related to the Life Business, together with the relevant Management Report.

We also propose to allocate the net profit of Financial Year 2017 as follows: euro 170,866 to the Life Business Legal Reserve; euro 18,866,099 as dividend of euro 0.28 per each of the 67,378,924 shares comprising the share capital; euro 56,161,741 to increase the Available Reserve for Non-Life business and euro 3,246,456 to increase the available reserve for Life Business.

If you agree with and approve our proposal, the dividend will be paid as from 9 May 2018 c/o custodian intermediaries with detachment of coupon no. 36 on 7 May 2018. Those who hold shares at the end of the record date of 8 May 2018, 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 2017, 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 2017, accompanied by the Management Report, recording profit for the year of Euro 78,445,162, of which Euro 75,027,840 relating to the Non-Life Business and Euro 3,417,322 relating to the Life Business;*
- *to approve the proposed allocation of the Board of Directors of the profit of financial year 2017, in compliance with Art. 20 of the Articles of Association, as follows:*
 - *provision for euro 170,866 to Life Business Legal Reserve;*
 - *distribution of euro 0.28 to each of the n. 67,378,924 shares comprising the share capital, for a total amount of euro 18,866,099;*
 - *allocation of the residual profit totaling euro 59,408,197 to increase the Non-life Business Available Reserve in the amount of euro 56,161,741 and to the Life Business Available Reserve in the amount of euro 3,246,456."*

Agenda item 2

Board Member Resignation; related resolutions

Dear Shareholders,

Mr. Lodovico Passerin d'Entrèves resigned from his position as Director of the Company on 28 April 2017, for personal reasons.

The Board of Directors, while agreeing that the resignation of Mr. Lodovico Passerin d'Entrèves results in a board lacking a member of high professionalism and competence, decided, backed up by the Appointment and Remuneration Committee's opinion and taking into account the suggestions from the self-assessment processes, not to coopt a new director pursuant to Article 2386(1) of the Italian Civil Code, considering that the current composition of the Board of Directors is in any way suitable to ensure its proper functioning in accordance with the tasks as provided for by the By-Laws and relevant regulation, also with respect to the structure and complexity of the Company in its financial, organizational and operational components.

You are therefore called upon, alternatively, to appoint a new Director in order to supplement the number of Board members set at 15 (fifteen) by the General Meeting held on 27 Aprile 2016, or to resolve on the reduction of the number of Directors from 15 (fifteen) to 14 (fourteen). Please note that the Article 10 of the By-Laws (enclosed hereto) provides that the Company is managed by a Board of Directors consisting of 7 (seven) to 16 (sixteen) members.

The Board of Directors, also backed up by the Appointment and Remuneration Committee's opinion, submits the proposal to resolve on the reduction of the number of Directors, by confirming its assessment on the adequacy of current composition of the Board, also taking into account that:

- Professionals on the Board are adequate and appropriately diversified, and enable the proper performance of the tasks entrusted to the Board and related Board Committees;
- 7 out of the 14 directors in office meet the independence requirements established by the Corporate Governance Code and 8 are also independent in accordance with Article 147-ter(4) in conjunction with Article 148 (3) of the TUF, thus enabling the composition of the Board Committees as set forth in the Corporate Governance Code;
- One Director elected from the minority list is on the Board, as required by Article 147-ter(3) of the TUF;
- Compliance with Article 10 of the By-Laws on gender balance still applies.

As for the possible replacement by appointing a new Director, it should be noted that, according to Article 10, paragraph 16, letter b of the By-Laws, this will be resolved by majority by the General Meeting based on any proposals made by the Shareholders.

Any proposals of appointment shall be accompanied by the documentation required by Article 10(9), (ii) and (iii) of the By-Laws. Please note that the Directors of Vittoria Assicurazioni S.p.A. must have the requirements provided for by existing legislation for the corporate representatives of the insurance companies.

The Director possibly elected shall hold office till the expiry date envisaged for all other Board members, and thus till the approval of the financial statements for FY2018.

Dear Shareholders,



following the resignation of Mr. Lodovico Passerin d'Entrèves from his position as Director, we invite you to proceed with the proper resolutions on the composition of your Company's Board.

For the above reasons, the Board of Directors submits the following proposal of resolution:

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

- *having acknowledged the resignation submitted by the Director Mr. Lodovico Passerin d'Entrèves on 28 April 2017;*
- *having regard to the Article 10 of the By-Laws, which provides the Company is managed by a Board of Directors consisting of 7 (seven) to 16 (sixteen) members;*
- *having regard to the report prepared by the Board of Directors, drawn up pursuant Article 125-ter of the Legislative Decree no. 58 of 24 February 1998*

resolves

- *not to appoint a new Director to replace Mr. Lodovico Passerin d'Entrèves;*
- *to reduce the number of Directors from 15 (fifteen) to 14 (fourteen)".*

Agenda item 3

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 2017 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 2018."

The Board of Directors

Milan, 15 March 2018



Translation in English of the document originally issued in Italian. In the event of discrepancy, the Italian language version prevails.

Vittoria Assicurazioni S.p.A. – Company By-Laws

By-laws amended and approved by the Extraordinary Shareholders' Meeting on 27 April 2016.

The Company's by-laws has been filed in the Companies Register of Milan on 21 June 2016 following IVASS (Istituto per la Vigilanza sulle Assicurazioni) authorization of 7 June 2016.

ADMINISTRATION

Art. 10 – Board of Directors

The Company shall be administered by a Board of Directors consisting of no fewer than 7 and no more than 16 Directors, elected by the General Meeting, with a term of office of a maximum of three financial years and who shall always be eligible for re-election. Prior to electing the Directors, the General Meeting shall decide on the number thereof between the said limits.

The Directors must meet the requirements specified by the legislation current at the time; a minimum number of these corresponding to the minimum provided by legislation must satisfy the requirements for independence referred to in article 148(3) of Legislative Decree 58/1998.

Any Director who ceases to fulfil these requirements shall cease to hold office. If any Director ceases to meet the requirements for independence specified above, he shall not become ineligible to hold his post if the requirements continue to be met by the minimum number of Directors who in accordance with current legislation must meet the said requirement.

Election to the Board of Directors shall be made according to the current legislation concerning the balance between genders and on the basis of lists submitted by shareholders in the manner specified below, on which candidates must be listed with a consecutive number.

Lists submitted by shareholders, signed by the person submitting them, must be lodged at the registered office of the Company, available to any person on request, at least twenty five days prior to the date set for the General Meeting on first call and shall be liable to be published in the manner specified in the legislation current at the time.

Shareholders subscribing to a relevant shareholders' agreement within the meaning of article 122 of Legislative Decree 58/1998, the parent company, the subsidiary companies and those under joint control within the meaning of article 93 of Legislative Decree 58/1998, may not submit or take part in the submission, including through an intermediary or trust company, of more than a single list, and may not vote for several lists, and each candidate may only stand in a single list on pain of ineligibility. Any seconding of nominations or votes cast in breach of this prohibition shall not count towards any list.

Only those shareholders who, alone or together with other submitting shareholders, are overall holders of voting shares representing at least 2.5% of the share capital with the right to vote at the General Meeting, or representatives of any lesser percentage which may be provided by mandatory provisions of the law or regulations shall be entitled to submit lists.

The ownership of the minimum shareholding for the presentation of lists is determined with reference to the shares that are registered to the shareholder on the day on which the lists are filed with the Company.

Together with each list, the following shall be lodged: (i) the appropriate certificate issued by a legally authorised intermediary proving ownership, on the date the lists are presented, of the number of shares necessary for the submission of the lists; this certification may however also be provided subsequent to the filing, provided this is within the deadline set for the publication of the lists pursuant to the laws in force; (ii) a declaration by each candidate accepting their nomination and attesting, on their own responsibility, that none of the causes of disqualification and



incompatibility apply to them, and the existence of the requirements prescribed for the respective posts; (iii) a curriculum vitae relating to the personal and professional characteristics of each candidate showing where appropriate the suitability of the same to claim independence.

The lists that have a number of candidates equal to or greater than three must be composed of candidates belonging to both genders, so that at least one third (rounded upwards) of the candidates belongs to the less represented gender.

Any lists submitted other than in accordance with the above provisions shall be considered not submitted.

Election to the Board of Directors shall be carried out as follows:

- a) the Directors to be elected shall be chosen from the list which has obtained the highest number of votes in the consecutive order in which they appear on the list, except one;
- b) the remaining Director shall be chosen from the list which is not linked in any way, directly or indirectly, with those who submitted or voted for the list referred to at a) above, and which obtained the second highest number of votes. For this purpose, any lists which have not obtained a percentage of votes at least equal to half of those required for submission of the lists, referred to in paragraph six of this article, shall be disregarded.

Where the election of candidates in the manner described above does not give rise to the election of a number of Directors who meet the requirements for independence provided for by article 148(3) of Legislative Decree 58 of 28 February 1998 equivalent to the minimum number provided by law in relation to the total number of Directors, the non-independent candidate last elected in consecutive order from the list obtaining the highest number of votes, referred to at a) in the above paragraph, shall be replaced by the first independent candidate in consecutive order not elected from the same list, or, failing that, by the first independent candidate in consecutive order not elected from other lists, according to the number of votes obtained by each. This substitution process shall continue until the Board of Directors is made up of a number of members satisfying the requirements of article 148(3) of Legislative Decree 58/1998 at least equal to the minimum prescribed by law. Finally, where this procedure does not produce the result referred to, substitution will take place on the basis of a resolution adopted by the General Meeting on a simple majority, after candidates meeting the said requirements have been put forward.

Further, where the election of candidates in the manner described above does not ensure the composition of the Board of Directors complying with the applicable pro tempore regulation concerning the balance between genders, the candidate of the gender most represented elected last in numerical order in the list that received the highest number of votes will be replaced by the first not elected candidate of the less represented gender on the same list. This substitution process shall continue until it is assured a composition of the Board of Directors complying with the applicable pro tempore regulation concerning the balance between genders. Finally, where this procedure does not produce the result referred to, substitution will take place on the basis of a resolution adopted by the General Meeting on a simple majority, after submission of nominations of persons belonging to the less represented gender.

Where only one list is submitted or where no lists are submitted, the General Meeting shall decide on a legal majority, without following the above procedure, subject to compliance with the applicable regulations pro tempore on the balance between genders.

If during the course of the financial year one or more directorships become vacant, provided that the majority of Directors have been elected by the General Meeting, the procedure referred to in article 2386 of the Civil Code shall be followed, as described below:

- a) the Board of Directors shall carry out the substitution from names appearing on the same list on which the retiring Director appeared, and the General Meeting shall resolve on the same observing the same criterion with the legal majority;
- b) where there are no candidates on the said list who remain unelected or meet the requirements, or in any event where for whatever reason it is not possible to comply with the provisions of subparagraph a), the Board of Directors shall carry out the substitution, and the General Meeting shall subsequently resolve on the same, with the legal majorities and without a vote on the lists.

In any event the Board of Directors and the General Meeting shall proceed to the election in order



to ensure (i) the presence of the minimum total number of independent Directors required by current legislation (ii) the compliance with the applicable pro tempore regulations on the balance between genders.