



Board of directors' report

Appointment of members of Board of Directors having previously established their number; and determining the amount of their remuneration

The current Board of Directors' term of office expires with this annual general meeting. You are therefore called to appoint the new Board of Directors in accordance with the terms and provisions set forth in Article 14 of the company's Articles of Association.

In particular shareholders in general meeting are called to:

- ◆ establish the number of members of the governing body and their term of office;
- ◆ determine the amount of their remuneration;
- ◆ appoint the Directors by means of the list voting method in accordance with the provisions of the law and the company's Articles of Association.

Appointments to the Board of Directors shall be made based on the following list voting method.

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 by the Board of Directors or submitted and 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 the number of votes cast, again on the basis of the consecutive numbering in which the candidates are ordered.

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

In the event that an insufficient number of Directors qualifying as independent, as defined in Article 14, paragraph 3 of the Articles of Association, or as employees who have been part of Mediobanca Banking Group companies' senior management for at least three years, as defined in Article 14, paragraph 4 of the Articles of Association, is elected by following the procedure set out above, 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 necessary qualifications from the same list based on their consecutive numbering. If it proves impossible to complete the requisite number of Directors via this procedure, again in order to comply with the provisions of the Articles of Association, 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 appointed from this list in its entirety, providing the quorum set by law for ordinary general meetings has been reached.

For the appointment of those Directors who for whatever reason could not be elected to comply with the provisions set forth above, or in the event of no lists being 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 the Articles of Association.

In this connection, it should also be noted that shareholders will be called together in extraordinary general meeting to approve a series of changes to the Articles of Association, including (i) increasing the number of Board members who must qualify as independent based on the definition provided in the Code of conduct in respect of listed companies operated by Borsa Italiana S.p.A, and (ii) those who have already completed their seventy-fifth year of life being excluded from being appointed Directors. The proposed amendments are described in a separate report.

Shareholders are also called to adopt a resolution in respect of the remuneration payable to the Board of Directors. It should be noted that at an annual general meeting held on 28 October 2008, the shareholders of Mediobanca resolved to pay the Board of Directors still in office an annual gross fee of €10m, and mandated the Board to divide up the fee accordingly.

The methods for depositing lists for appointments to the Board of Directors are set forth in detail in the AGM notice of meeting.

The Board of Directors therefore invites you to take the relevant decisions regarding the appointment of the Board of Directors.

Milan, 22 July 2011

THE BOARD OF DIRECTORS