

Proposal regarding the criteria and limits for determining remuneration to be agreed in the event of the early termination of an employment relationship or early retirement from corporate office, in accordance with Bank of Italy provisions concerning remuneration and incentive policies and practices contained in Circular No. 285 of 17th December 2013 (7th update).

Dear Registered Shareholders,

Pursuant to Circular 285 of 17th December 2013 (Supervisory Instructions for Banks, 7th update of 18th November 2014 concerning remuneration policies and practices) the Shareholders' Meeting has responsibility for defining the criteria and limits for determining remuneration in the event of the early termination of the employment relationship or of the position held.

In this regard the Supervisory Board resolved, at its meeting of 26th February 2015, to submit the approval of the following resolutions concerning the setting of criteria and limits set for the said remuneration and the methods by which it is to be paid to the Shareholders' Meeting, without prejudice to the provisions of the above Instructions under point 2.2.3 - Exceptions.

Assuming that no special payments (golden parachutes) are generally envisaged for the early termination of the employment relationship or of the position held, any individual agreement, on an exceptional basis, shall be linked to qualitative and quantitative indicators, reflect actual and long-term results and, for Key Personnel, the relative payments:

- a) may be made up to a maximum amount of 24 months' fixed salary within an amount calculated on the basis of the remuneration for the specific position;
- b) will be subject to deferral conditions and to possible retention, where they are to be paid in financial instruments, according to the category of Key Personnel to which the person concerned belongs, as defined by the Group Remuneration and incentives policies currently in force;
- c) will be subject to mechanisms of *ex post* correction (clawback and malus) to cover the risk of fraudulent behaviour or serious misconduct that could damage the Bank.

If the Bank initiates the termination of the employment relationship (dismissal) - as long as it has no just cause for withdrawing from the contract pursuant to Art. 2119 of the Italian Civil Code and without prejudice to any lower limits set as part of collective bargaining rules, whether or not at company level, or in legislation that also applies to senior management - in the event of a legal challenge or request for arbitration made by the senior manager in relation to the relative provision, and where transactions within the limits stated above have not been possible, if the Bank loses the case it may involve a payment, for various reasons, of up to 41 months' fixed salary (pursuant to the national collective labour contract) in addition to any compensation issued based on general principles. In such cases the Bank will have to comply with whatever is ordered by the judge or Board of Arbitrators, subject to all advisable objections or appeals.

If the employment relationship is ended on any other basis such as, for example, mutual consent, formalised in a settlement agreement to be signed in a "protected place" (before a judge, at a provincial office of employment or in the presence of trade union representative) as long as it has no just cause for withdrawing from the contract pursuant to Art. 2119 of the Italian Civil Code and as long as this takes place at the Bank's initiative or in any event in the Bank's interest, without prejudice to any lower limits set as part of collective bargaining rules, whether or not at company level, that also applies to senior management - the following criteria and maximum limits shall in any case be complied with, in addition to the period of notice required by law and by the national collective labour contract in force:

1. an amount equal to twelve month's salary; this item corresponds to a reasonable neutralisation of the risk that a possible "supplementary payment" could be due pursuant to Art. 30, paragraphs 16 *et seq.* of the national collective labour contract;
2. a further amount equal to twelve month's salary where this becomes advisable due to specific circumstances relating to the individual case. This further amount is understood to be subject to deferral conditions and to possible retention, where it is to be paid in financial instruments, according to the category of Key Personnel to which the person concerned belongs, as defined by the Group Remuneration and incentives policies currently in force.

Any payments (always within the abovementioned limits) shall be graduated on the basis of a prudent assessment of all the circumstances of the individual cases in question, without the possibility of any automatic adjustment or minimum payment obligation, without prejudice to the constraints required by law and the national collective labour contract .

Job-security agreements and non-competition agreements may be signed at the start of or during the employment relationship, as specific tools for the protection and safeguarding of the Bank's professional and business assets which can therefore be paid without limitations.

If the need to defend commercial goodwill and customer retention requires this and makes it advisable, the Bank may make use of specific non-competition agreements, which may also be signed immediately before or at the time of the early termination of the employment relationship. In this case the limit of the payment is set at twelve month's salary, the payment of which will be subject to the provisions of Art. 2125 of the Italian Civil Code and to deferral conditions defined by the Group Remuneration and incentives policies currently in force for a period of twelve months and to possible retention, where it is to be paid in financial instruments, according to the category of Key Personnel to which the person concerned belongs.

The amounts pursuant to paragraph 5, point 2 and the final clause of the preceding paragraph will still be subject to clawback and malus mechanisms to cover the risk of fraudulent behaviour or serious misconduct that could damage the Bank.

In accordance with the provisions of point 2.2.3 - exceptions provided for under Circular 285 of 17th December 2013, 7th update of 18th November 2014 concerning remuneration policies and practices, redundancy incentives, including those connected with extraordinary operations (e.g. mergers) or corporate restructuring, also relate to Key Personnel in accordance with the terms, conditions and limits set as part of collective bargaining rules, whether or not at company level, that also applies to senior management, including what is stated at paragraph 5 points 1 and 2 above.