



## Report by the Board of Directors

Authorization to the Board of Directors under Article 2443 of the Italian Civil Code, to increase the company's share capital by means of rights issues in a nominal amount of up to €40m, including via warrants, to be set aside for subscription by Italian and non-Italian professional investors with option rights excluded under and pursuant to the provisions of Article 2441, paragraph four, second sentence, of the Italian Civil Code; amendment to Article 4 of the company's Articles of Association and related resolutions. Further amendments to the Articles of Association.

Dear shareholders,

At an Extraordinary General Meeting held on 27 June 2007, shareholders approved a resolution authorizing the Management Board (now the Board of Directors), under Article 2443 of the Italian Civil Code, to increase the company's share capital, on or prior to the fifth anniversary of the date of the said resolution in a nominal amount of up to €40m, including via warrants, through the issue of up to 80 million par value €0.50 ordinary shares, to be set aside for subscription by Italian and non-Italian professional investors with option rights excluded, under and pursuant to the provisions of 2441, paragraph four, second sentence of the Italian Civil Code, in accordance with the procedure and conditions set forth therein, with the right to establish the issue price of the shares from time to time (again in accordance with the provisions of Article 2441, paragraph four, second sentence of the Italian Civil Code).

Given that these powers expired on 27 June 2012, we propose they be renewed for the same amount. Exercise of such powers allows the execution times for capital increases to be reduced, and the size of such increases to be established on the basis of specific opportunities. In this way the Bank may proceed with rights issues reserved exclusively to Italian and non-Italian professional investors, taking advantage promptly of opportunities on the market, further expanding the shareholder base of the company, and swiftly and efficiently selecting the investors to subscribe to the new shares.

We have also taken the opportunity to submit to your approval certain minor changes to Articles 6, 7, 10, 15, 19, 22 and 29.

The amendments to Articles 15 and 29 of the Articles of Association in particular reflect the changes introduced by Italian Law 120/11, which supplements Articles 147-ter and 148 of Italian Legislative Decree 58/98 (the Italian consolidated finance act) on the subject of minimum gender representation on the Boards of Directors and Statutory Audit Committees of listed companies. Listed companies in particular are required to add a stipulation to their Articles of Association to ensure appropriate balance between female and male members so that the least represented gender accounts for at least one-fifth (during the first term of office) or one-third (during the next two) of the Directors and Standing Auditors elected. The new regulations become effective as from the first renewal of the governing bodies' terms of office after 12 August 2012, which in Mediobanca's case means renewal of the governing bodies whose term of office expires with approval of the financial statements for the year ending 30 June 2014.

The other amendments involve:

- ◆ Articles 6, 7, 10, 15 and 29: in accordance with the provisions of Italian legislative decree 91/12, which requires that a single date be set on which for general meetings to be called;
- ◆ Article 15: in order to comply with the provisions of the Code of conduct in respect of listed companies introduced in December 2011, whereby, in line with the best international practice in the area of corporate governance, for issuers listed on the FTSE-Mib index, at least one-third of the Board members should consist of Directors qualifying as independent as defined in the



Code itself. This change too will take effect from the renewal of the Board to take place in 2014;

- ◆ Article 19: the “Internal control committee” is to be renamed the “Internal control and risks committee”, again as provided in the Code of conduct in respect of listed companies;
- ◆ Article 22, paragraph 3 and Article 29, paragraph 5: Article 36 of Italian decree law 201/11 as converted into Italian law 214/11 has introduced a restriction on office-holders in the management, supervisory and control bodies and senior management of companies or groups of company operating in the credit, insurance and financial markets from accepting or exercising similar posts in competitor companies or groups of company.

The proposed amendments do not entail any right of withdrawal and are subject to authorization from the Bank of Italy.

You are therefore invited to adopt the following resolution:

1. “The shareholders of Mediobanca, gathered in extraordinary meeting:

having heard the Board of Directors’ report:

*hereby resolve:*

- 1) to empower the Board of Directors, under Article 2443 of the Italian Civil Code, to increase the company’s share capital, in one or more tranches, in a rights issue in a nominal amount of up to €40m on or prior the fifth anniversary of the date of this resolution, including via warrants, through the issue of up to 80 million par value €0.50 ordinary shares, to be set aside for subscription by Italian and non-Italian professional investors with option rights excluded, under and pursuant to the provisions of 2441, paragraph four, second sentence of the Italian Civil Code, in accordance with the procedure and conditions set forth therein, with the right to establish the issue price of the shares from time to time (again in accordance with the provisions of Article 2441, paragraph four, second sentence of the Italian Civil Code),
- 2) to amend Article 4 of the company’s Articles of Association, as follows:



EXISTING TEXT

NEW TEXT

Article 4

Article 4

The Company's subscribed and fully paid up share capital is Euro 430,564,606 represented by 861,129,212 Euro 0.50 par value shares.

*Unchanged*

The share capital may also be increased as provided under legal provisions, including Article 2441, paragraph 4, point 2 of the Italian Civil Code, in compliance with the terms and procedure set forth therein.

*Unchanged*

Profits may, in the ways and forms permitted by law, be awarded to employees of the Company or Group companies via the issuance of shares, under Article 2349 of the Italian Civil Code.

*Unchanged*

The shares shall be registered.

*Unchanged*

An Extraordinary General Meeting held on 30 July 2001 amended the resolution taken at the Extraordinary General Meeting held on 28 October 2000 relating to the capital increase restricted to employees of the Mediobanca Banking Group via the creation of up to 13 million par value Euro 0.50 ordinary shares, whereby the maximum nominal amount thereof was increased to Euro 25,000,000 via the creation of up to 50,000,000 Euro 0.50 par value ordinary shares ranking for dividends *pari passu* with the Bank's existing shares, to be subscribed by Mediobanca Banking Group employees not later than 1 July 2015 on a restricted basis under Article 2441, paragraph 8, of the Civil Code. Of these 50 million shares, a total of 37,819,250 new shares have to date been subscribed.

*Unchanged*

As a result of resolutions adopted at Extraordinary General Meetings held on 25 June 2004 and 28 October 2004, the Bank's share capital was increased by up to a further Euro 7.5m via the issue of up to 15 million par value Euro 0.50 ordinary shares, ranking for dividends *pari passu* and for subscription no later than 1 July 2020, pursuant to paragraphs 8 and 5 Article 2441 of the Italian Civil Code, to be set aside as follows:

*Unchanged*

- ◆ up to 11 million shares for employees of the Mediobanca Group;
- ◆ up to 4 million shares for Bank Directors, carrying out particular duties. Of these, a total of 2,500,000 new shares have still to be subscribed.

The Board of Directors is also authorized under ~~The Board of Directors is also authorized under~~



~~Article 2443 of the Italian Civil Code, to increase the Bank's share capital by means of rights issues in one or more tranches by and not later than 27 June 2012, in a nominal amount of up to Euro 40m including via warrants, through the issue of up to 80 million ordinary par value Euro 0.50 shares, to be set aside for subscription by Italian and non-Italian professional investors with option rights excluded under and pursuant to the provisions of Article 2441 paragraph 4 point 2 of the Italian Civil Code and in compliance with the procedure and conditions precedent set forth therein.~~

At an Extraordinary General Meeting held on 27 June 2007, shareholders approved a resolution to increase the company's share capital in an amount of up to Euro 20m through the issue of up to 40 million ordinary par value Euro 0.50 new shares, ranking for dividends *pari passu*, to be set aside for subscription by Mediobanca Group employees by and no later than 1 July 2022 pursuant to Article 2441, paragraph 8 of the Italian Civil Code.

*Unchanged*

The Board of Directors is authorized, under Article 2443 of the Italian Civil Code, to increase the Bank's share capital free of charge, as permitted by Article 2349 of the Italian Civil Code, in one or more tranches by and not later than 28 October 2015, in an amount of up to Euro 10m, through the issue of no more than 20 million ordinary par value Euro 0.50 shares, ranking for dividends *pari passu*, to be awarded to Mediobanca Group employees in execution of and in compliance with the terms of the performance share schemes approved by shareholders in general meeting.

*Unchanged*

The Board of Directors is also authorized under Article 2443 of the Italian Civil Code, to increase the Bank's share capital by means of rights or bonus issues in one or more tranches by and no later than 28 October 2016, in a nominal amount of up to Euro 100m, including via warrants, through the issue of up to 200 million ordinary par value Euro 0.50 shares, to be offered in option or otherwise allotted to shareholders, and also to establish the issue price of such new shares from time to time, including the share premium, the date from which they shall rank for dividends, and whether or not any of the shares shall be used for exercising warrants, and is further authorized under Article 2420-ter of the Italian Civil Code to issue bonds convertible into ordinary shares and/or shares *cum* warrants in one or more tranches by and no later than 28 October 2016, in

*Unchanged*



a nominal amount of up to Euro 2bn to be offered in option to shareholders, establishing that exercise of such authorizations shall not, without prejudice to the foregoing, lead to the issue of a total number of shares in excess of 200 million.

The Board of Directors is also authorized under Article 2443 of the Italian Civil Code, to increase the Bank's share capital by means of rights issues in one or more tranches by and not later than 27 October 2017, in a nominal amount of up to Euro 40m including via warrants, through the issue of up to 80 million ordinary par value Euro 0.50 shares, to be set aside for subscription by Italian and non-Italian professional investors with option rights excluded under and pursuant to the provisions of Article 2441 paragraph 4 point 2 of the Italian Civil Code and in compliance with the procedure and conditions precedent set forth therein.

- 3) to authorize the Chairman, the Managing Director and the General Manager in office at the time, jointly and severally, to make the necessary adjustments to the figures contained in Article 4 of the Articles of Association concerning the Bank's share capital as a result of subscription of the shares thus issued;
- 4) to vest the Chairman, the Managing Director and the General Manager in office at the time, jointly and severally, with the widest powers to incorporate into this resolution any formal amendment, change or addendum that may be required or otherwise requested by the competent authorities."

2. "The shareholders of Mediobanca, gathered in extraordinary meeting:

having heard the Board of Directors' report,

hereby resolve:

- 1) to amend Articles 6, 7, 10, 15, 19, 22 and 29 of the company's Articles of Association as follows:



**EXISTING TEXT  
SECTION I**

**Establishment, Head Office, Duration and  
Purpose of the Company**

**Article 1**

A Company is hereby established under the name of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni, in abbreviated form MEDIOBANCA S.p.A.

The Company's Head Office is located at Piazzetta Enrico Cuccia 1, Milan.

**Article 2**

The duration of the Company shall be until 30 June 2050.

**Article 3**

The purpose of the Company shall be to raise funds and provide credit in any of the forms permitted, especially medium- and long-term credit to corporates.

Within the limits laid down by current regulations, the Company may execute all banking, financial and intermediation-related transactions and/or services and carry out any transaction deemed to be instrumental to or otherwise connected with achievement of the Company's purpose.

As part of its supervisory and co-ordinating activities in its capacity as parent company of the Mediobanca Banking Group within the meaning of Article 61, paragraph 4, of Legislative Decree No. 385 dated 1 September 1993, the Company shall issue directives to member companies of the Group to comply with instructions given by the Bank of Italy in the interests of maintaining the Group's stability.

**SECTION II**

**Share Capital and Shares**

**Article 4**

The Company's subscribed and fully paid up share capital is Euro 430,564,606 represented by 861,129,212 Euro 0.50 par value shares.

The share capital may also be increased as

**NEW TEXT  
SECTION I**

**Establishment, Head Office, Duration and  
Purpose of the Company**

**Article 1**

*Unchanged*

*Unchanged*

**Article 2**

*Unchanged*

**Article 3**

*Unchanged*

*Unchanged*

*Unchanged*

**SECTION II**

**Share Capital and Shares**

**Article 4**

*Unchanged*

*Unchanged*



provided under legal provisions, including Article 2441, paragraph 4, point 2 of the Italian Civil Code, in compliance with the terms and procedure set forth therein.

Profits may, in the ways and forms permitted by law, be awarded to employees of the Company or Group companies via the issuance of shares, under Article 2349 of the Italian Civil Code.

*Unchanged*

The shares shall be registered.

*Unchanged*

An Extraordinary General Meeting held on 30 July 2001 amended the resolution taken at the Extraordinary General Meeting held on 28 October 2000 relating to the capital increase restricted to employees of the Mediobanca Banking Group via the creation of up to 13 million par value Euro 0.50 ordinary shares, whereby the maximum nominal amount thereof was increased to Euro 25,000,000 via the creation of up to 50,000,000 Euro 0.50 par value ordinary shares ranking for dividends *pari passu* with the Bank's existing shares, to be subscribed by Mediobanca Banking Group employees not later than 1 July 2015 on a restricted basis under Article 2441/8 of the Civil Code. Of these 50 million shares, a total of 37,819,250 new shares have to date been subscribed.

*Unchanged*

As a result of resolutions adopted at Extraordinary General Meetings held on 25 June 2004 and 28 October 2004, the Bank's share capital was increased by up to a further Euro 7.5m via the issue of up to 15 million par value Euro 0.50 ordinary shares, ranking for dividends *pari passu* and for subscription no later than 1 July 2020, pursuant to paragraphs 8 and 5 Article 2441 of the Italian Civil Code, to be set aside as follows:

*Unchanged*

- up to 11 million shares for employees of the Mediobanca Group;
- up to 4 million shares for Bank Directors, carrying out particular duties. Of these, a total of 2,500,000 new shares have still to be subscribed.

The Board of Directors is also authorized under Article 2443 of the Italian Civil Code, to increase the Bank's share capital by means of rights issues in one or more tranches by and not later than 27 June 2012, in a nominal amount of up to Euro 40m including via warrants, through the issue of up to 80 million ordinary par value Euro 0.50 shares, to be set aside for subscription by Italian and non-Italian professional investors with option rights excluded under and pursuant to the provisions of Article 2441 paragraph 4

*Unchanged*



point 2 of the Italian Civil Code and in compliance with the procedure and conditions precedent set forth therein.

At an Extraordinary General Meeting held on 27 June 2007, shareholders approved a resolution to increase the company's share capital in an amount of up to Euro 20m through the issue of up to 40 million ordinary par value Euro 0.50 new shares, ranking for dividends *pari passu*, to be set aside for subscription by Mediobanca Group employees by and no later than 1 July 2022 pursuant to Article 2441, paragraph 8 of the Italian Civil Code.

*Unchanged*

The Board of Directors is authorized, under Article 2443 of the Italian Civil Code, to increase the Bank's share capital free of charge, as permitted by Article 2349 of the Italian Civil Code, in one or more tranches by and not later than 28 October 2015, in an amount of up to Euro 10m, through the issue of no more than 20 million ordinary par value Euro 0.50 shares, ranking for dividends *pari passu*, to be awarded to Mediobanca Group employees in execution of and in compliance with the terms of the performance share schemes approved by shareholders in general meeting.

*Unchanged*

The Board of Directors is also authorized under Article 2443 of the Italian Civil Code, to increase the Bank's share capital by means of rights or bonus issues in one or more tranches by and no later than 28 October 2016, in a nominal amount of up to Euro 100m, including via warrants, through the issue of up to 200 million ordinary par value Euro 0.50 shares, to be offered in option or otherwise allotted to shareholders, and also to establish the issue price of such new shares from time to time, including the share premium, the date from which they shall rank for dividends, and whether or not any of the shares shall be used for exercising warrants, and is further authorized under Article 2420-ter of the Italian Civil Code to issue bonds convertible into ordinary shares and/or shares *cum* warrants in one or more tranches by and no later than 28 October 2016, in a nominal amount of up to Euro 2bn to be offered in option to shareholders, establishing that exercise of such authorizations shall not, without prejudice to the foregoing, lead to the issue of a total number of shares in excess of 200 million.

*Unchanged*





SECTION III

General Meetings

Article 5

General Meetings shall be called in Milan or elsewhere in Italy, as indicated in the notices convening such Meetings.

Article 6

Ordinary General Meetings shall be called at least once a year within 120 days of the close of the Company's financial year.

Ordinary and Extraordinary General Meetings shall pass resolutions on matters attributable to each under regulations in force or these Articles of Association.

Resolutions in respect of mergers, as provided for by Articles 2505 and 2505-bis of the Civil Code, including in the cases referred to in Article 2506-ter of the Civil Code, the institution or removal of branch offices, reductions in the Company's share capital as a result of shareholders exercising their right of withdrawal, amendments to the Company's Articles of Association to comply with regulatory requirements, and transfer of the Company's headquarters within Italian territory, are by law the sole competence of the Board of Directors.

The procedures for calling and powers to call meetings shall be those laid down by the law.

Such notice also includes an indication of the date scheduled for the Meeting in the first instance, and may also stipulate dates for further Meetings to be held should the Meeting in question be adjourned.

Ordinary and extraordinary general meetings may alternatively be called on a single date, with the majorities specified in Article 10 applying in such cases.

Article 7

The right to attend and vote at General Meetings shall be governed by the law.

Shareholders are authorized to attend and vote at General Meetings if, by the end of the third open market day prior to the meeting, the

SECTION III

General Meetings

Article 5

*Unchanged*

Article 6

*Unchanged*

*Unchanged*

*Unchanged*

*Unchanged*

~~Such notice also includes an indication of the sole date scheduled for the Meeting in the first instance, and may also stipulate dates for further Meetings to be held should the Meeting in question be adjourned.~~

~~Ordinary and extraordinary general meetings may alternatively be called on a single date, with the majorities specified in Article 10 applying in such cases.~~

Article 7

*Unchanged*

Shareholders are authorized to attend and vote at General Meetings if, by the end of the third open market day prior to the meeting, the



issuer has received notification in respect of them from an authorized intermediary based on evidence as at the close of business on the seventh open market day prior to the date set for the general meeting in the first or only instance.

issuer has received notification in respect of them from an authorized intermediary based on evidence as at the close of business on the seventh open market day prior to the date set for the general meeting in ~~the first or only~~ instance.

Without prejudice to the foregoing, a shareholder is authorized to attend and to vote at a general meeting if such notification reaches the issuer after the terms indicated in the above paragraph, provided that it does so by the start of proceedings on the single date called for the general meeting.

*Unchanged*

Shareholders authorized to attend and vote at general meetings may elect to have themselves be represented in such a meeting via a proxy issued in writing or made electronically in cases where such possibility is provided for by regulations in force and in accordance therewith, subject to cases of incompatibility and the limits prescribed by law.

*Unchanged*

Proxies may be notified electronically using the relevant section of the Company's website, in accordance with the instructions provided in the notice of meeting.

*Unchanged*

Article 8

Article 8

Shareholders shall be entitled to one vote for each share held.

*Unchanged*

Article 9

Article 9

General Meetings shall be presided over by the Chairman of the Board of Directors or, in his stead, by the elder Deputy Chairman, the other Deputy Chairman, if appointed, or by the most senior of the other Board members, in that order.

*Unchanged*

The Chairman shall be assisted by a Secretary. In cases where Article 2375 of the Civil Code applies, and in any other case where he considers it advisable, the Chairman shall call upon a notary to compile the minutes.

*Unchanged*

The Chairman shall be responsible for establishing that a quorum has been reached, ascertaining the identity of those in attendance and assessing their entitlement to be so present, chairing and conducting the proceedings, and checking and announcing the results of any votes taken thereat.

*Unchanged*



Article 10

The validity of both Ordinary and Extraordinary General Meetings, and the validity of the resolutions taken thereat shall be governed by the provisions of the law.

In cases where general meetings are called on one date only, an ordinary general meeting shall be validly constituted regardless of the percentage of the share capital represented, with resolutions being adopted on an absolute majority basis. An extraordinary general meeting is validly constituted if at least one-fifth of the company's share capital is represented, and resolutions are adopted with at least two-thirds of the share capital in attendance voting in favour.

Members of the Board of Directors and Statutory Audit Committee shall be appointed in accordance with the procedures set out respectively in Articles 15 and 29 hereof.

Article 11

Transactions with related parties, including those which fall within the jurisdiction of shareholders in general meeting or otherwise required to be submitted to the approval of shareholders under Article 2364 of the Italian Civil Code, are approved in compliance with the procedures adopted by the Board of Directors as required by law.

In urgent cases, transactions (including of Group companies) with related parties other than those which fall within the jurisdiction of shareholders in general meeting or otherwise required to be submitted to the approval of shareholders under Article 2364 of the Italian Civil Code may be approved in derogation of the procedures referred to in the previous paragraph, provided – without prejudice to the effectiveness of the resolutions adopted and compliance with the additional conditions set forth in the same procedure – that they are subsequently submitted to non-binding resolution by shareholders in general meeting to be adopted on the basis of a report by the Board and the Statutory Audit Committee's opinion on the reasons for the urgency.

Article 12

Resolutions shall be taken by a show of hands, or by any other clear and transparent method,

Article 10

~~The validity of both Ordinary and Extraordinary General Meetings, and the validity of the resolutions taken thereat shall be governed by the provisions of the law.~~

~~In cases where general meetings are called on one date only, a~~ An ordinary general meeting shall be validly constituted regardless of the percentage of the share capital represented, with resolutions being adopted on an absolute majority basis. An extraordinary general meeting is validly constituted if at least one-fifth of the company's share capital is represented, and resolutions are adopted with at least two-thirds of the share capital in attendance voting in favour.

*Unchanged*

Article 11

*Unchanged*

*Unchanged*

Article 12

*Unchanged*



including electronic, that may be proposed by the Chairman, save where legal provisions require otherwise without exception.

Resolutions passed at General Meetings in accordance with the law and these Articles of Association shall be binding on all Members, including those who dissent or are absent.

*Unchanged*

Shareholders voting against resolutions to approve:

*Unchanged*

- 4) an extension to the Company's duration;
  - b) the introduction and/or removal of restrictions on the trading of securities,
- shall not have the right of withdrawal in respect of all or part of their shares.

Members are entitled to inspect all deeds deposited at the Company's Head Office in respect of General Meetings that have already been called, and to obtain copies of such deeds at their own expense.

*Unchanged*

Article 13

Article 13

Shareholders in general meeting shall determine the fixed annual remuneration payable to members of the Board of Directors, upon their appointment for the entire duration of their term of office, to be shared between the individual Board members in accordance with the decisions of the Board of Directors itself.

*Unchanged*

Shareholders in general meeting also approve remuneration policies and compensation schemes based on financial instruments operated for Directors, Group staff and collaborators.

*Unchanged*

SECTION IV

SECTION IV

Management

Management

Article 14

Article 14

The Board of Directors shall be responsible for management of the company, and shall exercise such management through the Executive Committee, the Managing Director and the General Manager, if appointed, in accordance with the provisions hereof.

*Unchanged*



Sub-section I - Board of Directors

Article 15

The Board of Directors comprises between fifteen and twenty-three members. The duration of their term of office shall be three financial years, save where otherwise provided in the resolution approved for their appointment.

Members of the Board of Directors shall be in possession of the requisite qualifications for holding such office expressly stipulated under regulations in force at the time, failing which they shall become ineligible or, in the event of such circumstances materializing subsequently, shall be disqualified from office.

At least three of the Directors shall qualify as independent as defined by Article 148, paragraph 3, of Italian Legislative 58/98. At least four of the Directors (who may coincide with those qualifying as independent under the aforementioned requirements) shall qualify as independent as defined by the Code of Conduct for Listed Companies. If a Director qualifying as independent as defined above ceases to do so, this shall not result in him/her being disqualified from office provided the minimum number of Directors required to be independent under the present Articles of Association in compliance with regulations in force is still represented.

Five Directors are chosen from among employees with at least three years' experience of working for Mediobanca Banking Group companies at senior management level.

No director aged seventy-five or over may be elected.

Directors are appointed on the basis of lists in which the candidates are numbered consecutively. Lists may be submitted by the Board of Directors and/or by shareholders representing in the aggregate at least the percentage of the Company's share capital established under regulations in force at the time and specified in the notice of general meeting. Ownership of the minimum percentage of the Company's share capital required to submit a list is established on the basis of shares recorded as being in the shareholders' possession at the date on which the lists are filed with the issuer. Proof of ownership may

Sub-section I - Board of Directors

Article 15

*Unchanged*

*Unchanged*

At least three of the Directors shall qualify as independent as defined by Article 148, paragraph 3, of Italian Legislative 58/98. ~~At least four~~ At least one-third of the Directors (who may coincide with those qualifying as independent under the aforementioned requirements) shall qualify as independent as defined by the Code of Conduct for Listed Companies. If a Director qualifying as independent as defined above ceases to do so, this shall not result in him/her being disqualified from office provided the minimum number of Directors required to be independent under the present Articles of Association in compliance with regulations in force is still represented.

*Unchanged*

*Unchanged*

*Unchanged*



also be produced subsequent to the list's filing, provided that it is forthcoming within the term provided for the issuer to make the lists public.

The lists undersigned by the shareholder or shareholder submitting them (including by means of a proxy to one of them) shall contain a number of candidates not to exceed the maximum number of directors to be elected, and must be lodged at the Company's head office at least twenty-five days prior to the date scheduled for the general meeting in the first or only instance, to be stipulated in the notice of meeting.

The list submitted by the Board of Directors, if any, shall be lodged and made public using the same methods provided as the lists submitted by shareholders at least thirty days prior to the date scheduled for the general meeting to take place in the first or only instance.

Lists containing a number of candidates equal to or above two-thirds of the Directors to be appointed shall contain five candidates numbered consecutively starting from the second in possession of the requisites stipulated under the foregoing paragraph 4.

Along with each list a *curriculum vitae* shall be filed for each candidate, along with all the other information and statements required under regulations in force at the time. Such *curriculum vitae* shall contain an indication of the candidate's professional credentials, together with statements whereby each candidate declares, under his/her own responsibility, that there are no grounds for his/her being incompatible with or ineligible for the post under consideration, and that he/she is in possession of the requisites specified under law and these Articles, and a list of the management or supervisory roles held by him/her at other companies.

Lists submitted which do not conform to the above specifications shall be treated as null and void.

Outgoing Directors who have served their terms

The lists undersigned by the shareholder or shareholder submitting them (including by means of a proxy to one of them) shall contain a number of candidates not to exceed the maximum number of directors to be elected, and must be lodged at the Company's head office at least twenty-five days prior to the date scheduled for the general meeting in ~~the first or~~ only instance, to be stipulated in the notice of meeting.

The list submitted by the Board of Directors, if any, shall be lodged and made public using the same methods provided as the lists submitted by shareholders at least thirty days prior to the date scheduled for the general meeting to take place in ~~the first or~~ only instance.

*Unchanged*

Lists containing a number of candidates equal to or above three must ensure that the balance between male and female candidates complies with at least the minimum requirement stipulated by the regulations in force at the time.

*Unchanged*

*Unchanged*

*Unchanged*



of office may be re-elected.

One individual shareholder may not submit or vote for more than one list, including via proxies or trustee companies. Shareholders belonging to the same group- that is, the parent company, subsidiaries and companies subject to joint control - and shareholders who are parties to a shareholders' agreement in respect of the issuer's share capital as defined in Article 122 of Italian Legislative Decree 58/98 may not submit or vote for more than one list, including via proxies or trustee companies. Individual candidates may only feature in one list, failing which they shall become ineligible.

*Unchanged*

The procedure for the appointment of Directors is as follows: all Directors save one are chosen on the basis of the consecutive number in which they are ordered from the list obtaining the highest number of votes; the other Director is chosen from the list which ranks second in terms of number of votes cast and which is not submitted or voted for by shareholders who are related, as defined under regulations currently in force, to the shareholders who submitted or voted for the list ranking first in terms of number of votes cast, again on the basis of the consecutive number in which the candidates are ordered.

*Unchanged*

In the event of an equal number of votes being cast, a ballot shall be held.

*Unchanged*

In the event that following the procedure set out above does not result in a sufficient number of Directors in possession of the requisites stipulated under the foregoing paragraphs 3 and 4 hereof being elected, the procedure shall be to replace the necessary number of candidates elected from among those in the majority list in the last consecutive positions with candidates in possession of the requisite qualifications from the same list based on their consecutive numbering. If it proves impossible to complete the number of Directors required via this procedure, again in order to comply with the provision of the foregoing paragraphs 3 and 4, the remaining Directors shall be appointed by shareholders in general meeting on the basis of a simple majority, at the proposal of the shareholders in attendance.

In the event that following the procedure set out above does not result in a sufficient number of Directors in possession of the requisites stipulated under the foregoing paragraphs 3 and 4 hereof being elected **and if the number of Directors of one or other gender proves to be fewer than the number required by the regulations in force**, the procedure shall be to replace the necessary number of candidates elected from among those in the majority list in the last consecutive positions with candidates in possession of the requisite qualifications **or characteristics**, from the same list based on their consecutive numbering. If it proves impossible to complete the number of Directors required via this procedure, again in order to comply with the provision of the foregoing paragraphs 3 and 4 **and the regulations in force in respect of equal gender representation**, the remaining Directors shall be appointed by shareholders in general meeting on the basis of a simple majority, at the proposal of the shareholders in attendance.



In the event of just one list being submitted, the Board of Directors is taken from this list in its entirety, providing the quorum established by law for ordinary general meetings has been reached.

*Unchanged*

For the appointment of those Directors who for whatever reason could not be elected to comply with the provisions set forth in the foregoing paragraphs, or in the event that no lists are submitted, the Board of Directors is appointed by shareholders in general meeting on the basis of a relative majority, again without prejudice to the requirements stipulated in Article 15, paragraphs 3 and 4 hereof.

For the appointment of those Directors who for whatever reason could not be elected to comply with the provisions set forth in the foregoing paragraphs, or in the event that no lists are submitted, the Board of Directors is appointed by shareholders in general meeting on the basis of a relative majority, again without prejudice to the requirements stipulated in Article 15, paragraphs 3 and 4 hereof **and the regulations in force in respect of equal gender representation.**

In the event of one or more Directors leaving office before their term expires, the procedure shall be as described in Article 2386 of the Italian Civil Code, without prejudice to the obligation to comply with the provisions of Article 15, paragraphs 3 and 4 hereof. Directors co-opted by the Board shall remain in office until the next successive annual general meeting, where shareholders will appoint a new Board member to replace the Director who has left office. Shareholders in general meetings shall adopt resolutions based on a relative majority, in compliance with the provisions in respect of the Board's composition set forth in Article 15, paragraphs 3 and 4 herein. If the Directors being replaced had been elected from a minority list, where possible they are replaced with unelected Directors taken from the same list.

In the event of one or more Directors leaving office before their term expires, the procedure shall be as described in Article 2386 of the Italian Civil Code, without prejudice to the obligation to comply with the provisions of Article 15, paragraphs 3 and 4 hereof **and the regulations in force in respect of equal gender representation.** Directors co-opted by the Board shall remain in office until the next successive annual general meeting, where shareholders will appoint a new Board member to replace the Director who has left office. Shareholders in general meetings shall adopt resolutions based on a relative majority, in compliance with the provisions in respect of the Board's composition set forth in Article 15, paragraphs 3 and 4 herein **and the regulations in force in respect of equal gender representation.** If the Directors being replaced had been elected from a minority list, where possible they are replaced with unelected Directors taken from the same list **while respecting the regulations in force in respect of equal gender representation.**

For the purposes hereof, control shall be defined, including with respect to entities not incorporated as companies, as in the cases listed under Article 93 of Italian Legislative Decree 58/98.

*Unchanged*

The foregoing shall be without prejudice to other and/or further provisions regarding the appointment of, and qualifications for, members of the Board of Directors required without exception under law and/or regulations in force.

*Unchanged*

In the event of more than half of the Board of

*Unchanged*





Directors leaving office before its term expires, whether as a result of resignations being tendered or for any other reason, the entire Board shall be deemed to have tendered its resignation and a general meeting called to appoint new Directors. However, the Board shall remain in office until shareholders have approved its reappointment in general meeting and until at least half the new Directors have accepted the position.

## Article 16

The Board of Directors shall approve from among its own number a Chairman and one or two Deputy Chairmen and the Managing Director provided for in Article 25 hereunder, who shall remain in office for the entire duration of their terms as Directors.

No person aged seventy or over may be elected as Chairman, and no person aged sixty-five or over may be elected as Managing Director.

In the event of the Chairman being absent or otherwise impeded, his duties shall be discharged by, in order, the elder of the two Deputy Chairmen, the other Deputy Chairman if appointed, and the most senior of the Directors in attendance.

Meetings of the Board are called by the Chairman who is responsible for setting the agenda, presiding over the proceedings, and ensuring that all Directors are provided with adequate information regarding the business to be transacted.

The Chairman is also responsible for ensuring that the corporate governance system runs smoothly in practice, guaranteeing due balance between the powers of the Managing Director and the other executive Directors; he is the counterparty for dialogue with the internal control bodies and internal committees; and coordinates with the Managing Director in supervising relations with externals and institutions.

The Board also appoints a Secretary, who may be chosen from outside its number. In the event of the Secretary being absent or otherwise impeded, the Board designates the person to replace him/her.

## Article 16

*Unchanged*

*Unchanged*

*Unchanged*

*Unchanged*

*Unchanged*

*Unchanged*



Article 17

Meetings of the Board of Directors are called at the head office of the Company or elsewhere by the Chairman or the Acting Chairman, on his own initiative or when requisitioned by at least three Directors. As a rule the Board of Directors meets at least five times a year.

Article 17

*Unchanged*

Board meetings may also be called by the Statutory Audit Committee, provided the Chairman of the Board has been notified to such effect in advance.

*Unchanged*

Board meetings are called by notice in writing to be given by electronic mail, facsimile transmission, letter or telegram despatched at least five clear days prior to the date scheduled for the meeting. In urgent cases this may be reduced to two days. The notice in writing shall contain an indication of the place, day and time of the meeting, along with an agenda briefly setting out the business to be transacted.

*Unchanged*

Board meetings may also be held via video- or tele-conference, provided that the persons entitled to attend may be properly identified, speak in real time on items on the agenda, and receive or transmit documents, and further provided that the Chairman, Managing Director and Secretary are in attendance at the place where the meeting is being held.

*Unchanged*

The Board may also pass valid resolutions without a formal meeting being called, provided that all the Directors and standing auditors in office take part.

*Unchanged*

Article 18

The Board of Directors, as described below, delegates management of the Company's day-to-day business to the Executive Committee and Managing Director, who execute such management in accordance with the guidelines and directives formulated by the Board of Directors.

Article 18

*Unchanged*

Without prejudice to legal and regulatory provisions in force from time to time, and without prejudice to those matters which are reserved to the sole jurisdiction of shareholders in general meeting, the following matters fall within the remit of the Board of Directors:

*Unchanged*

1) approval of strategic guidelines and directions, business and financial plans, budgets, and risk management and internal control policies;



- 2) approval of quarterly and interim accounts and of draft individual and consolidated financial statements;
- 3) decisions concerning the acquisition or disposal of equity investments which alter the composition of the Banking Group for amounts of over €500m or otherwise of investments worth in excess of €750m;
- 4) trading involving equity investments in excess of 15% of the holdings owned at the start of each financial year in Assicurazioni Generali S.p.A., RCS MediaGroup S.p.A. and Telco S.p.A.;
- 5) appointment and dismissal of the Executive Committee provided for in Article 22 with the powers described under Article 23 and establishment of any additional powers to be vested in it;
- 6) appointment and dismissal of the Managing Director with the powers described under Article 25 and establishment of any additional powers to be vested in him as well as his remuneration;
- 7) appointment and dismissal of the General Manager and establishment of his powers and remuneration;
- 8) appointment of the Head of company financial reporting and of persons responsible for internal audit and compliance duties;
- 9) proposals to be submitted to shareholders in ordinary and extraordinary general meetings;
- 10) approval or amendment of any internal regulations;
- 11) ascertaining that Directors and members of the Statutory Audit Committee, upon their appointment or without prejudice to the foregoing at least on an annual basis, are in possession of the requisite professional credentials, are fit and proper persons to hold such office, and qualify as independent as required by regulations in force and by these Articles of Association.

Without prejudice to every Director's entitlement to submit proposals, the Board of Directors normally adopts resolutions based on the proposal of the Executive Committee or the Managing Director.

*Unchanged*

The Board of Directors may take resolutions on transactions falling within the remit of the Executive Committee and Managing Director with a majority of the Directors in office voting in favour.

*Unchanged*

Article 19

Article 19

The Board of Directors shall establish three

The Board of Directors shall establish three



committees from among its own number:

i) an Appointments committee, made up of five members and including de jure the Chairman of the Board of Directors, the Managing Director, the General Manager, if appointed, and at least two Directors qualifying as independent under the Code of conduct for listed companies. The committee reviews and tables proposals for the submission of a list of candidates for appointments to the Board of Directors, to co-opt Board members after Directors have left office, for appointments to the Executive Committee and to the post of Managing Director, and at the proposal of the latter, for appointments to the post of General Manager; for these duties, if the General Manager forms part of the committee, two directors qualifying as independent under the Code of conduct are added to the committee.

The Board of Directors also delegates the Appointments committee to pass resolutions on proposals made by the Managing Director, having first sought the opinion of the Chairman, regarding decisions to be taken in general meetings of the investee companies referred to in paragraph 2, point 4 of the foregoing Article 18 in respect of appointments to governing bodies. The committee adopts resolutions with a majority of its members voting in favour. In the event of an equal number of votes being cast, the decision reverts to the Board of Directors;

ii) a Remunerations committee, made up of from five to seven non-executive members, at least a majority of whom shall be independent as defined by the Code of conduct, with powers of consultation and enquiry to determine the remuneration of Directors vested with particular duties and the General Manager if appointed. The committee also gives its opinion on the guidelines for remuneration and staff retention policies operated by the Group presented by the Managing Director;

iii) an Internal control committee, with from three to five independent members as defined by the Code of conduct, which has duties of consultation and enquiry in particular with respect to the Bank's system of internal control and risk management, and the structure of its IT and financial reporting organization.

Article 20

For Board resolutions to be valid, a majority of the Directors in office must be present. The Board of Directors adopts resolutions with a

committees from among its own number:

i) an Appointments committee, made up of five members and including de jure the Chairman of the Board of Directors, the Managing Director, the General Manager, if appointed, and at least two Directors qualifying as independent under the Code of conduct for listed companies. The committee reviews and tables proposals for the submission of a list of candidates for appointments to the Board of Directors, to co-opt Board members after Directors have left office, for appointments to the Executive Committee and to the post of Managing Director, and at the proposal of the latter, for appointments to the post of General Manager; for these duties, if the General Manager forms part of the committee, two directors qualifying as independent under the Code of conduct are added to the committee.

The Board of Directors also delegates the Appointments committee to pass resolutions on proposals made by the Managing Director, having first sought the opinion of the Chairman, regarding decisions to be taken in general meetings of the investee companies referred to in paragraph 2, point 4 of the foregoing Article 18 in respect of appointments to governing bodies. The committee adopts resolutions with a majority of its members voting in favour. In the event of an equal number of votes being cast, the decision reverts to the Board of Directors;

ii) a Remunerations committee, made up of from five to seven non-executive members, at least a majority of whom shall be independent as defined by the Code of conduct, with powers of consultation and enquiry to determine the remuneration of Directors vested with particular duties and the General Manager if appointed. The committee also gives its opinion on the guidelines for remuneration and staff retention policies operated by the Group presented by the Managing Director;

iii) an Internal control **and** risks committee, with from three to five independent members as defined by the Code of conduct, which has duties of consultation and enquiry in particular with respect to the Bank's system of internal control and risk management, and the structure of its IT and financial reporting organization

Article 20

*Unchanged*



majority of those in attendance voting in favour. For the matters listed under the foregoing Article 18, paragraph 2, points 5, 6 and 7, the Board shall adopt resolutions based on the quorum stipulated in Article 18, paragraph 4.

In the event of an equal number of votes being cast, the Chairman of the Board of Directors shall have the deciding vote.

*Unchanged*

In the event of Directors abstaining from votes owing to an interest which such Directors may have in the transaction concerned, either themselves or through third parties, the Directors so abstaining are included for purposes of establishing the quorum required for the meeting to be validly constituted, but are not included for determining the majority required to pass the resolution.

*Unchanged*

As required under Articles 2381 of the Italian Civil Code, the appointed bodies report to the Board of Directors every three months on general operating performance and prospects, as well as on the most significant transactions in terms of size or characteristics carried out by the Company or its subsidiaries.

*Unchanged*

Article 21

Article 21

Resolutions shall be recorded in the minutes of the meeting and entered in the book required to be kept by law, shall be signed by the Chairman or whoever presides over the meeting in his stead, by another Director and by the Secretary.

*Unchanged*

Excerpts from the minutes signed by the Chairman or by two Directors and countersigned by the Secretary constitute full proof.

*Unchanged*

**Sub-section II - Executive Committee**

**Sub-section II - Executive Committee**

Article 22

Article 22

The Board of Directors appoints an Executive Committee to comprise a total of up to nine members, establishing their powers in accordance with the provisions of Article 23, paragraph 1 hereunder.

*Unchanged*

The Chairman of the Board of Directors and the five directors who are members of the Group's management with the requisites stipulated under the foregoing Article 15 and elected from the list which receives the highest number of votes are members of the Executive Committee

*Unchanged*



*de jure.*

Executive Committee members in possession of the requisites stipulated under the foregoing Article 15 are bound to devote themselves solely to performance of activities involved in such office, and unless otherwise provided by the Board of Directors, may not perform duties of administration, management or control or of any other kind at companies or entities which are not investee companies of Mediobanca. The other members of the Executive Committee, save otherwise provided by the Board of Directors, may not perform duties of administration, management, control or of any other kinds for banking groups or insurance companies.

**Without prejudice to the provisions of the law,** Executive Committee members in possession of the requisites stipulated under the foregoing Article 15 are bound to devote themselves solely to performance of activities involved in such office, and unless otherwise provided by the Board of Directors, may not perform duties of administration, management or control or of any other kind at companies or entities which are not investee companies of Mediobanca. **Without prejudice to the provisions of the law,** the other members of the Executive Committee, save otherwise provided by the Board of Directors, may not perform duties of administration, management, control or of any other kinds for banking groups or insurance companies.

Directors who are also part of the Banking Group's management, and who in such capacity are called to form part of the Executive Committee, shall cease to be Directors upon their ceasing to be employed by the company belonging to the Banking Group.

*Unchanged*

Members of the Executive Committee shall also be disqualified from the office of Director upon the occasion of any breach on their part of the obligations provided for in the foregoing paragraph 3. Disqualification is pronounced by the Board of Directors.

*Unchanged*

In all cases in which it is necessary to make appointments to the Executive Committee to replace members leaving office, the Board of Directors shall be responsible, in compliance with the provisions in respect of the Executive Committee's composition.

*Unchanged*

The Executive Committee is chaired by the Chairman of the Board of Directors.

*Unchanged*

The Committee shall remain in office for the entire duration of the Board of Directors which appointed it.

*Unchanged*

The Statutory Audit Committee takes part in Executive Committee meetings.

*Unchanged*

The Committee appoints a Secretary, who does not necessarily have to be one of its own number.

*Unchanged*



Article 23

Without prejudice to the provisions of the foregoing Article 18 hereof, the Board of Directors grants responsibility to the Executive Committee for the ordinary management of the Company, with all powers not reserved, by law or in conformity with the provisions of these Articles, to the collegiate jurisdiction of the Board of Directors or which the latter has delegated to the Managing Director. Without prejudice to the foregoing, the Executive Committee:

- 1) is responsible for the Bank's operating performance, as a rule through the proposals of the Managing Director and in co-operation with him;
- 2) adopts resolutions to grant loans in accordance with the guidelines and general directions adopted by the Board of Directors and on the other matters specified under the foregoing Article 18, paragraph 2, points 3 and 4, in amounts and/or for percentages not to exceed those which fall within the sole jurisdiction of the Board of Directors;
- 3) draws up internal regulations, to be submitted to the approval of the Board of Directors;
- 4) establishes the principles for co-ordination and management of the Group companies in execution of the strategic guidelines approved by the Board of Directors.

In urgent cases the Executive Committee may agree on resolutions in conjunction with the Chairman of the Board of Directors regarding any matter or transaction, reporting back to the Board at the first meeting to be held afterwards.

Resolutions are approved by the Executive Committee with the majority of its members in attendance and voting in favour.

In the event of members abstaining from votes owing to an interest which such members may have in the transaction concerned, either themselves or through third parties, Directors so abstaining are included for purposes of establishing the quorum required for the Committee meeting to be validly constituted, but are not included for determining the majority required to pass the resolution.

The Executive Committee may delegate its powers to approve resolutions to committees made up of the Company's management or

Article 23

*Unchanged*

*Unchanged*

*Unchanged*

*Unchanged*

*Unchanged*



individual managers up to certain pre-established limits.

Article 24

Executive Committee meetings are called on the initiative of its Chairman based on the requirements of the business, as a rule meeting once a month. Meetings of the Executive Committee may also be called by the Statutory Audit Committee or at least two of its members, provided the Chairman has been notified in advance.

Executive Committee meetings are called by notice provided in writing to be given by electronic mail, facsimile transmission, letter or telegram despatched at least three clear days prior to the date scheduled for the meeting. In urgent cases this may be reduced to one day. The notice in writing shall contain an indication of the place, day and time of the meeting, along with an agenda briefly setting out the business to be transacted.

Committee meetings may also be held via video- or tele-conference, provided that the persons entitled to attend may be properly identified, speak in real time on items on the agenda, and receive or transmit documents, and further provided that the Chairman of the Board of Directors, Managing Director and Secretary are in attendance at the place where the meeting is being held.

The Committee may also pass valid resolutions without a formal meeting being called, provided that all its members and all standing auditors in office take part.

Committee meetings are presided over by the Chairman of the Board of Directors, co-ordinates the proceedings, and ensuring that all participants are provided with adequate information regarding the items on the agenda if necessary. In the event of his being absent or otherwise impeded, these duties are carried out by the eldest member.

The Secretary to the Executive Committee draws up the minutes of the meeting and enters them in the Committee's records, having been signed by the Committee Chairman, the Managing Director and Secretary.

Excerpts from the minutes signed by the Chairman or by the Managing Director and

Article 24

*Unchanged*

*Unchanged*

*Unchanged*

*Unchanged*

*Unchanged*

*Unchanged*

*Unchanged*





countersigned by the Secretary constitute full proof.

### Sub-section III - Managing Director

#### Article 25

The Board of Directors appoints a Managing Director to be chosen from among the Directors in possession of the requisites specified under the foregoing Article 15, paragraph 4 hereof.

Without prejudice to the provisions of Article 18, the Board of Directors establishes the powers of the Managing Director. The Managing Director in particular:

- 1) has executive powers, and is responsible for implementing resolutions adopted by the Board of Directors and the Executive Committee and - in accordance with the powers attributed to him - the plans and strategic directions established by the Board of Directors and Executive Committee;
- 2) is empowered to make proposals to the Board of Directors and Executive Committee, with reference in particular to management direction, proposed strategic plans and budgets, draft financial statements and interim accounts;
- 3) is responsible for staff management, and having sought the opinions of the General Manager, if appointed, appoints managerial staff;
- 4) ensures that the organizational, administrative and accounting systems of the Bank are adequate for its operations and the size of the Company;
- 5) reports, with the General Manager, if appointed, to the Board of Directors and Executive Committee each quarter on the Bank's operating performance and prospects, and on the most significant transactions carried out by the Company and its subsidiaries.

### Sub-section IV - General manager

#### Article 26

The Board of Directors may appoint, at the Managing Director's proposal and without prejudice to the provisions of Article 19, paragraph 1, letter i) hereof, a General Manager and establish his powers. If appointed, the General Manager will be chosen from among the Directors in possession of the requisites specified under Article 15, paragraph 4 of these Articles, and may not be more than sixty-five years old.

### Sub-section III - Managing Director

#### Article 25

*Unchanged*

*Unchanged*

### Sub-section IV - General manager

#### Article 26

*Unchanged*



The Board of Directors shall authorize the General Manager to sign jointly or severally on behalf of the Company as laid down in Article 28, and thereby vest him with powers to carry out the day-to-day business of the Company and to implement resolutions passed by the Board of Directors and Executive Committee in accordance with the directions issued by, and based on the individual remit of, the Board of Directors, Executive Committee and Managing Director.

*Unchanged*

**Sub-section V - Head of company financial reporting**

**Article 27**

On the proposal of the Executive Committee and having sought the opinion of the Statutory Audit Committee, the Board of Directors appoints one person to act as head of financial reporting, who shall be chosen from among the Bank's management and who has held management positions for a period of at least three years in the field of accounting administration at the Bank itself or at other leading banks. The person identified to act as head of financial reporting shall put in place adequate administrative and accounting procedures for the preparation of the individual and consolidated accounts, and all other reporting which is financial in nature. The appointed bodies and the head of financial reporting issue the statements on the Company's capital, earnings and finances required under law.

**Sub-section V - Head of company financial reporting**

**Article 27**

*Unchanged*

The Board of Directors exerts supervision to ensure the head of financial reporting is vested with suitable powers and means to carry out the duties entrusted to him and to ensure that the administrative and accounting procedures are complied with in practice.

*Unchanged*

**Sub-section VI - Powers to represent the Bank**

**Article 28**

The corporate signature shall be vested in the Chairman of the Board of Directors, the Managing Director, the General Manager if appointed, and in such other employees of the Bank to whom such right has been specifically granted.

**Sub-section VI - Powers to represent the Bank**

**Article 28**

*Unchanged*

The corporate signature shall be binding when it

*Unchanged*



is jointly executed by two of the authorized persons appending their signatures under the Company's name, always provided that one of the two signatures is that of the Chairman, the Managing Director, or the General Manager or one of the employees of the Bank in whom such right has been specifically vested.

The Board of Directors may, however, empower the corporate signature to be appended to certain categories of the Company's instruments of day-to-day administration jointly by any two of the authorized persons. The Board of Directors may moreover delegate to its members or to one of the employees of the Bank expressly so authorized the power to sign severally certain specific instruments or contracts of the Company.

*Unchanged*

The Board of Directors may furthermore delegate to employees of the Bank specifically so authorized the power to sign severally certain categories of the Company's instruments of day-to-day administration.

*Unchanged*

The Board of Directors may also grant the right to sign in the name of the Company to other Banks, always provided that such right shall be exercised only in relation to services performed on the Company's behalf. In such cases the Banks so authorized shall insert the words "per procura della Mediobanca - Banca di Credito Finanziario" above their own Company signature executed in accordance with the provisions of their Articles of Association.

*Unchanged*

The power to represent the Bank as a Member, whether on its own behalf or on behalf of third parties, at the time companies are established and at General Meetings of other companies may also be exercised severally by the Chairman, the Managing Director, the General Manager or by employees of the Bank specifically designated by the Board of Directors.

*Unchanged*

The power to represent the Company in judicial and administrative procedures shall be vested severally in the Chairman, the Managing Director and General Manager if appointed, and in employees of the Bank specifically designated by the Board of Directors for such purpose.

*Unchanged*



SECTION V

Statutory Audit Committee

Article 29

Shareholders in ordinary general meeting appoint three standing and two alternate auditors and establish the emoluments payable to each auditor for each financial year. Their term of office is governed by regulations in force.

Members of the Statutory Audit Committee shall be in possession of the requisite qualifications for holding such office expressly stipulated under regulations in force at the time, failing which they shall become ineligible or, in the event of such circumstances materializing subsequently, shall be disqualified from office.

In particular, with reference to professional qualifications, these are understood as being strictly pertinent to those in respect of the company, those listed under Article 1 of the Italian Consolidated Banking Act, and the provision of investment services or collective portfolio management, both of which as defined in Italian Legislative Decree 58/98.

Members of the Statutory Audit Committee may not hold posts in governing bodies other than those with responsibility for control of other Group companies or in companies in which Mediobanca holds, including indirectly, an investment which is deemed to be strategic under supervisory requirements laid down by the Bank of Italy.

In addition, candidates who hold the post of director, manager or officer in companies or entities, or who otherwise work with the management of companies operating directly or indirectly (including through subsidiaries) in the same sectors as Mediobanca may not be elected, or if already elected are disqualified from office.

Outgoing Statutory Audit Committee members may be re-elected.

Appointments to the Statutory Audit Committee are made on the basis of lists in which each candidate is numbered consecutively. Each list consists of two sections: one for candidates to the post of Standing Auditor, the other for

SECTION V

Statutory Audit Committee

Article 29

Shareholders in ordinary general meeting appoint three standing and ~~two~~ three alternate auditors and establish the emoluments payable to each auditor for each financial year. Their term of office is governed by regulations in force.

*Unchanged*

*Unchanged*

*Unchanged*

In addition, **without prejudice to the provisions of the law**, candidates who hold the post of director, manager or officer in companies or entities, or who otherwise work with the management of companies operating directly or indirectly (including through subsidiaries) in the same sectors as Mediobanca may not be elected, or if already elected are disqualified from office.

*Unchanged*

Appointments to the Statutory Audit Committee are made on the basis of lists in which each candidate is numbered consecutively. Each list consists of two sections: one for candidates to the post of Standing Auditor, the other for



candidates to the post of Alternate Auditor. Ownership of the minimum percentage of the Company's share capital required to submit a list, in accordance with the indications provided in Article 15 above in respect of appointments to the Board of Directors, is established on the basis of shares recorded as being in the shareholders' possession at the date on which the lists are filed with the issuer.

One individual shareholder may not submit or vote for any more than one list, including via proxies or trustee companies. Shareholders belonging to the same group - that is, the parent company, subsidiaries and companies subject to joint control - or shareholders who are parties to a shareholders' agreement in respect of the issuer's share capital as defined under Article 122 of Italian Legislative Decree 58/98, may not submit or vote for more than one list, including via proxies or trustee companies. Individual candidates may only feature in one list, failing which they become ineligible.

Lists are deposited at the Company's head office at least twenty-five days prior to the date scheduled for the general meeting to be held in the first or only instance called to adopt resolutions in respect of the appointment of statutory auditors, and shall include:

- a) information on the identity of the shareholders submitting the lists, with an indication of the aggregate percentage shareholding; certification providing proof of ownership may also be produced subsequently, provided that it is forthcoming within the term provided for the issuer to make the lists public;
- b) a statement from shareholders submitting the list other than those who own, including jointly, a controlling interest or relative majority, declaring the non-existence or existence as the case may be, of relations with the latter, as required by the provisions of Article 144-*quinquies*, paragraph 1, of Consob regulation no. 11971/99;
- c) full information on the personal and professional characteristics of the candidates, a list of the management and/or supervisory posts held by them in other companies, plus a statement by the candidates themselves to the

candidates to the post of Alternate Auditor. Lists containing a number of candidates equal to or above three must ensure that the balance between male and female candidates complies with at least the minimum requirement stipulated by the regulations in force at the time. Ownership of the minimum percentage of the Company's share capital required to submit a list, in accordance with the indications provided in Article 15 above in respect of appointments to the Board of Directors, is established on the basis of shares recorded as being in the shareholders' possession at the date on which the lists are filed with the issuer.

*Unchanged*

Lists are deposited at the Company's head office at least twenty-five days prior to the date scheduled for the general meeting to be held in ~~the first or only~~ instance called to adopt resolutions in respect of the appointment of statutory auditors, and shall include:

- a) information on the identity of the shareholders submitting the lists, with an indication of the aggregate percentage shareholding; certification providing proof of ownership may also be produced subsequently, provided that it is forthcoming within the term provided for the issuer to make the lists public;
- b) a statement from shareholders submitting the list other than those who own, including jointly, a controlling interest or relative majority, declaring the non-existence or existence as the case may be, of relations with the latter, as required by the provisions of Article 144-*quinquies*, paragraph 1, of Consob regulation no. 11971/99;
- c) full information on the personal and professional characteristics of the candidates, a list of the management and/or supervisory posts held by them in other companies, plus a statement by the candidates themselves to the



effect that they are in possession of the qualifications required under law and these Articles and agree to stand as candidates.

effect that they are in possession of the qualifications required under law and these Articles and agree to stand as candidates.

Lists submitted which do not conform to the above specifications shall be treated as null and void.

*Unchanged*

In the event that by the date on which the term for submission of lists has passed, only one list has been submitted, or only lists submitted by shareholders who are related as defined in Article 144-*quinquies*, paragraph 1 of Consob regulation no. 11971/99 based on the statements referred to under the foregoing paragraph 9, letter b) hereof, lists may be presented up to the third calendar day subsequent to such date. In this case the minimum percentage shareholding for submitting lists referred to under the foregoing paragraph 7 is reduced by half.

*Unchanged*

The proposals for appointments are disclosed to the public on the terms and according to the methods prescribed by law.

*Unchanged*

Before voting commences, the Chairman presiding over the general meeting reminds shareholders of any statements made pursuant to the foregoing paragraph 9, letter b) hereof, and invites shareholders taking part in the meeting who have not submitted or contributed to submitting lists, to declare any relations, as defined in Article 144-*quinquies*, paragraph 1 of Consob regulation no. 11971/99, with those shareholders who have submitted lists or with those who hold, including jointly, a controlling interest or relative majority.

*Unchanged*

In the event of an individual related to one or more shareholders who have submitted or voted for the list ranking first in terms of number of votes voting for a minority list, such relationship shall assume significance only if the vote was decisive in the appointment of the auditor.

*Unchanged*

The following procedure is adopted for the appointment of statutory auditors:

- a) two statutory auditors and one alternate auditor are chosen based on the consecutive order in which they are numbered from the list obtaining the highest number of votes;
- b) one standing auditor and one alternate auditor are chosen based on the consecutive order in which they are numbered in the respective list sections, from the list ranking second in terms of number of votes in general

The following procedure is adopted for the appointment of statutory auditors:

- a) two statutory auditors and ~~one~~ two alternate auditors are chosen based on the consecutive order in which they are numbered from the list obtaining the highest number of votes;
- b) one standing auditor and one alternate auditor are chosen based on the consecutive order in which they are numbered in the respective list sections, from the list ranking second in terms of number of votes in general



meeting and which under regulations in force is not linked even indirectly with the shareholders who submitted or voted for the list which ranked first.

In the event of the same number of votes being cast for more than one list, a new vote is held in the form of a ballot between the lists, with the candidates from the list which obtains a simple majority in this case being elected.

The candidate ranking first in the section for election of standing auditors in the list ranking second in terms of the number of votes cast is appointed Chairman of the Statutory Audit Committee.

In the event of only one list being submitted, shareholders in general meeting express their opinion on it; if the list obtains the majority required by law for the ordinary general meeting, the three candidates numbered consecutively in the relevant section are appointed standing auditors, and the two candidates numbered consecutively in the relevant section are appointed alternate auditors; the candidate listed first in the section for candidates to the post of standing auditor in the list submitted is appointed as Chairman of the Statutory Audit Committee.

In the event of no lists being submitted, or if the voting mechanism by lists provides a lower number of candidates appointed than the number established in these Articles, the Statutory Audit Committee is appointed or completed by shareholders in general meeting with the majorities provided by law.

If more than one list is submitted, and in the event of a standing auditor leaving office, an alternate auditor from the same list shall take his place.

The procedure for shareholders in general meeting to replace the number of standing and/or alternate auditors to complete the

meeting and which under regulations in force is not linked even indirectly with the shareholders who submitted or voted for the list which ranked first.

*Unchanged*

*Unchanged*

In the event of only one list being submitted, shareholders in general meeting express their opinion on it; if the list obtains the majority required by law for the ordinary general meeting, the three candidates numbered consecutively in the relevant section are appointed standing auditors, and the ~~two~~ three candidates numbered consecutively in the relevant section are appointed alternate auditors; the candidate listed first in the section for candidates to the post of standing auditor in the list submitted is appointed as Chairman of the Statutory Audit Committee.

If the Committee's composition fails to respect the regulations in force on the subject equal gender representation, the necessary replacements will be made in the order in which the candidates are presented.

In the event of no lists being submitted, or if the voting mechanism by lists provides a lower number of candidates appointed than the number established in these Articles, the Statutory Audit Committee is appointed or completed by shareholders in general meeting with the majorities provided by law while respecting the regulations in force on the subject of equal gender representation.

If more than one list is submitted, and in the event of a standing auditor leaving office, an alternate auditor from the same list shall take his place based on the consecutive numbering in the list and in compliance with the principle of equal gender representation.

The procedure for shareholders in general meeting to replace the number of standing and/or alternate auditors to complete the



Statutory Audit Committee is as follows: if auditors elected from the majority list or sole list have to be appointed, or auditors elected directly by shareholders in general meeting, appointments are made by means of a vote passed by a relative majority without restrictions in terms of lists; if, however, auditors elected from the minority list are to be replaced, shareholders gathered in general meeting replace them by means of a vote passed by a relative majority, but choosing from among the candidates indicated in the list which included the auditor to be replaced, or failing this, from among the candidates contained in any further minority lists.

In the event of there being no candidates on the minority list or lists, the appointment is made by means of a vote based on one or more lists, comprising a number of candidates not to exceed the number of auditors to be elected, to be submitted prior to the general meeting in accordance with the provisions hereof for appointments to the Statutory Audit Committee, provided that lists may not be submitted (and if submitted are treated as null and void) by shareholders who, based on the statements made as required by regulations in force, hold a relative majority, including indirectly, of the voting rights that may be exercised in general meeting, or by shareholders related to them as defined in regulations in force. The candidates featured in the list which obtains the highest number of votes are appointed.

In the event that no lists are submitted that comply with the foregoing provisions, appointments shall be made on the basis of a vote passed by a relative majority without restrictions in terms of lists.

In all circumstances which require the Chairman of the Committee to be replaced, the auditor taking his place also takes on the role of Chairman to the Statutory Audit Committee.

Article 30

The Statutory Audit Committee is responsible for monitoring:

- a) compliance with legal, regulatory and statutory requirements, and observance of the

Statutory Audit Committee is as follows (again in compliance with the principle of equal gender representation): if auditors elected from the majority list or sole list have to be appointed, or auditors elected directly by shareholders in general meeting, appointments are made by means of a vote passed by a relative majority without restrictions in terms of lists; if, however, auditors elected from the minority list are to be replaced, shareholders gathered in general meeting replace them by means of a vote passed by a relative majority, but choosing from among the candidates indicated in the list which included the auditor to be replaced, or failing this, from among the candidates contained in any further minority lists.

In the event of there being no candidates on the minority list or lists, the appointment is made by means of a vote based on one or more lists, comprising a number of candidates not to exceed the number of auditors to be elected and such as to ensure compliance with the principle of equal gender representation, to be submitted prior to the general meeting in accordance with the provisions hereof for appointments to the Statutory Audit Committee, provided that lists may not be submitted (and if submitted are treated as null and void) by shareholders who, based on the statements made as required by regulations in force, hold a relative majority, including indirectly, of the voting rights that may be exercised in general meeting, or by shareholders related to them as defined in regulations in force. The candidates featured in the list which obtains the highest number of votes are appointed.

In the event that no lists are submitted that comply with the foregoing provisions, appointments shall be made on the basis of a vote passed by a relative majority without restrictions in terms of lists in compliance with the principle of equal gender representation.

*Unchanged*

Article 30

*Unchanged*





- principles of correct management;
- b) the adequacy of the organizational and administrative/accounting structure of the company and its financial reporting process;
- c) the effectiveness and adequacy of the risk control and management system, the internal audit process and the functioning of the internal control system as a whole;
- d) the legal auditing process for the annual and consolidated accounts;
- e) the independence of the legal external auditors, in particular insofar as regards the provision of non-audit services.

The Statutory Audit Committee is vested with the powers provided for under regulatory provisions in force, and reports to the Bank of Italy on operating irregularities or breaches of regulations detected in the course of its duties.

*Unchanged*

The Statutory Audit Committee is usually informed of the activities carried out and the most significant transactions in earnings, financial and capital terms, executed by the Company or its subsidiaries, and in particular transactions in which the Directors have an interest either in their own right or by means of third parties, including via the appointed bodies pursuant to Article 2381 of the Italian Civil Code, directly upon the occasion of meetings of the Board of Directors and Executive Committee, which are held with the frequency established under the foregoing Article 20; note of this is duly made in the minutes of the respective meetings. Information is also furnished to the Statutory Audit Committee outside of meetings of the Board of Directors and Executive Committee in writing, addressed to the Chairman of the Statutory Audit Committee.

*Unchanged*

Statutory Audit Committee meetings may also be held via video- or tele-conference, provided that the persons entitled to attend may be properly identified, follow the discussions appropriately and speak in real time on items on the agenda; if such conditions are met, the Statutory Audit Committee is held to have met at the place where the Chairman is present.

*Unchanged*



**SECTION VI**

**Auditing**

**Article 31**

Legal auditing shall be carried out by a duly registered external legal auditor, whose terms of appointment, duties and responsibilities shall be governed by law and regulations.

**SECTION VII**

**Financial Year and Balance Sheet**

**Article 32**

The Company's financial year shall begin on 1 July of each year and shall end on 30 June of the following year.

**Article 33**

The Board of Directors shall draw up the balance sheet for the year and shall submit it to shareholders in general meeting for approval.

In its Report to shareholders in general meeting, the Board shall refer to all matters which may assist in providing the most comprehensive account possible of the Company's operations and the state of its affairs.

**Article 34**

At least 10% of the net profit for each financial year shall be deducted therefrom and taken in the first instance to the Legal Reserve pursuant to Article 2430 of the Civil Code with any balance being allocated to the Statutory Reserve. Should the Board of Directors so propose, the General Meeting may then also resolve that any further sums be deducted which it is deemed prudent either to allocate to the Statutory Reserve for the purpose of increasing its resources, or to set aside in order to establish other reserves of an extraordinary or special nature.

The remainder shall be shared among the shareholders, with the exception of any amounts carried forward.

**SECTION VI**

**Auditing**

**Article 31**

*Unchanged*

**SECTION VII**

**Financial Year and Balance Sheet**

**Article 32**

*Unchanged*

**Article 33**

*Unchanged*

*Unchanged*

**Article 34**

*Unchanged*

*Unchanged*



SECTION VIII

Winding-up

Article 35

The liquidation of the Company shall be governed by the provisions of the law.

SECTION VIII

Winding-up

Article 35

*Unchanged*

- 2) to vest the Chairman, the Managing Director and the General Manager, jointly and severally, with the widest powers to incorporate into this resolution any amendment, change or addendum that may be required or otherwise requested by the competent authorities
- 3) to authorize the Chairman, the Managing Director and the General Manager, jointly and severally, to complete every formality required for the resolutions thus adopted to be filed with the companies' register."

Milan, 18 July 2012

THE BOARD OF DIRECTORS