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File no. 38,996 Folder no. 17,993

Partial minutes of the Shareholders' meeting

REPUBLIC OF ITALY

On Friday the fifth day of May of the year two thousand and seventeen

(May 5, 2017)

in Milan (MI), Piazza Durante no. 11,

before me Angelo Busani, a notary public in Milan, a registered member of the College of Notaries of Milan,

the following person was present:

ENRICO COTTA RAMUSINO, born in Sant'Alessio con Vialone (PV) on May 22, 1959, domiciled for the office at the registered office of the Company detailed below; of whose personal identity, I, the notary, am certain and who, in acting as Chairman of the Board of Directors of

"FinecoBank Banca Fineco S.p.A."

a bank registered in the Register of Banks and belonging to the UniCredit Banking Group, Register of Banking Groups no. 02008.1), with Registered Office in Milan (MI), piazza Durante 11, Share Capital equal to Euro 200,545,403.85 fully paid-up, tax code and registration number with the Companies' Register of Milan: 01392970404; VAT no. 12962340159 (R.E.A. MI-1598155), a company under the management and coordination by "UniCredit S.p.A." (hereinafter also referred to as the "Company" or the "Bank" or "FinecoBank");

with reference to the Shareholders' Meeting of the Company held on April 11 (eleven) 2017 (two thousand and seventeen), having requested me (for the prompt fulfilment of the regulatory requirements for the minuting of the extraordinary

session of the Shareholders' Meeting) to carry out the minuting in two different minutes (with the first minutes, containing the opening of the Shareholders' Meeting and the discussion of the extraordinary part of the Agenda and the related voting; and the second minutes, containing the opening of the Shareholders' Meeting and the discussion of the ordinary part of the Agenda and the related voting);

has now requested me to read out the second minutes, and therefore the minutes containing the opening of the Shareholders' Meeting and the discussion of the ordinary part of the Agenda and the related voting.

In accordance with the request made to me, I confirm that this part of that Shareholders' Meeting was held according to the following minutes drawn up by me, the notary, both during the meeting and after it ended. I, the notary, then read out the aforementioned minutes to the appearing party, as set out below.

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On Tuesday the eleventh day of April of the year two thousand and seventeen

(April 11, 2017)

in Milan (MI), Piazza Durante no. 11,

at 10:15 a.m. (ten fifteen)

at the request of the Chairman of the management body of the company:

"FinecoBank Banca Fineco S.p.A."

a bank registered in the Register of Banks and belonging to the UniCredit Banking Group (Register of Banking Groups no. 02008.1), with Registered Office in Milan, Piazza F. Durante no. 11, Share Capital equal to Euro 200,545,403.85 fully paid-up, tax code and registration number with the Companies' Register of Milan: 01392970404, VAT no. 12962340159 (R.E.A. MI-1598155), under the management

and coordination of "UniCredit S.p.A.";

I the undersigned, Mr Angelo BUSANI, a notary resident in Milan, a registered member of the College of Notaries of Milan, am in attendance and responsible for drawing up the minutes of the ordinary and extraordinary Shareholders' Meeting (below referred to simply as the "Meeting") of the above-indicated Company, convened in a single call at the aforesaid location, day and time, in order to discuss and resolve on the following

Agenda:

"Ordinary Part

1. Approval of the FinecoBank S.p.A. financial statements as at December 31, 2016, accompanied by the Reports of the Board of Directors and of the Auditing Company; Report of the Board of Statutory Auditors.

2. Allocation of the net profit for the year 2016 of FinecoBank S.p.A.

3. Appointment of the Board of Directors, determination of the number of Directors and determination of the duration of their term in office.

4. Pursuant to Article 20 of the By-laws, determination of the remuneration due to the Directors for their work on the Board of Directors, the Board Committees and other company bodies.

5. Appointment of the Board of Statutory Auditors.

6. Pursuant to Article 23, paragraph 17, of the By-laws, determination of the remuneration due to the Statutory Auditors and determination of the remuneration due to the Chairman of the Board of Statutory Auditors as external member of the Supervisory Body.

7. 2017 Compensation Policy.

8. Renewal of the Severance payment policy.

9. 2017 Incentive System.

10. 2017 Incentive System for Personal Financial Advisors referred to as "Identified Staff".

11. Authorization to purchase and dispose of treasury shares in order to support the 2017 PFA System for the Personal Financial Advisors. Related and consequent resolutions.

12. Renewal of the authorization to purchase and dispose of treasury shares for stock granting plan "2015 – 2017 PFA PLAN". Related and consequent resolutions.

Extraordinary Part

1. Pursuant to Article 2443 of the Italian Civil Code, delegation to the Board of Directors of the authority to resolve in 2022 to carry out a free capital increase, pursuant to Article 2349 of the Italian Civil Code, for a maximum amount of Euro 22,110.00 corresponding to up to 67,000 FinecoBank ordinary shares with a nominal value of Euro 0.33 each, with the same characteristics as those in circulation and with regular dividend entitlement, to be granted to the Personnel of FinecoBank in execution of the 2016 Incentive System; relevant amendments of the By-laws.

2. Pursuant to Article 2443 of the Italian Civil Code, delegation to the Board of Directors of the authority to resolve, on one or more occasions for a maximum period of five years starting from the date of the Shareholders' resolution, to carry out a free capital increase, pursuant to Article 2349 of the Italian Civil Code, for a maximum amount of Euro 128,700.00 (to be allocated in full to share capital at Euro 0.33 per share, corresponding to the nominal value per share), corresponding to up

to 390,000 FinecoBank ordinary shares with a nominal value of Euro 0.33 each, with the same characteristics as those in circulation and with regular dividend entitlement, to be granted to the Personnel of FinecoBank in execution of the 2017 Incentive System; relevant amendments of the By-laws.

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Attending the Meeting:

is Mr ENRICO COTTA RAMUSINO, born in Sant’Alessio con Vialone (PV), on 22 May 1959, domiciled for the office at the Registered Office of the Company (hereinafter also the “Chairman of the Meeting” or the “Chairman”), the Chairman of the Board of Directors of the above detailed Company;

of whose personal identity, I, the notary, am certain and who, after assuming the chairmanship functions, pursuant to article 10 of the By-laws, first welcomed the attendees and then declared the Shareholders’ Meeting open.

He announced and reported that, in accordance with the applicable regulations and Article 7 of the By-laws, the notice of call of the Meeting, containing its Agenda, was published on March 2, 2017 on the FinecoBank website, at the Registered Office and the Head Office of the Company, on the website of Borsa Italiana S.p.A., and on the storage mechanism managed by “Spafid Connect S.p.A.”; and that a copy of the Agenda had also been placed in the folder provided to the attendees.

He also stated that the notice of call of the Meeting had been published on March 2, 2017 in the newspapers: “Il Sole 24 Ore” and “MF”; and that the notice of call had also been announced to the market through the issue of a specific press release, on the same date.

He announced and acknowledged that the documentation regarding the various items

on the Agenda had been subject to the publication requirements established by the applicable regulations ahead of the date of the shareholders' meeting and that, therefore, the reading of that documentation would be dispensed with.

He called upon the undersigned notary, Mr. Angelo Busani to act as secretary of the Meeting and to draft the minutes of the ordinary and extraordinary sessions, in the form of a public document.

He reminded the attendees that, if necessary, simultaneous interpretation was available for English and Italian; and that any addresses to the meeting could only be made from the speaker's stand.

He informed the attendees that:

- in addition to the himself, the Meeting was being attended by the following members of the Board of Directors: Francesco Saita (Vice Chairman), Alessandro Foti (Chief Executive Officer and General Manager), Gianluigi Bertolli, Manuela D'Onofrio, Mariangela Grosoli, Pietro Angelo Guindani and Girolamo Ielo;
- for the Board of Statutory Auditors, the following Standing Auditors were attending: Gian Carlo Noris Gaccioli (Chairman), Barbara Aloisi and Marziano Viozzi;
- several members of the Senior Management of the Head Office and other Personnel of the Bank, and of the Parent Company, were also attending in order to organise and facilitate the meeting proceedings, in accordance with Article 2 of the Shareholders' Meeting Regulations;
- also pursuant to Article 2 of the Shareholders' Meeting Regulations, access had been given to experts, financial analysts and accredited trade journalists who were located in a separate room connected via a closed-circuit audio-visual system;
- Mr. Paolo Gibello Ribatto was attending, as a representative of the External

Auditors "Deloitte & Touche S.p.A.", which have been engaged to certify the Company's financial statements.

He informed the attendees that, pursuant to Article 3, paragraph 2, of the Shareholders' Meeting Regulations, the meeting proceedings would be filmed and recorded.

He reported that the subscribed and paid up share capital at the date of the Meeting amounted to Euro 200,545,403.85 (two hundred million, five hundred and forty-five thousand, four hundred and three and eighty-five cents), divided into 607,713,345 (six hundred and seven million, seven hundred and thirteen thousand, three hundred and forty-five) ordinary shares with a par value of Euro 0.33 (thirty-three cents) each.

He reported that the compliance of proxies with the provisions of Article 2372 of the Italian Civil Code and Article 135-*novies* of the Legislative Decree no. 58 dated February 24, 1998 (hereinafter, the "Consolidated Law on Finance") had been verified.

He informed the attendees that 458,513,995 (four hundred and fifty-eight million, five hundred and thirteen thousand, nine hundred and ninety-five) ordinary shares were represented at the Meeting, corresponding to 75.449058 (seventy-five point four four nine zero five eight) percent of the 607,713,345 (six hundred and seven million, seven hundred and thirteen thousand, three hundred and forty-five) shares constituting the fully paid-up and subscribed share capital at the date of the Meeting relating to 583 (five hundred and eighty-three) persons with voting rights in person or by proxy (the list of the attendees with details of their capacity as shareholders or proxies of the shareholders and the number of shares represented by each of them will be attached to these minutes drawn up for the ordinary session of the Agenda).

He noted that no proxies had been given to "Computershare S.p.A.", the company designated by FinecoBank as "Appointed Representative" in accordance with Article 135-*undecies* of the Consolidated Law on Finance.

He therefore declared that the Meeting had been duly established and was able to pass valid resolutions in single call on the items of the Agenda for the ordinary session, in accordance with the law and the By-laws.

He declared that:

• based on the content of the Shareholders' Register, as updated by notices received pursuant to the law and for checks carried out for voting eligibility, the Shareholders' Register currently reported a total of approximately 16,700 (sixteen thousand and seven hundred) shareholders;

• based on the information held by the Company, the following shareholders held over 3 (three) percent of the share capital represented by shares with voting rights:

- "**UniCredit S.p.A.**", (*i*) directly, for 215,066,403 (two hundred and fifteen million, sixty-six thousand, four hundred and three) ordinary shares, representing 35.389 (thirty-five point three eight nine) percent of the share capital, and (*ii*) indirectly, through "UniCredit Bank AG", for 219,550 (two hundred and nineteen thousand, five hundred and fifty) ordinary shares, representing 0.036 (zero point zero three six) percent of the share capital;

- "**Wellington Management Group Llp**", indirectly through (*i*) "Wellington Management International Ltd", for 1,571,283 (one million, five hundred and seventy-one thousand, two hundred and eighty-three) ordinary shares, representing 0.259 (zero point zero two five nine) percent of the share capital, and (*ii*) "Wellington Management Company Llp" for 29,976,253 (twenty-nine million, nine

hundred and seventy-six thousand, two hundred and fifty-three) ordinary shares, representing 4.933 (four point nine three three) percent of the share capital;

- "**Blackrock Inc.**" indirectly through thirteen subsidiary asset management companies, for 31,200,425 (thirty-one million, two hundred thousand, four hundred and twenty-five) shares, representing 5.134 (five point one three four) percent of the share capital.

The Chairman pointed out that, pursuant to Article 8 of the Shareholders' Meeting Regulations, the persons intending to take the floor were required to request permission at the secretary's desk. When they were called to address the meeting, they were to go to the speaker's stand only and were not allowed speak from their seat.

He informed the attendees that, in accordance with Article 17 of the Shareholders' Meeting Regulations, the voting would take place through a computerised system using the voting terminals (or "radiovoters") that had been provided to each eligible voter; and he explained that the folder given to the attendees contained instructions on how to use the voting terminal (radiovoter), which he asked them to read.

He explained that, upon each vote, and only after being invited to do so by the Chairman of the Meeting, each of the attendees could cast their vote by pressing the corresponding button on the radiovoter and confirm their choice by using the "OK" button. If the device did not function as described and for any other needs, he invited the attendees to request the help of the support personnel present in the room. He pointed out that the proxy holders and the representatives of fiduciary companies that needed to cast different votes for each resolution, were required to make this need known and to cast their votes at the specific "assisted voting stations" set up for this

purpose.

He confirmed that the electronic vote detection system produces the following documents, signed by him, that would be attached to the minutes of the Meeting:

• lists of the shareholders attending in person and by proxy, and the lists of anyone arriving at a later time or leaving the meeting;

• separate lists for the different votes;

• notification of the number of attendees in person and by proxy and other information.

He informed the attendees, that having completed this essential introduction and before moving on to the discussion of the items on the Agenda, that the "*Report on Corporate Governance and Ownership Structures pursuant to Article 123-bis of the Consolidated Law on Finance*" had been made available to the public in the manner and within the times required by law; and that the aforementioned Report was contained in the printed filed inside the folder that had been given to the attendees.

Before moving on to the presentation and discussion of the items on the Agenda, he also informed the attendees that no shareholders had exercised their right to ask questions on the matters on the Agenda of the Meeting pursuant to Article 127-ter of the Consolidated Law on Finance.

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He then ordered the meeting to move on the joint discussion of the first two items on the ordinary part of the Agenda ("**1. *Approval of the FinecoBank S.p.A. financial statements as at December 31, 2016, accompanied by the Reports of the Board of Directors and of the Auditing Company; Report of the Board of Statutory Auditors; 2. Allocation of the net profit for the year 2016 of FinecoBank S.p.A.***") due to the

close connection between them. He noted that there were no objections to this proposal and therefore invited the Chief Executive Officer and General Manager Alessandro Foti to provide a summary description of these matters, dispensing (having also noted that there were no objections in this regard from the attendees of the Meeting) with the full reading of the related Directors' Reports, given that the draft financial statements and the associated reports were available to all the attendees, in addition to having being made available to the public in the manner and within the times required by law.

The Chief Executive Officer and General Manager took the floor and, after having thanked everyone present for attending, he provided a summary of the results for the year 2016, with the aid of slides.

At the end of his presentation, the Chief Executive Officer and General Manager then read out the following resolution proposals on items 1 and 2 of the Agenda for the ordinary session:

"*Dear Shareholders*,

- *with regard to the first item on the Agenda, you are asked to approve the Financial Statements of FinecoBank S.p.A. as at December 31, 2016 as presented by the Board of Directors as a whole and in its individual entries. The Financial Statements consist of the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity, the cash flow statement, and the notes to the accounts, and are accompanied by the Directors' report on operations, earnings and the Bank's financial position. In addition, the Financial Statements folder contains the certification of the annual financial statements pursuant to Article 81-ter of Consob Regulation no. 11971 of May 14, 1999, as*

amended; the report of the Board of Statutory Auditors, pursuant to Article 153 of the Consolidated Law on Finance; the report of the external auditors pursuant to Articles 14 and 16 of Legislative Decree no. 39 of January, 27 2010;

- with regard to the second item on the Agenda, *we propose to allocate the profit of Euro 211,843,793.79 (two hundred and eleven million, eight hundred and forty-three thousand, seven hundred and ninety-three, and seventy-nine cents) as follows: (i) Euro 59,921.99 (fifty-nine thousand, nine hundred and twenty-nine, and ninety-nine cents), equal to 0.03 (zero point zero three) percent of the profit for the year, to the legal reserve, since one fifth of the share capital had been reached; Euro 41,624,135.20 (forty-one million, six hundred and twenty-four thousand, one hundred thirty-five euro and twenty cents) to the extraordinary reserve; Euro 170,159,736.60 (one hundred and seventy million, one hundred and fifty-nine thousand and seven hundred and thirty-six and sixty cents) to shareholders, corresponding to a dividend of Euro 0.28 for each of the 607,713,345 (six hundred and seven million, seven hundred and thirteen thousand and three hundred and forty-five) ordinary shares with a par value of Euro 0.33 (thirty-three cents),constituting the entire share capital, including 907,909 (nine hundred and seven thousand, nine hundred and nine) shares relating to the capital increase approved by the Board of Directors on February 7, 2017 and effective from March 31, 2017. He noted, in this regard, that the dividends not distributed in relation to any "treasury shares" held by the Bank at the record date would be transferred to the extraordinary reserve"*.

The Chief Executive Officer and General Manager then provided the disclosure required by Consob Communication no. 3558 of April 18, 1996: "*The Shareholders' Meeting of April 16, 2013 approved the recommendation, submitted by the Board of*

Statutory Auditors, for the appointment of "Deloitte & Touche S.p.A.", for the period 2013/2021, to audit the financial statements and to verify the accounting records and the correct reporting of accounting entries over the financial year; the limited auditing of the half year financial statements and the checks for the purpose of signing the tax reports of the Bank and the associated fees, on the basis of the hourly rates set at the time of the appointment, inclusive of the ISTAT cost of living adjustment, with an annual outlay for the year 2016 (net of out-of-pocket expenses, supervisory fee and VAT) of Euro 154,285 for 2,540 hours of work".

The Chairman took the floor again and asked Mr Paolo Gibello Ribatto, a partner of the audit firm "Deloitte & Touche S.p.A.", to read out the Audit Report prepared in compliance with the law and attached to the Financial Statements.

Mr Paolo Gibello Ribatto took the floor and proceeded to read out the aforementioned report. The Chairman took the floor again and invited the Chairman of the Board of Statutory Auditors to report on the content and conclusions of the Board of Statutory Auditors' Report (having dispensed with the reading out of the entire report, as there were no objections to this and the Report had been provided to all those attending and had been published in the manner and within the times required by law).

Mr. Noris Gaccioli took the floor, and summarised the conclusions of that report and took the opportunity to give his sincere thanks, stating that the Board of Statutory Auditors had found that FinecoBank had a combination of absolute value, consisting of professional diligence and efficiency on one hand, and transparency and openness to dialogue and courtesy on the other hand, which was the basis for the good operating and financial results achieved.

The Chairman of the Meeting took the floor again and thanked Mr. Gaccioli for his kind words and in turn, on behalf of the Company, thanked him and the other retiring statutory auditors for the work they had done.

He then declared that the joint examination of items 1 and 2 of the ordinary part of the Agenda had been completed; and therefore opened the floor for discussion.

He asked Mr. Leopoldo Ghibaudi to take the floor, who was asked to make his address.

Mr. Ghibaudi, in announcing his vote in favour of the approval of the resolution proposals for the first two items on the Agenda for the ordinary session, noted that banks had long been subject and required by the Italian Banking Association to maintain the utmost transparency, and he therefore expressed the wish that Fineco, with a view to increasing transparency for shareholders and customers, would provide the accounting details for the dividend credits for foreign shares based on their gross foreign amount, deducting the foreign tax and then indicating the shares gross and net of Italian tax as it does currently, without including the foreign part.

Mr. Ghibaudi, positively acknowledged the reduction in marketing costs and suggested that in the future the marketing policy should focus more on concrete aspects. In this regard, he suggested, that the reimbursement of the quarterly stamp duty that is applied when the average balance of the account exceeds Euro 5 thousand, would be an effective publicity tool.

Lastly, while waiting to find out about any additional benefits for the private customers, he noted that the latest promotional campaign involving bringing a friend to Fineco and having them open a current account, had gone from a reward as a fixed amount in euro as a bonus on trading commissions, to a fixed number of transactions,

thereby creating a disparity in rewards between the different customers. For example, between ordinary customers and Apex customers.

Lastly, he asked for explanations regarding the proposal to grant authority to the Board of Directors for a capital increase to be carried out "in" the year 2022.

The Chairman of the Meeting asked the Chief Executive Officer to answer the questions asked by Mr. Ghibaudi Leopoldo.

Mr. Foti took the floor and, after having thanked Mr. Ghibaudi for his address, stated that:

- regarding the matter of transparency, he appreciated and agreed with Mr. Ghibaudi's remarks, and, with reference to the matter of the foreign dividends, he had taken note of his remark, given that the continued improvement of the Bank's services also depended highly on the input from customers;
- with regard to the marketing policy, since as far back as 1999 the Bank has increasingly strengthened its position within its market and, in that context, the quality of services, together with offering excellent value for money are now aspects that are already firmly established in terms of customer perception. Accordingly, the management now believes that the focus should be on emotional marketing, which is considered more decisive and effective in maintaining and increasing the Bank's brand reputation. This appears to be particularly important for the private banking segment, given that Fineco is increasingly becoming the bank of choice for high-level customers, who are showing that they appreciate and prefer substance (i.e. the quality of products and services provided and value for money) over form. Accordingly, continued Mr. Foti, the marketing policy adopted was consistent with this type of approach;

- with regard to the matter of the Private Apex customers, there was no discriminatory intent but rather the desire to optimise the use of the incentives to acquire new customers;

lastly, with regard to the remark on the item on the agenda of the extraordinary session regarding the authorisation to the Board of Directors, the Chief Executive Officer and General Manager, he deferred his reply pending the receipt of more detailed information in this regard from the Bank's expert personnel. At this point he asked Mr. Mario Croce to take the floor and make his address.

Having taken the floor, Mr. Croce asked the following questions:

- first of all he asked for explanations regarding the information provided on page 12 of the financial statements and, in particular, whether the loans and receivables with banks were all with the parent company UniCredit and what return they yielded;
- he also asked for explanations regarding the "financial investments" valued in the financial statements at Euro 3 billion and Euro 700 million (and, in particular whether they were senior bonds, whether they were listed, and whether they were measured at market price or subscription price, whether they gave rise to a gain or loss, and, in general, if all of this had been reported in the financial statements); in this regard, he also asked for explanations regarding the ceiling of Euro 3.5 billion approved by the Board of Directors for the purchase of UniCredit bonds and whether these were to be added to the Euro 15 billion and 700 million shown under the item "loans and receivables with banks";
- he then asked for an update regarding the project for the development of the Bank's operations in the United Kingdom and, in particular, regarding the advice service; in this regard, he also asked whether this business would be affected by the impacts of

Brexit;

- he then asked for an update on the advice service in Italy also with respect to traditional consultancy services;

- he asked what would happen to the mortgages in euro of FinecoBank if Italy left the euro;

- he also asked whether the current accounts and demand deposits had a remuneration;

- lastly, with regard to the FinecoBank platform, he noted that several financial instruments that are listed in Milan and are, therefore very widespread, such as bonds in *Brazilian real* and the leading shares listed on the Austrian, Norwegian and Swedish markets, could not be traded through the website, and were currently only accessible through the call centre service.

The Chairman of the Meeting asked the Chief Executive Officer to answer the questions asked by Mr. Croce.

The Chief Executive Officer and General Manager took the floor, and – after having thanked Mr. Croce for his interesting questions that enable the examination of several important and useful aspects for understanding how the Bank operates – he provided the following explanations:

- with regard to the possibility of giving access to all the equity markets on the platform, with a view to maintaining simplicity and efficiency, he stated that the Company seeks to assess the level of demand and whether there is scope for reaching a minimum level of activity. However, Mr. Foti explained that, even if these requirements were met this would not, necessarily, in itself justify the implementation of these activities systems because it was unthinkable to carry out all

the projects that appear attractive in principle. That said, he explained that the Company continually monitors customer interest to assess opportunities for new investments;

- with regard to the consequences if Italy were to leave the euro, Mr. Foti noted that there were currently no definite answers and the probable scenarios were currently being studied and examined; he was therefore not in a position to provide a specific reply in this regard;

- with reference to the advice service in Italy, Mr. Foti noted that this service will increasingly expand, particularly in view of the new regulations that will enter for into force as a result of the adoption in Italy of the MifiD 2 Directive, which introduces significant changes to provide greater protection and transparency for investors, particularly in terms of costs. In this regard, he pointed out that the advice service already has these features because the customer is required to pay a specific and clear fee and therefore there are already no conflicts of interest in the remuneration system. Mr. Foti continued, noting that currently many customers were relatively insensitive to costs because they were not fully aware of the implicit fees. He then explained that, under the new regulations, financial operators will be required to pay greater attention to the direct and indirect costs applied to customers and provide more information in this regard. Accordingly, he noted that, in the future, there will be increasing room for solutions with maximum transparency in terms of costs. Mr. Foti then also added that, as a result of the above, it is reasonable to assume that the advice service will not replace all the other services, but it will certainly represent an increasing proportion due to the investment decisions made by customers;

- with regard to the update requested concerning the UK project, Mr Foti reported that, as regards timing, the last tests were currently being carried out; accordingly, the project could be considered practically ready for launch. He noted, in this regard, that the offering will be founded completely on the Italian infrastructure, using the European passport. More specifically, he pointed out that this is possible because although Brexit had been announced, until the entire exit process has been completed the European passport would remain valid and could still be used. In this regard, he reported that the execution process for Brexit did not give rise to any particular concerns for two sets of reasons: (i) on one hand, because the timeframe for the process will allow the Bank to achieve an appreciable level of success in the meantime, thanks to a very low cost structure, given that the success of the project does not require the acquisition of a very high number of customers, because several thousand would be sufficient; and (ii) on the other hand, if there were changes that prevent the Bank from using the European passport, it could, for example, obtain a UK passport. With regard to the content of the offering, the Chief Executive Officer and General Manager noted that this would exclusively involve banking, brokerage and investment services, without the aid of any financial advice;

- with regard to the request for clarifications concerning the financial investments, the Chief Executive Officer and General Manager noted, first of all, that those financial investments (page 12) consisted of European government securities. Specifically, they consisted of Italian government securities, for an amount of Euro 2.5 billion, less than Euro 100 million of French and US government securities, and Spanish government securities for the remainder.

Mr. Foti, then continued, providing the following additional clarifications: (i) with

regard to the yield on the portfolio of UniCredit securities, the interest accrued, calculated on the average volumes, was around 1.70%, whereas the yield on all the loans and receivables with UniCredit was around 1.33%; (ii) with regard to the nature of those securities, these are unlisted senior bonds; (iii) the capital gains were Euro 275 million at December 31, 2016 and amounted to Euro 330 million at the date of the meeting; in this regard, he noted that the Bank had benefited from the narrowing of the spread between the UniCredit securities and the government securities. Lastly, the Chief Executive Officer reiterated that the securities discussed above were being held for the long term, that there were not held for trading and would contribute to the net interest margin up to their maturity;

- with regard to the clarifications requested concerning the ceiling, the Chief Executive Officer and General Manager explained that this was part of the normal operations and referred to the sum of purchases of sales of UniCredit bonds that FinecoBank could carry out during the year;

- lastly, with regard to the remuneration of current accounts and deposits that is essentially zero, Mr. Foti explained that this was in line with the Bank's strategy aimed at acquiring customers through quality of services; in other words the desire is for customers to choose FinecoBank because they are attracted by the extremely high quality of the banking and brokerage platforms and the ability to benefit from the advice from personal financial advisors and not just because they are attracted by the interest rates offered; the objective is to have sustainable and lasting business over time.

The Chairman of the Meeting took the floor again and, with regard to Mr. Ghibaudi's question concerning the authorisation to the Board of Directors for the capital

increase in 2022, he confirmed the formal correctness of the wording of the related agenda item and noted that the ordinary Shareholders' Meeting of April 12, 2016 had approved the 2016 Incentive System, to be awarded to the Identified Staff of FinecoBank, over the period 2017-2022. On that date, the extraordinary Shareholders' Meeting resolved to grant the Board of Directors the authority to issue the necessary free ordinary shares to execute the 2016 System. Given that, pursuant to Article 2443 of the Italian Civil Code, the authority to the Directors to increase the capital cannot have a duration of more than five years from the date of registration of related Shareholders' resolution, when the above-mentioned resolution was discussed the Shareholders were informed that a proposal would need to be submitted to future Shareholders' Meeting for the granting of a further authority to allocate the last tranche to be executed in 2022, in accordance with the provisions of the 2016 System. As a result of the above, the proposal was being made to today's Shareholders' Meeting to grant authority to the Board of Directors, exercisable in 2022, to complete the execution of the Plan.

The Chairman of the Meeting took the floor again and declared the completion of the discussion on items 1 and 2 of the ordinary part of the Agenda and ordered the meeting to move on to the voting.

He ordered that the meeting proceed first with the voting on item 1 of the ordinary part of the Agenda, concerning the approval of the annual report and accounts at December 31, 2016.

He asked the attendees to make known any exclusions from the voting rights or limitations, in accordance with Articles 120, 121 and 122 of the Consolidated Law on Finance, and Articles 19, 20, 24 and 25 of the Consolidated Law on Banking.

Having noted that none of the attendees had reported the existence of situations blocking the voting rights, he invited all the voters to cast their vote through the radiovoter and to confirm the decision made using the “OK” button.

The voting was then carried out, at the end of which the Chairman of the Meeting declared the voting closed.

After the votes had been counted, the Chairman of the Meeting reported the following result of the voting:

- voters: 587 (five hundred and eighty-seven), representing 458,527,782 (four hundred and fifty-eight million, five hundred and twenty-seven thousand, seven hundred and eighty-two) shares, corresponding to 75.451327 percent of the share capital;
- votes in favour: 455,586,112 (four hundred and fifty-five million, five hundred and eighty-six thousand, one hundred and twelve), corresponding to 99.358453 percent of the shares eligible to vote and 74.967271 percent of the share capital;
- votes against: 84,483 (eighty-four thousand, four hundred and eighty-three), corresponding to 0.018425 percent of the shares eligible to vote and 0.013902 percent of the share capital;
- abstentions: 187 (one hundred and eighty-seven), corresponding to 0.000041 percent of the shares eligible to vote and 0.000031 percent of the share capital;
- non-voters: 2,857,000 (two million, eight hundred and fifty-seven thousand), corresponding to 0.623081 percent of the shares eligible to vote and 0.470123 percent of the share capital.

The proposal to approve of the annual report and accounts at December 31, 2016 was therefore approved by majority vote.

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The Chairman of the Meeting instructed the meeting to proceed with the voting on item 2 of the Agenda of the ordinary session, regarding the proposed allocation of the net profit of FinecoBank for the year 2016.

He asked the attendees to make known any exclusions from the voting rights or limitations, in accordance with Articles 120, 121 and 122 of the Consolidated Law on Finance, and Articles 19, 20, 24 and 25 of the Consolidated Law on Banking.

Having noted that none of the attendees had reported the existence of situations blocking the voting rights, he invited all the voters to cast their vote through the radiovoter and to confirm the decision made using the "OK" button.

The voting was then carried out, at the end of which the Chairman of the Meeting declared the voting closed.

After the votes had been counted, the Chairman of the Meeting reported the following result of the voting:

- voters: 587 (five hundred and eighty-seven), representing 458,527,782 (four hundred and fifty-eight million, five hundred and twenty-seven thousand, seven hundred and eighty-two) shares, corresponding to 75.451327 percent of the share capital;

- votes in favour: 454,702,781 (four hundred and fifty-four million, seven hundred and two thousand, seven hundred and eighty-one), corresponding to 99.165808 percent of the shares eligible to vote and 74.821918 percent of the share capital;

- votes against: 968,000 (nine hundred and sixty-eight thousand), corresponding to 0.211110 percent of the shares eligible to vote and 0.159286 percent of the share capital;

- abstentions: 1 (one), corresponding to 0.000000 percent of the shares eligible to vote and 0.000000 percent of the share capital;

- non-voters: 2,857,000 (two million, eight hundred and fifty-seven thousand), corresponding to 0.623081 percent of the shares eligible to vote and 0.470123 percent of the share capital.

The proposal for the allocation of the profit or loss for the year 2016 of FinecoBank was therefore approved by majority vote.

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The Chairman then moved to the joint discussion of items 3, 4, 5 and 6 of the ordinary part of the Agenda (**"3. Appointment of the Board of Directors, determination of the number of Directors and determination of the duration of their term in office. 4. Pursuant to Article 20 of the By-laws, determination of the remuneration due to the Directors for their work on the Board of Directors, the Board Committees and other company bodies. 5. Appointment of the Board of Statutory Auditors. 6. Pursuant to Article 23, paragraph 17, of the By-laws, determination of the remuneration due to the Statutory Auditors and determination of the remuneration due to the Chairman of the Board of Statutory Auditors as external member of the Supervisory Body"**) due to the close connection between them. He noted that there were no objections to this proposal and then proceeded to present these matters with the aid of several slides.

He reminded the attendees that, with the approval of the Financial Statements as at December 31, 2016, the Board of Directors of the Company appointed on April 15, 2014 would reach the end of its term of office; the Meeting was therefore called upon to approve the appointment of the new management body, after having established its

number of members and set its term of office. In this regard, the Chairman reminded the attendees that, pursuant to Article 13 of the By-laws and in compliance with the applicable laws and regulations, the members of the Board of Directors shall be appointed on the basis of lists submitted by the eligible parties. He also reminded the attendees that, again pursuant to Article 13 of the By-laws, the company is managed by a Board of Directors composed of a minimum of five and a maximum of thirteen members; the Members of the Board of Directors remain in office for three years (unless a shorter term is established when they are appointed) and their term of office expires on the date of the Shareholders' Meeting that approves the financial statements for the last year of their office. The Chairman also reminded the attendees that the number of members of the Board of Directors and their term of office would be established based on the proposals made by the Shareholders.

He then confirmed that, in accordance with the terms and procedures established by the applicable laws and regulations the following lists had been submitted (together with the various documents required by law and the By-laws, including the declarations regarding the absence of connecting relationships and the sheets containing the skills and experience of the candidates in line with FinecoBank's qualitative and quantitative profile, the reading of which was dispensed with because that documentation had been made available to the eligible parties in accordance with the law):

(i) **list no. 1**, submitted by UniCredit S.p.A., containing a list of seven candidates for the office of director in the following sequential order:

- Enrico Cotta Ramusino;
- Alessandro Foti;

- Francesco Saita;

- Manuela D'Onofrio;

- Maria Chiara Malaguti;

- Gian Marco Montanari; and

- Patrizia Albano;

(ii) **list no. 2**, submitted by several asset management companies and institutional investors, containing a list of two candidates in the following sequential order:

- Elena Biffi; and

- Maurizio Santacroce.

The Chairman, in relation to the establishment of the number of directors and the setting of their term of office, then informed the meeting that the shareholder UniCredit S.p.A., upon filing its list, had submitted the proposal to set a number directors to be elected at nine and to set their term of office as three years. He also noted that these proposals had been published and made available to the public together with the list and its accompanying documents. He then stated that the election of the Board of Directors would be conducted as follows, in accordance with the By-laws: (a) a number of directors equal to the number of board members, decreased by one, would be drawn, according to their sequential order of appearance on the list, from the list receiving the most votes; the remaining director shall be drawn, in sequential order, from the minority list; (b) if the majority list does not reach a sufficient number of candidates for the election of the number of directors to be appointed according to the above mechanism, all the candidates from the majority list shall be elected and the remaining directors shall be drawn from the minority list.

The Chairman then continued, reminding the attendees that the Meeting had also

been called to resolve on the remuneration for the Directors, also for the work carried out by them within the board committees and the Company's other bodies. On this point, with regard to the Directors whose term of office had just expired, he reminded the attendees that the Shareholders' Meeting of April 2014, among others, resolved to grant: (i) to the Board of Directors, a total amount of Euro 370,000 (three hundred and seventy thousand), for each year in office; (ii) to the Chairman and Vice Chairman, pursuant to Article 2389, paragraph 3, of the Italian Civil Code, a total gross annual amount equal to Euro 200,000 (two hundred thousand); (iii) to the members of the board committees a total gross annual amount equal to: Euro 20,000 (twenty thousand) for the Chairman of each Committee and Euro 15,000 (fifteen thousand) for each member of each Committee; (iv) for the participation in the Board of Directors' meetings and other Committees if any, an attendance fee equal to Euro 300 (three hundred), with the possibility of accumulating the fee if several meetings are attended in the same day. Having stated the above, he informed the attendees that the shareholder UniCredit S.p.A., upon filing its list of candidates, had submitted the proposal to renew the current regime of remuneration and attendance fees for the Directors for the work carried out by them within the Board of Directors, the board committees and the other bodies within the Company, as established by the Shareholders' Meeting of April 15, 2014 for the previous term of office, plus the benefit resulting from the premium for the insurance policy covering the civil liability of the company representatives (including the Directors) towards third parties, taken out by the parent company UniCredit S.p.A., also on behalf of its subsidiaries. He noted that this proposal had been published and made available to the public together with the list and its accompanying documents.

The Chairman then continued reminding the meeting that the current term of office for the Board of Statutory Auditors, appointed by the Shareholders' Meeting of April 15, 2014, ended with the approval of the 2016 financial statements and that, accordingly, the Meeting had been called to resolve on the appointment of the new control body, whose members, in accordance with the By-laws, would remain in office for three years and whose term of office would therefore expire upon the date of the Shareholders' Meeting called for the approval of the financial statements for the last year of their term of office. In this regard, the Chairman reminded the attendees that, pursuant to Article 23 of the By-laws, the members of the Board of Statutory Auditors shall be appointed on the basis of lists submitted by eligible parties.

He then confirmed that, in accordance with the terms and procedures established by the applicable laws and regulations, the following lists had been submitted (together with the various documents required by law and the By-laws and the declarations regarding the absence of connecting relationships, the reading of which was dispensed with because that documentation had been made available to the eligible parties in accordance with the law):

(i) **list no. 1**, submitted by the shareholder UniCredit S.p.A., containing:

the following persons, in sequential order, as candidates for the office of permanent statutory auditor:

- Barbara Aloisi;
- Marziano Viozzi; and
- Giuseppe Grazia;

and the following persons as candidates for the office of alternate statutory auditor:

- Federica Bonato; and

- Marzio Duilio Rubagotti;

(ii) **list no. 2**, submitted by several asset management companies and institutional investors, containing:

the following persons, in sequential order, as candidates for the office of permanent statutory auditor:

- Stefano Fiorini; and

- Paola Carrara;

and the following persons as candidates for the office of alternate statutory auditor:

- Elena Spagnol; and

- Giorgio Mosci.

He then stated that the members of the Board of Statutory Auditors would be elected as follows, in accordance with the By-laws: (a) two permanent Statutory Auditors and one alternate Statutory Auditor would be drawn from the list obtaining the largest number of votes, in their sequential order of appearance in the list; (b) the remaining permanent Statutory Auditor and the remaining alternate Statutory Auditor would be drawn from the minority list, with the first candidates in the relevant section elected as permanent Statutory Auditor and alternate Statutory Auditor. The Chairmanship of the Board of Statutory Auditors will be assigned to the person who is first in the section of candidates for the office of permanent statutory auditors of the minority list.

He then reminded the attendees that the Meeting had also been called to resolve on the determination of the remuneration for the members of the Board of Statutory Auditors for their entire term of office, as well as the establishment of the additional

compensation for the Chairman of the Board of Statutory Auditors as a member of the Supervisory Body; in this regard, he reminded the attendees that the Shareholders' Meeting of April 15, 2014 had resolved to grant to the Chairman of the Board of Statutory Auditors a total gross annual amount equal to Euro 50,000 (fifty thousand) and to each permanent Statutory Auditor a total gross annual amount equal to 40,000 (forty thousand), as well as an attendance fee of Euro 300.00 (three hundred) for each meeting of the Board of Statutory Auditors; he also reminded the attendees that the Shareholders' Meeting of April 12, 2016 had resolved to grant to the statutory auditor Mr. Gian-Carlo Noris Gaccioli a total gross annual amount equal to Euro 15,000 (fifteen thousand) for the office of external member of the Supervisory Body (a separate and additional remuneration to that already due to him for the office of Chairman of the Board of Statutory Auditors).

With reference to the establishment of the remuneration for the Board of Statutory Auditors, the Chairman informed the attendees that the shareholder UniCredit S.p.A., upon filing its list of candidates, had submitted the proposal to:

- renew the current regime of remuneration and attendance fees for the Chairman of the Board of Statutory Auditors and Statutory Auditors, as established by the Shareholders' Meeting of April 15, 2014, plus the benefit resulting from the premium for the insurance policy covering the civil liability of the company representatives (including the Statutory Auditors) towards third parties, taken out by the parent company UniCredit S.p.A., also on behalf of its subsidiaries;
- renew the additional gross remuneration for the Chairman of the Board of Statutory Auditors, as approved by the Shareholders' Meeting of April 12, 2016, when he was appointed as a member of the Supervisory Body.

This proposal had been published and made available to the public in accordance with the law.

He then declared that the joint examination of items 3, 4, 5 and 6 of the ordinary part of the Agenda had been completed and then opened the floor for discussion.

He asked Mr. Mario Croce to take the floor, who was asked to make his address.

Having taken the floor, Mr. Croce asked for details of the candidate directors who meet the requirements for independence, specifying the status in the context of the UniCredit's organisational structure of those that qualify as non-independent directors, and those that are members of the Supervisory Body; lastly, he asked whether the office of General Manager had a term of expiry.

The Chairman of the Meeting took the floor again and explained that, with regard to the candidates in the list submitted by the shareholder UniCredit S.p.A., the independence requirements were not met by Mr. Alessandro Foti (member of the executive management committee of UniCredit S.p.A.) and Ms. Manuela D'Onofrio (who, since October 2016, had held the role of Head of the Global Investment department for the Group and, at the date of the meeting, held another executive role in a UniCredit subsidiary). With regard to himself, the Chairman reminded the attendees that he qualified as independent in accordance with the Consolidated Law on Finance. With regard to the remaining candidates, he reminded the attendees that they had declared, upon their candidature, that they were independent in accordance with the Consolidated Law on Finance and the Corporate Governance Code for Listed Companies. Likewise, both candidates in the list submitted by the minority shareholders had declared that they were independent pursuant to the Consolidated Law on Finance and the Corporate Governance Code for Listed Companies.

With reference to the request for clarifications regarding the office of General Manager, the Chairman reminded the attendees that this office had been assigned under an open-ended executive management employment contract.

Lastly, with regard to the composition of the Supervisory Body, he reminded the attendees that it had the following members: (i) as external members, Ms. Marianna Li Calzi (as Chairman) and the Chairman of the Board of Statutory Auditors; (ii) as internal members, representatives of the Legal & Corporate Affairs, Internal Audit and Compliance functions.

The Chairman of the Meeting took the floor again and, having noted that were no more interventions, he declared the discussion on items 3, 4, 5 and 6 of the ordinary part of the Agenda completed and ordered the meeting to move on to the voting.

He instructed that, with regard to item 3 of the Agenda for the ordinary session, the proposal submitted by the Shareholder UniCredit S.p.A. to set the number of directors at 9 (nine) be put to the vote first.

He then asked the attendees to make known any exclusions from the voting rights, or restrictions, in accordance with Articles 120, 121 and 122 of the Consolidated Law on Finance and Articles 19, 20, 24 and 25 of the Consolidated Law on Banking.

Having noted that none of the attendees had reported the existence of situations blocking the voting rights, he invited all the voters to cast their vote through the radiovoter and to confirm the decision made using the “OK” button.

The voting was then carried out, at the end of which the Chairman of the Meeting declared the voting closed.

After the votes had been counted, the Chairman of the Meeting reported the following result of the voting:

- voters: 587 (five hundred and eighty-seven), representing 458,527,782 (four hundred and fifty-eight million, five hundred and twenty-seven thousand, seven hundred and eighty-two) shares, corresponding to 75.451327 percent of the share capital;
- votes in favour: 452,002,564 (four hundred and fifty-two million, two thousand, five hundred and sixty-four), corresponding to 98.576920 percent of the shares eligible to vote and 74.377594 percent of the share capital;
- votes against: 3,454,625 (three million, four hundred and fifty-four thousand, six hundred and twenty-five), corresponding to 0.753417 percent of the share capital eligible to vote and 0.568463 percent of the share capital;
- abstentions: 12,001 (twelve thousand and one), corresponding to 0.002617 percent of the share capital eligible to vote and 0.001975 percent of the share capital;
- non-voters: 3,058,592 (three million, fifty-eight thousand, five hundred and ninety-two), corresponding to 0.667046 percent of the share capital eligible to vote and 0.503295 percent of the share capital.

The resolution proposal regarding the setting of the number of directors at 9 (nine) was therefore approved by majority vote.

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The Chairman of the Meeting instructed that, again with regard to item 3 of the ordinary part of the Agenda, the proposal submitted by the Shareholder UniCredit S.p.A. to set the period of the term of office of the directors at 3 (three) years be put to the vote.

He asked the attendees to make known any exclusions from the voting rights or limitations, in accordance with Articles 120, 121 and 122 of the Consolidated Law

on Finance, and Articles 19, 20, 24 and 25 of the Consolidated Law on Banking.

Having noted that none of the attendees had reported the existence of situations blocking the voting rights, he invited all the voters to cast their vote through the radiovoter and to confirm the decision made using the "OK" button.

The voting was then carried out, at the end of which the Chairman of the Meeting declared the voting closed.

After the votes had been counted, the Chairman of the Meeting reported the following result of the voting:

- voters: 587 (five hundred and eighty-seven), representing 458,527,782 (four hundred and fifty-eight million, five hundred and twenty-seven thousand, seven hundred and eighty-two) shares, corresponding to 75.451327 percent of the share capital;
- votes in favour: 444,255,012 (four hundred and forty-four million, two hundred and fifty-five thousand and twelve), corresponding to 96.887262 percent of the shares eligible to vote and 73.102724 percent of the share capital;
- votes against: 3,334,177 (three million, three hundred and thirty-four thousand, one hundred and seventy-seven), corresponding to 0.727148 percent of the shares eligible to vote and 0.548643 percent of the share capital;
- abstentions: 7,880,001 (seven million, eight hundred and eighty thousand and one), corresponding to 1.718544 percent of the share capital eligible to vote and 1.296664 percent of the share capital;
- non-voters: 3,058,592 (three million, fifty-eight thousand, five hundred and ninety-two), corresponding to 0.667046 percent of the share capital eligible to vote and 0.503295 percent of the share capital.

The resolution proposal regarding setting the term of office of the directors at 3 (three) years was therefore approved by majority vote.

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The Chairman of the Meeting instructed that, again with regard to item 3 of the ordinary part of the Agenda, the proposal regarding the appointment of the new Board of Directors be put to the vote.

He asked the attendees to make known any exclusions from the voting rights, or restrictions, in accordance with Articles 120, 121 and 122 of the Consolidated Law on Finance, and Articles 19, 20, 24 and 25 of the Consolidated Law on Banking.

Having noted that none of the attendees had reported the existence of situations blocking the voting rights, he invited all the voters to cast their vote through the radiovoter, specifying that those who wished to vote in favour of list no. 1 had to press button 1 and those who wished to vote in favour of list no. 2 had to press button 2 and then confirm the decision made using the “OK” button.

The voting was then carried out, at the end of which the Chairman of the Meeting declared the voting closed.

After the votes had been counted, the Chairman of the Meeting reported the following result of the voting:

- voters: 587 (five hundred and eighty-seven), representing 458,527,782 (four hundred and fifty-eight million, five hundred and twenty-seven thousand, seven hundred and eighty-two) shares, corresponding to 75.451327 percent of the share capital;

- votes against: 498,232 (four hundred and ninety-eight thousand, two hundred and thirty-two), corresponding to 0.108659 percent of the share capital eligible to vote

and 0.081985 percent of the share capital;

- abstentions: 98,429 (ninety-eight thousand, four hundred and twenty-nine), corresponding to 0.021466 percent of the share capital eligible to vote and 0.016197 percent of the share capital;

- non-voters: 201,592 (two hundred and one thousand, five hundred and ninety-two), corresponding to 0.043965 percent of the share capital eligible to vote and 0.033172 percent of the share capital;

- votes in favour of list no. 1: 255,055,509 (two hundred and fifty-five million, fifty-five thousand, five hundred and nine), corresponding to 55.624876 percent of the shares eligible to vote and 41.969707 percent of the share capital;

- votes in favour of list no. 2: 202,674,020 (two hundred and two million, six hundred and seventy-four thousand and twenty), corresponding to 44.201034 percent of the shares eligible to vote and 33.350266 percent of the share capital.

The Chairman therefore announced that following had been elected, in accordance with provisions of law and Article 13 of the By-laws:

(i) from list no. 1, submitted by the shareholder UniCredit S.p.A., that had obtained the majority of the votes:

- Enrico Cotta Ramusino, born in Sant'Alessio con Vialone (PV), on May 22, 1959, domiciled for the office at the registered office of FinecoBank S.p.A., fiscal code number CTTNRC59E22I213Q;

- Alessandro Foti, born in Milan, on August 31, 1960, domiciled for the office at the registered office of FinecoBank S.p.A., fiscal code number FTOLSN60M31F205I;

- Francesco Saita, born in Milan, on October 15, 1967, domiciled for the office at the registered office of FinecoBank S.p.A., fiscal code number STAFNC67R15F205W;

- Manuela D'Onofrio, born in Rome, on January 23, 1962, domiciled for the office at the registered office of FinecoBank S.p.A., fiscal code number DNFMNL62A63H501X;

- Maria Chiara Malaguti, born in Bologna, on February 26, 1964, domiciled for the office at the registered office of FinecoBank S.p.A., fiscal code number MLGMCH64B66A944M;

- Gianmarco Montanari, born in Novara, on April 20, 1972, domiciled for the office at the registered office of FinecoBank S.p.A., fiscal code number MNTGMR72D20F952V;

- Patrizia Albano, born in Naples, on August 29, 1953, domiciled for the office at the registered office of FinecoBank S.p.A., fiscal code number LBNPRZ53M69F839A;

(ii) the remaining two members taken from the list submitted by several asset management companies and institutional investors voted by the minority shareholders, and namely the following:

- Elena Biffi, born in Milan, on January 27, 1966, domiciled for the office at the registered office of FinecoBank S.p.A., fiscal code number BFFLNE66A67F205R;

- Maurizio Santacroce, born in Bari, on August 27, 1971, domiciled for the office at the registered office of the FinecoBank S.p.A., fiscal code number SNTMRZ71M27A662J.

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The Chairman of the Meeting ordered the voting to be carried out on item 4 of the ordinary part of the Agenda concerning the determination, in accordance with Article 20 of the By-laws, of the remuneration for the Directors for their work on the Board of Directors, the Board Committees and other company bodies.

He asked the attendees to make known any exclusions from the voting rights, or restrictions, in accordance with Articles 120, 121 and 122 of the Consolidated Law on Finance, and Articles 19, 20, 24 and 25 of the Consolidated Law on Banking.

Having noted that none of the attendees had reported the existence of situations blocking the voting rights, he first put to the vote the proposal submitted by the Shareholder UniCredit S.p.A. to renew the current regime of remuneration and attendance fees for the Directors already established by the Shareholders' Meeting for the previous term of office and invited all the voters to cast their vote through the radiovoter and to confirm the decision made using the "OK" button.

The voting was then carried out, at the end of which the Chairman of the Meeting declared the voting closed.

After the votes had been counted, the Chairman of the Meeting reported the following result of the voting:

- voters: 587 (five hundred and eighty-seven), representing 458,527,782 (four hundred and fifty-eight million, five hundred and twenty-seven thousand, seven hundred and eighty-two) shares, corresponding to 75.451327 percent of the share capital;
- votes in favour: 452,325,419 (four hundred and fifty-two million, three hundred and twenty-five thousand, four hundred and nineteen), corresponding to 98.647331 percent of the shares eligible to vote and 74.430720 percent of the share capital;
- votes against: 3,331,551 (three million, three hundred and thirty-one thousand, five hundred and fifty-one), corresponding to 0.726576 percent of the shares eligible to vote and 0.548211 percent of the share capital;
- abstentions: 13,812 (thirteen thousand, eight hundred and twelve), corresponding to

0.003012 percent of the share capital eligible to vote and 0.002273 percent of the share capital;

- non-voters: 2,857,000 (two million, eight hundred and fifty-seven thousand), corresponding to 0.623081 percent of the shares eligible to vote and 0.470123 percent of the share capital.

The proposal was therefore approved by majority vote that had been made by the Shareholder UniCredit to renew the current regime of remuneration and attendance fees for the Directors for the work carried out by them within the Board of Directors, the board committees and the other bodies within the Company, as established by the Shareholders' Meeting for the previous term of and therefore to: *(i)* award the Board of Directors a total amount of Euro 370,000 (three hundred and seventy thousand), for each year in office; *(ii)* set the gross total annual remuneration for the Directors appointed as Chairman and Vice Chairman, pursuant to Article 2389, paragraph 3, of the Italian Civil Code, at Euro 200,000 (two hundred thousand); *(iii)* set the following annual gross remuneration, for the members of any board committees established: Euro 20,000 (twenty thousand) for the Chairman of the Committee and Euro 15,000 (fifteen thousand) for each member; *(iv)* set an attendance fee, for the participation in the Board of Directors' meetings and other meetings of any board committees established, of Euro 300 (three hundred), with the possibility of accumulating the fee if several meetings are attended in the same day.

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The Chairman ordered the meeting to proceed with the voting on item 5 of the ordinary part of the Agenda, regarding appointment of the Board of Statutory Auditors.

He asked the attendees to make known any exclusions from the voting rights, or restrictions, in accordance with Articles 120, 121 and 122 of the Consolidated Law on Finance, and Articles 19, 20, 24 and 25 of the Consolidated Law on Banking.

Having noted that none of the attendees had reported the existence of situations blocking the voting rights, he invited all the voters to cast their vote through the radiovoter, specifying that those who wished to vote in favour of list no. 1 had to press button 1 and those who wished to vote in favour of list no. 2 had to press button 2 and then confirm the decision made using the "OK" button.

The voting was then carried out, at the end of which the Chairman of the Meeting declared the voting closed.

After the votes had been counted, the Chairman of the Meeting reported the following result of the voting:

- voters: 587 (five hundred and eighty-seven), representing 458,527,782 (four hundred and fifty-eight million, five hundred and twenty-seven thousand, seven hundred and eighty-two) shares, corresponding to 75.451327 percent of the share capital;
- votes against: zero, corresponding to zero percent of the shares eligible to vote and zero percent of the share capital;
- abstentions: 99,688 (ninety-nine thousand, six hundred and eighty-eight), corresponding to 0.021741 percent of the shares eligible to vote and 0.016404 percent of the share capital;
- non-voters: 2,494,561 (two million, four hundred and ninety-four thousand, five hundred and sixty-one), corresponding to 0.544037 percent of the shares eligible to vote and 0.410483 percent of the share capital.

- votes in favour of list no. 1: 368,868,120 (three hundred and sixty-eight million, eight hundred and sixty-eight thousand, one hundred and twenty), corresponding to 80.446188 percent of the shares eligible to vote and 60.697716 percent of the share capital;

- votes in favour of list no. 2: 87,065,413 (eighty-seven million, sixty-five thousand, four hundred and thirteen), corresponding to 18.988034 percent of the shares eligible to vote and 14.326724 percent of the share capital.

He stated, therefore, that the following persons had been elected as members of the Board of Statutory Auditors of FinecoBank, in accordance with the provisions of law and Article 23 of the By-laws:

- Stefano Fiorini, born in Genoa, on July 15, 1969, domiciled for the office at the registered office of FinecoBank S.p.A., fiscal code number FRNSFN69L15D969F (who assumed the office of Chairman of the Board of Statutory Auditors);

- Barbara Aloisi, born in Cervia (RA), on June 6, 1967, domiciled for the office at the registered office of FinecoBank S.p.A., fiscal code number LSABBR67H46C553W;

- Marziano Viozzi, born in Fara Gera D'Adda (BG), on August 20, 1946, domiciled for the office at the registered office of FinecoBank S.p.A., fiscal code number VZZMZN46M20D490I;

as permanent statutory auditors; and:

- Federica Bonato, born in Conegliano (TV), on November 25, 1955, domiciled for the office at the registered office of FinecoBank S.p.A., fiscal code number BNTFRC55S65C957G;

- Elena Spagnol, born in Turin on February 14, 1968, domiciled for the office at the registered office of the FinecoBank S.p.A., fiscal code number

SPGLNE68B54L219W;

as alternate statutory auditors.

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The Chairman ordered that the meeting proceed with the voting on item 6 of the ordinary part of the Agenda, concerning the proposed determination, pursuant to Article 23, paragraph 17 of the By-laws, of the remuneration for the Statutory Auditors and determination of the remuneration for the Chairman of the Board of Statutory Auditors as an external member of the Supervisory Body.

He asked the attendees to make known any exclusions from the voting rights, or restrictions, in accordance with Articles 120, 121 and 122 of the Consolidated Law on Finance, and Articles 19, 20, 24 and 25 of the Consolidated Law on Banking.

Having noted that none of the attendees had reported the existence of situations blocking the voting rights, he first put to the vote the proposal submitted by the Shareholder UniCredit S.p.A. to renew the current regime of remuneration and attendance fees for the Statutory Auditors already established by the Shareholders' Meeting for the previous term of office including the additional remuneration for the Chairman of the Board of Statutory Auditors as a member of the Supervisory Body, and invited all the voters to cast their vote through the radiovoter and to confirm the decision made using the “OK” button.

The voting was then carried out, at the end of which the Chairman of the Meeting declared the voting closed.

After the votes had been counted, the Chairman of the Meeting reported the following result of the voting:

- voters: 587 (five hundred and eighty-seven), representing 458,527,782 (four

hundred and fifty-eight million, five hundred and twenty-seven thousand, seven hundred and eighty-two) shares, corresponding to 75.451327 percent of the share capital;

- votes in favour: 452,313,419 (four hundred and fifty-two million, three hundred and thirteen thousand, four hundred and nineteen), corresponding to 98.644714 percent of the shares eligible to vote and 74.428746 percent of the share capital;

- votes against: 3,331,550 (three million, three hundred and thirty-one thousand, five hundred and fifty), corresponding to 0.726575 percent of the shares eligible to vote and 0.548211 percent of the share capital;

- abstentions: 25,813 (twenty-five thousand, eight hundred and thirteen), corresponding to 0.005630 percent of the shares eligible to vote and 0.004248 percent of the share capital;

- non-voters: 2,857,000 (two million, eight hundred and fifty-seven thousand), corresponding to 0.623081 percent of the shares eligible to vote and 0.4701233 percent of the share capital.

The proposal was therefore approved by majority vote that had been made by the Shareholder UniCredit S.p.A. to renew the current regime of remuneration and attendance fees for the Statutory Auditors including the additional remuneration for the Chairman of the Board of Statutory Auditors as a member of the Supervisory Body and therefore: (i) to grant to the Chairman of the Board of Statutory Auditors a total gross annual amount equal to Euro 50,000 (fifty thousand) and to each permanent Auditor a total gross annual amount equal to 40,000 (forty thousand), as well as an attendance fee of Euro 300.00 (three hundred) for each Board meeting; and (ii) to grant to the Chairman of the Board of Statutory Auditors a total gross

annual amount equal to Euro 15,000 (fifteen thousand) for the office of external member of the Supervisory Body, as separate and additional remuneration to that already due to him for the office of Chairman of the Board of Statutory Auditors.

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The Chairman of the Meeting then ordered to the joint discussion of items 7, 8, 9, 10, 11 and 12 of the ordinary part of the Agenda (**"7. 2017 Compensation Policy. 8. Renewal of the Severance payment policy. 9. 2017 Incentive System. 10. 2017 Incentive System for Personal Financial Advisors referred to as "Identified Staff". 11. Authorization to purchase and dispose of treasury shares in order to support the 2017 PFA System for the Personal Financial Advisors. Related and consequent resolutions. 12. Renewal of the authorization to purchase and dispose of treasury shares for stock granting plan "2015 – 2017 PFA PLAN". Related and consequent resolutions"**) due to the close connection between them. He noted that there were no objections to this proposal and he proceeded to present these matters.

Since there were no objections regarding the proposal made to jointly address the aforementioned items, he informed the attendees that, with regard to *(i)* the authorisation to purchase and dispose of treasury shares, to service the 2017 Incentive System for Financial Advisors designated as "Identified Staff" and *(ii)* the renewal of the authorisation to purchase and dispose of treasury shares for the "2015-2017 PFA PLAN" stock granting plan, the process for the granting of the necessary authorisation by the European Central Bank had successfully been completed.

The Chairman then asked the Chief Executive Officer and General Manager to briefly illustrate the key elements of the proposed resolutions, given that the folders

containing the related Directors' Reports and the 2017 Compensation Policy had been distributed to all those attending and had been published in accordance with the conditions and times required by law.

He also pointed out that the Compensation Policy includes the information document on the "2017 Incentive System" and on the "Incentive System for Personal Financial Advisors designated as Identified Staff", submitted for the approval at the current Meeting, as well as the Annual Compensation Report.

The Chairman then handed over the floor to the Chief Executive Officer and General Manager.

The Chief Executive Officer and General Manager took the floor and presented the Directors' Reports on items 7, 8, 9, 10, 11 and 12 of the ordinary part of the Agenda.

At the end of his presentation, the Chief Executive Officer and General Manager then read out the resolution proposals approving the contents of the Directors' Reports prepared by the Board of Directors:

- with regard to item 7 of the ordinary part of the Agenda:

"*1. to approve the "2017 Compensation Policy" of FinecoBank, as contained in the attached document which forms an integral part of the present Report, in order to define the principles and standards that FinecoBank shall apply to the definition, implementation and monitoring of compensation policy and remuneration plans throughout the organization for the members of the Board of Directors, for employee and for selected Personal Financial Advisors of the Company;*

2. to grant to the Chairman and the Chief Executive Officer and General Manager, also separately, all necessary power of attorney to make any additions and/or modifications to the above 2017 Compensation Policy that will be eventually

required by the regulators or changes of the Group Policy made by the Shareholders' Meeting of UniCredit that will be called to approve the 2016 Financial Report, which would render 2017 Policy of FinecoBank no longer consistent with that of the Group";

- with regard to item 8 of the ordinary part of the Agenda:

"*1. to approve the renewal of "FinecoBank Termination Payment Policy", as per the attached document and which form an integral part of this Report, in order to define the general principles, the limits, the criteria and procedures for payment of compensation to be granted in the case of early termination of the employment relationship or early termination of the position;*

2. to grant to the Chairman and the Chief Executive Officer and General Manager, also separately, every opportune power of attorney to make any additions and/or modifications to the above Policy that will be eventually required by the regulators or changes of the Group Policy made by the Shareholders' Meeting of UniCredit that will be called to approve the 2016 Financial Report, which would render 2017 Termination Payment Policy of FinecoBank no longer consistent with that of the Group";

- with regard to item 9 of the ordinary part of the Agenda:

"*1. to adopt the 2017 Incentive System which provides for the allocation of an incentive, in cash and/or Fineco free ordinary shares, to be performed by April 2023, to selected FinecoBank beneficiaries in the manner and terms described above;*

2. to grant to the Chairman and the Chief Executive Officer and General Manager, also separately, all necessary power of attorney to implement the present approval and the documents which represents part of it, also rendering any amendments

and/or integrations which should be necessary to enact the present decisions of today's Shareholders' Meeting (without substantially changed the content of the decisions)";

- with regard to item 10 of the ordinary part of the Agenda:

"*1. to adopt the 2017 Incentive System for Personal Financial Advisors (PFA) Identified Staff which provides for the allocation of an incentive in cash and/or FinecoBank ordinary shares, to be performed by July 2022, to selected PFA beneficiaries in the manner and terms described above;*

2. to grant to the Chairman and to the Chief Executive Officer and General Manager, also separately, every opportune power of attorney to implement the present resolution and the documents which represent part of it, also rendering any amendments and/or integrations which should be necessary to enact the present deliberations of today's Shareholders' Meeting (not changing substantially the content of the resolutions)";

- with regard to item 11 of the ordinary part of the Agenda:

"*1. to authorize the purchase and the dispose of a maximum of number 346,000 treasury shares, equal to a nominal value of Eur 0.33 each, for the purposes of "2017 PFA System" under the terms and conditions described above, considering that buy back operations of treasury shares could be executed after having received the necessary authorization of the Regulator, according to articles 77-78 Reg. UE n°575/2013 (CRR) dated June 26th, 2013;*

2. to grant to the Board of Directors and consequently to the Chairman and to the Chief Executive Officer and General Manager, also separately, every opportune power of attorney to implement the present resolution and to communicate to the

market, in accordance with applicable regulations";

- with regard to item 12 of the ordinary part of the Agenda:

"*1. to authorize the purchase and the dispose of a maximum nr. of 5,520,000 treasury shares, equal to a nominal value of Eur 0.33 each, for the purposes of "2015 – 2017 PFA PLAN" under the terms and conditions described above, considering that buy back operations of treasury shares could be executed after having received the necessary authorization of the Regulator, according to articles 77-78 Reg. UE n°575/2013 (CRR) dated June 26th, 2013;*

2. to grant to the Board of Directors and consequently to the Chairman and to the Chief Executive Officer and General Manager, also separately, every opportune power of attorney to implement the present resolution and to communicate to the market, in accordance with applicable regulations".

The Chairman took the floor of the Meeting again and declared that this had concluded the joint examination of items 7, 8, 9, 10, 11 and 12 of the ordinary part of the Agenda, and he then opened the floor for discussion.

Having noted that no one had requested to address the meeting, he declared the completion of the discussion on items 7, 8, 9, 10, 11 and 12 of the ordinary part of the Agenda and ordered the meeting to move on to the voting.

He ordered that the meeting proceed first with the voting on item 7 of the ordinary part of the Agenda, read out above, concerning the proposal for the approval of the 2017 Compensation Policy, also pursuant to Article 123-ter of the Consolidated Law on Finance.

He asked the attendees to make known any exclusions from the voting rights, or restrictions, in accordance with Articles 120, 121 and 122 of the Consolidated Law

on Finance, and Articles 19, 20, 24 and 25 of the Consolidated Law on Banking.

Having noted that none of the attendees had reported the existence of situations blocking the voting rights, he invited all the voters to cast their vote through the radiovoter and to confirm the decision made using the "OK" button.

The voting was then carried out, at the end of which the Chairman of the Meeting declared the voting closed.

After the votes had been counted, the Chairman of the Meeting reported the following result of the voting:

- voters: 586 (five hundred and eighty-six), representing 458,497,782 (four hundred and fifty-eight million, four hundred and ninety-seven thousand, seven hundred and eighty-two) shares, corresponding to 75.446390 percent of the share capital;
- votes in favour: 435,489,530 (four hundred and thirty-five million, four hundred and eighty-nine thousand, five hundred and thirty), corresponding to 94.981818 percent of the shares eligible to vote and 71.660353 percent of the share capital;
- votes against: 11,336,390 (eleven million, three hundred and thirty-six thousand, three hundred and ninety), corresponding to 2.472507 percent of the shares eligible to vote and 1.865417 percent of the share capital;
- abstentions: 8,130,291 (eight million, one hundred and thirty thousand, two hundred and ninety-one), corresponding to 1.773245 percent of the shares eligible to vote and 1.337850 percent of the share capital;
- non-voters: 3,541,571 (three million, five hundred and forty-one thousand, five hundred and seventy-one), corresponding to 0.772429 percent of the share capital eligible to vote and 0.582770 percent of the share capital.

The resolution proposal concerning the proposed to approve the 2017 Compensation

Policy, also pursuant to Article 123 of the Consolidated Law on Finance, was therefore approved by majority vote.

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The Chairman of the Meeting ordered the meeting to proceed with the voting on item 8 of the ordinary part of the Agenda, regarding the proposal to renew the severance payments policy that had been read out above.

He asked the attendees to make known any exclusions from the voting rights, or restrictions, in accordance with Articles 120, 121 and 122 of the Consolidated Law on Finance, and Articles 19, 20, 24 and 25 of the Consolidated Law on Banking.

Having noted that none of the attendees had reported the existence of situations blocking the voting rights, he invited all the voters to cast their vote through the radiovoter and to confirm the decision made using the "OK" button.

The voting was then carried out, at the end of which the Chairman of the Meeting declared the voting closed.

After the votes had been counted, the Chairman of the Meeting reported the following result of the voting:

- voters: 586 (five hundred and eighty-six), representing 458,497,782 (four hundred and fifty-eight million, four hundred and ninety-seven thousand, seven hundred and eighty-two) shares, corresponding to 75.446390 percent of the share capital;
- votes in favour: 428,736,077 (four hundred and twenty-eight million, seven hundred and thirty-six thousand and seventy-seven), corresponding to 93.508866 percent of the shares eligible to vote and 70.549064 percent of the share capital;
- votes against: 26,214,321 (twenty-six million, two hundred and fourteen thousand, three hundred and twenty-one), corresponding to 5.717437 percent of the shares

eligible to vote and 4.313600 percent of the share capital;

- abstentions: 5,813 (five thousand, eight hundred and thirteen), corresponding to 0.001268 percent of the shares eligible to vote and 0.000957 percent of the share capital;

- non-voters: 3,541,571 (three million, five hundred and forty-one thousand, five hundred and seventy-one), corresponding to 0.772429 percent of the share capital eligible to vote and 0.582770 percent of the share capital.

The resolution proposal concerning the proposed renewal of the severance payments policy was therefore approved by majority vote.

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The Chairman of the Meeting ordered the meeting to proceed with the voting on item 9 of the ordinary part of the Agenda, regarding the proposal to approve the 2017 Incentive System as read out above.

He asked the attendees to make known any exclusions from the voting rights, or restrictions, in accordance with Articles 120, 121 and 122 of the Consolidated Law on Finance, and Articles 19, 20, 24 and 25 of the Consolidated Law on Banking.

Having noted that none of the attendees had reported the existence of situations blocking the voting rights, he invited all the voters to cast their vote through the radiovoter and to confirm the decision made using the “OK” button.

The voting was then carried out, at the end of which the Chairman of the Meeting declared the voting closed.

After the votes had been counted, the Chairman of the Meeting reported the following result of the voting:

- voters: 586 (five hundred and eighty-six), representing 458,497,782 (four hundred

and fifty-eight million, four hundred and ninety-seven thousand, seven hundred and eighty-two) shares, corresponding to 75.446390 percent of the share capital;

- votes in favour: 444,143,968 (four hundred and forty-four million, one hundred and forty-three thousand, nine hundred and sixty-eight), corresponding to 96.869382 percent of the shares eligible to vote and 73.084452 percent of the share capital;

- votes against: 3,424,842 (three million, four hundred and twenty-four thousand, eight hundred and forty-two), corresponding to 0.746970 percent of the share capital eligible to vote and 0.563562 percent of the share capital;

- abstentions: 8,071,972 (eight million, seventy-one thousand, nine hundred and seventy-two), corresponding to 1.760526 percent of the shares eligible to vote and 1.328253 percent of the share capital;

- non-voters: 2,857,000 (two million, eight hundred and fifty-seven thousand), corresponding to 0.623122 percent of the shares eligible to vote and 0.470123 percent of the share capital.

The resolution proposal concerning the proposed approval of the 2017 Incentive System was therefore approved by majority vote.

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The Chairman ordered the meeting to proceed with the voting on item 10 of the ordinary part of the Agenda, regarding the proposal to approve the 2017 Incentive System for Financial Advisors designated as “Identified Staff” as read out above.

He asked the attendees to make known any exclusions from the voting rights, or restrictions, in accordance with Articles 120, 121 and 122 of the Consolidated Law on Finance, and Articles 19, 20, 24 and 25 of the Consolidated Law on Banking.

Having noted that none of the attendees had reported the existence of situations

blocking the voting rights, he invited all the voters to cast their vote through the radiovoter and to confirm the decision made using the “OK” button.

The voting was then carried out, at the end of which the Chairman of the Meeting declared the voting closed.

After the votes had been counted, the Chairman of the Meeting reported the following result of the voting:

- voters: 586 (five hundred and eighty-six), representing 458,497,782 (four hundred and fifty-eight million, four hundred and ninety-seven thousand, seven hundred and eighty-two) shares, corresponding to 75.446390 percent of the share capital;
- votes in favour: 452,832,355 (four hundred and fifty-two million, eight hundred and thirty-two thousand, three hundred and fifty-five), corresponding to 98.764350 percent of the shares eligible to vote and 74.514137 percent of the share capital;
- votes against: 2,798,753 (two million, seven hundred and ninety-eight thousand, seven hundred and fifty-three), corresponding to 0.610418 percent of the shares eligible to vote and 0.460538 percent of the share capital
- abstentions: 9,674 (nine thousand, six hundred and seventy-four), corresponding to 0.002110 percent of the shares eligible to vote and 0.001592 percent of the share capital;
- non-voters: 2,857,000 (two million, eight hundred and fifty-seven thousand), corresponding to 0.623122 percent of the shares eligible to vote and 0.470123 percent of the share capital.

The resolution proposal concerning the proposed to approve the 2017 Incentive System for Financial Advisors designated as “Identified staff” was therefore approved by majority vote.

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The Chairman ordered the meeting to proceed with the voting on item 11 of the ordinary part of the Agenda, regarding the proposal for the authorisation to purchase and dispose of treasury shares, to service the 2017 Incentive System for Financial Advisors designated as “Identified Staff”, as read out above.

He asked the attendees to make known any exclusions from the voting rights, or restrictions, in accordance with Articles 120, 121 and 122 of the Consolidated Law on Finance, and Articles 19, 20, 24 and 25 of the Consolidated Law on Banking.

Having noted that none of the attendees had reported the existence of situations blocking the voting rights, he invited all the voters to cast their vote through the radiovoter and to confirm the decision made using the “OK” button.

The voting was then carried out, at the end of which the Chairman of the Meeting declared the voting closed.

After the votes had been counted, the Chairman of the Meeting reported the following result of the voting:

- voters: 586 (five hundred and eighty-six), representing 458,497,782 (four hundred and fifty-eight million, four hundred and ninety-seven thousand, seven hundred and eighty-two) shares, corresponding to 75.446390 percent of the share capital;
- votes in favour: 454,063,254 (four hundred and fifty-four million, sixty-three thousand, two hundred and fifty-four), corresponding to 99.032814 of the shares eligible to vote and 74.716683 percent of the share capital;
- votes against: 1,571,715 (one million, five hundred and seventy-one thousand, seven hundred and fifteen), corresponding to 0.342797 percent of the shares eligible to vote and 0.258628 percent of the share capital;

- abstentions: 5,813 (five thousand, eight hundred and thirteen), corresponding to 0.001268 percent of the shares eligible to vote and 0.000957 percent of the share capital;

- non-voters: 2,857,000 (two million, eight hundred and fifty-seven thousand), corresponding to 0.623122 percent of the shares eligible to vote and 0.470123 percent of the share capital.

The resolution proposal regarding the proposal for authorisation for the purchase and disposal of treasury shares to service the 2017 Incentive System for Financial Advisors was therefore approved by majority vote.

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The Chairman ordered the meeting to proceed with the voting on item 12 of the ordinary part of the Agenda, regarding the proposal to renew the authorisation to purchase and dispose of treasury shares for the stock granting plan “2015-2017 PFA PLAN” as read out above.

He asked the attendees to make known any exclusions from the voting rights, or restrictions, in accordance with Articles 120, 121 and 122 of the Consolidated Law on Finance, and Articles 19, 20, 24 and 25 of the Consolidated Law on Banking.

Having noted that none of the attendees had reported the existence of situations blocking the voting rights, he invited all the voters to cast their vote through the radiovoter and to confirm the decision made using the “OK” button.

The voting was then carried out, at the end of which the Chairman of the Meeting declared the voting closed.

After the votes had been counted, the Chairman of the Meeting reported the following result of the voting:

- voters: 578 (five hundred and seventy-eight), representing 455,585,405 (four hundred and fifty-five million, five hundred and eighty-five thousand, four hundred and five) shares, corresponding to 74.967155 percent of the share capital;
- votes in favour: 357,041,856 (three hundred and fifty-seven million, forty-one thousand, eight hundred and fifty-six), corresponding to 78.369907 percent of the shares eligible to vote and 58.751689 percent of the share capital;
- votes against: 95,680,736 (nine hundred and fifty-six million, eight hundred and seven thousand, three hundred and sixty), corresponding to 21.001712 percent of the shares eligible to vote and 15.744386 percent of the share capital;
- abstentions: 5,813 (five thousand, eight hundred and thirteen), corresponding to 0.001276 percent of the shares eligible to vote and 0.000957 percent of the share capital;
- non-voters: 2,857,000 (two million, eight hundred and fifty-seven thousand), corresponding to 0.627105 percent of the shares eligible to vote and 0.470123 percent of the share capital.

The resolution proposal regarding the renewal of the authorisation to purchase and dispose of treasury shares for the stock granting plan “2015-2017 PFA PLAN”.

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The Chairman declared that this completed the discussion of the ordinary part of the Agenda and ordered the meeting to move on (at 12.31 pm - twelve thirty one) to the extraordinary part of the:

1. Pursuant to Article 2443 of the Italian Civil Code, delegation to the Board of Directors of the authority to resolve in 2022 to carry out a free capital increase, pursuant to Article 2349 of the Italian Civil Code, for a maximum amount of

Euro 22,110.00 corresponding to up to 67,000 FinecoBank ordinary shares with a nominal value of Euro 0.33 each, with the same characteristics as those in circulation and with regular dividend entitlement, to be granted to the Personnel of FinecoBank in execution of the 2016 Incentive System; relevant amendments of the By-laws.

2. Pursuant to Article 2443 of the Italian Civil Code, delegation to the Board of Directors of the authority to resolve, on one or more occasions for a maximum period of five years starting from the date of the Shareholders' resolution, to carry out a free capital increase, pursuant to Article 2349 of the Italian Civil Code, for a maximum amount of Euro 128,700.00 (to be allocated in full to share capital at Euro 0.33 per share, corresponding to the nominal value per share), corresponding to up to 390,000 FinecoBank ordinary shares with a nominal value of Euro 0.33 each, with the same characteristics as those in circulation and with regular dividend entitlement, to be granted to the Personnel of FinecoBank in execution of the 2017 Incentive System; relevant amendments of the By-laws.

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[*The minuting of the extraordinary part of the Agenda has been omitted at this point, because this has been minuted in a specific set of separate minutes prepared by me on April 18, 2017, file no. 38.809/17.909, in good time for their registration.*]

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There being nothing else to resolve on and no one else asking to take the floor, the Chairman thanked the attendees and declared the Shareholders' Meeting ended, at 12:55 pm (twelve fifty five).

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The following documents are attached to these minutes (having dispensed with reading them in accordance with the specific request of the person appearing before me):

- as “A”, the list of attendees at the start of the Meeting;

- as “B”, the 2016 Financial Statements, with the attached related reports and the Report on Corporate Governance and Ownership Structures;

- as “C”, the Directors’ Report on items 1, 2, 3, 4, 5 and 6 of the ordinary part of the Agenda;

- as “D”, the Directors’ Report on items 7, 8, 9, 10, 11 and 12 of the ordinary part of the Agenda;

as “E”, the document containing the “2017 Compensation Policy” and its attachments;

- as “F”, the document containing the “Severance payments policy”;

- as “G”, the result of the voting on item 1 of the ordinary part of the Agenda;

- as “H”, the result of the voting on item 2 of the ordinary part of the Agenda;

- as “I”, the result of the voting on item 3 of the ordinary part of the Agenda;

- as “J”, the result of the voting on item 4 of the ordinary part of the Agenda;

- as “K”, the result of the voting on item 5 of the ordinary part of the Agenda;

- as “L”, the result of the voting on item 6 of the ordinary part of the Agenda;

- as “M”, the result of the voting on item 7 of the ordinary part of the Agenda;

- as “N”, the result of the voting on item 8 of the ordinary part of the Agenda;

- as “O”, the result of the voting on item 9 of the ordinary part of the Agenda;

- as “P”, the result of the voting on item 10 of the ordinary part of the Agenda;

- as “Q”, the result of the voting on item 11 of the ordinary part of the Agenda;

- as “R”, the result of the voting on item 12 of the ordinary part of the Agenda.

As requested,

I as Notary have received these minutes which, having been drafted with an electronic device by a person trusted by me and, partially, by me, I have read out to the person appearing before me who, at my request, together with me has approved and sign them at twenty minutes past twelve

approximately; this document consists of thirteen

sheets, for a total of fifty one

pages and up to this point on the fifty-second

page

Signed Enrico Cotta Ramusino

Signed Angelo Busani

Ordinary Shareholders' Meeting of April 11, 2017

SITUATION AT THE OPENING

I hereby declare that there are currently voting rights holders on their own behalf or by proxy:

No. **583** corresponding to no. **458,513,995** ordinary shares equal to **75.449058**% of the no. **607,713,345** shares of the share capital fully subscribed and paid-in.

Shareholders:	583	People:	20
Shareholders on own behalf:	17	Shareholders by proxy:	566

List of owners ordinary shares taking part in the meeting held on April 11, 2017 in single call.
The proxies have been given in compliance with the provisions set forth in Article 2372 of the Italian Civil Code.

PRESENT IN/BY			SHARES	
On own behalf	Proxy		On own behalf	Proxy
1	0	AMADASI GIORDANO	158	0
1	0	AMADEI STEFANO	3,861	0
1	0	ANNIBALETTI ANGELO	30,000	0
0	1	CAGLIA MARIA	0	215,066,403
1	0	CASTAGNA SERGIO	1	0
1	0	CERASUOLO STEFANO	7,241	0
1	0	CORNAGO DANIELE	2,241	0
1	0	DI PALMA GIUSEPPE	1,100	0
1	0	FOGLI MAURIZIO	1,953	0
0	264	FRATTOLILLO NICOLA	0	99,321,384
1	0	GHIBAUDI LEOPOLDO	9,000	0
1	0	MARTIRIGGIANO ANTONIO	2,681	0
1	0	MINNELLA CARMELO GIOVANNI	1,867	0
1	0	ROSSI MARCO	57,288	0
1	0	ROSSOTTI ROBERTO	3,000	0
1	0	SCANU MARCO	187	0
1	0	SIRIANNI PIER BATTISTA	8,000	0
0	301	TONELLI GIULIO	0	143,996,321
1	0	VIOZZI DANIELE	50	0
1	0	ZACCARDI ANTONELLA	1,259	0
17	566	**Opening Ordinary Meeting**	129,887	458,384,108
		TOTAL:	458,513,995	
		Entered/Exited later:		
1	0	AUSILIO ROSA GIUSEPPINA	187	0
1	0	BONETTI EMANUELE	100	0
1	0	CROCE MARIO	1,500	0
1	0	PRANDINI GIULIANO	12,000	0
21	566	**Approval of the financial statement sas at December 31, 2016**	143,674	458,384,108
		TOTAL:	458,527,782	
		Entered/Exited later:		
21	566	**Allocation of the net profit for the year 2016**	143,674	458,384,108
		TOTAL:	458,527,782	
		Entered/Exited later:		
21	566	**Determination of the number of the Directors**	143,674	458,384,108
		TOTAL:	458,527,782	
		Entered/Exited later:		
21	566	**Determination of the duration of their term in office**	143,674	458,384,108
		TOTAL:	458,527,782	
		Entered/Exited later:		
21	566	**Appointment of the Directors**	143,674	458,384,108
		TOTAL:	458,527,782	
		Entered/Exited later:		
21	566	**Determination of the remuneration due to the Directors**	143,674	458,384,108
		TOTAL:	458,527,782	

List of owners ordinary shares taking part in the meeting held on April 11, 2017 in single call.
The proxies have been given in compliance with the provisions set forth in Article 2372 of the Italian Civil Code.

PRESENT IN/BY				SHARES	
On own behalf	**Proxy**			**On own behalf**	**Proxy**
		Entered/Exited later:			
21	**566**	**Appointment of the Board of Statutory Auditors**		**143,674**	**458,384,108**
			TOTAL:	**458,527,782**	
		Entered/Exited later:			
21	**566**	**Determination of the remuneration due to the Statutory Auditors**		**143,674**	**458,384,108**
			TOTAL:	**458,527,782**	
		Entered/Exited later:			
-1	**0**	**ANNIBALETTI ANGELO**		**-30,000**	**0**
20	**566**	**2017 Compensation Policy**		**113,674**	**458,384,108**
			TOTAL:	**458,497,782**	
		Entered/Exited later:			
20	**566**	**Renewal of the Severance payment policy**		**113,674**	**458,384,108**
			TOTAL:	**458,497,782**	
		Entered/Exited later:			
20	**566**	**2017 Incentive System**		**113,674**	**458,384,108**
			TOTAL:	**458,497,782**	
		Entered/Exited later:			
20	**566**	**2017 Incentive System for Personal Financial Advisors**		**113,674**	**458,384,108**
			TOTAL:	**458,497,782**	
		Entered/Exited later:			
20	**566**	**Authorization for the purchase and disposition of treasury shares**		**113,674**	**458,384,108**
			TOTAL:	**458,497,782**	
		Entered/Exited later:			
20	**566**	**Renewal authorization to purchase treasury shares for stock granting plan**		**113,674**	**458,384,108**
			TOTAL:	**458,497,782**	
		Entered/Exited later:			
20	**566**	**Delegation to the BoD to carry out a free capital increase for a maximum amount of Eur 22,110**		**113,674**	**458,384,108**
			TOTAL:	**458,497,782**	
		Entered/Exited later:			
20	**566**	**Delegation to the BoD to carry out a free capital increase for a maximum amount of Eur 128,700**		**113,674**	**458,384,108**
			TOTAL:	**458,497,782**	

FinecoBank S.p.A.
Ordinary/Extraordinary Shareholders' Meeting
in single call
*** LISTS OF PROXY GIVERS ***

1	Proxy givers of	**CAGLIA MARIA**	Badge no. **3005**
			Shares
	UNICREDIT S.P.A.		**215,066,403**
			215,066,403

2	Proxy givers of	**FRATTOLILLO NICOLA**	Badge no. **3291**
			Shares
	I.2.C. ACTIONS		**488,000**
	BLACKROCK GLOBAL FUNDS		**4,397,203**
	AGENTE:BROWN BROTHERS HARR/VANGUARD TOTAL WORLD STOCK INDEX FUND		**82,591**
	AGENTE:HONGKONG/SHANGHAI BK/BEST INVESTMENT CORPORATION		**9,518**
	AGENTE:BNP PARIBAS 2S-PARIS/FONDS RESERVE RETRAITES		**888,450**
	AGENTE:BP2S LUXEMBOURG/HENDERSON HORIZON FUND SICAV		**2,101,556**
	AGENTE:BP2S LUXEMBOURG/HENDERSON GARTMORE FUND		**572,233**
	AGENTE:JP MORGAN CHASE BANK/SUPER FUNDS MANAG CORP SOUTH AUSTRALIA		**119,451**
	AGENTE:JP MORGAN CHASE BANK/VANGUARD INTERNATIONAL SMALL COMPANIES I		**20,939**
	AGENTE:JP MORGAN CHASE BANK/VANGUARD TOTAL INTERNATIONAL STOCK INDEX		**4,791,064**
	AGENTE:JP MORGAN CHASE BANK/JPMORGAN EUROPEAN INVESTMENT TRUST PLC		**94,946**
	AGENTE:JP MORGAN CHASE BANK/TRUST AND CUSTODY SERVICED BANK LIMITED		**34,871**
	AGENTE:JP MORGAN CHASE BANK/JAPAN TRUSTEE SERVICES BANK LTD AS TRUST		**3,489**
	AGENTE:JP MORGAN CHASE BANK/NEW YORK LIFE INSURANCE COMPANY		**66,324**
	AGENTE:HSBC BANK PLC/TR EUROPEN GROWTH TRUST PLC		**1,844,247**
	ALASKA PERMANENT FUND CORPORATION		**57,838**
	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN		**14,955**
	PUBLIC SECTOR PENSION INVESTMENT BOARD		**104,668**
	CF DV ACWI EX-U.S. IMI FUND		**1,587**
	STG PFDS V.D. GRAFISCHE		**155,541**
	RICHIEDENTE:CBNY SA GOVERNMENT OF NORWAY/GOVERNMENT OF NORWAY		**5,524,312**
	RICHIEDENTE:CBLDN S/A LEGAL AND GENERAL/LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED		**1,666,611**
	AGENTE:NORTHERN TRUST COMPANY/STATE TEACHERS RETIREMENT SYSTEM OF OHIO		**423,988**
	RICHIEDENTE:CBHK SA CBKR SCHRODER EURO EQ MF/CITIBANK KOREA INC		**848,102**
	RICHIEDENTE:CBLUX SA THREADNEEDLE (LUX)/THREADNEEDLE (LUX		**978,719**
	AGENTE:NORTHERN TRUST GLOBAL SERVICES LTD/ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND		**32,387**
	AGENTE:NORTHERN TRUST COMPANY/NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND		**12,165**
	AGENTE:NORTHERN TRUST COMPANY/NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST		**363,921**
	AGENTE:NORTHERN TRUST COMPANY/NEW ZEALAND SUPERANNUATION FUND		**26,623**
	AGENTE:NORTHERN TRUST COMPANY/LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM		**41,051**
	AGENTE:NORTHERN TRUST COMPANY/CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN		**65,307**
	AGENTE:NORTHERN TRUST COMPANY/SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM		**116,549**
	AGENTE:NORTHERN TRUST COMPANY/WHEELS COMMON INVESTMENT FUND		**18,626**
	AGENTE:NORTHERN TRUST COMPANY/MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO		**27,415**
	AGENTE:NORTHERN TRUST GLOBAL SERVICES LTD/UNIVEST		**126,385**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/INTERNATIONAL MONETARY FUND		**15,994**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/STATE OF ALASKA RETIREMENT AND BENEFITS PLANS		**15,676**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/UAW RETIREE MEDICAL BENEFITS TRUST		**154,557**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM		**78,810**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/MERCER QIF CCF		**1,101,611**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY		**62,756**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/WASHINGTON STATE INVESTMENT BOARD		**3,050**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL		**560,715**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/ISHARES MSCI EAFE SMALL CAP ETF		**1,043,062**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR		**548,131**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/ISHARES CORE MSCI EAFE ETF		**592,081**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/ISHARES CORE MSCI EAFE IMI INDEX ETF		**16,762**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/ISHARES MSCI EUROPE IMI INDEX ETF		**6,701**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B		**1,917**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/WORLD ALPHA TILTS NON-LENDABLE FUND B		**757**
	AGENTE:STATE STREET BANK AND TRUST COMPANY/MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F		**103,806**

FinecoBank S.p.A.
Ordinary/Extraordinary Shareholders' Meeting
in single call
*** LISTS OF PROXY GIVERS ***

AGENTE:STATE STREET BANK AND TRUST COMPANY/ISHARES VII PLC	**674,577**
AGENTE:BNP PARIBAS 2S-PARIS/FCP KLESIA A DIVERSIFIE	**325,000**
AGENTE:JP MORGAN CHASE BANK/PEERLESS INSURANCE COMPANY	**115,223**
RICHIEDENTE:CBLDN SA CIP-DEP-TIF-PAN SMLR COM/THREADNEEDLE INVESTMENT FUNDS ICVC	**11,652,830**
RICHIEDENTE:CBHK-SSF-EUE-CF83/NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	**12,500**
RICHIEDENTE:CBNY SA NORGES BANK/NORGES BANK	**109,988**
AGENTE:BROWN BROTHERS HARR/VANGUARD EUROPEAN STOCK INDEX FUND	**691,987**
AGENTE:BROWN BROTHERS HARR/VANGUARD DEVELOPED MARKETS INDEX FUND	**1,795,422**
AGENTE:BROWN BROTHERS HARR/VANGUARD FTSE ALL-WORLD EX US INDEX FUND	**565,229**
AGENTE:BROWN BROTHERS HARR/VANGUARD FUNDS PLC	**91,522**
AGENTE:BROWN BROTHERS HARR/RAINIER INT SMALL CAP EQUITY COLLECTIVE	**182,840**
AGENTE:JP MORGAN CHASE BANK/MERIFIN CAPITAL B.V.	**39,940**
AGENTE:JP MORGAN CHASE BANK/CHINA LIFE INSURANCE (GROUP) COMPANY	**2,554**
AGENTE:JP MORGAN CHASE BANK/ONEPATH GLOBAL SHARES - SMALL CAP INDEX	**22,117**
AGENTE:JP MORGAN CHASE BANK/BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	**1,214**
AGENTE:JP MORGAN CHASE BANK/NVIT MULTI MANAGER INTERNATIONAL GROWTH	**143,770**
AGENTE:JP MORGAN CHASE BANK/MASTER TRUST FOR NATIONAL PENSION FD	**35,535**
AGENTE:JP MORGAN CHASE BANK/PROSHARES HEDGED FTSE EUROPE ETF	**191**
AGENTE:HSBC BANK PLC/FLF STRATEGIC GLOBAL EQUITY FUND	**72,428**
AGENTE:BNP PARIBAS 2S-PARIS/FCPE TOTAL ACTIONS EUROPEENNES	**750,000**
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	**27,702**
PENSION RESERVES INVESTMENT TRUST FUND	**73,110**
RAYTHEON MASTER PENSION TRUST	**1,528**
CIBC INTERNATIONAL SMALL COMPANIES FUND	**44,559**
AGENTE:NORTHERN TRUST COMPANY/MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	**2,113**
AGENTE:NORTHERN TRUST COMPANY/ILLINOIS MUNICIPAL RETIREMENT FUND	**134,679**
AGENTE:NORTHERN TRUST COMPANY/FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	**1,181**
AGENTE:NORTHERN TRUST COMPANY/THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	**572,086**
AGENTE:NORTHERN TRUST COMPANY/NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	**212,266**
AGENTE:NORTHERN TRUST COMPANY/SSGA GROSS ROLL UP UNIT TRUST	**13,909**
AGENTE:NORTHERN TRUST COMPANY/LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	**4,616**
AGENTE:STATE STREET BANK AND TRUST COMPANY/AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	**6,110**
AGENTE:STATE STREET BANK AND TRUST COMPANY/AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	**26,000**
AGENTE:STATE STREET BANK AND TRUST COMPANY/AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	**23,070**
AGENTE:STATE STREET BANK AND TRUST COMPANY/AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	**301,560**
AGENTE:STATE STREET BANK AND TRUST COMPANY/AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	**219,530**
AGENTE:STATE STREET BANK AND TRUST COMPANY/AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	**266,990**
AGENTE:STATE STREET BANK AND TRUST COMPANY/AMERICAN CENTURY RETIREMENT DATE TRUST	**114,333**
AGENTE:STATE STREET BANK AND TRUST COMPANY/EATON VANCE INTERNATIONAL SMALL-CAP FUND	**10,546**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	**217,799**
AGENTE:STATE STREET BANK AND TRUST COMPANY/MARYLAND STATE RETIREMENT & PENSION SYSTEM	**19,979**
AGENTE:STATE STREET BANK AND TRUST COMPANY/STATE OF MONTANA BOARD OF INVESTMENTS	**66,699**
AGENTE:STATE STREET BANK AND TRUST COMPANY/CANADA PENSION PLAN INVESTMENT BOARD	**369,604**
AGENTE:STATE STREET BANK AND TRUST COMPANY/STATE STREET IRELAND UNIT TRUST	**52,145**
AGENTE:STATE STREET BANK AND TRUST COMPANY/VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	**3,873**
AGENTE:STATE STREET BANK AND TRUST COMPANY/VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	**3,671**
AGENTE:STATE STREET BANK AND TRUST COMPANY/VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	**8,723**
AGENTE:STATE STREET BANK AND TRUST COMPANY/VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	**25,281**
AGENTE:STATE STREET BANK AND TRUST COMPANY/VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	**1,123**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	**26,627**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	**139**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	**17,270**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WISDOMTREE INTERNATIONAL MIDCAP	**37,696**

DIVIDEND FUND	
AGENTE:STATE STREET BANK AND TRUST COMPANY/WISDOMTREE EUROPE LOCAL RECOVERY FUND	**867**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	**212,713**
AGENTE:STATE STREET BANK AND TRUST COMPANY/BLACKROCK STRATEGIC FUNDS	**102,172**
AGENTE:STATE STREET BANK AND TRUST COMPANY/ISHARES MSCI EUROPE SMALL-CAP ETF	**29,608**
AGENTE:STATE STREET BANK AND TRUST COMPANY/ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	**114,889**
AGENTE:STATE STREET BANK AND TRUST COMPANY/CONNECTICUT GENERAL LIFE INSURANCE COMPANY	**2,775**
AGENTE:STATE STREET BANK AND TRUST COMPANY/CDN ACWI ALPHA TILTS FUND	**15,426**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE TRUSTEES OF BP PENSION FUND	**773,030**
AGENTE:STATE STREET BANK AND TRUST COMPANY/MANAGED PENSION FUNDS LIMITED	**12,389**
AGENTE:STATE STREET BANK AND TRUST COMPANY/FAMILY INVESTMENTS CHILD TRUST FUND	**14,367**
AGENTE:STATE STREET BANK AND TRUST COMPANY/FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	**9,961**
AGENTE:STATE STREET BANK AND TRUST COMPANY/HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	**284,213**
AGENTE:STATE STREET BANK AND TRUST COMPANY/STICHTING PHILIPS PENSIOENFONDS	**49,007**
AGENTE:STATE STREET BANK AND TRUST COMPANY/VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	**41,639**
AGENTE:STATE STREET BANK AND TRUST COMPANY/VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	**103,491**
AGENTE:STATE STREET BANK AND TRUST COMPANY/SUNSUPER SUPERANNUATION FUND	**13,451**
FCP GROUPAMA AVENIR EURO	**3,136,372**
FCP ECUREUIL RETRAITE EURO ACTIONS 4	**300,000**
AGENTE:NORTHERN TRUST COMPANY/CHEVRON MASTER PENSION TRUST	**29,057**
AGENTE:NORTHERN TRUST COMPANY/NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	**34,430**
AGENTE:NORTHERN TRUST COMPANY/FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	**13,955**
AGENTE:NORTHERN TRUST COMPANY/TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	**17,985**
AGENTE:BROWN BROTHERS HA-LU/ING DIRECT	**29,652**
AGENTE:STATE STREET BANK AND TRUST COMPANY/CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	**462**
AGENTE:STATE STREET BANK AND TRUST COMPANY/ISHARES CORE MSCI EUROPE ETF	**79,880**
AGENTE:STATE STREET BANK AND TRUST COMPANY/ISHARES II PUBLIC LIMITED COMPANY	**603,850**
AGENTE:STATE STREET BANK AND TRUST COMPANY/VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	**697**
RICHIEDENTE:CBLDN S/A IRISH LIFE ASSURANCE CO/IRISH LIFE ASSURANCE.	**184,234**
RICHIEDENTE:CBNY-LEGAL & GEN COLL INV TRST/LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	**8,892**
MOMENTUM INVESTMENT FUNDS SCIVA SIF	**133,040**
JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	**2,045,229**
JPMORGAN INVESTMENT FUNDS	**1,205,954**
ELEVA UCITS FD-ELEVA ABSOLUTE	**6,479,400**
COLISEE IFC 1	**538,000**
AGENTE:THE BANK OF NOVA SCOTIA/CC&L Q 140/40 FUND	**600**
AGENTE:THE BANK OF NOVA SCOTIA/CC& L US Q MARKET NEUTRAL ONSHORE FUND I	**300**
AGENTE:THE BANK OF NOVA SCOTIA/CC&L Q CAN EQUITY 130/30 PLUS FUND	**775**
AGENTE:THE BANK OF NOVA SCOTIA/CC&L Q MARKET NEUTRAL FUND	**82,300**
AGENTE:BROWN BROTHERS HARR/VANGUARD INVESTMENT SERIES PLC	**79,836**
AGENTE:HONGKONG/SHANGHAI BK/JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	**3,877**
AGENTE:BNP PARIBAS 2S-PARIS/STICHT BEDRIJ MEDIA PNO	**180,000**
AGENTE:BNP PARIBAS 2S-PARIS/HENDERS.EURO.SMALLER COMPANIES FUND	**322,357**
AGENTE:BNP PARIBAS 2S-PARIS/HENDERSON INSTIT EUROP INDEX OPP FUND	**42,487**
AGENTE:BNP PARIBAS 2S-PARIS/SAINT MARTIN 4	**888,000**
AGENTE:BNP PARIBAS 2S-PARIS/FCP SAKKARAH 7	**7,500**
AGENTE:BNP PARIBAS 2S-PARIS/TOTAL GESTION FLEX PATRI	**44,970**
AGENTE:JP MORGAN CHASE BANK/FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	**4,895**
AGENTE:JP MORGAN CHASE BANK/JPM EUROPE DYNAMIC (EX UK) FUND	**551,178**
AGENTE:JP MORGAN CHASE BANK/JPM EUROPE SMALLER COMPANIES FUND	**409,306**
AGENTE:JP MORGAN CHASE BANK/JPMORGAN EUROPEAN SMALLER COMPANIES TST	**1,533,787**
AGENTE:JP MORGAN CHASE BANK/JTSB LTD. AS TRUSTEE FOR SUMITOMO	**16,888**
AGENTE:JP MORGAN CHASE BANK/JPMORGAN INTERNATIONAL DISCOVERY FUND	**6,507**
AGENTE:RBC INVESTOR SERVICE/THE CANADA POST CORPORATION PENSION PLAN	**104,309**
AGENTE:BROWN BROTHERS HARR/FIDELITY SAL ST T SPARTAN TOTAL INT IN F	**4,749**
AGENTE:JP MORGAN BANK IRELA/BLACKROCK INSTITUTIONAL POOLED FUND PLC	**6,097**
AGENTE:JP MORGAN CHASE BANK/BLACKROCK FISSION INDEXED INTL EQUITY FD	**24,822**
AGENTE:JP MORGAN CHASE BANK/THE MASTER TRUST BANK OF JAPAN LTD	**37,838**
THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	**15,685**
MCGILL UNIVERSITY PENSION FUND	**7,953**
RICHIEDENTE:GOLDMAN SACHS INTERNATIONAL LIMITED/AQR ORACLE FUND LP	**5,896**
RICHIEDENTE:GOLDMAN SACHS SEGREGATION A/C/NUMERIC ABS RETURN FD LP	**18,000**

BOK KIC AAEQ 3	**15,026**
SUBSIDIZED SCHOOLS P FUND NORTHERN	**13,614**
55016 UP INTERNATIONALE AKTIER	**225,930**
WILM MULTI MGR INTL FD OBERWEIS	**241,652**
56053 IP GLOBAL EQUITIES I	**12,883**
LMIF LMGAMI EURO SMLL CP	**181,818**
IQ 50 PERCENT HEDGED FTSE EURO ETF	**3,749**
DEUTSCHE XTRK MSCI EMU HDG EQ ETF	**4,402**
FPXF WILLIAM BLAIR CO	**31,880**
RVN WILLIAM BLAIR	**4,196**
BLL AQUILA LIFE EUROPEAN EQUITY	**755,618**
BLL ASCENT LIFE EUROPEAN	**62,130**
BLK MULTI ASSET INC PF EUR EQU INC	**478,931**
BLL AQUILA LIFE OSEAS EQUITY FUND	**4,851**
BLL ASCENT LIFEENHANCED	**1,766**
DEUTSCHE XTRK MSCI EAFE SC HDG ETF	**466**
CHI OPERATING INVESTMENT PROGRAM LP	**78,109**
CATHOLIC HEALTH INITIATIVES MASTER TRUST	**40,056**
FIRST INITIATIVES INSURANCE LIMITED	**6,914**
EATON VANCE MGMT INTL SMALL CAP	**1,057**
ONFF WILLIAM BLAIR NONUS	**17,060**
CE8F WILLIAM BLAIR IACG	**115,413**
VANGUARD INTL HIGH DIV YLD INDEX FD	**14,295**
BSNF NTR WILLIAM BLAIR	**12,404**
BSPF PMT WILLIAM BLAIR	**8,749**
BGF EURO MKTS FD EURO EQUITY PF	**8,176,154**
BGF FLEX MULTI ASSET GBL EQ PF	**9,039**
LRPF WILLIAM BLAIR	**42,009**
W11F WILLIAM BLAIR	**10,510**
BFTF WILLIAM BLAIR	**21,724**
US BK RAINIER INTL DISCOVERY FUND	**395,610**
ATFF AMERICAN CENTURY	**74,487**
RZSF3001 NON US GE W BLAIR	**103,201**
1216 APG DME FINANC	**1,221,917**
2054 APG DME BLACKR	**117,398**
AON HEWITT COLLECTIVE INVESTMENT TRUST	**27,414**
MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	**30,345**
PHC NT SMALL CAP	**26,269**
BNYMTD BLK CONTINENTAL EURO INC	**4.653,703**
BNYMTD BLK CONT EUR EQ TRCK FD INV	**265,102**
VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	**97,220**
THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	**20,153**
GENERAL MILLS INVESTMENT TRUST	**36,637**
INDIANA PUBLIC RETIREMENT SYSTEM	**12,426**
SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	**19,925**
UPS GROUP TRUST	**86,396**
AGENTE:NORTHERN TRUST COMPANY/UNIVERSITY OF KENTUCKY	**10,000**
AGENTE:NORTHERN TRUST COMPANY/CHEVRON UK PENSION PLAN	**2,761**
AGENTE:NORTHERN TRUST COMPANY/THE CURATORS OF THE UNIVERSITY OF MISSOURI	**50,065**
AGENTE:NORTHERN TRUST COMPANY/DFI LP EQUITY (PASSIVE)	**1,693**
AGENTE:NORTHERN TRUST COMPANY/AON SAVINGS PLAN TRUST	**46,862**
AGENTE:NORTHERN TRUST COMPANY/ADVOCATE HEALTH CARE NETWORK	**20,899**
AGENTE:NORTHERN TRUST COMPANY/CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	**64,284**
AGENTE:NORTHERN TRUST COMPANY/FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	**10,415**
AGENTE:NORTHERN TRUST COMPANY/UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	**51,783**
AGENTE:NORTHERN TRUST COMPANY/POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	**32,151**
AGENTE:NORTHERN TRUST COMPANY/SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	**17,859**
AGENTE:NORTHERN TRUST COMPANY/OPSEU PENSION PLAN TRUST FUND	**5,309**
AGENTE:NORTHERN TRUST COMPANY/NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	**2,417,367**
AGENTE:NORTHERN TRUST COMPANY/STRATHCLYDE PENSION FUND	**341,499**
AGENTE:NORTHERN TRUST COMPANY/NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	**891**
AGENTE:STATE STREET BANK AND TRUST COMPANY/FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	**2,062**
AGENTE:STATE STREET BANK AND TRUST COMPANY/FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	**203,488**
AGENTE:STATE STREET BANK AND TRUST COMPANY/CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	**183,278**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	**28,252**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WILLIAM BLAIR INTERNATIONAL GROWTH FUND	**657,058**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WILLIAM BLAIR INSTITUTIONAL	**476,734**

INTERNATIONAL GROWTH FUND	
AGENTE:STATE STREET BANK AND TRUST COMPANY/MM SELECT EQUITY ASSET FUND	**6,406**
AGENTE:STATE STREET BANK AND TRUST COMPANY/VANGUARD GLOBAL LIQUIDITY FACTOR ETF	**1,061**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WELLS FARGO ALTERNATIVE STRATEGIES FUND	**7,561**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WISDOMTREE DEFA EQUITY INCOME FUND	**18,109**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WISDOMTREE INTERNATIONAL EQUITY FUND	**30,409**
AGENTE:STATE STREET BANK AND TRUST COMPANY/NEW YORK STATE TEACHERS RETIREMENT SYSTEM	**131,253**
AGENTE:STATE STREET BANK AND TRUST COMPANY/PRUDENTIAL BANK AND TRUST	**56,511**
AGENTE:STATE STREET BANK AND TRUST COMPANY/SPDR EURO STOXX SMALL CAP ETF	**19,641**
AGENTE:STATE STREET BANK AND TRUST COMPANY/ISHARES MSCI INTERNATIONAL DEVELOPED ETF	**2,460**
AGENTE:STATE STREET BANK AND TRUST COMPANY/EURO EX-UK ALPHA TITLS FUND B	**9,358**
AGENTE:STATE STREET BANK AND TRUST COMPANY/DELUXE CORPORATION MASTER TRUST	**12,195**
AGENTE:STATE STREET BANK AND TRUST COMPANY/MERCY HEALTH	**9,457**
AGENTE:STATE STREET BANK AND TRUST COMPANY/MERCY HEALTH RETIREMENT TRUST	**2,453**
AGENTE:STATE STREET BANK AND TRUST COMPANY/TRUTH INITIATIVE FOUNDATION	**4,601**
AGENTE:STATE STREET BANK AND TRUST COMPANY/ISHARES PUBLIC LIMITED COMPANY	**1,002,024**
AGENTE:STATE STREET BANK AND TRUST COMPANY/ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	**233,174**
AGENTE:STATE STREET BANK AND TRUST COMPANY/BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	**1,086,651**
AGENTE:STATE STREET BANK AND TRUST COMPANY/BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	**163,680**
AGENTE:STATE STREET BANK AND TRUST COMPANY/BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	**334,720**
AGENTE:STATE STREET BANK AND TRUST COMPANY/BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	**273,064**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	**11,592**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE TRUSTEES OF SAL PENSION SCHEME	**3,820**
AGENTE:STATE STREET BANK AND TRUST COMPANY/VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	**17,302**
AGENTE:STATE STREET BANK AND TRUST COMPANY/VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	**276**
AGENTE:NORTHERN TRUST COMPANY/INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	**169,898**
AGENTE:STATE STREET BANK AND TRUST COMPANY/CITY OF NEW YORK GROUP TRUST	**183,462**
AGENTE:JP MORGAN CHASE BANK/MINISTRY OF STRATEGY AND FINANCE	**33,349**
AGENTE:STATE STREET BANK AND TRUST COMPANY/TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	**634,198**
AGENTE:JP MORGAN CHASE BANK/BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	**32,767**
AGENTE:STATE STREET BANK AND TRUST COMPANY/KIEGER FUND I	**1,887**
AGENTE:STATE STREET BANK AND TRUST COMPANY/MERCER QIF CCF	**616,038**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WASHINGTON STATE INVESTMENT BOARD	**165,288**
Number of proxies represented by badge: **264**	**99,321,384**

3 Proxy givers of **TONELLI GIULIO** Badge no. **2253**

	Shares
AGENTE:SCHRODERS ITALY SIM/ANIMA SGR SPA	**12,381,073**
AGENTE:STATE STREET BANK AND TRUST COMPANY/FEDERATED KAUFMANN FUND	**6,839,360**
FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	**27,000**
SICAV BBM V-FLEX	**135,784**
FCP BEST BUSINESS MODELS	**1,530,000**
FCP VILLIERS DIAPASON	**69,636**
FCP RSI EURO P	**63,089**
INVESCO FUNDS	**177,083**
AGENTE:BROWN BROTHERS HA-LU/WELLINGTON MANAGEMENT PORTFOLIOS	**335,843**
AGENTE:BROWN BROTHERS HA-LU/WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	**36,542**
AGENTE:BNP PARIBAS 2S-PARIS/AXA VALEURS EURO	**1,200,000**
AGENTE:BNP PARIBAS 2S-PARIS/AXA OPTIMAL INCOME	**2,068,464**
AGENTE:RBC INVESTOR SERVICE/ROBECO CAPITAL GROWTH FUNDS	**350,000**
AGENTE:JP MORGAN CHASE BANK/CHINA LIFE INSURANCE COMPANY LIMITED	**60,140**
AGENTE:JP MORGAN CHASE BANK/FONDO CONSOLIDADO DE RESERVAS PREVISIONA	**86,791**
AGENTE:JP MORGAN CHASE BANK/COINVEST LIMITED	**13,801**
AGENTE:JP MORGAN CHASE BANK/TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	**55,682**
AGENTE:JP MORGAN CHASE BANK/MI-FONDS 392	**462,000**
AGENTE:JP MORGAN CHASE BANK/ENTERGY CORP.RETIREMENT PLANS MASTER TR.	**203,718**
AGENTE:RBC INVESTOR SERVICE/RBC CANADIAN MASTER TRUST	**124,418**
AGENTE:RBC INVESTOR SERVICE/REGIME DE RETRAITE D HYDRO QUEBEC	**102,698**
AGENTE:RBC INVESTOR SERVICE/TEACHERS PENSION PLAN & PRIVATE SCHOOL	**639,710**
SCHRODER INTERNATIONAL SELECTION FUND	**8.682,403**
AGENTE:JP MORGAN CHASE BANK/SCHRODER INTERNATIONAL SMALL COMPANIES P	**8,000**
FIRST INVESTORS GLOBAL FUND	**306,236**

THE CLEVELAND CLINIC FOUNDATION	**70,858**
AGENTE:STATE STREET BANK AND TRUST COMPANY/NEW YORK STATE DEFERRED COMPENSATION PLAN	**124,544**
BELL ATLANTIC MASTER TRUST	**41,418**
UNISYS MASTER TRUST	**70,952**
RICHIEDENTE:UBS AG-ZURICH SA OMNIBUS NON RESIDENT/UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	**73,720**
RICHIEDENTE:CBLDN SA STICHTING PGGM DEPOSITORY/STICHTING PGGM DEPOSITARY	**179,921**
AGENTE:NORTHERN TRUST COMPANY/MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	**57,188**
AGENTE:NORTHERN TRUST COMPANY/EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	**44,336**
AGENTE:NORTHERN TRUST COMPANY/INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	**53,438**
AGENTE:NORTHERN TRUST COMPANY/TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	**17,288**
AGENTE:NORTHERN TRUST COMPANY/GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	**120,164**
AGENTE:NORTHERN TRUST COMPANY/UTAH STATE RETIREMENT SYSTEMS	**44,501**
AGENTE:NORTHERN TRUST COMPANY/PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	**319,807**
AGENTE:STATE STREET BANK AND TRUST COMPANY/FEDERATED KAUFMANN SMALL CAP FUND	**874,310**
AGENTE:STATE STREET BANK AND TRUST COMPANY/JOHN HANCOCK SEAPORT FUND	**522,049**
AGENTE:STATE STREET BANK AND TRUST COMPANY/HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	**907,160**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	**1,698,920**
AGENTE:STATE STREET BANK AND TRUST COMPANY/HARTFORD HEALTHCARE ENDOWMENT LLC	**10,847**
AGENTE:STATE STREET BANK AND TRUST COMPANY/HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	**9,572**
AGENTE:STATE STREET BANK AND TRUST COMPANY/ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	**7,316**
AGENTE:STATE STREET BANK AND TRUST COMPANY/HENKEL OF AMERICA MASTER RETIREMENT TRUST	**20,932**
AGENTE:STATE STREET BANK AND TRUST COMPANY/ASHWOOD INVESTMENTS LIMITED	**6,619**
AGENTE:STATE STREET BANK AND TRUST COMPANY/CITY OF NEW YORK GROUP TRUST	**513,664**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	**122,551**
AGENTE:STATE STREET BANK AND TRUST COMPANY/BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	**1,495,583**
AGENTE:STATE STREET BANK AND TRUST COMPANY/HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	**193,662**
AGENTE:STATE STREET BANK AND TRUST COMPANY/BIMCOR GLOBAL EQUITY POOLED FUND	**87,658**
AGENTE:JP MORGAN CHASE BANK/MINISTRY OF STRATEGY AND FINANCE	**143,444**
AGENTE:STATE STREET BANK AND TRUST COMPANY/CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	**2,292,969**
AGENTE:STATE STREET BANK AND TRUST COMPANY/CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	**365,713**
AGENTE:STATE STREET BANK AND TRUST COMPANY/SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	**37,395**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	**376,990**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	**88,420**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	**151,092**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	**900,083**
AGENTE:STATE STREET BANK AND TRUST COMPANY/PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	**2,381**
AGENTE:STATE STREET BANK AND TRUST COMPANY/AXA WORLD FUNDS	**12,770,072**
AGENTE:STATE STREET BANK AND TRUST COMPANY/UBS ETF	**5,105**
AGENTE:STATE STREET BANK AND TRUST COMPANY/INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	**61,206**
AGENTE:STATE STREET BANK AND TRUST COMPANY/OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	**157,750**
AGENTE:STATE STREET BANK AND TRUST COMPANY/COLLEGE RETIREMENT EQUITIES FUND	**1,416,042**
AGENTE:STATE STREET BANK AND TRUST COMPANY/MULTI-STYLE, MULTI-MANAGER FUNDS PLC	**210,400**
AGENTE:STATE STREET BANK AND TRUST COMPANY/GOVERNMENT INSTITUTIONS PENSION FUND	**3,059**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	**24,218**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	**5,970**
AGENTE:RBC INVESTOR SERVICE/INVESCO GLOBAL SMALL CAP EQUITY POOL	**143,065**
AGENTE:BP2S-FRANKFURT/ALLIANZGI FONDS BAT LS	**92,900**
AGENTE:SUMITOMO MITSUI TRUS/PFIZER JAPAN INC PENSION FUND	**80,700**
AGENTE:JP MORGAN CHASE BANK/DEKA INVESTMENT GMBH RE ARIDEKA	**1,150,000**
AGENTE:JP MORGAN CHASE BANK/SCHRODER EUROPEAN FUND	**2,365,914**
AGENTE:JP MORGAN CHASE BANK/DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	**546,850**

AGENTE:STATE STREET BANK AND TRUST COMPANY/ANIMA FUNDS PLC	**353,973**
AGENTE:STATE STREET BANK AND TRUST COMPANY/ALLIANZ GLOBAL INVESTORS FUND	**1,446,700**
AGENTE:NORTHERN TRUST COMPANY/SCHLUMBERGER COMMON INVESTMENT FUND	**44,607**
RICHIEDENTE:UBS AG-ZURICH SA OMNIBUS NON RESIDENT/CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	**11,326**
ALLIANZ ACTIONS EURO PME-ETI	**167,700**
AGENTE:PICTET & CIE/BANQUE PICTET & CIE SA	**33,126**
AGENTE:JP MORGAN CHASE BANK/HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	**2,810,128**
AGENTE:JP MORGAN CHASE BANK/UBS GLOBAL ASSET MANAGEMENT LIFE LTD	**73,068**
AGENTE:JP MORGAN CHASE BANK/UBS (US) GROUP TRUST	**7,469**
AGENTE:JP MORGAN CHASE BANK/BT WHOLESALE MULTI MANAG INTL SHARE FUND	**186,764**
AGENTE:JP MORGAN CHASE BANK/ARTEMIS EUROPEAN OPPORTUNITIES FUND	**1,301,374**
AGENTE:JP MORGAN CHASE BANK/T ROWE PRICE INTERNATIONAL EQUITY INDEX	**14,257**
AGENTE:JP MORGAN CHASE BANK/STICHTING PENSIOENFONDS VOOR HUISARTSEN	**25,292**
AGENTE:BQUE FEDERATIVE-STR/FCP BRONGNIART AVENIR	**100,000**
AGENTE:JP MORGAN CHASE BANK/AVIVA LIFE AND PENSIONS UK LIMITED	**181,930**
AGENTE:HSBC BANK PLC/REASSURE LIMITED	**14,216**
AGENTE:HSBC BANK PLC/HSBC EUROPEAN INDEX FUND	**75,508**
AGENTE:DANSKE BANK S/A/REALDANIA	**532,000**
PUBLIC SERVICE PENSION PLAN FUND	**35,520**
TIMESQUARE FOCUS FUND LP	**25,000**
AGENTE:NORTHERN TRUST COMPANY/THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	**177,800**
AGENTE:NORTHERN TRUST COMPANY/LOY PARTNERSHIP, LLC	**96,500**
AGENTE:NORTHERN TRUST COMPANY/RAMI PARTNERS, LLC	**90,600**
AGENTE:NORTHERN TRUST COMPANY/BLUE SKY GROUP	**209,000**
AGENTE:NORTHERN TRUST COMPANY/PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	**291,526**
AGENTE:NORTHERN TRUST COMPANY/HRW TESTAMENTARY TRUST NO 3	**127,400**
AGENTE:NORTHERN TRUST COMPANY/THE WALTON FAMILY FOUNDATION	**269,600**
AGENTE:NORTHERN TRUST COMPANY/HRW TESTAMENTARY TRUST NO. 8	**127,400**
AGENTE:NORTHERN TRUST COMPANY/HRW TESTAMENTARY TRUST NO 2	**127,400**
AGENTE:NORTHERN TRUST COMPANY/HRW TESTAMENTARY TRUST NO. 12	**109,400**
AGENTE:NORTHERN TRUST COMPANY/STATE UNIVERSITIES RETIREMENT SYSTEM	**68,085**
AGENTE:NORTHERN TRUST COMPANY/AMG FUND PLC	**8,390**
AGENTE:STATE STREET BANK AND TRUST COMPANY/LAUDUS INTERNATIONAL MARKETMASTERS FUND	**684,332**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	**41,964**
AGENTE:STATE STREET BANK AND TRUST COMPANY/STATE OF NEW JERSEY COMMON PENSION FUND	**257,203**
AGENTE:STATE STREET BANK AND TRUST COMPANY/TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	**487,200**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	**12,538**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	**56,613**
AGENTE:STATE STREET BANK AND TRUST COMPANY/FRIENDS LIFE LIMITED	**89,644**
CPR EURO HIGH DIVIDEND	**94,061**
FCP EDMOND DE ROTHSCHILD EURO LEADERS	**923,900**
FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	**834,000**
FCP LCF PHARMA INTERNATIONAL	**164,920**
EDMOND DE ROTHSCHILD ASSET MANAGEMENT	**399,330**
PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	**192,127**
AGENTE:JP MORGAN CHASE BANK/DEKA INVEST DIVIDENDENSTRATEGIE CF A	**1,088,900**
AGENTE:JP MORGAN CHASE BANK/DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	**7,900**
AGENTE:JP MORGAN CHASE BANK/DEKA BASISSTRATEGIE FLEXIBEL	**23,960**
AGENTE:BROWN BROTHERS HARR/JAPAN TRUSTEE SERVICES BANK LTD	**469,886**
AGENTE:HSBC BANK PLC/WEST MIDLANDS METROPOLITAN AUT PENS FD	**61,000**
AGENTE:JP MORGAN CHASE BANK/AVIVA LIFE & PENSIONS UK LIMITED	**53,590**
AGENTE:JP MORGAN CHASE BANK/DEKA INVESTMENT GMBH RE PRODEKA	**65,200**
AGENTE:JP MORGAN CHASE BANK/BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	**309,886**
AGENTE:JP MORGAN CHASE BANK/SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	**71,392**
AGENTE:NORTHERN TRUST COMPANY/STICHTING PENSIOENFONDS APF	**2,873**
AGENTE:BROWN BROTHERS HARR/WELLINGTON TRUST COMP COMM TRUST INT OPP	**175,018**
AGENTE:BROWN BROTHERS HARR/WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	**10,972**
AGENTE:STATE STREET BANK AND TRUST COMPANY/HSBC STAT	**58,300**
AGENTE:STATE STREET BANK AND TRUST COMPANY/ONTARIO TEACHERS PENSION PLAN BOARD	**183,162**
EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	**528,640**
FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	**1,100,000**
FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	**30,000**
INTERFUND SICAV INTERFUND EQUITY ITALY	**450,000**
CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	**150,000**
EURIZON FUND - EQUITY ITALY SMART VOLATILITY	**76,384**

MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	**1,100,000**
EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	**20,610**
EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	**26,395**
FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	**250,000**
FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	**110,000**
FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	**100,000**
F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	**60,000**
FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	**15,000**
GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	**11,000**
FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	**5,000**
ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	**670,000**
EURIZON EASY FUND - EQUITY ITALY	**129,738**
RICHIEDENTE:CBLDN S/A CIP-DEP AVIVA INVESTORS NORWICH UNION/AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	**10,120**
RICHIEDENTE:CBHK S/A CFSIL RE COMMONWEALTH GLOBAL SHARE FUND 12/COLONIAL FIRST STATE INVESTMENTS LIMITED.	**71,939**
RICHIEDENTE:CITIGROUP GLOBAL MARKETS SA PRIME FINANCE CLIENT SAFEKEEPING/WELLINGTON ALTA FUND	**94,527**
RICHIEDENTE:UBS AG-ZURICH SA OMNIBUS NON RESIDENT/UBS FUND MANAGEMENT (SWITZERLAND) AG.	**132,808**
RICHIEDENTE:UBS (LUXEMBOURG) SA/UBS (LUX) EQUITY SICAV	**128,845**
FRANKLIN TEMPLETON INVESTMENT FUNDS	**668,413**
T. ROWE PRICE FUNDS SICAV	**145,427**
METZLER INT INV EUR SMALLER CO	**1,575,000**
UBS EUROP SMALL CAP EQUITY FD	**84,125**
CIPAV ALOIS	**117,262**
SOGECAP ACTIONS SMALL CAP	**942,243**
SG ACTIONS EUROPE MID CAP	**197,367**
AGI FRANCE	**171,200**
AGENTE:BP2S LUXEMBOURG/BNP PARIBAS A FUND	**58,956**
GENERALI INVESTMENTS LUXEMBURG S.A.	**684,571**
MERRILL LYNCH PROFESSIONAL CLEARING CORP	**86,328**
AGENTE:BROWN BROTHERS HA-LU/FIDELITY FUNDS SICAV	**1,194,975**
AGENTE:BROWN BROTHERS HA-LU/WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	**28,228**
AGENTE:BNP PARIBAS 2S-PARIS/AFER ACTION PME	**451,836**
AGENTE:BNP PARIBAS 2S-PARIS/BNP PARIBAS SMALL CAP EUROLAND	**2,526,390**
AGENTE:BNP PARIBAS 2S-PARIS/BNP PARIBAS ACTIONS PME	**543,807**
AGENTE:BNP PARIBAS 2S-PARIS/FCP BNP PARIBAS ACTIONS EUROLAND	**43,134**
AGENTE:BP2S LUXEMBOURG/PARVEST	**3,121,423**
AGENTE:BP2S LUXEMBOURG/BNP PARIBAS L1	**82,735**
AGENTE:BP2S LUXEMBOURG/BNP PARIBAS B PENSION BALANCED	**733,505**
AGENTE:BP2S LUXEMBOURG/BNP PARIBAS B PENSION STABILITY	**47,432**
AGENTE:BP2S LUXEMBOURG/METROPOLITAN RENTASTRO	**183,304**
AGENTE:JP MORGAN CHASE BANK/DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	**74,600**
AGENTE:JP MORGAN CHASE BANK/UBS ASSET MANAGEMENT LIFE LTD	**283**
AGENTE:JP MORGAN CHASE BANK/T. ROWE PRICE INTERNATIONAL DISCOVERY FU	**4,303,286**
AGENTE:JP MORGAN CHASE BANK/PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	**138,293**
AGENTE:JP MORGAN CHASE BANK/STICHTING PENSIOENFONDS MEDISCH SPECIALI	**506,456**
AGENTE:JP MORGAN CHASE BANK/DEKA INVEST RE DEKA-ZMV-FONDS	**22,000**
AGENTE:JP MORGAN CHASE BANK/DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	**9,400**
AGENTE:JP MORGAN CHASE BANK/DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	**10,813**
AGENTE:JP MORGAN CHASE BANK/NATIONWIDE SMALL CAP INDEX FUND	**400,962**
AGENTE:JP MORGAN CHASE BANK/PENSIONSKASSEN FOR BORNE-OG UNGDOMS	**16,958**
AGENTE:JP MORGAN CHASE BANK/KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	**1,525,392**
AGENTE:JP MORGAN CHASE BANK/T ROWE PRICE GLOBAL ALLOCATION FUND INC	**7,791**
AGENTE:JP MORGAN CHASE BANK/T ROWE INTL SMALL CAP EQUITY TRUST	**486,110**
AGENTE:HSBC BANK PLC/AXA FRAMLINGTON FINANCIAL FUND	**125,000**
AGENTE:BROWN BROTHERS HA-LU/NATIXIS INTERNT FUNDS LUX I	**238,000**
AGENTE:BNP PARIBAS 2S-PARIS/FCP SCANDIUM	**122,000**
AGENTE:BP2S-FRANKFURT/ALLIANZGI FONDS PF1	**14,182**
AGENTE:BP2S-FRANKFURT/ALLIANZGI FONDS AFE	**3,943**
AGENTE:BQUE FEDERATIVE-STR/TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	**1,507,269**
AGENTE:JP MORGAN CHASE BANK/THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	**83,856**
AGENTE:JP MORGAN CHASE BANK/SCHRODER PENSION MANAGEMENT LTD	**42,277**
AGENTE:JP MORGAN CHASE BANK/MFS INTERNATIONAL NEW DISCOVERY FUND	**2,267,886**
AGENTE:JP MORGAN CHASE BANK/SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	**125,000**
AGENTE:HSBC BANK PLC/FTSE ALL WORLD INDEX FUND	**33,351**
AGENTE:HSBC BANK PLC/NORTHERN IRELAND LOCAL GOV PENSION FUND	**84,483**
AGENTE:HSBC BANK PLC/FRIENDS LIFE AND PENSIONS LIMITED	**6,627**
AGENTE:BNP PARIBAS 2S-PARIS/FCP VILLIERS ACTIONS EDRAM	**968,000**

AGENTE:SCHRODERS ITALY SIM/ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	**242,269**
AGENTE:NOMURA BK SA LUXEMB/NMM3 EUEQ MFS ACCOUNT	**8,971**
BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	**973,829**
TEACHERS` PENSION PLAN FUND	**37,223**
TELUS PENSIONS MASTER TRUST	**78,303**
ALLEGHENY COLLEGE	**24,200**
ERIE COUMMINTY FOUNDATION	**27,300**
AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	**994,376**
AMUNDI LUXEMBOURG SA	**909,666**
RICHIEDENTE:GOLDMAN SACHS INTERNATIONAL LIMITED/S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	**201,592**
CITI RETIREMENT SAVINGS PLAN	**115,234**
UWF TROW INTL DISCOVERY	**55,384**
BOK KIC GAEQ6	**85,699**
PS FTSE LO BT EQ WT PORT	**32,076**
CEP DEP IP GLOBAL SMALLER COS	**802,185**
EIR EIE WELLINGTON INT	**179,053**
BNYMTCIL IFS4 INV CONT EU SM CAP FD	**1,317,413**
BNYMTCIL IFS4 INV GBL SM CAP EQ FD	**385,588**
PS FTSERAFI EUSM UCITS ETF BNYMTCIL	**2,919**
PS SP INTL DEVEL QUALITY PORTFOLIO	**4,736**
PS FR DEVEL MARK EX US SMALL PORT	**5,473**
PRU SECTOR FDS INC PRU FIN SER FD	**787,168**
AST TRP DIVERS REAL GWTH PORT PDMO	**1,049**
AST FI PYRAMIS QUANT AA IE SC PDGJ	**83,115**
AST TRP GWTH OPP PORT BAL PDRB	**26,600**
AST RCM WORLD TRENDS PORT PDBF	**250,800**
WELLINGTON MGMT CY LLPQUALITY EDUC FD	**138,871**
BANK OF AMERICA PENSION PLAN OECHSLE	**143,212**
BOA FBO SKL INVESTMENT GRP LLC	**8,534**
WMP OPP INVESTMENT PRTNS LP	**32,852**
AWAF AWAC WELLINGTON	**58,355**
GLOBAL EQUITY WELLINGTON	**235,725**
GLOBAL INVESTMENT FUND	**31,323**
MFS INTL EQUITY FUND	**74,599**
HP INC MASTER TRUST	**68,418**
BNYMTD RAMAM WORLD RECOVERY FUND	**180,600**
CPA COP PSERS PYRAMIS GLOBAL ADV	**78,706**
BNYMTD RM GLOBAL HIGH ALPHA FUND	**63,600**
AMG TIMESSQUARE INTL SM CAP	**643,360**
FLORIDA RETIREMENT SYSTEM	**215,017**
VERIZON MASTER SAVINGS TRUST	**98,016**
UTC WELLINGTON GLOBAL	**91,148**
PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	**132,596**
BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	**109,924**
JOHN S AND JAMES L KNIGHT FOUNDATION	**229,700**
PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	**246**
FCP EDMOND DE ROTHSCHILD EURO SRI	**168,000**
CNP ASSUR SMALL CAP	**432,330**
AA FORTIS ACTIONS PETIT CAP EUROPE	**270,956**
FCP NATIXIS ACTIONS SMALL MID CAP EURO	**263,000**
ASSURDIX	**41,977**
CPR SILVER AGE	**2,472,859**
CROISSANCE PME M	**433,376**
AGENTE:NORTHERN TRUST COMPANY/LTW INVESTMENTS LLC	**170,000**
AGENTE:NORTHERN TRUST COMPANY/BATTELLE MEMORIAL INSTITUTE	**39,700**
AGENTE:NORTHERN TRUST COMPANY/DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	**59,456**
AGENTE:NORTHERN TRUST COMPANY/THE HEALTH FOUNDATION	**57,168**
AGENTE:NORTHERN TRUST COMPANY/ST. JOSEPH HEALTH SYSTEM	**100,661**
AGENTE:NORTHERN TRUST COMPANY/ILLINOIS STATE BOARD OF INVESTMENT	**77,149**
AGENTE:STATE STREET BANK AND TRUST COMPANY/FEDERATED KAUFMANN FUND II	**166,330**
AGENTE:STATE STREET BANK AND TRUST COMPANY/SCHWAB INTERNATIONAL EQUITY ETF	**195,728**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	**152,865**
AGENTE:STATE STREET BANK AND TRUST COMPANY/MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	**142,892**
AGENTE:STATE STREET BANK AND TRUST COMPANY/ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	**165,000**
AGENTE:STATE STREET BANK AND TRUST COMPANY/MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	**127,626**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE FRANCIS E. PARKER MEMORIAL HOME	**23,936**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE GABELLI GLOBAL SMALL AND MID CAP	**49,000**

VALUE TRUST	
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	**25,000**
AGENTE:STATE STREET BANK AND TRUST COMPANY/HARTFORD CAPITAL APPRECIATION HLS FUND	**1,411,126**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE HARTFORD INTERNATIONAL GROWTH FUND	**141,392**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE HARTFORD CAPITAL APPRECIATION FUND	**3,822,524**
AGENTE:STATE STREET BANK AND TRUST COMPANY/HARTFORD INTERNATIONAL EQUITY FUND	**20,015**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE HARTFORD GLOBAL ALL- ASSET FUND	**73,365**
AGENTE:STATE STREET BANK AND TRUST COMPANY/HARTFORD GLOBAL CAPITAL APPRECIATION FUND	**549,306**
AGENTE:STATE STREET BANK AND TRUST COMPANY/TEXAS MUNICIPAL RETIREMENT SYSTEM	**897,775**
AGENTE:STATE STREET BANK AND TRUST COMPANY/GOVERNMENT OF THE PROVINCE OF ALBERTA	**169,600**
AGENTE:STATE STREET BANK AND TRUST COMPANY/METZLER INVESTMENT GMBH FOR MI-FONDS 415	**113,500**
AGENTE:STATE STREET BANK AND TRUST COMPANY/ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	**346,439**
AGENTE:STATE STREET BANK AND TRUST COMPANY/VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	**125,203**
AGENTE:STATE STREET BANK AND TRUST COMPANY/WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	**7,964**
AGENTE:STATE STREET BANK AND TRUST COMPANY/MFS MERIDIAN FUNDS	**1,306,568**
AGENTE:STATE STREET BANK AND TRUST COMPANY/KIEGER FUND I	**50,329**
AGENTE:STATE STREET BANK AND TRUST COMPANY/RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	**238,547**
AGENTE:STATE STREET BANK AND TRUST COMPANY/RUSSELL INVESTMENT FUNDS NON-U.S. FUND	**28,598**
AGENTE:STATE STREET BANK AND TRUST COMPANY/THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	**622,711**
PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	**385,014**
PIONEER FD-EUROPEAN RESEARCH	**321,167**
PIONEER FD-EURO EQ OPTIMAL VOL	**95,282**
PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	**25,412**
PIONEER FD SF EQUITY PLAN60	**52,401**
PIONEER FD-GLOBAL MULTI ASSET	**39,321**
PIONEER FD-EUROPEAN POTENTIAL	**1,801,653**
AGENTE:STATE STREET BANK AND TRUST COMPANY/PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	**226,758**
AGENTE:STATE STREET BANK AND TRUST COMPANY/TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	**136,317**
Number of proxies represented by badge: **301**	**143,996,321**

FINECO BANK

2016 REPORTS AND ACCOUNTS

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ADVANCED TECHNOLOGY
WE KNOW.

PEOPLE.

FINECO. SIMPLIFYING BANKING.

FinecoBank S.p.A. - Member of UniCredit

In 2016 Annual Report, FinecoBank still confirms its approach to Banking providing customers with advanced but easy to use products and services, able to meet their needs, even the most sophisticated.

Our mission is to simplify our customers' lives and anticipate the trends of our world, offering products and services with a strong technological touch and designed on a fair and transparent approach.

Everyday Fineco strives to propose solutions aimed to make our customers' experience even more satisfying, responding efficiently to their needs of proper and efficient management of their savings in order to make them achieve their life goals and also reach new challenges.

FINECO
BANK

IT'S THE MOST RECOMMENDED BANK IN THE WORLD.

Thanks to one million customers talking about us.

BCG
The Boston Consulting Group

A 2015 Report of The Boston Consulting Group awards Fineco as the most recommended bank in the world through word of mouth

FINECO. SIMPLIFYING BANKING.

FinecoBank S.p.A. - Member of UniCredit

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Simplifying our customers' life is our mission. Numbers confirm we're on the right way: 99% of customers are satisfied with Fineco and suggest it to family and friends.

Data source: TNS Infratest 2015 survey.

FINECO. SIMPLIFYING BANKING.

Board of Directors, Board of Statutory Auditors and External Auditors

	Board of Directors
Enrico Cotta Ramusino	**Chairman**
Francesco Saita	**Vice Chairman**
Alessandro Foti	**Chief Executive Officer and General Manager**
Gianluigi Bertolli Girolamo Ielo Laura Stefania Penna Mariangela Grosoli Manuela D'Onofrio Pietro Angelo Guindani	**Directors**
	Board of Statutory Auditors
Gian-Carlo Noris Gaccioli	**Chairman**
Barbara Aloisi Marziano Viozzi	**Standing Auditors**
Federica Bonato Marzio Duilio Rubagotti	**Alternate Auditors**
Deloitte & Touche S.p.A.	**External Auditors**
Lorena Pelliciari	**Nominated Official in charge of drawing up company accounts**

On October 28, 2016, the Director Ms. Marina Natale submitted her resignation from the office. On November 8, 2016, the Board of Directors of the Bank co-opted Ms. Manuela D'Onofrio, until the next available Shareholders' Meeting, as the new Board Director to replace the resigning Ms. Marina Natale.

Registered office
20131 Milan - Piazza Durante, 11

"FinecoBank Banca Fineco S.p.A."
in abbreviated form "FinecoBank S.p.A.", or "Banca Fineco S.p.A." or "Fineco Banca S.p.A."
Company controlled by UniCredit S.p.A., Gruppo Bancario UniCredit, Register of Banking Groups no. 2008.1, Member of the National Guarantee Fund and National Interbank Deposit Guarantee Fund, Italian Banking Association Code 03015, Tax Code and Milan Company Register no. 01392970404 – R.E.A. (Economic and Administrative Index) no. 1598155, VAT No. 12962340159

OVER 1 MILLION CUSTOMERS

A MILLION THANKS

FINECO. SIMPLIFYING BANKING.

Introduction to the Annual Report and Accounts

In implementation of Legislative Decree no. 38 of February 28, 2005, these Accounts of FinecoBank Banca Fineco S.p.A. as at December 31, 2016 (below FinecoBank or Fineco) have been prepared in accordance with the IAS/IFRS issued by the International Accounting Standards Board (IASB), including the SIC and IFRIC interpretation documents, as endorsed by the European Commission until December 31, 2016, pursuant to EU Regulation 1606/2002 of July 19, 2002 and applicable to financial reports for the periods starting on January 1, 2016.

In its circular 262 of December 22, 2005 as amended, the Bank of Italy laid down the formats for the financial statements and explanatory notes to the accounts of banks and regulated financial companies that are parents of banking groups, which have been used to prepare these Accounts.

The Annual Report and Accounts includes:

- the **Financial Statements** comprise the Balance Sheet, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Shareholders' Equity, the Cash Flow Statement, presented with a comparison to those of 2015;
- the **Notes to the Accounts.**

It is accompanied by:

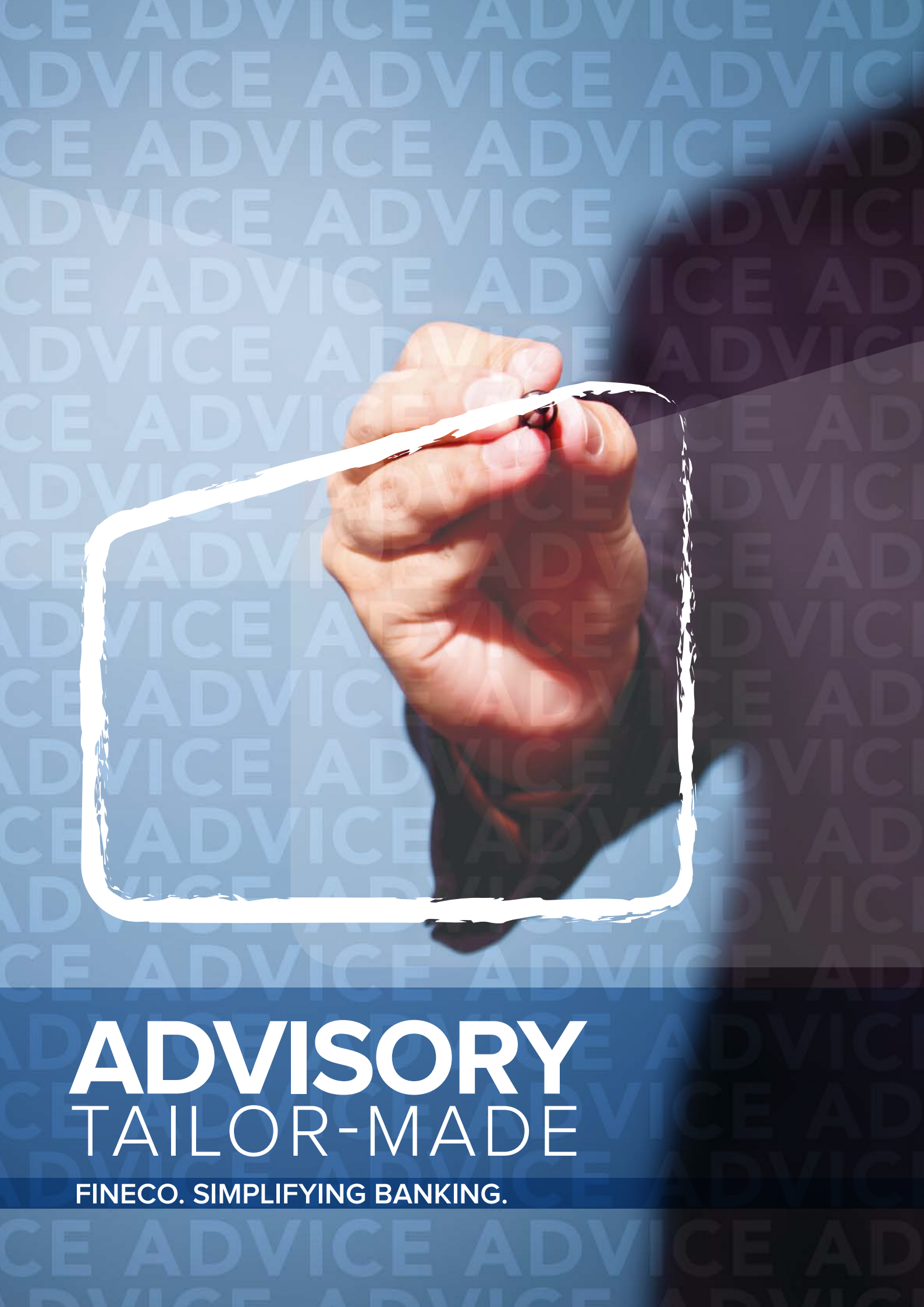
- the **Report on Operations**, which includes the condensed accounts, the main results of the various business areas, and comments on the results for the period;
- the Certification of the Annual Financial Statements pursuant to Article 81-ter of Consob Regulation no. 11971 of May 14, 1999 and subsequent amendments.

The annual report also includes:

- the Report of the Board of Statutory Auditors
- the Report of the External Auditors.

As of January 1, 2016, within the securities lending transactions collateralised by cash, the income component connected to the service provided (received) for the provision of the securities is recognised under fee and commission income (expense), whereas it was previously in interest income (expense). The corresponding figures for the previous year have been restated to enable like-for-like comparison.

Any lack of correspondence between the figures shown in the Report on operations and Financial Statements is solely due to roundings.


ADVICE
ADVISORY
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Summary data

FinecoBank is the direct, multi-channel Bank of the UniCredit Group, with one of the largest advisory networks in Italy. It is the leading bank in Italy for equity trades in terms of volume of orders and the top online broker in Europe for number of orders executed.
The Bank offers an integrated business model combining direct banking and financial advice, with a single free-of-charge account including a full range of banking, credit, trading and investment services, which are also available through applications for smartphone and tablet. To complete the offering, from the end of November 2016, and in line with the "One-Stop Solution" model, through which all customer financial needs can be managed through a single account, the range of loan products was extended with the launch of the new mortgage loans. The mortgage offering is aimed at retail customers to finance the purchase of first or second homes or subrogations, for the transfer to Fineco of existing mortgages held at other banks.
With its fully integrated platform, FinecoBank is the benchmark for modern investors and is able to satisfy all the financial needs of its customers.

In 2016, total financial assets (direct and indirect) amounted to €60,195 million, up 8.8% on €55,327 million at the end of 2015. The Bank continued its process of redirecting its Total Financial Assets (TFA) towards higher value-added products and services, in an environment of continued strong sales. In detail, the Bank recorded total net sales of €5,036 million (-8.3% compared to the same period in 2015), while net sales through the PFA network came to €4,338 million (-12.2%). There was also an increase in the sales of Guided Products & Services, of €3,877 million, with a consequent rise in its proportion of total Assets under Management up to 56.4% compared to 45% at the end of December 2015.
During the year 109,715 new customers were acquired, bringing the total to 1,117,876.

Net profit for the year 2016 amounted to €211.8 million, an increase of 10.9% over the prior year. The cost/income ratio fell to 40.49% compared to 42.72% for the previous year, confirming the Bank's excellent operating leverage.
The results for 2016 confirmed the Bank's solidity and the strength of its highly balanced and diversified business model, capable of fully capturing the structural trends in Italian society, such as the growing demand for advisory services and digitisation.

The Bank's offering is split into the following three areas of activity: (i) banking: including current account and deposit services, payment services, and issuing debit, credit and prepaid cards, mortgages and personal loans; (ii) brokerage: providing order execution services on behalf of customers, with direct access to major global equity markets and the ability to trade CFDs (on currencies, indices, shares, bonds and commodities), futures, options, bonds, ETFs and certificates; (iii) investing: including placement and distribution services of more than 6,000 products, including mutual funds and SICAV sub-funds managed by 70 leading Italian and international investment firms, insurance and pension products, as well as consulting services in the investment field.

Since April 1, 2016, FinecoBank has been listed on the Borsa Italiana FTSE MIB, a fundamental step in the Bank's process of growth and a significant milestone confirming the appreciation of a diversified business model, capable of meeting the increasingly complex needs of modern investors.

The listing on the FTSE MIB also provides greater visibility towards an increasingly vast audience of international investors, to support the Bank's development. This result represents an additional springboard for the Bank's growth.

Summary data (Continued)

Condensed Accounts

Balance Sheet

(Amounts in € thousand)

ASSETS	AMOUNTS AS AT 12.31.2016	AMOUNTS AS AT 12.31.2015	CHANGES AMOUNT	CHANGES %
Cash and cash balances	5	6	(1)	-16.7%
Financial assets held for trading	6,044	3,983	2,061	51.7%
Loans and receivables with banks	15,735,540	14,648,904	1,086,636	7.4%
Loans and receivables with customers	1,016,798	922,774	94,024	10.2%
Financial investments	3,757,529	2,245,982	1,511,547	67.3%
Hedging instruments	9,211	10,573	(1,362)	-12.9%
Property, plant and equipment	14,451	12,419	2,032	16.4%
Goodwill	89,602	89,602	-	-
Other intangible assets	7,731	8,212	(481)	-5.9%
Tax assets	13,165	15,424	(2,259)	-14.6%
Other assets	336,300	370,070	(33,770)	-9.1%
Total assets	**20,986,376**	**18,327,949**	**2,658,427**	**14.5%**

(Amounts in € thousand)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 12.31.2016	AMOUNTS AS AT 12.31.2015	CHANGES AMOUNT	CHANGES %
Deposits from banks	1,111,106	1,423,459	(312,353)	-21.9%
Deposits from customers	18,801,073	15,822,459	2,978,614	18.8%
Financial liabilities held for trading	2,626	4,100	(1,474)	-36.0%
Hedging instruments	11,371	31,319	(19,948)	-63.7%
Provisions for risks and charges	111,756	120,534	(8,778)	-7.3%
Tax liabilities	10,048	37,445	(27,397)	-73.2%
Other liabilities	257,097	255,835	1,262	0.5%
Shareholders' Equity	681,299	632,798	48,501	7.7%
- capital and reserves	*476,249*	*430,119*	*46,130*	*10.7%*
- revaluation reserves (available-for-sale financial assets and actuarial gains (losses) for defined benefits plans)	*(6,794)*	*11,626*	*(18,420)*	*-158.4%*
- net profit (loss)	*211,844*	*191,053*	*20,791*	*10.9%*
Total liabilities and shareholders' equity	**20,986,376**	**18,327,949**	**2,658,427**	**14.5%**

Balance Sheet - Quarterly data

(Amounts in € thousand)

ASSETS	AMOUNTS AS AT 12.31.2016	09.30.2016	06.30.2016	03.31.2016	12.31.2015
Cash and cash balances	5	8	11	7	6
Financial assets held for trading	6,044	5,547	6,879	6,996	3,983
Loans and receivables with banks	15,735,540	14,441,864	15,299,291	15,404,458	14,648,904
Loans and receivables with customers	1,016,798	971,888	880,232	827,395	922,774
Financial investments	3,757,529	3,586,682	2,926,175	2,622,251	2,245,982
Hedging instruments	9,211	7,559	9,018	6,682	10,573
Property, plant and equipment	14,451	14,366	13,896	13,471	12,419
Goodwill	89,602	89,602	89,602	89,602	89,602
Other intangible assets	7,731	7,557	7,608	7,691	8,212
Tax assets	13,165	5,578	5,880	11,775	15,424
Other assets	336,300	321,867	322,264	274,182	370,070
Total assets	**20,986,376**	**19,452,518**	**19,560,856**	**19,264,510**	**18,327,949**

(Amounts in € thousand)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 12.31.2016	09.30.2016	06.30.2016	03.31.2016	12.31.2015
Deposits from banks	1,111,106	1,139,241	1,361,666	1,503,755	1,423,459
Deposits from customers	18,801,073	17,249,625	17,133,049	16,693,126	15,822,459
Financial liabilities held for trading	2,626	4,822	6,300	4,218	4,100
Hedging instruments	11,371	15,304	17,657	20,441	31,319
Provisions for risks and charges	111,756	117,360	119,258	120,515	120,534
Tax liabilities	10,048	47,409	23,046	62,222	37,445
Other liabilities	257,097	222,813	296,926	167,984	255,835
Shareholders' Equity	681,299	655,944	602,954	692,249	632,798
- capital and reserves	*476,249*	*474,255*	*471,789*	*624,119*	*430,119*
- revaluation reserves (available-for-sale financial assets and actuarial gains (losses) for defined benefits plans)	*(6,794)*	*19,316*	*13,383*	*16,908*	*11,626*
- net profit (loss)	*211,844*	*162,373*	*117,782*	*51,222*	*191,053*
Total liabilities and shareholders' equity	**20,986,376**	**19,452,518**	**19,560,856**	**19,264,510**	**18,327,949**

Summary data (Continued)

Income Statement

(Amounts in € thousand)

	YEAR		CHANGES	
	2016	2015	AMOUNT	%
Net interest	249,388	240,762	8,626	3.6%
Dividends and other income from equity investments	6	-	6	n.c.
Net fee and commission income	242,881	252,610	(9,729)	-3.9%
Net trading, hedging and fair value income	69,054	53,867	15,187	28.2%
Net other expenses/income	(2,211)	(2,974)	763	-25.7%
OPERATING INCOME	**559,118**	**544,265**	**14,853**	**2.7%**
Staff expenses	(73,698)	(75,049)	1,351	-1.8%
Other administrative expenses	(228,119)	(232,870)	4,751	-2.0%
Recovery of expenses	85,395	84,347	1,048	1.2%
Impairment/write-backs on intangible and tangible assets	(9,952)	(8,951)	(1,001)	11.2%
Operating costs	**(226,374)**	**(232,523)**	**6,149**	**-2.6%**
OPERATING PROFIT (LOSS)	**332,744**	**311,742**	**21,002**	**6.7%**
Net write-downs of loans and provisions for guarantees and commitments	(4,199)	(6,706)	2,507	-37.4%
NET OPERATING PROFIT (LOSS)	**328,545**	**305,036**	**23,509**	**7.7%**
Provisions for risks and charges	(9,981)	(15,714)	5,733	-36.5%
Integration costs	(5,503)	(1,246)	(4,257)	341.7%
Net income from investments	(6,724)	(1)	(6,723)	n.c.
NET PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**306,337**	**288,075**	**18,262**	**6.3%**
Income tax for the year	(94,493)	(97,022)	2,529	-2.6%
NET PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	**211,844**	**191,053**	**20,791**	**10.9%**
NET PROFIT (LOSS) FOR THE YEAR	**211,844**	**191,053**	**20,791**	**10.9%**

Income statement - Quarterly data

(Amounts in € thousand)

	2016			
	4TH QUARTER	3RD QUARTER	2ND QUARTER	1ST QUARTER
Net interest	63,412	62,527	61,200	62,249
Dividends and other income from equity investments	6	-	-	-
Net fee and commission income	65,786	59,274	59,660	58,161
Net trading, hedging and fair value income	11,343	10,785	27,281	19,645
Net other expenses/income	(2,176)	(793)	669	89
OPERATING INCOME	**138,371**	**131,793**	**148,810**	**140,144**
Staff expenses	(16,633)	(19,349)	(19,003)	(18,713)
Other administrative expenses	(57,254)	(53,141)	(57,169)	(60,555)
Recovery of expenses	21,311	21,747	21,107	21,230
Impairment/write-backs on intangible and tangible assets	(2,733)	(2,610)	(2,436)	(2,173)
Operating costs	**(55,309)**	**(53,353)**	**(57,501)**	**(60,211)**
OPERATING PROFIT (LOSS)	**83,062**	**78,440**	**91,309**	**79,933**
Net write-downs of loans and provisions for guarantees and commitments	(678)	(720)	(1,361)	(1,440)
NET OPERATING PROFIT (LOSS)	**82,384**	**77,720**	**89,948**	**78,493**
Provisions for risks and charges	3,914	(11,342)	(1,114)	(1,439)
Integration costs	(5,493)	(3)	(4)	(3)
Net income from investments	(6,724)	-	-	-
NET PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**74,081**	**66,375**	**88,830**	**77,051**
Income tax for the period	(24,610)	(21,784)	(22,270)	(25,829)
NET PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	**49,471**	**44,591**	**66,560**	**51,222**
NET PROFIT (LOSS) FOR THE PERIOD	**49,471**	**44,591**	**66,560**	**51,222**

Summary data (Continued)

(Amounts in € thousand)

	2015			
	4TH QUARTER	3RD QUARTER	2ND QUARTER	1ST QUARTER
Net interest	62,142	62,876	59,254	56,490
Net fee and commission income	63,591	62,030	64,212	62,777
Net trading, hedging and fair value income	12,587	13,207	11,014	17,059
Net other expenses/income	(1,486)	1,601	(3,447)	358
OPERATING INCOME	**136,834**	**139,714**	**131,033**	**136,684**
Staff expenses	(18,883)	(18,984)	(18,797)	(18,385)
Other administrative expenses	(59,238)	(53,097)	(60,134)	(60,401)
Recovery of expenses	21,728	20,231	21,376	21,012
Impairment/write-backs on intangible and tangible assets	(2,550)	(2,211)	(2,163)	(2,027)
Operating costs	**(58,943)**	**(54,061)**	**(59,718)**	**(59,801)**
OPERATING PROFIT (LOSS)	**77,891**	**85,653**	**71,315**	**76,883**
Net write-downs of loans and provisions for guarantees and commitments	(2,576)	(1,436)	(1,111)	(1,583)
NET OPERATING PROFIT (LOSS)	**75,315**	**84,217**	**70,204**	**75,300**
Net provisions for risks and charges	(10,474)	(1,311)	(814)	(3,115)
Integration costs	(1,246)	-	-	-
Net income from investments	(1)	-	-	-
NET PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**63,594**	**82,906**	**69,390**	**72,185**
Income tax for the period	(21,373)	(27,778)	(23,468)	(24,403)
NET PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	**42,221**	**55,128**	**45,922**	**47,782**
PROFIT (LOSS) FOR THE YEAR	**42,221**	**55,128**	**45,922**	**47,782**

Main balance sheet figures

(Amounts in € thousand)

	AMOUNTS AS AT		CHANGES	
	12.31.2016	12.31.2015	AMOUNT	%
Loans (1)	813,589	614,000	199,589	32.5%
Total assets	20,986,376	18,327,949	2,658,427	14.5%
Direct deposits (2)	18,509,497	15,630,645	2,878,852	18.4%
Assets under administration (3)	41,685,609	39,696,024	1,989,585	5.0%
Total financial assets (direct and indirect)	60,195,106	55,326,669	4,868,437	8.8%
Shareholders' equity	681,299	632,798	48,501	7.7%

(1) Loans refer solely to loans granted to customers (current account overdrafts, credit cards, personal loans, mortgages and unsecured loans);
(2) Direct deposits include overdrawn current accounts, Supersave repos and the Cash Park deposit account;
(3) Assets under administration consist of products placed online or through the sales networks of FinecoBank

Key figures

Operating Structure

	FIGURES AS AT	
	12.31.2016	12.31.2015
No. of Employees	1,086	1,059
No. Workers (1)	1,096	1,067
No. Personal financial advisors	2,628	2,622
No. Financial shops (2)	358	343

(1) Number of workers: includes permanent employees, atypical employees, Directors and Group employees seconded to FinecoBank, net of FinecoBank employees seconded to the Group.
(2) Number of operating financial

Profitability, productivity and efficiency ratios

(Amounts in € thousand)

	FIGURES AS AT	
	12.31.2016	12.31.2015
Net interest/Operating income	44.60%	44.24%
Income from brokerage and other income/Operating income	55.40%	55.76%
Income from brokerage and other income/Operating costs	136.82%	130.53%
Cost/income ratio	40.49%	42.72%
Operating costs/TFA	0.39%	0.44%
Cost of risk	43 bp	83 bp
Adjusted cost of risk	43 bp	52 bp
ROE	43.07%	42.72%
Return on assets	1.01%	1.04%
EVA	190.093	167.890
RARORAC	55.51%	57.25%
ROAC	64.27%	65.86%
Total customer sales/Average employees	55.659	52.970
Total customer sales/(Average employees + average PFAs)	16.240	15.275

Key

Income from brokerage and other income: Net fee and commission income, Net trading, hedging and fair value income and Net other expenses/income.

Cost/income ratio: Operating Costs divided by Operating Income.

Operating costs/TFA: ratio of operating costs to Total Financial Assets. The TFA used for the ratio is the average for the period, calculated as the average between the period-end balance and the balance as at the previous December 31.

Cost of risk: is the ratio of Net write-downs of loans and provisions for guarantees and commitments to Loans and receivables with customers (average of the balance at period end and the balance at December 31 of the previous year). The methods of calculation for this indicator have been changed starting from the year 2016 and the relevant indicators at December 31, 2015 have been restated for comparative purposes. The cost of risk has been calculated by excluding the write-downs applied to exposures to customers, who made a loss on leveraged Forex positions due to the extraordinary drop in the value of the Euro versus the Swiss Franc on January 15, 2015, of €2.5 million, from the net write-downs of loans and provisions for guarantees and commitments as at December 31, 2015.
ROE: the denominator used to calculate this ratio is the average book shareholders' equity for the period (excluding dividends and any donations expected to be distributed and the revaluation reserves).

Return on assets: ratio of net profit after tax to total assets.

EVA (Economic Value Added): shows the firm's ability to create value; calculated as the difference between net operating profit and the figurative cost of the allocated capital.

RARORAC (Risk adjusted Return on Risk adjusted Capital): which is the ratio between EVA and Allocated/Absorbed Capital and expresses, in percentage, the capacity to create value for unit of risk taken.

ROAC (Return on Allocated Capital): is the ratio of Net Operating Profit and Allocated Capital. Allocated Capital means the greater of internally calculated capital based on shared UniCredit Group models (Economic Capital) and regulatory capital.

For the calculation of EVA, RARORAC and ROAC indicators as at December 31, 2016, internal capital is that as at September 30, 2016, the latest available provided by the Parent Company.

Key figures (Continued)

Balance Sheet indicators

	FIGURES AS AT	
	12.31.2016	12.31.2015
Loans/Total assets	3.88%	3.35%
Loans and receivables with banks/Total assets	74.98%	79.93%
Financial assets/Total assets	17.93%	12.28%
Direct sales/Total liabilities and Shareholders' equity	88.20%	85.28%
Shareholders' equity (including profit)/Total liabilities and Shareholders' equity	3.25%	3.45%
Loans/Direct deposits	4.40%	3.93%

	FIGURES AS AT	
CREDIT QUALITY	12.31.2016	12.31.2015
Impaired loans/Loans	0.45%	0.79%
Non-performing loans/Loans	0.33%	0.57%
Coverage (1) - Non-performing loans	86.23%	83.96%
Coverage (1) - Unlikely to pay	79.07%	63.59%
Coverage (1) - Impaired past-due exposures	47.08%	51.21%
Coverage (1) - Total impaired loans	83.64%	80.64%

(1) Calculated as the ratio between the amount of impairment losses and gross exposure.

Own funds and capital ratios

	FIGURES AS AT	
	12.31.2016	12.31.2015
Total own funds (€ thousand)	438,121	393,903
Total risk-weighted assets (€ thousand)	1,909,713	1,828,007
Ratio - Common Equity Tier 1 Capital	22.94%	21.39%
Ratio - Tier 1 Capital	22.94%	21.39%
Ratio - Total Own Funds	22.94%	21.55%

	FIGURES AS AT	
	12.31.2016	12.31.2015
Tier 1 Capital (€ thousand)	438,121	390,977
Exposure for leverage (€ thousand)	5,302,244	3,717,157
Transitional leverage ratio	8.26%	10.52%

Own funds and capital ratios were determined applying the current Supervisory Regulations, in line with Basel III standards, including transitional adjustments. The figures shown include the profit for the year 2016 that will not be distributed, assuming the conditions established Article 26.2 of the EU Regulation 575/2013 (CRR) are satisfied.

The leverage ratio was calculated in accordance with EU Delegated Regulation 2015/62 of October 10, 2014. As required by Circular No. 285 of the Bank of Italy, Part Two, Chapter 12, Section III Exercise of national discretion, exposures to the UniCredit Group companies based in Italy and weighted at 0% pursuant to Article 113, par. 6 of the CRR have not been included in the calculation of total exposure, in accordance with Article 429 (7) of the CRR amended by the Delegated Regulation (EU) 2015/62.

Market share

TRADING ON ITALIAN STOCK MARKET (ASSOSIM)	12.31.2016	12.31.2015
Third party volumes traded on MTA	19.79%	20.84%
Classification of third party volumes traded on MTA	1°	1°

PERSONAL FINANCIAL ADVISERS NETWORK (ASSORETI)	12.31.2016	12.31.2015
Stock reclassification	3°	3°

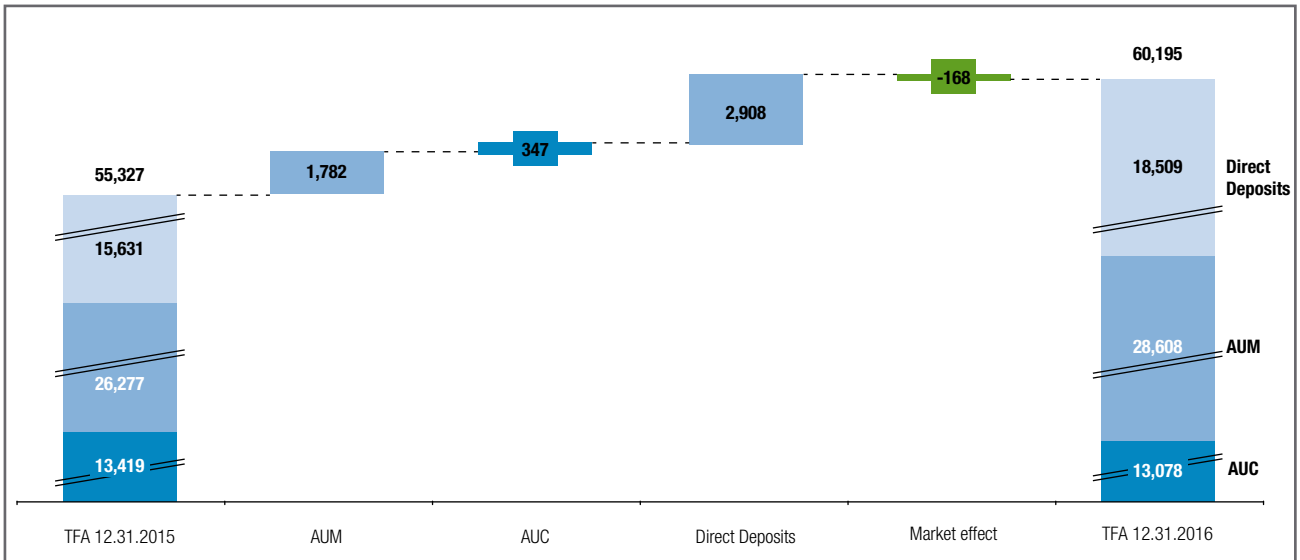
PERSONAL FINANCIAL ADVISERS NETWORK (ASSORETI)	12.31.2016	12.31.2015
Net sales classification	4°	2°

TOTAL DEPOSITS (BANK OF ITALY)	30.09.2016	12.31.2015
Market share - Total Financial Assets	1.46%	1.43%
Market share - Direct Deposits	1.20%	1.12%
Market share - Assets under Administration	1.63%	1.64%

The figures for "Total financial assets" (Bank of Italy) refer to September 30, 2016, the latest figures available.

Performance of total financial assets

Direct deposits showed growth of 18.4% completed the end of the previous year, to reach €18,509 million and confirming the high level of appreciation of the quality of the services.
Direct deposits mainly consist of "transactional" deposits, supporting all customer transactions, whose growth confirmed the high and increasing degree of customer loyalty, which in turn contributes to improving the quality and stability of direct sales.
Assets under administration (Assets under Management-AUM plus Assets under Custody-AUC) came to €41,686 million, representing an increase of 5% on December 31, 2015.
Total financial assets (direct and indirect) thus reached €60,195 million, up 8.8% compared to the end of 2015, thanks to net sales of €5,036 million.
The steady growth and continued improvement in the quality of sales was reflected in the growth of guided products & services[1], which continued to increase as a percentage of the TFA, up from 21.4% as at December 31, 2015 to 26.8% as at December 31, 2016, and of Assets under Management, up from 45.01% as at December 31, 2015 to 56.4% as at December 31, 2016.



AUC = Asset under custody - AUM = Asset under management - TFA = Total Financial Asset

The table below shows the figures for the balance of direct deposits, assets under management and assets under custody of the Bank's customers, including both those linked to a personal financial advisor and those operating through the online channel.

Total financial assets

(Amounts in € thousand)

	AMOUNTS AS AT		AMOUNTS AS AT		CHANGES	
	12.31.2016	%	12.31.2015	%	AMOUNT	%
Current accounts and demand deposits	18,296,238	30.4%	14,985,438	27.1%	3,310,800	22.1%
Time deposits and reverse repos	213,259	0.4%	645,207	1.2%	(431,948)	-66.9%
DIRECT DEPOSITS	**18,509,497**	**30.7%**	**15,630,645**	**28.3%**	**2,878,852**	**18.4%**
Segregated accounts	10,882	0.0%	14,112	0.0%	(3,230)	-22.9%
UCITS and other investment funds	24,257,876	40.3%	23,100,072	41.8%	1,157,804	5.0%
Insurance products	4,339,162	7.2%	3,163,241	5.7%	1,175,921	37.2%
ASSETS UNDER MANAGEMENT	**28,607,920**	**47.5%**	**26,277,425**	**47.5%**	**2,330,495**	**8.9%**
Government securities, bonds and stocks	13,077,689	21.7%	13,418,599	24.3%	(340,910)	-2.5%
ASSETS UNDER CUSTODY	**13,077,689**	**21.7%**	**13,418,599**	**24.3%**	**(340,910)**	**-2.5%**
TOTAL FINANCIAL ASSETS	**60,195,106**	**100.0%**	**55,326,669**	**100.0%**	**4,868,437**	**8.8%**
of which Guided products & services	16,135,018	26.8%	11,828,072	21.4%	4,306,946	36.4%

1. Respectively, the Bank's products and/or services developed by investing in UCITs selected from among those distributed for each asset class taking into account customers' different risk profiles and offered to the Bank's customers under the guided open architecture model. At the date of this report, the guided products category included the "Core Series" umbrella fund of funds and the "Core Unit", "Advice Unit", "Core Multiramo" and "Advice Top Valor", unit-linked policies, while the "Fineco Advice" and "Fineco Stars" advanced advisory services (for investment) fall under the guided service category.

Business performance (Continued)

The table below shows the figures for direct deposits, assets under management and assets under custody solely for the personal financial advisors network. Total financial assets, amounting to €51,434 million, increased by 9.5% compared to December 31, 2015.

Total financial assets - Personal Financial Advisors Network - Assoreti figures

(Amounts in € thousand)

	AMOUNTS AS AT		AMOUNTS AS AT		CHANGES	
	12.31.2016	%	12.31.2015	%	AMOUNT	%
Current accounts and demand deposits	13,442,242	26.1%	10,898,766	23.2%	2,543,476	23.3%
Time deposits and reverse repos	150,773	0.3%	438,741	0.9%	(287,968)	-65.6%
DIRECT DEPOSITS	**13,593,015**	**26.4%**	**11,337,507**	**24.1%**	**2,255,508**	**19.9%**
Segregated accounts	10,882	0.0%	14,112	0.0%	(3,230)	-22.9%
UCITS and other investment funds	23,843,218	46.4%	22,663,576	48.3%	1,179,642	5.2%
Insurance products	4,251,107	8.3%	3,070,003	6.5%	1,181,104	38.5%
ASSETS UNDER MANAGEMENT	**28,105,207**	**54.6%**	**25,747,691**	**54.8%**	**2,357,516**	**9.2%**
Government securities, bonds and stocks	9,736,101	18.9%	9,866,169	21.0%	(130,068)	-1.3%
ASSETS UNDER CUSTODY	**9,736,101**	**18.9%**	**9,866,169**	**21.0%**	**(130,068)**	**-1.3%**
TOTAL FINANCIAL ASSETS	**51,434,323**	**100.0%**	**46,951,367**	**100.0%**	**4,482,956**	**9.5%**
of which Guided products & services	16,104,815	31.3%	11,805,963	25.1%	4,298,852	36.4%

The table below shows the figures for direct deposits, assets under management and assets under custody for 2016 compared with the same period of the previous year, for both customers linked to a personal financial advisor and online-only customers.
Net sales came to €5,036 million, with a heavy concentration in direct deposits and assets under management.

Net sales

(Amounts in € thousand)

					CHANGES	
	YEAR 2016	%	YEAR 2015	%	AMOUNT	%
Current accounts and demand deposits	3,342,566	66.4%	2,738,356	49.9%	604,210	22.1%
Time deposits and reverse repos	(435,045)	-8.6%	(879,556)	-16.0%	444,511	-50.5%
"DIRECT DEPOSITS"	**2,907,521**	**57.7%**	**1,858,800**	**33.9%**	**1,048,721**	**56.4%**
Segregated accounts	(2,688)	-0.1%	(450)	0.0%	(2,238)	497.3%
UCITS and other investment funds	693,813	13.8%	1,960,589	35.7%	(1,266,776)	-64.6%
Insurance products	1,090,893	21.7%	693,277	12.6%	397,616	57.4%
ASSETS UNDER MANAGEMENT	**1,782,018**	**35.4%**	**2,653,416**	**48.3%**	**(871,398)**	**-32.8%**
Government securities, bonds and stocks	346,708	6.9%	977,304	17.8%	(630,596)	-64.5%
ASSETS UNDER ADMINISTRATION	**346,708**	**6.9%**	**977,304**	**17.8%**	**(630,596)**	**-64.5%**
NET SALES	**5,036,247**	**100.0%**	**5,489,520**	**100.0%**	**(453,273)**	**-8.3%**
of which Guided products & services	3,876,685	77.0%	3,410,816	62.1%	465,869	13.7%

The table below shows the figures for direct deposits, assets under management and assets under custody of the PFA network for 2016 compared to the same period of the previous year.

Net sales – Personal Financial Advisors Network – Assoreti figures

(Amounts in € thousand)

					CHANGES	
	YEAR 2016	%	YEAR 2015	%	AMOUNT	%
Current accounts and demand deposits	2,543,475	58.6%	2,293,650	46.4%	249,825	10.9%
Time deposits and reverse repos	(295,013)	-6.8%	(656,428)	-13.3%	361,415	-55.1%
DIRECT SALES	**2,248,462**	**51.8%**	**1,637,222**	**33.1%**	**611,240**	**37.3%**
Segregated accounts	(2,688)	-0.1%	(450)	0.0%	(2,238)	497.3%
Investment funds and other funds	714,089	16.5%	1,911,557	38.7%	(1,197,468)	-62.6%
Insurance products	1,090,769	25.1%	699,083	14.2%	391,686	56.0%
ASSETS UNDER MANAGEMENT	**1,802,170**	**41.5%**	**2,610,190**	**52.8%**	**(808,020)**	**-31.0%**
Government securities, bonds and stocks	287,526	6.6%	692,453	14.0%	(404,927)	-58.5%
ASSETS UNDER ADMINISTRATION	**287,526**	**6.6%**	**692,453**	**14.0%**	**(404,927)**	**-58.5%**
NET SALES	**4,338,158**	**100.0%**	**4,939,865**	**100.0%**	**(601,707)**	**-12.2%**
of which Guided products & services	3,869,695	89.2%	3,399,876	68.8%	469,819	13.8%

Performance of income statement aggregates

Net profit (loss) before tax from continuing operations amounted to €306.3 million, up 6.3% compared to the previous year.
This result reflected an improvement of 2.7% in operating income thanks to the increase in **net interest** income and **net trading, hedging and fair value income**, which offset the fall in **net fee and commission income**.
The increase in net interest income, of €8.6 million over the same period of the previous year, was due to the increase in sales volume and the reduction in the cost of sales, which offset the fall in interest income linked to the decline in market interest rates.
Net fee and commission income fell by €9.7 million compared to the same period of the previous year, mainly due to:

- lower securities trading and order collection commissions, as a result of the progressive shift by customers towards over-the-counter products and the lower market volatility than in 2015;
- lower commissions for collection and payment services, mainly related to transactions with credit and debit cards. In this regard, it is important to note that Regulation (EU) 2015/751 of the European Parliament and of the Council, which came into force from December 9, 2015, set a cap on interbank commissions for transactions via debit and credit cards;
- lower fee expense paid to personal financial advisors under the incentive plans;
- lower commissions for the placement and management of managed asset products, offset by higher investment advisory commissions.

The **Net trading, hedging and fair value income** benefitted from the gains realised from the sale of government securities recognised in the "Available-for-sale financial assets" portfolio totalling €5 million, carried out as part of the measures to mitigate the exposure to interest rate risk and optimise profitability, and the gain of €15.3 million realised from the sale of the investment in Visa Europe Limited, the main aspects of which are described in the sub-section "Financial investments" of this Report on operations.

Operating costs fell by €6 million compared to the same period of the previous year, mainly due to lower costs from the incentive plans for the PFA Network and lower expenditure for mass media communications and marketing and promotional costs.

Net profit (loss) after tax from continuing operations amounted to €211.8 million, up 10.9% compared to the same period in the previous year. It should be noted that **Income tax for the period** benefited from a positive change in current taxes of €6.5 million relating to provisions for several disputes relating to previous years that were definitively settled during 2016.

Communications and external relations

"The bank that simplifies banking" is the unique positioning that the Bank has continued to develop also in 2016.
During the year, three major advertising flights were conducted using all means of communication (TV, financial press, digital media and posters), in addition to the creative *"Risposte semplici a domande complesse"* (simple answers to complex needs) campaign, in the first half of the year, which has strengthened the notion of a bank capable of providing simple answers to increasingly sophisticated customer needs.
The last communication flight of the year, planned in December, was dedicated to the launch of the new communication campaign that will be continued and strengthened in 2017. The position is still centred on simplicity, but this time the focus of the communication will be concentrated on the importance of people and their ability to govern the technology and innovation that Fineco has always offered to its customers. It also highlights the increasingly key role played by advisory services (particularly Private Banking services) in the Bank's offering. The new claim of the Human Capital campaign is *"Da sempre investiamo sulla tecnologia più evoluta che esista: l'uomo"*. (We have always invested in the most advanced technology that exists: human beings).
All flights were supported by a "Member Gets Member" campaign to maximise their effectiveness, not only in terms of communications but also in business terms of new qualified assets acquired.
The campaigns incentivising potential customers to transfer securities and funds were the business driver of communications activities.
These were also accompanied by communication flights dedicated to trading, mainly through digital media and radio, thanks to the annual sponsorship of a programme on the station Radio24, but also on TV, although solely on channels particularly related to the target.
Numerous events were also organised throughout the country for the private banking segment, thanks to partnerships with major brands. This year, the Fineco Golf Club circuit reached a record of 56 legs, organised at prestigious clubs throughout Italy.
In April, a restyling of the Fineco logo was initiated to bring it more into line with the new positioning and to remove the "new bank" wording, used during the launch stage, leaving just FinecoBank.
Fineco also won numerous awards this year in various fields. In the early months of the year, the Global Brands Magazine recognised FinecoBank as the "Most Innovative Financial Brand Italy", "Best Financial Brand Italy" and "Most Innovative Financial Advisory Brand Italy". Global Financial, international finance magazine, recognised Fineco as the Best Digital Bank, Best Online Deposit, Credit and Investment Product Offerings, and Best in Social Media. Lastly, in November, the Bank received the recognition as the "best website" and "most popular website" in the finance category for the seventh consecutive year.

Business performance (Continued)

Incentive plans

On February 8, 2016, the Board of Directors launched the plans approved by the Shareholders' Meeting on June 5, 2014 and the 2015 Incentive Systems approved by the Shareholders' Meeting of April 23, 2015. In particular:

- for the "2014 Key People Plan", considering the positive outcome of the verification of the entry conditions and the individual conditions (compliance of conduct and continued employment) and the favourable opinion of the Remuneration and Appointments Committee, it approved the allocation of the second tranche corresponding to 289,703 free ordinary shares to 79 beneficiaries and, as a consequence, it approved a free capital increase for a total amount of €95,601.99. The dilution effect resulting from the above free capital increase to service the stock granting plans is calculated as a maximum of 0.05% of the fully diluted capital;
- for the "2014-2017 Top Management Multi-Year Plan", considering the positive outcome of the verification of the entry conditions and the individual conditions (compliance of conduct and continued employment) and the favourable opinion of the Remuneration and Appointments Committee, it approved the allocation to 6 beneficiaries for the year 2016 of a total of 335,624 free ordinary shares, a smaller amount than the amount established on April 15, 2014 to ensure that the ratio between the fixed and variable remuneration is kept in line with the applicable regulations;
- for the "2015 Incentive System", considering the positive outcome of the verification of the entry conditions (at Group and level and local level) and the individual conditions (compliance of conduct and continued employment), the individual performances of the beneficiaries and the favourable opinion of the Remuneration and Appointments Committee, it approved the allocation of 210,288 free ordinary shares of FinecoBank;
- for the "2015 PFA Incentive System", considering the positive outcome of the verification of the entry conditions at local level, the due application of the "conformity assessment" and the favourable opinion of the Remuneration and Appointments Committee, it approved the allocation of 45,171 Phantom shares.

With regard to the 2016 Incentive System for personal financial advisors identified as "Key personnel", the Shareholders' Meeting of April 12, 2016 authorised the purchase and disposition of a maximum of 250,000 treasury shares, with a nominal value of € 0.33 each, on the condition that the buybacks of own shares could be made subject to receiving the necessary authorization from the Supervisory Authority, pursuant to Articles 77-78 of EU Regulation 575/2013 (CRR) of June 26, 2013. The buyback authorisation was issued by the Supervisory Authority on July 8, 2016.

FinecoBank Shares

Share information

The FinecoBank shares showed variable performance during the 2016, impacted by the macroeconomic environment, amplified by "railroad" events like the result of the Brexit referendum. The second half of the year was also affected by the uncertainty in the Italian banking world, which involved all the market players with very poor performance for banking shares.

As at December 31, 2016 price of the shares was €5.33, with an average value of €5.91 in 2016, but with partial recovery compared to the minimum price for the year (€4.62) due to the removal of the ongoing uncertainty about future market scenarios.

The company's market capitalisation amounted to €3,234 million as at December 31, 2016.

	YEAR 2014	YEAR 2015	YEAR 2016
Official price of ordinary shares (€)			
- maximum	4,750	7,805	7,180
- minimum	3,808	4,438	4,622
- average	4,168	6,479	5,909
- period end	4,668	7,625	5,330
Number of shares (millions)			
- outstanding at period end	606,3	606,5	606,8

You are remined that on July 12, 2016, UniCredit announced that it had successfully completed the accelerated bookbuilding for the sale to institutional investors of around 60.7 million ordinary shares held in FinecoBank, corresponding to 10% of the Bank's existing share capital, at a price of €5.40 per share.
In addition, on October 13, 2016, UniCredit announced that it had successfully completed another accelerated bookbuilding for the sale to institutional investors of around 121.4 million ordinary shares held in FinecoBank, corresponding to 20% of the Bank's existing share capital, at a price of €4.55 per share.
Following the conclusion of the offering, UniCredit will continue to consolidate Finecobank with a majority shareholding of 35.479% of the existing share capital.

Results achieved in the main areas of activity

The following pages contain the main indicators and results of the main business segments: Brokerage, Banking and Investing.
Given the Bank's specific business model that provides for a high level of integration among its different activities, these segments are interdependent. Indeed, the Bank offers its services (banking and investment services) through a network of personal financial advisors and online and mobile channels that operate in a coordinated and integrated manner.

All the activities were carried out with the aim of obtaining economic results from the "industrial" management of the businesses, to minimise their financial risk. The Bank's financial management approach is to manage risks with a view to protecting the industrial returns on the various businesses while not assuming risk positions on its own account.

Brokerage

In 2016 the Bank further strengthened its leadership in the Italian brokerage market.
The first half of the year benefited from the high volatility of the markets mainly due to the introduction of the bail-in directive and the surprising result of the referendum on the United Kingdom remaining within the European Union. After several months of static markets, the second half of the year was characterized by heavy trading days, with record results close to the US elections and the Italian referendum, and by the strong performance in December in terms of numbers of orders executed on shares, worth €1.5 million. The strengthening of the Bank's leadership in the online trading business was also confirmed by the Assosim report, which identified Fineco as the top bank in terms of shares brokered on the Borsa Italiana stock exchange with a share of 19.63%.
The gradual shift continued towards from traditional asset classes to OTCs, also including the binary options that were recently added to the family of CFDs and are already top performers.
The year 2016 confirmed once again that Fineco's well-balanced and diversified business model is able to produce solid and sustainable results, whilst also satisfying all the financial needs of its customers.
The strategy to expand, innovate and develop the offering continued with the introduction of new services and features, in particular:

- overnight trading on CFDs on US shares;
- a new index bar with a new expandable area to display a selection of core business instruments and provide easier and more direct access to trading in those instruments;
- expansion of the basket of binary options with around 50 new instruments and over 200 tradable maturities;
- new iPhone and Android apps with access to real-time prices for thousands of products, also with the addition of binary options trading and simpler and more immediate use.

The table below shows the number of orders on financial instruments recorded in 2016 compared to the previous year, which increased 1.2%, with a shift, as already noted, from the traditional asset classes to OTCs, and CFDs in particular.

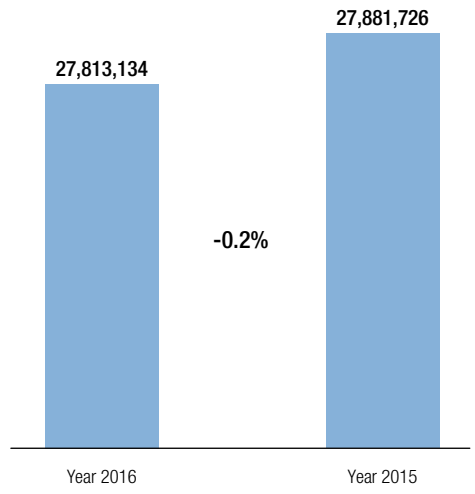
			CHANGES	
	YEAR 2016	YEAR 2015	AMOUNT	%
Orders - Equity Italia (including internalised orders)	8,188,863	8,553,503	(364,640)	-4.3%
Orders - Equity USA (including internalised orders)	830,153	1,082,918	(252,765)	-23.3%
Orders - Equity other markets (including internalised orders)	526,246	603,623	(77,377)	-12.8%
Total equity orders	*9,545,262*	*10,240,044*	*(694,782)*	*-6.8%*
Orders - Bonds	541,466	631,411	(89,945)	-14.2%
Orders - Derivatives	3,796,392	3,547,912	248,480	7.0%
Orders - Forex	955,865	1,585,120	(629,255)	-39.7%
Orders - CFDs	4,072,187	2,336,099	1,736,088	74.3%
Orders - Funds	2,184,073	2,500,870	(316,797)	-12.7%
Orders- Repo	11,551	21,139	(9,588)	-45.4%
TOTAL ORDERS	**21,106,796**	**20,862,595**	**244,201**	**1.2%**

The table below shows the volume of trades carried out as direct counterparty in orders placed by customers, resulting from the internalisation of orders received on shares, CFDs and Logos products, recorded in 2016 compared to the same period of the previous year.

(Amounts in € thousand)

	YEAR 2016	YEAR 2015	CHANGES AMOUNT	CHANGES %
Equity (internalisation)	44,385,213	65,098,298	(20,713,085)	-31.8%
Forex	47,629,033	102,253,275	(54,624,242)	-53.4%
CFDs and Logos	54,798,595	65,076,048	(10,277,453)	-15.8%
Total "internalised" volumes	**146,812,841**	**232,427,621**	**(85,614,780)**	**-36.8%**

Total number of orders executed



The total number of orders executed refers to transactions carried out by retail and institutional customers for the purchase and sale of shares, bonds, derivatives, forex, CFDs, funds and reverse repos.

Results achieved in the main areas of activity (Continued)

Banking

Banking

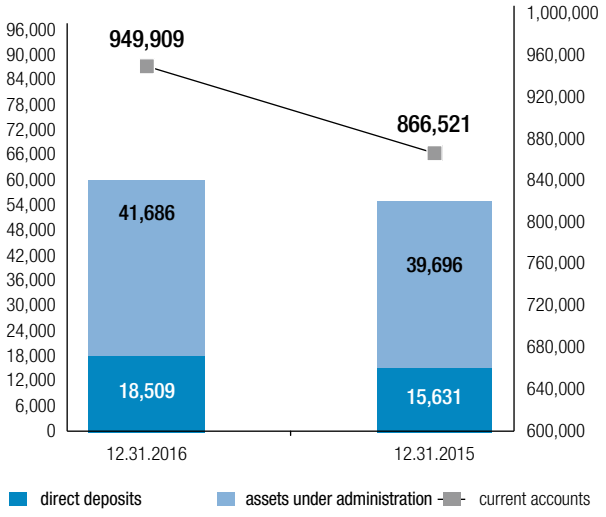
The Bank offers its customers a full range of direct banking services (mainly through online and mobile channels) that are comparable to those offered by traditional banks and competitors in this segment.

In 2016 the main changes in the banking area were:

- the launch of the new iOS and Android apps. In addition to the complete overhaul of the graphics, the new apps offer new features compared to the previous version, including finger print access for Android, full mobile management of payment cards, the ability to make international bank transfers, payment of payments slips through photographic capture, push price quotes, new securities sheets, trading of binary options, and the order protection service with stop loss and take profit;
- the reformulation of the pricing for the multicurrency service for new contracts;
- the expansion of the execution methods for international bank transfers through the international online channel;
- the launch of the new Fineco Debit Card. The new Fineco Debit Card is the only one of its kind in Italy that can operate on the Visa Debit, BANCOMAT, PagoBANCOMAT and FASTpay circuits. The new card, which has no annual fee, is accepted throughout the world, including online and for contactless transactions;
- update of the processes for compliance with the guidelines issued by the European Banking Authority (EBA). To align the Bank's processes to the EBA directives, compulsory confirmation, via SMS PIN (Fineco's Strong Customer Authentication), has been introduced for the following instructions: bank transfers over a set amount and not in the white list; release of the use limits for payment cards for non-EU and internet transactions; amendment of the monthly maximum use limits for the Fineco Debit Card; online purchases considered potentially risky at traders subscribing to the 3D Secure protocol; domiciliation of SDD mandates and amendment of operating limits on SEPA Direct Debit mandates; online amendment of domiciliation address;
- the extension and improvement of the digital signature service. In order to increase the efficiency and effectiveness of the processes for managing the signing of subscription forms for the products and services offered by the Bank, the digital signature has been added for credit card applications within the restricted area of the Bank's website and the possibility of a certificate for the digital signature together with the application for the Personal Loan, Fineco Debit Card, and Fineco Card Credit products;
- the complete overhaul of the F24 tax return payment service with the addition of features such as the taxpayers' address book and predictive searching of tax codes;
- the migration of fixed amount direct debits to the SEPA circuit;
- new automatic alerts for incoming bank transfers on accounts;
- the launch of rechargeable cards also on the VISA circuit;
- introduction of the obligation to certify contacts (email and mobile phone) during first access to current accounts by customers;
- the possibility of updating identity documents directly online;
- the digitisation of the process of regeneration of the PIN device used by customers to confirm current account transactions.

No. current accounts, direct deposits, and assets under administration

(Amounts in € thousand)



Credit

Credit cards

In 2016, there was an increase of 3.3% in holders of active valid credit cards, for a total of 722,533 cards. The portfolio currently consists of 46% of cards operating on the Mastercard circuit, with the remaining 54% operating on the VISA circuit. The spending figure for credit cards, increased by 9% compared to the prior year, for a total value of €2.7 billion. The spending of revolving cards represented 1.7% of the total.
In this regard, it should be noted that recent Regulation (EU) 2015/751, which came into force in Italy on December 9, 2015, set a cap on interbank commissions for transactions via debit and credit cards. The introduction of this Regulation led the Bank to change its strategy regarding payment cards, with a revision of the pricing for credit cards and the introduction of a new debit card product. In January 2016, a new Fineco international debit card was introduced, as mentioned above, which in addition to substituting the previous Vpay card, is being offered to new customers as the main free payment card, as an alternative to the classic credit card, for which an annual fee has been introduced that can be removed if the card is used on a revolving basis and for Apex customers. The Fineco Debit Card will progressively replace the Vpay products over the next three years. There were a total of 170,541 holders of active Visa debit cards at the end of 2016.

Mortgages and personal loans

The progressive re-engineering of the digital lending platform led to the marketing, from March, of the innovative service for personal loans with immediate assessment for amounts up to €15,000. Thanks to a sophisticated rating system, capable of reassessing the applicant's reliability and income capacity, the loan application is assessed within moments and the loan is credited in real-time on the customer's account – also on Saturdays and Sundays – without the need to provide the bank any documentation, not even financial. In December 2016, the maximum lending amount of the Personal Loans with Ordinary Assessment was increased from €30 thousand to €50 thousand.

From March 2016, two new credit lines were also launched for holders of the Advice and Stars securities accounts, enabling them to obtain additional current account liquidity, of up to €500 thousand, by using the financial instruments held in their securities accounts as collateral for loans without losing ownership of the securities. These products are only offered through the personal financial advisors network.

In November, in line with the "One-Stop Solution" model, through which all customers' financial needs can be managed through a single account, the range of Fineco loan products was extended with the launch of the new mortgage loans. The mortgage offering is aimed at retail customers to finance the purchase of first or second homes or subrogations, for the transfer to Fineco of existing mortgages held at other banks, without cost, for a maximum amount equal to 80% of the value of the property. Customers can choose between a fixed rate and a variable rate, with a duration of 10 to 25 years and spreads that vary according to the duration and the loan to value, i.e., the relationship between the amount of the loan and the value of the property. The mortgage offering is accompanied by two types of insurance: the Fire and Explosion policy, to cover the damage to the property, which is compulsory and offered free of charge by the Bank, and the Fineco mortgage policy, an optional and financeable payment protection insurance, designed to protect customers from adverse events, such as loss of employment, that can limit their ability to repay the loan. The mortgage application can be made independently, through the mortgage simulator available in the private area of the Fineco website, or with the aid of the customer's personal financial advisor. Following the application, the customers are taken care of by mortgage specialists who are specifically assigned to them and are available throughout each stage of the application up to signature.

In 2016, the application processes were thoroughly reviewed and the area dedicated to loan products was restyled, leading to the creation of the new mortgages and loans area and the development of "smart" and easy-to-use estimate generators

Results achieved in the main areas of activity (Continued)

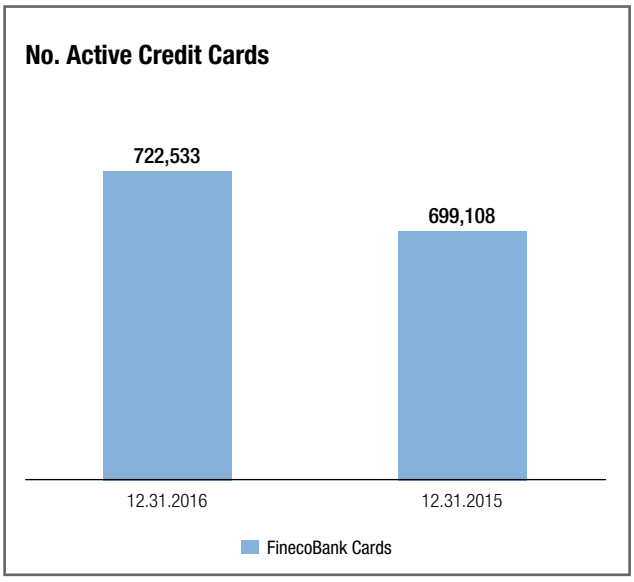
Banking (Continued)

capable of showing customers the financial feasibility of the loan application, already at the simulation stage, and helping them to make rapid and responsible choices regarding their financial commitments.

The increase in volumes dispersed and the improvement in the performance of lending products achieved in 2016 was also due to the careful segmentation and personalisation of the offering and effective digital communication campaigns, which involved the coordinated use of all the web advertising tools and the progressive engagement of customers, also through social networks.

(Amounts in € thousand)

	2016		2015		CHANGES			
					DISBURSEMENTS		CARRYING AMOUNT	
CREDIT PRODUCTS	DISBURSEMENTS	CARRYING AMOUNT	DISBURSEMENTS	CARRYING AMOUNT	AMOUNT	%	AMOUNT	%
Personal loans and unsecured loans	183,226	243,025	87,371	136,681	95,855	109.7%	106.344	77.8%
Current account credit facilities (agreed amount)	271,299	299,372	145,403	215,038	125,896	86.6%	84.334	39.2%
Revolving credit cards (spending)	2,706,194	39,812	2,472,788	36,734	233,406	9.4%	3.078	8.4%
Credit cards full payment of balance (spending)	52,692	228,826	50,496	224,776	2,196	4.3%	4.050	1.8%
Mortgages	843	884	-	46	843	n.d.	838	1821.7%
Total	**3,214,254**	**811,919**	**2,756,058**	**613,275**	**458,196**	**16.6%**	**198.644**	**32.4%**



Investing

The Bank uses a guided open architecture business model to offer customers an extremely wide range of asset management products - comprising collective asset management products, such as units of UCITS and SICAV shares - from carefully selected Italian and international investment firms.

In 2016, the range of asset management products was further enhanced with the addition to the platform of over 450 new ISINs available to customers. With a view to expanding diversified management offering, 4 new Core Series funds together with the new class accumulation shares of the Core Income Opportunity fund, have been introduced. In particular, the Core Aggressive fund was launched at the beginning of April, which has completed the range of funds with a risk profile, to meet the various needs of customers. Later, around mid-April, three Core Target Allocation new funds were introduced, which are completely new with respect to the other Core Series funds, as they allow a gradual increase of the equity exposure of the portfolio while reducing the risk associated with market volatility. The three Core Target Allocation funds have in fact been designed to meet two fundamental needs arising at the beginning of the year: dealing with volatility and managing liquidity.

In 2016, net sales were also very strong for the advisory services[2], at around €4 billion, most of which deriving from new customers.

The main initiatives involving the Advice (fee only) advisory service included the expansion of the range of monitorable products with the addition of the new "ramo 1" policy. Processes were also further improved, with the introduction of the option for applicants to use a digital signature when opening the advisory contract. The Fineco Stars advisory services also achieved highly positive results, continuing its growth and development: net sales since the beginning of the year reached around €1 billion, with an increase in the range of selected funds. In 2016 several developments were made to Fineco Stars in order to increasingly tailor the advisory service to customer needs, including: the amendment of the access threshold, the possibility of opening Stars securities accounts in the Apriconto system using a digital signature, the possibility of activating mandates to sell on Stars securities account in off-line mode, and the release of the multi-objective option, which offers the possibility of opening several Stars securities accounts based on the different objectives of the individual customers.

Lastly, in 2016, the strong interest in advisory services in the form of insurance coverage continued.

(Amounts in € thousand)

	AMOUNTS AS AT		AMOUNTS AS AT		CHANGES	
	12.31.2016	%	12.31.2015	%	AMOUNT	%
UCITS and other investment funds	24,257,876	84.8%	23,100,072	87.9%	1,157,804	5.0%
Insurance products	4,339,162	15.2%	3,163,241	12.0%	1,175,921	37.2%
Segregated accounts	10,882	0.0%	14,112	0.1%	(3,230)	-22.9%
Total assets under management	**28,607,920**	**100.0%**	**26,277,425**	**100.0%**	**2,330,495**	**8.9%**

2. Core Series, Advice, Stars, Advice Unit, Core Unit, Core Multiramo, and Advice Top Valor.

The network of personal financial advisors

The year 2016 was characterised by market uncertainty that led to periods of high instability. Once again, the Bank's business model demonstrated its strength, continuing to achieve significant results in terms of growth of sales, particularly in the Private segment, and the acquisition of new customers.

At the same time, the ability to promptly and effectively meet the long-term planning needs of customers, through advanced advisory services, enabled the Bank to further strengthen its leadership with its customers.
Net sales came to €4,338 million, of which €1,802 million for net assets under management. In 2016 the personal financial advisors network opened 80,978 new current accounts.

Net sales - Personal Financial Advisors Network - Assoreti figures

(Amounts in € thousand)

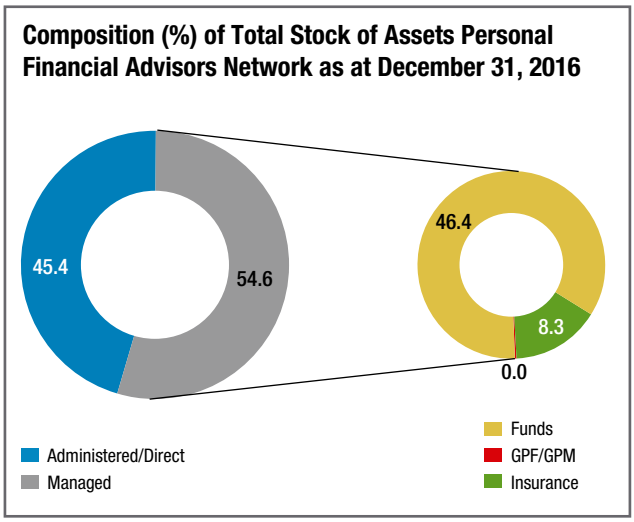
	YEAR 2016	%	YEAR 2015	%	CHANGES AMOUNT	CHANGES %
Current accounts and demand deposits	2,543,475	58.6%	2,293,650	46.4%	249,825	10.9%
Time deposits and reverse repos	(295,013)	-6.8%	(656,428)	-13.3%	361,415	-55.1%
"DIRECT DEPOSITS"	**2,248,462**	**51.8%**	**1,637,222**	**33.1%**	**611,240**	**37.3%**
Segregated accounts	(2,688)	-0.1%	(450)	0.0%	(2,238)	497.3%
UCITS and other investment funds	714,089	16.5%	1,911,557	38.7%	(1,197,468)	-62.6%
Insurance products	1,090,769	25.1%	699,083	14.2%	391,686	56.0%
ASSETS UNDER MANAGEMENT	**1,802,170**	**41.5%**	**2,610,190**	**52.8%**	**(808,020)**	**-31.0%**
Government securities, bonds and stocks	287,526	6.6%	692,453	14.0%	(404,927)	-58.5%
ASSETS UNDER ADMINISTRATION	**287,526**	**6.6%**	**692,453**	**14.0%**	**(404,927)**	**-58.5%**
NET SALES	**4,338,158**	**100.0%**	**4,939,865**	**100.0%**	**(601,707)**	**-12.2%**
of which Guided products & services	3,869,695	89.2%	3,399,876	68.8%	469,819	13.8%

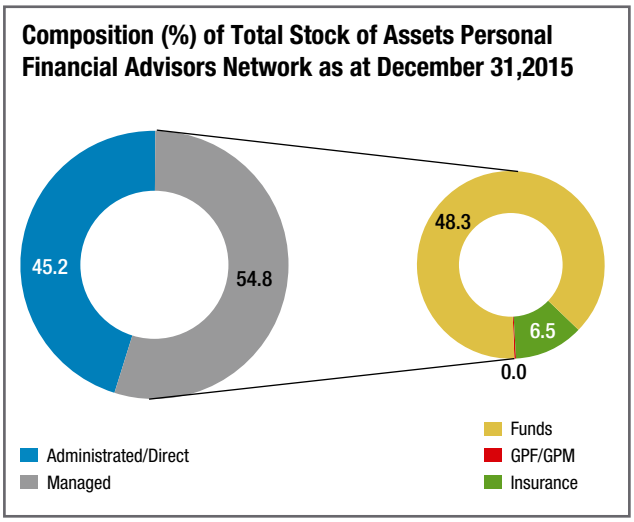
Net sales of the more advanced advisory services (guided products and services) came to €3,870 million, reflecting the awareness of the importance of financial advisory services, the planning approach, and risk monitoring and control, for offering customers detailed and diversified management of their portfolios.
Advisory services are and continue to be the focus for the future, as an approach that is increasingly spreading and particularly appreciated by customers, especially those in the private banking segment. This segment is growing steadily (2.2% in terms of customers and 39% in terms of assets managed against the total assets managed by the network), confirming the Bank's status as one of the top Italian private banking providers. In 2016 the Bank also registered with the industry association AIPB.
The table below shows the breakdown of sales attributable to the PFA network as at December 31, 2016. Total financial assets, amounting to €51,434 million, increased by 9.5% compared to December 31, 2015.

Total financial assets - Personal Financial Advisors Network - Assoreti figures

(Amounts in € thousand)

	AMOUNTS AS AT 12.31.2016	%	AMOUNTS AS AT 12.31.2015	%	CHANGES AMOUNT	CHANGES %
Current accounts and demand deposits	13,442,242	26.1%	10,898,766	23.2%	2,543,476	23.3%
Time deposits and reverse repos	150,773	0.3%	438,741	0.9%	(287,968)	-65.6%
DIRECT DEPOSITS	**13,593,015**	**26.4%**	**11,337,507**	**24.1%**	**2,255,508**	**19.9%**
Segregated accounts	10,882	0.0%	14,112	0.0%	(3,230)	-22.9%
UCITS and other investment funds	23,843,218	46.4%	22,663,576	48.3%	1,179,642	5.2%
Insurance products	4,251,107	8.3%	3,070,003	6.5%	1,181,104	38.5%
ASSETS UNDER MANAGEMENT	**28,105,207**	**54.6%**	**25,747,691**	**54.8%**	**2,357,516**	**9.2%**
Government securities, bonds and stocks	9,736,101	18.9%	9,866,169	21.0%	(130,068)	-1.3%
ASSETS UNDER CUSTODY	**9,736,101**	**18.9%**	**9,866,169**	**21.0%**	**(130,068)**	**-1.3%**
TOTAL FINANCIAL ASSETS	**51,434,323**	**100.0%**	**46,951,367**	**100.0%**	**4,482,956**	**9.5%**
of which Guided products & services	16,104,815	31.3%	11,805,963	25.1%	4,298,852	36.4%





From the beginning, in view of the high volatility in the financial markets, events were organised to inform and educate customers about new regulations, such as the bail-in, on behavioural finance issues and on the correct approach to be used in times of market turbulence. A total of 1,341 events were organised during the year throughout Italy.

Investment also continued in high-level training to develop the skills of the personal financial advisors, particularly in relation to the advanced advisory services, with over 1,450 days of classroom training.
The training was aimed at promoting the development of performance and role awareness. The main subjects covered included the role of the advisor, the scenario, and the advisory services proposition. For the wealth advisors, focus groups were introduced as a forum for dialogue and examining specific issues related to the development of the business. Lastly, the GM Academy managerial training programme has now involved almost all the group managers.

Investment also continued in sales facilities of the personal financial advisors, which contribute to enhancing the Bank's image and spreading our presence throughout the country.

Recruitment was very selective with a strong focus on the quality and standing of the candidates: since the beginning of the year 85 new personal financial advisors have been hired, with a background in sales networks and private banking. The "youth programme" also continued to recruit young graduates to the profession (66 "beginners"). The recruitment activities provided a major contribution to total net sales, which, however, are still driven primarily by the existing network, reflecting the unique strength of our model which enables healthy and organic growth.

As at December 31, 2016, the network was made up of 2,628 personal financial advisors, who operate countrywide through 358 financial shops (Fineco Centers), managed directly by the Company or by the personal financial advisors themselves.

Human resources

As at December 31, 2016, the Bank's total workforce consisted of 1,096 employees compared to 1,067 as at December 31, 2015. The breakdown was as follows:

HUMAN RESOURCES	DECEMBER 31 2016	DECEMBER 31 2015
FinecoBank employees	1,086	1,059
Workers with atypical contracts (+)	-	-
Group employees seconded to FinecoBank (+)	3	2
FinecoBank employees seconded to the Group (-)	(1)	(2)
Total human resources excluding Directors	**1,088**	**1,059**
Directors (+)	8	8
Total human resources	**1,096**	**1,067**

During 2016, activities continued to strengthen and optimise the areas dedicated to business development, organisational support and risk control and management. This led to the hiring of 82 workers, of which:

- 9 from other Group Companies;
- 73 from the market.

Of the 73 new recruits from the market, around half were employed in the Customer Relationship Management area, confirming the strong and ongoing focus on young graduates. Customer Relationship Management forms the starting point of a pathway of professional development that can lead to different roles in the business.
During the year, 26 temporary contracts were converted into permanent contracts in the Customer Relationship Management area, thereby not only guaranteeing business continuity, but also capitalising on the skills and expertise already present within the business.
In 2016, there was significant internal job rotation, involving 32 employees, through which vacant positions within the company were filled, while also ensuring the continued professional development of staff.

In 2016, a total of 55 employees left the bank, of which:

- 16 resignations;
- 16 transfers to Group companies;
- 23 for other reasons.

The Bank's employees can be broken down as follows:

	MEN		WOMEN		TOTAL	
CATEGORY	12.31.2016	12.31.2015	12.31.2016	12.31.2015	12.31.2016	12.31.2015
Executives	22	22	4	4	26	26
Managers	229	218	98	94	327	312
Professional Areas	364	352	369	369	733	721
Total	**615**	**592**	**471**	**467**	**1.086**	**1.059**

As at December 31, 2016, part-time staff in the Bank amounted to 88, accounting for 8% of employees, with women employees representing around 43% of the workforce. The average length of service was 8 years and the average age was around 39.

Employee training

During 2016, employee training involved the acquisition and consolidation of staff skills based on the company's needs, as well as on the continuous professional development of individual abilities, with specific focus on mandatory, management, technical and foreign language training.
The breakdown is shown below:

TRAINING AREA	HOURS OF TRAINING
Mandatory	3,404
Technical	11,299
Foreign Language	8,707
Conduct – Management	1,560
Total	**24,970**

Mandatory training

The Bank works continuously to promote and improve its risk and compliance culture, across the organisation, which enable our business to be sustainable, as well as profitable, over time. For this reason, the Bank paid significant attention to mandatory training for all employees, who attended the courses both in e-learning mode, using the Group My Learning Platform, and through live seminars for specific subjects.
Staff attendance at the courses was monitored in order to ensure that all employees acquired full understanding of the mandatory subjects, thereby protecting the Bank against operational, legal and reputational risk.

Technical and behavioural training

In 2016, training sessions were organised for the acquisition of technical skills needed to improve business productivity and the level of employee specialisation.
In the Customer Care area, a total of 8,499 hours of training courses were held for "new recruits" on technical subjects, as well as "ongoing" training courses on technical and conduct-related subjects (with a special focus on Communication and Service), with a view to maintaining high quality service standards and a constant customer focus.
Training in support of the Bank's Business Continuity plan also continued, through coaching that is certified in a register of activities.

Foreign language training

Foreign language training in 2016 involved 344 employees in English courses (classroom-based or via telephone). In some cases (e.g. for Executives), "one-to-one" training courses in Business English were provided.
A specific focus on language training was initiated in the customer care area, in order to provide a high level of assistance to potential English-speaking customers, following the launch of the plan to expand the business in the UK.
Employees are assigned to participate in foreign language training courses based on requests made by the individual unit managers, based on the specific professional needs of colleagues.

Technology infrastructure

There are essentially six elements to the Bank's information system:
- Banking application software;
- Online Trading system (dedicated applications for the real-time sale/purchase of securities and financial instruments on the main European and American markets);
- A management system for the operations room and for institutional investors, and access to the information/order sections of Italian/foreign markets;
- A management system for investment services such as Funds, SICAVs and Bank Insurance;
- A credit and debit card management system, with the issue of cards for VISA and MasterCard circuits;
- A personal financial advisors network management system, enabling advisors to work with all the Bank's products through a single portal.

In 2016, the ICT Area carried out its usual activities for the technological upgrading, consolidation and development of the Information System in order to provide new and more versatile added value services to customers.
Specifically, from an architectural perspective, work continued on optimising infrastructure and applications, as well as the continuous improvement and fine-tuning of the applications security architecture.

Internal control system

The internal control system is a fundamental part of the overall governance system of banks; it ensures that operations are carried out in line with the Bank strategies and policies and based on principles of sound and prudent management.

Circular no. 285 of December 17, 2013 as amended - defines the principles and guidelines to which the internal control system of banks must conform. The circular defines the general principles of organisation, identifies the role and responsibilities of governing bodies, and sets out the characteristics and roles of corporate control functions.

The internal control system must provide protective measures that cover all types of business risk. The primary responsibility for these tasks lies with the bank's bodies, each in accordance with its specific duties. The structure of tasks and lines of responsibility of corporate functions and bodies must be clearly specified.
Banks must apply the provisions according to the proportionality principle, i.e. taking into account the operating scale and organisational complexity, the nature of the activities carried out, and the type of services provided.

As part of the supervisory review and evaluation process, the European Central Bank or the Bank of Italy verify the internal control system in terms of completeness, suitability, functionality (in terms of efficiency and effectiveness) and reliability of banks.
In accordance with the provisions laid down by the Regulatory Authorities, the Bank's internal control system consists of a set of rules, functions, organisational structures, resources, processes and procedures aimed at ensuring the achievement of the following objectives, in compliance with the principles of sound and prudent management:
- verifying the implementation of the Bank's strategies and policies;
- containing risk within the limits set out in the Bank Risk Appetite Framework - "RAF";
- preventing the Bank's involvement, even if unintentional, in unlawful activities (with specific reference to money laundering, usury and the financing of terrorism);
- protecting the value of assets and preventing losses;
- ensuring the effectiveness and efficiency of corporate processes;
- ensuring the security and reliability of the Bank information and ICT procedures;
- ensuring compliance of transactions with the law and supervisory regulations, as well as internal policies, procedures and regulations.

In terms of the methods applied, the Bank's internal control system is based on four types of controls:
- level one controls ("line controls"): these are controls for individual activities and are carried out according to specific operational procedures based on a specific internal regulation. Monitoring and continuously updating these processes is entrusted to "process supervisors" who are charged with devising controls able to ensure the proper performance of daily activities by the staff concerned, as well as the observance of

any delegated powers. The processes subject to control relate to units that have contact with customers, as well as completely internal Bank units;

- level two controls: these are controls related to daily operations connected with the process to measure quantifiable risks and are carried out by units other than operating units, on an ongoing basis. The Risk Management function controls market, credit and operational risks, as regards compliance with limits assigned to operating functions and the consistency of operations of individual production areas with established risk/return objectives; the Compliance unit is responsible for controls on non-compliance risks; for regulatory areas which already have types of control performed by the Bank's specialised structures, monitoring of compliance risk is assigned to these structures based on the "Indirect Coverage" operating model, also adopted by the Parent Company;
- level three controls: these controls are typical of internal auditing, based on analysis of information obtained from databases or company reports, as well as on-site controls. The purpose of these controls is to check the functioning of the overall internal control system and information communication technology system (ICT audit) and identify any anomalous trends, or infringements of procedures or regulations. These controls are assigned to the Internal Audit function, which operates at central level, at UniCredit, based on a specific service agreement;
- institutional supervisory controls: these refer to controls by the Bank's bodies, including in particular the Board of Statutory Auditors and the Supervisory Body pursuant to Legislative Decree no. 231 of 8 June 2001.

Considering the functions and units involved, the Internal Control System is based on:

- control bodies and functions including, according to their respective responsibilities, the Board of Directors, the Audit and Related Parties Committee, the Remuneration and Appointments Committee, the Chief Executive Officer and General Manager[3], the Board of Statutory Auditors, the Supervisory Body set up pursuant to Legislative Decree 231/01 and the corporate control functions (Risk Management, Compliance[4], Internal Audit) as well as other company functions with specific internal control duties[5];
- procedures for the coordination of entities involved in the internal control and risk management system, which provide for:
  - cooperation and coordination among control functions, through specific information flows that are formalised in internal regulations and through managerial committees dedicated to control issues;
  - application of the Group coordination model defined as part of the management and coordination activity carried out by the Parent Company;
  - definition of information flows both between corporate bodies and control functions within the Bank, and with the Parent Company, in order to enable the latter to properly carry out its management and coordination activities.

Finally, it should be noted that, under Article 49, paragraph 1, of the Regulation (EU) No. 468/2014 of the European Central Bank (ECB/2014/17) (the SSM - single supervisory mechanism - Framework Regulation), the ECB published a list on September 4, 2014, which was updated on November 15, 2016, containing the names of supervised entities and groups that fall under the direct supervision of the ECB ("significant supervised entities" and "significant supervised groups", as defined in Article 2, points 16) and 22) of the SSM Framework Regulation), indicating the specific reason for direct supervision for each of them, and, if classified as significant based on size, the total value of the assets of the entity or group supervised.

The Bank, as a "credit institution established in a participating Member State" belonging to the UniCredit Group (classified as a "significant supervised group"), is included in the list of "significant supervised entities".

3. Also appointed as "Director responsible for the internal control and risk management system" in accordance with principle 7.P.3 of the Corporate Governance Code of listed companies.
4. This function includes the Anti Money Laundering Service, responsible for managing the correct application of regulations on anti-money laundering and combating the financing of terrorism.
5. The legislative framework and the codes of conduct assign control tasks to specific functions - other than corporate control functions - whose work should be seen as being a functional part of the Internal Control System. For the Bank in particular, these include the Local Control System for legislation concerning related-party transactions carried out with associated persons in a conflict of interest situation (under the responsibility of the Corporate Affairs Unit of the Legal & Corporate Affairs Department), the Nominated Official in charge of drawing up company accounts pursuant to Article 154-bis of the Consolidated Finance Act (identified as the Bank's CFO), the Occupational Health and Safety Officer; the Human Resources function, the Head of Business Continuity & Crisis Management, and the Head of Outsourcing Management. All corporate functions, other than corporate control functions, also participate in the Internal Control System by carrying out the level-one controls included in the business processes under their responsibility.

Main risks and uncertainties

For more details of the risks and uncertainties faced by the Bank in the current market situation, see Part E – Information on risks and hedging policies of the Notes to the Accounts.

Organisational structure

The organisational structure of the Bank is consistent with the Group Organisation Guidelines issued by the Parent Company UniCredit S.p.A.
The Guidelines set out organisational principles and rules designed to ensure their uniform application across all Group Legal Entities, through:
- clear organisational principles and criteria;
- specific organisational documents;
- suitable processes for organisational changes.

The Group Organisation Guidelines set out structured organisational rankings on four levels (Division, Department, Unit and Team) based on their size and the organisational complexity of the operations overseen.

In 2016, several changes were made to the organisational structure. Specifically, following the decision to start the marketing of property mortgages to retail customers, as a complement to the product range of the credit area, organisational safeguards were identified for the management for the new product, involving:
- the creation of the Mortgage team, within the Chief Risk Officer (CRO) Department, reporting directly to the Credit unit;
- the allocation of the post-sales operations for the mortgage product to the Bank's Organisation and Operations Department.

In addition, during 2016, several organisational changes were made within the Chief Financial Officer (CFO) Department in order to create a single point of reference for financial reporting, accounting and supervisory reporting, by establishing the new Administration and Supervisory Reporting Unit, which oversees the Financial Reporting, Administration and Suppliers and Administration Trading and Brokerage Units. Also within the CFO Department, a technical Tax Compliance unit has been created, which reports to the Tax Affairs and Advisory units, and is responsible for controlling non-compliance risk in tax operations (i.e. both in terms of tax compliance and tax advisory services), in order to prevent breaches of the applicable tax regulations and to prevent risks related to situations that could represent abuses of rights, thereby avoiding or minimising the consequences resulting from the incorrect application of tax regulations. The unit has therefore been identified as a "specialist control function" in accordance with the provisions of the Group's Indirect Coverage Model, pursuant to the Bank of Italy circular 285 of 2013, which oversees the work carried out by the Compliance function under the direct model, according to the methods and procedures provided/validated by it.

It was also necessary to create the Investor Relations technical unit, reporting directly to the CFO Department, following the insourcing of the Investor Relations function upon the termination of the outsourcing agreements between the Bank and UniCredit S.p.A. on October 6, 2016. This technical unit handles communications to the financial community and relations with "Institutional Investors" (Financial Institutions, Funds, etc.) and financial analysts, providing the market transparent, timely and consistent information to support the fair valuation of the Bank.

In addition, with effect from April 2016, the insourcing was approved of the Compliance function, previously centralised at the Parent Company UniCredit based on a specific outsourcing agreement and with a centre (the Compliance Officer unit) at the Bank responsible for applying the methods for assessing and monitoring non-compliance risk.
In this regard, the Compliance Officer unit was reorganised was renamed the Compliance unit.

Lastly, in order to improve the focus and uniformity of the controls relating to the investment platforms (i.e., guided products), the marketing communications to the Sales Network and the product and behavioural training, the following was approved:
- the transfer, to the units reporting directly to the Deputy General Manager Direct Banking, of the activities relating to: (i) the implementation and management of the platforms of the Investment Services and Wealth Management Department and (ii) the product training and marketing communications of the PFA Sales Network Department;
- the change of the name of the Direct Banking Department to the Global Business Department;
- the change of the name of the Investment and Wealth Management Services Department to the Investment and Private Banking Services Department.

Organisational Model

The Bank's current organisational model is based on a functional model, which favours economies of scale and facilitates the development of vertical skills and knowledge within each area. The model guarantees the necessary decision-making mechanisms, whilst maintaining the "horizontal link" between the various functions. Although the current arrangement applies the concept of "functional specialisation", a project-based approach is maintained for every phase of definition and release of products and services.

The horizontal links are guaranteed by the work of specific committees that monitor business lines and the progress of the most important projects, also to guarantee the necessary synergies of distribution channels.

The following organisational units report to the Chief Executive Officer and General Manager: Network PFA Department, Investment Services and Private Banking Services Department, Global Business Department, CFO Department (Chief Financial Officer), CRO Department (Chief Risk Officer), Network Controls, Monitoring And Services Department, Legal & Corporate Affairs Department, GBS Department (Global Banking Services), Human Resources Unit, Compliance Unit, and the Identity & Communication Team.

The organisational model identifies four main functional lines, which govern:

- the sales network (Network PFA Department);
- investment services (Investment Services and Private Banking Services Department);
- Trading, Banking and Credit products and the investment platforms (Global Business Department);
- operational functioning (GBS Department).

In summary:

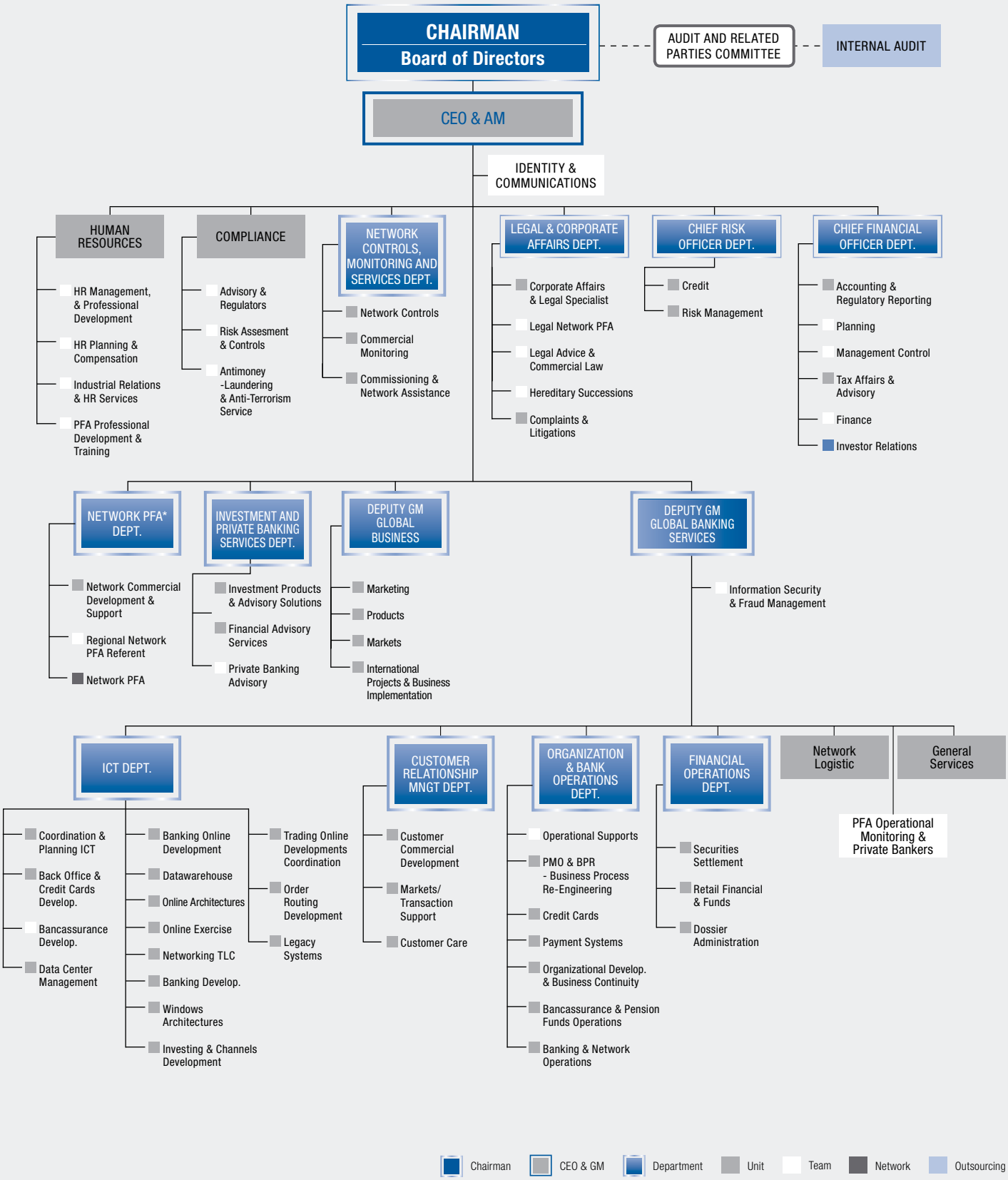
- The PFA Network Department is responsible for overseeing the management and development of the personal financial advisors network;
- The Investment Services and Private Banking Department is responsible for monitoring the development of products placed by the Bank and the financial advisory services provided to all the Bank's customers;
- the Global Business Department is responsible for overseeing the development of Trading, Banking and Credit products and the platforms for the investment products and for the PFA network. The Investment and Private Banking Department and the Global Business Department work closely with each other in order to develop a combined and synergistic offering of products and services to customers, in line with the Bank's marketing and business strategies;
- The GBS (Global Banking Services) Department coordinates the organisational units in charge of monitoring the organisational/operating processes and the ICT and logistics systems needed to ensure the effective and efficient operation of business support systems. The following organisational units report to the GBS Department: information Security & Fraud Management Team, ICT – Information & Communication Technology Department, CRM – Customer Relationship Management Department, Organisation & Bank Operations Department, Financial Operations Department, Network Services Unit, General Services Unit, and the PFA Operational Monitoring & Private Bankers team.

The synergies between the distribution channels and the monitoring of decision-making processes that cut across the Departments are ensured by a Management Committee.

As regards audit activities, the Bank, in line with the instructions of the Parent Company, has adopted an outsourcing model based on a specific service agreement signed with UniCredit S.p.A.. Under the model, the Audit and Related Parties Committee (a committee established within the Board of Directors) is responsible for liaising with the Bank and the outsourcer, in addition to supporting the Board of Directors – with information, advisory, recommendation and investigation functions – using a risk-oriented approach to identify the guidelines for the entire internal control system and the assessment of its effectiveness and efficiency.

Organisational structure (Continued)

The organizational structure of Fineco is as follows:



Business continuity plan (BCP)

As required by the applicable regulations, the Bank has adopted a model that comprises organisational units dedicated to managing Business Continuity and Crises, both in normal operating conditions and in emergency situations.
The Bank's Business Continuity and Crisis Management framework includes the management plan for events, incidents and crises, and the business continuity plan. These plans are an integral part of the disaster recovery plan (which establishes the measures for the restoration of applications and information technology systems affected by disasters) and of the cyber attack plan (which sets out the strategies – for systemic processes – for handling large scale computer attacks).
These Plans describe the crisis management procedures and are checked regularly to ensure that their effectiveness and adequacy.

Main balance sheet aggregates

(Amounts in € thousand)

ASSETS	AMOUNTS AS AT 12.31.2016	AMOUNTS AS AT 12.31.2015	CHANGES AMOUNT	CHANGES %
Cash and cash balances	5	6	(1)	-16.7%
Financial assets held for trading	6,044	3,983	2,061	51.7%
Loans and receivables with banks	15,735,540	14,648,904	1,086,636	7.4%
Loans and receivables with customers	1,016,798	922,774	94,024	10.2%
Financial investments	3,757,529	2,245,982	1,511,547	67.3%
Hedging instruments	9,211	10,573	(1,362)	-12.9%
Property, plant and equipment	14,451	12,419	2,032	16.4%
Goodwill	89,602	89,602	-	-
Other intangible assets	7,731	8,212	(481)	-5.9%
Tax assets	13,165	15,424	(2,259)	-14.6%
Other assets	336,300	370,070	(33,770)	-9.1%
Total assets	**20,986,376**	**18,327,949**	**2,658,427**	**14.5%**

(Amounts in € thousand)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 12.31.2016	AMOUNTS AS AT 12.31.2015	CHANGES AMOUNT	CHANGES %
Deposits from banks	1,111,106	1,423,459	(312,353)	-21.9%
Deposits from customers	18,801,073	15,822,459	2,978,614	18.8%
Financial liabilities held for trading	2,626	4,100	(1,474)	-36.0%
Hedging instruments	11,371	31,319	(19,948)	-63.7%
Provisions for risks and charges	111,756	120,534	(8,778)	-7.3%
Tax liabilities	10,048	37,445	(27,397)	-73.2%
Other liabilities	257,097	255,835	1,262	0.5%
Shareholders' Equity	681,299	632,798	48,501	7.7%
- capital and reserves	*476,249*	*430,119*	*46,130*	*10.7%*
- revaluation reserves (available-for-sale financial assets and actuarial gains (losses) for defined benefits plans)	*(6,794)*	*11,626*	*(18,420)*	*-158.4%*
- net profit	211,844	191,053	20,791	10.9%
Total liabilities and shareholders' equity	**20,986,376**	**18,327,949**	**2,658,427**	**14.5%**

Financial assets held for trading

Financial assets held for trading consist of:

- bonds, equities, and UCIT units classified as HFT (held for trading), amounting to €1.2 million, held in the Bank's portfolio as a result of trading activity, or used for the operational hedging of CFD positions on shares open with customers, and intended to be traded in the short term;
- the positive valuation of spot contracts for securities in the HFT portfolio and currencies to be settled in time frames established by market practices ("regular way") for €1.9 million, which correspond to negative valuations booked under item 40 "Financial liabilities held for trading";
- the positive valuation of CFDs on indices, shares, interest rates and futures on indices and interest rates and of CFDs on Forex for €3 million.

CFDs are "Over the counter" derivative contracts that require the payment of a spread generated by the difference between the opening and closing price of the financial instrument. The bank in operational terms covers the imbalance of customer positions, by underwriting futures or the purchase/sale of equity securities on the same underlyings, or through Forex transactions with institutional counterparties to hedge CFD transactions in open currencies with customers' currency.

Loans and receivables with banks

(Amounts in € thousand)

	AMOUNTS AS AT		CHANGES	
	12.31.2016	12.31.2015	AMOUNT	%
Current accounts and demand deposits	2,336,579	1,251,070	1,085,509	86.8%
Time deposits	1,285,414	1,914,662	(629,248)	-32.9%
Other loans:				
1 Reverse repos	53	1,906	(1,853)	-97.2%
2 Others	58,563	36,917	21,646	58.6%
Debt securities	12,054,931	11,444,349	610,582	5.3%
Total	**15,735,540**	**14,648,904**	**1,086,636**	**7.4%**

Loans and receivables with banks for "Current accounts and demand deposits" mainly consist of accounts held with UniCredit, with a book value of €2,302.7 million (€1,224.2 million as at December 31, 2015), and to a lesser extent, of current accounts held with other banks not belonging to the UniCredit group for transactions in securities.

"Time deposits" consist of the deposit held with UniCredit for compulsory reserves, which stood at €172.5 million (€151.5 million as at December 31, 2015), in addition to time deposits held with UniCredit for an amount of €1,113 million (€1,763.2 million as at December 31, 2015), opened to invest the liquidity collected through repos and CashPark transactions with retail customers and through repos with credit institutions, with the same maturities.

The item "Other loans: Other" consists of €55.7 million for the amount of the initial and variance margins placed with credit institutions for derivative transactions and repos (€31.4 million as at December 31, 2015), of which €3 million with UniCredit AG Monaco and €48.6 million with UniCredit (€21.6 million with UniCredit AG Monaco and €8.2 million with UniCredit as at December 31, 2015), and €2.9 million for current receivables associated with the provision of financial services (€5.5 million as at December 31, 2015).

The "Debt securities" included in the category "Loans and Receivables" mainly consist of debt securities issued by UniCredit for an amount of €12,054.9 million (€11,444.3 million at December 31, 2015). In 2016, three bonds issued by UniCredit S.p.A. were subscribed for a total nominal amount of €1,050 million. The bonds have a term of 7 years and are indexed to the 3 month Euribor rate plus a spread.

Main balance sheet aggregates (Continued)

Loans and receivables with customers

(Amounts in € thousand)

	AMOUNTS AS AT		CHANGES	
	12.31.2016	12.31.2015	AMOUNT	%
Current accounts	299,372	215,038	84,334	39.2%
Reverse repos	87,349	198,951	(111,602)	-56.1%
Mortgages	884	46	838	1821.7%
Credit cards and personal loans	504,699	396,750	107,949	27.2%
Other loans	124,494	111,989	12,505	11.2%
Total	**1,016,798**	**922,774**	**94,024**	**10.2%**

Loans and receivables with customers, amounting to €1,016.8 million, can essentially be broken down as follows:

- €813.6 million in loans;
- €87.3 million in reverse repos;
- €34.1 million in collateral deposits and initial and variation margins with clearing houses for derivative contract transactions;
- €81.8 million relating to current receivables associated with the provision of financial services.

"Reverse repos" consist of "Multiday leverage" with retail customers and stock lending transactions with transactions institutional customers, securities lending transactions guaranteed by sums of money readily available to the lender and which are basically the equivalent of repos on securities.

Other loans mainly consist of collateral deposits and initial and variation margins for derivative contract transactions, and current receivables associated with the provision of financial services.

(Amounts in € thousand)

LOANS AND RECEIVABLES WITH CUSTOMERS (MANAGEMENT RECLASSIFICATION)	AMOUNTS AS AT		CHANGES	
	12.31.2016	12.31.2015	AMOUNT	%
Current accounts	296,927	211,273	85,654	40.5%
Credit card use	268,497	259,171	9,326	3.6%
Mortgages	860	-	860	n.c.
Personal loans	235,036	136,550	98,486	72.1%
Other loans	8,612	2,139	6,473	302.6%
Performing loans	*809,932*	*609,133*	*200,799*	*33.0%*
Current accounts	2,445	3,765	(1,320)	-35.1%
Mortgages	24	46	(22)	-47.8%
Credit card use	142	67	75	111.9%
Personal loans	1,024	962	62	6.4%
Other loans	22	27	(5)	-18.5%
Impaired loans	*3,657*	*4,867*	*(1,210)*	*-24.9%*
Loans	**813,589**	**614,000**	**199,589**	**32.5%**
Reverse repos	87,348	198,941	(111,593)	-56.1%
Reverse repos - impaired	1	10	(9)	-90.0%
Collateral deposits and initial and variation margins	34,059	26,721	7,338	27.5%
Current receivables associated with the provision of financial services	81,801	83,102	(1,301)	-1.6%
Current receivables and other receivables	**203,209**	**308,774**	**(105,565)**	**-34.2%**
Loans and receivables with customers	**1,016,798**	**922,774**	**94,024**	**10.2%**

The portfolio of loans mainly consists of receivables for personal loans, current accounts and credit card use. Overall, loans increased by 10.2%.

Impaired assets

(Amounts in € thousand)

CATEGORY	GROSS AMOUNT AMOUNTS AS AT 12.31.2016	GROSS AMOUNT AMOUNTS AS AT 12.31.2015	TOTAL IMPAIRMENT AMOUNTS AS AT 12.31.2016	TOTAL IMPAIRMENT AMOUNTS AS AT 12.31.2015	NET AMOUNT AMOUNTS AS AT 12.31.2016	NET AMOUNT AMOUNTS AS AT 12.31.2015	COVERAGE RATIO FIGURES AS AT 12.31.2016	COVERAGE RATIO FIGURES AS AT 12.31.2015
Non-performing loans	19,334	21,819	(16,672)	(18,319)	2,662	3,500	86.23%	83.96%
Unlikely to pay	1,906	2,181	(1,507)	(1,387)	399	794	79.07%	63.59%
Past-due loans	1,130	1,195	(532)	(612)	598	583	47.08%	51.21%
Total	**22,370**	**25,195**	**(18,711)**	**(20,318)**	**3,659**	**4,877**	**83.64%**	**80.64%**

The amount of impaired loans net of impairment losses was €3.7 million, €2.7 million of which in non-performing loans, €0.4 million in unlikely to pay exposures and €0.6 million in past-due loans. Impaired loans mostly relate to current account overdrafts, credit card use and personal loans.

Financial investments

(Amounts in € thousand)

	AMOUNTS AS AT 12.31.2016	AMOUNTS AS AT 12.31.2015	CHANGES AMOUNT	CHANGES %
Available-for-sale financial assets	1,319,752	2,245,982	(926,230)	-41.2%
Held-to-maturity investments	2,437,777	-	2,437,777	n.c.
Total	**3,757,529**	**2,245,982**	**1,511,547**	**67.3%**

In the fourth quarter of 2016, the Bank reclassified the "Available-for-sale financial assets" consisting of Italian and Spanish government securities to the "Held-to-maturity investments portfolio". The reclassification was consistent with the Bank's objective of obtaining stable income flows over the medium/long-term and in line with the business and financial outlooks stated by the Bank in its planning. See section A.3 Disclosure on transfers between portfolios of financial assets of this Part A of the Notes to the Accounts for more details.

As at December 31, 2016, "Held-to-maturity investments" consisted of debt securities issued by the Italian Government, for a book value of €1,499.3 million, and issued by the Spanish Government, for a book value of €938.5 thousand.

"Available-for-sale financial assets" consisted of debt securities issued by governments and equity instruments not listed on an active market.
Investments in debt securities consisted of:

- Italian government securities, with a book value of €982.4 million (€1,639 million as at December 31, 2015);
- French government securities, with a book value of €10.3 million (€10.4 million as at December 31, 2015);
- Spanish government securities, with a book value of €249.9 million (€586.1 million as at December 31, 2015);
- US government securities, with a book value of €73.5 million (not present as at December 31, 2015).

A part of the debt securities classified in the "Available-for-sale financial assets portfolio" is entirely used as collateral for bankers' drafts or guarantees with third parties for a book value of €128.9 million (€131.4 million as at December 31, 2015).

Equity instruments consisted of equity investments in companies in which the Bank does not exercise control or have a significant influence, for an amount of €3.5 million, primarily consisting of the Visa INC class "C" preferred shares. In this regard, you are reminded that the details of the merger between Visa Inc. and Visa Europe Limited were defined in the final months of 2015, because of which the Bank received an offer from Visa Inc. for the purchase of the shares of Visa Europe Limited. This offer included the distribution to the consortium members of Visa Europe Limited of compensation in the form of cash, deferred cash and Visa INC class "C" preferred shares. The transaction was closed in June 2016 and the Bank received €11.2 million in cash and 4,057 Visa INC class "C" preferred shares, whose fair value was calculated, on the closing date (June 21, 2016), at €3.3 million. In June 2019 (three years after the closing date), the Bank will also have the right to receive a deferred cash amount of around €0.9 million. The Bank has therefore recognised a gain on sale of €15.3 million under the income statement item 100 "Gains (losses) on disposal or repurchase of: b) available-for-sale financial assets", accompanied by the recognition of the Visa INC Class "C" preferred shares at their fair value, in the amount of €3.3 million, and a receivable from Visa INC for a present value of €0.9 million. The measurement as at December 31, 2016 of the Visa INC class C shareholding generated an unrealised gain of €271 thousand (€252 thousand after tax) recognised under the Revaluation reserves for Available-for-sale financial assets.
The "Available-for-sale financial assets" portfolio also includes the recognition of the exposure in equity instruments recognised because of the contribution made to the Interbank Deposit Guarantee Fund - Voluntary Scheme for the subscription of the capital increase of Cassa di Risparmio di Cesena of €6.7 million.
The Voluntary Scheme is an instrument for resolving bank crises through support measures in favour of banks subscribing to it, when specific

Main balance sheet aggregates (Continued)

conditions established by the regulations apply. The Voluntary Scheme has its own independent financial resources and the banks subscribing to it have committed to provide funds on request for implementation of the measures. On June 17, 2016, the General Meeting of the IDGF strengthened the financial resources of the Voluntary Scheme from €300 million to €700 million. With value date of September 20, 2016, the Voluntary Scheme of the IDGF made a payment for the capital increase of Cassa di Risparmio di Cesena and at the same time debited the amount pertaining to the member. The Bank incurred costs of €6.7 million, with a resulting reduction in the commitment to the Voluntary Scheme of €10 million as at December 31, 2016.
As at December 31, 2016, the Bank made a full impairment write-down on the above-mentioned exposure, recognised in item "Net income from investments" of the reclassified income statement. In this regard, it should be noted that above decision was taken based on a valuation, made internally, using the market multiples method (in line with the identification of the contribution as AFS) that took account of the prices stated in the market for comparable listed companies and the fact that the investment related to an unlisted company. The decision also took into account the present and future conditions of the market for banking investments, which led the results of the valuation to be considered prudentially. At the end of the valuation conducted internally, the Bank decided, from among the other possible reasonably applicable valuation options, to adopt the option of full impairment write-down, based on the principles of prudence, in view of the numerous and significant elements of uncertainty at the present time.

Hedging instruments

(Amounts in € thousand)

	AMOUNTS AS AT		CHANGES	
	12.31.2016	12.31.2015	AMOUNT	%
Asset hedging derivatives - positive valuations	-	-	-	-
Liability hedging derivatives - positive valuations	552	-	552	n.c.
Adjustments to the value of assets under portfolio hedge	8,659	10,573	(1,914)	-18.1%
Total assets	**9,211**	**10,573**	**(1,362)**	**-12.9%**
of which:				
Positive valuations	452	-	452	n.c.
Accrued interest	100	-	100	n.c.
Adjustments to the value of hedged assets	8,659	10,573	(1,914)	-18.1%
Total assets	**9,211**	**10,573**	**(1,362)**	**-12.9%**
Asset hedging derivatives - negative valuations	10,914	31,319	(20,405)	-65.2%
Liability hedging derivatives - negative valuations	-	-	-	-
Adjustments to the value of liabilities under portfolio hedge	457	-	457	n.c.
Total liabilities	**11,371**	**31,319**	**(19,948)**	**-63.7%**
of which:				
Negative valuations	11,274	24,240	(12,966)	-53.5%
Accrued interest	(360)	7,079	(7,439)	-105.1%
Adjustments to the value of hedged liabilities	457	-	457	n.c.
Total liabilities	**11,371**	**31,319**	**(19,948)**	**-63.7%**

(Amounts in € thousand)

Summary of hedging derivatives valuations as at December 31, 2016	Assets	Liabilities	Difference
Valuation of hedging derivatives for assets and liabilities	452	11,274	(10,822)
Change in fair value of hedged assets/liabilities	8,659	457	8,202
Revaluation reserve before related taxation	-	(2,542)	2,542
Total	**9,111**	**9,189**	**(78)**

Hedged assets consist of bonds issued by UniCredit belonging to the "Loans and Receivables" category and securities issued by the Italian Central Government and classified as "Available-for-sale financial assets". The hedged liabilities consisted of direct deposits.
Positive and negative valuations of hedging derivatives related solely to derivative contracts that the Bank has entered into to hedge against interest rate risk inherent in the above-mentioned assets and liabilities, whose income statement effect, net of €0.5 million of accrued interest income included in the net interest margin, was a negative amount of €78 thousand.

Property, plant and equipment

As in previous financial years, investments in electronic equipment were made to guarantee the ongoing update of the hardware used by all the Bank's departments, and in particular by the IT department.

Investments in office furniture and fittings and equipment are primarily intended for use in new financial shops.

(Amounts in € thousand)

PROPERTY, PLANT AND EQUIPMENT	BALANCE 01.01.2016	INVESTMENTS YEAR 2016	OTHER CHANGES AND SALES YEAR 2016	DEPRECIATION AND IMPAIRMENT YEAR 2016	BALANCE 12.31.2016
Properties	2,509	-	-	(112)	2,397
Electronic equipment	7,575	5,297	-	(3,312)	9,560
Office furniture and fittings	1,064	1,071	1	(1,005)	1,131
Plant and machinery	1,271	516	-	(424)	1,363
Total	**12,419**	**6,884**	**1**	**(4,853)**	**14,451**

Goodwill

The Goodwill recognised in the financial statements derives from transactions carried out in the years from 2001 to 2008, involving acquisitions and mergers by absorption of business units and businesses engaged in trading operations or the distribution of financial, banking and insurance products through the personal financial advisors (Fineco On Line Sim S.p.A., Trading and Banking business unit of Banca della Rete, personal financial advisors business unit of the former FinecoGroup S.p.A., and UniCredit Xelion Banca S.p.A.).
These activities have been fully integrated with the Bank's ordinary operations. As a result, it is no longer possible to isolate the contribution of each company/business division from the Bank's overall income. This means that to establish the reasonableness of the value of goodwill recognised in the financial statements it is necessary to take account of the Bank's comprehensive income. The cash-generating unit (CGU) is therefore the Bank as a whole.
In fact, in view of the specific business model adopted by the Bank, which envisages a high level of integration between personal financial advisors and the trading and banking platform, the allocation of costs/revenues to the macro areas of activity is not considered relevant or meaningful; the personal financial advisors network is an integral part of the overall offer, along with banking, brokerage and investing services.

Impairment testing on goodwill, performed on December 31, 2016, did not identify any impairment. For all other information on the impairment testing, see Part B) – Balance Sheet Information in the Notes to the Accounts.

Other intangible assets

Other intangible assets mainly include purchases and the implementation of information technology procedures with useful lives of several years, required in order to manage the development and ongoing provision by the Bank of new and more versatile high-added-value services for customers, as well as infrastructure and application optimizations, enhancements to architecture for application security, and the developments needed to meet the new regulatory requirements.

(Amounts in € thousand)

INTANGIBLE ASSETS	BALANCE 01.01.2016	INVESTMENTS YEAR 2016	AOTHER CHANGES AND SALES YEAR 2016	AMORTISATION AND IMPAIRMENT YEAR 2016	BALANCE 12.31.2016
Software	7,157	4,287	-	(4,610)	6,834
Other intangible assets	1,055	331	-	(489)	897
Total	**8,212**	**4,618**	-	**(5,099)**	**7,731**

Main balance sheet aggregates (Continued)

Tax Assets and Other Assets

(Amounts in € thousand)

	AMOUNTS AS AT		CHANGES	
	12.31.2016	12.31.2015	AMOUNT	%
Tax assets				
Current assets	1,571	1,733	(162)	-9.3%
Deferred tax assets	36,660	37,063	(403)	-1.1%
Deferred tax assets pursuant to Law 214/2011	4,180	4,401	(221)	-5.0%
Total before IAS 12 offsetting	*42,411*	*43,197*	*(786)*	*-1.8%*
Offset against deferred tax liabilities - IAS 12	(29,246)	(27,773)	(1,473)	5.3%
Total Tax assets	**13,165**	**15,424**	**(2,259)**	**-14.6%**
Other assets				
Items in processing	27	17	10	58.8%
Items awaiting settlement	11,558	10,021	1,537	15.3%
Definitive items not recognised under other items	42,213	43,039	(826)	-1.9%
Current receivables not related with the provision of financial services	2,290	3,163	(873)	-27.6%
Tax items other than those included in the item "Tax liabilities"	250,077	285,875	(35,798)	-12.5%
Prepayments	22,754	19,950	2,804	14.1%
Improvement and incremental expenses incurred on leasehold assets	7,262	7,849	(587)	-7.5%
Other items	119	156	(37)	-23.7%
Total other assets	**336,300**	**370,070**	**(33,770)**	**-9.1%**

The decrease in "Tax assets", of €2.3 million, was mainly due to:

- the reduction in "Deferred Tax Assets" of around €0.6 million, resulting from the use of the provisions for risks and charges;
- the increase in "Deferred tax liabilities" of €1.5 million, mainly due to the revaluation of debt securities held in the Bank's portfolio.

"Deferred tax assets" are shown in the balance sheet net of the related "Deferred tax liabilities", when the requirements of IAS 12 are met.

For the item Other assets, there was a decrease of €35.8 million in the "Tax items other than those recorded under the Tax Assets item", due to lower amount of advance tax payed as substitute tax for stamp duty, substitute tax on other income and withholding tax on interest, partly offset by higher advance payments made for stamp duty.

Deposits from banks

(Amounts in € thousand)

	AMOUNTS AS AT		CHANGES	
	12.31.2016	12.31.2015	AMOUNT	%
Deposits from central banks	**-**	**-**	**-**	**-**
Deposits from banks				
Current accounts and demand deposits	52,309	68,848	(16,539)	-24.0%
Loans				
Repos	1,058,565	1,313,191	(254,626)	-19.4%
Other liabilities	232	41,420	(41,188)	-99.4%
Total	**1,111,106**	**1,423,459**	**(312,353)**	**-21.9%**

The item "Current accounts and demand deposits" mainly consisted of reciprocal current accounts and loans with UniCredit, amounting to €49.4 million (€58.8 million as at December 31, 2015), as well as reciprocal current accounts and loans with banks outside the Group of €2.9 million.

"Repos" included €977.8 million in transactions effected with UniCredit (€1,186.3 million as at December 31, 2015) and €6.6 million of securities lending transactions guaranteed by cash carried out with UniCredit Bank AG Monaco (€41.7 million as at December 31, 2015).

As at December 31, 2015, the item "Other liabilities" included margin variations received for trading in repos with UniCredit, with a book value of €40.6 million.

Deposits from customers

Deposits from customers, mainly consisting of current accounts, the Cash Park deposit account and repos, totalled €18,801 million, up 18.8% compared to December 31, 2015.

(Amounts in € thousand)

	AMOUNTS AS AT		CHANGES	
	12.31.2016	12.31.2015	AMOUNT	%
Current accounts and demand deposits	18,319,307	14,985,275	3,334,032	22.2%
Time deposits	159,124	560,114	(400,990)	-71.6%
Loans				
Repos	231,376	199,817	31,559	15.8%
Other liabilities	91,266	77,253	14,013	18.1%
Deposits from customers	**18,801,073**	**15,822,459**	**2,978,614**	**18.8%**

There was an increase of €3,334 million in the cash deposited in current accounts, which was also driven by the transfer of the sales of Cash Park time deposits and Supersave repos, which recorded a decrease as a result of the progressive reduction in the remuneration rates.
The item "Other liabilities" comprises current payables related to the provision of financial services, totalling €28.1 million (€32.5 million as at December 31, 2015), initial and variance margins for derivative transactions, which came to €38.5 million (€24.4 million as at December 31, 2015) and other liabilities for rechargeable credit cards and bankers' drafts, amounting to €24.7 million (€20.4 million at December 31, 2015).

Financial liabilities held for trading

Financial liabilities held for trading consist of:

- technical overdrafts classified as HFT used for the operational hedging of CFD positions on shares open with customers, amounting to €0.2 million, and intended to be traded in the short term;
- the negative valuation of spot contracts for securities in the HFT portfolio and currencies to be settled in time frames established by market practices ("regular way") of around €1.8 million, which correspond to positive valuations booked under item 20 "Financial assets held for trading";
- the negative valuation of CFDs on indices, shares, interest rates and futures on indices and interest rates and of CFDs on Forex for €0.6 million.

CFDs are "Over the counter" derivative contracts that require the payment of a spread generated by the difference between the opening and closing price of the financial instrument. The bank in operational terms covers the imbalance of customer positions, by underwriting futures or the purchase/sale of equity securities on the same underlyings, or through Forex transactions with institutional counterparties to hedge CFD transactions in open currencies with customers' currency.

Main balance sheet aggregates (Continued)

Provisions for risks and charges

Provisions for risks and charges include allowances for a total of €111.8 million, for which, given a liability of uncertain amount and expiry, a current obligation was identified as the result of a past event and it was possible to make a reliable estimate of the amount resulting from the fulfilment of said obligation. The disbursements, with estimated maturity exceeding 18 months, were discounted to present value using a rate equal to the time value of money.
"Staff expenses" include the provisions made for the variable remuneration to be paid to employees in subsequent years, which have an uncertain due date and/or amount. This item also includes the estimated integration costs for the Bank in relation to the Business Plan of the UniCredit group recognised in the financial statements for the years ended December 31, 2016 and December 31, 2015. In 2016, following the signing of the agreement of February 5, 2016, these costs recognised in the financial statements for the year ended December 31, 2015 were partially reallocated to "Other liabilities" for the part relating to the subscriptions accepted.

(Amounts in € thousand)

	AMOUNTS AS AT		CHANGES	
	12.31.2016	12.31.2015	AMOUNT	%
Legal disputes	**33,699**	**43,458**	**(9,759)**	**-22.5%**
- Pending proceedings	26,673	35,225	(8,552)	-24.3%
- Claims	7,026	8,233	(1,207)	-14.7%
Staff expenses	**10,043**	**9,570**	**473**	**4.9%**
Other	**68,014**	**67,506**	**508**	**0.8%**
- Supplementary customer indemnity provision	56,054	51,139	4,915	9.6%
- Contractual payments and payments under non-competition agreements	2,184	2,270	(86)	-3.8%
- Tax disputes	4,078	7,034	(2,956)	-42.0%
- Other provisions	5,698	7,063	(1,365)	-19.3%
Total provisions for risks and charges	**111,756**	**120,534**	**(8,778)**	**-7.3%**

Tax liabilities and Other liabilities

(Amounts in € thousand)

	AMOUNTS AS AT		CHANGES	
	12.31.2016	12.31.2015	AMOUNT	%
Tax liabilities				
Current liabilities	10,048	37,445	(27,397)	-73.2%
Deferred tax liabilities	29,246	27,773	1,473	5.3%
Total before IAS 12 offsetting	*39,294*	*65,218*	*(25,924)*	*-39.7%*
Offset against deferred tax assets - IAS 12	(29,246)	(27,773)	(1,473)	5.3%
Total Tax liabilities	**10,048**	**37,445**	**(27,397)**	**-73.2%**
Other liabilities				
Impairment of financial guarantees given	-	1,416	(1,416)	-100.0%
Items in processing	1,521	2,966	(1,445)	-48.7%
Items awaiting settlement	59,164	46,681	12,483	26.7%
Definitive items not recognised under other items	34,984	39,448	(4,464)	-11.3%
Payables for share-based payments or shares of the Parent Company UniCredit	957	2,491	(1,534)	-61.6%
Payables to employees and other personnel	7,259	6,611	648	9.8%
Payables to Directors and statutory auditors	140	187	(47)	-25.1%
Current payables not associated with the provision of financial services	18,941	21,804	(2,863)	-13.1%
Tax items other than those included in the item "Tax liabilities"	103,467	106,060	(2,593)	-2.4%
Social security contributions payable	5,944	5,829	115	2.0%
Illiquid items for portfolio transactions	18,486	16,569	1,917	11.6%
Other items	981	927	54	5.8%
Employee severance pay provision	5,253	4,846	407	8.4%
Total Other Liabilities	**257,097**	**255,835**	**1,262**	**0.5%**

The decrease of €25.9 million in "Tax liabilities" (before IAS 12 offset), was attributable to the reduction in the item "Current liabilities" due to the offsetting of the tax for the year against advance tax payments made and the reduction in tax provisions following the settlement of several disputes that were definitively concluded during the first half of 2016. It is also noted that, when the requirements of IAS 12 are met, the "Deferred tax liabilities" are offset against "Deferred tax assets" in the balance sheet.

With regard to the Other liabilities there was:

- a decrease of €2.6 million in "Tax items other than those included in the item Tax liabilities", as a result of lower payables recognised towards the tax authorities for withholdings on interest;
- a decrease of €2.9 million in "Current payables not associated financial services", due to the reduction in payables for invoices to be paid to and received from suppliers;
- an increase of €12.5 million in "Items awaiting settlement" mainly attributable to outgoing bank transfers and POS transactions to be settled;
- and a decrease of €4.5 million in "Definitive items not recognised under other items".

Shareholders' equity

As at December 31, 2016, the Bank's share capital came to €200.2 million, comprising 606,805,436 ordinary shares with a par value of €0.33 each.

The reserves consisted of the:

- Share premium reserve, amounting to €1.9 million;
- Legal reserve, amounting to €40 million;
- Extraordinary reserve, amounting to €205.9 million;
- Reserve for treasury shares held, amounting to €4.3 million;
- Reserve related to equity-settled plans, amounting to €28.2 million.

Following the Board of Directors' resolution of February 8, 2016, for the execution of the "2014 Key People Plan" approved by the Shareholders' Meeting of June 5, 2014, the share capital was increased through a bonus issue by an amount of €95,601.99, corresponding to 289,703 ordinary shares, with consequent reduction of the available retained earnings.

The "Reserve related to equity-settled plans" was increased by around €10.5 million, due to the recognition during the year of the income statement and balance sheet effects of the payment plans based on FinecoBank ordinary shares during the vesting period for the instruments, and was used in the amount of €4.2 million following the allocation of FinecoBank ordinary shares to the Bank's Personal Financial Advisors and Network Managers under the second tranche of the stock granting "2014 PFA Plan". At the same time, the "Reserve for treasury shares held" was released and reclassified to the "Extraordinary reserve" for the same amount.

As a result of the allocation described above, the treasury shares held as at December 31, 2016 amounted 714,325, for an amount of €4.3 million. The shares were purchased in implementation of the stock granting "2014 PFA Plan" for the Bank's Personal Financial Advisors and Network Managers, approved by the Board of Directors on May 15, 2014 and by the Shareholders' Meeting on June 5, 2014, starting from September 16, 2015, after receipt of the authorisation from the Supervisory Authority, in accordance with Articles 77-78 of EU Reg. 575/2013 of June 26, 2013 (CRR), and ended on October 12, 2015.

The Shareholders' Meeting of April 12, 2016 approved the allocation of profit for the year 2015, amounting to €191 million, as follows:

- €0.02 million to the **Legal reserve**;
- €35.7 million to the **Extraordinary reserve**;
- €154.4 million, equal to €0.255 per share, to Shareholders;
- €1 million to social, charity and cultural causes, pursuant to Article 26, paragraph 5, of the Articles of Association.

The Revaluation reserves consisted of:

- €4.7 million from the net positive reserve for debt securities issued by central governments of EU member countries, held in the "Available-for-sale financial assets" portfolio;
- €1.8 million from the net negative reserve for debt securities, other than those mentioned above, held in the "Available-for-sale financial assets" portfolio;
- €0.3 million from the positive reserve for equity instruments held in the "Available-for-sale financial assets" portfolio, relating exclusively to the change in the fair value of the Visa INC class "C" preferred shares;
- €6.3 million to the negative IAS19 Reserve;
- €3.7 million for the net negative reserve for debt securities issued by central governments of EU member countries, transferred from the "Available-for-sale financial assets" portfolio to the "Held-to-maturity investments" portfolio in 2016.

Main balance sheet aggregates (Continued)

Shareholders' equity

(Amounts in € thousand)

ITEMS/VALUES	AMOUNTS AS AT 12.31.2016	AMOUNTS AS AT 12.31.2015	CHANGES AMOUNT	CHANGES %
Share capital	200,246	200,150	96	0.0%
Share premium reserve	1,934	1,934	-	-
Reserves				
- Legal reserve	40,049	40,030	19	0.0%
- Extraordinary reserve	205,860	166,081	39,779	24.0%
- Treasury shares reserve	4,338	8,555	(4,217)	-49.3%
- Other reserves	28,160	21,924	6,236	28.4%
(Treasury Shares)	(4,338)	(8,555)	4,217	-49.3%
Revaluation reserves	(6,794)	11,626	(18,420)	n.c.
Net Profit (Loss) for the year	211,844	191,053	20,791	10.9%
Total	**681,299**	**632,798**	**48,501**	**7.7%**

Own funds and prudential requirements

(Amounts in € thousand)

	FIGURES AS AT	
	12.31.2016	12.31.2015
Common Equity Tier 1 Capital - CET1	438,121	390,976
Tier 1 Capital	438,121	390,976
Total Own Funds	**438,121**	**393,903**
Total risk-weighted assets	**1,909,713**	**1,828,007**
Ratio - Common Equity Tier 1 Capital	22.94%	21.39%
Ratio - Tier 1 Capital	22.94%	21.39%
Ratio - Total Own Funds	22.94%	21.55%

(Amounts in € thousand)

	FIGURES AS AT	
	12.31.2016	12.31.2015
Tier 1 Capital	438,121	390,977
Exposure for leverage ratio	5,302,244	3,717,157
Transitional leverage ratio	8.26%	10.52%

Own funds as at December 31, 2016 amounted to a €438.1 million. Own funds and Capital ratios were determined applying the current Supervisory Regulations, in line with Basel III standards including transitional adjustments.
The figures shown include the profit for the year 2016 that will not be distributed, assuming the conditions established Article 26.2 of the EU Regulation 575/2013 (CRR) are satisfied. For more details, see Part F - Shareholders' Equity of the Notes to the Accounts.

The leverage ratio was calculated in accordance with EU Delegated Regulation 2015/62 of October 10, 2014. As required by Circular No. 285 of the Bank of Italy, Part Two, Chapter 12, Section III Exercise of national discretion, exposures to the UniCredit Group companies based in Italy and weighted at 0% pursuant to Article 113, par. 6 of the CRR have not been included in the calculation of total exposure, in accordance with Article 429 (7) of the CRR amended by the Delegated Regulation (EU) 2015/62.

Shareholders

The share capital, fully subscribed and paid up, totalled €200,245,793.88 divided into 606,805,436 ordinary shares with a par value of €0.33. As at December 31, 2016, the major shareholders were:

MAJOR SHAREHOLDERS	% OWNED
UniCredit S.p.A.	35.479%
Wellington Management Company LLP	5.199%

Income statement figures

Condensed Income Statement

(Amounts in € thousand)

	YEAR		CHANGES	
	2016	2015	AMOUNT	%
Net interest	249,388	240,762	8,626	3.6%
Dividends and other income from equity investments	6	-	6	n.c.
Net fee and commission income	242,881	252,610	(9,729)	-3.9%
Net trading, hedging and fair value income	69,054	53,867	15,187	28.2%
Net other expenses/income	(2,211)	(2,974)	763	-25.7%
OPERATING INCOME	**559,118**	**544,265**	**14,853**	**2.7%**
Staff expenses	(73,698)	(75,049)	1,351	-1.8%
Other administrative expenses	(228,119)	(232,870)	4,751	-2.0%
Recovery of expenses	85,395	84,347	1,048	1.2%
Impairment/write-backs on intangible and tangible assets	(9,952)	(8,951)	(1,001)	11.2%
Operating costs	**(226,374)**	**(232,523)**	**6,149**	**-2.6%**
OPERATING PROFIT (LOSS)	**332,744**	**311,742**	**21,002**	**6.7%**
Net write-downs of loans and provisions for guarantees and commitments	(4,199)	(6,706)	2,507	-37.4%
NET OPERATING PROFIT (LOSS)	**328,545**	**305,036**	**23,509**	**7.7%**
Net provisions for risks and charges	(9,981)	(15,714)	5,733	-36.5%
Integration costs	(5,503)	(1,246)	(4,257)	341.7%
Net income from investments	(6,724)	(1)	(6,723)	n.c.
NET PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**306,337**	**288,075**	**18,262**	**6.3%**
Income tax for the year	(94,493)	(97,022)	2,529	-2.6%
NET PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	**211,844**	**191,053**	**20,791**	**10.9%**
NET PROFIT (LOSS) FOR THE YEAR	**211,844**	**191,053**	**20,791**	**10.9%**

Net interest margin

The Net interest margin for 2016 amounted to €249.4 million, up by 3.6% on the same period of the previous year, due to the increase in sales volume and the reduction in the cost of sales that offset the fall in interest income linked to the decline in market interest rates. In this regard it should be noted that the structure of the investments carried out by the Bank contributed to keep a flow of interest income resulting from the investment of deposits, even against a backdrop of significant reduction of credit spreads and market interest rates. The average lending rate for the investment of all deposits (both demand and term) amounted to 1.33% in 2016 compared to 1.50% in 2015.

(Amounts in € thousand)

	YEAR		CHANGES	
INTEREST INCOME	2016	2015	AMOUNT	%
Financial assets held for trading	1	2	(1)	-50.0%
Available-for-sale financial assets	20,658	20,362	296	1.5%
Held-to-maturity investments	1,575	-	1,575	n.c.
Loans and receivables with banks	198,814	216,737	(17,923)	-8.3%
Loans and receivables with customers	29,109	29,786	(677)	-2.3%
Hedging derivatives	3,080	1,945	1,135	58.4%
Other assets	69	66	3	4.5%
Total interest income	**253,306**	**268,898**	**(15,592)**	**-5.8%**

(Amounts in € thousand)

	YEAR		CHANGES	
INTEREST EXPENSE	2016	2015	AMOUNT	%
Deposits from banks	3,006	240	2,766	1152.5%
Deposits from customers	(6,924)	(14,337)	7,413	-51.7%
Debt securities in issue	-	(14,039)	14,039	-100.0%
Total interest expense	**(3,918)**	**(28,136)**	**24,218**	**-86.1%**
Net interest	**249,388**	**240,762**	**8,626**	**3.6%**

The following table provides a breakdown of interest income associated with banks and customers:

(Amounts in € thousand)

BREAKDOWN OF INTEREST INCOME	YEAR 2016	YEAR 2015	CHANGES AMOUNT	CHANGES %
Interest income on loans and receivables with banks	**198,814**	**216,737**	**(17,923)**	**-8.3%**
- current accounts	3,042	1,516	1,526	100.7%
- reverse repos	385	124	261	210.5%
- time deposit for compulsory reserves	16	73	(57)	-78.1%
- time deposits	1,224	10,151	(8,927)	-87.9%
- other loans	(70)	(11)	(59)	536.4%
- debt securities	194,217	204,884	(10,667)	-5.2%
Interest income on loans and receivables with customers	**29,109**	**29,786**	**(678)**	**-2.3%**
- current accounts	5,843	5,566	277	5.0%
- reverse repos	6,649	10,825	(4,176)	-38.6%
- credit cards	4,516	3,882	634	16.3%
- personal loans	12,149	9,393	2,756	29.3%
- other loans	(48)	121	(169)	-139.7%

Interest income on loans and receivables with banks amounted to €198.8 million, down 8.3% on the same period of the previous year. The decrease was attributable to lower interest on time deposits of €8.9 million, mainly due to a fall in volumes and the trend in market interest rates, and lower interest on debt securities of €10.7 million, due to the trend in market interest rates.

Interest income on loans and receivables with customers amounted to €29.1 million, essentially unchanged on the same period of the previous year. The higher interest on personal loans, thanks to the increase in distributions, and on revolving credit cards, was offset by the decrease in interest on securities lending transactions guaranteed by multi-day leverage cash due to the reduction in volumes, linked to the decrease in market volatility compared to the previous year.

The following table provides a breakdown of interest expense related to banks and customers:

(Amounts in € thousand)

BREAKDOWN OF INTEREST EXPENSE	YEAR 2016	YEAR 2015	CHANGES AMOUNT	CHANGES %
Interest expense on deposits from banks	**3,006**	**240**	**2,766**	**1152.5%**
- current accounts	(213)	(64)	(149)	232.8%
- demand and collateral deposits	68	22	46	209.1%
- other loans	(19)	(24)	5	-20.8%
- reverse repos	3,170	306	2,864	935.9%
Interest expense on deposits from customers	**(6,924)**	**(14,337)**	**7,413**	**-51.7%**
- current accounts	(4,777)	(4,340)	(437)	10.1%
- collateral deposits	(5)	(51)	46	-90.2%
- time deposits	(1,839)	(8,741)	6,902	-79.0%
- reverse repos	(303)	(1,205)	902	-74.9%

Interest expense on deposits from banks showed a positive amount of €3 million due to the changes in market rates, which resulted in the recording of positive interest expense on reverse repos and, to a lesser extent, on collateral deposits.

Interest expense on deposits from customers came to €6.9 million, down €7.4 million over the same period of the prior year, because of the reduction volumes and the interest rate for "Cash Park" time deposits. The cost of deposits went from 0.08% in 2015 to 0.03% in 2016.

Income statement figures (Continued)

Income from brokerage and other income

(Amounts in € thousand)

	YEAR		CHANGES	
	2016	2015	AMOUNT	%
Net interest	**249,388**	**240,762**	**8,626**	**3.6%**
Dividends and other income from equity investments	6	-	6	-
Net fee and commission income	242,881	252,610	(9,729)	-3.9%
Net trading, hedging and fair value income	69,054	53,867	15,187	28.2%
Net other expenses/income	(2,211)	(2,974)	763	-25.7%
Operating income	**559,118**	**544,265**	**14,853**	**2.7%**

Net fee and commission income

(Amounts in € thousand)

	YEAR		CHANGES	
MANAGEMENT RECLASSIFICATION	2016	2015	AMOUNT	%
Management, brokerage and consulting services:				
1. securities trading and order collection	78,334	86,703	(8,369)	-9.7%
2. currency trading	-	(140)	140	-100.0%
3. custody and administration of securities	(3,162)	(3,488)	326	-9.3%
4. placement and management of managed asset products	141,860	148,044	(6,184)	-4.2%
5. investment advisory services	35,479	28,252	7,227	25.6%
6. distribution of other products	(196)	(159)	(37)	23.3%
Collection and payment services	2,736	11,598	(8,862)	-76.4%
Holding and management of current/deposit accounts	29	(1,557)	1,586	n.c.
Other fee expense personal financial advisors	(19,510)	(24,034)	4,524	-18.8%
Securities lending	1,916	2,463	(547)	-22.2%
Other services	5,395	4,928	467	9.5%
Total net fee and commission income	**242,881**	**252,610**	**(9,729)**	**-3.9%**

Net fee and commission income amounted to €242.9 million, decreasing by 3.9% compared to the same period of the previous year mainly due to:

- lower securities trading and order collection commissions, as a result of the progressive shift by customers towards over-the-counter products and the lower market volatility than in 2015;
- lower commissions for collection and payment services, mainly related to transactions with credit and debit cards. In this regard, it is important to note that Regulation (EU) 2015/751 of the European Parliament and of the Council, which came into force from December 9, 2015, set a cap on interbank commissions for transactions via debit and credit cards;
- lower fee expense paid to personal financial advisors under the incentive plans;
- lower commissions for the placement and management of managed asset products, offset by higher investment advisory commissions.

Starting from the year 2016, the item "investment advisory services" does not include the commissions repaid to customers as a rebate, which have been allocated to the item "placement and management of managed asset products". The figures for the previous year have been restated to enable like-for-like comparison.

The commissions for securities lending include the income component relating to the service provided (received) for the provision of the security both for transactions with guarantee consisting of cash and for transactions with guarantee consisting of other securities. In order to assess the transaction as a whole, the income component recognised within the net interest margin must also be taken into account.

Dividends and other income from equity investments consisted exclusively of the dividends received on the Visa INC class "C" preferred shares.

Net trading, hedging and fair value income was mainly generated by gains realised from the internalisation of securities and CFDs, financial instruments used for the operational hedging of CFDs, the exchange differences on assets and liabilities denominated in currency, and gains on the sale of securities recognised in the "Available-for-sale financial assets" portfolio. In 2016 there was an increase of €15.2 million in Net trading, hedging and fair value income attributable to the gains realised on the sale of government securities recognised in the "Available-for-sale financial assets" portfolio totalling €5 million, carried out as part of the measures to mitigate the exposure to interest rate risk and optimise profitability,

in addition to a gain of €15.3 million realised from the sale of the investment in Visa Europe Limited described above, partly offset by the reduction in positive exchange differences of €4.9 million on assets and liabilities denominated in currency.

Net other expenses/income showed expenses of €2.2 million, representing an improvement of €0.8 million compared to the same period of the previous year.

Operating costs

(Amounts in € thousand)

BREAKDOWN OF OPERATING COSTS	YEAR 2016	YEAR 2015	CHANGES AMOUNT	CHANGES %
Staff expenses	(73,698)	(75,049)	1,351	-1.8%
Other administrative expenses	(228,119)	(232,870)	4,751	-2.0%
Recovery of expenses	85,395	84,347	1,048	1.2%
Impairment/write-backs on intangible and tangible assets	(9,952)	(8,951)	(1,001)	11.2%
Total operating costs	**(226,374)**	**(232,523)**	**6,149**	**-2.6%**

(Amounts in € thousand)

STAFF EXPENSES	YEAR 2016	YEAR 2015	CHANGES AMOUNT	CHANGES %
1) Employees	**(72,611)**	**(74,077)**	**1,466**	**-2.0%**
- wages and salaries	(49,621)	(48,664)	(957)	2.0%
- social security contributions	(13,061)	(13,184)	123	-0.9%
- provision for employee severance pay	(918)	(978)	60	-6.1%
- allocation to employee severance pay provision	(106)	(99)	(7)	7.1%
- payment to supplementary external pension funds:				
a) defined contribution	(2,861)	(2,686)	(175)	6.5%
- costs related to share-based payments*	(3,471)	(4,785)	1,314	-27.5%
- other employee benefits	(2,573)	(3,681)	1,108	-30.1%
2) Other staff	**-**	**(152)**	**152**	**-100.0%**
3) Directors and statutory auditors	**(1,136)**	**(991)**	**(145)**	**14.6%**
4) Early retirement costs	**-**	**-**	**-**	**n.c.**
5) Recovery of expenses for employees seconded to other companies	**267**	**235**	**32**	**13.6%**
6) Recovery of expenses for employees seconded to the company	**(218)**	**(64)**	**(154)**	**240.6%**
Total staff expenses	**(73,698)**	**(75,049)**	**1,351**	**-1.8%**

(*) Note that item "costs related to share-based payments" includes the costs incurred by the Bank for payments involving financial instruments issued by FinecoBank and financial instruments issued by UniCredit S.p.A..

Staff expenses amounted to €73.7 million, down 1.8% compared to the same period in the previous year.

Income statement figures (Continued)

(Amounts in € thousand)

OTHER ADMINISTRATIVE EXPENSES AND RECOVERY OF EXPENSES	YEAR 2016	YEAR 2015	CHANGES AMOUNT	CHANGES %
1) INDIRECT TAXES AND DUTIES	**(90,568)**	**(90,797)**	**229**	**-0.3%**
2) MISCELLANEOUS COSTS AND EXPENSES				
A) Advertising expenses - Marketing and communication	**(16,840)**	**(19,584)**	**2,744**	**-14.0%**
Mass media communications	(12,340)	(14,035)	1,695	-12.1%
Marketing and promotions	(4,251)	(5,317)	1,066	-20.0%
Sponsorships	(182)	(205)	23	-11.2%
Conventions and internal communications	(67)	(27)	(40)	148.1%
B) Expenses related to credit risk	**(1,403)**	**(1,572)**	**169**	**-10.8%**
Credit recovery expenses	(520)	(728)	208	-28.6%
Commercial information and company searches	(883)	(844)	(39)	4.6%
C) Expenses related to personnel	**(28,851)**	**(32,745)**	**3,894**	**-11.9%**
Staff training	(320)	(437)	117	-26.8%
Car rental and other staff expenses	(75)	(40)	(35)	87.5%
Personal financial advisor expenses	(27,822)	(31,696)	3,874	-12.2%
Travel expenses	(564)	(508)	(56)	11.0%
Premises rentals for personnel	(70)	(64)	(6)	9.4%
D) ICT expenses	**(31,501)**	**(29,749)**	**(1,752)**	**5.9%**
Lease of ICT equipment and software	(3,017)	(3,318)	301	-9.1%
Software expenses: lease and maintenance	(6,847)	(6,712)	(135)	2.0%
ICT communication systems	(5,078)	(3,935)	(1,143)	29.0%
ICT services: external personnel	(7,416)	(7,090)	(326)	4.6%
Financial information providers	(9,143)	(8,694)	(449)	5.2%
E) Consultancies and professional services	**(2,641)**	**(3,258)**	**617**	**-18.9%**
Consultancy on ordinary activities	(1,578)	(896)	(682)	76.1%
Consultancy for strategy, business development and organizational optimization	(216)	(698)	482	-69.1%
Legal expenses	(25)	(5)	(20)	400.0%
Legal disputes	(822)	(1,659)	837	-50.5%
F) Real estate expenses	**(19,793)**	**(20,104)**	**311**	**-1.5%**
Real estate services	(801)	(800)	(1)	0.1%
Repair and maintenance of furniture, machinery, and equipment	(459)	(200)	(259)	129.5%
Maintenance of premises	(1,491)	(1,741)	250	-14.4%
Premises rentals	(14,289)	(14,322)	33	-0.2%
Cleaning of premises	(495)	(546)	51	-9.3%
Utilities	(2,258)	(2,495)	237	-9.5%
G) Other functioning costs	**(32,796)**	**(31,672)**	**(1,124)**	**3.5%**
Security and surveillance services	(412)	(410)	(2)	0.5%
Money counting services and transport	-	(1)	1	-100.0%
Postage and transport of documents	(3,428)	(2,946)	(482)	16.4%
Administrative and logistic services	(16,160)	(15,732)	(428)	2.7%
Insurance	(3,630)	(3,629)	(1)	0.0%
Printing and stationery	(794)	(621)	(173)	27.9%
Association dues and fees	(8,080)	(7,889)	(191)	2.4%
Other administrative expenses	(292)	(444)	152	-34.2%
H) Adjustments of leasehold improvements	**(3,726)**	**(3,389)**	**(337)**	**9.9%**
I) Recovery of costs	**85,395**	**84,347**	**1,048**	**1.2%**
Recovery of ancillary expenses	442	369	73	19.8%
Recovery of taxes	84,953	83,978	975	1.2%
Total other administrative expenses and recovery of expenses	**(142,724)**	**(148,523)**	**5,799**	**-3.9%**

The total of **Other administrative expenses** net of **Recovery of expenses** came to €142.7 million, down €5.8 million compared to the same period in the previous year. Specifically:

- **Indirect taxes and duties** net of **Recovery of taxes** decreased by €1.2 million, compared to the same period of the previous year due to lower costs related to the "Tobin Tax";
- **Advertising expenses – Marketing and communication** fell by €2.7 million due to lower expenditure for mass media communications and marketing and promotional costs;
- **Other administrative expenses**, not included in those mentioned above, showed an increase of €1.8 million in "ICT expenses" and €1.1 million in "Other functioning costs" as a result of the Bank's continued growth, and a decrease of €3.9 million in personal financial advisor expenses mainly due to the lower costs from incentive plans.

The cost/income ratio stood at 40.49%, representing a decrease compared to 42.72% as at December 31, 2015, thanks to the continued efficiency improvement of the operational structure and the business support functions.

Impairment/write-backs on intangible and tangible assets increased by €1 million, mainly due to the depreciation charged on electronic equipment and office furniture and fittings as a result of higher capital expenditure.

Net profit (loss) before tax from continuing operations

(Amounts in € thousand)

	YEAR		CHANGES	
	2016	2015	AMOUNT	%
Operating profit (loss)	**332.744**	**311.742**	**21.002**	**6,7%**
Net write-downs of loans and provisions for guarantees and commitments	(4.199)	(6.706)	2.507	-37,4%
Net operating profit (loss)	**328.545**	**305.036**	**23.509**	**7,7%**
Net provisions for risks and charges	(9.981)	(15.714)	5.733	-36,5%
Integration costs	(5.503)	(1.246)	(4.257)	341,7%
Net income from investments	(6.724)	(1)	(6.723)	n.c.
Profit (loss) before tax from continuing operations	**306.337**	**288.075**	**18.262**	**6,3%**

Net write-downs of loans and provisions for guarantees and commitments came to €4.2 million, down €2.5 million on the previous year.

Net provisions for risks and charges amounted to €10 million, down 36.5% on €15.7 million recorded as at December 31, 2015. This item included the ordinary contribution for the year 2016 paid to the Deposit Guarantee Schemes, amounting to €8.2 million (reduced due to the allocations from the Banca Network liquidation procedure), and the contribution made to the Solidarity Fund established by the 2016 Stability Law, totalling €2.4 million, net of the reallocation to profit or loss of the amount allocated by the Bank in the financial statements for the year ended December 31, 2015 for the Solidarity Fund, of around €2.3 million. In 2016, there was also reduction in the provisions for legal disputes and claims and a write-back of €1.4 million due to the termination of the remaining commitment for the measure in favour Banca Tercas.

Net provisions for risks and charges as at December 31, 2015 included the ordinary contribution of €4.7 million made to the Deposit Guarantee Schemes, and the allocation referred to above for the contribution to the Solidarity Fund, of around €2.3 million.

Integration costs consisted of the costs estimated for the Bank for the Business Plan of the UniCredit Group and the interest from the present value discounting for those costs recognised in the financial statements for the year ended December 31, 2015.

Net income from investments consisted exclusively of the impairment loss recorded on the exposure in equity instruments recognised in the "Available-for-sale financial assets" portfolio as result of the contribution made to the Interbank Deposit Guarantee Fund - Voluntary Scheme for the subscription of the capital increase of Cassa di Risparmio di Cesena of €6.7 million. For more details, see the "Financial investments" subsection of this Report on operations.

Net profit (loss) before tax from continuing operations amounted to a profit of €306.3 million, increasing by 6.3% on the same period of the previous year, due to the positive contribution from **Net interest** and **Net trading, hedging and fair value income**, and the reduction in **Operating costs**, which offset the fall in **Net fee and commission income**, the increase in **Integration costs** and the write-downs recorded in **Net income from investments**.

Income statement figures (Continued)

Income tax for the period

(Amounts in € thousand)

BREAKDOWN OF TAX FOR THE YEAR	YEAR 2016	YEAR 2015	CHANGES AMOUNT	CHANGES %
Current IRES income tax charges	(76,889)	(77,115)	226	-0.3%
Current IRAP corporate tax charges	(18,190)	(18,147)	(43)	0.2%
Adjustment to current tax of prior years	6,518	-	6,518	n.c.
Total current tax	**(88,561)**	**(95,262)**	**6,701**	**-7.0%**
Changes in deferred tax assets	(5,086)	(297)	(4,789)	1612.5%
Changes in deferred tax liabilities	(400)	(1,017)	617	-60.7%
Total deferred tax liabilities	**(5,486)**	**(1,314)**	**(4,172)**	**317.5%**
Redemption income depreciation and amortization	(446)	(446)	-	-
Income tax for the period	**(94,493)**	**(97,022)**	**2,529**	**-2.6%**

Current income taxes were calculated according to the legal provisions introduced by Legislative Decree no. 38 of February 28, 2005, issued following the incorporation of IAS/IFRS into Italian legislation and of Decree no. 48 of April 1, 2009, which established provisions for the implementation and coordination of tax requirements for IAS Adopter parties.
Current taxes were determined applying an IRES income tax rate of 27.5% and an IRAP corporate tax rate of 5.57%.
The Income tax for the year 2016 benefited from a positive change in current tax of around €6.5 million, referring to provisions for several disputes relating to previous years, which were definitively settled during the first half 2016.
Law no. 2/2009 introduced the option, through the payment of a substitute tax, to recalculate the tax-deductible amounts of goodwill. On the instructions of the Parent Company, in 2008 the Bank realigned the goodwill recognised following the merger of UniCredit Xelion Sim into UniCredit Xelion Banca S.p.A.. The redeemed goodwill may be amortised off the books for an amount not exceeding one ninth for 2010 and one tenth from 2011 onwards. In 2008, the tax benefit expected from the future deductibility of off-the-book amortization, corresponding to €4 million, was recognized in the accounts. A tenth of this amount will be recognized through profit or loss for each year of the tax deduction of tax-related amortization of goodwill.
In addition, following the accelerated building carried out by UniCredit on October 13, 2016 for the sale to institutional investors of around 121.4 million ordinary shares held in FinecoBank, corresponding to 20% of the Bank's existing share capital, UniCredit S.p.A's shareholding in FinecoBank S.p.A. Fell below the limit established by the combined provisions of Articles 117 and 120 of the Italian Income Tax Code for participation in the national tax consolidation.
As a result, UniCredit S.p.A, in accordance with Article 124 of the Italian Income Tax Code, stopped applying the Group taxation – with effect from January 1, 2016 – relatively Fineco by sending the relevant electronic notification to the Italian Revenue Agency. There are no particular effects to report, other than the removal of the mitigation of the non-deductibility of interest expense, a benefit that would moreover have lost its effects in 2016, because interest expense will be fully deductible for banks from 2017.

Profit (loss) for the year

The net profit for the year amounted to €211.8 million, an increase of 10.9% on the same period of the previous year.

Related-party transactions

In order to ensure continued compliance with applicable legal and regulatory provisions on corporate disclosure on transactions with related parties, during the Board of Directors' Meeting of September 22, 2015 and with the prior positive opinion of the Audit and Related Parties Committee and the Board of Statutory Auditors, the Bank approved the current "Procedures for the management of transactions with persons in conflict of interest" which governs transactions with related parties, and associated persons.

The above-mentioned procedures include the provisions to be complied with when managing:

- Related-Party transactions pursuant to the Consob Regulation adopted by resolution 17221 of March 12, 2010 as amended by resolution 17389 of June 23, 2010;
- Transactions with Associated Persons pursuant to the regulations on "Risk activities and conflicts of interest with Associated Persons", laid down by Bank of Italy Circular 263/2006, Title V, Chapter 5 ("New regulations for the prudential supervision of banks", as amended);
- Obligations of Bank Officers pursuant to Article 136 of Legislative Decree 385 of September 1, 1993, "Consolidated Law on Banking".

Given that the Bank belongs to the UniCredit Group, the aforementioned Procedures are also based on the "UniCredit Global Policy for the management of transactions with persons in conflict of interest" and the relevant "Global Operational Instructions" issued by UniCredit to subsidiaries as part of its management and co-ordination.

Considering the above, the following transactions were approved during 2016:

1. on February 8, 2016 the Board of Directors, upon recommendation by the Audit and Related Parties Committee, approved the renewal of the "Framework Resolution related to the entering into of hedging derivative contracts with the Parent Company or companies in the UniCredit Group" (valid up to April 20, 2016), an ordinary Significant Transaction at market conditions that can be carried out up to February 8, 2017, which enables the Bank to enter into hedging derivatives with the Parent Company and with UniCredit Bank AG for commercial assets or liabilities that, for ALM purposes, require interest rate hedging for a maximum amount of €500 million with the Parent Company and €2,500 million with UniCredit Bank AG; it was approved by the Parent Company's Related Parties and Equity Investments Committee with the issue of a favourable, non-binding opinion on the matter;

2. the Board of Directors' meeting of May 9, 2016, upon recommendation by the Audit and Related Parties Committee, approved an ordinary Significant Transaction at market conditions with the related party UniCredit S.p.A., consisting of the renewal of the "Framework Agreement - Repurchase Agreements and Term Deposits with the Parent Company", (valid up to May 11, 2017) that can be carried out up to until May 9, 2016, concerning (i) Repurchase Agreements with the Parent Company for an amount of €7.2 billion, calculated as the sum of the individual transactions in absolute value (either repos or reverse repos) and (ii) Term deposits with the Parent Company for an amount of €8.7 billion, calculated as the sum of the individual transactions in absolute value;

3. the Board of Directors' meeting of July 6, 2016, upon recommendation by the Audit and Related Parties Committee, approved:
   - an ordinary Significant Transaction at market conditions with related parties UniCredit Bank AG and Mediobanca S.p.A., consisting of the renewal of the "Framework Resolution - Trading of financial instruments with related-party institutional counterparties" (valid up to June 18, 2016), regarding the trading of financial instruments with related-party institutional counterparties, through which FinecoBank may implement those transactions until July 5, 2017, up to a maximum permitted limit of: (i) €1 billion with UniCredit Bank AG and (ii) €500 million with Mediobanca S.p.A.;
   - an ordinary Significant Transaction at market conditions with the related party UniCredit S.p.A., consisting of a "Framework Agreement for the transactions on current accounts held with UniCredit" (valid up to July 30, 2016) that can be carried out up to July 6, 2017, which will enable the Bank to manage its liquidity in euro and in foreign currencies through specific current accounts already held with UniCredit S.p.A. for an amount of less than €1,000 million understood as a single transaction (single payment and single withdrawal);

4. on September 20, 2016 the Board of Directors, upon recommendation by the Audit and Related Parties Committee, approved an ordinary Significant Transaction at market conditions with the related parties UniCredit Bank AG and Mediobanca S.p.A., consisting of the renewal of the "Framework Resolution - Securities Lending Transactions with Institutional Counterparties" (valid up to September 21, 2016), regarding the Securities Lending Transactions with institutional counterparties, through which Finecobank may implement those transactions until July 19, 2017, up to a maximum permitted limit of: (i) €500 million with UniCredit Bank AG and (ii) €200 million with Mediobanca S.p.A..

5. the Board of Directors' meeting of December 6, 2016, upon recommendation by the Audit and Related Parties Committee, approved an ordinary Significant Transaction at market conditions with the related party UniCredit S.p.A. consisting of the renewal of the "Framework resolution – Investment of medium-long term liquidity with the Parent Company" (valid up to November 10, 2016), that can be carried out up to December 6, 2017, involving the subscription of UniCredit bonds with a ceiling of around €3.5 billion.

In relation to the above transactions, the Bank provided a simplified disclosure to CONSOB pursuant to Art. 13, paragraph 3, letter c) of CONSOB Regulation 17221/2010.

Related-party transactions (Continued)

In the year ended December 31, 2016, no other transactions were undertaken with related parties that could significantly affect the Bank's asset situation and results, or atypical and/or unusual transactions, including intercompany and related party transactions.

Minor transactions were carried out with the Parent Company, other Group Companies and/or with related parties in general, both Italian and foreign, within the ordinary course of business and related financial activities of the Bank, at market or standard conditions.

Lastly, with regard to transactions of significant financial and economic relevance, during 2012, the Bank issued 5 bank guarantees in favour of the Italian Revenue Agency upon (guaranteed) request by UniCredit, with indefinite duration (specifically, valid until the Italian Revenue Agency issues a declaration of receipt of the payment by UniCredit at the end of the collection process, in the event of an unfavourable outcome for UniCredit, or until a ruling is issued in favour of the Bank by means of final judgement), for a total amount of €256 million, plus interest accrued and accruing until request for payment from the Italian Revenue Agency. The bank guarantees were issued to secure the obligations assumed by UniCredit in relation to five VAT refund suspension orders issued by the Italian Revenue Agency, and entail the assumption by the Bank of an irrevocable payment commitment on demand, within 30 days and without any exceptions. In 2013, following the settlement of an overall assessment notice issued by the Regional Department of Liguria, for €4.5 million, replaced by another assessment notice issued by the same Department up to the amount settled, a guarantee already issued by the Bank was replaced, with amounts unchanged; this transaction did not change the commitments undertaken according to the forms, procedures and risks already assessed during 2012, which remain unchanged.

Transactions with Group companies

The Bank is subject to the direction and coordination of UniCredit S.p.A. and, consequently, pursuant to Article 2497 bis paragraph 4 of the Italian Civil Code, the key figures from the last approved financial statements of UniCredit S.p.A. are provided in Part C – Section 20 of the Notes to the Accounts.

The following table provides a summary of outstanding assets, liabilities, guarantees and commitments as at December 31, 2016 in relation to Group companies.

(Amounts in € thousand)

	ASSETS	LIABILITIES	GUARANTEES AND COMMITMENTS
Transactions with Parent Company UniCredit S.p.A.	15,695,566	1,041,514	1,274,070
Transactions with companies controlled by UniCredit S.p.A.	22,356	9,796	-

For detailed information on transactions with group companies and other related parties see the comments in this regard in Part H of the Notes to the Accounts.

Other information

Report on corporate governance and proprietary structures

Pursuant to Article 123-bis, paragraph 3 of Legislative Decree no. 58 of February 24, 1998, the Report on Corporate Governance and Proprietary Structures is available at the "Governance" section of the FinecoBank website (http://www.fineco.it).

Report on remuneration

Pursuant to Art. 84-quater, paragraph 1, of the Issuers' Regulations implementing the Legislative Decree no. 58 of February 24, 1998, the "Report on remuneration" is available on FinecoBank's website (http:// www.fineco.it).

Research and development

To promote technical solutions in line with the company mission, research and development is focused on developing software that enables the provision of increasingly innovative financial advice together with exclusive own-account trading.

More specifically, the main software applications that have been developed over the years are:

- Advice, a computer program through which the Bank enables its personal financial advisors to offer a professional advisory service to customers who want a personalised financial plan;
- Internaliser, a computer program through which the Bank executes customer orders in its own account relating to trading on financial markets as an alternative counterparty to the market;
- Powerdesk and Webtrading, software that allows the Bank to, respectively, offer customers sophisticated and efficient tools for online trading on the main international financial markets and simple solutions to complement the direct banking services.

The activities were split between developing new applications and strengthening/maintaining existing features to meet customer needs increasingly efficiently.

Lastly, during 2016, extensive work was also carried out on the development of the X-net platform. This platform, which is used by the personal financial advisors network, is designed to give the advisors access to a system of new services that simplify their work, enabling them to manage more customers and to strengthen their relationship with the customer. The key elements included reorganising and optimising the content, the graphic overhaul of the existing tools, improving and enhancing the features of the existing tools, and the release of the tool for customer needs, which can be personalised based on the specific needs of each individual customer.

Information on the time limits for convening the ordinary Shareholders' Meeting

Pursuant to Article 2364, paragraph 2, of the Italian Civil Code and Art. 6, paragraph 4, of FinecoBank's Articles of Association, the draft Accounts will be submitted to the Ordinary Shareholders' Meeting for approval within 120 days from the end of the financial year.

Subsequent events and outlook

Subsequent events

On February 7, 2017, in view of the positive outcome of the verification of the entry conditions (at Bank level and Group level, where applicable) and the individual conditions (compliance of conduct and continued employment) and the favourable opinion provided by the Remuneration and Appointments Committee in its meeting of February 2, 2017, the Board of Directors approved:

- for the "Group Executive Incentive System - Bonus Pool 2014" plan:
  - the execution of the plan;
  - the allocation of the first share tranche of the plan, awarded in 2014, corresponding to 15,872 free ordinary shares, in line with the maximum amount approved by the Board of Directors on May 15, 2014;
  - a free capital increase, for a total amount of €5,237.76 corresponding to a total of 15,872 FinecoBank ordinary shares with a nominal value of €0.33 each (with the same characteristics as those in circulation and with regular dividend entitlement), impartial exercise of the authority granted to the Board of Directors by the Extraordinary Shareholders' Meeting of June 5, 2014, in accordance with Article 2443 of the Italian Civil Code. The dilution effect resulting from the above free capital increase has been quantified as 0.003% of the fully diluted capital.
- for the "2014-2017 Top Management Multi-Year Plan":
  - the allocation of the fourth and final tranche for the year 2017 to 6 beneficiaries of a total of 422,779 free ordinary shares, representing a lower number than the quantity established on April 15, 2014, to ensure compliance of the ratio of fixed to variable remuneration in accordance with the applicable regulations;
  - the allocation of 630,850 free ordinary shares to the beneficiaries of the first share tranche of the plan, awarded in 2014, in line with the maximum amount approved by the Board of Directors on May 15, 2014;
  - a free capital increase, for a total amount of €208,180.50 corresponding to a total of 630,850 FinecoBank ordinary shares with a nominal value of €0.33 each (with the same characteristics as those in circulation and with regular dividend entitlement), in partial exercise of the authority granted to the Board of Directors by the Extraordinary Shareholders' Meeting of June 5, 2014, in accordance with Article 2443 of the Italian Civil Code. The dilution effect resulting from the above free capital increase has been quantified as 0.10% of the fully diluted capital.
- for the "2014 Key People Plan":
  - the allocation of the third tranche corresponding to 261,187 free ordinary shares to the 79 beneficiaries, in line with the number of shares established on April 15, 2014, amounting to a maximum of 796,390 ordinary shares to service the entire three-year period;
  - a consequent free capital increase, for a total amount of €86,191.71 corresponding to a total of 261,187 FinecoBank ordinary shares with a nominal value of €0.33 each (with the same characteristics as those in circulation and with regular dividend entitlement), in partial exercise of the authority granted to the Board of Directors by the Extraordinary Shareholders' Meeting of June 5, 2014, in accordance with Article 2443 of the Italian Civil Code. The dilution effect resulting from the above free capital increase has been quantified as 0.04% of the fully diluted capital.
- for the "2016 PFA Incentive System" plan:
  - The proposal for determination of the 2016 Bonus Pool for the personal financial advisors;
  - the proposals for the determination of the 2016 bonus for personal financial advisors identified as key personnel;
  - the allocation of 57,740 FinecoBank shares, to be given free of charge to the above-mentioned personal financial advisors in accordance with the provisions of the Rules;
  - the purchase of Treasury shares, after having obtained the authorisation from the Supervisory Authority, pursuant to Articles 77-78 EU 575/2013 of June 26, 2013 (CRR), in accordance with the shareholder meeting resolutions.
- for the "Group Executive Incentive System 2016 (Bonus Pool)" plan:
  - the FinecoBank "2016 Bonus Pool";
  - the proposals for the determination of the 2016 bonus for the Chief Executive Officer and General Manager and other Key Management Personnel and other Key Personnel;
  - the allocation of 152,034 FinecoBank shares, to be given free of charge to the above-mentioned Personnel in accordance with the provisions of the Rules.

Subsequent events and outlook (Continued)

Number of treasury shares or shares of the parent company

As at December 31, 2016, the Bank held 714,325 treasury shares, corresponding to 0.12% of the share capital, for an amount of €4.3 million. The shares were purchased in implementation of the stock granting "2014 PFA Plan" for the Bank's Personal Financial Advisors and Network Managers, approved by the Board of Directors on May 15, 2014 and by the Shareholders' Meeting on June 5, 2014, for a total number of 1,408,834, starting from September 16, 2015, after receipt of the authorisation from the Supervisory Authority, in accordance with Articles 77-78 of EU Reg. 575/2013 of June 26, 2013 (CRR), and ended on October 12, 2015. During 2016, the Bank's Personal Financial Advisors and Network Managers were allocated 694,509 FinecoBank ordinary shares held as treasury shares, under the stock granting "2014 PFA Plan".
The Bank does not hold shares of its Parent Company, even through other companies or third parties.

Outlook

To respond to the main trends that are reshaping Italian society, the Bank is continuing to focus on digitising its offering and on advanced financial advisory services. This includes the cyborg advisory model offered by the Bank, aimed at improving the productivity of the Network and increasing the quality of the service provided to customers.
FinecoBank is continuing to develop the Credit area, with an increasing focus on personal loans and first and second home mortgages.
Lastly, the Bank continued with its plan to launch its offering of banking, investing and brokerage operations within the United Kingdom under the freedom to provide services. The project will target retail customers resident in the United Kingdom, building on Fineco's distinctive strong operating efficiency.

Proposal for the approval of the accounts and allocation of profit for the year

The Bank closed the year 2016 with a net profit of €211,843,793.79.

It is proposed to allocate the net profit for the year as follows:

- €59,921.99 to the Legal reserve, corresponding to 0.03% of the profit of the year, having reached the limit of a fifth of the share capital;
- €41,624,135.20 to the Extraordinary Reserve;
- €170,159,736.60 to Shareholders, corresponding to a dividend of €0.28 for each of the 607,713,345 ordinary shares with a par value of €0.33 euro, constituting the share capital including the 907,909 shares relating to the capital increase approved by the Board of Directors on February 7, 2017.

The dividends not distributed in relation to any treasury shares held by the Bank at the record date will be transferred to the Extraordinary reserve.

In conclusion, the Shareholders Meeting is invited to approve:

- the Annual Report and Accounts for the year 2016 in their entirety;
- The allocation of the profit for the year of €211,843,793.79 as follows:
  - €59,921.99 to the Legal reserve, corresponding to 0.03% of the profit of the year, having reached the limit of a fifth of the share capital;
  - €41,624,135.20 to the Extraordinary Reserve;
  - €170,159,736.60 to Shareholders, corresponding to a dividend of €0.28 for each of the 607,713,345 ordinary shares with a par value of €0.33 euro, constituting the share capital including the 907,909 shares relating to the capital increase approved by the Board of Directors on February 7, 2017.

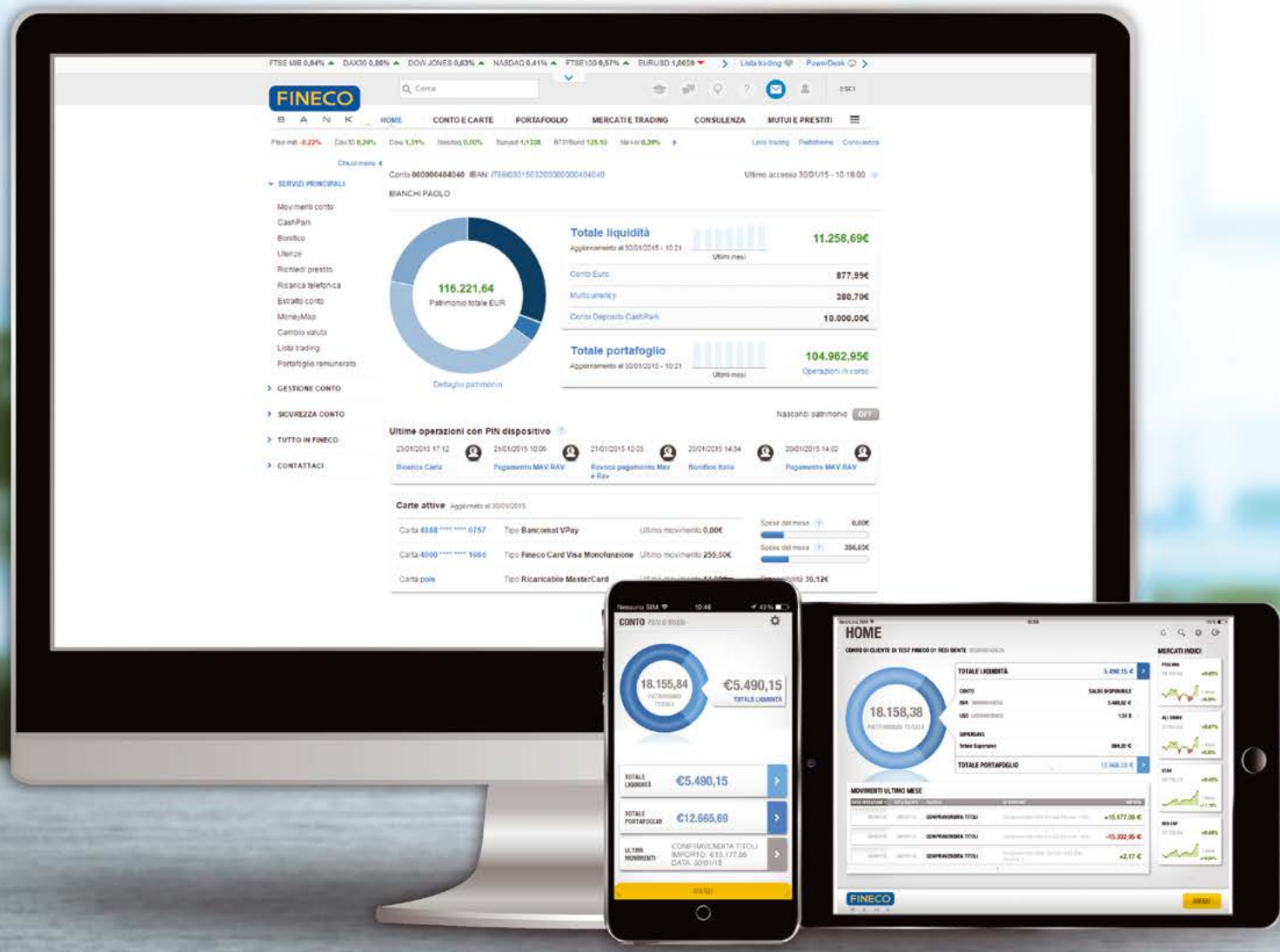
Payment of the previously mentioned dividend amount, in accordance with legal regulations, will take place with the value date of April 26, 2017.

The Board of Directors

Milan, February 7, 2017

FinecoBank S.p.A.
Chief Executive Officer and General Manager
Alessandro Foti

FinecoBank S.p.A.
Chairman
Enrico Cotta Ramusino



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Bank Financial Statements

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Balance sheet

TOTAL ASSETS	12.31.2016	12.31.2015
10. Cash and cash balances	5,077	6,285
20. Financial assets held for trading	6,044,381	3,983,184
40. Available-for-sale financial assets	1,319,752,248	2,245,982,088
50. Held-to-maturity investments	2,437,777,200	-
60. Loans and receivables with banks	15,735,539,575	14,648,904,038
70. Loans and receivables with customers	1,016,798,235	922,773,794
80. Hedging derivatives	552,163	-
90. Changes in fair value of portfolio hedged financial assets (+/-)	8,658,970	10,573,434
110. Property, plant and equipment	14,450,553	12,418,792
120. Intangible assets	97,333,284	97,814,087
of which		
- goodwill	*89,601,768*	*89,601,768*
130. Tax assets	13,165,245	15,423,666
a) current tax assets	*1,570,652*	*1,732,934*
b) deferred tax assets	*11,594,593*	*13,690,732*
pursuant to Law 214/2011	*4,179,683*	*4,400,831*
150. Other assets	336,298,929	370,069,607
Total assets	**20,986,375,860**	**18,327,948,975**

LIABILITIES AND SHAREHOLDERS' EQUITY ITEMS	12.31.2016	12.31.2015
10. Deposits from banks	1,111,106,252	1,423,459,247
20. Deposits from customers	18,801,073,396	15,822,458,746
40. Financial liabilities held for trading	2,625,818	4,099,512
60. Hedging derivatives	10,913,534	31,318,669
70. Changes in fair value of portfolio hedged financial liabilities (+/-)	457,488	-
80. Tax liabilities	10,048,263	37,445,058
a) current tax liabilities	*10,048,263*	*37,445,058*
100. Other liabilities	251,843,036	250,989,832
110. Provisions for employee severance pay	5,253,109	4,846,165
120. Provisions for risks and charges:	111,755,540	120,534,113
b) other provisions	*111,755,540*	*120,534,113*
130. Revaluation reserves	(6,794,389)	11,626,244
160. Reserves	278,407,921	236,589,577
170. Share premium reserve	1,934,113	1,934,113
180. Capital	200,245,794	200,150,192
190. Treasury Shares (-)	(4,337,809)	(8,555,284)
200. Net Profit (Loss) for the year	211,843,794	191,052,791
Total liabilities and shareholders' equity	**20,986,375,860**	**18,327,948,975**

Income statement

INCOME STATEMENT	2016	2015
10. Interest income and similar revenues	253,306,254	268,897,659
20. Interest expenses and similar charges	(3,918,420)	(28,135,682)
30. Net interest margin	**249,387,834**	**240,761,977**
40. Fee and commission income	472,840,353	491,936,337
50. Fee and commission expense	(229,959,174)	(239,301,304)
60. Net fee and commission income	**242,881,179**	**252,635,033**
70. Dividend income and similar revenue	19,805	4,990
80. Gains (losses) on financial assets and liabilities held for trading	48,590,105	53,704,715
90. Fair value adjustments in hedge accounting	68,969	(147,476)
100. Gains (losses) on disposal or repurchase of:	20,382,021	304,506
a) loans and receivables	34	34
b) available-for-sale financial assets	*20,381,987*	*304,472*
120. Operating income	**561,329,913**	**547,263,745**
130. Impairment losses/writebacks on:	(9,507,033)	(6,706,077)
a) loans and receivables	*(4,206,369)*	*(6,713,191)*
b) available-for-sale financial assets	*(6,724,389)*	-
d) other financial assets	*1,423,725*	*7,114*
140. Net profit from financial activities	**551,822,880**	**540,557,668**
150. Administrative costs	(314,208,394)	(310,491,777)
a) staff expenses	*(79,201,124)*	*(76,295,083)*
b) other administrative expenses	*(235,007,270)*	*(234,196,694)*
160. Net provisions for risks and charges	(783,846)	(11,022,754)
170. Net impairment/write-backs on property, plant and equipment	(4,853,453)	(3,962,603)
180. Net impairment/write-backs on intangible assets	(5,098,895)	(4,988,533)
190. Other net operating income	79,458,523	77,983,585
200. Operating costs	**(245,486,065)**	**(252,482,082)**
240. Gains (losses) on disposal of investments	234	(1,011)
250. Net profit (loss) before tax from continuing operations al lordo delle imposte	**306,337,049**	**288,074,575**
260. Tax expense (income) related to profit or loss from continuing operations	(94,493,255)	(97,021,784)
270. Net profit (loss) after tax from continuous operations	**211,843,794**	**191,052,791**
290. Net Profit (Loss) for the year	**211,843,794**	**191,052,791**

	2016	2015
Earnings per share (euro)	0.35	0.32
Diluted earnings per share (euro)	0.35	0.31

Note:
For further information on "Earnings per share" and "Diluted earnings per share" please see Notes to the Accounts, Part C - Information on the Income Statement, Section 21.

Statement of comprehensive income

	2016	2015
10. Net Profit (Loss) for the year	**211,843,794**	**191,052,791**
Other comprehensive income after tax without reclassification through profit or loss		
40. Defined benefit plans	(1,061,600)	(2,210,716)
Other comprehensive income with reclassification through profit or loss		
100. Available-for-sale financial assets	(17,359,033)	11,575,140
130. Total of other comprehensive income after tax	**(18,420,633)**	**9,364,424**
140. Comprehensive income (item 10+130)	**193,423,161**	**200,417,215**

Statement of changes in shareholders' equity

Statement of changes in shareholders' equity 12.31.2016

	BALANCE AS AT 12.31.2015	CHANGE IN OPENING BALANCE	BALANCE AS AT 01.01.2016	ALLOCATION OF PRIOR YEAR PROFIT/(LOSS)		CHANGE DURING THE YEAR								SHAREHOLDERS' EQUITY AS AT 12.31.2016
							SHAREHOLDERS' EQUITY TRANSACTIONS							
				RESERVES	DIVIDENDS AND OTHER DISTRIBUTIONS	CHANGES IN RESERVES	ISSUES OF NEW SHARES	PURCHASE OF OWN SHARES	DISTRIBUTION OF EXTRAORDINARY DIVIDENDS	CHANGES IN EQUITY INSTRUMENTS	OWN SHARE DERIVATIVES	STOCK OPTIONS	COMPREHENSIVE INCOME YEAR 2016	
Share capital:														
a) ordinary shares	200,150,192		200,150,192				95,062							200,245,794
b) other shares														
Share premium reserve	1,934,113		1,934,113											1,934,113
Reserves:														
a) from profits	214,666,022		214,666,022	35,676,658		493						(95,602)		250,247,571
b) other	21,923,555		21,923,555									6,236,795		28,160,350
Revaluation reserves	11,626,244		11,626,244										(18,420,633)	(6,794,389)
Equity instruments														
Treasury Shares	(8,555,284)		(8,555,284)				4,217,475							(4,337,809)
Net Profit (Loss) for the year	191,052,791		191,052,791	(35,676,658)	(155,376,133)								211,843,794	211,843,794
Shareholders' equity	**632,797,633**	**-**	**632,797,633**	**-**	**(155,376,133)**	**493**	**4,313,077**	**-**	**-**	**-**	**-**	**6,141,193**	**193,423,161**	**681,299,424**

The amount of the dividend paid to shareholders in 2016, totalling €154,376,133.61, corresponds to €0.255 per share.The column "Stock options" includes the incentives plans serviced by FinecoBank shares.

Statement of changes in shareholders' equity

Statement of changes in shareholders' equity as at 12.31.2015

	BALANCE AS AT 12.31.2014	CHANGE IN OPENING BALANCE	BALANCE AS AT 01.01.2015	ALLOCATION OF PRIOR YEAR PROFIT/(LOSS)		CHANGE DURING THE YEAR								SHAREHOLDERS' EQUITY AS AT 12.31.2015
							SHAREHOLDERS' EQUITY TRANSACTIONS							
				RESERVES	DIVIDENDS AND OTHER DISTRIBUTIONS	CHANGES IN RESERVES	ISSUES OF NEW SHARES	PURCHASE OF OWN SHARES	DISTRIBUTION OF EXTRAORDINARY DIVIDENDS	CHANGES IN EQUITY INSTRUMENTS	OWN SHARE DERIVATIVES	STOCK OPTIONS	COMPREHENSIVE INCOME YEAR 2015	
Share capital:														
a) ordinary shares	200,070,431		200,070,431				79,761							200,150,192
b) other shares														
Share premium reserve	1,934,113		1,934,113											1,934,113
Reserves:														
a) from profits	190,922,980		190,922,980	28,603,521		(4,780,718)						(79,761)		214,666,022
b) other	7,157,532		7,157,532									14,766,023		21,923,555
Revaluation reserves	2,261,820		2,261,820										9,364,424	11,626,244
Equity instruments														
Treasury Shares								(8,555,284)						(8,555,284)
Net Profit (Loss) for the year	149,906,668		149,906,668	(28,603,521)	(121,303,147)								191,052,791	191,052,791
Shareholders' equity	**552,253,544**	**-**	**552,253,544**	**-**	**(121,303,147)**	**(4,780,718)**	**79,761**	**(8,555,284)**	**-**	**-**	**-**	**14,686,262**	**200,417,215**	**632,797,633**

The amount of the dividend paid to shareholders in 2016, totalling €154,376,133.61, corresponds to €0.255 per share.The column "Stock options" includes the incentives plans serviced by FinecoBank shares.

Cash flow statement

Indirect method

A. OPERATING ACTIVITIES	AMOUNT 2016	2015
1. Operations	**293,153,682**	**256,444,769**
- profit (loss) for the year (+/-)	211,843,794	191,052,791
- unrealised gains/losses on financial assets/liabilities held for trading and on assets/liabilities at fair value through profit or loss (-/+)	(3,213,058)	532,274
- pluscapital gains/losses on hedging transactions (-/+)	(68,969)	147,476
- impairment losses/write-backs (+/-)	9,753,897	6,953,932
- impairment losses/write-backs on tangible and intangible assets (+/-)	9,952,348	8,951,136
- provisions for risks and charges and other income/expenses (+/-)	21,089,047	32,349,786
- duties, taxes and tax credits not paid (+/-)	(5,054,227)	21,563,736
- net impairment losses/write-backs on disposal groups classified as held for sale after tax (+/-)	-	-
- other adjustments (+/-)	48,850,850	(5,106,362)
2. Cash flows from/used by financial assets	**(1,381,160,674)**	**(1,838,442,626)**
- financial assets held for trading	(567,806)	1,500,139
- financial assets designated at fair value through profit or loss	-	-
- available-for-sale financial assets	(1,313,292,726)	(574,742,362)
- loans and receivables with banks: on-demand	-	-
- loans and receivables with banks: other loans and receivables	(1,827,055)	(987,993,301)
- loans and receivables with customers	(98,959,296)	(233,899,421)
- other assets	33,486,209	(43,307,681)
3. Cash flows from/used by financial liabilities	**2,646,815,393**	**1,422,974,600**
- deposits from banks: on-demand	-	-
- deposits from banks: other liabilities	(295,219,062)	(48,139,439)
- deposits from customers	2,980,283,349	1,920,201,178
- debt securities in issue	-	(424,709,661)
- financial assets held for trading	245,403	(1,996,960)
- financial liabilities designated at fair value through profit and loss	-	-
- other liabilities	(38,494,297)	(22,380,518)
Net cash flows from/used in operating activities	**1,558,808,401**	**(159,023,257)**
B. INVESTMENT ACTIVITIES		
1. Cash flows from		
- sales of equity investments	-	-
- collected dividends on equity investments	-	-
- sales of financial assets held to maturity	-	-
- sales of tangible assets	234	249
- sales of intangible assets	-	-
- disposals of businesses	-	-
2. Cash flows used in		
- purchases of equity investments	-	-
- purchases of financial assets held to maturity	(291,362,650)	-
- purchases of tangible assets	(6,884,309)	(5,494,919)
- purchases of intangible assets	(4,618,092)	(5,059,023)
- purchases of businesses	-	-
Net cash flows from/used in investing activities	**(302,864,817)**	**(10,553,693)**
C. FINANCING ACTIVITIES		
- issue/purchase of treasury shares	4,217,475	(8,555,284)
- issue/purchase of equity instruments	95,602	79,761
- dividends and other distributions	(159,688,717)	(126,163,626)
Net cash flows from/used in financing activities	**(155,375,640)**	**(134,639,149)**
NET CASH FLOWS GENERATED/USED DURING THE YEAR	**1,100,567,944**	**(304,216,099)**

Key:
(+) generated
(-) used

Reconciliation

Balance Sheet Items		
Cash and cash balances at the beginning of the year	1,182,228,221	1,451,228,954
Net cash flows generated/used during the year	1,100,567,944	(304,216,099)
Cash and cash balances: effect of changes in exchange rates	1,478,694	35,215,366
Cash and cash balances at the end of the year	2,284,274,859	1,182,228,221

The term "Cash and cash balances" means cash recorded under item 10 of assets "Cash and cash balances" and the equivalent liquid assets recorded under item 60 of assets "Loans and receivables with banks" (consisting of current accounts and deposits maturing within 3 months) net of the equivalent liquid liabilities recorded under item 10 of liabilities "Deposits from banks" (represented by current accounts and deposits maturing within 3 months).

The item “Cash and cash balances” at the end of the half year consisted of:
- Cash recognised under asset item 10 “Cash and cash balances” in the amount of €5 thousand;
- Current accounts and demand deposits recognised under asset item 60 “Loans and receivables with banks” in the amount of €2,336,579 thousand;
- net of the Current accounts and demand deposits recognised under liability item 10 “Deposits from banks” in the amount of €52,309 thousand.

The item “Cash and cash balances” at the end of the prior year consisted of:
- “Cash” recognised under asset item 10 “Cash and cash balances” in the amount of €6 thousand;
- Current accounts and demand deposits recognised under asset item 60 “Loans and receivables with banks” in the amount of €1,251,070 thousand;
- net of the Current accounts and demand deposits recognised under liability item 10 “Deposits from banks” in the amount of €68,848 thousand.

ADVISOR

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Part A - Accounting Policies

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Part A - Accounting Policies

A.1 General

Section 1 - Statement of compliance with IFRS

In implementation of Legislative Decree no. 38 of February 28, 2005, these Accounts of FinecoBank as at December 31, 2016 (below FinecoBank) have been prepared in accordance with the IAS/IFRS issued by the International Accounting Standards Board (IASB), including the SIC and IFRIC interpretation documents, as endorsed by the European Commission until December 31, 2016, pursuant to EU Regulation 1606/2002 of July 19, 2002 and applicable to financial reports for the periods starting on January 1, 2016 (see Section 4 - Other matters).

They are an integral part of the Annual Financial Report as required by art. 154-ter, paragraph 1 of the Consolidated Finance Act (TUF, Italian Legislative Decree no. 58 of February 24,1998).

In its circular 262 of December 22, 2005 as amended, the Bank of Italy laid down the formats for the financial statements and explanatory notes to the accounts of banks and regulated financial companies that are parents of banking groups, which have been used to prepare these Accounts.

Section 2 - Preparation criteria

As mentioned above, these Accounts have been prepared in accordance with the IFRS endorsed by the European Commission. The following documents have been used to interpret and support the application of IFRS, even though not all of them have been endorsed by the European Commission:

- The Conceptual Framework for Financial Reporting;
- Implementation Guidance, Basis for Conclusions, IFRICs and any other documents prepared by the IASB or International Financial Reporting Interpretations Committee (IFRIC) supplementing the IFRS;
- Interpretation documents on the application of IFRS in Italy prepared by the Organismo Italiano di Contabilità (Italian Accounting Body);
- ESMA (European Securities and Markets Authority) and Consob documents on the application of specific IFRS provisions;
- the documents prepared by the Italian Banking Association (ABI).

The Accounts comprise the Balance Sheet, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Shareholders' Equity, the Cash Flow Statement (compiled using the indirect method), and these Notes to the Accounts, together with the Directors' Report on Operations and the Attachments.

Pursuant to Art. 123-bis par. 3 of Consolidated Finance Act, as noted in the " Other Information" section of the Report on Operations, the Report on Corporate Governance and Ownership Structures is available in the "Governance" section of the FinecoBank website.
The figures in the financial statements are provided in euros, and in thousands of euros in the notes to the accounts, unless otherwise indicated. In accordance with the Bank of Italy Circular 262/2005, items in the Balance Sheet, Income Statement and Statement of Comprehensive Income for which there is no significant information to be disclosed for the reporting period and the previous year, are not provided.
In addition, the tables in the Notes that do not have any significant information to be disclosed are not shown either for the reporting period or for the previous year.
Any lack of discrepancies between the figures shown in the tables of the notes to the accounts is solely due to roundings.
With reference to IAS 1, these Financial Statements have been prepared on a going concern basis, as there are no doubts or uncertainties as to the Bank's ability to continue its business operations and to continue operating for the foreseeable future (at least for the next 12 months).
The measurement criteria adopted are therefore consistent with this assumption and with the principles of accrual-based accounting, the relevance and materiality of accounting information, and the prevalence of economic substance over legal form. These criteria have not changed with respect to the previous year.

In 2016, the Bank reclassified the “Available-for-sale financial assets” consisting of Italian and Spanish government securities to the “Held-to-maturity investments” portfolio, for a fair value, at the reclassification date, of €2,121,923 thousand, in line with the Bank’s objective to obtain stable income flows over the medium/long-term and consistent with the business and financial outlooks stated by the Bank in its planning. See section A.3 Disclosure on transfers between portfolios of financial assets of this Part A for more details.

As of January 1, 2016, within the securities lending transactions collateralised by cash, the income component connected to the service provided (received) for the provision of the securities is recognised under the profit or loss items 40. and 50. fee and commission income (expense), whereas it was previously recognised under items 10. and 20. interest income (expense). The corresponding figures for the previous year have been restated to enable like-for-like comparison.

Section 3 - Subsequent events

No significant events have occurred after the balance sheet date that would make it necessary to change any of the information given in the Accounts as at December 31, 2016.

The Accounts were approved by the Board of Directors' meeting of February 7, 2017, which authorised their publication, also pursuant to IAS 10.

Section 4 - Other matters

In 2016, the following accounting standards, amendments and interpretations have become effective for reporting periods beginning on or after January 1, 2016:

- Improvements to IFRSs (2010-2012) (EU Regulation 28/2015);
- Amendments to IAS 19 - Defined benefit plans: employee contributions (Reg. EU 29/2015);
- Amendments to IAS 16 and IAS 41: Agriculture: Bearer plants (EU Reg. 2113/2015);
- Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations (EU Regulation 2173/2015);
- Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation (EU Reg. 2231/2015);
- Improvements to IFRSs (2012-2014) (EU Regulation 2343/2015);
- Amendments to IAS 1: Presentation of financial statements: Disclosure Initiative (EU Regulation 2406/2015);
- Amendments to IAS 27 - Separate Financial Statements: Equity method in Separate Financial Statements (EU Regulation 2441/2015);
- Amendments to IFRS 10, IFRS 12 and IAS 28: Application of consolidation exception to investment entities (EU Regulation 2016/1703).

Where applicable, these accounting standards, amendments and interpretations had no impact on the financial position and results of the Bank as at December 31, 2016.

The European Commission endorsed the following accounting standards whose application is mandatory for financial statements for annual periods starting on or after January 1, 2016 and which have not been applied in advance by the Bank:

- IFRS 15 - Revenue from contracts with customers (EU Regulation 2016/1905);
- IFRS 9 - Financial Instruments (EU Regulation 2016/2067).

Finally, as at December 31, 2016, the IASB issued the following accounting standards and interpretations or revisions thereof, whose application is subject to completion of the approval process by the European Union, which is still ongoing:

- IFRS 14 - Rate-regulated activities (January 2014);
- IFRS 16 - Leasing (January 2016);
- Amendments to IAS 10 and IAS 28: Sale or transfer of assets to a joint venture or associate (September 2014);
- Amendments to IAS 12: Recognition of deferred tax assets for unrealised losses (January 2016);
- Amendments to IAS 7: Disclosure Initiative (January 2016);
- Clarifications on IFRS 15: Revenue from contracts with customers (April 2016);
- Amendments to IFRS 2: Classification and measurement of share-based payments (June 2016);
- Amendments to IFRS 4: Application of IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (September 2016);
- Annual Improvements to International Financial Reporting Standards, 2014-2016 Cycle (December 2016);
- IFRIC 22 - Interpretation on foreign currency transactions and advance consideration (December 2016);
- Amendments to IAS 40: Transfers of investment property (December 2016).

IFRS 9

In July 2014, the IASB issued the new accounting standard IFRS 9 Financial Instruments, endorsed by the European Commission on November 22, 2016 through Regulation (EU) 2016/2067, which is mandatorily applicable for annual periods beginning on or after January 1, 2018, that will replace IAS 39 Financial Instruments: recognition and measurement.

The new standard provides for a revised model for classifying and measuring financial assets, an "expected loss" based impairment model for loans and a reformed approach to hedge accounting. The application of IFRS 9 will have impacts on the Bank's income statement and balance sheet and on operational aspects; The Banca is therefore already conducting the preliminary analyses for the necessary on implementations that will enable the correct application of the standard from January 1, 2018.

Classification and measurement of financial assets

The new method for classifying and measuring financial assets under IFRS 9 is based on the contractual cash flow characteristics of the financial asset and, for financial assets with cash flows consisting "Solely of payments of principal and interest" or "SPPI", on the basis of the business model used by the entity to manage them. Based on the entity's business model, the SPPI assets may be classified as:

- "held to collect" contractual cash flows (measured at a amortised cost and subject to impairment based on expected losses);
- "held to collect cash flows and for sale" (at fair value through comprehensive income and subject to impairment on the basis of expected losses) or held for trading (at fair value through profit or loss);
- "held for trading" (measured at fair value through profit and loss for the year).

It is also possible upon initial recognition to:

- irrevocably designate a financial asset as measured at fair value through profit or loss if this eliminates or significantly reduces a mismatch ("accounting mismatch") that would otherwise arise from a different measurement of assets or liabilities or from the recognition of gains and losses on different bases;
- irrevocably designate particular investments in equity instruments, that would otherwise be measured at fair value through profit or loss, as measured at fair value through other comprehensive income (strategic equity). Upon disposal, the fair value changes recognised in a specific shareholders' equity reserve are not transferred to profit or loss, but to another shareholders' equity reserve.

Part A - Accounting Policies (Continued)

Impairment

With regard to the credit impairment model based on the "expected loss" ("Expected Credit Loss" or "ECL"), the IASB developed this method in order to ensure early recognition of credit losses compared to IAS 39, which is based on actual evidence that an impairment has occurred, as required by the G20 as a result of the financial crisis. With regard to impaired assets according to IAS 39, no significant impacts are envisaged for the Bank because there are no significant conceptual differences between the incurred losses method, according to IAS 39, and the ECL method, required by IFRS 9, as the same indicators for recognition of the loss and for classification as non-performing loans requited by IAS 39 shall continue to apply. On the other hand, there will be significant differences in the determination of the ECL for loans for which there has been a significant increase in credit risk after initial recognition (loans classified as Stage 2); however, given the amount of these exposures in the Bank's financial statements, no material impacts are expected.
An impact is also expected from the impairment to be applied to government securities, although it will not be significant with respect to the total amount invested. Investigations are currently being conducted on the need to apply impairments to intercompany exposures.

Hedge accounting

No impacts are expected with regard to hedge accounting, because the Bank plans to exercise the option established in paragraph 6.1.3 of IFRS 9 of continuing to apply IAS 39 for fair value hedges of interest rate risk on financial assets and liabilities. Indeed, it should be noted that the Bank only has macro and micro fair value hedges for interest rate risk on financial assets and liabilities, nor does it, currently, envisage implementing other types of hedges.
This analysis and survey of the impacts resulting from the adoption of the standard, and the implementation is necessary for the first-time adoption from January 1, 2018, will be completed in 2017.

IFRS 15

IFRS 15 - Revenue from Contracts with Customers (published by the IASB on May 28, 2014), was endorsed by the European Commission on September 22, 2016 through EU Regulation 2016/1905, for annual periods starting on or after January 1, 2018, and will replace IAS 18 - Revenue and IAS 11 - Construction Contracts, and IFRIC 13 - Customer Loyalty Programmes, IFRIC 15 - Agreements for the Construction of Real Estate, IFRIC 18 - Transfers of Assets from Customers and SIC 31 - Revenues-Barter Transactions Involving Advertising Services. Early adoption is not permitted.
The standard establishes a new revenue recognition model to be applied to all contracts with customers except those that fall within the scope of other IAS/IFRS standards such as finance leases, insurance contracts and financial instruments. The recognition of revenue under the new model envisages the following basic steps:

- identification of the contract with the customer;
- identification of performance obligations under the contract;
- determination of the price;
- allocation of price to the contract performance obligations;
- the revenue recognition criteria when the entity satisfies each performance obligation.

This analysis and survey of the impacts and effects resulting from the first-time adoption of the standard by the Bank, which is expected for January 1, 2018, will be completed in 2017.

These accounts are subject to audit by Deloitte & Touche S.p.A. pursuant to Legislative Decree no. 39 of January 27, 2010 and in implementation of the Shareholders' Meeting resolution of April 16, 2013.

The full document has been filed with the relevant offices and entities in accordance with law.

Risks and uncertainties related to the use of estimates

In the application of the accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts of certain assets and liabilities as well as the information regarding potential assets and liabilities. Estimates and related assumptions are based on previous experience and other factors considered reasonable under the circumstances and have been used to estimate the carrying values of assets and liabilities not readily available from other sources.
Estimated figures have been used for the recognition of some of the largest value-based items in the financial statements as at December 31, 2016, as required by the accounting standards and regulations. These estimates are largely based on calculations of future recoverability of the values recognised in the accounts according to the rules laid down in current legislation and standards and have been made on the assumption of a going concern, on which basis these accounts have been prepared, i.e. without contemplating the possibility of the forced sale of the estimated items.
The processes adopted support the carrying values at December 31, 2016. For some of the above items the valuation is particularly complex given the uncertainty of the macroeconomic and market situation, characterised by the significant volatility of financial indicators used in the valuation process and still high levels of credit quality impairment, as well as, more generally, the uncertainty and instability in the banking sector.
The parameters and information used to check the above-mentioned values are therefore significantly affected by such factors, which could change rapidly in ways that are currently unforeseeable, which means that consequent future effects on the book values cannot be ruled out.
At the date of preparing these accounts we believe that there are no uncertainties such as to give rise to significant adjustments to the carrying amounts within one year.

The estimates and underlying assumptions are reviewed on an ongoing basis. Any changes resulting from these reviews are recognised in the period in which the review was carried out, provided the change only concerns that period. If the revision concerns both current and future periods it is recognised accordingly in both current and future periods.
Uncertainty affecting estimates is inherent, among other factors, in the determination of:
- fair value of financial instruments not listed in active markets;
- receivables, and in general, all other financial assets/liabilities;
- employee severance pay provision (Italy) and other employee and financial advisor benefits;
- provisions for risks and charges (in this regard, in particular for risks arising from legal disputes see Part E – Section 4);
- goodwill;
- deferred tax assets;
- tax liabilities;

This quantification can vary over time, also to a significant extent, according to the evolution of the national and international social and economic environment and the consequent impacts on the Bank's earnings and customer solvency and the credit quality of the counterparties, the performance of the financial markets, which influence the fluctuation in rates, prices and actuarial assumptions used to determine the estimates, as well as the evolution and developments in existing or potential disputes.

With specific reference to future cash flow projections used in the assessment of the recoverability of the amount recognised as goodwill, it should be noted that the parameters and information used are significantly influenced by the macro-economic market situation, which may change unpredictably. For further information, see Part B - Balance Sheet - Section 12 - Intangible assets.
With specific reference to valuation techniques, unobservable inputs used in the fair value measurement and sensitivities to changes in those inputs, please refer to Section A.4. Information on fair value of this Part A.

Interbank Deposit Guarantee Fund – Voluntary Scheme

The Bank has subscribed to the Voluntary Scheme, introduced in November 2015, through an amendment to the bylaws of the Interbank Deposit Guarantee Fund ("IDGF"). The Voluntary Scheme is an instrument for resolving bank crises through support measures in favour of banks subscribing to it, when specific conditions established by the regulations apply. The Voluntary Scheme has its own independent financial resources and the banks subscribing to it have committed to provide funds on request for implementation of the measures. On June 17, 2016, the General Meeting of the IDGF strengthened the financial resources of the Voluntary Scheme from €300 million to €700 million (with a total commitment for FinecoBank of €16.8 million).
In this regard, the Voluntary Scheme, as a private entity, intervened in April 2016 with a measure for a total amount of €272 million (the Bank's share is €6 million) to restructure the support measures that the IDGF had implemented in July 2014 in favour of Banca Tercas. In particular, the European Commission concluded that this aid, originally granted by the IDGF in its capacity as the obligatory system for the guarantee of Italian deposits, constituted incompatible state aid, and therefore Banca Tercas repaid the grant that it had originally received from the IDGF. These amounts were then credited to the banks participating in the IDGF as a repayment of the contribution made in 2014 and they were then immediately debited from the banks participating in the Voluntary Scheme. The transaction therefore had an essentially neutral impact on the income statement for the year.
In June 2016, the Voluntary Scheme approved a measure in favour of Cassa di Risparmio di Cesena, in relation to the capital increase approved by the latter on June 8, 2016 for €280 million (FinecoBank's commitment €6.7 million). In September 2016, the Voluntary Scheme made a payment for the capital increase of Cassa di Risparmio di Cesena and the Bank paid its share of €6,724,389.50, which was determined by applying the percentage attributable to it, calculated using the figures as at March 30, 2016, on the amount of €281 million, of which €280 million corresponding to the amount of the capital increase and €1 million for the expenses related to the measure and the operation of the Voluntary Scheme, resulting in reduction of the total commitment to the Voluntary Scheme to €10 million as at December 31, 2016. The contribution paid was recognised, in accordance with the relevant instructions issued by the Bank of Italy in October 2016, under the equity instruments classified in the "Available-for-sale financial assets" portfolio. As at December 31, 2016, the Bank consequently measured this asset at fair value and, as a result, applied an impairment write-down to the entire exposure in equity instruments towards Voluntary Scheme - CR Cesena, recognised in item 130. b) "Impairment losses/write-backs on: financial assets available for sale" of the income statement.
In this regard, it should be noted that above decision was taken based on a valuation, made internally, using the market multiples method (in line with the identification of the contribution as AFS) that took account of the prices stated in the market for comparable listed companies and the fact that the investment related to an unlisted company. The decision also took into account the present and future conditions of the market for banking investments, which led the results of the valuation to be considered prudentially. At the end of the valuation conducted internally, the Bank decided, from among the other possible reasonably applicable valuation options, to adopt the option of full impairment write-down, based on the principles of prudence, in view of the numerous and significant elements of uncertainty at the present time.

Part A - Accounting Policies (Continued)

A.2 The main items of the accounts

1 - Financial Assets held for trading (HfT)

A financial asset is classified as held for trading if it is:
- acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking;
- a derivative (except for derivatives which constitute financial guarantees, see Section 17, and derivatives designated as hedging instruments – see Section 6 - Hedge Accounting).

Like other financial instruments, on initial recognition, at settlement date, a held-for-trading financial asset is measured at its fair value, usually equal to the amount paid, excluding transaction costs and income, which are recognised through profit or loss even when directly attributable to the financial assets. Trading book derivatives are recognised at trade date.
After initial recognition these financial assets are measured at their fair value through profit or loss. An exception is the derivatives settled by delivery of an unlisted equity instrument whose fair value cannot be reliably measured, and which are measured at cost like the underlying.
A gain or loss arising from sale or redemption or a change in the fair value of an HfT financial asset is recognised in profit or loss in item 80. "Gains (losses) on financial assets and liabilities held for trading", with the exception of financial derivatives relating to a fair value option of which gains and losses, whether realised or measured, are booked in item 110. "Gains (losses) on financial assets and liabilities at fair value through profit and loss" (see Section 5 - Financial Instruments at Fair Value through Profit or Loss). If the fair value of an instrument falls below zero, which may happen with derivative contracts, it is recognised in item 40. "Financial liabilities held for trading".

A derivative is a financial instrument or other contract with all three of the following characteristics:
- its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable (usually called the 'underlying') provided that in case of non-financial variable, this is not specific of one of the parties;
- it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors;
- it is settled at a future date.

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract, with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.
An embedded derivative is separated from the host contract and recognised as a derivative if:
- the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract;
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative;
- the hybrid (combined) instrument is not measured entirely at fair value through profit or loss.

If it is necessary to separate an embedded derivative from its host contract, but it is not possible to measure the embedded derivative separately either at acquisition or at a subsequent financial reporting date, the entire combined contract is treated as a financial asset or financial liability at fair value through profit or loss.
When an embedded derivative is separated, the host contract is recognised according to its accounting classification.
A derivative that is attached to a financial instrument but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument.

2 - Available-for-sale Financial Assets (AfS)

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments, financial assets held for trading or financial assets at fair value through profit or loss. These assets are held for an indefinite period of time and may meet the need to ensure liquidity and face changes in interest rates, exchange rates and prices.
AfS financial assets are money market instruments, other debt instruments (included host contract of hybrid instruments from which embedded derivative has been bifurcated) or equity instruments; they include shares held as minority stakes where these do not constitute controlling, or joint control, or associate interests.
On initial recognition, at settlement date, an AfS financial asset is measured at fair value, which is usually equal to the consideration of the transaction, plus transaction costs and income directly attributable to the instrument.
In subsequent periods these assets are measured at fair value, with interest recognised at amortised cost in the income statement. Gains or losses arising out of changes in fair value are recognised in equity item 130. "Revaluation reserves" - except losses due to significant impairment and exchange rate gains or losses on monetary items (debt instruments) which are recognised under item 130. b) "Impairment losses on AfS available for sale financial assets" and item 80. "Gains (losses) on financial assets and liabilities held for trading" in the income statement, respectively - until the financial asset is sold, at which time cumulative gains and losses are recognised in profit or loss in item 100.b) "Gains (losses) on disposal or repurchase of AfS financial assets".

The fair value changes recorded in item 130. "Revaluation reserves" are also reported in the Statement of Comprehensive Income.
Equity instruments (shares) not listed in an active market and whose fair value cannot be reliably determined due to lack or unreliability of information for the fair value measurement are valued at cost, equivalent to the last fair value reliably measured.
If there is objective evidence of impairment on an available-for-sale financial asset, the cumulative loss that had been recognised directly in equity item 130. "Revaluation reserves", is removed from equity and recognised in profit or loss under item 130.b) "Impairment losses on available-for-sale financial assets".
In respect of debt instruments, any circumstances indicating that the borrower/issuer is experiencing financial difficulties which could prejudice the collection of the principal or interest, represent an impairment.
The impairment of equity instruments is assessed on the basis of indicators such as fair value below cost and adverse changes in the environment in which the company operates, as well as the issuer's debt service difficulties.
The loss of value is normally considered as impairment, if fair value falls to less than 50% of cost or lasts for more than 18 months.
If, however, the fall in the fair value of the instrument is over 20% but less than or equal to 50% or continues for no less than 9 but no longer than 18 months, the Bank reviews further income and market indicators. If the results of the review are such as to prejudice the recovery of the amount originally invested, an impairment is recognised.
The amount taken to profit and loss is the difference between the carrying amount (value of initial recognition less any impairment loss already recognised in profit or loss) and current fair value.
Where instruments are valued at cost, the amount of the loss is determined as the difference between their carrying value and the present value of estimated future cash flows, discounted at the current market yield on similar financial assets (the recoverable amount).
If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event such as an improvement in the debtor's credit worthiness occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed and the amount of the reversal is recognised in the same profit or loss item. The reversal cannot result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised. Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available for sale are not reversed through profit or loss, but recognised in equity under the revaluation reserve.

3 - Held-to-Maturity Investments (HtM)

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, other than those that have the characteristics to be classified under loans and receivables with banks and loans and receivables with customers, for which there is the positive intention and ability to hold them to maturity (included the host contract of hybrid instruments after the embedded derivative has been bifurcated).

If, during the financial year, more than an insignificant amount of held-to-maturity investments are sold or reclassified before maturity, the remaining HtM financial assets shall be reclassified as available-for-sale and no financial assets shall be classified as HtM investments for the two following financial years, unless the sales or reclassifications:
- are so close to maturity or the financial asset's call date that changes in the market rate of interest would not have a significant effect on the financial asset's fair value;
- occur after substantially all of the financial asset's original principal has been collected through scheduled payments or prepayments;
- are attributable to an isolated event that is beyond the entity's control, is non-recurring and could not have been reasonably anticipated by the entity.

After initial recognition at its fair value, which will usually be the price paid including transaction costs and income directly attributable to the acquisition or provision of the financial asset (even if not yet settled), a held-to-maturity financial asset is measured at amortised cost using the effective interest method. The difference between the carrying value of the asset and the amount received is taken to profit and loss under item 100.c) "Gains (losses) on disposal of HtM financial assets" when the financial asset is derecognised.

If there is objective evidence that a held-to-maturity investment is impaired, the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted using the original effective interest rate of the financial asset. The carrying amount of the asset is reduced accordingly and the loss is recognised in profit or loss under item 130.c) "Impairment losses (c) held-to- maturity investments".
If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event such as an improvement in the debtor's credit worthiness occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed. The reversal cannot result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised. The amount of the reversal is recognised in the same profit or loss item. Held-to-maturity investments cannot be hedged for other than the credit/non-performance risk and exchange rate risk.

In 2016, the Bank reclassified the Available-for-sale financial assets consisting of Italian and Spanish government securities to the Held-to-maturity investments portfolio. The reclassification was consistent with the Bank's objective of obtaining stable income flows over the medium/long-term and in line with the business and financial outlooks stated by the Bank in its planning. With regard to the ability to hold the securities to maturity, over the years the Bank has experienced significant growth in its direct and indirect sales and has steadily strengthened its market position and available liquidity. In

Part A - Accounting Policies (Continued)

managing its securities portfolio, the Bank has always adopted a non-speculative approach, consisting of holding the securities to maturity, and has limited itself solely to renewals and extensions of the maturities. See section A.3 Disclosure on transfers between portfolios of financial assets of this Part A for more details.

4 - Loans and Receivables

Loans and Advances

Loans and receivables with banks and with customers are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are recognised on the date of disbursement to the borrower, which can coincide with the contract signing date.
These items include debt instruments with the above characteristics (included host contract of hybrid instruments from which embedded derivative has been bifurcated) or those subject to portfolio reclassification in accordance with the rules of IAS 39 (see Part A.3.1 below - Transfers between portfolios).

After initial recognition at fair value, which is usually the price paid including transaction costs and income directly attributable to the acquisition or issuance of the financial asset (even if not yet paid), a loan or receivable is measured at amortised cost, which can be adjusted to take account of any write-downs/write-backs resulting from the valuation process.
A profit (or loss) on loans and receivables is recognized through profit or loss:

- when a loan or receivable is derecognised: in item 100. a) "Gains (losses) on disposal";

or

- when a financial asset is impaired (or the impairment loss previously recognised is reversed: in item 130.a) "Net impairment losses on (a) loans and receivables".

Interest on loans and receivables is recognised in profit or loss on an accrual basis using the effective interest rate method under item 10. "Interest income and similar revenue".
Delay interest is taken to the income statement on collection or receipt.

Loans and receivables are reviewed in order to identify those that, following events occurring after initial recognition, show objective evidence of possible impairment. These impaired loans are reviewed and analysed periodically at least once a year.
A loan or receivable is deemed impaired when it is considered that it will probably not be possible to recover all the amounts due according to the contractual terms, or equivalent value.

Allowances for impairment of loans and receivables are based on the present value of expected cash flows of principal and interest; in determining the present value of future cash flows, the basic requirement is the identification of estimated collections, the timing of collections and the discount rate used. The amount of the loss on impaired exposures classified as non-performing and unlikely to pay according to the categories specified below, is the difference between the carrying value and the present value of estimated cash flows discounted at the original interest rate of the financial asset. If the original interest rate cannot be identified directly, or if identifying it would be excessively onerous, the best approximation is used.

For all fixed-rate positions, the interest rate determined in this manner is also held constant in future years, while for floating rate positions the interest rate is updated according to contractual terms.
Recovery times are estimated on the basis of business plans or forecasts based on historical recovery experience observed for similar classes of loans, taking into account the customer segment, type of loan, type of security and any other factors considered relevant.

Any subsequent change with respect to initial expectations of the amount or timing of expected cash flows of principal and interest causes a change in allowances for impairment and is recognised in profit or loss in item 130. (a)"Impairment losses on loans and receivables".

In the Notes to the Accounts, write-downs of impaired exposures are classified as specific in the relevant income statement item even when the calculation is flat-rate or statistical, as indicated below.

When the reasons for the impairment no longer exist, and this assessment is objectively attributable to an event such as an improvement in the debtor's credit worthiness occurred after the impairment, a reversal is made in the same profit or loss item, within the amount of the amortised cost that there would have been if there had been no impairments.

Derecognition of a loan or receivable in its entirety is made when the underlying cause of the loan or receivable no longer exists, or when the loan or receivable is deemed to be irrecoverable or is written off. Write-offs are recognised directly in profit or loss under item 130.a) "Impairment losses on loans and receivables" and reduce the amount of the principal of the loan or receivable. Reversals of all or part of amounts previously written off are recognised in the same item.
According to Bank of Italy regulations, set out in Circular no. 272 of July 30, 2008 as amended, impaired exposures, i.e. those with the characteristics mentioned in paragraphs 58-62 of IAS 39, correspond to the Non-Performing Exposures aggregate referred to in the EBA ITS.

Specifically, the EBA has identified non-performing exposures as those that satisfy either or both of the following criteria:

- material exposures which are more than 90 days past due;
- exposures for which the Bank has assessed that the debtor is unlikely to pay its credit obligations, without the enforcement and realisation of collateral, regardless of the existence of any past due and/or overdrawn impaired exposures or of the number of days past due.

The EBA standards have also introduced the definition of forborne exposures. Credit exposures are defined as forborne whose original contractual terms and conditions are modified or for which a total or partial refinancing of the debt is granted, as a result of financial difficulties of the debtor. Forborne exposures may be classified in the impaired loans category (non-performing, unlikely to pay, past-due loans and overdrawn impaired exposures) or as unimpaired loans. The accounting policies regarding provisions and assessments of forborne exposures are in line with the general principle set out by IAS 39, with the clarifications given below regarding renegotiated loans classified as unlikely to pay.

The aforementioned Circular 272 also establishes that the impaired assets aggregate is divided into the following categories:

- Non-performing loans: i.e., the on-balance-sheet and off-balance-sheet exposures to insolvent borrowers, even if the insolvency has not been recognised in a court of law. They are measured individually (including by verifying statistically defined coverage levels for some loan portfolios below a predefined threshold) or, for individually insignificant amounts, on a flat basis by type of homogeneous exposures;
- Unlikely to pay: i.e. on- and off-balance sheet exposures which do not meet the conditions for classifying the borrower as non-performing loans and for which, in the absence of actions such as the enforcement of collateral, the debtor's ability to fully meet its credit obligations (principal and/or interest) is assessed as unlikely. This assessment is made independently of any past due and unpaid amount (or instalment). The classification of an exposure as unlikely to pay is not necessarily tied to evident issues (non-repayment), but is rather linked to indicators of a potential default of the borrower. The "unlikely to pay" exposures are measured in the accounts individually (including by verifying statistically defined coverage levels for some loan portfolios below a predefined threshold) or by applying a percentage on a flat basis by type of homogeneous exposures. Exposures classified as unlikely to pay and identified as forborne, may only be reclassified to unimpaired loans after at least one year has passed from the time of the forbearance and the conditions established in paragraph 157 of the EBA Implementing and Technical Standards have been met. With regard to their measurement:
  - they are generally measured on an individual basis and the resulting allowance may include the discounted cost due to renegotiation of the interest rate at a rate lower than the original contractual rate;
  - loans under renegotiation involving a debt/equity swap are valued, pending swap finalization, on the basis of the conversion agreements entered into at the reporting date. Any differences between the value of the loans and the fair value of the equity instruments on initial recognition are recognised through profit or loss as write-downs.
- Past-due and/or overdrawn impaired exposures: i.e. on-balance sheet exposures, other than those classified as non-performing or unlikely to pay, that are past due or overdrawn at the reporting date. The past due and/or overdrawn impaired exposures may be determined, alternatively, with respect to the individual debtor or the individual transaction. Specifically, they represent the total exposure to any borrower not included in the unlikely to pay and non-performing loans categories, who at the reporting date has expired facilities or unauthorised overdrafts that are more than 90 days past due and meet the requirements set out by local supervisory regulations for their classification under the "past due exposures" category (TSA banks) or "defaulted exposures" (IRB banks). Past-due and/or overdrawn impaired exposures are valued at a flat rate on a historical/stochastic basis by applying where available the risk rating referred to Loss Given Default (LGD) under Regulation (EU) No. 575/2013 (CRR) on prudential requirements for credit institutions and investment firms.

The Bank assesses past due and/or overdrawn impaired exposures with respect to the individual debtor. Total exposure is recognised in this category if, at the reporting date, either of the following amounts, whichever is larger, is equal to or more than 5%:

- the expired/overdrawn portion out of the entire exposure as at the reporting date

and

- the average of the past-due and/or overdrawn portions out of the entire exposure, as measured daily in the last preceding quarter.

The collective assessment of performing loans is used for groups of loans for which individually there are no indicators of impairment: to these portfolios a latent impairment can be attributed, according to the method described below, inter alia on the basis of the risk factors used under CRR prudential regulation.

Each loan with similar characteristics in terms of credit risk - in relation to loan type, the borrower's sector of economic activity, geographical location, type of security or other relevant factors - is assessed in terms of its PD (Probability of Default) and LGD (Loss Given Default); these are uniform for each class of loan.

The methods used combine the CRR prudential regulation recommendations and IFRS. The latter exclude future loan losses not yet sustained, but include losses already sustained even if they were not manifest at the time of measurement, based on past experience of losses on assets having a similar risk profile to the assets being measured.

The parameter for the average period from deterioration of a borrower's financial condition and its classification as an impaired loan is the Loss Confirmation Period.

The portfolio valuation is the product of the risk factors derived from the parameters used under CRR prudential regulation requirements, with a one-year time horizon, and the above loss confirmation periods (LCP) expressed as part of a year and diversified according to classes of loans and receivables on the basis of customer segments/portfolios characteristics. The Bank assumes the loss confirmation period as equal to a maximum of 12 months, at which existing accounting provisions and expected losses are equivalent.

Part A - Accounting Policies (Continued)

If these indicators are not available, estimated value and standard loss percentages, based on internal historical series and sectoral studies, shall be used.
Allowances for unsecured loans to residents of countries experiencing debt service difficulties, where the transfer risk is not included in the rating system applied, are generally determined, country by country, with the aim of attributing latent impairment on the basis of shared parameters.
Impairment losses are recognised as a reduction of the carrying amount of the loan or receivable, whereas the risk arising from off-balance sheet items, e.g. loan commitments and loan commitments and write-downs for impairment of guarantees given, is recognised in profit and loss under item 130.d) "Impairment Losses on other financial assets" with contra item 100. "Other Liabilities").

5 - Financial Instruments at Fair Value through Profit or Loss (FlaFV)

Any financial asset may be designated, in accordance with the provisions of IAS 39 as a financial instrument measured at fair value through profit and loss on initial recognition, except for the following:
• investments in equity instruments for which there is no price quoted in active markets and whose fair value cannot be reliably determined;
• derivatives.
FlaFV includes financial assets:
(i) not belonging to regulatory trading book, whose risk is:
• connected with debt positions measured at fair value (see also item 15 "Financial liabilities at fair value through profit or loss");
• managed by the use of derivatives not treatable as accounting hedges;
(ii) represented by hybrid (combined) instruments containing embedded derivatives that otherwise would have been separated from the host contract.
The accounting treatment for these transactions is same as for “Financial assets held for trading” (see Section 1 – Financial assets held for trading), however gains and losses, both realised and unrealised, are recognised in item 110. "Gains (losses) on financial assets and liabilities at fair value through profit and loss".

At the balance sheet date, the Bank did not hold any financial assets classified as "Financial assets at fair value through profit and loss".

6 - Hedge Accounting

Hedging derivatives are those created to hedge market risks (interest-rate, currency and price) to which the hedged positions are exposed. They may be described as follows:
- fair value hedge: a hedge of the exposure to changes in fair value of a recognised asset or liability, or an identifiable portion of such an asset or liability;
- cash flow hedge: a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction which could affect profit or loss in future periods;
- hedge of a net investment in a foreign entity, whose operations are presented in a currency other than euro.
Hedging derivatives are initially recognised on trade date and are valued at their fair value.

A hedging relationship qualifies for hedge accounting if there is formal designation and documentation of the hedging relationship including the risk management objective, the strategy for undertaking the hedge, and how the hedging instrument's prospective and retrospective effectiveness will be assessed. It is necessary to assess the hedge's effectiveness, at inception and in subsequent periods, in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.
A hedge is regarded as highly effective if, at the inception of the hedge and in subsequent periods, it is determined prospectively to remain highly effective, and the retrospectively verified that the hedge ratio (i.e. the changes in fair value of hedged items and hedging instruments) is within a range of 80-125 per cent. The hedge is assessed on an ongoing basis and thus must prospectively remain highly effective throughout the financial reporting periods for which the hedge has been designated.

The assessment of effectiveness is made at each balance-sheet date or other reporting date. If the assessment does not confirm the effectiveness of the hedge, from that time on hedge accounting is discontinued in respect of the hedge and the hedging derivative is reclassified as a held-for-trading instrument.
In addition, the hedging relationship ceases when the hedging instrument expires or is sold, terminated or exercised; the hedged item is sold, expires or is repaid; or it is no longer highly probable that the forecast transaction will occur.

Hedging derivatives are measured at fair value. In particular:
- **Fair Value Hedging** - an effective fair value hedge is accounted for as follows: the gain or loss from remeasuring the hedging instrument at fair value is recognised through profit or loss in item 90. "Fair value adjustments in hedge accounting". the gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is recognised through profit or loss in the same item. Hedging ineffectiveness

is represented by the difference between the change in the fair value of hedging instruments and the change in the fair value of hedged item. If the hedging relationship is terminated for reasons other than the sale of the hedged item, this is measured according to the original criterion dictated by the accounting standard applied to the relevant portfolio. In the case of interest-bearing instruments, the difference between the carrying amount of the hedged item on termination of the hedging and the carrying amount it would have had if the hedge had never existed, is recognised through profit or loss in interest receivable or payable over the residual life of the original hedge. If the hedged item is sold or repaid, the portion of fair value which is still unamortised is recognised immediately under item 100. "Gains (losses) on disposal or repurchase". The difference in fair value of the hedging derivative since the latest effectiveness testing date is recognised in profit or loss under item 90. "Fair value adjustments in hedge accounting". With regard to specific Fair Value hedging derivatives of securities included in the portfolio of "Available-for-sale financial assets", the fair value changes of the hedging instrument were recognised through profit or loss in item 90. "Fair value adjustments in hedge accounting"; fair value changes of the hedged item attributable to the hedged risk (interest rate risk) were recognised through profit or loss in the same item 90; the fair value changes of the hedged item relating to the unhedged risk (essentially the credit risk) are recognized in the Statement of Comprehensive Income and shown in item 130. "Revaluation reserves";

- **Cash Flow Hedging** - hedges are valued at fair value; change in the fair value of a hedging instrument that is considered effective is recognised in equity item 130 "Revaluation reserves". The ineffective portion of the gain or loss is recognised through profit or loss in item 90. "Fair value adjustments in hedge accounting". If a cash flow hedge is determined to be no longer effective or the hedging relationship is terminated, the cumulative gain or loss on the hedging instrument that remains recognised in "Revaluation reserves" from the period when the hedge was effective remains separately recognised in "Revaluation reserves" until the forecast hedged transaction occurs or is determined to be no longer possible; in the latter case, the gains or losses are transferred from shareholders' equity to item 80. "Gains and losses on financial assets and liabilities held for trading". The overall fair value changes recorded in item 130. "Revaluation reserves" are reported in the Statement of Comprehensive Income.
- **Hedging a Net Investment in a Foreign Entity** - hedges of a net investment in a foreign entity, whose operations are presented in a currency other than euro, are accounted for similarly to cash flow hedges. The gain or loss on the hedging instrument relating to the effective portion of the hedge that has been recognised directly in equity is recognised through profit or loss on disposal of the foreign entity. The fair value changes recorded in item 130. "Revaluation reserves" are also reported in the Statement of Comprehensive Income. The ineffective portion of the gain or loss is recognised through profit or loss in item 90. "Fair value adjustments in hedge accounting";
- **macro-hedged financial assets (liabilities)** - IAS 39 allows a fair-value item hedged against interest rate fluctuations to be not only a single asset or liability but also a monetary position contained in a number of financial assets or liabilities (or parts of them); accordingly, a group of derivatives can be used to offset fair-value fluctuations in hedged items due to changes in market rates. Macro hedging may not be used for net positions resulting from the offsetting of assets and liabilities. As for fair value micro hedging, macro hedging is considered highly effective if, at the inception of the hedge and throughout its life, changes in the fair value attributable to the hedged position are offset by changes in fair value of the hedging instrument and if the hedge ratio is retrospectively assessed falling within the range of 80-125 per cent. Net changes – gains or losses – in the value of the macro-hedged assets and liabilities attributable to the hedged risk are recognised in asset item 90 and liability item 70 respectively and offset the profit and loss item 90. "Fair value adjustments in hedge accounting". The gain or loss from remeasuring the hedging instrument at fair value is recognised in the same profit and loss item.
  The ineffectiveness of the hedging arises to the extent that the change in the fair value of the hedging item differs from the change in the fair value of the hedged monetary position. The extent of hedge ineffectiveness is in any case recognised in profit and loss item 90. "Fair value adjustments in hedge accounting".
  If the hedging relationship is terminated, for reasons other than the sale of the hedged items, cumulative gain or loss in items 90 (Assets) and 70 (Liabilities) is recognised through profit or loss in interest income or expenses, along the residual life of the hedged financial assets or liabilities.
  If the latter are sold or repaid, unamortised fair value is at once recognised through profit and loss in item 100. "Gains (Losses) on disposals/ repurchase.

The Bank had in place at the reporting date only specific fair value hedges of debt securities issued by governments and classified in the "Available-for-sale financial assets" portfolio and macro-hedges against the interest rate risk of personal loans to retail customers, of bonds issued by UniCredit subscribed by the Bank and classified under the "Loans and receivables" category and fixed-rate direct deposits.

7 - Equity Investments

At the balance sheet date, the Bank held no investments in subsidiaries, associates and joint ventures.
Interests held – other than subsidiaries, associates and joint ventures, and interests and those to be recognised, where applicable, under the item 140. "Non-current assets and disposal groups classified as held for sale" – are classified as "Available-for-sale financial assets".

Part A - Accounting Policies (Continued)

8 - Property, Plant and Equipment

The item includes:
- land and buildings
- furniture and fixtures
- plant and machinery
- other machinery and equipment

and is divided between:
- assets used in the business;
- assets held as investments.

Tangible assets used in the business are held for use in the production or supply of goods or services or for administrative purposes and are expected to be used during more than one period.
Property, plant and equipment also include leasehold improvements relating to assets which can be separately identified. They are classified according to the specific sub-items relating to the asset type (e.g. plants). Leasehold improvements are usually borne in order to make leased premises fit for the expected use. Improvements and additional expenses relating to property, plant and equipment identifiable but not separable are recognised in item 150. “Other assets”.

Tangible assets held for investment purposes are properties covered by IAS 40, i.e. properties held in order to derive rentals and/or a capital gain.
Property, plant and equipment are initially recognised at cost including all costs directly attributable to bringing the asset into use (transaction costs, professional fees, direct transport costs incurred in bringing the asset to the desired location, installation costs and dismantling costs).
Subsequent costs are added to the carrying amount or recognised as a separate asset only when it is probable that there will be future economic benefits in excess of those initially foreseen and the cost can be reliably measured. Other expenses borne at a later time (e.g. normal maintenance costs) are recognised in the year they are incurred in profit and loss items:
- 150.b) "Other administrative expenses", if they refer to assets used in the business;
or:
- 190. "Other net operating income", if they refer to property held for investment.
After being recognised as an asset, an item of property, plant and equipment is carried at cost less any accumulated depreciation and any cumulative impairment losses.
An item with a finite useful life is subject to straight-line depreciation.

The depreciation rates used for the main categories of property, plant and equipment are as follows:

• Furnishings	15%
• Motor vehicles	25%
• Buildings	3%
• Alarm and safety systems	30%
• Lifts and lifting equipment	7.5%
• Electronic equipment	20%
• Ordinary office equipment	12%
• Machinery, appliances and equipment	15%
• Furniture	12%
• Mobile phones and photographing systems	20%
• Tablets	33.33%

Land and buildings, if separately quantifiable, are recognised separately, even if acquired together. Land is not depreciated since it usually has an indefinite useful life. Buildings, conversely, have a finite useful life and are therefore subject to depreciation.
The estimate of the useful life of an asset is reviewed at least at each accounting period-end on the basis of the conditions of use of the asset, of maintenance conditions and expected obsolescence, and, if expectations differ from previous estimates, the depreciation amount for the current and subsequent financial years is adjusted accordingly.
If there is objective evidence that an asset has been impaired, the carrying amount of the asset is compared with its recoverable value, equal to the greater of its fair value less selling cost and its value in use, i.e. the present value of future cash flows expected to originate from the asset. Any value adjustments are recognised in profit and loss item 170. "Impairment/Write-backs on property, plant and equipment".
If the value of a previously impaired asset is restored, its increased carrying amount cannot exceed the net carrying amount it would have had if there had been no losses recognised on the prior-year impairment.
An item of Property, plant and equipment is de-recognised from the Balance sheet upon disposal or when no further economic benefits are expected to be generated by its use or its disposal and any difference between the disposal or recoverable value and the book value is recognised in the Income Statement under item 240. "Gains (losses) on disposal of investments".

9 - Intangible Assets

An intangible asset is an identifiable non-monetary without physical substance, controlled by the Bank, which is expected to be used during more than one period and from which future economic benefits are probable.
Intangible assets mainly consist of goodwill, software and costs incurred for the creation of the new Fineco website.
Intangible assets other than goodwill are recognised at purchase cost, i.e. including any cost incurred to bring the asset into use, less accumulated amortisation and any recognised impairment losses.

An intangible asset with a finite life is subject to straight-line amortisation over its estimated useful life.
Residual useful life is usually assessed as follows:
- software maximum 3 years;
- other intangible assets maximum 5 years.

There are no intangible assets with an indefinite life, except for goodwill.

If there is objective evidence that an asset has been impaired, the carrying amount of the asset is compared with its recoverable value, equal to the greater of its fair value less selling cost and its value in use, i.e. the present value of future cash flows expected to originate from the asset. Any impairment loss is recognised in profit and loss item 180. "Impairment/write-backs on intangible assets".
If the value of a previously impaired intangible asset, other than goodwill is restored, its increased carrying amount cannot exceed the net carrying amount it would have had if there were no losses recognised on the prior-year impairment.
An intangible asset is de-recognised from the Balance sheet upon disposal or when no further economic benefits are expected to be generated by its use or its disposal and any difference between the disposal or recoverable value and the book value is recognised in the Income Statement under item 240. "Gains (losses) on disposal of investments".

Goodwill

In accordance with IFRS3, goodwill is the excess of the cost of a business combination over the interest acquired in the net fair value, at the acquisition date, of the assets and liabilities acquired.

Goodwill arising from the acquisition of companies through merger or absorption is recognised as an intangible asset, whereas goodwill arising from the acquisition of subsidiaries, associates and joint ventures is included in the acquisition cost and, then, shown as an increase in the value of the investments.
At a subsequent financial reporting date, goodwill is recognised net of any cumulative impairment losses and is not amortised.

Goodwill is tested for impairment annually. Impairment losses on goodwill are recognised in profit and loss item 230. "Impairment of goodwill". In respect of goodwill, no write-backs are allowed.
Goodwill relates to buy-outs of divisions or companies engaged in trading activities or the distribution of financial, banking and insurance products through personal financial advisors. These activities have been fully integrated with the Bank's ordinary operations; as a result, it is not possible to isolate the contribution of each company/business division from the Bank's overall business. This means that to establish the reasonableness of the value of goodwill recognised in the financial statements it is necessary to take account of the Bank's comprehensive income. The cash generating unit (CGU) is the Bank as a whole.
In view of the specific business model adopted by the Bank, which involves a high level of integration between personal financial advisors and the trading and banking platform, so that the personal financial advisors network is an integral part of the overall offer, which includes banking, brokerage and investing services, an allocation of costs/revenues to the macro areas of activity is not considered relevant or meaningful.

Please see Section 12.3 Intangible assets - Other information in Part B below for further information on goodwill and related impairment tests.

10 - Non-current Assets Held for Sale

These categories include individual assets held for disposal (tangible, intangible and financial assets) or groups of assets held for sale, with the associated liabilities, as required by IFRS 5.
Individual assets (or groups of assets held for sale) are recognised in item 140. "Non-current assets and disposal groups held for sale" and 90. "Liabilities included in disposal groups classified as held for sale", respectively, at the lower of their carrying amounts and fair values less costs to sell.
The revaluation reserves relating to Non-current assets held for sale, which are recorded as a contra item to changes in value relevant for this purpose, are reported separately in the Statement of Comprehensive Income (see Part D - Comprehensive Income).
The net balance of profits (dividends, interest income, etc.) and losses (interest expense, etc.) attributable to groups of assets or liabilities held for sale are recognised in the income statement under item 280. "Profit (Loss) after tax from discontinued operations". Profits and losses attributable to individual assets held for disposal are recognised in the income statement under the most appropriate item.

At the balance sheet date, the Bank held no non-current assets classified as held for sale.

Part A - Accounting Policies (Continued)

11 - Current and Deferred Tax

Tax assets and liabilities are recognised in the balance sheet respectively in asset item 130. "Tax assets" and in liability item 80. "Tax liabilities".
In compliance with the "Balance sheet liability method", current and deferred tax items are:
- current tax assets, i.e. amount of tax paid in excess of income tax due under the current national tax regulations;
- current tax liabilities, i.e. tax payables due under the current Italian tax regulations;
- deferred tax assets, i.e. amounts of income tax recoverable in future fiscal years and relating to:
  - deductible temporary differences;
  - the carry-forward of unused tax losses;
  - the carry-forward of unused tax credits;
- deferred tax liabilities, i.e. the payables for income tax due in future fiscal years in respect of taxable temporary differences.

Current and deferred tax assets and tax liabilities are calculated in accordance with local tax regulations and are recognised in profit or loss on an accrual basis. More specifically, for current IRES income tax, a rate of 27.50% has been calculated; for IRAP corporate tax, the rate applied was 5.57%.
In general, deferred tax assets and liabilities arise when there is a difference between the accounting treatment and the tax treatment of the carrying amount of an asset or liability.

Deferred tax assets and liabilities are recognised applying tax rates that at the balance sheet date are expected to apply in the period when the carrying amount of the asset will be recovered or the liability will be settled on the basis of tax regulations in force, and are periodically reviewed in order to reflect any changes in regulations.
In this regard, it should be noted that the effects of the reduction in the IRES income tax rate from 27.50% to 24% introduced, with effect from January 1, 2017 effective for tax periods after the period to December 31, 2016, introduced by the Stability Law for 2016 were "neutralised" for the Bank as a result of the introduction, by the same Law, of an additional 3.5 percentage points for credit and financial institutions effective for the same tax periods.
Furthermore, deferred tax assets are recognised only to the extent that it is probable that sufficient future taxable profit will be generated by the Bank.
In accordance with the provisions of IAS12, the probability that sufficient future taxable profit will be available, against which the deferred tax assets can be utilised, is reviewed periodically. The carrying amount of deferred tax assets should be reduced to the extent that it is not probable that sufficient taxable profit will be available.
Deferred tax liabilities are always recognised.
Current and deferred taxes are recognised in profit and loss item 260. "Tax expense (income) related to profit or loss from continuing operations", except for tax referred to items that in the same or in another fiscal year are credited or charged directly to equity, such as those relating to valuation gains or losses on available-for-sale financial assets, whose changes in value are recognised, after tax, under the revaluation reserves directly in the statement of comprehensive income.

Current tax assets are shown in the balance sheet net of related current tax liabilities, where the following requirements are met:
- there is a right to offset the recognised amounts; and
- there is an intention to settle the asset and liability positions with a single payment on a net basis or to realize the asset and settle the liability simultaneously.

Deferred tax assets are shown in the balance sheet net of related deferred tax liabilities, where the following requirements are met:
- there is a right to offset the underlying current tax assets with the current tax liabilities; and
- deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or different taxable entities which intend to settle current tax assets and liabilities on a net basis (usually under a tax consolidation agreement).

12 - Provisions for Risks and Charges

Retirement Payments and Similar Obligations

Retirement provisions – i.e. provisions for employee benefits paid after leaving employment – are defined as defined contribution plans or defined benefit plans according to the economic nature of the plan.
In particular:
- defined-benefit plans provide a series of benefits depending on factors such as age, years of service and compensation policies. Under this type of plan actuarial and investment risks are borne by the company;
- defined-contribution plans are plans under which the company makes fixed contributions. Benefits are the result of the amount of contributions paid and return on contributions invested. The employer bears no actuarial and/or investment risks connected with this type of plan as it has no legal or implicit obligation to make further contributions, should the plan not be sufficient to provide benefit to all employees.

Defined-benefit plans are present-valued by an external actuary using the unit credit projection method.
This method distributes the cost of the benefit evenly over the employee's working life. The liability is determined as the present value of average future payments adjusted according to the ratio of years of service to theoretical total years of service at the time of payment of the benefit.

More specifically, the amount recognised according to IAS 19 Revised, as a net liability/asset in item 120. Provisions for risks and charges - a) Post-retirement benefit obligations is the present value of the obligation at the balance sheet date, less any pension charges relating to benefits already provided but not yet recognised, less the fair value at the balance sheet date of plan assets other than those due to directly settle the obligations adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. Actuarial gains or losses from the defined-benefit liabilities are recognised through other comprehensive income under Revaluation reserves.

The discount rate used to discount obligations (whether financed or not) relating to benefits to be provided after retirement varies according to the currency of denomination and country where the liabilities are allocated and is determined on the basis of market yield at the balance sheet date of prime issuers' bonds with an average life in keeping with that of the relevant liability.

At the balance sheet date, the Bank did not have provisions for retirement payments and similar obligations.

Other Provisions

Provisions for risks and charges consist of liabilities recognised when:
- the entity has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amounts recognised as provisions are the best estimate of the expenditure required to settle the present obligation. The risks and uncertainties that inevitably surround the relevant events and circumstances are taken into account in reaching the best estimate of a provision.
Where the effect of the time value of money is significant (generally when payment is to be made more than 18 months from recognition), the amount of the provision should be the present value of the best estimate of the cost required to settle the obligation. The discount rate used reflects the current market assessments.

Provisions are reviewed periodically and adjusted to reflect the current best estimate. If it becomes clear that it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Provisions are used only for expenses for which they were originally recognised. Provisions for the year are recognised in the income statement item 160. "Provisions for risks and charges" and include increases due to the passage of time; they are also net of any re-attributions.

"Other provisions" also include obligations relating to benefits due to agents, specifically supplementary customer portfolio payments and contractual payments, which are measured as per defined benefit plans; accordingly, these obligations are calculated using the unit credit projection method (see paragraph "Retirement Payments and Similar Obligations"), and payments under non-competition agreements.

In certain cases, provisions for risks and charges (for example related to staff expenses and administrative costs) have been recognised under their own item in the income statement to better reflect their nature.

13 - Liabilities and Securities in Issue

The items "Deposits from banks", "Deposits from customers" and "Debt Securities in issue" are used for all forms of third party funding other than trading liabilities or those valued at fair value through profit and loss.

These financial liabilities are recognised on the settlement date principle initially at fair value, which is normally the consideration received less transaction costs directly attributable to the financial liability. Subsequently these instruments are measured at amortised cost using the effective interest method.

Hybrid debt instruments relating to equity instruments, foreign exchange, credit instruments or indexes, are treated as structured instruments. The embedded derivative is separated from the host contract and recognised as a derivative, provided that separation requirements are met, and recognised at fair value. The embedded derivative is initially recognised at fair value and subsequently reassessed. Any subsequent changes in fair value are recognised in profit and loss item 80. "Gains (losses) on financial assets and liabilities held for trading". The difference between the total amount received and the fair value of the embedded derivative is attributed to the host contract.

Instruments convertible into treasury shares require the recognition, at the issuing date, of a financial liability and an equity component recognised in item 150. “Equity instruments”, whenever the contractual terms provide for physical delivery. The equity component is initially measured at residual value, i.e., the overall value of the instrument less the separately determined value of a financial liability with no conversion clause and the same cash flow. The financial liability is initially recognised at amortised cost using the effective interest method.

Part A - Accounting Policies (Continued)

Securities in issue are recognised net of repurchased amounts; the difference between the carrying value of the liability and the amount paid to buy it in is taken to profit and loss under item 100.d) "Gains (losses) on buy-ins of financial liabilities". Subsequent disposal by the issuer is considered as a new issue, which does not produce gains or losses.

The Bank's debts do not include covenants (see glossary in the attachments) that would cause default or restructuring events. There are no debt instruments involving convertibility to equity instruments (under IASB IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments).

At the balance sheet date, the Bank did not have any debt securities in issue and had not issued any hybrid debt instruments or instruments convertible into own shares.

14 - Financial Liabilities Held for Trading

Financial liabilities held for trading include:
- derivatives that are not designated as hedging instruments;
- obligations to deliver financial assets borrowed by a short seller (i.e., an entity that sells financial assets it does not yet own);
- financial liabilities issued with an intention to repurchase them in the near term;
- financial liabilities that are part of a portfolio of financial instruments considered as a unit and for which there is evidence of a recent pattern of trading.

HfT financial liabilities, including derivatives, are measured at fair value initially and for the life of the transaction, except for derivative liabilities settled by delivery of an unlisted equity instrument whose fair value cannot reliably be measured, and which are therefore measured at cost.

15 - Financial Liabilities at Fair Value through Profit or Loss

According to IAS 39, financial liabilities, as well as financial assets, may also be designated on initial recognition as measured at fair value, provided that:
- this designation eliminates or considerably reduces the discrepancy that could arise from the application of different methods of measurement of assets and liabilities and related gains or losses;

or
- a group of financial assets, financial liabilities or both are managed and measured at fair value under risk management or investment strategy which is internally documented with the Bank's Board of Directors or equivalent body.

This category may also include financial liabilities represented by hybrid (combined) instruments containing embedded derivatives that otherwise should have been separated from the host contract.
These transactions are recognised in the same way as the HfT financial liabilities, with gains and losses, both realised and unrealised, recognised in item 110. "Gains (losses) on financial assets and liabilities at fair value through profit and loss".

At the balance sheet date, the Bank did not hold any financial liabilities classified as "Financial liabilities at fair value through profit or loss".

16 - Foreign Currency Transactions

A foreign currency transaction is recognised at the spot exchange rate of the transaction date.

Foreign currency monetary assets and liabilities are translated at the closing rate of the period.

Exchange differences arising from settlement of monetary items at rates different from those of the transaction date and unrealised exchange rate differences on foreign currency assets and liabilities not yet settled, other than assets and liabilities designated as measured at fair value and hedging instruments, are recognised in profit and loss item 80. "Gains and losses on financial assets and liabilities held for trading".
Non-monetary assets and liabilities recognised at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.
Non-monetary items that are measured at fair value in a foreign currency are translated at the closing rate. In this case the exchange differences are recognised:
- in profit and loss if the financial asset or liability is HfT;
- in the statement of comprehensive income and shown in revaluation reserves if the financial asset is AfS.

All exchange differences recorded under revaluation reserves in shareholders' equity are also reported in the Statement of Comprehensive Income.

17 - Other Information

Business combinations

A business combination is a transaction through which an entity obtains control of a company or of a business segment, thus bringing together different businesses into one reporting entity.
A business combination may result in a Parent-subsidiary relationship in which the acquirer is the Parent and the acquiree a subsidiary of the acquirer.
A business combination may involve the purchase of the net assets of another entity, in which case goodwill can arise, or the purchase of the equity of the other entity (mergers).
IFRS 3 requires that all business combinations involving the purchase of a division shall be accounted for by applying the purchase method that involves the following steps:
- identifying an acquirer;
- measuring the cost of the business combination;
and
- allocating, at the acquisition date, the cost of the business combination to the assets acquired and liabilities and contingent liabilities assumed.

The cost of a business combination is the aggregate of the fair value, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the acquirer, in exchange for control of the acquiree.
The acquisition date is the date on which the acquirer effectively obtains control of the acquiree. When this is achieved through a single exchange transaction, the date of exchange coincides with the acquisition date.

A business combination may involve more than one exchange transaction; nevertheless, the cost of the business combination remains equal to the fair value of the total shareholding acquired. This involves the revaluation at fair value - and the recognition of the effects in the Income Statement - of the equity investments previously held in the acquired entity.

The cost of a business combination is allocated by recognizing the assets, the liabilities and the identifiable contingent liabilities of the acquired company at their acquisition-date fair value. Exceptions to this principle are deferred income tax assets and liabilities, employee benefits, indemnification assets, reacquired rights, non-current assets held for sale, and share-based payment transactions that are subject to review in accordance with the principle applicable to them.
The positive difference between the cost of the business combination and the acquirer’s interest at fair value, net of the identifiable assets, liabilities and contingent liabilities, must be accounted for as goodwill.
After initial recognition, goodwill is tested for impairment at least annually.
If the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the acquirer shall reassess the fair values and immediately recognise any excess remaining after that reassessment in profit or loss.
In the case of business combinations resulting in a Parent company-subsidiary (acquirer-acquiree) relationship, the equity investment is accounted for under the cost method.

Derecognition of financial assets

Derecognition is the removal of a previously recognised financial asset from an entity's balance sheet.

Before evaluating whether, and to what extent, derecognition is appropriate, under IAS 39 an entity should determine whether the relevant conditions apply to a financial asset in its entirety or to a part of a financial asset. The standard is applied to a part of financial assets being transferred if, and only if, the part being considered for derecognition meets one of the following conditions:
- the part comprises only specifically identified cash flows from a financial asset (or a group of assets), e.g. interest cash flows from an asset;
- the part comprises a clearly identified percentage of the cash flows from a financial asset, e.g., a 90 per cent share of all cash flows from an asset;
- the part comprises only a fully proportionate (pro rata) share of specifically identified cash flow, e.g. 90 per cent share of interest cash flows from an asset.

In all other cases, the standard is applied to the financial asset in its entirety (or to the group of similar financial assets in their entirety).
An entity shall derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the contractual rights to receive the cash flows of the financial asset to a third party.
Rights to cash flow are considered to be transferred even if contractual rights to receive the asset's cash flow are retained but there is an obligation to pay this cash flow to one or more entities and all the following conditions are fulfilled (pass-through agreement):
- there is no obligation on the Bank to pay uncollected amounts associated with the original asset;
- sale or pledge of the original asset is not allowed, unless it secures the obligation to pay cash flow;
- the Bank is obliged to transfer forthwith all cash flows received and may not invest them, except for liquidity invested for the short period between the date of receipt and that of payment, provided that the interest accrued in that period is paid on.

Part A - Accounting Policies (Continued)

Recognition is also subject to verification of effective transfer of all the risks and rewards of ownership of the financial asset. If the entity transfers substantially all the risks and rewards of ownership of the financial asset, the entity shall derecognise the asset (or group of assets) and recognize separately as assets or liabilities any rights and obligations created or retained in the transfer.
The main transactions that do not allow, under the above rules, total derecognition of a financial asset are securitizations, repurchase (sell and buy- backs) and securities lending transactions.
In the case of repurchase transactions and stock lending, the assets transacted are not derecognised since the terms of the transaction entail the retention of all their risks and rewards.

Lastly, it should be noted that securities lending transactions collateralised by other securities or not collateralised were recorded as off-balance sheet items.

Repos and securities lending

Securities received in a transaction that entails a contractual obligation to sell them at a later date or delivered under a contractual obligation to repurchase are neither recognised nor derecognised. In respect of securities purchased under an agreement to resell, the consideration is recognised as a loan to customers or banks, or as an asset held for trading. In respect of securities held in a repurchase agreement, the liability is recognised as due to banks or customers, or as financial liabilities held for trading. Revenue from these loans, being the coupons accrued on the securities and the difference between the sale/purchase and resale/repurchase prices, is recognised in profit or loss through interest income and expenses on an accruals basis.
These transactions can only be offset if, and only if, they are carried out with the same counterparty and provided that such offset is provided for in the underlying contracts.
The same rules apply to securities lending transactions collateralised by cash fully available to the lender.
The profit or loss items connected with these transactions are booked respectively:
- in the item Interest, for the positive component (borrower) and the negative component (lender) related to the return on cash paid to the lender;
- in the item Fees and commissions, for the negative component (borrower) and the positive component (lender) related to the service received (provided) through the provision of the security by the lender.

With reference to securities lending transactions collateralised by other securities, or not collateralised, the security lent or the security put up as collateral are still recognised as assets in the balance sheet, depending on the role - lender or borrower, respectively - played in the transaction.

Counterparty risk related to the latter types of securities lending or borrowing transactions is shown under the off-balance sheet exposures in the tables of Part E - Section 1 - Credit risk - A. Credit quality.

Equity instruments

Equity instruments represent a residual interest in assets of the Bank, net of liabilities. An instrument is classified as equity instrument if there are no contractual obligations to make payments in the form of principal, interest or other types of returns.
Specifically, instruments that meet the following requirements are classified as equity instruments:
- unlimited term or at least equal to the term of the company;
- full discretion of the issuer in coupon payments and redemptions, also advanced, of the principal outstanding.

Equity instruments include Additional Tier 1 instruments under Regulation (EU) No. 575/2013 (CRR) on prudential requirements for credit institutions and investment firms, which in addition to the above characteristics:
(i) maintain the issuer's full discretion as to the reinstatement of the nominal value (write-up) following a capital event that resulted in a write-down;
(ii) do not include provisions that require the issuer to make payments (must pay clauses) as a result of actual events under the control of the parties.

Equity instruments other than ordinary or savings shares are classified in item 150. "Equity instruments" for the amount received including transaction costs attributable to the transaction. Any coupons paid, net of related taxes, are deducted from Item 160. "Reserves".
Any difference between the amount paid for extinguishing or repurchasing these instruments and their book value is recognized in item 160. "Reserves".

At the balance sheet date, the Bank had not issued any "Equity instruments".

Treasury Shares

Changes in treasury shares are reported as a direct contra item to shareholders' equity, i.e. as a reduction to the latter in the amount of any purchases, and as an increase in the amount of any sales proceeds. This entails that, if treasury shares are subsequently sold, the difference between the sale price and the related post-tax repurchase cost is recognised entirely through other comprehensive income.

Provision for employee severance pay

The "TFR" provision for Italy-based employee benefits is to be construed as a "post-retirement defined benefit". It is therefore recognised on the basis of an actuarial estimate of the amount of benefit accrued by employees discounted to present value. This benefit is calculated by an external actuary using the unit credit projection method (see Section 12 - under Provisions for Risks and Charges - Retirement Payments and Similar Obligations). This method distributes the cost of the benefit evenly over the employee's working life. The liability is determined as the present value of average future payments adjusted according to the ratio of years of service to total years of service at the time of payment of the benefit.

Following pension reform by Law 252 of December 5, 2005, TFR instalments accrued to December 31, 2006 (or to the date between January 1, 2007 and June 30, 2007 on which the employee opted to devolve their TFR to a supplementary pension fund) stay in the employer and are considered a post-employment defined benefit plan therefore incurring actuarial valuation, though with simplified actuarial assumptions, i.e., forecast future pay rises are not considered.

TFR instalments accrued since January 1, 2007 (date of Law 252 coming into effect) (or since the date between January 1, 2007 and June 30, 2007) are, at the employee's discretion, either paid into a pension fund or left in the company and (where the company has in excess of 50 employees) paid into an INPS Treasury fund by the employer, and are assimilated to a defined-contribution plan.

Costs relating to TFR are recognised in the Income Statement in item 150.a) "Administrative costs: staff expenses" and include, for the part of the defined benefit plan: (i) interest cost accrued in the year, for the part of plan considered defined contribution plan (ii) the accrued instalments for the year paid into the complementary pension scheme or to the Treasury fund of INPS.

Actuarial gains and losses, defined as the difference between the carrying amount of the liability and the present value of obligations at period end, are recognised in Shareholders' equity under the Revaluation reserves in accordance with IAS 19 Revised and are also shown in the Statement of Comprehensive Income.

Share-Based Payment

Equity-settled payments made to employees or other staff (in particular, personal financial advisors) in consideration of work services rendered or other goods received or services rendered, using shares of the Bank or the parent, which consist of:

- stock options;
- rights to receive shares upon attainment of certain objectives, which are settled with equity instruments;
- rights to receive shares upon attainment of certain objectives, which are settled in cash.

Considering the difficulty of reliably measuring the fair value of the services acquired against equity-settled payments, reference is made to the fair value of the instruments, measured at the date of their allocation.

The fair value of equity-settled payments using the Bank's shares in exchange of work or services is recognised as cost in profit and loss item 150. “Administrative costs” as a contra-entry to the item 160. "Reserves", on an accruals basis over the period in which the services are acquired.

As for share-based payments settled in cash in favour of personal financial advisors, the services acquired and the liabilities assumed are measured at the latter’s fair value, recognised in Item 100. "Other Liabilities". Until the liability is settled, the fair value is recalculated at each balance sheet date until the settlement date, and all changes in fair value are recognised in item 50. “Fee and commission expenses”.

Share based payments consisting in the payment of shares of the Parent Company directly allocated to employees of the Bank that involve settlement with shares of the Parent Company, under arrangements between the Bank and the Parent Company for their cash settlement, are measured at fair value, calculated when the related rights are assigned, recognised as a cost in profit and loss item 150 "Administrative costs", as a contra entry to item. 100. "Other Liabilities", on an accruals basis over the period in which the services are acquired.

Other Long-term Employee Benefits

Long-term Employee Benefits are recognised in item 100. "Other liabilities" on the basis of the measurement of the liability at the balance sheet date.

Guarantees given and credit derivatives treated as equivalent

Guarantees given and credit derivatives treated as equivalent, in accordance with IAS 39 (contracts that require the issuer to make specified payments to the holder to indemnify the latter for actual losses borne due to the default of a specific debtor on payment at a maturity set by a debt instrument) are recognised in item 100. "Other Liabilities".

On first recognition guarantees given are recognized at fair value, which usually corresponds to the amount received when the guarantee is issued. After initial recognition, guarantees given are recognized at the greater of the initially recognized value, net of any amortized portion, and the estimated amount required to meet the obligation.

The effects of valuation, related to any impairment of the underlying, are recognised in the same balance-sheet item contra item 130.d) "Write-downs and write-backs due to impairment of other financial transactions" in the income statement.

Offsetting Financial assets and Financial liabilities

The accounting offsetting of assets and liabilities items has been performed according to IAS 32, assessing the fulfilment of the following requirements:

- current legal enforceable right to set off the recognised amounts;
- intention either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Part A - Accounting Policies (Continued)

In accordance with IFRS 7, further information has been provided in the tables of Note to the accounts, in Part B, Section 15 - Other information.

Those tables show the following in particular:
- the carrying amounts, before and after the accounting offsetting effects, related to the financial assets and liabilities that meet the criteria for applying those effects;
- the amount of the exposures that do not meet the above mentioned criteria, but are included in master netting agreements, or similar agreements, that create the right to set-off only under specific circumstances (e.g., default events);
- the amount of the related collateral.

RECOGNITION OF INCOME AND EXPENSES

Interest Income and Expense

Interest income and expense and similar income and expense items relate to monetary items - i.e., liquidity and debt financial instruments, held for trading measured at fair value through profit or loss or available for sale, HtM financial assets, loans and receivables, deposits, and debt securities in issue.

Interest income and expense are recognised through profit or loss with respect to all instruments measured at amortised cost, using the effective interest method.
Interest also includes the net credit or debit balance of differentials and margins on financial derivatives:
- hedging interest-bearing assets and liabilities;
- HfT but linked for business purposes to assets and liabilities designated as measured at fair value (fair value option);
- linked for business purposes to HfT assets and liabilities paying differentials or margins on different maturities.

Fees and Commissions

Fees and commissions are recognised according to the provision of the services from which they have arisen.
Securities trading commission is recognised at the time the service is rendered. Advisory fees and investment fund management fees are recognised on a pro-rata temporis basis.
Fees included in amortised cost used to calculate effective interest rates are not included under fees and commissions, since they are part of the effective interest rate.

Dividends

Dividends are recognised in the profit and loss account for the year in which their distribution has been approved.

RELEVANT IFRS DEFINITIONS

The main definitions introduced by IFRS are described below, other than those dealt with in previous sections.

Amortised cost

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

The effective interest method is a method of allocating the interest income or interest expense over the life of a financial asset or liability. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset or financial liability. The calculation includes all fees and basis points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Commissions forming an integral part of the effective interest rate include loan drawdown fees or underwriting fees relating to a financial asset not designated at fair value, e.g., fees received as compensation for the assessment of the issuer's or borrower's financial situation, for valuation and registration of security, and generally for the completion of the transaction (management fees).
Transaction costs include fees and commissions paid to agents (including employees acting as selling agents), advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Transaction costs do not include debt premiums or discounts, financing costs or internal administrative or holding costs.

Impairment of financial assets

At each balance sheet date an entity assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.
A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

It may not be possible to identify a single, discrete event that caused the impairment. Rather the combined effect of several events may have caused the impairment. Losses expected as a result of future events, no matter how likely, are not recognised.

Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to our attention about the following loss events:
a) significant financial difficulty of the issuer or obligor;
b) a breach of contract, such as a default or delinquency in interest or principal payments;
c) the lender, for economic or legal reasons relating to the borrower's financial difficulty, granting a concession to the borrower which the lender would not otherwise consider;
d) it becoming probable that the borrower will enter bankruptcy or other financial reorganization;
e) the disappearance of an active market for that financial asset because of financial difficulties; however, the disappearance of an active market due to the fact that a company's financial instruments are no longer traded publicly is no evidence of impairment;
f) observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets, including:
• adverse changes in the payment status of borrowers;
or
• national or local economic conditions that correlate with defaults on the assets.
Objective evidence of impairment for an investment in an equity instrument includes information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment may not be recovered. A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost is also objective evidence of impairment.

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account. The amount of the loss is recognised in profit and loss item 130. "Impairment losses" and the asset's carrying value is reduced.
For instruments classified as available-for-sale financial assets, this amount is equal to the balance of the negative Revaluation reserve (see Section 2 - Available-for-sale financial assets).

If the terms of a loan, receivable or held-to-maturity investment are renegotiated or otherwise modified because of financial difficulties of the borrower or issuer, impairment is measured using the original effective interest rate before the modification of terms. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. If a loan, receivable or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.
The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.
A reduction in the fair value of a financial asset below its cost or amortised cost is not necessarily an indication of impairment (e.g. reduction in the fair value of an investment in a debt instrument resulting from an increase in the risk-free interest rate).

Objective evidence of impairment is initially assessed individually; however, if it is determined that there is no objective evidence of individual impairment, the asset is included in a group of financial assets with similar credit risk characteristics and assessed collectively.

Formula-based approaches and statistical methods may be used to assess impairment losses on a group of financial assets. Models used incorporate the temporary value of money, and consider cash flows over the entire residual life of the asset (not just the following year) and do not give rise to an impairment loss on initial recognition of a financial asset. They take into account losses already sustained but not manifest in the group of financial assets at the time of measurement, on the basis of past experience of losses on assets having a similar credit risk to the group of assets being measured.
The process of estimating impairment losses considers all credit exposures, not only those of low credit quality, which reflect a serious impairment.

Part A - Accounting Policies (Continued)

Reversals of impairment losses

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed. The amount of the reversal is recognised in profit and loss item 130. "Impairment losses/write-backs", except for equity instruments classified as available-for-sale financial assets (see Section 2 - Available-for-sale financial assets).

The reversal shall not result - at the date the impairment is reversed - in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised.

A.3 Disclosure on transfers between portfolios of financial assets

IAS 39 and IFRS 7 allow certain financial assets to be reclassified, after initial recognition, out of the "Financial assets held for trading" and "Available-for-sale financial assets" portfolios.

Specifically, the following may be reclassified:

- the financial assets held for trading or available for sale that would have satisfied the definition established by the international accounting standards for the loan portfolio (if those assets had not been respectively classified as held for training or available for sale on initial recognition) if the entity intends, and is able, to hold them for the foreseeable future or until maturity;
- "only in rare circumstances" the financial assets held for trading that did not satisfy the definition of loans upon initial recognition.

The Bank has not reclassified any financial assets from the "held-for-trading" or the portfolio to the loan portfolio.

In 2016, the Bank reclassified the Available-for-sale financial assets consisting of Italian and Spanish government securities to the Held-to-maturity investments portfolio, for a fair value, at the reclassification date, of €2,121,923 thousand. The reclassification was consistent with the Bank's objective of obtaining stable income flows over the medium/long-term and in line with the business and financial outlooks stated by the Bank in its planning. With regard to the ability to hold the securities to maturity, over the years the Bank has experienced significant growth in its direct and indirect sales and has steadily strengthened its market position and available liquidity. In managing its securities portfolio, the Bank has always adopted a non-speculative approach, consisting of holding the securities to maturity, and has limited itself solely to renewals and extensions of the maturities.

The tables below show the book value and the fair value as at December 31, 2016 of the assets reclassified in 2016, as well as the profit or loss items relating to those assets, distinguishing between those that would have been recorded if the transfer had not been made and those that were actually recorded in profit or loss or in equity, and the effects on comprehensive income.

The profit or loss items, before tax, are further separated between those arising "from measurement" (including any write-downs) and "other" (including interest and gains/losses on the disposal of the transferred assets).

The net result that would have been recognised through profit or loss for the year 2016 after the transfer, if these assets had not been reclassified, would have been a gain of €1,449 thousand, whereas the impact actually recognised after the transfer was a gain of €1,445 thousand.

The result of the valuations that would have been recognised in equity for the year 2016 after the transfer, if these assets had not been reclassified, would have been a gain of €15,891 thousand.

A.3.1 Reclassified financial assets: book value, fair value and effects on comprehensive income

(Amounts in € thousand)

TYPE OF FINANCIAL INSTRUMENT (1)	SOURCE PORTFOLIO (2)	TARGET PORTFOLIO (3)	BOOK VALUE AS AT 12.31.2016	FAIR VALUE AS AT 12.31.2016	INCOME ITEMS WITHOUT TRANSFER (BEFORE TAX)		INCOME ITEMS RECOGNISED DURING THE YEAR (BEFORE TAX)	
					VALUATION (6)	OTHER (7)	VALUATION (8)	OTHER (9)
Debt securities	Available-for-sale financial assets	Held-to-maturity investments	2,145,518	2,161,299	15,891	1,449	-	1,445

A.3.2 Reclassified financial assets: Impact on comprehensive income before transfer

(Amounts in € thousand)

TYPE OF FINANCIAL INSTRUMENT (1)	SOURCE PORTFOLIO (2)	TARGET PORTFOLIO (3)	UNREALISED GAIN/LOSS THROUGH PROFIT OR LOSS (BEFORE TAX)		UNREALISED GAIN/LOSS THROUGH EQUITY (BEFORE TAX	
			12.31.2016	12.31.2015	12.31.2016	12.31.2015
Debt securities	Available-for-sale financial assets	Held-to-maturity investments	-	-	(5,600)	(1,920)

A.3.3 Transfer of financial assets held for trading

No data to report.

A.3.4 Effective interest rate and cash flows expected from reclassified assets

At the reclassification date, the expected cash flows upon maturity of the assets reclassified during 2016 amounted to a total of €2,178,787 thousand, with an average effective interest rate of 0.5%.

A.4 Information on fair value

Qualitative information

This section presents a disclosure on fair value hierarchy as required by IFRS 13.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market at the measurement date (i.e. an exit price).

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

For financial instruments listed in active markets, fair value is determined on the basis of official prices in the principal market (most advantageous) to which the Bank has access (Mark to Market).

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from a pricing service, dealer, broker, agency that determines prices or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If a published price quotation in an active market does not exist for a financial instrument in its entirety, but active markets exist for its component parts, fair value is determined on the basis of the relevant market prices for the component parts.

If market quotations or other observable inputs, such as the quoted price of a similar instrument in an inactive market, are not available, the Bank should use other valuation techniques, such as:
(i) a market approach (e.g. using quoted prices for similar liabilities or equity instruments held by other parties as assets);
(ii) cost approach (e.g. it reflects the amount that would be required currently to replace the service capacity of an asset, that is the current replacement cost);
(iii) an income approach (e.g. a present value technique that takes into account the future cash flows that a market participant would expect to receive from holding the liability or equity instrument as an asset).

The Bank uses valuation models (Mark to Model) in keeping with the methods generally accepted and used by the market. Valuation models include techniques based on the discounting of future cash flows and on volatility estimates, and they are subject to revision both during their development and periodically in order to ensure their consistency with the objectives of the valuation.

These methods use inputs based on prices set in recent transactions for the instrument being valued and/or prices/quotations for instruments having similar characteristics in terms of risk profile.

Indeed, these prices/quotations are relevant for determining significant parameters in terms of the credit risk, liquidity risk and price risk of the instrument being valued. Reference to these "market" parameters makes it possible to limit the discretionary nature of the valuation, and ensures that the resulting fair value can be verified.

Part A - Accounting Policies (Continued)

If, for one or more risk factors it is not possible to refer to market data, the valuation models employed use estimates based on historical data as inputs. As a further guarantee of the objectivity of valuations derived from valuation models, the Bank employs:
- independent price verifications (IPVs);
- Fair Value Adjustment or FVA.

Independent price verification requires that the prices are verified monthly by Risk Management units that are independent from the units that assume the risk exposure. This verification calls for comparing and adjusting the daily price in line with valuations obtained from independent market participants.

For instruments not listed in active markets, the above verification process uses prices contributed by infoproviders as a reference, and assigns a greater weighting to those prices that are considered representative of the instrument being valued.

This valuation includes: the "executability" of the transaction at the price observed, the number of contributors, the degree of similarity of the financial instruments, the consistency of prices from different sources, and the process followed by the infoprovider to obtain the information.

A.4.1 Fair value levels 2 and 3: valuation techniques and input used

To determine the fair value of Level 2 and Level 3 financial instruments that are not listed and actively traded on the market, the Bank utilises the valuation techniques widely-used in the market that are described below.

Discounted cash flow

Discounted cash flow valuation techniques generally consist of developing an estimate of future cash flows that are expected to occur over the life of an instrument. The model requires the estimation of the cash flow and the adoption of market's parameters for the discounting: discount rate or discount margin reflects the credit and / or funding spreads required by the market for instruments with similar risk and liquidity profiles to produce a "present value". The fair value of the contract is given by the sum of the present values of future cash flow.

Adjusted NAV

Net asset value is the total value of a fund's assets less liabilities. An increase in net asset value would result in an increase in a fair value measurement.

Internal valuation models - Market multiples

The market multiples approaches based on the price of can parable assets (listed companies belonging to the same industry sector) applied to the fashion and shall statement figures and therefore represents the relationship between the price (capitalisation) and the financial statement figures. The financial statements most commonly used are earnings, shareholders' equity and sales.

Fair Value Adjustment (FVA)

Fair value adjustment is defined as the amount to be added either to the market observed mid-price or to the theoretical price generated by a valuation model with the aim of obtaining a fair value of the position. The FVA thus ensure that fair value reflects the realisation amount from an actual possible market transaction.

A.4.2 - Valuation processes and sensitivity of fair value measurements

The Bank verifies that the value attributed to each trading position reflects the current fair value in an appropriate way. Assets and liabilities subject to fair value measurements are determined using different techniques, among which (but not only) models such as discounted cash flow and internal models. On the basis of the observability of the input used, all instruments are classified as Level 1, Level 2 or Level 3 of the fair value hierarchy. When a position is characterised by one or more significant inputs that are not directly observable, a further price verification procedure is implemented. These procedures include the revision of relevant historical data, the analysis of profits and losses, the individual valuation of each component for structural products and benchmarking.
According to the Parent Group Market Risk Governance guidelines, in order to ensure the appropriate level of separation between the functions in charge of development activities and those in charge of validation processes, all valuation models developed by the front offices of Group companies are independently and centrally tested and validated by the Group Internal Validation functions. The aim of this independent control structure is to evaluate the model risk deriving from theoretical robustness, calibration techniques where applicable and appropriateness of the model for a specific product in a defined market point of views.
In addition to the daily mark to market or mark to model valuation, the Independent Price Verification (IPV) is applied monthly by the Bank's Market Risk with the aim of guaranteeing an independent fair value.

A.4.3 Fair value hierarchy

The IFRS 13 principle establishes a fair value hierarchy according to the observability of the input used in the valuation techniques adopted.
In particular, three levels are considered:

- Level 1: fair value for instruments classified within this level is determined according to the quoted prices on active markets;
- Level 2: fair value for instruments classified within this level is determined according to the valuation models which use observable market inputs;
- Level 3: fair value for instruments classified within this level is determined according to valuation models which prevalently use significant inputs not observable on active markets.

A.4.4 Other information

Hereby we provide IFRS 13 disclosure requirements.

Assets and liabilities measured at fair value on recurring basis

Fixed Income Securities

Fixed Income Securities are priced in a two-tier process depending on the liquidity in the respective market. Liquid instruments in active markets are marked to market and consequently positions in these instruments are disclosed in reference to Fair Value Hierarchy under Level 1.
Instruments not traded in active markets are marked to model based on implied credit spread curves derived from the former Level 1 instruments. The model maximizes the use of observable input and minimizes the use of unobservable inputs. With this respect, depending on the proximity of the credit spread curve applied, the bonds are disclosed as Level 2 or Level 3 respectively; Level 3 is applied in case a significant unobservable credit spread is used.
In the global bond Independent Price Verification (IPV) process market prices of Level 1 bonds and pricing models for illiquid bonds are regularly verified for accuracy.

Structured Financial Products

The Bank determines the fair value of structured financial products using the appropriate valuation methodology given the nature of the embedded structure. Such instruments are classified as Level 2 or Level 3 depending on the observability of significant inputs to the model.

OTC derivatives

Fair value of derivatives not traded in an active market is determined using a valuation technique. In such cases, where active markets exist for the components of the derivative, fair value is determined on the basis of the market prices for the individual components. Valuation techniques that are based on significant inputs that are observable are referred to as Level 2 valuations, while those based on techniques that use unobservable inputs are referred to as Level 3 valuations.

Equity Instruments

Equity Instruments are assigned to Level 1 when a quoted price is available on an active market and to Level 3 when no quotations are available or quotations have been suspended indefinitely. These instruments are classified as Level 2 only when trading volume on the market where the instrument is quoted has decreased significantly. For equity instruments measured at cost an impairment is given, if the carrying amount exceeds the recoverable amount significantly and/or over a prolonged period of time.
For the measurement of the Visa INC class "C" preferred shares, the Bank has adopted the model developed by the Parent Company to determine the fair value that converts the market price in dollars of the Visa INC class "A" shares into euro and applies a discount factor of 15.83%, determined by estimating the litigation risk (9.83%) and the illiquidity risk (6%). The litigation risk component was extracted from historical series of data provided by Visa INC, whereas the illiquidity risk component was derived from the illiquidity of the shares, which have limitations on their transferability for a particular period. The Visa INC class "C" preferred shares were assigned a fair value hierarchy of 3.
With regard to the measurement of the exposure in equity instruments recognised as a result of the contribution made to the Interbank Deposit Guarantee Fund - Voluntary Scheme for the capital increase of Cassa di Risparmio di Cesena (fair value level 3), an internal model was developed based on the Price to Tangible Book Value as the basis for Management's decision to fully write down the exposure in view of the numerous and significant elements of uncertainty.

Investment Funds

The investment funds calculate the Net Asset Value (NAV) per unit and may include investments in funds managed by the Group.

Assets and liabilities not measured fair value or measured at fair value on a non-recurring basis

For these financial, instruments fair value is calculated for disclosure purposes only and does not impact the balance sheet or the profit or loss. Additionally, since these assets and liabilities are not generally traded, there is significant management judgment required to determine their fair values as defined by IFRS 13.

Loans and receivables with banks and customers

Fair value for performing Loans and Receivables from customers and banks, recorded ad amortised cost, is determined using the discounted cash flow model adjusted for credit risk. Some portfolios are valued using simplified approaches, which however take into account their financial characteristics. Loans and receivables with banks and customers with a duration of less than 12 months for which the fair value was estimated to be equal to the book value have been assigned the level 3 fair value hierarchy.

Part A - Accounting Policies (Continued)

For the UniCredit securities classified in the "Loans and Receivables" portfolio, the fair value has been calculated using the Group's methodology based on discounted cash flow, which consists of producing an estimate of the estimated cash flows over the life of the instrument and discounting at a rate that incorporates the credit spread. The credit spread is calculated based on the credit spread curve of the issuer, constructed by selecting issues, also from the second market, with the same specific characteristics.
The assessment of the UniCredit securities by Risk Management is then carried out for the purposes of disclosure and second level control.

Liabilities

Fair value for liabilities, recorded at amortised cost, is determined using the discounted cash flow model adjusted for UniCredit credit risk. The Credit Spread is determined using UCG's subordinated and non-subordinated risk curves.
Deposits from banks and customers with a duration of less than 12 months for which the fair value was estimated to be equal to the book value have been assigned the level 3 fair value hierarchy.

Cash and cash balances

Cash and cash balances are not carried at fair value on the Balance Sheets, but they are carried at amounts that approximate fair value, due to their short term nature and generally negligible credit risk.

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: breakdown by level of fair value

(Amounts in € thousand)

ASSETS/LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT AND LOSS	12.31.2016			12.31.2015		
	L1	L2	L3	L1	L2	L3
1. Financial assets held for trading	2,920	3,114	10	1,908	2,059	16
2. Financial assets designated at fair value through profit or loss	-	-	-	-	-	-
3. Available-for-sale financial assets	1,316,221	-	3,531	2,235,494	-	10,483
4. Hedging derivatives	-	552	-	-	-	-
5. Property, plant and equipment	-	-	-	-	-	-
6. Intangible assets	-	-	-	-	-	-
Total	**1,319,141**	**3,666**	**3,541**	**2,237,402**	**2,059**	**10,499**
1. Financial liabilities held for trading	2,004	622	-	1,020	3,080	-
2. Financial liabilities at fair value through profit and loss	-	-	-	-	-	-
3. Hedging derivatives	-	10,914	-	-	31,319	-
Total	**2,004**	**11,536**	**-**	**1,020**	**34,399**	**-**

Key:
L1 = Level 1
L2 = Level 2
L3 = Level 3

A.4.5.1.1 Assets and liabilities measured at fair value on a recurring basis: transfers between levels of fair value hierarchy (level 1 and level 2)

No data to report.

A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (level 3)

(Amounts in € thousand)

	FINANCIAL ASSETS HELD FOR TRADING	FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	AVAILABLE-FOR-SALE FINANCIAL ASSETS	HEDGING DERIVATIVES	PROPERTY, PLANT AND EQUIPMENT	INTANGIBLE ASSETS
1. Opening balance	**16**	**-**	**10,483**	**-**	**-**	**-**
2. Increases						
2.1 Purchases	2,028	-	9,980	-	-	-
2.2 Profits allocated to:						
2.2.1 Income Statement	91	-	4,861	-	-	-
- of which capital gains	-	-	-	-	-	-
2.2.2 Shareholders' equity	X	X	271	-	-	-
2.3 Transfers from other levels	-	-	-	-	-	-
2.4 Other increases	-	-	4	-	-	-
3. Decreases						
3.1 Sales	(2,120)	-	(15,344)	-	-	-
3.2 Reimbursements	-	-	-	-	-	-
3.3 Losses allocated to:						
3.3.1 Income Statement	(5)	-	(6,724)	-	-	-
- of which capital losses	(3)	-	(6,724)	-	-	-
3.3.2 Shareholders' equity	X	X	-	-	-	-
3.4 Transfers to other levels	-	-	-	-	-	-
3.5 Other decreases	-	-	-	-	-	-
4. Closing balance	**10**	**-**	**3,531**	**-**	**-**	**-**

The sub-items 2.2.1 Profits through profit and loss and 3.3.1 Losses through profit and loss are included, where present, in Profit and Loss in the following items:

- Item 80: Gains and losses on financial assets and liabilities held for trading;
- Item 110: Gains and losses on financial assets/liabilities at fair value through profit or loss;
- Item 90: Fair value adjustments in hedge accounting.

The sub-items 2.2.2 Profits recognised in equity and 3.3.2 Losses recognised in equity arising from changes in fair value of Available-for-sale financial assets are recognised, if any, in equity item 130. "Revaluation reserves" - except losses due to impairment and exchange rate gains or losses on monetary items (debt instruments) which are recognised under item 130. b) "Impairment losses on AfS available for sale financial assets" and item 80. "Gains (losses) on financial assets and liabilities held for trading" of the income statement, respectively - until the financial asset is sold, at which time cumulative gains and losses are recognised in profit or loss in item 100.b) "Gains (losses) on disposal or repurchase of AfS financial assets".

A.4.5.3 Annual changes in financial liabilities at fair value level 3

No data to report.

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by level of fair value

(Amounts in € thousand)

ASSET/LIABILITIES NOT MEASURED AT FAIR VALUE OR MEASURED AT FAIR VALUE ON A NON-RECURRING BASIS	12.31.2016				12.31.2015			
	BV	L1	L2	L3	BV	L1	L2	L3
1. Held-to-maturity investments	2,437,777	2,454,979	-	-	-	-	-	-
2. Loans and receivables with banks	15,735,540	-	12,330,314	3,680,608	14,648,904	-	11,786,051	3,204,555
3. Loans and receivables with customers	1,016,798	-	-	1,044,613	922,774	-	-	972,334
4. Property, plant and equipment held for investment	2,397	-	-	4,535	2,509	-	-	4,535
5. Non-current assets and disposal groups classified as held for sale	-	-	-	-	-	-	-	-
Total	**19,192,512**	**2,454,979**	**12,330,314**	**4,729,756**	**15,574,187**	**-**	**11,786,051**	**4,181,424**
1. Deposits from banks	1,111,106	-	-	1,111,106	1,423,459	-	-	1,423,459
2. Deposits from customers	18,801,073	-	21,894	18,779,261	15,822,459	-	49,815	15,772,976
3. Debt securities in issue	-	-	-	-	-	-	-	-
4. Liabilities included in disposal groups classified as held for sale	-	-	-	-	-	-	-	-
Total	**19,912,179**	**-**	**21,894**	**19,890,367**	**17,245,918**	**-**	**49,815**	**17,196,435**

Key:
L1 = Level 1 - L2 = Level 2 - L3 = Level 3 - BV = Book Value

Property, plant and equipment held for investment consist of two properties held by the Bank, the fair value of which corresponds to the market value as determined by an appraisal carried out by an external and independent valuation firm.

Part A - Accounting Policies (Continued)

A.5 Day-one profit/loss

Financial instruments are initially recognised at fair value on the recognition date.
The fair value of financial instruments, other than those measured at fair value through profit or loss, at the recognition date is usually assumed to be equal to the amount collected or paid.
For financial instruments held for trading and financial instruments measured at fair value, any difference from the amount collected or paid is recognised in the appropriate line items of the income statement upon initial measurement of the financial instrument.
The use of prudent valuation models, the review processes of these models and their parameters and value adjustments to reflect model risk ensure that the amount recognized in the income statement is not derived from the use of unobservable valuation parameters. In particular, the quantification of the value adjustments relating to the risk model ensures that the part of the fair value of these instruments that refers to the use of subjective parameters is not recognised through profit or loss, but rather as an adjustment to the equity value of those instruments. Accordingly, this item is only subsequently recognised through profit or loss when there is a predominance of objective parameters and, consequently, when the mentioned adjustments are no longer required.

There are no day-one profits/losses to disclose in accordance with paragraph 28 of IFRS 7.

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Part B - Balance Sheet

Assets

Section 1 - Cash and cash balances - Item 10

1.1 Cash and cash balances: breakdown

(Amounts in € thousand)

	12.31.2016	12.31.2015
(a) Cash	5	6
b) Demand deposits with Central Banks	-	-
Total	**5**	**6**

Section 2 - Financial assets held for trading - Item 20

2.1 Financial assets held for trading: product breakdown

(Amounts in € thousand)

	12.31.2016			12.31.2015		
ITEM/AMOUNT	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
A. On-balance sheet assets						
1. Debt securities	44	-	-	15	30	-
1.1 Structured securities	4	-	-	3	-	-
1.2 Other debt securities	40	-	-	12	30	-
2. Equity Instruments	1,125	-	10	570	-	14
3. UCITS units	1	-	-	-	-	2
4. Loans	-	-	-	-	-	-
4.1 Reverse repos	-	-	-	-	-	-
4.2 Others	-	-	-	-	-	-
Total A	**1,170**	**-**	**10**	**585**	**30**	**16**
B. Derivatives						
1. Financial derivatives	1,750	3,114	-	1,323	2,029	-
1.1 trading derivatives	1,750	3,114	-	1,323	2,029	-
1.2 related to the fair value option	-	-	-	-	-	-
1.3 other	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 trading derivatives	-	-	-	-	-	-
2.2 related to the fair value option	-	-	-	-	-	-
2.3 other	-	-	-	-	-	-
Total B	**1,750**	**3,114**	**-**	**1,323**	**2,029**	**-**
Total (A+B)	**2,920**	**3,114**	**10**	**1,908**	**2,059**	**16**

Financial derivatives refer to the positive valuation of CFD contracts on Forex, indices, shares and interest rates and Futures used for the operational hedging of CFDs on indices and interest rates. They amounted to €3,009 thousand (€2,349 thousand as at December 31, 2015).

Sub-item B.1.1 Derivative instruments - Trading financial derivatives includes the positive valuations of spot contracts for securities classified in the HFT portfolio and currencies to be settled in times established by market practices ("regular way"). They amounted to €1,855 thousand (€1,004 thousand as at December 31, 2015).

2.2 Financial assets held for trading: breakdown by issuer/borrower

(Amounts in € thousand)

ITEM/AMOUNT	12.31.2016	12.31.2015
A. ON-BALANCE SHEET ASSETS		
1. Debt securities	**44**	**45**
a) Governments and Central Banks	6	7
b) Other public entities	-	-
c) Banks	38	38
d) Other issuers	-	-
2. Equity Instruments	**1,135**	**584**
a) Banks	113	312
b) Other issuers:	1,022	272
- insurance companies	10	1
- financial companies	47	3
- non-financial companies	965	268
- other	-	-
3. UCITS units	**1**	**2**
4. Loans	**-**	**-**
a) Governments and Central Banks	-	-
b) Other public entities	-	-
c) Banks	-	-
d) Other entities	-	-
Total A	**1,180**	**631**
B. DERIVATIVES		
a) Banks	270	989
b) Customers	4,594	2,363
Total B	**4,864**	**3,352**
Total (A+B)	**6,044**	**3,983**

Item B. Derivative instruments also includes the positive valuations of spot contracts for securities classified in the HFT portfolio and currencies to be settled within times established by market practices ("regular way").

Equity securities of issuers in default were classified by the Bank as non-performing in the financial statements for a total amount of €6 thousand.

Section 3 - Financial assets at fair value through profit or loss - Item 30

The Bank has not recognised any financial assets under the balance-sheet item “Financial assets designated at fair value through profit or loss”.

Section 4 - Available-for-sale financial assets - Item 40

4.1 Available-for-sale financial assets: product breakdown

(Amounts in € thousand)

	12.31.2016			12.31.2015		
ITEM/AMOUNT	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	1,316,221	-	-	2,235,494	-	-
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	1,316,221	-	-	2,235,494	-	-
2. Equity Instruments		-	3,531		-	10,488
2.1 Carried at fair value	-	-	3,526	-	-	10,483
2.2 Carried at cost	-	-	5	-	-	5
3. UCITS units	-	-	-	-	-	-
4. Loans	-	-	-	-	-	-
Total	**1,316,221**	**-**	**3,531**	**2,235,494**	**-**	**10,488**

“Available-for-sale financial assets” consisted of debt securities issued by governments and equity instruments not listed on an active market.

Part B - Balance Sheet - Asset (Continued)

Investments in debt securities consisted of:
- Italian government securities, with a book value of €982,434 million (1,639,048 million as at December 31, 2015);
- French government securities, with a book value of €10,296 thousand (€10,356 million as at December 31, 2015);
- Spanish government securities, with a book value of €249,940 thousand (€586,090 million as at December 31, 2015);
- US government securities, with a book value of €73,549 thousand (not present as at December 31, 2015).

A portion of debt securities classified in the *Available-for-sale financial assets portfolio* are entirely used as collateral for bankers' drafts or guarantees with third parties for a book value of €128,882 thousand (€131,435 thousand as at December 31, 2015).

Equity instruments carried at cost refer to equity investments in companies in which the Bank does not exercise control or have a significant influence, for an amount equal to €5 thousand. These instruments are not listed, therefore the fair value may not be reliably determined.

Equity instruments carried at fair value relate exclusively to the Visa INC class "C" preferred shares received as part of the closing of the merger between Visa Inc. and Visa Europe Limited, as described in the Report on operations to which the reader is referred.

As described in Part A Accounting Policies, the “Available-for-sale financial assets” portfolio also includes the recognition of the exposure in equity instruments recognised as a result of the contribution paid to the Interbank Deposit Guarantee Fund - Voluntary Scheme for the subscription of the capital increase of Cassa di Risparmio di Cesena for €6,724 thousand. As at December 31, 2016, the Bank made a full impairment write-down on the above-mentioned exposure, recognised in item 130. b) “Impairment losses/write-backs on: b) available-for-sale financial assets” of the Income Statement.

In the fourth quarter of 2016, the Bank reclassified the “Available-for-sale financial assets” consisting of Italian and Spanish government securities to the “Held-to-maturity investments” portfolio, as described in Section A.3 Disclosure on transfers between portfolios of financial assets of Part A of these Notes to the Accounts.

4.2 Available-for-sale financial assets: breakdown by issuer/borrower

(Amounts in € thousand)

ITEM/AMOUNT	12.31.2016	12.31.2015
1. Debt securities	**1,316,221**	**2,235,494**
a) Governments and Central Banks	1,316,221	2,235,494
b) Other public entities	-	-
c) Banks	-	-
d) Other issuers	-	-
2. Equity Instruments	**3,531**	**10,488**
a) Banks	-	-
b) Other issuers:	3,531	10,488
- insurance companies	-	-
- financial companies	3,526	10,483
- non-financial companies	5	5
- other	-	-
3. UCITS units	**-**	**-**
4. Loans	**-**	**-**
a) Governments and Central Banks	-	-
b) Other public entities	-	-
c) Banks	-	-
d) Other entities	-	-
Total	**1,319,752**	**2,245,982**

4.3 Available-for-sale financial assets: subject to micro-hedging

(Amounts in € thousand)

ITEM/AMOUNT	12.31.2016	12.31.2015
Financial assets subject to micro-hedging of fair value	**342,290**	**1,581,481**
a) Interest rate risk	342,290	1,581,481
b) Price risk	-	-
c) Exchange	-	-
d) Credit	-	-
e) Multiple risks	-	-
Financial assets subject to micro-hedging of cash flows	**-**	**-**
a) Interest rate risk	-	-
b) Exchange	-	-
c) Other	-	-
Total	**342,290**	**1,581,481**

The reported value is the value recognised in the financial statements at December 31, 2016.

Section 5 - Held-to-maturity investments - Item 50

5.1 Held-to-maturity investments: product breakdown

(Amounts in € thousand)

	12.31.2016				12.31.2015			
		FAIR VALUE				FAIR VALUE		
	CARRYING AMOUNT	LEVEL 1	LEVEL 2	LEVEL 3	CARRYING AMOUNT	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	2,437,777	2,454,979	-	-	-	-	-	-
1.1 Structured	-	-	-	-	-	-	-	-
1.2 Other	2,437,777	2,454,979	-	-	-	-	-	-
2. Loans	-	-	-	-	-	-	-	-
Total	**2,437,777**	**2,454,979**	**-**	**-**	**-**	**-**	**-**	**-**

As described in Section A.3 Disclosure on transfers between portfolios of financial assets of Part A of these Notes to the Accounts, in the fourth quarter of 2016, the Bank reclassified the "Available-for-sale financial assets" consisting of Italian and Spanish government securities to the "Held-to-maturity investments" portfolio, for a fair value, at the reclassification date of €2,121,923 thousand.

As at December 31, 2016, the "Held-to-maturity investments" consisted of debt securities issued by the Italian Government, for a book value of €1,499,270 thousand, and issued by the Spanish Government, for a book value of €938,508 thousand.
The securities classified in the "Held-to-maturity investments" portfolio, including those transferred, were purchased during 2016, except for a Spanish government security present in the "Available-for-sale financial assets" portfolio as at December 31, 2015 with a book value of €200,952 thousand.

5.2 Held-to-maturity investments: issuer/borrower

(Amounts in € thousand)

TYPE OF TRANSACTION/AMOUNT	12.31.2016	12.31.2015
1. Debt securities	**2,437,777**	**-**
a) Governments and Central Banks	2,437,777	-
b) Other public entities	-	-
c) Banks	-	-
d) Other issuers	-	-
2. Loans	**-**	**-**
a) Governments and Central Banks	-	-
b) Other public entities	-	-
c) Banks	-	-
d) Other entities	-	-
Total	**2,437,777**	**-**
Total fair value	**2,454,979**	**-**

Part B - Balance Sheet - Asset (Continued)

5.3 Held-to-maturity investments: assets subject to micro-hedging

As at December 31, 2016, there were no "Held to maturity investments" subject to micro hedging.

Section 6 - Loans and receivables with banks - Item 60

6.1 Loans and receivables with banks: product breakdown

(Amounts in € thousand)

	12.31.2016				12.31.2015			
		FV				FV		
TYPE OF TRANSACTION/AMOUNT	BV	LEVEL 1	LEVEL 2	LEVEL 3	BV	LEVEL 1	LEVEL 2	LEVEL 3
A. Loans and receivables with Central Banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Time deposits	-	X	X	X	-	X	X	X
2. Compulsory reserves	-	X	X	X	-	X	X	X
3. Reverse repos	-	X	X	X	-	X	X	X
4. Other	-	X	X	X	-	X	X	X
B. Loans and receivables with banks	**15,735,540**	**-**	**12,330,314**	**3,680,608**	**14,648,904**	**-**	**11,786,051**	**3,204,555**
1. Loans	**3,680,609**	**-**	**-**	**3,680,608**	**3,204,555**	**-**	**-**	**3,204,555**
1.1 Current accounts and demand deposits	2,336,579	X	X	X	1,251,070	X	X	X
1.2 Time deposits	1,285,414	X	X	X	1,914,662	X	X	X
1.3 Other loans:		X	X	X		X	X	X
- Reverse repos	53	X	X	X	1,906	X	X	X
- Finance leases	-	X	X	X	-	X	X	X
- Other	58,563	X	X	X	36,917	X	X	X
2. Debt securities	**12,054,931**	**-**	**12,330,314**	**-**	**11,444,349**	**-**	**11,786,051**	**-**
2.1 Structured securities	-	X	X	X	-	X	X	X
2.2 Other debt securities	12,054,931	X	X	X	11,444,349	X	X	X
Total	**15,735,540**	**-**	**12,330,314**	**3,680,608**	**14,648,904**	**-**	**11,786,051**	**3,204,555**

Key
FV = *fair value*
BV = *book value*

Loans and receivables with banks for current accounts and demand deposits mainly consist of accounts held with UniCredit, with a book value of €2,302,659 thousand (€1,224,234 thousand as at December 31, 2015), and to a lesser extent, of current accounts held with other banks not belonging to UniCredit group for transactions in securities.
Time deposits consist of the deposit held with UniCredit for compulsory reserves, totalling €172,461 thousand (€151,477 thousand as at December 31, 2015), in addition to time deposits held with UniCredit for a book value of €1,112,953 thousand (€1,763,185 thousand as at December 31, 2015), opened to invest the liquidity raised through repos and CashPark transactions with retail customers and through repos with credit institutions, with the same maturities.
The debt securities held in the portfolio and included in the category "Loans and receivables" mainly consist of debt securities issued by UniCredit for an amount of €12,054,929 (€11,444,346 thousand as at December 31, 2015).
"Other loans: Other" relates to the amount of the initial and variance margins placed with credit institutions for derivative transactions and repos, of which €48,567 thousand with UniCredit and €3,060 thousand with UniCredit Bank AG Monaco (€8,160 thousand with UniCredit and €21,630 with UniCredit Bank AG Monaco as at December 31, 2015), as well as current receivables associated with the provision of financial services.

At the reporting date there were no impaired assets with respect to banks.

6.2 Loans and receivables with banks: assets subject to micro-hedging

No data to report.

6.3 Finance leases

No data to report.

Section 7 - Loans and receivables with customers - Item 70

7.1 Loans and receivables with customers: product breakdown

(Amounts in € thousand)

TYPE OF TRANSACTION/ AMOUNT	12.31.2016						12.31.2015					
	BOOK VALUE			FAIR VALUE						FAIR VALUE		
		IMPAIRED						IMPAIRED				
	UNIMPAIRED	PURCHASED	OTHER	L1	L2	L3	UNIMPAIRED	PURCHASED	OTHER	L1	L2	L3
Loans	**1,013,140**	**-**	**3,658**	**-**	**-**	**1,044,613**	**917,897**	**-**	**4,877**	**-**	**-**	**972,334**
1. Current accounts	296,927	-	2,445	X	X	X	211,273	-	3,765	X	X	X
2. Reverse repos	87,348	-	1	X	X	X	198,941	-	10	X	X	X
3. Mortgages	860	-	24	X	X	X	-	-	46	X	X	X
4. Credit cards, personal loans and wage assignment loans	503,533	-	1,166	X	X	X	395,721	-	1,029	X	X	X
5. Finance leases	-	-	-	X	X	X	-	-	-	X	X	X
6. Factoring	-	-	-	X	X	X	-	-	-	X	X	X
7. Other loans	124,472	-	22	X	X	X	111,962	-	27	X	X	X
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-
8. Structured securities	-	-	-	X	X	X	-	-	-	X	X	X
9. Other debt securities	-	-	-	X	X	X	-	-	-	X	X	X
Total	**1,013,140**	**-**	**3,658**	**-**	**-**	**1,044,613**	**917,897**	**-**	**4,877**	**-**	**-**	**972,334**

7.2 Loans and receivables with customers: breakdown by issuer/borrower

(Amounts in € thousand)

TYPE OF TRANSACTION/AMOUNT	12.31.2016			12.31.2015		
		IMPAIRED			IMPAIRED	
	UNIMPAIRED	PURCHASED	OTHER	UNIMPAIRED	PURCHASED	OTHER
1. Debt securities	**-**	**-**	**-**	**-**	**-**	**-**
a) Governments	-	-	-	-	-	-
b) Other public entities	-	-	-	-	-	-
c) Other issuers:	-	-	-	-	-	-
- non-financial companies	-	-	-	-	-	-
- financial companies	-	-	-	-	-	-
- insurance companies	-	-	-	-	-	-
- other	-	-	-	-	-	-
2. Loans to:	**1,013,140**	**-**	**3,658**	**917,897**	**-**	**4,877**
a) Governments	-	-	2	-	-	2
b) Other public entities	-	-	-	-	-	-
c) Other entities:	1,013,140	-	3,656	917,897	-	4,875
- non-financial companies	14,666	-	24	16,461	-	23
- financial companies	98,744	-	8	92,348	-	7
- insurance companies	12,174	-	-	11,464	-	-
- other	887,556	-	3,624	797,624	-	4,845
Total	**1,013,140**	**-**	**3,658**	**917,897**	**-**	**4,877**

7.3 Loans and receivables with customers: assets subject to micro-hedging

No data to report.

7.4 Finance leases

No data to report.

Part B - Balance Sheet - Asset (Continued)

Section 8 - Hedging derivatives - Item 80

8.1 Hedging derivatives: breakdown by type of hedge and by hierarchical level

(Amounts in € thousand)

ITEM/AMOUNT	FV 12.31.2016 L1	FV 12.31.2016 L2	FV 12.31.2016 L3	NA 12.31.2016	FV 12.31.2015 L1	FV 12.31.2015 L2	FV 12.31.2015 L3	NA 12.31.2015
A. Financial derivatives	**-**	**552**	**-**	**250,000**	**-**	**-**	**-**	**-**
1) Fair value	-	552	-	250,000	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
3) Net investment in foreign subsidiaries	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**552**	**-**	**250,000**	**-**	**-**	**-**	**-**

Key:
NA = Notional amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

8.2 Hedging derivatives: breakdown by hedged assets and risk

(Amounts in € thousand)

TRANSACTION/TYPE OF HEDGE	FAIR VALUE – MICRO – INTEREST RATE RISK	FAIR VALUE – MICRO – EXCHANGE RATE RISK	FAIR VALUE – MICRO – CREDIT RISK	FAIR VALUE – MICRO – PRICE RISK	FAIR VALUE – MICRO – MULTIPLE RISKS	FAIR VALUE – MACRO	CASH FLOWS – MICRO	CASH FLOWS – MACRO	FOREIGN INVESTMENTS
1. Available-for-sale financial assets	-	-	-	-	-	X	-	X	X
2. Loans and receivables	-	-	-	X	-	X	-	X	X
3. Held-to-maturity investments	X	-	-	X	-	X	-	X	X
4. Portfolio	X	X	X	X	X	-	X	-	X
5. Other transactions	-	-	-	-	-	X	-	X	-
Total assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Financial liabilities	-	-	-	X	-	X	-	X	X
2. Portfolio	X	X	X	X	X	552	X	-	X
Total liabilities	**-**	**-**	**-**	**-**	**-**	**552**	**-**	**-**	**-**
1. Expected transactions	X	X	X	X	X	X	-	X	X
2. Financial assets and financial liabilities	X	X	X	X	X	-	X	-	-

Section 9 - Changes in fair value of portfolio hedged financial assets - Item 90

9.1 Changes in fair value of portfolio hedged financial assets: breakdown by hedged portfolio

(Amounts in € thousand)

ADJUSTMENTS TO THE VALUE OF HEDGED ASSETS/AMOUNT	12.31.2016	12.31.2015
1. Positive changes	**8,659**	**10,573**
1.1 of specific portfolios	8,659	10,573
a) loans and receivables	8,659	10,573
b) available-for-sale financial assets	-	-
1.2 overall	-	-
2. Negative changes	**-**	**-**
2.1 of specific portfolios	-	-
a) loans and receivables	-	-
b) available-for-sale financial assets	-	-
2.2 overall	-	-
Total	**8,659**	**10,573**

9.2 Assets subject to macro-hedging of interest rate risk

(Amounts in € thousand)

HEDGED ASSETS	12.31.2016	12.31.2015
1. Loans and receivables	777,368	930,880
2. Available-for-sale financial assets	-	-
3. Portfolio	-	-
Total	**777,368**	**930,880**

Receivables subject to macro-hedging of interest rate risk consist of debt securities issued by UniCredit S.p.A. and classified as "Loans and Receivables".

Section 10 - Equity investments - Item 100

No data to report.

Section 11 - Property, plant and equipment - Item 110

11.1 Property, plant and equipment used in the business: breakdown of assets carried at cost

(Amounts in € thousand)

ASSET/AMOUNT	12.31.2016	12.31.2015
1. Owned assets	**12,054**	**9,910**
a) land	-	-
b) buildings	-	-
c) office furniture and fittings	1,131	1,064
d) electronic systems	9,560	7,575
e) other	1,363	1,271
2. Assets under financial lease	**-**	**-**
a) land	-	-
b) buildings	-	-
c) office furniture and fittings	-	-
d) electronic systems	-	-
e) other	-	-
Total	**12,054**	**9,910**

A description of the methods used to calculate depreciation is provided in Part A - Accounting Policies of the notes to the accounts.

11.2 Property, plant and equipment held for investment: breakdown of assets carried at cost

(Amounts in € thousand)

	12.31.2016				12.31.2015			
	BOOK	FAIR VALUE			BOOK	FAIR VALUE		
ASSET/AMOUNT	VALUE	L1	L2	L3	VALUE	L1	L2	L3
1. Owned assets	**2,397**	**-**	**-**	**4,535**	**2,509**	**-**	**-**	**4,535**
a) land	-	-	-	-	-	-	-	-
b) buildings	2,397	-	-	4,535	2,509	-	-	4,535
2. Assets under finance lease	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-	-	-
Total	**2,397**	**-**	**-**	**4,535**	**2,509**	**-**	**-**	**4,535**

11.3 Property, plant and equipment used in the business: breakdown of revalued assets

No data to report.

11.4 Property, plant and equipment held for investment: breakdown of assets measured at fair value

No data to report.

Part B - Balance Sheet - Asset (Continued)

11.5 Property, plant and equipment used in the business: annual changes

(Amounts in € thousand)

	LAND	BUILDINGS	OFFICE FURNITURE AND FITTINGS	ELECTRONIC SYSTEMS	OTHER	TOTAL
A. Gross opening balance	**-**	**-**	**12,371**	**23,211**	**9,647**	**45,229**
A.1 Total net reduction in value	-	-	(11,307)	(15,636)	(8,376)	(35,319)
A.2 Net opening balance	**-**	**-**	**1,064**	**7,575**	**1,271**	**9,910**
B. Increases:	**-**	**-**	**1,072**	**5,297**	**516**	**6,885**
B.1 Purchases	-	-	1,071	5,297	516	6,884
B.2 Capitalised expenditure on improvements	-	-	-	-	-	-
B.3 Write-backs	-	-	-	-	-	-
B.4 Increases in fair value recognised						
a) equity	-	-	-	-	-	-
b) through profit or loss	-	-	-	-	-	-
B.5 Positive exchange differences	-	-	-	-	-	-
B.6 Transfers from properties held for investment	-	-	-	-	-	-
B.7 Other changes	-	-	1	-	-	1
C. Decreases:	**-**	**-**	**(1,005)**	**(3,312)**	**(424)**	**(4,741)**
C.1 Sales	-	-	-	-	-	-
C.2 Depreciation	-	-	(988)	(3,312)	(414)	(4,714)
C.3 Impairment losses recognised						-
a) in equity	-	-	-	-	-	-
b) through profit or loss	-	-	(17)	-	(10)	(27)
C.4 Decreases in fair value recognised						
a) in equity	-	-	-	-	-	-
b) through profit or loss	-	-	-	-	-	-
C.5 Negative exchange differences	-	-	-	-	-	-
C.6 Transfers to:						
a) property, plant and equipment held for investment	-	-	-	-	-	-
b) assets held for sale	-	-	-	-	-	-
C.7 Other changes	-	-	-	-	-	-
D. Net closing balance	**-**	**-**	**1,131**	**9,560**	**1,363**	**12,054**
D.1 Total net reduction in value	-	-	(11,428)	(18,741)	(8,512)	(38,681)
D.2 Gross closing balance	**-**	**-**	**12,559**	**28,301**	**9,875**	**50,735**
E. Carried at cost	-	-	1,131	9,560	1,363	12,054

The asset classes specified in the table above are carried at cost.

11.6 Property, plant and equipment held for investment: annual changes

(Amounts in € thousand)

	LAND	BUILDINGS
A. Gross opening balance	**-**	**3,745**
A.1 Total net reduction in value	-	(1,236)
A.2 Net opening balance	**-**	**2,509**
B. Increases:	-	-
B.1 Purchases	-	-
B.2 Capitalised expenditure on improvements	-	-
B.3 Net increases in fair value	-	-
B.4 Write-backs	-	-
B.5 Positive exchange differences	-	-
B.6 Transfer from properties used in the business	-	-
B.7 Other changes	-	-
C. Decreases:	**-**	**(112)**
C.1 Sales	-	-
C.2 Depreciation	-	(112)
C.3 Decreases in fair value	-	-
C.4 Impairment losses	-	-
C.5 Negative exchange differences	-	-
C.6 Transfers to other asset portfolios		
a) properties used in the business	-	-
b) non-current assets classified as held for sale	-	-
C.7 Other changes	-	-
D. Net closing balance	**-**	**2,397**
D.1 Total net reduction in value	-	(1,348)
D.2 Gross closing balance	**-**	**3,745**
E. Fair value measurement	-	4,535

The buildings specified in the table above are carried at cost.

11.7 Commitments to purchase property, plant and equipment

As at December 31, 2016 the Bank had contractual commitments to purchase property, plant and equipment amounting to €617 thousand. We also report that there are no restrictions on the ownership of tangible assets and there are no tangible assets pledged as security for liabilities.

Section 12 - Intangible assets - Item 120

12.1 Intangible assets: breakdown by type assets

(Amounts in € thousand)

	12.31.2016		12.31.2015	
ASSET/AMOUNT	FINITE LIFE	INDEFINITE LIFE	FINITE LIFE	INDEFINITE LIFE
A.1 Goodwill	X	89,602	X	89,602
A.2 Other intangible assets	7,731		8,212	
A.2.1 Assets carried at cost:				
a) Intangible assets generated internally	-	-	-	-
b) Other assets	7,731	-	8,212	-
A.2.2 Assets carried at fair value:				
a) Intangible assets generated internally	-	-	-	-
b) Other assets	-	-	-	-
Total	**7,731**	**89,602**	**8,212**	**89,602**

The useful life of software, considered for the calculation of amortisation, is 3 years, while the useful life of other intangible assets with finite life is 5 years. A description of the methods used to calculate depreciation is provided in Part A - Accounting Policies of the notes to the accounts.

Part B - Balance Sheet - Asset (Continued)

12.2 Intangible assets: annual changes

(Amounts in € thousand)

	GOODWILL	OTHER INTANGIBLE ASSETS: GENERATED INTERNALLY		OTHER INTANGIBLE ASSETS: OTHER		TOTAL
		FIN	INDEF	FIN	INDEF	
A. Gross opening balance	**124,729**	**-**	**-**	**70,215**	**-**	**194,944**
A.1 Total net reduction in value	(35,127)	-	-	(62,003)	-	(97,130)
A.2 Net opening balance	**89,602**	**-**	**-**	**8,212**	**-**	**97,814**
B. Increases	**-**	**-**	**-**	**4,618**	**-**	**4,618**
B.1 Purchases	-	-	-	4,618	-	4,618
B.2 Increases in internal intangible assets	X	-	-	-	-	-
B.3 Write-backs	X	-	-	-	-	-
B.4 Increases in fair value recognised:						
- in equity	X	-	-	-	-	-
- through profit or loss	X	-	-	-	-	-
B.5 Positive exchange differences	-	-	-	-	-	-
B.6 Other changes	-	-	-	-	-	-
C. Decreases	**-**	**-**	**-**	**(5,099)**	**-**	**(5,099)**
C.1 Sales	-	-	-	-	-	-
C.2 Impairment losses						
- Amortisation	X	-	-	(5,099)	-	(5,099)
- Write-downs						
+ in equity	X	-	-	-	-	-
+ through profit or loss	-	-	-	-	-	-
C.3 Decreases in fair value						
- in equity	X	-	-	-	-	-
- through profit or loss	X	-	-	-	-	-
C.4 Transfers to non-current assets classified as held for sale	-	-	-	-	-	-
C.5 Negative exchange differences	-	-	-	-	-	-
C.6 Other changes	-	-	-	-	-	-
D. Net closing balance	**89,602**	**-**	**-**	**7,731**	**-**	**97,333**
D.1 Total net impairments	(35,127)	-	-	(67,102)	-	(102,229)
E. Gross closing balance	**124,729**	**-**	**-**	**74,833**	**-**	**199,562**
F. Carried at cost	89,602	-	-	7,731	-	97,333

Key
FIN: finite life
INDEF: indefinite life

The asset classes specified in the table above are carried at cost.

12.3 Other information

As at December 31, 2016 the Bank had contractual commitments to purchase intangible assets amounting to €249 thousand.
We also report that there were no intangible assets acquired through government concession; no intangible assets were used as collateral for own debts; no intangible assets were held under a finance lease; and there were no revalued intangible assets.

Other information - Impairment test

Under IAS 36, impairment testing of intangible assets with indefinite useful lives must be performed at least annually and, in any case, whenever there is objective evidence of the occurrence of events that may have reduced their value.
Recoverable value is the greater of the value in use (present value of future cash flows generated by the asset being valued) and the associated fair value, net of sales costs.
The recoverable value of the assets subject to impairment testing must be determined for the individual assets, unless both of the following conditions exist:

- the value in use of the asset is not estimated to be close to the fair value net of selling costs;
- the asset does not generate incoming cash flows largely independent of those coming from other assets (or group of assets).

If these conditions exist, the impairment test is conducted at the level of the Cash Generating Unit (CGU) of the asset, as required by the accounting principle.
According to IAS 36, when determining the value in use of assets subject to impairment testing, reference must be made to the cash flows of assets in

their current conditions at the testing date and representing the best estimate by the management of the overall economic conditions in place during the residual useful life of the asset.
For the purposes of impairment testing, the value in use of the cash generating unit (CGU) to which the intangible assets have been assigned must be calculated considering the cash flows for all the assets and liabilities included in the CGU and not just those for which goodwill and/or the intangible asset has been recognised upon application of IFRS 3.

Definition of CGU

Estimating the value in use for the purposes of any impairment testing of intangible assets, including goodwill, which do not independently generate cash flows, but only in conjunction with other business assets, requires that these assets first be attributed to operating units that are relatively autonomous in the business context (from the points of view of independent cash flows generated and of internal planning and reporting). These operating units are defined as Cash Generating Units (CGU).
Goodwill relates to buy-outs of divisions or companies engaged in trading activities or the distribution of financial, banking and insurance products through personal financial advisors. These activities have been fully integrated with FinecoBank's ordinary operations, as a result it is not possible to isolate the contribution of each company/business division from the Bank's overall income; this means that to establish the reasonableness of the value of goodwill recognised in the financial statements it is necessary to take account of the Bank's comprehensive income.
The cash generating unit (CGU) to be considered for the impairment test is therefore the Bank as a whole. In view of the specific business model adopted by the Bank, which envisages a high level of integration between personal financial advisors and the trading and banking platform, so that the personal financial advisors network is an integral part of the overall offering of the Bank, which includes banking, brokerage and investing services, an allocation of costs/revenues for business units is not considered relevant or meaningful.

Estimating cash flows to determine the value in use of the CGU

The applicable accounting principles require that the impairment test be carried out by comparing the book value of the CGU to its recoverable value. When the latter proves to be less than the book value, a write-down must be recorded in the financial statements. The recoverable value is the greater of its fair value (net of sales costs) and the related value in use.
The recoverable amount of the CGU is the greater of its fair value (net of costs to sell) and the related value in use.

Impairment test model

The calculation of the value in use for the purposes of impairment testing is made using the Discounted Cash Flow (DCF) model. The cash flows are determined by subtracting the annual capital requirement generated by the change in the risk-weighted assets from net profit. This capital requirement is determined by considering the long-term capitalization to be achieved, also in light of the minimum regulatory capital requirements.

Cash flows

The discounted cash flow model used is based on future cash flows estimated by management in four steps:
- year 2017, in which the budget figures were considered (subject to approval by the Board of Directors on January 9, 2017);
- period from 2018 to 2019, which considers the financial projections of the Strategic Plan (submitted for approval by the Board of Directors of December 6, 2016);
- intermediate period of five years from 2020 to 2024, for which the projections of the financial flows are extrapolated by applying beginning in the last explicit estimate period (2019) rates of growth decreasing (from 4% to 2%) to the terminal value;
- terminal value calculated using a nominal growth rate of 2%. The average nominal growth rate of GDP in the Eurozone from 1996 to 2015 was 2.9% (of which 1.7% was due to inflation). The choice of nominal 2%, corresponding to ~ 0% real growth, was made for prudential reasons.

Discount rates of cash flows

The main assumptions used by management in determining the discount rate to calculate the value in use are summarised below:
- Initial discount rate net of tax (Ke): 8.41%
- Final discount rate net of tax (Ke): 9.03%
- Nominal growth rate used to calculate Terminal Value: 2.00%

Future financial flows were discounted using a conservative estimate of the discount rate, incorporating the various risk factors linked to the business sector into the cost of equity (Ke). The discount rate is a nominal rate, net of taxes.
In particular, the cost of capital for the Bank is the sum of the following:
- Risk-free rate: the average of the last 6 years of the 5-year Bund. The six-year horizon was adopted in line with the average economic cycle in the Eurozone;
- Debt risk premium: the average over the last six years of the Credit Default Swap paid by UniCredit;
- Risk premium on own equity: calculated using the option-based model, based on the average volatility of over the last six years of the shares of banks operating predominantly in the same sector.

However, for prudential reasons, the cost of capital for the Bank 2019 to the Terminal Value was raised to the level of the Germany Commercial Banking, which was considered to be the floor value at Group level.

The cost of capital used for the impairment testing has 3 target points (2017 budget, 2019 Multi Year Plan and Terminal Value) within which a linear convergence is calculated.

Part B - Balance Sheet - Asset (Continued)

Impairment test results

The methodology for calculating the value in use described above (model, assumptions and parameters used) was approved by the Board of Directors on January 9, 2017. For the impairment testing the carrying amount of the goodwill was compared with its value in use calculated using that methodology. The outcome of the tests (approved by the Board of Directors of February 7, 2017) confirmed the sustainability of the goodwill recognised in the financial statements as at December 31, 2016.

Sensitivity analysis

Since this assessment is made particularly complex by the current macroeconomic and market environment affecting the financial sector and the resulting difficulty in making predictions about future long-term profitability, sensitivity analyses were conducted, assuming changes to the main parameters used in the impairment test.

The table below shows the change in the value in use, net of book value and of shareholders' equity, in relation to changes in the main parameters used in the DCF model.

	1% INCREASE OF THE DISCOUNT RATE AFTER TAXES (KE)	1% INCREASE OF CORE TIER 1 RATIO TARGET	1% DECREASE OF THE NOMINAL GROWTH RATE FOR THE CALCULATION OF TERMINAL VALUE	5% DECREASE OF ANNUAL EARNINGS
Change of value in use	-17.7%	-0.6%	-11.9%	-6.7%

The results confirm the sustainability of the goodwill recognised in the financial statements, as none of the scenarios hypothesised revealed the need for a write-down, as the value in use, calculated applying those variations, was much higher than the book value.
It should also be noted, that the impairment test reaches the break-even assuming changes in the above parameters that are currently unreasonable. The impairment test reached a break-even with an absolute positive change in the discount rate after tax (Ke) of over 20 percentage points, i.e. with a reduction of around 75% of annual earnings (while maintaining all the other parameters and information used unchanged, in both scenarios).
We should also point out that the share price of "FinecoBank" results in a market capitalization significantly higher than the Bank shareholders' equity: the market value of the Bank as at December 31, 2016 amounted to €3,234 million compared with shareholders' equity of €681 million.

Section 13 - Tax Assets and Tax Liabilities - Asset item 130 and liability item 80

General aspects

The item "Tax assets" amounting to €13,165 thousand comprises:
- "Current tax assets" of €1,571 thousand;
- "Deferred tax assets" of €11,594 thousand. Deferred tax assets are shown in the balance sheet net of the related deferred tax liabilities; the detail is as follows:
  - "Deferred tax assets" of €33,223 thousand recognised as a balancing entry in the income statement;
  - "Deferred tax assets" of €7,617 thousand recognised through other comprehensive income;
  - "Deferred tax liabilities" of €23,278 thousand recognised as a balancing entry in the income statement;
  - "Deferred tax liabilities" of €5,968 thousand recognised through other comprehensive income.

The item "Tax liabilities" amounting to €10,048 thousand, consists exclusively of "Current tax liabilities".
In 2016, the income tax provision was decreased also resulted result of the settlement of several disputes relating to previous years, which were definitively concluded during the first half 2016.

In addition, following the accelerated building carried out by UniCredit on October 13, 2016 for the sale to institutional investors of around 121.4 million ordinary shares held in FinecoBank, corresponding to 20% of the Bank's existing share capital, UniCredit S.p.A's shareholding in FinecoBank S.p.A. Fell below the limit established by the combined provisions of Articles 117 and 120 of the Italian Income Tax Code for participation in the national tax consolidation.
As a result, UniCredit S.p.A., in accordance with Article 124 of the Italian Income Tax Code, stopped applying the Group taxation – with effect from January 1, 2016 – by sending the relevant electronic notification to the Italian Revenue Agency. There are no particular effects to report, other than the removal of the mitigation of the non-deductibility of interest expense, a benefit that would moreover have lost its effects in 2016, because interest expense will be fully deductible for banks from 2017.

Current Tax Assets and Liabilities

(Amounts in € thousand)

ASSET/AMOUNT	12.31.2016	12.31.2015
Current tax assets	**1,571**	**1,733**
Current tax liabilities	**10,048**	**37,445**

Prepaid/deferred tax assets/liabilities

In accordance with the law and regulations currently in force:

- the valuation of deferred tax assets for IRES income tax purposes takes into account the expected income figures for future years, according to the decisions made by the competent company bodies;
- the valuation of deferred tax assets for IRAP corporate tax purposes takes place on the basis of the Company's expected income figures for future years, and takes into account changes in the legal context;
- deferred tax liabilities are recognised whenever the relevant requirements are satisfied.

Deferred tax assets and liabilities were determined assuming an IRES income tax rate of 27.5% and an IRAP corporate tax rate of 5.57%.

13.1 Deferred tax assets: breakdown

(Amounts in € thousand)

ASSET/AMOUNT	12.31.2016	12.31.2015
Allocations through profit or loss	29,043	34,623
Allocations through other comprehensive income	7,617	2,440
Impairment losses on receivables (of which pursuant to Law 214/2011)	4,180	4,401
Total before IAS 12 offsetting	**40,840**	**41,464**
Offset against deferred tax liabilities - IAS 12	(29,246)	(27,773)
Total	**11,594**	**13,691**

13.2 Deferred tax liabilities: breakdown

(Amounts in € thousand)

ASSET/AMOUNT	12.31.2016	12.31.2015
Allocations through profit or loss	23,278	22,878
Allocations through other comprehensive income	5,968	4,895
Total before IAS 12 offsetting	**29,246**	**27,773**
Offset against deferred tax assets - IAS 12	(29,246)	(27,773)
Total	**-**	**-**

13.3 Changes in deferred tax assets (through profit or loss)

(Amounts in € thousand)

	12.31.2016	12.31.2015
1. Opening balance	**39,024**	**39,075**
2. Increases	4,281	6,988
2.1 Deferred tax assets recognised in the year	4,281	6,742
a) relating to previous years	-	-
b) due to changes in accounting policies	-	-
c) write-backs	-	-
d) other	4,281	6,742
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	246
3. Decreases	**(10,082)**	**(7,039)**
3.1 Deferred tax assets cancelled in the year	(9,367)	(7,039)
a) reversals of temporary differences	(9,367)	(7,039)
b) write-downs of non-recoverable items	-	-
c) change in accounting policies	-	-
d) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other decreases	(715)	-
a) conversion of tax credits as per Law 214/2011	-	-
b) other	(715)	-
4. Closing balance	**33,223**	**39,024**

Part B - Balance Sheet - Asset (Continued)

Increases in deferred tax assets recognised in the year through profit or loss refer to the following main items:
- allocations to provisions for risks and charges;
- provisions for future personnel costs.

Decreases in deferred tax assets recognised in the year through profit or loss mainly refer to the following items:
- tax recovery for deferred expenses;
- use of provisions for future personnel costs;
- use of provisions for risks and charges.

The Bank did not recognize any deferred tax assets in relation to tax loss carry-forwards, because these types of deferred tax assets did not arise either during the current year or the previous years, as the Bank's taxable income has always been positive.

13.3.1 Changes in deferred tax assets under Law 214/2011 (through profit or loss)

(Amounts in € thousand)

	12.31.2016	12.31.2015
1. Opening balance	**4,401**	**3,839**
2. Increases	**-**	**562**
3. Decreases	**(221)**	**-**
3.1 Reversals	(220)	-
3.2 Conversion into tax credits		
a) resulting from operating losses	-	-
b) resulting from tax losses	-	-
3.3 Other decreases	(1)	-
4. Closing balance	**4,180**	**4,401**

13.4 Changes in deferred tax liabilities (through profit or loss)

(Amounts in € thousand)

	12.31.2016	12.31.2015
1. Opening balance	**22,877**	**21,860**
2. Increases	**467**	**1,018**
2.1 Deferred tax liabilities arising during the year	467	1,018
a) relating to previous years	-	-
b) due to changes in accounting policies	-	66
c) other	467	952
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	**(66)**	**-**
3.1 Deferred tax liabilities de-recognised during the year	(66)	-
a) reversals of temporary differences	(66)	-
b) due to changes in accounting policies	-	-
c) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other decreases	-	-
4. Closing balance	**23,278**	**22,878**

Increases in deferred tax liabilities recorded in the financial year as a balancing item of the income statement refer to the recognition of deferred tax liabilities resulting from the accounting and tax treatment of goodwill.

13.5 Changes in deferred tax assets (through other comprehensive income)

(Amounts in € thousand)

	12.31.2016	12.31.2015
1. Opening balance	**2,440**	**1,790**
2. Increases	**6,510**	**832**
2.1 Deferred tax assets recognised in the year	6,510	832
a) relating to previous years	-	-
b) due to changes in accounting policies	-	-
c) other	6,510	832
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	**(1,333)**	**(182)**
3.1 Deferred tax assets cancelled in the year	(1,333)	(182)
a) reversals of temporary differences	(1,333)	(115)
b) write-downs of non-recoverable items	-	-
c) due to changes in accounting policies	-	-
d) other	-	(67)
3.2 Reduction in tax rates	-	-
3.3 Other decreases	-	-
4. Closing balance	**7,617**	**2,440**

The increase in deferred tax assets recognised in the year through other comprehensive income refer to the recognition in advance of:
- actuarial gains (losses) to equity under the Revaluation reserves according to IAS 19 Revised;
- fair value measurement of debt securities classified under the "Available-for-sale financial assets" category.

13.6 Changes in deferred tax liabilities (through other comprehensive income)

(Amounts in € thousand)

	12.31.2016	12.31.2015
1. Opening balance	**4,895**	**2,633**
2. Increases	**5,101**	**2,503**
2.1 Deferred tax liabilities arising during the year	5,101	2,503
a) relating to previous years	-	-
b) due to change in accounting policies	-	-
c) other	5,101	2,503
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	**(4,028)**	**(241)**
3.1 Deferred tax liabilities de-recognised during the year	(4,028)	(241)
a) reversals of temporary differences	(4,028)	(241)
b) due to change in accounting policies	-	-
c) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other decreases	-	-
4. Closing balance	**5,968**	**4,895**

The increase and decreases in deferred tax assets recognised during the year through other comprehensive income related to the recognition and reversal of deferred tax assets as a result of the fair value measurement of debt securities and equity instruments classified under the "Available-for-sale financial assets" category.

13.7 Other information

No information to report.

Part B - Balance Sheet - Asset (Continued)

Section 14 - Non-current assets and disposal groups classified as held for sale and associated liabilities - Assets item 140 and liabilities item 90

14.1 Non-current assets and disposal groups classified as held for sale: breakdown by type assets

No data to report.

14.2 Other information

No information to report.

14.3 Information on equity investments in companies subject to significant influence not valued according to the equity method

No information to report.

Section 15 - Other assets - Item 150

15.1 Other assets: breakdown

(Amounts in € thousand)

	12.31.2016	12.31.2015
Items in transit not allocated to relevant accounts	-	37
Items awaiting settlement:		
- notes, cheques and other documents	11,558	10,021
Items in processing:		
- other items in processing	27	17
Current receivables not associated with the provision of financial services	2,290	3,163
Definitive items not recognised under other items:		
- securities and coupons to be settled	321	1,496
- fees to be charged to customers	30,426	29,613
- other transactions	11,465	11,930
Tax items other than those included in item 130:		
- tax advances	240,923	276,372
- tax credits	9,132	9,483
- tax advances on employee severance indemnities	22	20
Receivables due to disputed items not deriving from lending	119	119
Prepayments	22,754	19,950
Improvement and incremental expenses incurred on leasehold assets	7,262	7,849
Total	**336,299**	**370,070**

Liabilities

Section 1 - Deposits from banks - Item 10

1.1 Deposits from banks: product breakdown

(Amounts in € thousand)

TYPE OF TRANSACTION/AMOUNT	12.31.2016	12.31.2015
1. Deposits from central banks	**-**	**-**
2. Deposits from banks	**1,111,106**	**1,423,459**
2.1 Current accounts and demand deposits	52,309	68,848
2.2 Time deposits	-	-
2.3 Loans	1,058,565	1,313,191
2.3.1 Repos	1,058,565	1,313,191
2.3.2 Other	-	-
2.4 Liabilities in respect of commitments to repurchase treasury shares	-	-
2.5 Other liabilities	232	41,420
Total	**1,111,106**	**1,423,459**
Fair value - level 1	**-**	**-**
Fair value - level 2	**-**	**-**
Fair value - level 3	***1,111,106***	***1,423,459***
Total fair value	**1,111,106**	**1,423,459**

1.2 Breakdown of item 10 "Deposits from banks": subordinated debts

No data to report.

1.3 Breakdown of item 10 "Deposits from banks": structured debts

No data to report.

1.4 Deposits from banks subject to micro-hedging

No data to report.

1.5 Amounts payable under finance leases

No data to report.

Section 2 - Deposits from customers - Item 20

2.1 Deposits from customers: product breakdown

(Amounts in € thousand)

TYPE OF TRANSACTION/AMOUNT	12.31.2016	12.31.2015
1. Current accounts and demand deposits	18,319,307	14,985,275
2. Time deposits	159,124	560,114
3. Loans	231,376	199,817
3.1 Repos	231,376	199,817
3.2 Other	-	-
4. Liabilities in respect of commitments to repurchase treasury shares	-	-
5. Other liabilities	91,266	77,253
Total	**18,801,073**	**15,822,459**
Fair value - level 1	**-**	**-**
Fair value - level 2	***21,894***	***49,815***
Fair value - level 3	***18,779,261***	***15,772,976***
Total fair value	**18,801,155**	**15,822,791**

2.2 Breakdown of item 20 "Deposits from customers": subordinated debts

No data to report.

2.3 Breakdown of item 20 "Deposits from customers": structured debts

No data to report.

Part B - Balance Sheet - Liabilities (Continued)

2.4 Deposits from customers subject to micro-hedging
No data to report.

2.5 Amounts payable under finance leases
No data to report.

Section 3 - Debt securities in issue - Item 30
No data to report.

Section 4 - Financial liabilities held for trading - Item 40

4.1 Financial liabilities held for trading: product breakdown

(Amounts in € thousand)

	12.31.2016					12.31.2015				
		FV					FV			
TYPE OF TRANSACTION/AMOUNT	NA	L1	L2	L3	FV*	NA	L1	L2	L3	FV*
A. On-balance sheet liabilities										
1. Deposits from banks	-	-	-	-	-	-	-	-	-	-
2. Deposits from customers	687	239	-	-	239	576	-	-	-	-
3. Debt securities	-	-	-	-	X	-	-	-	-	X
3.1 Bonds	-	-	-	-	X	-	-	-	-	X
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	-	-	-	-	X	-	-	-	-	X
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Others	-	-	-	-	X	-	-	-	-	X
Total A	**687**	**239**	**-**	**-**	**239**	**576**	**-**	**-**	**-**	**-**
B. Derivatives										
1. Financial derivatives	X	1,765	622	-	X	X	1,020	3,080	-	X
1.1 Trading derivatives	X	1,765	622	-	X	X	1,020	3,080	-	X
1.2 Related to the fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credit derivatives	X	-	-	-	X	X	-	-	-	X
2.1 Trading derivatives	X	-	-	-	X	X	-	-	-	X
2.2 Related to the fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Others	X	-	-	-	X	X	-	-	-	X
Total B	**X**	**1,765**	**622**	**-**	**X**	**X**	**1,020**	**3,080**	**-**	**X**
Total (A+B)	**X**	**2,004**	**622**	**-**	**X**	**X**	**1,020**	**3,080**	**-**	**X**

Key
FV = fair value
FV* = Fair value calculated excluding the changes in value due to the change in the issuer's credit rating since the issue date
NA = Nominal or Notional amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

Financial derivatives refer to the negative valuation of CFD contracts on Forex, indices, shares and interest rates and Futures used for the operational hedging of CFDs on indices and interest rates. They amounted to €590 thousand (€3,103 thousand as at December 31, 2015).
Sub-item B.1.1 Derivative instruments - Trading financial derivatives includes the negative valuations of spot contracts for securities classified in the HFT portfolio and currencies to be settled in times established by market practices ("regular way"). They amounted to €1,797 thousand (€997 thousand as at December 31, 2015).

4.2 Item 40 "Financial liabilities held for trading": subordinated liabilities
No data to report.

4.3 Item 40 "Financial liabilities held for trading": structured debts
No data to report.

Section 5 - Financial liabilities at fair value through profit or loss - Item 50

The Bank has not recognised any financial liabilities under the balance-sheet item "Financial Liabilities at fair value through profit or loss".

Section 6 - Hedging derivatives - Item 60

6.1 Hedging derivatives: breakdown by type of hedge and by hierarchical level

(Amounts in € thousand)

ITEM/AMOUNT	FAIR VALUE 12.31.2016 L1	L2	L3	NA 12.31.2016	FAIR VALUE 12.31.2015 L1	L2	L3	NA 12.31.2015
A. Financial derivatives	**-**	**10,914**	**-**	**1,107,368**	**-**	**31,319**	**-**	**2,430,880**
1) Fair value	-	10,914	-	1,107,368	-	31,319	-	2,430,880
2) Cash flows	-	-	-	-	-	-	-	-
3) Net investment in foreign subsidiaries	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**10,914**	**-**	**1,107,368**	**-**	**31,319**	**-**	**2,430,880**

Key
VN = valore nozionale
L1 = Level 1
L2 = Level 2
L3 = Level 3

The hedging derivatives as at December 31, 2016 included the negative fair value of derivatives entered into with UniCredit Bank AG, for €3,065 thousand, and with UniCredit for €7,849 thousand.

6.2 Hedging derivatives: breakdown by hedged assets and risk

(Amounts in € thousand)

TRANSACTION/TYPE OF HEDGE	FAIR VALUE MICRO INTEREST RATE RISK	EXCHANGE RATE RISK	CREDIT RISK	PRICE RISK	MULTIPLE RISKS	MACRO	CASH FLOWS MICRO	MACRO	FOREIGN INVESTMENTS
1. Available-for-sale financial assets	3,065	-	-	-	-	X	-	X	X
2. Loans and receivables	-	-	-	X	-	X	-	X	X
3. Held-to-maturity investments	X	-	-	X	-	X	-	X	X
4. Portfolio	X	X	X	X	X	7,849	X	-	X
5. Other transactions	-	-	-	-	-	X	-	X	-
Total assets	**3,065**	**-**	**-**	**-**	**-**	**7,849**	**-**	**-**	**-**
1. Financial liabilities	-	-	-	X	-	X	-	X	X
2. Portfolio	X	X	X	X	X	-	X	-	X
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Expected transactions	X	X	X	X	X	X	-	X	X
2. Financial assets and financial liabilities	X	X	X	X	X	-	X	-	-

Section 7 - Changes in fair value of portfolio hedged financial liabilities - Item 70

7.1 Changes to macro-hedged financial liabilities

(Amounts in € thousand)

CHANGES TO MACRO-HEDGED FINANCIAL LIABILITIES/AMOUNTS	12.31.2016	12.31.2015
1. Positive changes to financial liabilities	457	-
2. Negative changes to financial liabilities	-	-
Total	**457**	**-**

Part B - Balance Sheet - Liabilities (Continued)

7.2 Financial liabilities subject to macro-hedging of interest rate risk: breakdown

(Amounts in € thousand)

HEDGED LIABILITIES	12.31.2016	12.31.2015
1. Customer deposits	250,000	-
Total	**250,000**	**-**

Section 8 - Tax liabilities - Item 80

See section 13 of assets.

Section 9 - Liabilities included in disposal groups classified as held for sale - Item 90

See section 14 of assets.

Section 10 - Other liabilities - Item 100

10.1 Other liabilities: breakdown

(Amounts in € thousand)

	12.31.2016	12.31.2015
Impairment of financial guarantees given	-	1,416
Accrued expenses other than those to be capitalised for the financial liabilities concerned	141	164
Other liabilities relative to employees	7,259	6,610
Other liabilities relative to other personnel	-	1
Other liabilities due to directors and statutory auditors	140	187
Sums available to be paid to customers	242	248
Items in processing:		
- incoming bank transfers	1,487	2,629
- other items in processing	34	211
Items awaiting settlement:		
- outgoing bank transfers	52,009	46,681
- POS and ATM cards	7,155	126
Current payables not associated with the provision of financial services	18,941	21,804
Definitive items not recognised under other items:		
- securities and coupons to be settled	4,069	7,377
- other items	30,915	32,072
Payables for share-based payments or shares of the Parent Company UniCredit	957	2,491
Illiquid items for portfolio transactions	18,486	16,569
Tax items other than those included in item 80:		
- sums withheld from third parties as withholding agent	18,398	21,670
- other	85,066	84,390
Prepayments	600	515
Social security contributions payable	5,944	5,829
Total	**251,843**	**250,990**

Section 11 - Provision for employee severance pay - Item 110

11.1 Provision for employee severance pay: annual changes

(Amounts in € thousand)

	12.31.2016	12.31.2015
A. Opening balance	**4,846**	**4,826**
B. Increases	502	348
B.1 Provisions for the year	83	76
B.2 Other increases	419	272
of which adjustments for actuarial losses on Employee Severance Fund (IAS19R)	365	-
C. Decreases	(95)	(328)
C.1 Payments made	(43)	(43)
C.2 Other increases	(52)	(285)
of which adjustments for actuarial gains on Employee Severance Fund (IAS19R)	-	(227)
D. Closing balance	**5,253**	**4,846**

11.2 Other information

The "TFR" provision for Italy-based employee benefits is considered to be a "post-retirement defined benefit". It is therefore recognised on the basis of an actuarial estimate of the amount of benefit accrued by employees discounted to present value. This benefit is calculated by an external actuary using the unit credit projection method (see Part A.2 - The Main Items of the Accounts).
The Provision for employee severance pay covers the amount of the rights accrued in that respect up to December 31, 2016 by employees, under current legal regulations, as well as national collective bargaining agreements and supplementary company agreements.
The financial year under review was characterised by:
1) normal events relating to the employee severance pay provision in accordance with legal provisions and company agreements in force;
2) changes associated with employment contracts pursuant to Article 1406 and following of the Italian Civil Code dealing with individual mobility within the Group.

In 2007, the new supplementary pension reform pursuant to Legislative Decree no. 252/2005 became effective and, as a result the amounts accrued up to December 31, 2006 were kept with the Company, whilst the amounts of employee severance pay provision accruing as of January 1, 2007 were transferred to the supplementary pension funds or the INPS Treasury fund according to the option adopted by the employees (by June 30, 2007). The result is that:
- the employee severance fund accrued up to December 31, 2006 (or until the date of the option - falling between January 1, 2007 and June 30, 2007 - adopted by the employees if the they decided to transfer their employee severance pay provision to a supplementary pension fund) continues to be a "defined-benefit" plan and therefore subject to actuarial valuation, although based on simplified actuarial assumptions which no longer take account of estimated future pay rises;
- the amounts accrued from January 1, 2007 (or from the date of the option - falling between 1 January 2007 and June 30, 2007 - by the employees if they decided to transfer their employee severance pay provision to a supplementary pension fund), were considered as a "defined-benefit" plan (as the Company's liability ceases at the time it pays the employee severance pay provision accrued to the pension fund chosen by the employee) and therefore the related cost for the period is equal to the amounts paid to the Supplementary Pension fund or the INPS Treasury fund.

The following table shows the main actuarial assumptions used to remeasure the liability.

DESCRIPTION OF THE MAIN ACTUARIAL ASSUMPTIONS	12.31.2016	12.31.2015
Discount rate	1.25%	1.75%
Expected inflation rate	1.10%	1.00%

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EMPLOYEE SEVERANCE PAY PROVISION: OTHER INFORMATION	12.31.2016	12.31.2015
Provisions for the year	**83**	**76**
- Current service cost	-	-
- Interest expense on defined benefit obligations	83	76
- Gains and losses on curtailments and settlements	-	-
- Past service cost	-	-
Actuarial gains (losses) recognised in Revaluation reserves (OCI)	**365**	**(227)**
- Actuarial gains (losses) for the year	383	(94)
- Actuarial gains/losses on demographic assumptions	-	-
- Actuarial gains/losses on financial assumptions	(18)	(133)

Part B - Balance Sheet - Liabilities (Continued)

As required by IAS 19 Revised, a sensitivity analysis was conducted aimed at identifying how the present value of the liability changes when the actuarial assumptions considered most significant are changed, while keeping the other actuarial assumptions constant. A change of -25 basis points in the discount rate would result in an increase in the liability of €181 thousand (+3.44%), whereas an equivalent increase in the rate would result in a reduction of the liability of €174 thousand (-3.31%). A change of -25 basis points in the inflation rate would result in a decrease in the liability of €109 thousand (-2.07%), whereas an equivalent increase in the rate would result in an increase in the liability of €111 thousand (+2.11%).

Section 12 - Provisions for risks and charges - Item 120

12.1 - Provisions for risks and charges: breakdown

(Amounts in € thousand)

ITEM/AMOUNT	12.31.2016	12.31.2015
1. Pensions and other post-retirement benefit obligations	-	-
2. Other provisions for risks and charges	111,756	120,534
2.1 legal disputes	33,699	43,458
2.2 staff expenses	10,043	9,570
2.3 other	68,014	67,506
Total	**111,756**	**120,534**

Item 2.1 “legal disputes” includes provisions made to cover disputes for damage to customers arising from the unlawful behaviour of the Bank's personal financial advisors, provisions relating to pending disputes with personal financial advisors (generally employment-related) and other ongoing court and out-of-court litigation with customers and other parties.
Item 2.2 "staff expenses" includes the provisions made for the variable remuneration to be paid to employees in subsequent years, which have an uncertain due date and/or amount. This item also includes the estimated integration costs for the Bank in relation to the Business Plan of the UniCredit group recognised in the financial statements for the year ended December 31, 2016 and the financial statements for the year ended December 31, 2015. The related income component is recognised as “Staff expenses". In 2016, following the signing of the agreement of February 5, 2016, these costs recognised under provisions for risks and charges in the financial statements for the year ended December 31, 2015 were partially reallocated to “Other liabilities” for the part relating to the subscriptions accepted.

The item “Other” includes the Supplementary customer indemnity provision, of €56,054 thousand (€51,139 thousand as at December 31, 2015), the Provision for tax disputes (penalties and interest, of €4,078 thousand (€7,034 thousand as at December 31, 2015), the Provision for contractual payments, of €2,184 thousand (€2,270 thousand as at December 31, 2015) and other provisions made for risks related to the Bank's business and operations, of €5,698 thousand (€7,063 thousand as at December 31, 2015).

12.2 Provisions for risks and charges: annual changes

(Amounts in € thousand)

PENSION FUNDS	OTHER PROVISIONS	TOTAL
A. Opening balance	**120,534**	**120,534**
B Increases	**11,765**	**11,765**
B.1 Provisions for the year	10,846	10,846
B.2 Changes due to the passage of time	851	851
B.3 Changes due to variations in the discount rate	35	35
B.4 Other increases	33	33
C Decreases	**(20,543)**	**(19,102)**
C.1 Amounts used in the year	(19,102)	(19,102)
C.2 Changes due to variations in the discount rate	-	-
C.3 Other decreases	(1,441)	(1,441)
D. Closing balance	**111,756**	**111,756**

The “Other decreases” including the length-of-service premiums and integration costs reallocated to “Other liabilities”.

12.3 Pensions and other post-retirement defined-benefit obligations

No data to report.

12.4 Provisions for risks and charges - other provisions

(Amounts in € thousand)

	12.31.2016	12.31.2015
Legal disputes	**33,699**	**43,458**
- Pending cases	26,673	35,225
- Claims	7,026	8,233
Staff expenses	**10,043**	**9,570**
Other	**68,014**	**67,506**
- Supplementary customer indemnity provision	56,054	51,139
- Contractual payments and payments under non-competition agreements	2,184	2,270
- Tax disputes	4,078	7,034
- Other provisions	5,698	7,063
Total provisions for risks and charges	**111,756**	**120,534**

(Amounts in € thousand)

PROVISIONS FOR RISKS AND CHARGES	TOTAL 12.31.2015	USES	TRANSFERS AND OTHER CHANGES	ACTUARIAL GAINS (LOSSES) IAS 19R *	NET PROVISIONS **	TOTAL 12.31.2016
Legal disputes	**43,458**	**(9,687)**	**-**	**-**	**(72)**	**33,699**
- Pending proceedings	35,225	(5,719)	911	-	(3,744)	26,673
- Claims	8,233	(3,968)	(911)	-	3,672	7,026
Staff expenses	**9,570**	**(6,241)**	**(1,408)**	**-**	**8,122**	**10,043**
Other	**67,506**	**(3,174)**	**-**	**1,181**	**2,501**	**68,014**
- Supplementary customer indemnity provision	51,139	(1,214)	-	1,165	4,964	56,054
- Contractual payments and payments under non-competition agreements	2,270	-	-	16	(102)	2,184
- Tax disputes	7,034	(850)	-	-	(2,106)	4,078
- Other provisions	7,063	(1,110)	-	-	(255)	5,698
Total provisions for risks and charges	**120,534**	**(19,102)**	**(1,408)**	**1,181**	**10,551**	**111,756**

* The item "IAS 19R actuarial gains (losses)" includes the actuarial gains (losses) recognised in the item "Revaluation reserves" in application of IAS 19R.

** The item "Provisions" includes the costs recognised in their own income statement item to better reflect their nature (e.g. "Staff expenses", "Administrative costs" and "Interest expenses and similar charges").

The following table shows the main actuarial assumptions used to measure the liability for the supplementary customer indemnity provision and the provision for contractual payments.

DESCRIPTION OF THE MAIN ACTUARIAL ASSUMPTIONS	12.31.2016	12.31.2015
Discount rate	1.25%	1.75%
Salary increase rate	2.60%	2.60%

As required by IAS 19 Revised, a sensitivity analysis was conducted aimed at identifying how the present value of the liability changes when the actuarial assumptions considered most significant are changed, while keeping the other actuarial assumptions constant.
With reference to the supplementary customer indemnity provision, a change of -25 basis points in the discount rate would result in an increase in liabilities of €1,679 thousand (+3.00%); an equivalent increase in the rate, on the other hand, would result in a reduction in liabilities of €1,606 thousand (-2.86%). A change of -25 basis points in the rate of increase in the salary base would result in a reduction in liabilities of €546 thousand (-0.97%); an equivalent increase in the rate, on the other hand, would result in an increase in liabilities of €562 thousand (+1.00%).
With reference to the provision for contractual payments, a change of -25 basis points in the discount rate would result in an increase in liabilities of €41 thousand (+2.05%); an equivalent increase in the rate, on the other hand, would result in a reduction in liabilities of €39 thousand (-1.97%). A change of -25 basis points in the rate of increase in the salary base would result in a reduction in liabilities of €2 thousand (-0.08%); an equivalent increase in the rate, on the other hand, would result in an increase in liabilities of €2 thousand (+0.10%).

In addition, for the other provisions recognised in the financial statements on the basis of IAS 37, where the effect of the time value of money is significant (generally when payment is to be made more than 18 months from recognition), the amount of the provision should be the present value of the best estimate of the cost required to settle the obligation. The discount rate used reflects the current market assessments. As at December 31, 2016 an analysis was conducted to assess the impact on the provision is made of a variation of +/- 25 basis points in the discount rate and no significant impacts were found.

Part B - Balance Sheet - Liabilities (Continued)

The **Provision for legal disputes** includes provisions made to cover disputes for damage to customers arising from the unlawful behaviour of the Bank's personal financial advisors, provisions relating to pending disputes with personal financial advisors (generally employment-related) and other ongoing court and out-of-court litigation with customers and other parties.

The **Supplementary customer indemnity provision** is accrued to cover the amount of severance indemnity to be paid to the PFA network pursuant to art. 1751 of the Italian Civil Code, in the event of termination of the contract for reasons not attributable to the advisor, such as, for example, when reaching retirement age.
The amount of the obligation at the end of the period was assessed with the aid of an independent actuary.

The **Provision for staff expenses** includes provisions made in relation to the variable remuneration to be paid to employees in subsequent years which have an uncertain due date and amount. This provision includes the estimated integration costs in relation to the Business Plan of the UniCredit Group.

The **Provision for contractual payments and payments under non-competition agreements** is related to a limited number of personal financial advisors; these payments are contractually provided. More specifically, the non-competition agreement is an extension of the loyalty obligation at the end of the employment contract which protects the Bank from competition from former personal financial advisors; contractual payments are a special indemnity that the Bank agrees to pay to personal financial advisors, who opted to transfer the rights and obligations arising from their contract with the Bank to third parties, where these advisors continue to keep an ethical and professional conduct with the Bank after termination of employment, with specific regard to the customer portfolio. The amount of the obligation at the end of the period relating to contractual payments was assessed with the aid of an independent actuary.

The **Provision for tax disputes** is allocated to cover tax demands received from the Italian Revenue Agency following tax audits carried out on the Bank over the years, in relation to which the Bank considers it has calculated the tax correctly and legitimately and has therefore submitted an appeal at various levels of proceedings.
The above provisions for risks and charges include the allocations for fines and interest for the additional tax being contested and requested by the Tax Authorities through tax bills or payment notices paid and for the estimated amount of legal expenses to be incurred in the various proceedings.
For more details, see Part E - Information on risks and hedging policies - Section 4 - Operational risk - paragraph "Risks arising from tax disputes and audits" of these Notes to the accounts.

The **Other Provisions** are mainly allocated to cover the risks related to the business and operations of the Bank. The provision specifically includes provisions for marketing and customer loyalty campaigns and the provision for training events for the personal financial advisors.

Section 13 - Redeemable shares - Item 140

13.1 Redeemable shares: breakdown

No data to report.

Section 14 - Bank's shareholders' equity - Items 130, 150, 160, 170, 180, 190 and 200

14.1 "Share capital" and "Treasury shares": breakdown

Share capital amounts to €200,245,793.88 fully paid-up, comprising 606,805,436 ordinary shares with a par value of €0.33.
As at December 31, 2016 the Bank held 714,325 treasury shares, corresponding to 0.12% of the share capital, for an amount of €4,338 thousand. The shares were purchased in implementation of the stock granting "2014 PFA Plan" for the Bank's Personal Financial Advisors and Network Managers, approved by the Board of Directors on May 15, 2014 and by the Shareholders' Meeting on June 5, 2014, for a total number of 1,408,834 shares, starting from September 16, 2015, after receipt of the authorisation from the Supervisory Authority, in accordance with Articles 77-78 of EU Reg. 575/2013 of June 26, 2013 (CRR), and ended on October 12, 2015. During 2016, the Bank's Personal Financial Advisors and Network Managers were allocated 694,509 FinecoBank ordinary shares held as treasury shares, under the stock granting "2014 PFA Plan".
The Bank does not hold shares of its Parent Company, even through other companies or third parties.

(Amounts in € thousand)

ITEMS/ VALUES	12.31.2016	12.31.2015
1. Share capital	200,246	200,150
2. Share premium reserve	1,934	1,934
3. Reserves	278,407	236,590
- Legal reserve	40,049	40,030
- Extraordinary reserve	205,860	166,081
- Treasury shares reserve	4,338	8,555
- Other reserves	28,160	21,924
4. (Treasury Shares)	(4,338)	(8,555)
5. Revaluation reserves	(6,794)	11,626
6. Equity instruments	-	-
7. Net Profit (Loss) for the year	211,844	191,053
Total	**681,299**	**632,798**

On February 8, 2016 the Board of Directors launched the "2014 Key People Plan", considering the positive outcome of the verification of the entry conditions and the individual conditions (compliance of conduct and continued employment) and the favourable opinion of the Remuneration and Appointments Committee, it approved the allocation of the second tranche corresponding to 289,703 free ordinary shares to 79 beneficiaries and, as a consequence, it approved a free capital increase for a total amount of €95,601.99, with accompanying reduction of the available retained earnings.

The Shareholders' Meeting of April 12, 2016 approved the allocation of profit for the year 2015, amounting to €191,053 thousand, as follows:
- €19 thousand to the legal reserve;
- €35,658 thousand to the extraordinary reserve;
- €154,376 thousand, equal to €0.255 per share, to the shareholders;
- €1,000 thousand to social, charity and cultural causes, pursuant to Article 26, paragraph 5, of the Articles of Association.

Part B - Balance Sheet - Liabilities (Continued)

14.2 Share capital - Number of shares: annual changes

ITEMS/TYPE	ORDINARY	OTHER
A. Shares outstanding at the beginning of the year		
- fully paid	606,515,733	-
- not fully paid	-	-
A.1 Treasury shares (-)	(1,408,834)	-
A.2 Shares outstanding: opening balance	**605,106,899**	**-**
B. Increases		
B.1 New issues		
- against payment:		
- business combinations	-	-
- bonds converted	-	-
- warrants exercised	-	-
- other	-	-
- free		
- to employees	289,703	-
- to directors	-	-
- other	-	-
B.2 Sale of treasury shares	-	-
B.3 Other changes	694,509	-
C. Decreases		
C.1 Cancellation	-	-
C.2 Purchase of treasury shares	-	-
C.3 Business transfers	-	-
C.4 Other decreases	-	-
D. Shares outstanding: closing balance	**606,091,111**	**-**
D.1 Treasury Shares (+)	714,325	-
D.2 Shares outstanding at the end of the year	-	-
- fully paid	606,805,436	-
- not fully paid	-	-

The item B.3 Other changes reports the shares allocated to the personal financial advisors under the stock granting plan ("2014 PFA Plan") for Bank's Personal Financial Advisors and Network Managers.

14.3 Share capital: other information

The shares are not subject to any right, privilege or constraint; there are no shares reserved for issue under option and sales contracts.

14.4 Reserves from allocation of profit from previous years: other information

The reserves from profits consist of the:
- Legal reserve, amounting to €40,049 thousand;
- Extraordinary reserve, amounting to €205,860 thousand;
- Reserve for treasury shares held, amounting to €4,338 thousand.

Following the allocation of FinecoBank ordinary shares held as treasury shares to the Bank's Personal Financial Advisors and Network Managers, under the stock granting "2014 PFA Plan", the "Reserve for treasury shares held" was released and reclassified to the "Extraordinary reserve" by an amount of €4,217 thousand.

Information on the availability and distribution of shareholders' equity

In accordance with art. 2427, paragraph 7-bis of the Italian Civil Code, and according to document no. 1 issued by the Italian Accounting Body on October 25, 2004, a detailed description of equity items is provided below, with a breakdown in terms of availability, eligibility for distribution and use in the last three years.

(Amounts in € thousand)

TYPE/DESCRIPTION	AMOUNT	POSSIBLE USE	AMOUNT AVAILABLE	SUMMARY OF THE AMOUNTS USED IN THE PAST THREE YEARS	
				TO COVER LOSSES	FOR OTHER REASONS
Share capital	**200,246**	**-**	**-**	**-**	**-**
Share premium reserve	**1,934**	**A, B, C**	**1,934** (1)	**-**	**-**
Reserves:					
Legal reserve	40,049	B	40,049	-	-
Extraordinary reserve	205,860	A, B, C	205,860	-	4,861
Reserve related to equity-settled plans	28,160	-	-	-	-
Reserve for treasury shares	4,338	-	-		
Revaluation reserves:					
Revaluation reserves for Available-for-sale financial assets	(455)	-	- (2)	-	-
Revaluation reserves for actuarial net gains (losses) for defined benefit plans	(6,339)	-	-	-	-
TOTAL	**473,793**		**247,843**		
Undistributable amount			40,049		
Distributable amount			207,794		

Key

A: for capital increase.

B: to cover losses.

C: for distribution to shareholders.

Note:

(1) Pursuant to Article 2431 of the Italian Civil Code, the sum total of this reserve may be distributed only on condition that the legal reserve has reached the limit set in Article 2430 of the Civil Code.

(2) The reserve, when positive, is not available pursuant to article 6 of Legislative Decree 38/2005.

In 2015, the €80 thousand of the "Extraordinary reserve" was used for the capital increase for the first tranche of the "2014 Key People Plan" and €4,781 thousand from the "Reserve for treasury shares to be purchased" for the payment in cash of the first tranche of the 2014 stock granting plan "2014 PFA Plan" for the Personal Financial Advisors and Network Managers of the Bank.

In 2016, the €96 thousand of the "Extraordinary reserve" was used for the capital increase for the second tranche of the "2014 Key People Plan" and €4,217 thousand was used from the "Reserve related to equity-settled plans" following the allocation of FinecoBank ordinary shares held as treasury shares to the Bank's Personal Financial Advisors and Network Managers, for the second tranche of the stock granting "2014 PFA Plan".

The Bank closed the year 2016 with a net profit of €211,844 thousand and the Board of Directors Meeting of February 7, 2017 proposed its allocation as follows:

- €60 thousand to the Legal reserve, corresponding to 0.03% of the profit for the year, having reached the limit of a fifth of the share capital;
- €41,624 thousand to the Extraordinary reserve;
- €170,160 thousand to Shareholders, corresponding to a dividend of €0.28 for each of the 607,713,345 ordinary shares with a par value of €0.33 euro, constituting the share capital including the 907,909 shares relating to the capital increase approved by the Board of Directors on February 7, 2017.

The dividends not distributed in relation to any treasury shares held by the Bank at the record date will be transferred to the Extraordinary reserve.

14.5 Equity instruments: breakdown and annual changes

No data to report.

14.6 Other information

No data to report.

Part B - Balance Sheet - Liabilities (Continued)

Section 15 - Other information

1 Guarantees issued and commitments

(Amounts in € thousand)

TRANSACTIONS	AMOUNT 12.31.2016	AMOUNT 12.31.2015
1) Financial guarantees given	256,752	256,615
a) Banks	256,065	256,065
b) Customers	687	550
2) Commercial guarantees given	4	4
a) Banks	4	4
b) Customers	-	-
3) Irrevocable commitments to lend funds	1,241,574	129,165
a) Banks	1,018,155	1,974
i) certain to be called on	155	1,974
ii) not certain to be called on	1,018,000	-
b) Customers	223,419	127,191
i) certain to be called on	223,419	127,191
ii) not certain to be called on	-	-
4) Commitments underlying credit derivatives: protection sales	-	-
5) Assets given as collateral for third-party obligations	-	-
6) Other commitments	-	-
Total	**1,498,330**	**385,784**

Financial guarantees given to banks include 5 guarantees issued in 2012 on request of UniCredit, with indefinite duration, for a total amount of €256,065 thousand.
Irrevocable commitments to lend funds certain to be called on mainly consisted of spot contracts for the purchase and sale of securities to be settled in times established by market practices ("regular way"), for an amount of €192,398 thousand, repurchase agreements to be disbursed, for an amount of €20,887 thousand, and commitments towards the Interbank Deposit Guarantee Fund – Voluntary Scheme, for an amount of €10,046 thousand.
The irrevocable commitments with Banks to lend funds not certain to be called on refer to the Liquidity Framework Agreement entered into during in 2016, under which the Bank has made a commitment to provide UniCredit a certain amount of eligible securities for the period of one month; the securities may be requested by UniCredit through repos with a maximum duration of three months. The Bank is also committed to investing the liquidity, received through the repos, in term deposits with the Parent Company with the same expiry date.

2. Assets given as collateral for own liabilities and commitments

(Amounts in € thousand)

PORTFOLIOS	AMOUNT 12.31.2016	AMOUNT 12.31.2015
1. Financial assets held for trading	-	-
2. Financial assets designated at fair value through profit or loss	-	-
3. Available-for-sale financial assets	-	-
4. Held-to-maturity investments	-	-
5. Loans and receivables with banks	54,909	87,367
6. Loans and receivables with customers	-	-
7. Property, plant and equipment	-	-
Total	**54,909**	**87,367**

Assets given as collateral for own liabilities and commitments shown in item "Loans and receivables with banks" refer to bonds issued by UniCredit, classified in the “Loans and Receivables” category, subscribed by the Bank in order to conduct repos with the obligation for the buyer to resell the assets covered by the transaction upon expiration of said transaction; bonds are given as collateral for the entire duration of the repos.

The Bank has also committed securities owned by it as collateral for bankers' drafts, as a guarantee for transactions in foreign markets, as a guarantee for transactions in derivatives, and as a guarantee for securities lending transactions.
With regard to the securities used as collateral for banker’s drafts, as guarantee with third parties in relation to transactions on foreign markets: more specifically, the Bank used bonds issued by the Italian and French governments, classified as Available-for-sale assets, for a book value of €128,882 thousand (€131,435 thousand as at December 31, 2015). Securities are used as collateral until the Bank decides to stop the transactions for which the collateral or guarantees are granted.
With regard to the securities lending transactions with customers, UniCredit securities have been committed, belonging to the “Loans and receivables" category”, for a carrying amount of €1,042,126 thousand (€1,329,696 thousand as at December 31, 2015). For more details, see section 4. Securities lending transactions.

3. Information on operating leases

With regard to outstanding non-cancellable leases, the future payments amount to:
- €1,868 thousand up to twelve months;
- €1,647 thousand from one to five years.

There are no sub-leases in place.

4. Asset management and trading on behalf of others

(Amounts in € thousand)

TYPE OF SERVICE	AMOUNT 12.31.2016	AMOUNT 12.31.2015
1. Execution of orders for customers	**330,212,411**	**381,095,835**
Securities	85,036,522	120,951,894
a) purchases	42,701,792	60,336,465
1. Settled	*42,346,469*	*60,133,028*
2. Unsettled	*355,323*	*203,437*
b) sales	42,334,730	60,615,429
1. Settled	41,973,535	60,419,410
2. Unsettled	361,195	196,019
Derivative contracts	**245,175,889**	**260,143,941**
a) purchases	122,572,275	130,139,759
1. Settled	*122,309,410*	*129,921,309*
2. Unsettled	*262,865*	*218,450*
b) sales	122,603,614	130,004,182
1. Settled	*122,335,440*	*129,801,959*
2. Unsettled	*268,174*	*202,223*
2. Segregated accounts	**-**	**-**
a) individual	-	-
b) collective	-	-
3. Custody and administration of securities		
a) third-party securities on deposits: relating to custodian bank activities (excluding segregated accounts)	-	-
1. securities issued by the bank preparing the accounts	-	-
2. other securities	-	-
b) third-party securities held in deposits (excluding segregated accounts): other	11,399,554	12,708,687
1. securities issued by the bank preparing the accounts	*4,827*	*2,787*
2. other securities	*11,394,727*	*12,705,900*
c) third-party securities deposited with third parties	11,399,550	12,708,687
d) own securities deposited with third parties	15,461,745	13,515,797
4. Other transactions	**18,342,788**	**27,347,644**
Order receipt and transmission	18,342,788	27,347,644
a) purchases	*9,216,044*	*13,635,216*
b) sales	*9,126,744*	*13,712,428*

5. Assets subject to accounting offsetting, to master netting agreements or similar agreements

(Amounts in € thousand)

TYPE	GROSS AMOUNT OF FINANCIAL ASSETS (A)	AMOUNT OF FINANCIAL LIABILITIES OFFSET IN THE FINANCIAL STATEMENTS (B)	NET AMOUNT OF FINANCIAL ASSETS SHOWN IN THE FINANCIAL STATEMENTS (C=A-B)	RELATED AMOUNTS NOT SUBJECT TO ACCOUNTING OFFSETTING		NET AMOUNT 12.31.2016 (F=C-D-E)	NET AMOUNT 12.31.2015
				FINANCIAL INSTRUMENTS (D)	CASH DEPOSITS RECEIVED AS GUARANTEE (E)		
1. Derivatives	552	-	552	-	-	552	-
2. Reverse repos	-	-	-	-	-	-	-
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total December 31, 2016	**552**	**-**	**552**	**-**	**-**	**552**	**X**
Total December 31, 2015	**-**	**-**	**-**	**-**	**-**	**X**	**-**

Part B - Balance Sheet - Liabilities (Continued)

6. Liabilities subject to accounting offsetting or under master netting agreements and similar ones

(Amounts in € thousand)

TYPE	GROSS AMOUNT OF FINANCIAL LIABILITIES (A)	AMOUNT OF FINANCIAL ASSETS OFFSET IN THE FINANCIAL STATEMENTS (B)	NET AMOUNT OF FINANCIAL LIABILITIES SHOWN IN THE FINANCIAL STATEMENTS (C=A-B)	RELATED AMOUNTS NOT SUBJECT TO ACCOUNTING OFFSETTING		NET AMOUNT 12.31.2016 (F=C-D-E)	NET AMOUNT 12.31.2015
				FINANCIAL INSTRUMENTS (D)	CASH DEPOSITS RECEIVED AS GUARANTEE (E)		
1. Derivatives	7.849	-	7.849	-	7.849	-	-
2. Reverse repos	-	-	-	-	-	-	-
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total December 31, 2016	**7.849**	**-**	**7.849**	**-**	**7.849**	**-**	**X**
Total December 31, 2015	**-**	**-**	**-**	**-**	**-**	**X**	**-**

7. Securities lending transactions

The Bank conducts securities lending transactions on a continuous and systematic basis, with the objective of optimising the returns of customer portfolios, satisfying the requests of institutional counterparties and obtaining a profit for the Bank. The Bank operates as the borrower, borrowing the securities of its customers and using them in repos and securities lending transactions guaranteed by cash amounts with retail and institutional customers interested in the temporary ownership of the securities. In the case of securities lending transactions guaranteed by other securities, which are not recognised as liabilities or commitments in the accounts, the Bank has used bond issues of UniCredit, classified as "Loans and Receivables", as guarantees; these are deposited in a securities account held at the custodian bank for an amount higher than that of the securities borrowed from customers, in order to provide a collective guarantee.

The face value of the underlying securities not recognised as assets in the accounts totalled €832,804 thousand, while their fair value was €1,094,173 thousand, broken down as follows:

(Amounts in € thousand)

SECURITIES RECEIVED ON LOAN FROM:	TYPE OF SECURITIES (NOMINAL VALUE DECEMBER 31, 2016)		
	BANKS	SOLD IN REPOS	OTHER PURPOSES
Financial companies	-	-	-
Insurance	-	7,489	-
Non-financial companies	-	-	-
Other entities	-	4,021	2
Total nominal value	577	820,603	112
Totale valore nominale	**577**	**832,113**	**114**

(Amounts in € thousand)

SECURITIES RECEIVED ON LOAN FROM:	TYPE OF SECURITIES (FAIR VALUE DECEMBER 31, 2016)		
	SOLD	SOLD IN REPOS	OTHER PURPOSES
Banks	-	-	-
Financial companies	-	7,525	-
Insurance	-	-	-
Non-financial companies	-	5,216	37
Other entities	35	1,080,508	852
Total fair value	**35**	**1,093,249**	**889**

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Part C - Income Statement

Section 1 - Interest income and expense - Items 10 and 20

1.1 Interest income and similar revenues: breakdown

(Amounts in € thousand)

ITEMS/TYPE	DEBT SECURITIES	LOANS	OTHER TRANSACTIONS	TOTAL 12.31.2016	TOTAL 12.31.2015
1. Financial assets held for trading	1	-	-	1	2
2. Available-for-sale financial assets	20,658	-	-	20,658	20,362
3. Held-to-maturity investments	1,575	-	-	1,575	-
4. Loans and receivables with banks	194,217	4,597	-	198,814	216,737
5. Loans and receivables with customers	-	29,109	-	29,109	29,786
6. Financial assets designated at fair value through profit or loss	-	-	-	-	-
7. Hedging derivatives	-	-	3,080	3,080	1,945
8. Other assets	-	-	69	69	66
Total interest income	**216,451**	**33,706**	**3,149**	**253,306**	**268,898**

Interest accrued on impaired assets, relating exclusively to the item Loans and receivables with customers, amounted to €360 thousand (€540 thousand as at December 31, 2015).

1.2 Interest income and similar revenues: hedging differentials

(Amounts in € thousand)

ITEMS	12.31.2016	12.31.2015
A. Positive hedging differentials	35,458	79,895
B. Negative hedging differentials	(32,378)	(77,950)
C. Balance (A-B)	**3,080**	**1,945**

1.3 Interest income and similar revenues: other information

No information to report.

1.3.1 Interest income from financial assets denominated in currency

(Amounts in € thousand)

ITEMS/TYPE	12.31.2016	12.31.2015
Interest income on foreign currency financial assets	12,459	10,403

1.3.2 Interest income on finance lease transactions

No data to report.

1.4 Interest expenses and similar charges: breakdown

(Amounts in € thousand)

ITEMS/TYPE	PAYABLES	SECURITIES	OTHER TRANSACTIONS	TOTAL 12.31.2016	TOTAL 12.31.2015
1. Deposits from central banks	-	-	-	-	-
2. Deposits from banks	3,006	-	-	3,006	240
3. Deposits from customers	(6,924)	-	-	(6,924)	(14,337)
4. Debt securities in issue	-	-	-	-	(14,039)
5. Financial liabilities held for trading	-	-	-	-	-
6. Financial liabilities at fair value through profit and loss	-	-	-	-	-
7. Other liabilities and provisions	-	-	-	-	-
8. Hedging derivatives	-	-	-	-	-
Total interest expense	**(3,918)**	**-**	**-**	**(3,918)**	**(28,136)**

1.5 Interest expenses and similar charges: hedging differentials

This table has been omitted as the balance of hedging differentials is positive (please refer to the above table 1.2).

1.6 Interest expenses and similar charges: other information

No information to report.

1.6.1 Interest expense on liabilities denominated in currency

(Amounts in € thousand)

ITEMS/TYPE	12.31.2016	12.31.2015
Interest expense on liabilities denominated in currency	(2,479)	(1,069)

1.6.2 Interest expense on finance leases

No data to report.

Section 2 - Fee and commission income and expense - Items 40 and 50

2.1 Fee and commission income: breakdown

(Amounts in € thousand)

TYPE OF SERVICE/AMOUNT	12.31.2016	12.31.2015
(a) guarantees given	67	68
(b) credit derivatives	-	-
(c) management, brokerage and consulting services:	436,906	448,071
1. securities trading	75,599	82,054
2. currency trading	-	-
3. portfolio management	-	-
3.1. individual	-	-
3.2. collective	-	-
4. custody and administration of securities	964	817
5. custodian bank	-	-
6. placement of securities	14,492	27,907
7. reception and transmission of orders	10,732	13,434
8. advisory services	33,078	27,832
8.1. related to investments	33,078	27,832
8.2. related to financial structure	-	-
9. distribution of third-party services:	302,041	296,027
9.1. portfolio management	252,873	255,527
9.1.1 individual	53	65
9.1.2 collective	252,820	255,462
of which maintenance commissions for UCIT units	*250,480*	*253,427*
9.2. insurance products	49,159	40,485
9.3. other products	9	15
(d) collection and payment services	21,758	29,306
(e) securitisation servicing	-	-
(f) factoring	-	-
(g) tax collection services	-	-
(h) management of multilateral trading systems	-	-
(i) management of current accounts	5,019	5,074
(j) other services	5,450	4,983
(k) securities lending transactions	3,640	4,434
Total	**472,840**	**491,936**

As noted in Part A - Accounting policies of these Notes to the Accounts, since January 1, 2016, within securities lending transactions with cash guarantees, the income component related to the service provided (received) for the provision of the security has been recognised under fee and commission income (expense), whereas it was previously recorded in interest income (expense). For the purposes of like-for-like comparison, the corresponding figures relating to the previous year have been restated (fee and commission expense of €4,434 thousand and fee and commission expense of €12 thousand as at December 31, 2015).

2.2 Fee and commission income: distribution channels for products and services

(Amounts in € thousand)

CHANNEL/AMOUNT	12.31.2016	12.31.2015
(a) at own branches:	**-**	**-**
1. portfolio management	-	-
2. placement of securities	-	-
3. third-party services and products	-	-
(b) cold-calling:	**290,634**	**286,270**
1. portfolio management	-	-
2. placement of securities	12,108	20,044
3. third-party services and products	278,526	266,226
(c) other distribution channels:	**25,898**	**37,663**
1. portfolio management	-	-
2. placement of securities	2,383	7,863
3. third-party services and products	23,515	29,800
Total	**316,532**	**323,933**

Part C - Income Statement (Continued)

The fee and commission income described in point (c) "other distribution channels" refer to commissions earned through the online channel and also include fees and commissions collected by product companies and placement and maintenance commissions from the online subscription of units of UCITS and insurance products. The fee and commission income relating to the "distribution of third-party services: portfolio management" have been allocated to point 3. third-party services and products, whereas they were previously allocated to point 1. portfolio management. For the purposes of like-for-like comparison, the fee and commission income and expense for the previous year have also been restated.

2.3 Fee and commission expense: breakdown

(Amounts in € thousand)

SERVICE/AMOUNT	12.31.2016	12.31.2015
(a) guarantees received	-	-
(b) credit derivatives	-	-
(c) management and brokerage services:	(208,909)	(219,306)
1. securities trading	(7,510)	(7,663)
2. currency trading	-	(140)
3. portfolio management:	-	-
3.1 own	-	-
3.2 delegated to third parties	-	-
4. custody and administration of securities	(4,126)	(4,305)
5. placement of financial instruments	-	-
6. cold-calling to offer securities, products and services	(197,273)	(207,198)
(d) collection and payment services	(19,022)	(17,708)
(e) other services	(304)	(316)
f) securities lending transactions	(1,724)	(1,971)
Total	**(229,959)**	**(239,301)**

Section 3 - Dividend income and similar revenue - Item 70

3.1 Dividend income and similar revenue: breakdown

(Amounts in € thousand)

	12.31.2016		12.31.2015	
ITEM/INCOME	DIVIDENDS	INCOME FROM UCITS UNITS	DIVIDENDS	INCOME FROM UCITS UNITS
A. Financial assets held for trading	14	-	5	-
B. Available-for-sale financial assets	6	-	-	-
C. Financial assets designated at fair value through profit or loss	-	-	-	-
D. Equity investments	-	X	-	X
Total	**20**	**-**	**5**	**-**

Section 4 - Gains (losses) on financial assets and liabilities held for trading - Item 80

4.1 Gains (losses) on financial assets and liabilities held for trading: breakdown

As at December 31, 2016

(Amounts in € thousand)

TRANSACTION/INCOME ITEM	UNREALISED GAINS (A)	REALISED GAINS (B)	UNREALISED LOSSES (C)	REALISED LOSSES (D)	NET PROFIT (LOSS) [(A+B)-(C+D)]
1. Financial assets held for trading	**4**	**103,097**	**(22)**	**(93,411)**	**9,668**
1.1 Debt securities	-	6,825	-	(6,065)	760
1.2 Equity Instruments	4	93,309	(22)	(84,683)	8,608
1.3 UCITS units	-	2,963	-	(2,663)	300
1.4 Loans	-	-	-	-	-
1.5 Other	-	-	-	-	-
2. Financial liabilities held for trading	**7**	**129**	**-**	**(28)**	**108**
2.1 Debt securities	-	-	-	-	-
2.2 Payables	-	-	-	-	-
2.3 Other	7	129	-	(28)	108
3. Other financial assets and liabilities: exchange differences	**X**	**X**	**X**	**X**	**4,211**
4. Derivatives	**4,510**	**62,942**	**(3,720)**	**(39,076)**	**34,603**
4.1 Financial derivatives:	4,510	62,942	(3,720)	(39,076)	34,603
- On debt securities and interest rates	96	1,364	(80)	(904)	476
- On equity securities and share indices	4,414	56,725	(3,640)	(36,091)	21,408
- On currency and gold	X	X	X	X	9,947
- Other	-	4,853	-	(2,081)	2,772
4.2 Credit derivatives	-	-	-	-	-
Total	**4,521**	**166,168**	**(3,742)**	**(132,515)**	**48,590**

As at December 31, 2015

(Amounts in € thousand)

TRANSACTION/INCOME ITEM	UNREALISED GAINS (A)	REALISED GAINS (B)	UNREALISED LOSSES (C)	REALISED LOSSES (D)	NET PROFIT (LOSS) [(A+B)-(C+D)]
1. Financial assets held for trading	**2**	**112,367**	**(4)**	**(102,726)**	**9,639**
1.1 Debt securities	1	51	-	(55)	(3)
1.2 Equity Instruments	1	112,266	(4)	(102,671)	9,592
1.3 UCITS units	-	50	-	-	50
1.4 Loans	-	-	-	-	-
1.5 Other	-	-	-	-	-
2. Financial liabilities held for trading	**-**	**15**	**-**	**(5)**	**10**
2.1 Debt securities	-	-	-	-	-
2.2 Payables	-	-	-	-	-
2.3 Other	-	15	-	(5)	10
3. Other financial assets and liabilities: exchange differences	**X**	**X**	**X**	**X**	**9,081**
4. Derivatives	**1,913**	**52,224**	**(1,314)**	**(32,993)**	**34,975**
4.1 Financial derivatives:	1,913	52,224	(1,314)	(32,993)	34,975
- On debt securities and interest rates	6	1,274	(11)	(848)	421
- On equity securities and share indices	1,907	48,559	(1,303)	(31,139)	18,024
- On currency and gold	X	X	X	X	15,145
- Other	-	2,391	-	(1,006)	1,385
4.2 Credit derivatives	-	-	-	-	-
Total	**1,915**	**164,606**	**(1,318)**	**(135,724)**	**53,705**

Part C - Income Statement (Continued)

Section 5 - Fair value adjustments in hedge accounting - Item 90

5.1 Fair value adjustments in hedge accounting: breakdown

(Amounts in € thousand)

INCOME ITEM/AMOUNT	12.31.2016	12.31.2015
A. Gains on:		
A.1 Fair value hedging instruments	17,018	13,763
A.2 Hedged asset items (in fair value hedge relationship)	3,621	17,678
A.3 Hedged liability items (in fair value hedge relationship)	-	9,228
A.4 Cash-flow hedging derivatives	-	-
A.5 Assets and liabilities denominated in currency	-	-
Total gains on hedging activities (A)	**20,639**	**40,669**
B. Losses on:		
B.1 Fair value hedging instruments	(9,693)	(27,053)
B.2 Hedged asset items (in fair value hedge relationship)	(10,419)	(13,763)
B.3 Hedged liability items (in fair value hedge relationship)	(458)	-
B.4 Cash-flow hedging derivatives	-	-
B.5 Assets and liabilities denominated in currency	-	-
Total losses on hedging activities (B)	**(20,570)**	**(40,816)**
C. Fair value adjustments in hedge accounting (A-B)	**69**	**(147)**

Section 6 - Gains (Losses) on disposals/repurchases - Item 100

6.1 Gains (Losses) on disposals/repurchases: breakdown

(Amounts in € thousand)

	12.31.2016			12.31.2015		
ITEM/INCOME ITEM	PROFIT	LOSS	NET PROFIT (LOSS)	PROFIT	LOSS	NET PROFIT (LOSS)
Financial assets						
1. Loans and receivables with banks	-	-	-	-	-	-
2. Loans and receivables with customers	-	-	-	-	-	-
3. Available-for-sale financial assets	20.382	-	20.382	304	-	304
3.1 Debt securities	5.038	-	5.038	304	-	304
3.2 Equity Instruments	15.344	-	15.344	-	-	-
3.3 UCITS units	-	-	-	-	-	-
3.4 Loans	-	-	-	-	-	-
4. Held-to-maturity investments	-	-	-	-	-	-
Total assets	**20.382**	**-**	**20.382**	**304**	**-**	**304**
Financial liabilities						
1. Deposits from banks	-	-	-	-	-	-
2. Deposits from customers	-	-	-	-	-	-
3. Debt securities in issue	-	-	-	-	-	-
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**

The gains on disposal of debt securities, amounting to €5,038 thousand, relate to the sale of government securities, carried out as part of the mitigation of the exposure to interest-rate risk and the optimising of profitability. The gains on disposal of equities, amounting to €15,344 thousand, relate to the sale of the investment in Visa Europe Limited. See the Report on operations for more details.

Section 7 - Gains (losses) on financial assets and liabilities measured at fair value - Item 110

7.1 Gain (losses) on financial assets and liabilities measured at fair value through profit and loss: breakdown

No data to report.

Section 8 - Impairment losses - Item 130

8.1 Impairment losses on loans and receivables: breakdown

(Amounts in € thousand)

	IMPAIRMENTS (1)			WRITE-BACKS (2)					
	SPECIFIC			SPECIFIC		PORTFOLIO			
TRANSACTION/INCOME ITEM	WRITE-OFFS	OTHER	PORTFOLIO	A	B	A	B	YEAR 2016	YEAR 2015
A. Loans and receivables with banks	-	-	-	-	-	-	-	-	-
- Loans	-	-	-	-	-	-	-	-	-
- Debt securities	-	-	-	-	-	-	-	-	-
B. Loans and receivables with customers	(646)	(4,084)	(1,110)	306	1,221	-	107	(4,206)	(6,713)
Impaired related to purchase agreements	-	-		-	-	-		-	-
- Loans	-	-	X	-	-	-	X	-	-
- Debt securities	-	-	X	-	-	-	X	-	-
Other loans	(646)	(4,084)	(1,110)	306	1,221	-	107	(4,206)	(6,713)
- Loans	(646)	(4,084)	(1,110)	306	1,221	-	107	(4,206)	(6,713)
- Debt securities	-	-	-	-	-	-	-	-	-
C. Total	**(646)**	**(4,084)**	**(1,110)**	**306**	**1,221**	**-**	**107**	**(4,206)**	**(6,713)**

Key
A = From interest
B = Other write-backs

8.2 Impairment losses on available-for-sale financial assets: breakdown

(Amounts in € thousand)

	IMPAIRMENTS (1)		WRITE-BACKS (2)			
	SPECIFIC		SPECIFIC			
TRANSACTION/INCOME ITEM	WRITE-OFFS	OTHER	A	B	YEAR 2016	YEAR 2015
A. Titoli di debito	-	-	-	-	-	-
B. Titoli di capitale	-	(6,724)	-	-	(6,724)	-
C. Quote OICR	-	-	-	-	-	-
D. Finanziamenti a banche	-	-	-	-	-	-
E. Finanziamenti a clientela	-	-	-	-	-	-
F. Totale	**-**	**(6,724)**	**-**	**-**	**(6,724)**	**-**

Key
A = From interest
B = Other write-backs

The specific impairments consisted exclusively of the full impairment write-down recorded on the exposure in equity instruments recognised in the "Available-for-sale financial assets" portfolio as result of the contribution paid to the Interbank Deposit Guarantee Fund - Voluntary Scheme for the subscription of the capital increase of Cassa di Risparmio di Cesena, described above.

8.3 Impairment losses on held-to-maturity investments: breakdown

No data to report.

8.4 Net value adjustments for the impairment of other financial assets: breakdown

(Amounts in € thousand)

	IMPAIRMENTS (1)			WRITE-BACKS (2)					
	SPECIFIC			SPECIFIC		PORTFOLIO			
TRANSACTION/INCOME ITEM	WRITE-OFFS	OTHER	PORTFOLIO	A	B	A	B	YEAR 2016	YEAR 2015
A. Guarantees given	-	-	-	-	-	-	1,416	1,416	-
B. Credit derivatives	-	-	-	-	-	-	-	-	-
C. Commitments to disburse funds	-	-	-	-	-	-	-	-	-
D. Other transactions	-	-	-	-	8	-	-	8	7
E. Total	**-**	**-**	**-**	**-**	**8**	**-**	**1,416**	**1,424**	**7**

Key
A = From interest
B = Other write-backs

The writeback on guarantees given, amounting to €1,416 thousand, was recognised as a result of the elimination of the remaining commitment towards the Interbank Deposit Guarantee Fund for the measure in favour of Banca Tercas.

Part C - Income Statement (Continued)

Section 9 - Administrative costs - Item 150

9.1 Staff expenses: breakdown

(Amounts in € thousand)

TYPE OF EXPENSE/AMOUNT	12.31.2016	12.31.2015
1) Employees	(78,114)	(75,323)
a) wages and salaries	(49,621)	(48,664)
b) social security contributions	(13,061)	(13,184)
c) provision for employee severance pay	(918)	(978)
d) pension costs	-	-
e) allocation to employee severance pay provision	(106)	(99)
f) provision for retirements and similar provisions:		
- defined contribution	-	-
- defined benefit	-	-
g) payments to external pension funds:		
- defined contribution	(2,861)	(2,686)
- defined benefit	-	-
h) costs related to share-based payments	(3,471)	(4,785)
i) other employee benefits	(8,076)	(4,927)
2) Other staff	-	(152)
3) Directors and statutory auditors	(1,136)	(991)
4) Early retirement costs	-	-
5) Recovery of expenses for employees seconded to other companies	267	235
6) Recovery of expenses for employees seconded to the company	(218)	(64)
Total	**(79,201)**	**(76,295)**

Item 1 h) Employees: costs related to share-based payments, includes costs incurred by the Bank in relation to payment agreements based on financial instruments issued by the Bank and on financial instruments issued by UniCredit to employees.

9.2 Average number of employees by category

	12.31.2016	TOTALE12.31.2015
Employees	**1,066**	**1,005**
(a) executives	26	27
(b) managers	317	295
(c) remaining employees	723	683
Other personnel	**13**	**12**

9.3 Pensions and other post-retirement defined-benefit obligations: costs and revenues

No data to report.

9.4 Other employee benefits

(Amounts in € thousand)

TYPE OF EXPENSE/AMOUNT	12.31.2016	12.31.2015
Leaving incentives	(5,517)	(1,251)
Medical plan	(939)	(932)
Luncheon vouchers	(926)	(892)
Seniority premiums	1,116	-
Other	(1,810)	(1,852)
Total	**(8,076)**	**(4,927)**

9.5 Other administrative expenses: breakdown

(Amounts in € thousand)

	12.31.2016	12.31.2015
1) INDIRECT TAXES AND DUTIES	**(90,568)**	**(90,797)**
2) MISCELLANEOUS COSTS AND EXPENSES		
A) Advertising expenses - Marketing and communication	**(16,840)**	**(19,584)**
Mass media communications	(12,340)	(14,035)
Marketing and promotions	(4,251)	(5,317)
Sponsorships	(182)	(205)
Conventions and internal communications	(67)	(27)
B) Expenses related to credit risk	**(1,403)**	**(1,597)**
Credit recovery expenses	(520)	(753)
Commercial information and company searches	(883)	(844)
C) Expenses related to personnel	**(28,851)**	**(32,745)**
Personnel training	(320)	(437)
Car rental and other staff expenses	(75)	(40)
Personal financial advisor expenses	(27,822)	(31,696)
Travel expenses	(564)	(508)
Premises rentals for personnel	(70)	(64)
D) ICT expenses	**(31,501)**	**(29,749)**
Lease of ICT equipment and software	(3,017)	(3,318)
Software expenses: lease and maintenance	(6,847)	(6,712)
ICT communication systems	(5,078)	(3,935)
ICT services: external personnel	(7,416)	(7,090)
Financial information providers	(9,143)	(8,694)
E) Consultancies and professional services	**(2,641)**	**(3,258)**
Consultancy on ordinary activities	(1,578)	(896)
Consultancy for strategy, business development and organizational optimization	(216)	(698)
Legal expenses	(25)	(5)
Legal disputes	(822)	(1,659)
F) Real estate expenses	**(19,793)**	**(20,104)**
Real estate services	(801)	(800)
Repair and maintenance of furniture, machinery, and equipment	(459)	(200)
Maintenance of premises	(1,491)	(1,741)
Premises rentals	(14,289)	(14,322)
Cleaning of premises	(495)	(546)
Utilities	(2,258)	(2,495)
G) Other functioning costs	**(32,796)**	**(31,672)**
Security and surveillance services	(412)	(410)
Money counting services and transport	-	(1)
Postage and transport of documents	(3,428)	(2,946)
Administrative and logistic services	(16,160)	(15,732)
Insurance	(3,630)	(3,629)
Printing and stationery	(794)	(621)
Association dues and fees	(8,080)	(7,889)
Other administrative expenses	(292)	(444)
H) Ex-ante contribution to the Single Resolution Fund and Interbank Deposit Guarantee Fund	**(10,614)**	**(4,691)**
Total	**(235,007)**	**(234,197)**

The European directives 49 of 59 of 2014 introduced the Deposit Guarantee Schemes (DGS) and Single Resolution Fund (SRF) effective from 2015. The costs recorded in 2016 for contributions paid during the year, shown under the item "Other administrative expenses" (point H) of table 9.5, amounted to a total of €10,614 thousand, consisting of €8,222 thousand for the ordinary and additional contribution to the Deposit Guarantee Scheme (reduced due to the allocations from the Banca Network liquidation procedure) and €2,392 thousand for the contribution to the Solidarity Fund established by the 2016 Stability Law. No cost was recorded for the Single Resolution Fund (no contribution due).

Part C - Income Statement (Continued)

Section 10 - Net provisions for risks and charges - Item 160

10.1 Net provisions for risks and charges: breakdown

(Amounts in € thousand)

	12.31.2016			12.31.2015		
	PROVISIONS	REALLOCATIONS	TOTAL	PROVISIONS	REALLOCATIONS	TOTAL
Legal disputes	(7,140)	7,212	72	(13,504)	8,065	(5,439)
Supplementary customer indemnity provision	(4,964)	-	(4,964)	(4,356)	-	(4,356)
Other provisions for risks and charges	(588)	4,696	4,108	(2,634)	1,406	(1,228)
Total	**(12,692)**	**11,908**	**(784)**	**(20,494)**	**9,471**	**(11,023)**

Section 11 - Impairment/write-backs on property, plant and equipment - Item 170

11.1 Impairment/write-backs on property, plant and equipment: breakdown

(Amounts in € thousand)

ASSET/INCOME ITEM	DEPRECIATION (A)	WRITE-DOWNS FOR IMPAIRMENT (B)	WRITE-BACKS (C)	NET PROFIT (LOSS) YEAR 2016 (A+B-C)	NET PROFIT (LOSS) 12.31.2015
A. Property, plant and equipment					
A.1 Owned	(4,825)	(28)	-	(4,853)	(3,962)
- Used in the business	(4,713)	(28)	-	(4,741)	(3,850)
- Held for investment	(112)	-	-	(112)	(112)
A.2 Held under finance lease	-	-	-	-	-
- Used in the business	-	-	-	-	-
- Held for investment	-	-	-	-	-
Total	**(4,825)**	**(28)**	**-**	**(4,853)**	**(3,962)**

Impairment losses were recognised in the year for insignificant amounts and mainly in relation to office furniture and fittings for which a zero value in use was determined.
A description of the methods used to calculate depreciation is provided in Part A - Accounting Policies of the notes to the accounts.

Section 12 - Impairment/write-backs on intangible assets - Item 180

12.1 Impairment on intangible assets: breakdown

(Amounts in € thousand)

ASSET/INCOME ITEM	AMORTISATION (A)	WRITE-DOWNS FOR IMPAIRMENT (B)	WRITE-BACKS (C)	NET PROFIT (LOSS) YEAR 2016 (A+B-C)	NET PROFIT (LOSS) 12.31.2015
A. Intangible assets					
A.1 Owned	(5,099)	-	-	(5,099)	(4,989)
- Generated internally by the company	-	-	-	-	-
- Other	(5,099)	-	-	(5,099)	(4,989)
A.2 Held under finance lease					
Total	**(5,099)**	**-**	**-**	**(5,099)**	**(4,989)**

Impairments on intangible assets relate to software, amortised over three years and the costs incurred to create the Fineco website, amortised over 5 years.

For the disclosures required by IAS 36 paragraph 134, d), e), f) and 135, c), d), e), see Part B paragraph 12.3 Other information.

Section 13 - Other net operating income - Item 190

13.1 Other operating expenses: breakdown

(Amounts in € thousand)

TYPE/AMOUNT	12.31.2016	12.31.2015
Refunds and allowances	(199)	(146)
Penalties, fines and unfavourable rulings	(2,798)	(5,039)
Improvements and incremental expenses incurred on leasehold properties	(3,706)	(3,387)
Improvements and incremental expenses incurred on group properties	(19)	(3)
Exceptional write-downs of assets	(571)	(906)
Other operating expense	(7,321)	(1,266)
Total	**(14,614)**	**(10,747)**

Exceptional write-downs of assets include costs incurred for credit card fraud of €518 thousand (€796 thousand as at December 31, 2015).
"Other operating expense" included the cost incurred for the measure in favour of Banca Tercas, amounting to €5,950 thousand. As noted in Part A - Accounting Policies of these Notes to the Accounts, to which the reader is referred for more details, during the first half 2016 Banca Tercas repaid the grant that it had originally received from the IDGF. These amounts were then credited to the banks participating in the IDGF as a repayment of the contribution made for the measure implemented in 2014 and recognised under Other operating income and were then immediately debited from the banks participating in the Voluntary Scheme and recognised under Other operating expense.

13.2 Other operating income: breakdown

(Amounts in € thousand)

TYPE/AMOUNT	12.31.2016	12.31.2015
Recovery of expenses:	85,395	84,347
- recovery of ancillary expenses - other	442	369
- recovery of taxes	84,953	83,978
Rental income from real estate investments	232	232
Other income for the current year	8,445	4,152
Total	**94,072**	**88,731**

Other income for the current period included the repayment of the contribution made for the measure in favour of Banca Tercas implemented by the IDGF in 2014, amounting to €5,925 thousand, described above.

Section 14 - Profit (loss) of associates - Item 210

14.1 Profit (Loss) of associates: breakdown

No data to report.

Section 15 - Gains (losses) on tangible and intangible assets measured at fair value - Item 220

15.1 Net gains (losses) on property, plant and equipment and intangible assets measured at fair value: breakdown

No data to report.

Section 16 - Impairment of goodwill - Item 230

16.1 Impairment of goodwill: breakdown

No data to report.

Part C - Income Statement (Continued)

Section 17 - Gains (losses) on disposal of investments - Item 240

17.1 Gains (losses) on disposal of investments: breakdown

(Amounts in € thousand)

INCOME ITEM/AMOUNT	12.31.2016	12.31.2015
A. Properties		
- Gains on disposal	-	-
- Losses on disposal	-	-
B. Other assets		
- Gains on disposal	-	-
- Losses on disposal	-	(1)
Net profit (loss)	**-**	**(1)**

Section 18 - Tax expense (income) related to profit or loss from continuing operations-– Item 260

18.1 Tax expense (income) related to profit or loss from continuing operations: breakdown

(Amounts in € thousand)

INCOME ITEM/AMOUNT	12.31.2016	12.31.2015
1. Current tax (-)	(95,525)	(95,708)
2. Adjustment to current tax of prior years (+/-)	6,518	-
3. Reduction of current tax for the year (+)	-	-
3.bis Reduction of current tax for the year due to tax receivables pursuant to Law 214/2011 (+)	-	-
4. Changes in deferred tax assets (+/-)	(5,086)	(297)
5. Changes in deferred tax liabilities (+/-)	(400)	(1,017)
6. Tax expense for the period (-) (-1+/-2+3+/-4+/-5)	(94,493)	(97,022)

18.2 Reconciliation of theoretical tax charge to actual tax charge

(Amounts in € thousand)

	TOTAL 2016	TOTAL 2015
Profit before tax	306,337	288,075

	IRES INCOME TAX	IRAP TAX	TOTAL 2016	TOTAL 2015
Amount corresponding to theoretical tax rate	(84,243)	(17,063)	(101,306)	(95,267)
+ Tax effects of charges not relevant to the calculation of taxable income	7,354	(1,127)	6,227	5
- Tax effects of income not relevant to the calculation of taxable income	-	-	-	-
- Tax effects deriving from the use of tax losses from previous years	-	-	-	-
- Tax effects deriving from the application of substitute taxes	(446)	-	(446)	(446)
Amount corresponding to actual tax rate	**(77,335)**	**(18,190)**	**(95,525)**	**(95,708)**

Section 19 - Profit (Loss) after tax from discontinued operations - Item 280

19.1 Profit (Loss) after tax from discontinued operations: breakdown

No data to report.

19.2 Breakdown of income tax on discontinued operations

No data to report.

Section 20 - Other information

1.1 Designation of Parent Company

UniCredit S.p.A.
Rome Register of Companies
Registered in the Register of Banking Groups and Parent Company of the UniCredit Banking Group with code 2008.1

1.2 Registered Office of Parent Company

Registered Office: Rome, Via A. Specchi, 16 -
Head Office: Milan, Piazza Gae Aulenti

1.3 Key figures for the Parent Company (income statement, balance sheet, structure)

The Bank is subject to management and coordination of UniCredit S.p.A.; therefore, in accordance with Article 2497 bis, paragraph 4 of the Italian Civil Code the key figures of the last approved financial statements of the parent company are provided below:

UniCredit S.p.A. - Reclassified balance sheet as at December 31, 2015

(Amounts in € million)

ASSETS	12.31.2015
Cash and cash balances	2,460
Financial assets held for trading	13,721
Loans and receivables with banks	22,062
Loans and receivables with customers	215,175
Financial investments	112,362
Hedging instruments	8,714
Property, plant and equipment	2,405
Goodwill	-
Other intangible assets	6
Tax assets	12,554
Non-current assets and disposal groups classified as held for sale	238
Other assets	4,675
Total assets	**394,372**

(Amounts in € million)

LIABILITIES AND SHAREHOLDERS' EQUITY	12.31.2015
Deposits from banks	37,466
Deposits from customers and debt securities in issue	278,885
Financial liabilities held for trading	10,672
Financial liabilities at fair value through profit and loss	-
Hedging instruments	9,669
Provisions for risks and charges	2,601
Tax liabilities	152
Liabilities included in disposal groups classified as held for sale	-
Other liabilities	8,402
Shareholders' Equity	46,525
- capital and reserves	*47,151*
- revaluation reserves for available-for-sale financial assets - cash flow hedges - from defined benefit plans)	*815*
- net profit (loss)	*(1,441)*
Total liabilities and shareholders' equity	**394,372**

Part C - Income Statement (Continued)

UniCredit S.p.A. – Condensed Income Statement 2015

(Amounts in € million)

	12.31.2015
Net interest	4,035
Dividends and other income from equity investments	1,476
Net fee and commission income	3,868
Net trading, hedging and fair value income	446
Net other expenses/income	(86)
OPERATING INCOME	**9,739**
Staff expenses	(3,273)
Other administrative expenses	(2,817)
Recovery of expenses	598
Impairment/write-backs on intangible and tangible assets	(128)
Operating costs	**(5,620)**
OPERATING PROFIT (LOSS)	**4,119**
Net write-downs of loans and provisions for guarantees and commitments	(2,667)
NET OPERATING PROFIT (LOSS)	**1,452**
Net provisions for risks and charges	(622)
Integration costs	(537)
Net income from investments	(2,008)
NET PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**(1,715)**
Income tax for the year	274
Goodwill impairment	-
NET PROFIT	**(1,441)**

1.4 Disclosure of auditing fees pursuant to art. 149-duodecies of Issuer's Regulations

The table below provides details of the fees (net of VAT and expenses) paid to the independent auditing firm Deloitte & Touche S.p.A. and entities within the network that the external auditors belongs to.

(Amounts in €)

TYPE OF SERVICE	SERVICE PROVIDER	Fees
Audit	Deloitte & Touche S.p.A.	154,285
Certification services	Deloitte & Touche S.p.A.	40,000
		194,285

Section 21 - Earnings per share

21.1 Average number of diluted ordinary shares

Basic earnings per share are calculated by dividing the net profit by the average number of ordinary shares outstanding during the year.

	12.31.2016	12.31.2015
Net profit for the period (€ thousands)	211.844	191.053
Average number of outstanding shares	605.659.378	606.101.380
Average number of outstanding shares (including potential ordinary shares with dilution effect))	608.860.642	609.836.318
Basic Earnings Per Share	**0,35**	**0,32**
Diluted Earnings Per Share	**0,35**	**0,31**

21.2 Other information

No data to report.

Part D - Comprehensive Income

Statement of comprehensive income

	ITEMS	GROSS AMOUNT	INCOME TAX	NET AMOUNT
10.	**Net Profit (Loss) for the year**	**X**	**X**	**211,844**
	Other comprehensive income without reclassification through profit or loss			
20.	Property, plant and equipment	-	-	-
30.	Intangible assets	-	-	-
40.	Defined benefit plans	(1,546)	484	(1,062)
50.	Non-current assets classified as held for sale	-	-	-
60.	Revaluation reserve from investments accounted for using the equity method	-	-	-
	Other comprehensive income with reclassification through profit or loss			
70.	**Hedges of foreign investments:**			
	a) fair value changes	-	-	-
	b) reclassification through profit or loss	-	-	-
	c) other changes	-	-	-
80.	**Exchange differences:**			
	a) fair value changes	-	-	-
	b) reclassification through profit or loss	-	-	-
	c) other changes	-	-	-
90.	**Cash flow hedges:**			
	a) fair value changes	-	-	-
	b) reclassification through profit or loss	-	-	-
	c) other changes	-	-	-
100.	**Available-for-sale financial assets:**			
	a) fair value changes	(3,687)	1,290	(2,397)
	b) reclassification through profit or loss			
	- due to impairment	-	-	-
	- gains/losses on disposals	(18,376)	3,338	(15,038)
	c) other changes	113	(37)	76
110.	**Non-current assets classified as held for sale:**			
	a) fair value changes	-	-	-
	b) reclassification through profit or loss	-	-	-
	c) other changes	-	-	-
120.	**Revaluation reserve from investments accounted for using the equity method:**			
	a) fair value changes	-	-	-
	b) reclassification through profit or loss			
	- due to impairment	-	-	-
	- gains/losses on disposals	-	-	-
	c) other changes	-	-	-
130.	**Total other comprehensive income**	**(23,496)**	**5,075**	**(18,421)**
140.	**Comprehensive income (item 10+130)**			**193,423**

Part E - Information on risks and hedging policies

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Part E - Information on risks and hedging policies

Introduction

In order to ensure lean and efficient management of risks, the risk management process is structured in accordance with the organisational choices made by the Group and the provisions of the Supervisory Instructions for Banks pertaining to the internal control system.
Risk management and control is performed by the Risk Management function of the Bank in collaboration with the same function of the Parent Company, which performs its role of guidance, coordination and control of risks at Group level. The organisational model considers a specific point of reference for Italy through the Chief Risk Officer function (CRO) of the Parent Company, to which has been assigned the responsibilities related to credit risks, operational risks and reputational risks of the Italian perimeter, as well as the managerial coordination of Risk Management functions in the Italian Legal Entities - among which FinecoBank - have been assigned.
The Bank is responsible for first and second-level monitoring, especially for verifying that the risk level of individual companies is compatible with the guidelines set by the Parent Company, individual company equity, and prudential supervisory rules.

Organisational structure
The Board of Directors of FinecoBank is tasked with setting the strategic policies and the guidelines for the organisational and operational structures, overseeing and monitoring their timely execution within the risk profiles of assigned. The Board of Directors is responsible for promoting a company culture that empowers controls, in compliance with the indications and principles contained in the Supervisory Instructions, setting and approving strategies for identifying and evaluating risk, and approving the strategic guidelines and risk management policies. The Board of Directors also verifies that the internal control structure is consistent with the risk tolerance established and approves policies for the management of risks.

The Chief Executive Officer and General Manager has been assigned specific powers by the Board of Directors in all the Bank's areas of activity. These powers are to be exercised in accordance with the applicable regulations and within the limits of the Parent Company directives and the policies, instructions, limits, risk assumption procedures and using the operational methods governed by the applicable information notices. The Chief Executive Officer and General Manager puts in place the necessary measures to ensure the establishment and maintenance of an efficient and effective internal control system.

The CRO Department, in line with the instructions and the guidelines of the Parent Company, is responsible for credit operations and risk management. The disclosure, at various levels, is provided by the Strategic Bodies and Officers (Chief Executive Officer and General Manager, Board of Directors, Audit and Related Parties Committee and Risk Committee). In relation to the Basel II Pillar 2 instructions, reputational and business risk and, in collaboration with the CFO, liquidity risk are also monitored and reported.

The CRO and the CFO are responsible for proposing and adapting the Group Risk Appetite Framework to FinecoBank and setting risk management strategies and policies, in line with the Bank's strategies and objectives, coordinating and monitoring their implementation by the units responsible, also in the various company areas.
The CRO Department ensures the control of the Bank's overall risk profile by monitoring the various types of risk exposure, in accordance with the methods established by the Parent Company.

The Risk Management Unit prevents and monitors different components of Bank risks. The function specifically controls credit, market and operational risks to which the Bank is exposed. The Risk Management function also monitors business, reputational and liquidity risk. The Risk Management Unit supports the CRO, in the area of responsibility of the Department, in monitoring and reporting to the Strategic Bodies and Officers.

Given the complexity of the Bank's activities and the significant risks involved, the Board of Directors of the Bank decided to establish an Audit and Related Parties Committee to carry out internal control tasks; the committee is made up of non-executive members of the same Board and its task is to carry out adequate investigations to support the Board of Directors in its assessments and decisions on the internal control system and risk management.

The corporate governance structure for operational risk involves the establishment of the Risks Committee, which defines the strategies for the mitigation and assessment of all types of risk, within the directives issued by the Parent Company, and approves and validates the internal procedures and operating manuals for operational risk.

Lastly, the participation by the Chief Risk Officer and Head of Risk Management in the Products Committee ensures oversight of the operational risk associated with the Bank's new business activities, as well as creating and disseminating a risk culture in the various functional areas.

Section 1 – Credit Risk

QUALITATIVE INFORMATION

1. General Matters

The Bank's objective is to provide an adequate range of products able to satisfy and encourage loyalty among customers, through a competitive and complete offer. The development of the products and of the product line must also seek to maintain portfolio quality and, in any event, adequate processes to monitor profitability.

The factors that generate credit risk are determined by acceptance and creditworthiness polices, which are always adequately correlated to the risk/return ratio and in line with the Risk Appetite defined by the Board of Directors.

The quality of the loan portfolio, which is constantly monitored and supported by risk mitigation instruments, is protected by scoring models that contribute to evaluation during the approval process, ensuring that it is consistent and controlled. In addition to adequate coverage of the risk levels, monitoring of the portfolio and its segmentation by product and seniority allow a better understanding of the best loan issue strategies. The identification of any high-risk areas permits intervention on the automated measurement systems as well as on disbursement standards, with the possibility to take measures to limit credit risk in advance.
In 2016, lending activity continued to focus on granting credit lines, mostly backed by assets, issuing credit cards with full payment of the balance at term to current account holders, and granting personal loans. In 2016, the Bank continued to diversify its business by expanding the offering of credit products and in particular by launching the mortgage loan business. The provision of mortgages is currently reserved to the purchase of first and second homes (including subrogation) and does not include any types of riskier mortgages (high loan to value, interest only, financing mortgages, etc.).

During the year, loans to ordinary customers grew due to an increased number of credit lines granted for the product "Fido con Mandato a Vendere su Amministrato e Sicav" (Credit line backed by assets under management and SICAVs, with mandate for selling): with this product, customers can obtain a credit line in proportion to the amount of securities they hold. The offering is designed to meet the liquidity needs of affluent customers to avoid divestitures. The stock of loans also rose as a result of the increase in the granting of personal loans.

Choices concerning the investment of the Bank's liquidity are governed by a prudential approach aimed at containing credit risk and mainly involve deposits with UniCredit S.p.A. and the subscription of bonds issued by the latter. In order to optimise its portfolio, by diversifying counterparty risk, in 2016 the Bank also increased its exposure to Spanish government securities by €500 million and to Italian government securities by €769.5 million and purchased $80 million of US government securities.

The Bank also issued and approved the policy "Issuer risk in bonds - Contingency Plan" aimed at defining principles and rules to efficiently and comprehensively evaluate, control and limit the issuer's risk associated with bonds in the banking book. In accordance with the policy, the Risk Management function monitors a series of indicators to analyse the exposure of the Bank's portfolio to issuer risk; through this analysis it is possible to identify the emergence of abnormal situations and assess the need for corrective actions to avoid deterioration of the portfolio position.

2. Credit Risk Management Policy

2.1 Organisational aspects

The credit process can be broken down into the following stages:
- assessment of creditworthiness;
- granting/disbursement of credit;
- credit monitoring;
- management of impaired loans;
- risk measurement and control.

The assessment of creditworthiness entails ascertaining the ability of the borrower to repay. It is performed by specific centralised and specialist operating units in the various product lines disbursed to customers (personal loans, credit cards, credit lines, and mortgages). On receipt of the request, the offices in question assess the reliability of documentation, evaluate the equity and income situation, and gather information, also by consulting public records, private banks and system data such as the information contained in the Bank of Italy's risk centre and in the Group archives.

In addition to an assessment of creditworthiness by the dedicated functions, credit approval also requires that they assess the compatibility of the request with the customer's overall situation, considering the amount requested and agreeing on a different amount with the customer, where necessary, evaluate and finalise guarantees, if any, linking them to credit facilities and filing them according to specific processes. Lastly, the decision-making parties approve or reject the application on the basis of their powers or send the application to a higher decision-making body.

Credit monitoring is carried out on credit lines to check that the economic situation of the customer and the guarantor that resulted in the approval has not changed. This check may entail collecting updated system data and information, as well as information from private banks. Checks are carried out

Part E - Information on risks and hedging policies (Continued)

according to established processes at set intervals, and may vary according to the amount of the credit line granted.
In line with the general principles laid down by the Supervisory Authority, receivables are classified on the basis of the level of impairment, which may be established on the basis of qualitative or quantitative criteria.

The management of impaired loans entails taking all action necessary to restore them to normality or to recover the credits in situations where the relationship cannot be continued. All of these measures are established by specific processes based on the type and amount of the past-due loan and the past-due period as well as taking into account any financial assets of the customer, which may be offered as collateral. Credit collection is performed through payment reminders directly carried out by the Bank as well as through reminders and debt recovery carried out by specialised, authorised external companies.
Lastly, management also entails forecasting losses on an individual basis, which is continuously updated based on the progress of recovery actions for the amounts due or based on information collected during the recovery actions.

The measurement and control of credit risk takes place at the assessment stage with the support of scoring tools that analyse the customers' socio-demographic profiles, making an assessment of individual counterparties on a statistical basis and supplementing the assessment, on one hand, with the support of credit bureaus for better knowledge of public and private data and on the other hand, with information contained in the Bank of Italy's risk centre.
Credit risk control is also performed through the systematic assessment of the performance of loan portfolios in order to estimate expected losses and intervene on disbursement policies where necessary.

2.1.1 Factors that generate Credit Risk

In the course of its credit business activities the Bank is exposed to the risk that its loans may, due to the deterioration of the debtor's financial condition, not be repaid at maturity, and thus result in a partial or full write-down. This risk is always inherent in traditional lending operations regardless of the form of the credit facility. The main reasons for default lie in the borrower's lack of autonomous ability to ensure the repayment of the debt.
In addition to the risk associated with the granting and disbursement of credit, the Bank is also exposed to counterparty risk for all clearing and pre-clearing operations with the institutional and banking counterparties necessary to conduct the Bank's business. Counterparty risk is defined as the risk that a counterparty to one of the transactions is in default prior to the final settlement of the cash flows involved in the transaction. The counterparties in these transactions could default as a result of insolvency, political and economic events, lack of liquidity, operating problems or other reasons.
Other transactions involving counterparty risk are:
- entering into derivative contracts;
- purchasing and selling securities, futures, or currencies;
- holding third-party securities.

In addition, "Non-Traditional Credit Risk" is generated by leverage/short transactions conducted through securities lending. Leverage/short transactions conducted through securities lending, also when there are automatic stop losses performed within the margins, can generate credit risk if the security lacks liquidity (for example, in the case of dramatic events that affect the normal functioning of markets) and/or the margin is insufficient. To anticipate such events, scenario analyses are conducted periodically to assess the impacts and implement appropriate mitigation policies.

The Bank monitors and manages the specific risk of each counterparty and the overall risk of loan portfolios through procedures, structures and rules that steer, govern and standardise the assessment and management of credit risk, in line with the Group principles and best practice, and which are capable of extending their effectiveness to all phases of the economic cycle.

The Bank reports all information to the Parent Company that can help it in its assessment of each FIBS counterparty ("Financial Institutions, Banks and Sovereigns") that the Bank intends to have dealings with and with respect to whom a risk limit (ceiling) is to be set within which the Group intends to operate.
The assessment is conducted within the risk limits assigned to the counterparty's Economic Group, i.e. considering the Group's exposure towards all the parties legally and economically linked to the counterparty. At the end of the assessment, the Parent Company assigns the Bank a risk limit that has to be monitored.

2.2 Management, measurement and control system

The measurement of credit risk during the issue process is supported by automated assessment systems (so-called credit scoring systems). These systems also incorporate all available information and facts: public and private data provided by Credit rating bureaus, Risk Center data flows or information requests submitted to the Bank of Italy, Group archives with data relating to positions shared with other Group banks and other performance information on customers, stored by the Bank. During the loan application process, attention is always focused on the possibility of optimising all information concerning customers that has been provided by the Bank, the Group and the System.
The collection of any guarantees, their assessment and the margins between the fair value of the guarantee and the amount of the loan granted are a simple kind of support to credit risk mitigation, but there is no relevant positive correlation between the value of the financial guarantee and the applicant's creditworthiness.

The collective write-downs of the "performing" loan portfolio are determined using migration rates, through transition matrices, both from performing loans to non-performing loans and for each classification status (past-due, unlikely to pay, non-performing) by combining the default rates with the expected recovery rates individually calculated for non-performing loans and taking account of any supporting guarantees.

The global assessment of portfolio risks, in order to identify the sustainability of the asset and the remuneration margins, is made both with the assistance of a tool shared with the Parent Company (Credit Tableau de Bord), which contains all the main risk indicators and the largest receivables of those listed, and with the support of specific product reports which identify the trend of default rates, broken down by disbursement period and default level.

The monitoring of credit risk as part of the management of the trading book is conducted by breaking it down into rating class and issuer sector, which determine the implicit risk of contracts.

2.3 Credit risk mitigation techniques

In order to mitigate risk when granting the different types of credit facilities, various types of collateral are obtained. Mortgages on property loans, liens on shares, bonds or investment funds, insurance contracts and government bonds are used to guarantee current account overdraft facilities.

The presence of collateral does not, however, relieve the Bank from the requirement to carry out on overall assessment of the credit risk, primarily centred around the customer's income capacity regardless of the additional guarantee provided. The valuation of the lien collateral is based on its actual value, i.e. the market value for the financial instruments listed in a regulated market. The resulting value is subject to percentage haircuts, differentiated based on the financial instruments used as security and the concentration of the instrument in the customer' S portfolio provided as security.

For real estate collateral, the principles and rules are described in the policy on the granting of residential mortgages with property collateral to current account holders of FinecoBank S.p.A. The valuation of the assets is performed by external technical experts included in the Register of Engineers, Architects and Surveyors or industrial experts who are not therefore susceptible to conflict of interest.

2.4 Impaired loans

Loans are classified as past due, unlikely to pay or non-performing in accordance with the criteria set forth by the Bank of Italy and the thresholds established by the Parent Company. The classification as non-performing, linked to the customer's insolvency, is always individual and defined on the basis of the progress of debt recovery actions. The loss estimate for classified positions is also individual.
The classification criterion used for overdrawn accounts is related to the performance of debt recovery activity or the forced sale of securities to cover debts.
The reclassification of loans to a category of lower risk exposure is only authorised if the amount past due has been paid in full in observance of the original payment schedule, or if considerable payments have been made leading the Bank to believe the debt exposure is very likely to be repaid.
The procedure for the management of irregularly performing loans involves actions that may be taken to recover debts by ranking them by seniority of expiration.

QUANTITATIVE INFORMATION

A. Credit quality

A.1 Impaired and unimpaired loans: amounts, write-downs, changes, distribution by business activity/region

A.1.1 Breakdown of credit exposures by portfolio and credit quality (book value)

(Amounts in € thousand)

PORTFOLIO/QUALITY	NON-PERFORMING LOANS	UNLIKELY TO PAY	PAST-DUE IMPAIRED LOANS	PAST-DUE UNIMPAIRED LOANS	OTHER UNIMPAIRED EXPOSURES	TOTAL
1. Available-for-sale financial assets	-	-	-	-	1,316,221	1,316,221
2. Held-to-maturity investments	-	-	-	-	2,437,777	2,437,777
3. Loans and receivables with banks	-	-	-	-	15,735,540	15,735,540
4. Loans and receivables with customers	2,662	399	598	9,732	1,003,408	1,016,799
5. Financial assets designated at fair value through profit or loss	-	-	-	-	-	-
6. Financial instruments classified as held for sale	-	-	-	-	-	-
Total December 31, 2016	**2,662**	**399**	**598**	**9,732**	**20,492,946**	**20,506,337**
Total December 31, 2015	**3,500**	**794**	**583**	**25,575**	**17,776,720**	**17,807,172**

As at December 31, 2016 there were no impaired purchased loans.

Part E - Information on risks and hedging policies (Continued)

A.1.2 Breakdown of credit exposures by portfolio and credit quality (gross and net values)

(Amounts in € thousand)

PORTFOLIO/QUALITY	IMPAIRED ASSETS			UNIMPAIRED ASSETS			TOTAL (NET EXPOSURE
	GROSS EXPOSURE	SPECIFY IMPAIRMENT	NET EXPOSURE	GROSS EXPOSURE	PORTFOLIO IMPAIRMENT	NET EXPOSURE	
1. Available-for-sale financial assets	-	-	-	1,316,221	-	1,316,221	1,316,221
2. Held-to-maturity investments	-	-	-	2,437,777	-	2,437,777	2,437,777
3. Loans and receivables with banks	-	-	-	15,735,540	-	15,735,540	15,735,540
4. Loans and receivables with customers	22,370	(18,711)	3,659	1,022,637	(9,497)	1,013,140	1,016,799
5. Financial assets designated at fair value through profit or loss	-	-	-	X	X	-	-
6. Financial instruments classified as held for sale	-	-	-	-	-	-	-
Total December 31, 2016	**22,370**	**(18,711)**	**3,659**	**20,512,175**	**(9,497)**	**20,502,678**	**20,506,337**
Total December 31, 2015	**25,195**	**(20,318)**	**4,877**	**17,810,792**	**(8,497)**	**17,802,295**	**17,807,172**

(Amounts in € thousand)

PORTFOLIO/QUALITY	ASSETS WITH EVIDENTLY POOR CREDIT QUALITY		OTHER ASSETS
	ACCUMULATED UNREALISED LOSSES	NET EXPOSURE	NET EXPOSURE
1. Financial assets held for trading	-	-	4,908
2. Hedging derivatives	-	-	552
Total December 31, 2016	**-**	**-**	**5,460**
Total December 31, 2015	**-**	**-**	**3,397**

A.1.3 On-balance sheet and off-balance-sheet credit exposures to banks: gross values, net values and past due bands

(Amounts in € thousand)

TYPE OF EXPOSURE/AMOUNT	GROSS EXPOSURE							
	IMPAIRED ASSETS							
	UP TO 3 MONTHS	BETWEEN 3 MONTHS AND 6 MONTHS	BETWEEN 6 MONTHS AND 1 YEAR	OVER 1 YEAR	UNIMPAIRED ASSETS	SPECIFIC IMPAIRMENTS	PORTFOLIO IMPAIRMENTS	NET EXPOSURE
A. On-balance sheet exposures								
a) Non-performing loans	-	-	-	-	X	-	X	-
- of which: forborne exposures	-	-	-	-	X	-	X	-
b) Unlikely to pay	-	-	-	-	X	-	X	-
- of which: forborne exposures	-	-	-	-	X	-	X	-
c) Past-due impaired loans	-	-	-	-	X	-	X	-
- of which: forborne exposures	-	-	-	-	X	-	X	-
d) Unimpaired past-due loans	X	X	X	X	-	X	-	-
- of which: forborne exposures	X	X	X	X	-	X	-	-
e) Other unimpaired exposures	X	X	X	X	15,735,577	X	-	15,735,577
- of which: forborne exposures	X	X	X	X	-	X	-	-
Total A	**-**	**-**	**-**	**-**	**15,735,577**	**-**	**-**	**15,735,577**
B. Off-balance sheet exposures								
a) Impaired	-	-	-	-	X	-	X	-
b) Unimpaired	X	X	X	X	1,306,957	X	-	1,306,957
Total B	**-**	**-**	**-**	**-**	**1,306,957**	**-**	**-**	**1,306,957**
Total A+B	**-**	**-**	**-**	**-**	**17,042,534**	**-**	**-**	**17,042,534**

In the above table, item B. "Off-balance sheet exposures" includes the counterparty risk related to repos that can be classified as "Securities Financing Transactions" (SFT) defined in prudential regulations, amounting to €32,036 thousand, and the commitment to pay funds not certain to be called on relating to the Liquidity Framework Agreement signed in 2016 with the Parent Company, amounting to €1,018,000 thousand.
There were no securities lending transactions collateralised by other securities or without a cash guarantee with banks.

A.1.4 Impaired on-balance sheet credit exposures to banks: gross change in impaired exposures

No data to report.

A.1.4bis On-balance sheet credit exposures to banks: breakdown of gross forborne exposures by credit quality

No data to report.

A.1.5 On-balance sheet credit exposures to banks: trend in total write-downs

No data to report.

A.1.6 On-balance sheet and off-balance-sheet credit exposures to customers: gross values, net values and past due bands

(Amounts in € thousand)

	GROSS EXPOSURE							
	IMPAIRED ASSETS							
TYPE OF EXPOSURE/AMOUNT	UP TO 3 MONTHS	BETWEEN 3 MONTHS AND 6 MONTHS	BETWEEN 6 MONTHS AND 1 YEAR	OVER 1 YEAR	UNIMPAIRED ASSETS	SPECIFIC IMPAIRMENTS	PORTFOLIO IMPAIRMENTS	NET EXPOSURE
A. On-balance sheet exposures								
a) Non-performing loans	26	66	897	18,345	X	(16,672)	X	2,662
- of which: forborne exposures	-	-	9	113	X	(103)	X	18
b) Unlikely to pay	162	273	505	966	X	(1,507)	X	399
- of which: forborne exposures	98	9	14	6	X	(88)	X	40
c) Past-due impaired loans	213	669	159	89	X	(533)	X	598
- of which: forborne exposures	-	3	-	7	X	(4)	X	6
d) Unimpaired past-due loans	X	X	X	X	9,980	X	(249)	9,732
- of which: forborne exposures	X	X	X	X	41	X	-	40
e) Other unimpaired exposures	X	X	X	X	4,766,661	X	(9,249)	4,757,412
- of which: forborne exposures	X	X	X	X	124	X	(1)	123
Total A	**401**	**1,008**	**1,561**	**19,400**	**4,776,641**	**(18,712)**	**(9,498)**	**4,770,803**
B. Off-balance sheet exposures								
a) Impaired	-	-	-	-	X	-	X	-
b) Unimpaired	X	X	X	X	345,348	X	-	345,348
Total B	**-**	**-**	**-**	**-**	**345,348**	**-**	**-**	**345,348**
Total A+B	**401**	**1,008**	**1,561**	**19,400**	**5,121,989**	**(18,712)**	**(9,498)**	**5,116,151**

As at December 31, 2016, there were no unimpaired loans to customers renegotiated under collective agreements and no impaired purchased loans.

Breakdown by maturity of unimpaired past due loans, amounting to €9,980 thousand (€25,800 thousand as at December 31, 2015), is as follows:
- past due between 1 day and 90 days of €9,919 thousand (€25,780 thousand as at December 31, 2015);
- past due between 90 days and 180 days of €58 thousand (€5 thousand as at December 31, 2015);
- past due between 180 days and 1 year of €3 thousand (€15 thousand as at December 31, 2015).

In the above table, item B. "Off-balance sheet exposures" includes the counterparty risk related to securities lending transactions collateralised by other securities and to repos that can be classified as "Securities Financing Transactions" (SFT) defined in prudential regulations, amounting to €305,478 thousand.
There were no securities lending transactions without a cash guarantee or not collateralised by other securities with customers.

Part E - Information on risks and hedging policies (Continued)

A.1.7 On-balance sheet credit exposures to customers: gross change in impaired exposures

(Amounts in € thousand)

SOURCE/CATEGORIES	NON-PERFORMING LOANS	UNLIKELY TO PAY	PAST-DUE IMPAIRED LOANS
A. Opening balance gross exposure	**21,819**	**2,181**	**1,195**
of which: assets sold but not derecognised	-	-	-
B. Increases	**3,506**	**4,002**	**5,871**
B.1 transfers from performing exposures	111	319	5,144
B.2 transfers from other categories of impaired exposures	2,963	3,290	-
B.3 other increases	432	393	727
C. Decreases	**(5,991)**	**(4,277)**	**(5,936)**
C.1 transfers to performing exposures	-	(206)	(825)
C.2 de-recognitions	(4,848)	(56)	(1)
C.3 collections	(1,142)	(979)	(1,701)
C.4 proceeds from disposals	-	-	-
C.5 losses on disposal	-	-	-
C.6 transfers to other categories of impaired exposures	-	(2,955)	(3,298)
C.7 other decreases	(1)	(81)	(111)
D. Gross exposure closing balance of which: assets sold but not derecognised	**19,334**	**1,906**	**1,130**
di cui: esposizioni cedute non cancellate	-	-	-

A.1.7 bis On-balance sheet credit exposures to customers: breakdown of gross forborne exposures by credit quality

(Amounts in € thousand)

SOURCE/CATEGORIES	FORBORNE EXPOSURES: EXPOSURES	FORBORNE EXPOSURES: EXPOSURES
A. Opening balance gross exposure	**305**	**138**
of which: assets sold but not derecognised	-	-
B. Increases	**585**	**199**
B.1 transfers from performing exposures not forborne	116	121
B.2 transfers from performing forborne exposures	41	X
B.3 transfers from impaired forborne exposures	X	37
B.4 other increases	428	41
C. Decreases	**(632)**	**(173)**
C.1 transfers to performing exposures not forborne	X	-
B.2 transfers to performing forborne exposures	(191)	X
C.3 transfers to impaired forborne exposures	X	(46)
C.4 de-recognitions	(1)	-
C.5 collections	(206)	(127)
C.6 proceeds from disposals	-	-
C.7 losses on disposal	-	-
C.8 other decreases	(234)	-
D. Gross exposure closing balance	**258**	**164**
of which: assets sold but not derecognised	-	-

A.1.8 Impaired on-balance sheet credit exposures to customers: trend in total write-downs

(Amounts in € thousand)

SOURCE/CATEGORIES	NON-PERFORMING LOANS		UNLIKELY TO PAY		PAST-DUE IMPAIRED LOANS	
	TOTAL	OF WHICH: FORBORNE EXPOSURES	TOTAL	OF WHICH: FORBORNE EXPOSURES	TOTAL	OF WHICH: FORBORNE EXPOSURES
A. Total opening impairment	**(18,319)**	**(41)**	**(1,387)**	**(149)**	**(612)**	**(17)**
of which: assets sold but not derecognised	-	-	-	-	-	-
B. Increases	**(4,085)**	**(82)**	**(1,127)**	**(68)**	**(505)**	**(8)**
B.1 impairment losses	(3,240)	(14)	(1,071)	(43)	(501)	(4)
B.2 losses on disposal	-	-	-	-	-	-
B.3 transfers from other categories of impaired exposures	(826)	(68)	(35)	(4)	-	-
B.4 other increases	(19)	-	(21)	(21)	(4)	(4)
C. Decreases	**5,732**	**20**	**1,007**	**129**	**584**	**21**
C.1 write-backs from assessments	300	5	242	14	99	-
C.2 write-backs from recoveries	584	14	153	64	155	-
C.3 gains on disposal	-	-	-	-	-	-
C.4 de-recognitions	4,848	1	56	-	1	-
C.5 transfers to other categories of impaired exposures	-	-	535	51	325	21
C.6 other decreases	-	-	21	-	4	-
D. Final overall impairment	**(16,672)**	**(103)**	**(1,507)**	**(88)**	**(533)**	**(4)**
of which: assets sold but not derecognised	-	-	-	-	-	-

A.2 Breakdown of exposures according to external and internal ratings

A.2.1 Breakdown of on-balance sheet and off-balance-sheet exposures by external rating class

(Amounts in € thousand)

EXPOSURES	EXTERNAL RATING CLASSES						NO RATING	TOTAL
	CLASS 1	CLASS 2	CLASS 3	CLASS 4	CLASS 5	CLASS 6		
A. On-balance sheet exposures	**85.727**	**17.502**	**19.362.053**	**4.925**	**-**	**-**	**1.036.173**	**20.506.380**
B. Derivatives	**9**	**822**	**-**	**-**	**-**	**-**	**4.585**	**5.416**
B.1 Financial derivatives	9	822	-	-	-	-	4.585	5.416
B.2 Credit derivatives	-	-	-	-	-	-	-	-
C. Guarantees given	**-**	**-**	**256.070**	**-**	**-**	**-**	**687**	**256.757**
D. Other commitments to disburse funds	**19**	**-**	**1.018.167**	**11**	**34**	**-**	**35.309**	**1.053.540**
E. Other	**-**	**26.218**	**14.973**	**3.285**	**-**	**-**	**293.038**	**337.514**
Total	**85.755**	**44.542**	**20.651.263**	**8.221**	**34**	**-**	**1.369.792**	**22.159.607**

The table below shows the breakdown of on-balance sheet and off-balance-sheet exposures to counterparties with an external rating. Rating agencies provide a summary assessment on the creditworthiness of different type of counterparties: Countries, Banks, Public Bodies, Insurance Companies and Businesses, usually large-scale.
The table refers to the classification set forth in the Bank of Italy Circular no. 262/2005 regarding external ratings, which envisages 6 classes of creditworthiness.
The above presentation refers to the Standard and Poor's ratings, which are also associated to the ratings of the other two main Agencies, Moody's and Fitch. When there were two credit ratings for an individual exposure provided by two rating agencies the worst rating was recognised; if there were three different ratings the two best ratings were identified and, if they were different, the worst rating from these was recognised.
The Bank determines the regulatory requirements using the Traditional Standardised Approach, under which the exposures are split into different classes ("portfolios") according to the status of the counterparty or the technical characteristics of the relationship or how the relationship is conducted, applying different weighting coefficients to each portfolio. In determining the credit risk, the Bank only uses the assessments of the rating agencies assigned to the individual countries, which drive the weighting of the "Central governments and central banks", "Entities" and "Public Sector Entities" portfolios; in general, a weighting factor of 100 percent is applied to the remaining credit exposures, subject to the main exceptions established by CRR 575/2013.
As at December 31, 2016, credit exposure to retail customers was limited to personal loans, credit cards spending (full payment of balance or revolving), unsecured and secured loans and securities lending. The exposures resulting from property mortgages to households, at the end of the year, were minimal given the recent introduction of the product. Exposures to non-retail customers mainly derive from amounts due to the Parent Company for treasury activities and for hedging banking book positions through interest-rate derivatives. The remaining exposures regard receivables relating to customer trading, whose counterparties are leading banks with a high credit rating.
In the above table, item E "Other" includes the counterparty risk related to securities lending transactions guaranteed by other securities and to repos.
In the above table, equity instruments have been excluded whereas UCITS units have been included, unlike the previous tables in this section in which both were excluded.

A.2.2 Breakdown of on-balance sheet and off-balance-sheet exposures by internal rating class

This table has not been included because internal ratings are not used to managed credit risk.

Part E - Information on risks and hedging policies (Continued)

A. 3 Breakdown of secured exposures by type of guarantee

A.3.1 Secured exposures to banks

		REAL GUARANTEES (1)			
	NET EXPOSURE VALUE	PROPERTIES - MORTGAGES	PROPERTIES - FINANCE LEASES	SECURITIES	OTHER REAL GUARANTEES
1. Secured on-balance sheet exposures:					
1.1 totally secured	53	-	-	53	-
- of which impaired	-	-	-	-	-
1.2 partially secured	-	-	-	-	-
- of which impaired	-	-	-	-	-
2. Secured off-balance Sheet credit exposures:					
2.1 totally secured	-	-	-	-	-
- of which impaired	-	-	-	-	-
2.2 partially secured	-	-	-	-	-
- of which impaired	-	-	-	-	-

A.3.2 Secured exposures to customers

		REAL GUARANTEES (1)			
	NET EXPOSURE VALUE	PROPERTIES - MORTGAGES	PROPERTIES - FINANCE LEASES	SECURITIES	OTHER REAL GUARANTEES
1. Secured on-balance sheet exposures:					
1.1 totally secured	220,424	928	-	211,287	8,204
- of which impaired	12	11	-	1	-
1.2 partially secured	2,689	-	-	2,091	-
- of which impaired	-	-	-	-	-
2. Secured off-balance Sheet credit exposures:					
2.1 totally secured	24,227	-	-	21,494	2,734
- of which impaired	-	-	-	-	-
2.2 partially secured	1	-	-	-	1
- of which impaired	-	-	-	-	-

B. Distribution and concentration of credit exposures

B.1 Breakdown of on-balance sheet and off-balance-sheet exposures to customers by sector (carrying value)

	GOVERNMENTS			OTHER PUBLIC ENTITIES		
EXPOSURE/COUNTERPARTY	NET EXPOSURE	SPECIFIC IMPAIRMENTS	PORTFOLIO IMPAIRMENTS	NET EXPOSURE	SPECIFIC IMPAIRMENTS	PORTFOLIO IMPAIRMENTS
A. On-balance sheet exposures						
A.1 Non-performing loans	-	-	X	-	-	X
- of which: forborne exposures	-	-	X	-	-	X
A.2 Unlikely to pay	-	-	X	-	-	X
- of which: forborne exposures	-	-	X	-	-	X
A.3 Past-due impaired loans	2	(2)	X	-	-	X
- of which: forborne exposures	-	-	X	-	-	X
A.4 Unimpaired exposures	3,754,004	X	-	-	X	-
- of which: forborne exposures	-	X	-	-	X	-
TOTAL A	**3,754,006**	**(2)**	**-**	**-**	**-**	**-**
B. "Off-balance sheet" exposures						
B.1 Non-performing loans	-	-	X	-	-	X
B.2 Unlikely to pay	-	-	X	-	-	X
B.3 Other impaired assets	-	-	X	-	-	X
B.4 Unimpaired exposures	167	X	-	-	X	-
TOTAL B		**-**	**-**	**-**	**-**	**-**
TOTAL (A + B) December 31, 2016	**3,754,173**	**(2)**	**-**	**-**	**-**	**-**
TOTAL (A + B) December 31, 2015	**2,235,517**	**(2)**	**-**	**1**	**-**	**-**

(Amounts in € thousand)

PERSONAL GUARANTEES (2)									
CREDIT DERIVATIVES					GUARANTEES				
OTHER DERIVATIVES									
CLN	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC ENTITIES	BANKS	OTHER ENTITIES	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC ENTITIES	BANKS	OTHER ENTITIES	TOTAL (1) + (2)
-	-	-	-	-	-	-	-	-	53
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

(Amounts in € thousand)

PERSONAL GUARANTEES (2)									
CREDIT DERIVATIVES					GUARANTEES				
OTHER DERIVATIVES									
CLN	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC ENTITIES	BANKS	OTHER ENTITIES	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC ENTITIES	BANKS	OTHER ENTITIES	TOTAL (1) + (2)
-	-	-	-	-	-	-	-	-	220,419
-	-	-	-	-	-	-	-	-	12
-	-	-	-	-	-	-	-	-	2,091
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	24,228
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	1
-	-	-	-	-	-	-	-	-	-

(Amounts in € thousand)

FINANCIAL COMPANIES			INSURANCE COMPANIES			NON-FINANCIAL COMPANIES			OTHER ENTITIES		
NET EXPOSURE	SPECIFIC IMPAIRMENTS	PORTFOLIO IMPAIRMENTS	NET EXPOSURE	SPECIFIC IMPAIRMENTS	PORTFOLIO IMPAIRMENTS	NET EXPOSURE	SPECIFIC IMPAIRMENTS	PORTFOLIO IMPAIRMENTS	NET EXPOSURE	SPECIFIC IMPAIRMENTS	PORTFOLIO IMPAIRMENTS
6	(43)	X	-	-	X	11	(92)	X	2,646	(16,538)	X
-	(2)	X	-	-	X	-	-	X	18	(101)	X
-	-	X	-	-	X	6	(15)	X	393	(1,492)	X
-	-	X	-	-	X	-	-	X	40	(88)	X
2	-	X	-	-	X	8	(9)	X	586	(522)	X
2	-	X	-	-	X	-	-	X	4	(4)	X
98,744	X	(144)	12,174	X	-	14,666	X	(3,489)	887,556	X	(5,863)
-	X	-	-	X	-	-	X	-	164	X	(1)
98,752	**(43)**	**(144)**	**12,174**	**-**	**-**	**14,691**	**(116)**	**(3,489)**	**891,181**	**(18,552)**	**(5,863)**
-	-	X	-	-	X	-	-	X	-	-	X
-	-	X	-	-	X	-	-	X	-	-	X
-	-	X	-	-	X	-	-	X	-	-	X
3,353	X	-	-	X	-	464	X	-	35,885	X	-
3,353	**-**	**-**	**-**	**-**	**-**	**464**	**-**	**-**	**35,885**	**-**	**-**
102,105	**(43)**	**(144)**	**12,174**	**-**	**-**	**15,155**	**(116)**	**(3,489)**	**927,066**	**(18,552)**	**(5,863)**
92,885	**(43)**	**(129)**	**11,464**	**-**	**-**	**16,905**	**(107)**	**(3,327)**	**822,077**	**(20,165)**	**(5,040)**

Part E - Information on risks and hedging policies (Continued)

B.2 Breakdown of on-balance sheet and off-balance-sheet exposures to customers by geographical area (carrying value)

Exposures connected to the counterparty risk related to securities lending or borrowing transactions are not included.

(Amounts in € thousand)

EXPOSURE/GEOGRAPHICAL AREA	ITALY		OTHER EUROPEAN COUNTRIES		USA		ASIA		REST OF THE WORLD	
	NET EXPOSURE	TOTAL IMPAIRMENT	NET EXPOSURE	TOTAL IMPAIRMENT	NET EXPOSURE	TOTAL IMPAIRMENT	NET EXPOSURE	TOTAL IMPAIRMENT	NET EXPOSURE	TOTAL IMPAIRMENT
A. On-balance sheet exposures										
A.1 Non-performing loans	2,662	(16,671)	-	(1)	-	-	-	-	-	-
A.2 Unlikely to pay	399	(1,507)	-	-	-	-	-	-	-	-
A.3 Past-due impaired loans	594	(528)	4	(4)	-	-	-	-	-	-
A.4 Unimpaired exposures	3,437,492	(9,494)	1,254,327	(2)	75,096	(2)	137	-	92	-
TOTAL	**3,441,147**	**(28,200)**	**1,254,331**	**(7)**	**75,096**	**(2)**	**137**	**-**	**92**	**-**
B. "Off-balance sheet" exposures										
B.1 Non-performing loans	-	-	-	-	-	-	-	-	-	-
B.2 Unlikely to pay	-	-	-	-	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-	-	-	-	-
B.4 Unimpaired exposures	36,511	-	3,239	-	102	-	-	-	17	-
TOTAL	**36,511**	**-**	**3,239**	**-**	**102**	**-**	**-**	**-**	**17**	**-**
TOTAL December 31, 2016	**3,477,658**	**(28,200)**	**1,257,570**	**(7)**	**75,198**	**(2)**	**137**	**-**	**109**	**-**
TOTAL December 31, 2015	**2,525,145**	**(28,814)**	**653,212**	**(1)**	**415**	**-**	**67**	**-**	**11**	**-**

(Amounts in € thousand)

EXPOSURE/GEOGRAPHICAL AREA	NORTHWEST ITALY		NORTH-EAST ITALY		CENTRAL ITALY		SOUTHERN ITALY AND ISLANDS	
	NET EXPOSURE	TOTAL IMPAIRMENT	NET EXPOSURE	TOTAL IMPAIRMENT	NET EXPOSURE	TOTAL IMPAIRMENT	NET EXPOSURE	TOTAL IMPAIRMENT
A. On-balance sheet exposures								
A.1 Non-performing loans	692	(4,809)	341	(2,764)	540	(3,082)	1,089	(6,016)
A.2 Unlikely to pay	166	(952)	35	(85)	56	(131)	142	(339)
A.3 Past-due impaired loans	174	(143)	49	(43)	171	(151)	199	(192)
A.4 Unimpaired exposures	333,394	(3,303)	126,894	(1,149)	2,745,313	(2,952)	231,890	(2,091)
TOTAL	**334,426**	**(9,207)**	**127,319**	**(4,041)**	**2,746,080**	**(6,316)**	**233,320**	**(8,638)**
B. "Off-balance sheet" exposures								
B.1 Non-performing loans	-	-	-	-	-	-	-	-
B.2 Unlikely to pay	-	-	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-	-	-
B.4 Unimpaired exposures	10,816	-	5,538	-	15,658	-	4,500	-
TOTAL	**10,816**	**-**	**5,538**	**-**	**15,658**	**-**	**4,500**	**-**
TOTAL December 31, 2016	**345,242**	**(9,207)**	**132,857**	**(4,041)**	**2,761,738**	**(6,316)**	**237,820**	**(8,638)**
TOTAL December 31, 2015	**329,074**	**(9,699)**	**130,999**	**(4,005)**	**1,867,863**	**(6,079)**	**197,208**	**(9,030)**

B.3 Distribution of Balance Sheet and Off-Balance Sheet credit exposures to banks by geographic area (book value)

Exposures connected to the counterparty risk related to securities lending or borrowing transactions are not included.

(Amounts in € thousand)

	ITALY		OTHER EUROPEAN COUNTRIES		USA		ASIA		REST OF THE WORLD	
EXPOSURE/GEOGRAPHICAL AREA	NET EXPOSURE	TOTAL IMPAIRMENT	NET EXPOSURE	TOTAL IMPAIRMENT	NET EXPOSURE	TOTAL IMPAIRMENT	NET EXPOSURE	TOTAL IMPAIRMENT	NET EXPOSURE	TOTAL IMPAIRMENT
A. On-balance sheet exposures										
A.1 Non-performing loans	-	-	-	-	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	-	-	-	-	-	-	-	-
A.3 Past-due impaired loans	-	-	-	-	-	-	-	-	-	-
A.4 Unimpaired exposures	15,726,338	-	9,234	-	-	-	-	-	5	-
TOTAL	**15,726,338**	**-**	**9,234**	**-**	**-**	**-**	**-**	**-**	**5**	**-**
B. "Off-balance sheet" exposures										
B.1 Non-performing loans	-	-	-	-	-	-	-	-	-	-
B.2 Unlikely to pay	-	-	-	-	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-	-	-	-	-
B.4 Unimpaired exposures	1,274,080	-	842	-	-	-	-	-	-	-
TOTAL	**1,274,080**	**-**	**842**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL December 31, 2016	**17,000,418**	**-**	**10,076**	**-**	**-**	**-**	**-**	**-**	**5**	**-**
TOTAL December 31, 2015	**14,873,622**	**(1,416)**	**33,411**	**-**	**-**	**-**	**-**	**-**	**6**	**-**

(Amounts in € thousand)

	NORTHWEST ITALY		NORTH-EAST ITALY		CENTRAL ITALY		SOUTHERN ITALY AND ISLANDS	
EXPOSURE/GEOGRAPHICAL AREA	NET EXPOSURE	TOTAL IMPAIRMENT	NET EXPOSURE	TOTAL IMPAIRMENT	NET EXPOSURE	TOTAL IMPAIRMENT	NET EXPOSURE	TOTAL IMPAIRMENT
A. On-balance sheet exposures								
A.1 Non-performing loans	-	-	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	-	-	-	-	-	-
A.3 Past-due impaired loans	-	-	-	-	-	-	-	-
A.4 Unimpaired exposures	29,863	-	-	-	15,696,475	-	-	-
TOTAL	**29,863**	**-**	**-**	**-**	**15,696,475**	**-**	**-**	**-**
B. "Off-balance sheet" exposures								
B.1 Non-performing loans	-	-	-	-	-	-	-	-
B.2 Unlikely to pay	-	-	-	-	-	-	-	-
B.3 Other impaired assets	-	-	-	-	-	-	-	-
B.4 Unimpaired exposures	-	-	10	-	1,274,070	-	-	-
TOTAL	**-**	**-**	**10**	**-**	**1,274,070**	**-**	**-**	**-**
TOTAL December 31, 2016	**29,863**	**-**	**10**	**-**	**16,970,545**	**-**	**-**	**-**
TOTAL December 31, 2015	**24,085**	**-**	**5**	**-**	**14,849,533**	**(1,416)**	**-**	**-**

B.4 Significant exposures

At December 31, 2016 the following "risk positions" constituted "significant exposures" pursuant to Circular 286 of December 17, 2013, "Instructions for the prudential reporting of banks and securities firms" issued by the Bank of Italy:

a) non-weighted value: €22,075,667 thousand, of which €17,972,574 with the UniCredit Group;

b) weighted value: €16,768 thousand, none with the UniCredit Group;

c) number of "risk positions": 5, including the UniCredit Group.

Please note that, for the deferred tax assets within the exposure towards the Italian Central Government, these have been exempted and, therefore, their weighted value is nil.

Part E - Information on risks and hedging policies (Continued)

C. Securitization transactions

No data to report.

D. Disclosure of structured entities not consolidated in the accounts (other than special purpose vehicles for securitization transactions)

QUALITATIVE INFORMATION

The Bank has exposures towards unconsolidated structured entities as a result of investments in units issued by investment funds (UCITS) that qualify as structured entities according to IFRS 12.

QUANTITATIVE INFORMATION

The table below shows the assets, liabilities and off-balance sheet exposure to structured entities represented by unconsolidated UCITS units.

(Amounts in € thousand)

BALANCE SHEET ITEMS/TYPE OF STRUCTURED ENTITY	ACCOUNTING PORTFOLIOS OF THE ASSETS	TOTAL ASSETS (A)	ACCOUNTING PORTFOLIOS OF THE LIABILITIES	TOTAL LIABILITIES (B)	NET CARRYING AMOUNT (C=A-B)	MAXIMUM EXPOSURE TO LOSS (D)	DIFFERENCE BETWEEN EXPOSURE TO THE RISK OF LOSS AND THE CARRYING AMOUNT (E=D-C)
1 UCITS	HFT	1		-	1	1	-

Key:
HFT = Financial assets held for trading

E. Sales Transactions

A. Financial assets sold and partially derecognised

QUALITATIVE INFORMATION

The Bank carries out repos on securities not recognised in the assets, received through reverse repos and securities lending, or on securities held in the Bank's portfolio.
With regard to the transactions on securities held in the Bank's portfolio, the financial assets transferred are bonds issued by UniCredit S.p.A, classified in the "Loans and Receivables category", which have not been removed from the financial statements because the Bank conducts repos with the obligation for the buyer to resell the assets covered by the transaction upon expiration of the transaction and maintains all the risks connected to the ownership of the securities.

QUANTITATIVE INFORMATION

E.1 Financial assets sold but not derecognised: book value and full value

	FINANCIAL ASSETS HELD FOR TRADING			FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS			AVAILABLE-FOR-SALE FINANCIAL ASSETS		
TYPE/PORTFOLIO	A	B	C	A	B	C	A	B	C
A. On-balance sheet assets		-	-	-	-	-	-	-	-
1. Debt securities		-	-	-	-	-	-	-	-
2. Equity Instruments		-	-	-	-	-	-	-	-
3. UCITS		-	-	-	-	-	-	-	-
4. Loans		-	-	-	-	-	-	-	-
B. Derivatives		-	-	X	X	X	X	X	X
Total December 31, 2016		-	-	-	-	-	-	-	-
of which impaired		-	-	-	-	-	-	-	-
Total December 31, 2015		-	-	-	-	-	-	-	-
of which impaired	-	-	-	-	-	-	-	-	-

Key:
A = financial assets sold and fully recognised (book value)
B = financial assets sold and partially recognised (book value)
B = financial assets sold and partially recognised (total value)

(Amounts in € thousand)

HELD-TO-MATURITY INVESTMENTS			LOANS AND RECEIVABLES WITH BANKS			LOANS AND RECEIVABLES WITH CUSTOMERS			TOTAL	
A	B	C	A	B	C	A	B	C	12.31.2016	12.31.2015
-	**-**	**-**	**54,909**	**-**	**-**	**-**	**-**	**-**	**54,909**	**87,367**
-	-	-	54,909	-	-	-	-	-	54,909	87,367
X	X	X	X	X	X	X	X	X	-	-
X	X	X	X	X	X	X	X	X	-	-
-	-	-	-	-	-	-	-	-	-	-
X	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**-**	**-**
-	**-**	**-**	**54,909**	**-**	**-**	**-**	**-**	**-**	**54,909**	**X**
-	-	-	-	-	-	-	-	-	**-**	X
-	**-**	**-**	**87,367**	**-**	**-**	**-**	**-**	**-**	**X**	**87,367**
-	-	-	-	-	-	-	-	-	X	**-**

Part E - Information on risks and hedging policies (Continued)

E.2 Financial liabilities relating to financial assets sold and not derecognised: book value

(Amounts in € thousand)

LIABILITY/ASSET PORTFOLIO	FINANCIAL ASSETS HELD FOR TRADING	FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	AVAILABLE-FOR-SALE FINANCIAL ASSETS	HELD TO MATURITY INVESTMENTS	LOANS AND RECEIVABLES WITH BANKS	LOANS AND RECEIVABLES WITH CUSTOMERS	TOTAL
1. Deposits from customers	**-**	**-**	**-**	**-**	**55,013**	**-**	**55,013**
a) from fully-recognised assets	-	-	-	-	55,013	-	55,013
b) from partially-recognised assets	-	-	-	-	-	-	-
2. Deposits from banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) from fully-recognised assets	-	-	-	-	-	-	-
b) from partially-recognised assets	-	-	-	-	-	-	-
Total December 31, 2016	**-**	**-**	**-**	**-**	**55,013**	**-**	**55,013**
Total December 31, 2015	**-**	**-**	**-**	**-**	**87,568**	**-**	**87,568**

E.3 Sales transactions relating to financial liabilities with repayment exclusively based on assets sold and not derecognised: fair value

The table below only shows own securities not derecognised and used for repos.

	FINANCIAL ASSETS HELD FOR TRADING		FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS		AVAILABLE-FOR-SALE FINANCIAL ASSETS	
TYPE/PORTFOLIO	A	B	A	B	A	B
A. On-balance sheet assets		**-**	**-**	**-**	**-**	**-**
1. Debt securities		-	-	-	-	-
2. Equity Instruments		-	-	-	-	-
3. UCITS units		-	-	-	-	-
4. Loans	-	-	-	-	-	-
B. Derivatives		**-**	**X**	**X**	**X**	**X**
Total assets		**-**	**-**	**-**	**-**	**-**
C. Associated liabilities		**-**	**-**	**-**	**-**	**-**
1. Deposits from customers		-	-	-	-	-
2. Deposits from banks		-	-	-	-	-
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**
Net value as at December 31, 2016		**-**	**-**	**-**	**-**	**-**
Net value as at December 31, 2015	**-**	**-**	**-**	**-**	**-**	**-**

Key:
A = financial assets sold and wholly recognised
B = financial assets sold and partially recognised

B. Assets sold and fully derecognised with recognition of continuing involvement

No data to report.

E.4 Covered bond transactions

No data to report.

F. Credit Risk Measurement Models

F.1. Credit Risk Measurement – Trading Book

The monitoring of credit risk as part of the management of the trading book is conducted through the rating of all financial instruments held.

F.2. Credit Risk Measurement – Banking Book

The banking book of the Bank consists of securities, current accounts and deposits with the Parent Company. Retail customer activities are limited to the granting of personal loans, mortgages, credit cards and credit lines.

(Amounts in € thousand)

HELD-TO-MATURITY INVESTMENTS (FAIR VALUE)		LOANS AND RECEIVABLES WITH BANKS (FAIR VALUE)		LOANS AND RECEIVABLES WITH CUSTOMERS (FAIR VALUE)		TOTAL	
A	B	A	B	A	B	12.31.2016	12.31.2015
-	**-**	**55,291**	**-**	**-**	**-**	**55,291**	**92,093**
-	-	55,291	-	-	-	55,291	92,093
X	X	X	X	X	X	-	-
X	X	X	X	X	X	-	-
-	-	-	-	-	-	-	-
X	**X**	**X**	**X**	**X**	**X**	**-**	**-**
-	**-**	**55,291**	**-**	**-**	**-**	**55,291**	**92,093**
-	**-**	**55,013**	**-**	**-**	**-**	**55,013**	**87,568**
-	-	55,013	-	-	-	55,013	87,568
-	-	-	-	-	-	-	-
-	**-**	**55,013**	**-**	**-**	**-**	**55,013**	**87,568**
-	**-**	**278**	**-**	**-**	**-**	**278**	**X**
-	**-**	**4,525**	**-**	**-**	**-**	**X**	**4,525**

Part E - Information on risks and hedging policies (Continued)

INFORMATION ON SOVEREIGN EXPOSURES

The Bank is exposed to the sovereign debt of some countries, having invested a portion of its assets in debt securities issued by governments and, specifically, in securities issued by the Italian, Spanish, French and US governments. The following table shows the nominal value, the book value and the fair value of these exposures as at December 31, 2016.

(Amounts in € thousand)

	NOMINAL VALUE AS AT 12.31.2016	BOOK VALUE AS AT 12.31.2016	FAIR VALUE AS AT 12.31.2016	% OF FINANCIAL STATEMENT ITEM
Exposures to the Italian government	**2,323,003**	**2,481,709**	**2,495,083**	
Financial assets held for trading	3	5	5	0.08%
Available-for-sale financial assets	942,000	982,434	982,434	74.44%
Held-to-maturity investments	1,381,000	1,499,270	1,512,644	61.50%
Exposures to the Spanish government	**1,000,000**	**1,188,448**	**1,192,275**	
Available-for-sale financial assets	225,000	249,940	249,940	18.94%
Held-to-maturity investments	775,000	938,508	942,335	38.50%
Exposures to the German government	**1**	**1**	**1**	
Financial assets held for trading	1	1	1	0.02%
Exposures to the French government	**10,000**	**10,296**	**10,296**	
Available-for-sale financial assets	10,000	10,296	10,296	0.78%
Exposures to the US government	**75,894**	**73,549**	**73,549**	
Available-for-sale financial assets	75,894	73,549	73,549	5.57%
Exposures to the Brazilian government	**1**	**1**	**1**	
Financial assets held for trading	1	1	1	0.02%
Total Sovereign exposures	**3,408,899**	**3,754,004**	**3,771,205**	**17.89%**

The following table shows the sovereign ratings as at December 31, 2016 for countries to which the Bank is exposed as at December 31, 2016, provided by Fitch Ratings, Moody's and Standard & Poor's.

	ITALY	SPAIN	GERMANY	FRANCE	USA
MOODY'S	Baa2	Baa2	Aaa	Aa2	Aaa
FITCH RATINGS	BBB+	BBB+	AAA	AA	AAA
STANDARD & POOR'S	BBB-	BBB+	AAA	AA	AA+

As at December 31, 2016, investments in debt securities issued by sovereign states accounted for 17.89% of the Bank's total assets. There were no structured debt securities among the sovereign debt securities held by the Bank. The Bank is therefore exposed to fluctuations in the price of the public debt securities of the countries listed above. Tensions or volatility in the government bond market could negatively affect on the Bank's financial position and performance.

Section 2 - Market risk

Market risk derives from the effect that changes in market variables (interest rates, securities prices, exchange rates, etc.) can cause to the economic value of the Bank's portfolio, if it includes the assets held in the trading book (assets held for trading) as well as those in the banking book, i.e. the transactions connected to strategic investment choices.

Risk Management Strategies and Processes

The Parent Company's Board of Directors lays down strategic guidelines for taking on market risks by calculating capital allocation for the Parent company and its subsidiaries, depending on risk appetite and value creation objectives in proportion to risks assumed.

The Board of Directors of Bank, in line with the Group's approach, approves a general framework of reference for market risk and any significant changes, relating to the organisational structure, strategies, and methods.
The Bank's strategy is to keep the minimum level of market risk in line with business needs and the limits set by the Parent Company.

Market risk in FinecoBank is defined through two sets of limits:

- Global measures of market risk (e.g. VaR): which are meant to establish a boundary to the economic capital absorption and to the economic loss accepted in trading activities; these limits must be consistent with assigned revenue targets and the defined risk taking capacity;
- Granular measures of market risk (Sensitivity limits, Stress scenario limits, Nominal limits): which exist independently of, but act in concert with the global limits; in order to control more effectively and more specifically different risk types, desks and products, these limits are generally granular sensitivity or stress-related limits. The levels set for granular limits aim at limiting the concentration in individual risk factors and the excessive exposure in risk factors which are not sufficiently covered under VaR.

Structure and Organisation

In order to ensure the effective implementation of operations and the consistency of policies, methods and practices related to market risk in the Group legal entities, the Group model for activities related to market risk is based on the definition of specific responsibilities.

In its relations with FinecoBank, the Parent Company is mainly responsible for:
- establishing, implementing and refining appropriate measures at global level for measuring exposure to market risk;
- setting risk limits, based on measurements identified, in line with the risk appetite approved by the Group.

The Market Risk function of the Bank, within the Risk Management Unit, in full compliance with local legal and regulatory obligations, works together with the Market Risk Management Italy Function of the Parent Company and is tasked primarily – but not exclusively – with:
- calculating the risk measurements for the global and granular measures for the Bank's portfolios;
- checking that the measurements are compatible with the approved limits;
- initiating the escalation process when limits are exceeded, engaging the Market Risk Management Italy function of the Parent Company;
- discussing and approving new products with innovative and complex market risk profiles, providing the Financial Risk Italy function of the Parent Company with adequate information in order for the said function to issue a non-binding opinion on the matter.

Risk measurement and reporting systems

Trading Book

The main tool used by the Bank to measure the market risk of trading positions is Value at Risk (VaR), calculated using the historic simulation approach. The historic simulation method involves the daily revaluation of positions on the basis of market price trends over an appropriate observation period. The resulting distribution of gains and losses is analysed to determine the effect of extreme market fluctuations on portfolios. The percentile value of the distribution corresponding to the set confidence level represents the VaR. The following parameters are used to calculate VaR: confidence level 99%; time horizon of 1 day; daily update of the time series; observation period of 500 days.

Banking Book

The primary responsibility for monitoring and controlling Market Risk management in the Banking Book lies with the Bank's competent Bodies. The Parent Company is responsible for monitoring market risk in the banking book at consolidated level, while sharing this responsibility with the relevant functions of the Legal Entities at local level.
The Parent Company, defines structure, data and frequency of the necessary Group and local level reporting.

Market risk in the banking book mainly consists of credit spread risk, interest rate risk and exchange rate risk. Credit spread risk mainly arises from investments in debt securities held for liquidity purposes. Market risk associated with the bond portfolio is monitored and subject to limits on the notional amount, the sensitivity to Economic Value and the Value at Risk.
The management of interest rate risk focuses on stabilising this second type of risk. The banking book interest rate risk measure covers both the value and net interest margin risk aspects. More precisely, the different, and complementary, perspectives involve:
- Economic value perspective: variation in interest rates can affect the economic value of assets and liabilities. The economic value of the Bank can be viewed as the present value of the expected net cash flows, defined as the expected cash flows on assets minus the expected cash flows on liabilities. A relevant risk measure from this perspective is the economic value sensitivity per time bucket for a 1 basis point rate shock. This measure is reported to the relevant committees to assess the economic value impact of various changes in the yield curve. The economic value sensitivity is also calculated for a 200bp parallel shock. A monitoring variable from this perspective is the value at risk resulting from interest rate risk exposure;
- Income perspective: the focus of analysis is the impact of changes of interest rates on accrual or reported Net Interest Income that is the difference between revenues generated by interest sensitive assets and the cost related to interest sensitive liabilities. An example of a measure of risks used is Net Interest Income sensitivity for a 100bp parallel shock in rates. This measure provides an indication of the impact that such a shock would have on the net interest margin over the next 12 months.

The third type of risk is exchange rate risk. This exposure mainly derives from a mismatching of assets and liabilities in USD. Exchange rate risk is hedged through the matching of assets and liabilities denominated in currency or through spot transactions in foreign currencies.

Procedures and methodologies for valuation of Trading Book positions

The Bank ensures that the value applied to each trading book position appropriately reflects the current fair (market) value, i.e. the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of each financial instrument is based on, or derived from, observable market prices or inputs. The availability of observable prices or inputs differs by product and market, and might change over time.
If observable prices or parameters are readily and regularly available (i.e. satisfying adequate liquidity requirements), they are directly employed in the determination of fair value (mark-to-market).
In non-active markets or for certain instruments, for which observable prices or inputs are not available, fair value is calculated using valuation techniques that are appropriate for the specific instrument (mark-to-model). This approach involves estimation and judgement and, therefore, might require valuation adjustments which take into account bid-ask spreads, liquidity and counterparty risk, besides the employed pricing model. In addition, each pricing model used for fair value calculation is validated by a dedicated function independent from business units.

Part E - Information on risks and hedging policies (Continued)

According to the Group Market Risk Governance Guidelines, which define principles and rules for managing and controlling activities potentially involving a market risk, in order to ensure the adequate separation between functions in charge of development activities and functions in charge of validation, all valuation models developed by the front-office functions of Group companies need to be centrally and independently tested and validated by the Market Risk functions of the Parent Company. Model validation is also carried out centrally for any novel system or analysis framework whose utilisation has a potential impact on the Bank's economic results.
In addition to daily marking to market or marking to model, Independent Price Verification (IPV) shall be performed by the Risk Management function. This is the process by which market prices or model inputs are regularly verified for accuracy and independence. While daily marking to market or marking to model may be performed by front-office dealers, verification of market prices and model inputs is performed at least monthly.

Risk measures
VaR
The VaR calculated within the measurement of the market risk of the banking and trading book uses a historical simulation approach. The choice of model adopted by the Parent Company has a series of advantages:
• easy to understand and communicate;
• does not require any explicit assumptions about the particular functional form of the distribution of yields of the risk factors;
• does not require estimation of the variance-covariance matrix of the market factors that may affect the value of the portfolio.
• captures the correlation structure reflected in the simultaneous changes in market factors, implicitly assuming that it will remain constant in the future.
On the other hand VaR models based on historical simulations do not provide any information on the amount of the loss exceeding the VaR. This why the framework established by the Parent Company uses additional instruments such as stress tests.

2.1 Interest rate risk and price risk – regulatory trading book

QUALITATIVE INFORMATION

A. General Matters
The trading book is used to hold debt securities (ordinary and subordinated, structured and plain vanilla), equity instruments, and certificates – listed and non-listed – related to brokerage activities with retail customers.
The Bank does not perform proprietary trading and does not assume speculative positions in its books. Entries in the Bank's trading book are recorded against brokerage activities with retail customers particularly during the trading of OTC instruments. Other entries in the trading book are made for the internalisation of various financial instruments when the Bank is a counterparty to the customer. This activity is performed as a result of the options introduced by the MiFID which allow the execution of orders for financial instruments in a number of execution venues including internal execution.

B. Processes for managing and methods for measuring interest rate risk and price risk
For both a description of internal processes for monitoring and managing risk and an illustration of the approaches used to analyse exposure, please refer to the introduction.

QUANTITATIVE INFORMATION

1. Regulatory trading book: distribution by maturity (repricing date) of on-balance sheet financial assets and liabilities and financial derivatives
Currency: Euro

(Amounts in € thousand)

TYPE/UNEXPIRED TERM	ON DEMAND	UP TO 3 MONTHS	BETWEEN 3 AND 6 MONTHS	BETWEEN 6 MONTHS AND 1 YEAR	BETWEEN 1 YEAR AND 5 YEARS	BETWEEN 5 AND 10 YEARS	OVER 10 YEARS	INDEFINITE DURATION
1. On-balance sheet assets	**30**	**1**	**2**	**3**	**-**	**5**	**3**	**-**
1.1 Debt securities	30	1	2	3	-	5	3	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	30	1	2	3	-	5	3	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Repos	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ long positions	203	112,615	-	-	47	55	3,033	-
+ short positions	203	109,746	-	-	47	2,943	3,033	-
3.2 Without underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ long positions	-	64,443	260	25,240	3,185	-	-	-
+ short positions	-	57,048	320	37,540	329	-	-	-

Item 3.1 Financial Derivatives with underlying securities - Other Derivatives includes spot contracts for the purchase and sale of securities, other than shares and UCITS units, to be settled in times established by market practices ("regular way").
Item 3.2 Financial Derivatives without underlying securities - Other Derivatives includes spot contracts for the purchase and sale of foreign currencies, to be settled in times established by market practices ("regular way").

Part E - Information on risks and hedging policies (Continued)

Currency: Other currencies

(Amounts in € thousand)

TYPE/UNEXPIRED TERM	ON DEMAND	UP TO 3 MONTHS	BETWEEN 3 AND 6 MONTHS	BETWEEN 6 MONTHS AND 1 YEAR	BETWEEN 1 YEAR AND 5 YEARS	BETWEEN 5 AND 10 YEARS	OVER 10 YEARS	INDEFINITE DURATION
1. On-balance sheet assets	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**-**
1.1 Debt securities	-	-	-	-	-	-	1	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	1	-
1.2 Other assets	-	-	-	-	-	-	-	-
2. On-balance sheet liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**-**
2.1 Repos	-	-	-	-	-	-	-	-
2.2 Other liabilities	-	-	-	-	-	-	1	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ long positions	-	81,559	-	-	11	23	-	-
+ short positions	-	81,749	-	-	11	23	-	-
3.2 Without underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ long positions	-	68,599	469	57,480	-	-	-	-
+ short positions	-	78,710	404	44,420	-	-	-	-

The effects of changes in the yield curve on net interest margin arising from instruments in the trading book are negligible. For similar considerations regarding the banking book, see paragraph 2. *Banking book: internal models and other methods of sensitivity analysis* of section "2.2 Interest rate risk and price risk – banking book" below.

2. Regulatory trading book: distribution of exposures in equity instruments and share indices for the main stock market countries

(Amounts in € thousand)

TYPE OF TRANSACTION/LISTING INDEX	LISTED						UNLISTED
	USA	SWITZERLAND	ITALY	GERMANY	FRANCE	OTHER	
A. Equity Instruments							
- long positions	951	-	119	15	-	46	4
- short positions	46	-	192	-	-	-	-
B. Unsettled transactions on equity instruments							
- long positions	80,114	-	101,308	5,481	-	1	-
- short positions	79,996	-	101,183	5,497	-	4	-
C. Other derivatives on equity instruments							
- long positions	206	-	62	-	-	1	-
- short positions	1,282	-	90	-	-	34	-
D. Derivatives on share indices							
- long positions	12,688	2,059	9,706	7,836	-	257	-
- short positions	13,036	2,158	9,085	8,269	533	764	-

In relation to the lack of speculative activity and as discussed in section 2.1, the positions in equity instruments and equity indices in the regulatory trading book as at December 31, 2016 are negligible and only arise from settlement activities with institutional counterparties on behalf of customers; equally negligible is their impact on operating income, profit (loss) for the year and shareholders' equity.

3. Regulatory trading book: internal models and other methods of sensitivity analysis

The Bank monitors the VaR of the Trading Book on a weekly basis.
As at December 31, 2016, the daily VaR of the trading book amounted to €175 thousand.

2.2 Interest rate risk and price risk - banking book

QUALITATIVE INFORMATION

A. General aspects, management processes and measurement methods for interest rate risk and price risk

Interest rate risk consists of changes in interest rates that are reflected in:

- net interest margin sources, and thus, the Bank's earnings (cash flow risk);
- the net present value of assets and liabilities, due to their impact on the present value of future cash flows (fair value risk).

In line with the Group approach, the Bank measures and monitors interest rate risk daily, within the methodological framework and the corresponding limits or thresholds set by the Parent Company. These relate to the sensitivity of the net interest margin and the economic value.
Interest rate risk has an impact on all owned positions resulting from strategic investment decisions (banking book).

The main sources of interest rate risk can be classified as follows:

- repricing risk: the risk resulting from timing mismatches in terms of the repricing of the bank's assets and liabilities. These mismatches result in a risk associated with the rate curve. This risk relates to the Bank's exposure to changes in the slope and shape of the interest rate curve. An associated risk is the basis risk. This risk derives from the imperfect correlation in lending and borrowing interest rate changes for different instruments that may also show similar repricing characteristics;
- optionality risk – risk resulting from implicit or explicit options in the Group's banking book positions.

Within the organisational framework described above, the Board of Directors approves the limits on interest rate risk previously agreed with the Parent Company. These limits are set in terms of VaR (calculated using the methodology described above in relation to the trading book). The Bank is responsible for managing the exposure to interest rate risk within the limits assigned.

To assess effects of the change in the interest rate curve on the banking book, scenario analyses are conducted that involve the parallel shifts in the rate curve of +/- 100 bps and +/- 200 bps at weekly intervals. For more details, see section 2. *Banking book: Internal models and other methods of sensitivity analysis.*

B. Fair value hedging activities

Hedging strategies aimed at complying with interest rate risk limits for the banking portfolio are carried out with unlisted derivative contracts. These derivatives, which are usually interest rate swaps, are the type of contracts most used. Macro-hedging is generally used, meaning hedges related to the amounts of cash contained in asset or liability portfolios.

C. Cash flow hedging activity

There are currently no cash flow hedges generated by the Bank business operations.

D. Hedges of foreign investments

There are currently no hedges of foreign investments within the Bank's business operations.

Part E - Information on risks and hedging policies (Continued)

QUANTITATIVE INFORMATION

1. Banking book: distribution by maturity (repricing date) of financial assets and liabilities. Currency: Euro

(Amounts in € thousand)

TYPE/UNEXPIRED TERM	ON DEMAND	UP TO 3 MONTHS	BETWEEN 3 AND 6 MONTHS	BETWEEN 6 MONTHS AND 1 YEAR	BETWEEN 1 YEAR AND 5 YEARS	BETWEEN 5 AND 10 YEARS	OVER 10 YEARS	INDEFINITE DURATION
1. On-balance sheet assets	**2,395,376**	**12,469,294**	**349,020**	**705,333**	**2,963,023**	**923,186**	**416**	**-**
1.1 Debt securities	-	11,087,622	-	657,851	2,795,752	909,348	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	*11,087,622*	-	*657,851*	*2,795,752*	*909,348*	-	-
1.2 Loans to banks	2,074,972	967,958	320,959	-	-	-	-	-
1.3 Loans to customers	320,404	413,714	28,061	47,482	167,271	13,838	416	-
- current accounts	296,899	124	123	321	1,221	-	-	-
- other loans	23,505	413,590	27,938	47,161	166,050	13,838	416	-
- with early redemption option	*3,766*	*30,457*	*26,810*	*45,577*	*162,158*	*13,728*	*374*	-
- other	*19,739*	*383,133*	*1,128*	*1,584*	*3,892*	*110*	*42*	-
2. On-balance sheet liabilities	**17,759,504**	**945,156**	**324,140**	**160,546**	**8,997**	**-**	**-**	**-**
2.1 Deposits from customers	17,709,585	267,229	23,029	81,019	8,997	-	-	-
- current accounts	17,631,211	-	-	-	-	-	-	-
- other liabilities	78,374	267,229	23,029	81,019	8,997	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	*78,374*	*267,229*	*23,029*	*81,019*	*8,997*	-	-	-
2.2 Deposits from banks	49,919	677,927	301,111	79,527	-	-	-	-
- current accounts	49,686	-	-	-	-	-	-	-
- other liabilities	233	677,927	301,111	79,527	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ long positions	382,500	630,000	-	-	-	250,000	-	-
+ short positions	-	250,000	-	630,000	382,500	-	-	-
4. Other off-balance sheet transactions								
+ long positions	14,924	15,013	-	-	243	-	-	-
+ short positions	15,013	15,167	-	-	-	-	-	-

Currency: Other currencies

(Amounts in € thousand)

TYPE/UNEXPIRED TERM	ON DEMAND	UP TO 3 MONTHS	BETWEEN 3 AND 6 MONTHS	BETWEEN 6 MONTHS AND 1 YEAR	BETWEEN 1 YEAR AND 5 YEARS	BETWEEN 5 AND 10 YEARS	OVER 10 YEARS	INDEFINITE DURATION
1. On-balance sheet assets	**319,862**	**212,213**	**-**	**195**	**168,418**	**-**	**-**	**-**
1.1 Debt securities	-	189,939	-	-	168,417	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	*189,939*	-	-	*168,417*	-	-	-
1.2 Loans to banks	316,666	-	-	53	-	-	-	-
1.3 Loans to customers	3,196	22,274	-	142	1	-	-	-
- current accounts	685	-	-	-	-	-	-	-
- other loans	2,511	22,274	-	142	1	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	*2,511*	*22,274*	-	*142*	*1*	-	-	-
2. On-balance sheet liabilities	**695,283**	**11,412**	**1,505**	**571**	**-**	**-**	**-**	**-**
2.1 Deposits from customers	692,661	11,412	1,505	571	-	-	-	-
- current accounts	688,096	-	-	-	-	-	-	-
- other liabilities	4,565	11,412	1,505	571	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	*4,565*	*11,412*	*1,505*	*571*	-	-	-	-
2.2 Deposits from banks	2,622	-	-	-	-	-	-	-
- current accounts	2,622	-	-	-	-	-	-	-
- other liabilities	-	-	-	-	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security								
- Options								
+ long positions	-	-	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ long positions	-	94,868	-	-	-	-	-	-
+ short positions	-	-	-	-	94,868	-	-	-
4. Other off-balance sheet transactions								
+ long positions	5,962	2,330	-	-	-	-	-	-
+ short positions	2,330	5,962	-	-	-	-	-	-

For a description of the effects of a change in interest rates on net interest margin, profit (loss) for the year, shareholders' equity and the results of scenario analysis, see paragraph 2. *Banking book: Internal models and other methods of sensitivity analysis*.

Part E - Information on risks and hedging policies (Continued)

2. Banking book: internal models and other methods of sensitivity analysis

The following table provides the results of the analyses conducted.

To measure the interest rate risk contained in the Bank's financial statements it is necessary to measure the sensibility of the loans and deposits to changes in the interest rate curve. The Group has developed specific behavioural models aimed at estimating the maturity profile of asset and liability items that do not have a contractual maturity; Indeed, what is perceived to be sight maturing in reality shows some stickiness.

The availability of historic data made it possible to completely align the representation of the interest rate risk profile to the profile used by the Group and that representation provided the breakdowns below.

The following table provides the results of the analyses conducted.

(Amounts in € thousand)

CURRENCY	VALUE ANALYSIS (SHIFT + 200 BP)	VALUE ANALYSIS (SHIFT - 200 BP)	VALUE ANALYSIS (SHIFT + 1 BP)	IRVAR*
EUR	(50.4)	57.9	(269.6)	2,566.1
USD	(5.4)	6.1	(28.6)	383.1
Other currencies	0.2	(0.2)	1.2	
Total	**(55.6)**	**63.8**	**(297.0)**	**2,832.2**

* 1 day holding period, 99% confidence level

The sensitivity analysis on the value of shareholders' equity, which was conducted assuming a shift of + 200 basis points on the euro interest rate curve, showed a negative impact of €56 thousand. A shift of -200 basis points showed a positive impact of €64 thousand.

The sensitivity analysis on the value of shareholders' equity, which was conducted assuming a shift of + 1 basis point, showed an overall negative impact of €297 thousand.

The interest rate VaR figure for the Bank came to approximately €2,832 thousand.

Total VaR, including the Credit Spread Risk component arising from Italian and Spanish government securities held as investment of liquidity, amounted to €15,920 thousand.

2.3 Exchange Rate Risk

QUALITATIVE INFORMATION

A. General aspects, management processes and measurement methods for exchange rate risk

As part of its treasury activities, the Bank collects funds in foreign currencies, mainly US dollars, through customer current accounts and repos, subsequently investing these funds in bonds, current accounts and time deposits, in the same currency, with the Parent Company. The impact on the value of balance sheet items is estimated using the Forex VaR indicator.

The VaR of the Bank's positions is not used for the calculation of the Pillar 1 capital requirement because the traditional standardised approach is used. The VaR is only used for management purposes.

B. Exchange rate risk hedging

Exchange rate risk is hedged through the matching of assets and liabilities denominated in currency or through spot transactions in foreign currencies. The component of exchange rate risk that contributes to the formation of the overall VaR is usually tied to the temporal mismatch between assets and liabilities in US dollars.

QUANTITATIVE INFORMATION

1. Breakdown by currency of assets, liabilities and derivatives

(Amounts in € thousand)

ITEMS	CURRENCIES					
	US DOLLAR	POUND STERLING	SWISS FRANC	YEN	AUSTRALIAN DOLLAR	OTHER CURRENCIES
A. Financial assets	**572,715**	**67,054**	**61,313**	**151**	**112**	**3,867**
A.1 Debt securities	358,357	-	-	-	-	-
A.2 Equity Instruments	4,508	3	-	6	-	7
A.3 Loans to banks	185,661	66,139	61,205	90	112	3,512
A.4 Loans to customers	24,189	912	108	55	-	348
A.5 Other financial assets	-	-	-	-	-	-
B. Other assets	**56**	**22**	**-**	**-**	**-**	**1**
C. Financial liabilities	**578,095**	**66,731**	**61,318**	**133**	**-**	**2,585**
C.1 Deposits from banks	-	-	-	133	-	2,490
C.2 Deposits from customers	578,095	66,731	61,318	-	-	95
C.3 Debt securities	-	-	-	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-
D. Other liabilities	**281**	**39**	**-**	**-**	**26**	**809**
E. Financial derivatives						
- Options						
+ long positions	-	-	-	-	-	-
+ short positions	-	-	-	-	-	-
- Other derivatives						
+ long positions	79,427	16,492	3,699	4,993	3,188	18,749
+ short positions	78,283	14,048	3,417	6,239	3,239	18,308
Total assets	**652,198**	**83,568**	**65,012**	**5,144**	**3,300**	**22,617**
Total liabilities	**656,659**	**80,818**	**64,735**	**6,372**	**3,265**	**21,702**
Difference	**(4,461)**	**2,750**	**277**	**(1,228)**	**35**	**915**

The impact of changes in exchange rates are quantified by the daily Forex VaR of the overall portfolio, as described in the following paragraph.

2. Internal models and other methods of sensitivity analysis

As at December 31, 2016, the daily Forex VaR of the overall portfolio (banking and trading books) was approximately €106 thousand.

Part E - Information on risks and hedging policies (Continued)

2.4 Derivative instrumentsi

A. Financial derivatives

A.1 Regulatory trading book: end of period notional amounts

(Amounts in € thousand)

UNDERLYING ASSET/TYPE OF DERIVATIVE	TOTAL 12.31.2016		TOTAL 12.31.2015	
	OVER THE COUNTER	CENTRAL COUNTERPARTIES	OVER THE COUNTER	CENTRAL COUNTERPARTIES
1. Debt securities and interest rate indexes	**3,519**	**2,889**	**1,304**	**766**
a) Options	4	-	-	4
b) Swaps	-	-	-	-
c) Forwards	-	-	-	-
d) Futures	-	2,889	-	762
e) Other	3,515	-	1,304	-
2. Equity instruments and share indices	**41,993**	**26,072**	**21,275**	**8,207**
a) Options	-	-	1	-
b) Swaps	-	-	-	-
c) Forwards	-	-	-	-
d) Futures	-	26,072	-	8,207
e) Other	41,993	-	21,274	-
3. Currencies and gold	**172,199**	**-**	**651,337**	**-**
a) Options	-	-	-	-
b) Swaps	-	-	-	-
c) Forwards	-	-	-	-
d) Futures	-	-	-	-
e) Other	172,199	-	651,337	-
4. Commodities	**-**	**-**	**-**	**-**
5. Other underlying assets	**-**	**-**	**-**	**-**
Total	**217,711**	**28,961**	**673,916**	**8,973**

Letter e) Other in the "Over the counter" column consists of CFD derivatives.

A.2 Banking book: end of period notional amounts

A.2.1 Hedging instruments

(Amounts in € thousand)

UNDERLYING ASSET/TYPE OF DERIVATIVE	TOTAL 12.31.2016		TOTAL 12.31.2015	
	OVER THE COUNTER	CENTRAL COUNTERPARTIES	OVER THE COUNTER	CENTRAL COUNTERPARTIES
1. Debt securities and interest rate indexes	**1,357,368**	**-**	**2,430,880**	**-**
a) Options	-	-	-	-
b) Swaps	1,357,368	-	2,430,880	-
c) Forwards	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
2. Equity instruments and share indices	**-**	**-**	**-**	**-**
a) Options	-	-	-	-
b) Swaps	-	-	-	-
c) Forwards	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
3. Currencies and gold	**-**	**-**	**-**	**-**
a) Options	-	-	-	-
b) Swaps	-	-	-	-
c) Forwards	-	-	-	-
d) Futures	-	-	-	-
e) Other	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**
5. Other underlying assets	**-**	**-**	**-**	**-**
Total	**1,357,368**	**-**	**2,430,880**	**-**

A.2.2 Other derivatives

No data to report.

A.3 Financial derivatives: gross positive fair value – breakdown by product

(Amounts in € thousand)

TRANSACTION TYPES/UNDERLYINGS	POSITIVE FAIR VALUE			
	TOTAL 12.31.2016		TOTAL 12.31.2015	
	OVER THE COUNTER	CENTRAL COUNTERPARTIES	OVER THE COUNTER	CENTRAL COUNTERPARTIES
A. Regulatory trading book	**2,999**	**10**	**1,992**	**357**
a) Options	-	-	-	-
b) Interest rate swaps	-	-	-	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	-	-	-	-
f) Futures	-	10	-	357
g) Other	2,999	-	1,992	-
B. Banking book - hedges	**552**	**-**	**-**	**-**
a) Options	-	-	-	-
b) Interest rate swaps	552	-	-	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	-	-	-	-
f) Futures	-	-	-	-
g) Other	-	-	-	-
C. Banking book - other derivatives	**-**	**-**	**-**	**-**
a) Options	-	-	-	-
b) Interest rate swaps	-	-	-	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	-	-	-	-
f) Futures	-	-	-	-
g) Other	-	-	-	-
Total	**3,551**	**10**	**1,992**	**357**

A.4 Financial derivatives: gross negative fair value - breakdown by product

(Amounts in € thousand)

TRANSACTION TYPES/UNDERLYINGS	NEGATIVE FAIR VALUE			
	TOTAL 12.31.2016		TOTAL 12.31.2015	
	OVER THE COUNTER	CENTRAL COUNTERPARTIES	OVER THE COUNTER	CENTRAL COUNTERPARTIES
A. Regulatory trading book	**549**	**41**	**3,064**	**39**
a) Options	-	-	-	-
b) Interest rate swaps	-	-	-	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	-	-	-	-
f) Futures	-	41	-	39
g) Other	549	-	3,064	-
B. Banking book - hedges	**10,914**	**-**	**31,319**	**-**
a) Options	-	-	-	-
b) Interest rate swaps	10,914	-	31,319	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	-	-	-	-
f) Futures	-	-	-	-
g) Other	-	-	-	-
C. Banking book - other derivatives	**-**	**-**	**-**	**-**
a) Options	-	-	-	-
b) Interest rate swaps	-	-	-	-
c) Cross currency swaps	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forwards	-	-	-	-
f) Futures	-	-	-	-
g) Other	-	-	-	-
Total	**11,463**	**41**	**34,383**	**39**

Part E - Information on risks and hedging policies (Continued)

A.5 Over the counter financial derivatives – regulatory trading book: notional values, positive and negative gross fair values by counterparty – contracts not covered by clearing agreements

(Amounts in € thousand)

CONTRACTS NOT INCLUDED IN NETTING AGREEMENT	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC ENTITIES	BANKS	FINANCIAL COMPANIES	INSURANCE COMPANIES	NON-FINANCIAL COMPANIES	OTHER ENTITIES
1. Debt securities and interest rate indexes							
- notional amount	4	-	-	-	-	-	3,515
- positive fair value	-	-	-	-	-	-	26
- negative fair value	-	-	-	-	-	-	2
- future exposure	-	-	-	-	-	-	-
2. Equity instruments and share indices							
- notional amount	-	-	-	-	-	2,135	39,858
- positive fair value	-	-	-	-	-	22	1,598
- negative fair value	-	-	-	-	-	-	178
- future exposure	-	-	-	-	-	213	3,986
3. Currencies and gold							
- notional amount	-	-	88,743	284	-	964	82,207
- positive fair value	-	-	264	22	-	77	990
- negative fair value	-	-	166	-	-	-	204
- future exposure	-	-	-	3	-	10	822
4. Other instruments							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-

A.6 Over the counter financial derivatives - regulatory trading book: notional values, positive and negative gross fair values by counterparty – contracts not covered by clearing agreements

(Amounts in € thousand)

CONTRACTS NOT INCLUDED IN NETTING AGREEMENT	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC ENTITIES	BANKS	FINANCIAL COMPANIES	INSURANCE COMPANIES	NON-FINANCIAL COMPANIES	OTHER ENTITIES
1. Debt securities and interest rate indexes							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
2. Equity instruments and share indices							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
3. Currencies and gold							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure							
4. Other instruments							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure							

A.7 Over the counter financial derivatives – banking book: notional values, positive and negative gross fair values by counterparty – contracts not covered by clearing agreements

(Amounts in € thousand)

CONTRACTS NOT INCLUDED IN NETTING AGREEMENT	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC ENTITIES	BANKS	FINANCIAL COMPANIES	INSURANCE COMPANIES	NON-FINANCIAL COMPANIES	OTHER ENTITIES
1. Debt securities and interest rate indexes							
- notional amount	-	-	330,000	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	3,064	-	-	-	-
- future exposure	-	-	-	-	-	-	-
2. Equity instruments and share indices							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-
3. Currencies and gold							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-
4. Other instruments							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-

A.8 Over the counter financial derivatives – banking book: notional values, positive and negative gross fair values by counterparty – contracts not covered by clearing agreements

(Amounts in € thousand)

CONTRACTS NOT INCLUDED IN NETTING AGREEMENT	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC ENTITIES	BANKS	FINANCIAL COMPANIES	INSURANCE COMPANIES	NON-FINANCIAL COMPANIES	OTHER ENTITIES
1. Debt securities and interest rate indexes							
- notional amount	-	-	1,027,368	-	-	-	-
- positive fair value	-	-	552	-	-	-	-
- negative fair value	-	-	7,849	-	-	-	-
2. Equity instruments and share indices							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
3. Currencies and gold							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure							
4. Other instruments							
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure							

Part E - Information on risks and hedging policies (Continued)

A.9 OTC financial derivatives - residual life: notional amounts

(Amounts in € thousand)

UNDERLYING/UNEXPIRED TERM	UP TO 1 YEAR	FROM 1 YEAR AND 5 YEARS	OVER 5 YEARS	TOTAL
A. Regulatory trading book	**175,714**	**-**	**41,997**	**217,711**
A.1 Financial derivative contracts on debt securities and interest rates	3,515	-	4	3,519
A.2 Financial derivatives on equity instruments and share indices	-	-	41,993	41,993
A.3 Financial derivatives on exchange rates and gold	172,199	-	-	172,199
A.4 Financial derivatives on other instruments	-	-	-	-
B. Banking book	**630,000**	**477,368**	**250,000**	**1,357,368**
B.1 Financial derivative contracts on debt securities and interest rates	630,000	477,368	250,000	1,357,368
B.2 Financial derivatives on equity instruments and share indices	-	-	-	-
B.3 Financial derivatives on exchange rates and gold	-	-	-	-
B.4 Financial derivatives on other instruments	-	-	-	-
Total as at December 31, 2016	**805,714**	**477,368**	**291,997**	**1,575,079**
Total as at December 31, 2015	**1,949,169**	**1,088,426**	**67,200**	**3,104,795**

A.10 Over the counter financial derivatives: Counterparty risk/financial risk – Internal models

No data to report.

B. Credit derivatives

No data to report.

C. Financial and credit derivatives

C.1 OTC financial and credit derivatives: net fair values and future credit exposure by counterparty

(Amounts in € thousand)

	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC ENTITIES	BANKS	FINANCIAL COMPANIES	INSURANCE COMPANIES	NON-FINANCIAL COMPANIES	OTHER ENTITIES
1) Bilateral arrangements - financial derivatives							
- positive fair value	-	-	552	-	-	-	-
- negative fair value	-	-	7,849	-	-	-	-
- future exposure	-	-	6,137	-	-	-	-
- net counterparty risk	-	-	-	-	-	-	-
2) Bilateral arrangements - credit derivatives							
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-
- net counterparty risk	-	-	-	-	-	-	-
3) Cross-product arrangements							
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-
- net counterparty risk	-	-	-	-	-	-	-

Section 3 - Liquidity Risk

QUALITATIVE INFORMATION

A. General aspects, management processes and measurement methods for liquidity risk

Liquidity risk can be succinctly defined as the risk that the Bank, also due to unexpected future events, is unable to meet its payment obligations or to efficiently match expected cash inflows and outflows.

The different types of liquidity managed by the Bank are as follows:
- funding risk, the Bank may not be able to effectively address any expected or unexpected cash outflows due to the unavailability of funding sources;
- market risk, in liquidating a considerable amount of assets, the Bank may be facing a considerable (and unfavourable) change in price generated by internal or external factors;
- risk of mismatch, the risk generated by a mismatch between the amounts and/or the maturities of cash inflows and outflows;
- contingency risk, future unexpected commitments (credit facilities being drawn down, deposit withdrawals, increase of collateral) may require a higher amount of liquidity compared to that used by the Bank in ordinary operations.

To address its exposure to liquidity risk, the Bank invests the portion of liquidity that according to its internal analyses is less stable ("non-core liquidity") in liquid assets or assets readily convertible into cash, such as, for example, demand deposits, short-term loans or government bonds that can be used as a source of short-term financing with the central bank.

At the reporting date, there were no "Contingent liquidity and funding needs", such as, for example, accelerated repayment clauses or the issue of additional guarantees relating to a downgrade of the bank.

The key principles

"Fineco Liquidity Policy" approved by the Board of Directors of the Bank establishes the managerial autonomy of the Bank's Treasury department and sets forth the principles and rules that the Bank applies to both normal and emergency liquidity management in line with the Group liquidity risk management.

Roles and responsibilities

The "Fineco Liquidity Policy" establishes the principles adopted in terms of internal governance, which envisage the involvement of the Finance, Treasury and Risk Management departments, in line with the Group's approach.

The operational management of liquidity is carried out by the Treasury department, which ensures effective and efficient management of liquidity in the short and medium/long term, monitoring of liquidity exposure and first-level controls on the management process.
The Risk Control function is responsible for implementing the rules on liquidity risk, the application of selected risk metrics and methodologies and the approval and compliance with risk limits.

To this end, "Fineco Liquidity Policy" explicitly refers to Group rules regarding the implementation of first and second level monitoring, both from a regulatory and management standpoint:
1. Short-term liquidity risk management (operational liquidity), which considers the events that will impact upon the Bank's liquidity position from one day up to one year. The primary objective is to maintain the Bank's capacity to fulfil its ordinary and extraordinary payment obligations while minimising the relevant costs.
2. Structural liquidity risk management (structural risk), which considers the events that will impact upon the Bank's liquidity position over one year. The primary objective is to maintain an adequate ratio between medium/long term liabilities and medium to long-term assets, with a view to avoiding pressures on short-term funding sources (both current and future).
3. Stress tests: Liquidity risk is a low probability, high impact event. Therefore stress testing is a tool to reveal potential vulnerabilities in the Balance Sheet. The Bank uses several scenarios ranging from general market crisis to idiosyncratic crisis, and combinations hereof.

In this context, the Bank takes into account all of the assets, liabilities, off-balance sheet positions and present and future events that generate certain or potential cash flows, thereby protecting the Bank from risks related to the transformation of maturity.

Short term liquidity management

Short-term liquidity management aims at ensuring that the Bank remains in a position to fulfil its cash payment obligations always, whether expected or unexpected, focused on the exposure for the first twelve months.
On a daily basis, the Bank calculates the Operative Maturity Ladder, which measures the cash inflows and outflows affecting the monetary base, with details of the main temporal buckets.
The Bank's objective is to provide sufficient short-term liquidity to deal with the particularly adverse liquidity crises for at least three months.

Part E - Information on risks and hedging policies (Continued)

Structural liquidity management

L'obiettivo della gestione della liquidità strutturale della Banca è quello di mantenere un adeguato rapporto tra le attività e le passività di medio/lungo The objective of the Bank's structural liquidity management is to maintain an adequate ratio between medium/long term assets and liabilities (generally over one year), with a view to avoiding pressures on short-term funding sources, both current and future. To this end, the Bank adopts a prudent approach to its investments of liquidity, taking into account funding maturities.

Liquidity Stress Test

Stress testing is a risk management technique used to evaluate the potential effects of a specific event on an entity's financial position. As a forward looking tool, liquidity stress testing diagnostics the institution's liquidity risk.

Periodically, the Bank uses scenario analysis to evaluate the impact of simultaneous changes in various risk factors, defining a hypothetical and consistent stress event whose assumptions and size are shared and agreed with the Parent Company's functions.

Behavioural modelling of Assets and Liabilities

The Group has developed specific behavioural models aimed at estimating the maturity profile of asset and liability items that do not have a contractual maturity; Indeed, what is perceived to be sight maturing in reality shows some stickiness.
More specifically, modelling of assets and liabilities aims to construct a replication profile that best reflects the behavioural characteristics of the items. An example is on demand items: estimates of the maturity profile reflect the perceived stickiness. These behavioural models are developed by the Planning, Finance and Administration function of the Parent Company and validated by the Risk Management function of the Parent Company and FinecoBank.

FinecoBank Contingency Liquidity Policy

A liquidity crisis is a high impact, low probability event. Therefore, a crisis-mode operating model, that can be activated effectively in case of crisis according to an approved procedure, has been defined in FinecoBank "Contingency Plan for liquidity risk".

The ability to act in time is essential to minimise the potentially disruptive consequences of a liquidity crisis. The analytics of the Stress tests form a valuable tool to identify the expected consequences and to define up front the most suitable actions in a certain crisis scenario. In combination with Early Warning Indicators (EWI), the Bank may be able to reduce the liquidity effects in the initial stages of a crisis.

FinecoBank "Contingency Plan on liquidity risk" has the objective of ensuring effective interventions also during the initial stage of a liquidity crisis, through the clear identification of individuals, powers, responsibilities, communication, and reporting criteria, with a view of increasing significantly the probability of successfully overcoming the state of emergency. This is achieved through:
- activation of extraordinary liquidity governance and operating model;
- consistent communication both internally and to the Group;
- a set of available mitigating liquidity actions;
- a set of early warning indicators that may point towards a developing crisis.

QUANTITATIVE INFORMATION

1. Breakdown by contractual residual maturity of financial assets and liabilities
Currency: Euro

(Amounts in € thousand)

ITEM/TIME BRACKETS	ON DEMAND	BETWEEN 1 DAY AND 7 DAYS	BETWEEN 7 DAYS AND 15 DAYS	BETWEEN 15 DAYS AND 1 MONTH	BETWEEN 1 MONTH AND 3 MONTHS	BETWEEN 3 AND 6 MONTHS	BETWEEN 6 MONTHS AND 1 YEAR	BETWEEN 1 YEAR AND 5 YEARS	OVER 5 YEARS	INDEFINITE DURATION
On-balance sheet assets	**2,394,957**	**40,740**	**407,589**	**479,380**	**729,369**	**814,299**	**1,588,441**	**9,141,439**	**3,964,809**	**172,461**
A.1 Government securities	-	-	-	13,163	7,745	35,266	382,751	2,268,000	720,004	-
A.2 Debt securities	-	2,777	4,641	389,302	30,852	426,152	1,149,898	6,700,037	3,230,002	-
A.3 UCITS units	1	-	-	-	-	-	-	-	-	-
A.4 Loans	2,394,956	37,963	402,948	76,915	690,772	352,881	55,792	173,402	14,803	172,461
- Banks	2,074,972	1,545	172,004	1,958	619,946	320,815	-	-	-	172,461
- Customers	319,984	36,418	230,944	74,957	70,826	32,066	55,792	173,402	14,803	-
On-balance sheet liabilities	**17,765,525**	**32,785**	**175,366**	**42,567**	**694,084**	**323,736**	**160,608**	**8,951**	**-**	**-**
B.1 Deposits and current accounts	17,681,929	10,327	14,115	36,987	78,766	4,395	5,243	8,951	-	-
- Banks	49,686	-	-	-	-	-	-	-	-	-
- Customers	17,632,243	10,327	14,115	36,987	78,766	4,395	5,243	8,951	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	83,596	22,458	161,251	5,580	615,318	319,341	155,365	-	-	-
Off-balance sheet transactions										
C.1 Financial derivatives with exchange of capital										
- long positions	-	129,606	278	-	2,889	-	-	60	1,878	558
- short positions	-	132,469	45	-	-	-	-	60	4,766	560
C.2 Financial derivatives without exchange of capital										
- long positions	1,158	666	-	94	3,612	4,345	6,578	-	-	-
- short positions	138	-	-	-	-	5,775	5,531	-	-	-
C.3 Deposits and loans to be collected										
- long positions	-	15,013	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	15,013	-	-	-	-
C.4 Irrevocable commitments to lend funds										
- long positions	-	-	-	-	-	14,801	123	243	-	-
- short positions	-	14,924	-	243	-	-	-	-	-	-
C.5 Financial guarantees given	-	-	-	-	-	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of capital										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of capital										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-

Part E - Information on risks and hedging policies (Continued)

Currency: Other currencies

(Amounts in € thousand)

ITEM/TIME BRACKETS	ON DEMAND	BETWEEN 1 DAY AND 7 DAYS	BETWEEN 7 DAYS AND 15 DAYS	BETWEEN 15 DAYS AND 1 MONTH	BETWEEN 1 MONTH AND 3 MONTHS	BETWEEN 3 AND 6 MONTHS	BETWEEN 6 MONTHS AND 1 YEAR	BETWEEN 1 YEAR AND 5 YEARS	OVER 5 YEARS	INDEFINITE DURATION
On-balance sheet assets	**319,952**	**4,974**	**500**	**3,466**	**15,096**	**48,659**	**3,030**	**265,630**	**47,435**	**-**
A.1 Government securities	-	-	-	-	427	-	427	75,894	1	-
A.2 Debt securities	-	131	-	339	963	48,659	2,408	189,735	47,434	-
A.3 UCITS units	-	-	-	-	-	-	-	-	-	-
A.4 Loans	319,952	4,843	500	3,127	13,706	-	195	1	-	-
- Banks	316,666	-	-	-	-	-	53	-	-	-
- Customers	3,286	4,843	500	3,127	13,706	-	142	1	-	-
On-balance sheet liabilities	**695,316**	**4,014**	**353**	**675**	**6,485**	**1,506**	**572**	**-**	**-**	**-**
B.1 Deposits and current accounts	690,751	-	-	-	-	-	-	-	-	-
- Banks	2,622	-	-	-	-	-	-	-	-	-
- Customers	688,129	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	4,565	4,014	353	675	6,485	1,506	572	-	-	-
Off-balance sheet transactions										
C.1 Financial derivatives with exchange of capital										
- long positions	-	104,724	44	-	-	-	-	29	24	-
- short positions	-	102,029	277	-	-	-	-	29	24	-
C.2 Financial derivatives without exchange of capital										
- long positions	1,851	275	-	-	523	838	1,781	-	-	-
- short positions	444	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to be collected										
- long positions	-	2,330	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	2,330	-	-	-	-
C.4 Irrevocable commitments to lend funds										
- long positions	-	-	-	-	-	5,962	-	-	-	-
- short positions	-	5,962	-	-	-	-	-	-	-	-
C.5 Financial guarantees given	-	-	-	-	-	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of capital										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of capital										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-

Assets received as collateral or loaned as part of repos and securities lending

(Amounts in € thousand)

	12.31.2016	12.31.2015
Fair value of securities received as guarantee in repos and securities lending with cash guarantee	122,584	267,082
Fair value of securities received on loan	1,094,173	1,407,760
Of which fair value of the securities delivered through reverse repos and securities lending with cash guarantee	(1,213,038)	(1,438,157)

Section 4 - Operational risk

QUALITATIVE INFORMATION

A. General aspects, operational processes and methods for measuring operational risk

Operational risk definition

Operational risk is defined as the risk of losses due to errors, violations, interruptions, or damage caused by internal processes, personnel, systems or by external events. This definition includes legal and compliance risks, but excludes strategic and reputational risk.
For example, losses arising from the following can be defined as operational: internal or external fraud, employment practices and workplace safety, customer claims, product distribution, fines and penalties for regulatory breaches, damage to the Company's physical assets, business disruption and system failures, and management of processes.

Group operational risk framework

In UniCredit Group the operational risk management framework is a combination of policies and procedures for controlling,
measuring and mitigating operational risk within the Group and the subsidiaries. Operational risk policies, applicable to all Group entities, are common principles that define the roles of company bodies and of the risk management function as well as the interactions with other functions involved in the process. These principles and provisions have been set out in the Group Framework for the management of operational risk and adopted in FinecoBank's Operational Risk Manual approved by the Board of Directors.

The methods for classifying data and verifying its completeness, scenario analysis, risk indicators and risk capital reporting and measurement are set by the Group Operational & Reputational Risks department of the Parent Company and applied by FinecoBank in its capacity as a Group Legal Entity. A pivot element of the risk control framework is the operational risk management application, allowing the collection of the data required for operational risk control and capital measurement.
The compliance of the operational risk control and measurement system with external regulations and Group standards is assessed through an internal validation process, under the responsibility of the Group Internal Validation department of the Parent Company, which is independent from the Group Operational & Reputational Risks department.
The Bank has obtained the approval of the Bank of Italy for the use of advanced approaches (AMA) to calculate its capital requirement for operational risk with effect from June 30, 2010.

Organisational structure

The Strategic Direction Body is responsible for approving all aspects relating to the Group operational risk framework and verifying the adequacy of the measurement and control system and is regularly updated on changes to the risk profile and operational risk exposure, with support from the appropriate risk committees if required.

In addition to the Strategic Direction Body, the corporate governance structure for operational risk consists of the **Risks Committee** – introduced from June 24, 2009 – which examines all risk issues submitted to it, and approves and validates the internal procedures and operating manuals for operational risk.
The reports produced by Risk Management for the Risks Committee and for the Board of Directors ensure that management and the control bodies are constantly updated on the trend in operational risk within the Bank and can actively intervene in the management and mitigation of the risks. The Chief Risk Officer's participation in the **Products Committee** ensures oversight of the operational risk associated with the Bank's new business activities.
The Operational Risk Management (ORM) team is part of the broader Risk Management office which reports to the Chief Risk Officer of FinecoBank who in turn reports directly to the Chief Executive Officer and General Manager.
The main activities carried out by the Risk Management office in terms of operational risk are:
- recognition, classification, validation and reporting of operating losses with consequent identification of problem areas;
- assessment of potential risks through scenario analyses and risk indicators (Key Risk Indicator-KRI);
- monitoring and optimisation of the internal control system;
- policies to mitigate and transfer risk through insurance cover;
- development of an operational risk culture within the Bank;
- generating reports for Senior Management on risk trends.

Internal validation process

In compliance with external regulations, the operational risk control and measurement system is subject to an internal validation process established by the Parent Company, in order to verify its compliance with minimum requirements and Group standards. This process is owned by the Operational and Pillar II Risk Validation Unit, within the Group Internal Validation department.
The use of the Advanced Measurement Approach (AMA) to calculate regulatory capital requires the preparation of an annual report on the management and control system for operational risk by the Operational Risk team. This Annual Report contains a self-assessment of the system and a detailed examination of the governance structure, the process for collecting data on losses, the scenario analyses and internal control system, as well as the operational use of the measurement system.

Part E - Information on risks and hedging policies (Continued)

The Report is submitted to the approval of the Board of Directors and is validated by the Internal Audit department and Group GIV (Group Internal Validation). For 2016, the Internal Audit department and Group GIV confirmed that adequate protection measures are in place for operating risk as well as the adequacy of the existing management and control system.

Operational risk management

Operational risk management consists of the review of processes to reduce the risks found and the management of the related insurance policies, with the identification of the suitable deductibles and limits.
The Risks Committee and the Product Committee, from September 2011, have been joined by a Permanent Work Group (PWG), whose members include the CRO, the Risk Manager, Information Security & Fraud Management and the Organisation function aimed at sharing their respective expertise in relation to the projects planned or under way, new processes and products, or changes to them, and anything else that may affect the Bank's risk profile. The PWG's ultimate objective is to identify and then develop new mitigation measures.
As part of the prevention of operational risk and to control sales channels remotely, the Risk Management office has focused on fraud prevention measures. The development of remote monitoring to prevent fraud has led to the creation of a system called System of Fraud Identification and Analysis (SoFIA). This system enables a larger amount of data and information on individual indicators to be analysed at the same time and enables possible irregularities to be detected on a daily basis through an alert system.
In this way, all of the names put forward to be checked are assessed at the same time with regard to all remote indicators (30 indicators).
On the basis of qualitative and quantitative assessments of these indicators, the assigned staff select any cases that need to be reported to the Network Controls Department, Monitoring and Network Services Department – reporting directly to the Chief Executive Officer – for subsequent examination.
Moreover, the Operational Risk team is updated annually on the results of the tests conducted in accordance with the Business Continuity and Disaster Recovery plans.

Risk capital measurement and allocation mechanism

UniCredit developed an internal model for measuring the capital requirement. The capital requirement is calculated on the basis of internal loss data, external loss data, scenario loss data and risk indicators.

The collection and classification of operating losses is managed by a Group system called Application for Risk Gauging On line (ARGO). In addition to being used for internal prevention and improvement purposes, the information gathered is also used to calculate Pillar 1 and 2 capital requirements.

In terms of risk indicators, there are currently 42 key risk indicators split into eight control areas (Legal, Claims, Credit Cards, Back Office, PFA, IT systems, Payment Systems, Compliance) that contribute to the calculation of the regulatory capital, which the Bank uses to measure its exposure to operational risk. If an indicator shows an irregular value, this may be related to changes in the exposure to operational risk.

Scenario analyses enable the Bank's exposure to operational risk, characterised by low frequency but high potential impact, to be estimated. The scenarios are identified by analysing internal losses, external events, risk indicator trends, critical processes, products and risk classes.
The inclusion of the data generated through the analyses of the scenario and of the trend of risk indicators are a forward-looking element of the risk capital calculation model.
Data collection and control is managed at local level, while the management and maintenance of the model to calculate regulatory capital is centralised for all Legal Entities of the Group at the Parent Company.
Risk capital for operational risk used for regulatory purposes as at December 31, 2016, amounted to €59,480 thousand.

Risks arising from significant legal disputes

The Bank is involved in individually insignificant legal proceedings over which there is considerable uncertainty regarding the outcome and the amount of possible charges. Where it is possible to reliably estimate the amount of possible charges and the charges are considered likely, provisions have been made in an appropriate amount based on the circumstances and consistent with international accounting standards. Specifically, as a precaution against these obligations and customer claims that have not yet resulted in legal proceedings, as at December 31, 2016, the Bank had a provision in place for risks and charges of €33,699 thousand.

Risks arising from tax disputes and audits

Risks arising from tax disputes and audits as at December 31, 2016 relate to a notice of assessment for the year 2003 containing an objection to the use of tax credits for €2.3 million, in relation to which the bank has appealed to the Supreme Court as it considers its position to be well-founded. The bank has already paid the additional taxes, penalties and interest due. With regard to this dispute, the higher taxes and the penalties have already been recognised in the income statement with a contra entry, respectively, in tax liabilities and the provision for risks and charges. Furthermore, a tax credit for the amount paid has been recognised.
In light of the foregoing, as at December 31, 2016 the Bank had in place provisions that adequately reflect the specific circumstances and are in line with international accounting standards; specifically, to tax liabilities for a total of €5.6 million, for higher tax, and to provisions for risks and charges of €4.1 million, for penalties and interest.

The assessment of ICT operational risk

The prudential regulations require Banks to conduct an analysis, at least annually, of the Bank's ICT risk and to submit the results of the assessment made to the Board of Directors.

In particular, the regulations have introduced standards and specific requirements for managing and assessing ICT risk that require Banks to assess the exposure to these risks, not only by gathering and analysing economic losses, but also by considering additional information, such as ICT incidents occurring and information related to the riskiness of the Bank's assets (hardware and software).
The Parent Company, in performing its role of direction, coordination and control, has established a common framework for the entire Group for the assessment of ICT risk and FinecoBank Risk Management function has adopted that framework[6].
The results of the analysis, conducted in collaboration with the Bank's Business, ICT and Organisation departments, were reported to the Bank's Board of Directors during 2016.

QUANTITATIVE INFORMATION

Internal operating loss data is the main component used to calculate capital requirements against operational risk. Loss analyses enable the ORM team to make assessments on the Bank's exposure to operational risk and to identify any critical areas. As at December 31, 2016, operating losses recorded in the accounts amounted to approximately €0.33 million.
The main sources of operating losses are shown below by "event type", i.e. by type of event that generated them according to the New Basel II Accord:

- Internal fraud: losses due to unauthorised activities, fraud, embezzlement or infringement of laws, regulations or company directives that involve at least one internal staff member of the bank or a resource hired under an agency contract;
- External fraud: losses owing to fraud, embezzlement or violation of laws by subjects external to the bank;
- employment practices and workplace safety: losses due to actions not compliant with the law or to agreements regarding employment, health and safety, to the payment of compensation for bodily harm, or to cases of discrimination or non-application of equality conditions;
- customers, products and professional practices: losses arising from non-fulfilment of professional obligations towards customers or from the nature or characteristics of the products or services provided;
- damage from external events: losses arising from external events, including natural disasters, acts of terrorism and vandalism;
- business disruption and system failures: losses owing to business disruption and system failures or interruptions;
- process management, execution and delivery: losses due to deficiencies in the completion of transactions or management of processes, as well as losses due to relations with commercial counterparties, vendors and suppliers.

Section 5 - Other Risks and information

Although the types of risk described above represent the main categories, there are other types that the Bank considers important. In accordance with the provisions of Basel II Pillar 2, the Bank – with the support of the Parent Company – has identified other types of risk in addition to the credit, market, operational and liquidity risks described above:

- Business risk is defined as adverse, unexpected changes in business volume and/or margins that are not due to credit, market and operational risks. Business risk can result, above all, from a serious deterioration in the market environment, changes in the competitive situation or customer behaviour, as well as changes in the legal framework;
- Strategic risk is the risk of suffering potential losses due to decisions or radical changes in the business environment, improper implementation of decisions, lack of responsiveness to changes in the business environment, which result in negative impacts to the risk profile, capital and earnings as well as the overall direction and scope of a bank over the long run;
- Reputational risk, which represents the current or future risk of a fall in profits resulting from a negative perception of the Bank's image by Customers, counterparties, shareholders, investors or Supervisory Authorities.

The Bank has not included Real Estate Risk within the Bank's scope of risk, because it does not hold significant positions in real estate, nor does it include Financial Investment Risk, as it does not possess large non-speculative financial investments.
Following the identification of the significant risks, the Parent Company establishes the best way to analyse them in qualitative and quantitative terms. The quantitative measurement is carried out by the Parent Company using data sent by the Bank and is used to calculate the Internal Capital.
Credit, market, operational and business risks are measured quantitatively by the Parent Company, using:

- economic capital, calculation of the benefit of diversification and aggregation as a component of internal capital (including prudential cushion for model risk and variability of the economic cycle);
- Stress tests.

Internal Capital is the capital set aside as a buffer against the potential losses inherent in the Group's business activities and it takes into consideration all risk types that the Group has identified as measurable in terms of Economic Capital in line with Pillar II requirements.
For control purposes, Internal Capital is calculated quarterly by the Parent Company based on the periodic figures sent by the Bank.
The multi-dimensional nature of risk makes it necessary to supplement the measurement of economic capital with stress testing, not only in order to estimate losses in certain scenarios, but also to ascertain the impact of their determinants.
The stress test is one of the instruments used control significant risks in order to assess the Bank's vulnerability to "exceptional but plausible" events, providing additional information to the monitoring activities.
Stress testing, in accordance with regulatory requirements, is conducted on the basis of a set of internally defined stress scenarios and is periodically performed by specific Parent Company functions.

6. (*) For the business processes analysed the assessment involved the quantitatively assessing the risk through scenario analysis. Upon completion of the work, Risk Management submitted the results of the analysis to the attention of the Risk Takers who, in view of the volumes of business, accepted the remaining risk without the need to identify additional mitigation measures.

Part E - Information on risks and hedging policies (Continued)

ICAAP - Internal Capital Adequacy Assessment Process

Measuring the risk profile is a fundamental element of the Internal Capital Adequacy Assessment Process under Pillar 2 (ICAAP).

The Group's approach to ICAAP relies on the definition of the "Risk Governance", as a preliminary requirement, while the process consists of following phases:

- defining the scope and identifying the risks;
- assessing the risk profile;
- risk appetite setting and capital allocation;
- monitoring and reporting.

Capital adequacy is assessed by considering the balance between assumed risks, both Pillar I and Pillar II, and the available capital. With respect to Pillar II, the relevant metric is the Risk Taking Capacity, which is the ratio of available capital (Available Financial Resources - AFR) to Internal Capital.

Risk Appetite

The main elements of the internal process for determining capital adequacy include the setting and monitoring of the risk appetite. The risk appetite is defined as the level of risk that the Bank is willing to accept for the pursuit of its strategic objectives and business plan, taking into account the interests of its customers and shareholders, capital requirements and other requirements.

The main objectives of the risk appetite are:

- explicitly assessing the risks, and their interconnections at local and Group level, that the Bank decides to assume (or avoid) in a long-term perspective;
- specifying the types of risk that the Bank intends to assume, setting targets, triggers and limits under both normal operating and stress conditions;
- ensuring a risk-return profile "ex-ante" consistent with sustainable long-term growth, as defined by the return forecasts of the strategic plan/budget;
- ensuring that the business developed within the limits of risk tolerance established by the Board of Directors, in accordance with the applicable national and international regulations;
- supporting discussions on future policy options with regard to the risk profile;
- guiding the vision of internal and external stakeholders towards a risk profile consistent with the strategic plan;
- providing qualitative descriptions for risks that are difficult to quantify (e.g. strategic, reputational, compliance) to strategically guide the review of processes and the internal control system.

The Risk appetite is defined consistently with the Bank's business model and local and Group ICAAP. For this reason, the Risk Appetite is incorporated in the budget process.

The risk appetite includes a statement and a set of KPIs. The Statement sets out the Bank's positioning in terms of strategic objectives and associated risk profiles, while the KPIs are designed to quantitatively measure the Bank's in the following categories:

- Pillar 1 KPI: regulatory requirements, to include the KPIs required by the Supervisory Authority (e.g., capital and liquidity requirements such as LCR and NSFR);
- Managerial KPI: to ensure alignment with the budget in terms of return on capital and credit quality;
- Specific Risk KPI: to ensure control of all major risks (such as Pillar 2 capital adequacy, market risk, interest rate risk and operating risk).

For each of the above mentioned factors, one or more KPIs are identified, in order to quantitatively measure the Bank's positioning under several respects: absolute values, ratio between comparable measures, sensitivity analysis on defined parameters.

The Targets represent the amount of risk that the Bank is willing to take in normal operating conditions in line with its Ambitions. The Targets should be considered as reference thresholds for business development. Triggers are the maximum acceptable deviation from the targets; they are defined to ensure operations under stress within the maximum acceptable level of risk.

Limits are the maximum level of risk that the Bank accepts to assume.

The setting of the thresholds is evaluated on a case by case basis, also through managerial decisions by the Board of Directors, in compliance with the regulatory requirements and of the supervisory bodies and considering the consistency with the Group risk appetite.

The metrics are the subject of regular monitoring and reporting, at least quarterly. The monitoring is respectively carried out by the CRO Department and the CFO Department.

Part F - Shareholders' equity

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Part F - Shareholders' equity

Section 1 - Bank's shareholders' equity

A. QUALITATIVE INFORMATION

The Bank has made a priority of capital management and allocation on the basis of the risk assumed in order to expand its operations and create value. These activities involve the various planning and control stages and, specifically, the planning, budgeting and monitoring processes (analysis of expected and actual performance, analysis and monitoring of limits, performance analysis and monitoring of capital ratios).

Capital and its allocation are therefore extremely important in defining strategies, since on the one hand it represents the shareholders' investment in the Bank which must be adequately remunerated, on the other hand it is a scarce resource on which there are external limitations imposed by regulatory provisions.

Capital is managed dynamically: the Bank prepares the financial plan, monitors capital requirements for regulatory purposes and anticipates the appropriate steps required to achieve goals.

Monitoring refers, on one hand, to both shareholders' equity and the composition of own funds and, on the other hand, to the planning and performance of risk-weighted assets (RWA).

B. QUANTITATIVE INFORMATION

B.1 Bank's shareholders' equity: breakdown

(Amounts in € thousand)

	AMOUNT 12.31.2016	AMOUNT 12.31.2015
1. Capital	200,246	200,150
2. Share premium reserve	1,934	1,934
3. Reserves	278,407	236,590
- from profits	250,247	214,666
a) legal	40,049	40,030
b) statutory	-	-
c) treasury shares	4,338	8,555
d) other	205,860	166,081
- other	28,160	21,924
4. Equity instruments	-	-
5. (Treasury Shares)	(4,338)	(8,555)
6. Revaluation reserves	(6,794)	11,626
- Available-for-sale financial assets	(455)	16,904
- Property, plant and equipment	-	-
- Intangible assets	-	-
- Hedging instruments of foreign investments	-	-
- Cash flow hedges	-	-
- Exchange differences	-	-
- Non-current assets classified as held for sale	-	-
Actuarial gains (losses) on defined benefit plans	(6,339)	(5,278)
- Revaluation reserves for associates carried at equity	-	-
- Special revaluation laws	-	-
7. Net Profit (Loss) for the year	211,844	191,053
Total	**681,299**	**632,798**

B.2 Revaluation reserves for available-for-sale financial assets: breakdown

(Amounts in € thousand)

	TOTAL 12.31.2016		TOTAL 12.31.2015	
ASSET/AMOUNT	POSITIVE RESERVE	NEGATIVE RESERVE	POSITIVE RESERVE	NEGATIVE RESERVE
1. Debt securities	12,040	(12,747)	8,434	(1,285)
2. Equity Instruments	252	-	9,755	-
3. UCITS units	-	-	-	-
4. Loans	-	-	-	-
Total	**12,292**	**(12,747)**	**18,189**	**(1,285)**

B.3 Revaluation reserves for available-for-sale financial assets: annual changes

(Amounts in € thousand)

	DEBT SECURITIES	EQUITY INSTRUMENTS	UCITS UNITS	LOANS
1. Opening balance	**7,149**	**9,755**	**-**	**-**
2. Increases	**12,074**	**252**	**-**	**-**
2.1 Fair value increases	11,784	252	-	-
2.2 Reclassification through profit or loss of negative reserves	-	-	-	-
- from impairment	-	-	-	-
- from disposal	-	-	-	-
2.3 Other changes	290	-	-	-
3. Decreases	**(19,930)**	**(9,755)**	**-**	**-**
3.1 Fair value reductions	(14,433)	-	-	-
3.2 Impairment losses	-	-	-	-
3.3 Reclassification through profit or loss of positive reserves: from disposal	(5,283)	(9,755)	-	-
3.4 Other changes	(214)	-	-	-
4. Closing balance	**(707)**	**252**	**-**	**-**

B.4 Revaluation reserves on defined benefit obligations: annual changes

(Amounts in € thousand)

	ACTUARIAL GAINS (LOSSES) ON DEFINED BENEFITS PLANS
1. Opening balance	**(5,278)**
2. Increases	**-**
2.1 Fair value increases	-
2.2 Other changes	-
3. Decreases	**(1,061)**
3.1 Fair value reductions	(1,061)
3.2 Other changes	-
4. Closing balance	**(6,339)**

Section 2 - Own funds and regulatory ratios

2.1 Own funds

A. Qualitative information

Own funds are measured on a quarterly basis in accordance with regulatory provisions. The results are reported to the Parent Company's Board of Directors.

Own Funds at December 31, 2016 amounted to €438,121 thousand and were calculated by applying the supervisory regulations in force according to the Basel III regulatory framework including transitional adjustments.

The Common Equity Tier 1 includes the profit for the year (for the amount that will not be distributed) assuming the conditions established Article 26.2 of the EU Regulation 575/2013 (CRR) are satisfied.

(Amounts in € thousand)

	12.31.2016	12.31.2015
Common Equity Tier 1 Capital - CET1	438,121	390,977
Additional Tier 1 – AT1	-	-
TIER 2 – T2	-	2,926
Total Own Funds	**438,121**	**393,903**

1. Common Equity Tier 1 - CET1

The financial instruments included in the Common Equity Tier 1 consist of 606,805,436 ordinary shares with a par value of €0.33 euro, amounting to €200,246 thousand, net of 714,325 treasury shares, amounting to €4,338 thousand.

For information on the other items that make up the Common Equity Tier 1 see the details provided at the foot of the table presented in the Quantitative information.

2. Additional Tier 1 – AT1

As at December 31, 2016 there were no Additional Tier 1 items.

Part F - Shareholders' equity (Continued)

3. TIER 2 – T2

As at December 31, 2016 there were no Tier 2 capital items.

B. QUANTITATIVE INFORMATION

(Amounts in € thousand)

	TOTAL 12.31.2016	TOTAL 12.31.2015
A. Common Equity Tier 1 - CET1 before application of prudential filters	**509,325**	**477,420**
of which CET1 instruments subject to transitional provisions	-	-
B. Prudential filters for CET1 (+/-)	(577)	(54)
C. CET1 before items to be deducted and the effects of the transitional arrangements (A +/- B)	**508,748**	**477,366**
D. Items to be deducted from CET1	**74,056**	**75,003**
E. Transitional arrangements – Impact on CET1 (+/-)	**3,429**	**(11,386)**
F. Total Common Equity Tier 1 Capital - CET1 (C - D +/- E)	**438,121**	**390,977**
G. Additional Tier 1 - AT 1 before items to be deducted and the effects of the transitional arrangements	**-**	**-**
of which AT1 instruments subject to transitional provisions	-	-
H. Items to be deducted from AT1	**-**	**-**
I. Transitional arrangements – Impact on AT1 (+/-)	**-**	**-**
L. Total Additional Tier 1 - AT 1 (G - H +/- I)	**-**	**-**
M. Tier 2 (T2) before items to be deducted and the effects of the transitional arrangements	**-**	**-**
of which T2 instruments subject to transitional provisions	-	-
N. Items to be deducted from T2	**-**	**-**
O. Transitional arrangements – Impact on T2 (+/-)	**-**	**2,926**
P. Total Tier 2 (Tier 2 - T2) (M - N +/- O)	**-**	**2,926**
Q. Total Own Funds (F + L + P)	**438,121**	**393,903**

B. Common Equity Tier 1 - CET1 first time application of prudential filters

The item includes:

- share capital, made up of 606,805,436 ordinary shares of a par value of €0.33 each, for an amount of €200,246 thousand;
- the share premium reserve of €1,934 thousand;
- the legal reserve, the extraordinary reserve and other reserves of €278,407 thousand;
- accumulated other comprehensive income (OCI), which consists of €1,059 thousand from the net positive reserve of debt securities issued by central governments of EU member countries, held in the "available-for-sale financial assets" portfolio after December 31, 2009, €1,514 thousand from the net negative reserve for equity instruments and debt securities other than those mentioned above held in the "Available for sale financial assets" portfolio and €6,339 thousand from the negative IAS19 Reserve;
- the amount of the 2016 profits that will not be distributed, amounting to €41,684 thousand, assuming the conditions established in Article 26, paragraph 2, of EU Regulation 575/2013, have been met.

The following were deducted from this item:

- treasury shares, amounting to €4,338 thousand;
- synthetic exposures in own CET1 equity instruments held in the Bank's regulatory trading book, amounting to €65 thousand;
- CET1 equity instruments for which the Bank has received the buyback authorisation from the Supervisory Authority, pursuant to articles 77-78 of EU Regulation 575/2013 of 26 June 2013 (CRR), amounting to €1,750 thousand.

C. CET1 Prudential filters

This item includes the filter for additional valuation adjustments (AVA) calculated on the assets and liabilities measured at fair value, amounting to €577 thousand.

D. Items to be deducted from CET1

This item includes:

- goodwill, net of deferred taxes, amounting to €66,324 thousand;
- other intangible assets, amounting to €7,731 thousand.

E. Transitional arrangements – Impact on CET1

The item includes the effects of applying the transitional provisions on own funds, specifically:

- a negative prudential filter of 40% has been applied to the net positive revaluation reserves related to debt securities issued by central governments of EU member countries, held in the "available-for-sale financial assets" portfolio after December 31, 2009, for an amount of €424 thousand,
- a positive prudential filter of 40% has been applied to the net negative revaluation reserves related to equities and debt securities other than those mentioned above, held in the "Available-for-sale financial assets", for an amount of €606 thousand. At the same time a negative national filter of 40% has been applied to the same reserves, for amount of €606 thousand, which eliminated the positive prudential filter;

• a 60% negative prudential filter, amounting to €3,853 thousand, has been applied on the amount of the IAS19 reserve.

Regulation (EU) 575/2013 (CRR) also requires banks, as a general rule, to respectively include within and deduct from their own funds the unrealised gains and losses on assets measure that fair value classified in the "Available-for-sale financial assets" portfolio. For a transitional period, the CRR allows the partial inclusion/deduction of those gains and losses from the Common Equity Tier 1, on a gradually increasing basis, to reach their full inclusion/deduction by January 1, 2018. As an exemption to these transitional arrangements, solely for gains and losses resulting from exposures towards central governments recognised in the "Available-for-sale financial assets" portfolio, the CRR has given the competent authorities the option to allow banks not to include or deduct the unrealised gains or losses for any item of own funds if this treatment was applied before the CRR entered into force (January 1, 2014). By specific provision in the regulations, the neutralisation of the gains and losses can be applied until the Commission has adopted a regulation based on Regulation (EC) 1606/2002 that approves IFRS 9 as a replacement to IAS 39. Upon first-time adoption of the CRR in Italy, this option was exercised by the Bank of Italy and the banks had the possibility opting for the total neutralisation of the gains and losses.
In this regard, in March 2016, the European Central Bank issued Regulation (EU) 2016/445 on the exercise of options and discretions available in Union law ("ECB Regulation"), which entered into force on October 1, 2016, which allowed the application of the ordinary transitional regime also for exposures to central governments for the banks subject to direct supervision by the ECB ("significant banks"). In addition, on November 29, 2016, Regulation (EU) 2016/2067 was published in the Official Journal of the European Union, through which the European Commission endorsed IFRS 9.
As a result of the above, from October 2016, FinecoBank as a significant bank must respectively include within or deduct from CET 1 the unrealised gains and losses resulting from exposures to central governments classified in the "Available-for-sale financial assets" portfolio, according to the following percentages: 60% for 2016, and 80% for 2017. The amounts remaining from the application of these percentages (40% the 2016 and 20% for 2017) do not need to be included for the calculation of own funds, as they continue to be neutralised, based on the national regime in force as at December 31, 2013.
As reported in point E. "Transitional arrangements – Impact on CET1", as at December 31, 2016 the unrealised gains from exposures to central governments classified in the "Available-for-sale financial assets" portfolio amounted to €1,059 thousand, to which a negative prudential filter of 40% has been applied, amounting to €424 thousand.

With regard to defined benefit plans under IAS 19, the entry into force on January 1, 2013 of the amendments (IAS 19R) that prescribe the elimination of the corridor method – with the resulting recognition of the present value of the defined benefit obligation – had an impact on the Bank's shareholders' equity due to the recognition of net actuarial gains/losses in revaluation reserves, which were not previously recognised, in application of the said method. From a regulatory point of view, the supervisory authority ordered the implementation of a prudential filter designed to neutralise 60% of the impact of these amendments.

(Amounts in € thousand)

a) Value of liabilities for defined benefits - old IAS 19	(53,808)
a) Value of liabilities for defined benefits - new IAS 19	(63,297)
c) Amount subject to "prudential filter"	(6,339)

O. Transitional arrangements – Impact on T2

No data to report.

Reconciliation of Own funds with Carrying amounts

(Amounts in € thousand)

	TOTAL 12.31.2016	TOTAL 12.31.2015
Share capital, issue-premium reserves and other reserves	480,587	438,674
Accumulated other comprehensive income (OCI)	(6,794)	11,626
Profit allocated to reserves	41,684	35,677
Own CET 1 instruments	(4,403)	(8,557)
Commitments to purchase own CET1 instruments	(1,750)	-
Intangible assets – Goodwill	(66,324)	(66,791)
Intangible assets - Other intangible assets	(7,731)	(8,212)
Regulatory impairment adjustments (AVA)	(577)	(54)
Other transitional adjustments to Common Equity Tier 1 Capital	3,429	(11,386)
Common Equity Tier 1 Capital - CET1	**438,121**	**390,977**
Additional Tier 1 – AT1	**-**	**-**
Tier 1 Capital (T1= CET1 + AT 1)	**-**	**-**
Other transitional adjustments to Tier 2	-	2,926
TIER 2 – T2	**-**	**2,926**
Total Own Funds	**438,121**	**393,903**

Part F - Shareholders' equity (Continued)

Changes in Own Funds

(Amounts in € thousand)

	01.01.2016 / 12.31.2016	01.01.2015 / 12.31.2015
Common Equity Tier 1 Capital - CET1		
Beginning of period	**390,977**	**353,133**
Instruments and Reserves		
Share capital, issue-premium reserves and other reserves	6,237	9,985
Own CET1 instruments	4,154	(8,555)
Commitments to purchase own CET1 instruments	(1,750)	-
Accumulated other comprehensive income (OCI)	(18,421)	9,364
Profit allocated to reserves	41,684	35,677
Regulatory adjustments		
Intangible assets – Goodwill	467	951
Intangible assets - Other intangible assets	481	(71)
Regulatory impairment adjustments (AVA)	(523)	(54)
Other transitional adjustments to Common Equity Tier 1 Capital	14,815	(9,453)
End of period	**438,121**	**390,977**
Additional Tier 1 – AT1		
Beginning of period	**-**	**-**
End of period	**-**	**-**
TIER 2 – T2		
Beginning of period	**2,926**	**-**
Other transitional adjustments to Tier 2	(2,926)	2,926
End of period	**-**	**2,926**
Total Own Funds	**438,121**	**393,903**

2.2 Capital adequacy

A. QUALITATIVE INFORMATION

As at December 31, 2016, the Bank's prudential regulatory requirements were determined by applying the current supervisory regulations of the Basel III Traditional Standardised Approach, except for capital requirements for operational risk, which were calculated using Advanced Measurement Approaches. On the basis of the EU regulations set out in Directive 2013/36/EU and Regulation No 575/2013/EU, collated and implemented by the Bank of Italy through Circular No. 285 of December 17, 2013 "Supervisory Regulations for Banks", the Bank must satisfy the following own funds requirements established in Article 92 of the CRR, expressed as a percentage of the total risk exposure amount (RWA – Risk Weighted Assets):

- a Common Equity Tier 1 capital ratio of at least 4.5%;
- a Tier 1 capital ratio of at least 6%;
- a total capital ratio of at least 8%.

Furthermore, in addition to the Common Equity Tier 1 necessary to meet own funds requirements under Article 92 of the CRR, banks are required to hold a capital buffer, for 2016, of 0.625% of the bank's overall risk exposure (1.25% for 2017, 1.875% for 2018 and 2.5% from 2019).

Article 136 of the directive EU/2013/36 (Capital Requirements Directive, CRD4) establishes the requirement for the designated national authorities to set up an operational framework for establishing the countercyclical capital buffer (CCyB) with effect from January 1, 2016. The buffer is reviewed on a quarterly basis. The European legislation was implemented in Italy through the Bank of Italy Circular 285/2013 (Supervisory regulations for banks), which contain specific rules on the CCyB. Legislative Decree 72 of May 12, 2015 identified the Bank of Italy as the authority designated to adopt the macro prudential measures in the banking sector, including the CCyB. The rules apply at individual and consolidated level to banks and investment firms. Accordingly, with effect from January 1, 2016, institutions are required to maintain an institution-specific countercyclical capital buffer, equivalent to their total risk exposure amount, calculated in accordance with Article 92(3) of Regulation (EU) No 575/2013 multiplied by the weighted average of the buffer rates. The introduction of the countercyclical buffer includes a phase-in period between January 1, 2016 and the end of 2018, and will become fully effective from January 1, 2019 (in 2016 the countercyclical buffer cannot be higher than 0.625%). The Bank's specific countercyclical capital buffer as at December 31, 2016 was 0.0001%, corresponding to around €1 thousand.

Lastly, according to Basel III supervisory regulations, entities that use internal ratings-based approaches for calculating capital requirements for credit risk and Advanced Measurement Approaches for calculating own funds requirements for operational risk must hold, until December 31, 2017, own funds that are at all times equal to or greater than 80% of the Basel I requirements (CRR 575/2013 art. 500). As at December 31, 2016, the Bank's capital requirements according to Basel I amounted to €345,377 thousand; accordingly, 80% of such amount was €276,301 thousand.

Following the outcome of the Supervisory Review and Evaluation Process (SREP) conducted by the ECB during 2016, the competent authorities established that no decision in application of the national legislation implementing Article 104 (1) (a) of the Directive 2013/36/EU or article 16 of Regulation (EU) No. 1024/2013 was required for the Bank.
As for the qualitative information on the methods used by the Bank for assessing its own funds adequacy to support current and future operations, please refer to Section 1 - Shareholders' Equity of this Part F.

B. QUANTITATIVE INFORMATION

(Amounts in € thousand)

	NON-WEIGHTED ASSETS		WEIGHTED ASSETS	
CATEGORY/AMOUNT	12.31.2016	12.31.2015	12.31.2016	12.31.2015
A. RISK ASSETS				
A.1 Credit and counterparty risk	**21,591,003**	**18,795,201**	**1,134,213**	**1,064,260**
1. Traditional standardised approach	21,591,003	18,795,201	1,134,213	1,064,260
2. Internal rating method	-	-	-	-
2.1 Basic	-	-	-	-
2.2 Advanced	-	-	-	-
3. Securitisations	-	-	-	-
B. REGULATORY CAPITAL REQUIREMENTS				
B.1 Credit and counterparty risk			**90,737**	**85,141**
B.2 Risk of adjustment of valuation of credit			**127**	**160**
B.3 Regulatory risk			**-**	**1**
B.4 Market risk			**2,433**	**771**
1. Traditional standardised approach			2,433	771
2. Internal models			-	-
3. Concentration risk			-	-
B.5 Operational risk			**59,480**	**60,168**
1. Basic Indicator Approach			-	-
2. Traditional standardised approach			-	-
3. Advanced measurement approach			59,480	60,168
B.6 Other calculation elements			**-**	**-**
B.7 Total prudential requirements			**152,777**	**146,241**
C. RISK ASSETS AND CAPITAL RATIOS				
C.1 Risk-weighted assets			1,909,713	1,828,007
C.2 Common Equity Tier 1 Capital/Risk-weighted assets (CET1 capital ratio)			22.94%	21.39%
C.3 Tier 1 capital/Risk-weighted assets (Tier 1 capital ratio)			22.94%	21.39%
C.3 Own funds/Risk-weighted assets (Total capital ratio)			22.94%	21.55%

Risk-weighted assets have been calculated by multiplying the total of prudential requirements by 12.5 (the inverse of the minimum compulsory coefficient of 8%).

Part F - Shareholders' equity (Continued)

Exposure to credit and counterparty risk: breakdown by type of portfolio

(Amounts in € thousand)

PORTFOLIO	12.31.2016 EXPOSURE TO CREDIT AND COUNTERPARTY RISK	12.31.2016 RISK-WEIGHTED ASSETS	12.31.2015 EXPOSURE TO CREDIT AND COUNTERPARTY RISK	12.31.2015 RISK-WEIGHTED ASSETS
Exposures subject to the IRB approach				
Total – ISB approach	**-**	**-**	**-**	**-**
Exposures subject to the standardised approach				
Exposures to or guaranteed by central governments and central banks	4,040,518	80,911	2,559,604	84,653
Exposures to or guaranteed by public entities	16,259,880	22,784	15,059,974	29,198
Exposures to or guaranteed by Multilateral development banks	3	-	3	-
Exposures to or guaranteed by Companies and other entities	138,486	137,209	137,933	136,406
Retail exposures	1,034,666	776,000	921,226	690,919
Exposures secured by real estate property	917	329	211	96
Exposures in default	3,664	3,736	4,875	4,903
Exposures in equity instruments	3,532	3,532	4,198	10,488
Other exposures	109,337	109,331	107,177	107,171
Total - traditional standardised approach	**21,591,003**	**1,133,832**	**18,795,201**	**1,063,834**
Risk assets - Credit and counterparty risk	**21,591,003**	**1,133,832**	**18,795,201**	**1,063,834**
Exposures to central counterparties in the form of pre-financed contributions to the Guarantee Fund		**381**		**426**
Capital requirements - Credit and counterparty risk		**90,737**		**85,141**

Capital requirement per type of risk and approach used

(Amounts in € thousand)

TYPE OF RISK	APPROACH USED	CAPITAL REQUIREMENTS 31.12.16	CAPITAL REQUIREMENTS 31.12.15
1. On-balance-sheet risk assets	Traditional standardised approach	70,514	59,406
2. Guarantees issued and commitments to disburse funds	Traditional standardised approach	882	221
3. Derivative contracts	Current value approach	130	132
4. Securities financing transactions	CRM - Comprehensive method with regulatory adjustments for volatility	19,181	25,348
Capital requirements credit and counterparty risk			**85,107**
Capital requirements exposures to central counterparties in the form of pre-financed contributions to the Guarantee Fund			**34**
Market risk			
1. Exchange rate risk	Traditional standardised approach	827	-
2. Risk position debt securities	Traditional standardised approach	1,113	514
3. Risk position equity instruments	Traditional standardised approach	493	257
4. Position risk commodities	Traditional standardised approach	-	-
Capital requirements - market risk		**2,433**	**771**
1. Concentration risk	Traditional standardised approach	-	-
Capital requirements - concentration risk		**-**	**-**
1. Risk of adjustment of valuation of credit	Traditional standardised approach	127	160
Capital requirements - risk of adjustment of valuation of credit		**127**	**160**
1. Regulatory risk	Traditional standardised approach	-	1
Capital requirements - regulatory risk		**-**	**1**
1. Advanced measurement approach	Advanced measurement approach	59,480	60,168
Capital requirements - operational risk		**59,480**	**60,168**
Total capital requirements		**152,777**	**146,241**

2.3 Minimum ratios established by the Bank

(Amounts in € thousand)

CAPITAL ADEQUACY INDICATORS	31.12.16	TARGET 2016	TRIGGER 2016	LIMIT 2016
Common Equity Tier 1 ratio	22.94%	10.00%	8.00%	7.25%
Total capital ratio	22.94%	13.50%	11.50%	10.75%

The Common Equity Tier 1 and the Total Capital Ratio comply with the limits provided in the Risk Appetite Framework approved by the Board of Directors on November 10, 2015.

Part G - Business combinations

Section 1 - Business combinations completed during the year

No information to report.

Section 2 - Business combinations completed after year-end

No information to report.

Section 3 - Retrospective adjustments

No information to report.

Part H - Related-party transactions

1. Details of compensation for key management personnel 214
2. Related-Party transactions 214

Part H - Related-party transactions

Information on the fees paid to key management personnel and on related-party transactions, according to IAS 24, are shown below.

1. Details of compensation for key management personnel

Key management personnel are persons having authority and responsibility for planning, directing, and controlling the Bank's activities, directly or indirectly. This category includes Board members and members of the Board of Statutory Auditors, pursuant to requirements of the Bank of Italy Circular no. 262 of December 22, 2005 as amended and updated, as well as the Chief Executive Officer and General Manager, the Deputy General Manager/ GBS Manager, the Chief Financial Officer, the PFA Network Commercial Manager, the Deputy General Manager/Direct Bank Manager and the Investment & Wealth Management Services Manager.

(Amounts in € thousand)

	TOTAL 12.31.2016	TOTAL 12.31.2015
Fees paid to "Key Management Personnel", Directors and the Board of Statutory Auditors		
a) short-term benefits	5,231	5,469
b) post-employment benefits	218	284
of which: under defined benefit plans	-	-
of which: under defined contribution plans	*218*	*284*
c) other long-term employee benefits	-	-
d) termination benefits	-	-
e) share-based payments	3,082	3,272
TOTAL	**8,531**	**9,025**

2. Related-Party transactions

In order to ensure continued compliance with applicable legal and regulatory provisions on corporate disclosure on transactions with related parties, during the Board of Directors' Meeting of September 22, 2015 and with the prior positive opinion of the Audit and Related Parties Committee and the Board of Statutory Auditors, the Bank approved the current "Procedures for the management of transactions with persons in conflict of interest" which governs transactions with related parties, and associated persons.

The above-mentioned procedures include the provisions to be complied with when managing:

- Related-Party transactions pursuant to the Consob Regulation adopted by resolution 17221 of March 12, 2010 as amended by resolution 17389 of June 23, 2010;
- Transactions with Associated Persons pursuant to the regulations on "Risk activities and conflicts of interest with Associated Persons", laid down by Bank of Italy Circular 263/2006, Title V, Chapter 5 ("New regulations for the prudential supervision of banks", as amended);
- Obligations of Bank Officers pursuant to Article 136 of Legislative Decree 385 of September 1, 1993, "Consolidated Law on Banking".

Given that the Bank belongs to the UniCredit Group, the aforementioned Procedures are also based on the "UniCredit Global Policy for the management of transactions with persons in conflict of interest" and the relevant "Global Operational Instructions" issued by UniCredit to subsidiaries as part of its management and co-ordination.

Considering the above, the following transactions were approved during 2016:

1. on February 8, 2016 the Board of Directors, upon recommendation by the Audit and Related Parties Committee, approved the renewal of the "Framework Resolution related to the entering into of hedging derivative contracts with the Parent Company or companies in the UniCredit Group" (valid up to April 20, 2016), an ordinary Significant Transaction at market conditions that can be carried out up to February 8, 2017, which enables the Bank to enter into hedging derivatives with the Parent Company or with other companies in the UniCredit Group for commercial assets or liabilities that, for ALM purposes, require interest rate hedging for a maximum amount of €500 million with the Parent Company and €2,500 million with UniCredit Bank AG; it was approved by the Parent Company's Related Parties and Equity Investments Committee with the issue of a favourable, non-binding opinion on the matter;

2. the Board of Directors' meeting of May 9, 2016, upon recommendation by the Audit and Related Parties Committee, approved an ordinary Significant Transaction at market conditions with UniCredit S.p.A., consisting of the renewal of the "Framework Agreement - Repurchase Agreements and Term Deposits with the Parent Company", (valid up to May 11, 2017) that can be carried out up to until May 9, 2016, concerning (i) Repurchase Agreements with the Parent Company for an amount of €7.2 billion, calculated as the sum of the individual transactions in absolute value (either repos or reverse repos) and (ii) Term deposits with the Parent Company for an amount of €8.7 billion, calculated as the sum of the individual transactions in absolute value;

3. the Board of Directors' meeting of July 6, 2016, with the favourable opinion of the Audit and Related Parties Committee approved:
   - an ordinary Significant Transaction at market conditions with the related parties UniCredit Bank AG and Mediobanca S.p.A., consisting of the renewal of the "Framework Resolution - Trading of financial instruments with related-party institutional counterparties" (valid up to June 18, 2016), regarding

the trading of financial instruments with related-party institutional counterparties, by virtue of which Finecobank may implement said transactions until July 5, 2017, up to a maximum permitted limit of: (i) €1 billion with UniCredit Bank AG and (ii) €500 million with Mediobanca S.p.A.;

- an ordinary Significant Transaction at market conditions with the related party UniCredit S.p.A., consisting of a "Framework Agreement for the transactions on current accounts held with UniCredit" (valid up to July 30, 2016) that can be carried out up to July 6, 2017, which will enable the Bank to manage its liquidity in euro and in foreign currencies through specific current accounts already held with UniCredit S.p.A. for an amount of less than €1,000 million understood as a single transaction (single payment and single withdrawal);

4. on September 20, 2016 the Board of Directors, upon recommendation by the Audit and Related Parties Committee, approved an ordinary Significant Transaction at market conditions with the related parties UniCredit Bank AG and Mediobanca S.p.A., consisting of the renewal of the "Framework Resolution - Securities Lending Transactions with Institutional Counterparties" (valid up to September 21, 2016), regarding the Securities Lending Transactions with institutional counterparties, through which Finecobank may implement those transactions until July 19, 2017, up to a maximum permitted limit of: (i) €500 million with UniCredit Bank AG and (ii) €200 million with Mediobanca S.p.A..

5. the Board of Directors' meeting of December 6, 2016, upon recommendation by the Audit and Related Parties Committee, approved an ordinary Significant Transaction at market conditions with the related party UniCredit S.p.A consisting of the renewal of the "Framework resolution – Investment of medium-long term liquidity with the Parent Company" (valid up to November 10, 2016), that can be carried out up to December 6, 2017, involving the subscription of UniCredit bonds with a ceiling of around €3.5 billion.

In relation to the above transactions, the Bank provided a simplified disclosure to CONSOB pursuant to Art. 13, paragraph 3, letter c) of CONSOB Regulation 17221/2010.

In the year ended December 31, 2016, no other transactions were undertaken with related parties that could significantly affect the Bank's asset situation and results, or atypical and/or unusual transactions, including intercompany and related party transactions.

Minor transactions were carried out with the Parent Company, other Group Companies and/or with related parties in general, both Italian and foreign, within the ordinary course of business and related financial activities of the Bank, at market or standard conditions.

Lastly, with regard to transactions of significant financial and economic relevance, during 2012, the Bank issued 5 bank guarantees in favour of the Italian Revenue Agency upon (guaranteed) request by UniCredit, with indefinite duration (specifically, valid until the Italian Revenue Agency issues a declaration of receipt of the payment by UniCredit at the end of the collection process, in the event of an unfavourable outcome for UniCredit, or until a ruling is issued in favour of the Bank by means of final judgement), for a total amount of €256,065 thousand, plus interest accrued and accruing until request for payment from the Italian Revenue Agency. The bank guarantees were issued to secure the obligations assumed by UniCredit in relation to five VAT refund suspension orders issued by the Italian Revenue Agency, and entail the assumption by the Bank of an irrevocable payment commitment on demand, within 30 days and without any exceptions. In 2013, following the settlement of an assessment notice issued by the Regional Department of Liguria, for €4,505 thousand, replaced by another assessment notice issued by the same Department up to the amount settled, a guarantee already issued by the Bank was replaced, with amounts unchanged; this transaction did not change the commitments undertaken according to the forms, procedures and risks already assessed during 2012, which remain unchanged.

Part H - Related-party transactions (Continued)

The following statement shows the outstanding assets, liabilities, guarantees and commitments as at December 31, 2016, for each group of related parties pursuant to IAS 24:

(Amounts in € thousand)

	AMOUNTS AS AT DECEMBER 31, 2016			
	DIRECTORS, BOARD OF STATUTORY AUDITORS AND KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES	TOTAL	% OF CARRYING AMOUNT
Financial assets held for trading	-	30	30	0.50%
Loans and receivables with banks	-	1	1	0.00%
Loans and receivables with customers	29	7,551	7,580	0.75%
Other assets	-	11	11	0.00%
Total assets	**29**	**7,593**	**7,622**	**0.04%**
Deposits from banks	-	755	755	0.07%
Deposits from customers	2,959	24,375	27,334	0.15%
Other liabilities	140	60	200	0.08%
Total liabilities	**3,099**	**25,190**	**28,289**	**0.13%**
Guarantees issued and commitments	**-**	**-**	**-**	**-**

The following table sets out the impact of the above transactions with related parties on the main Income Statement items, for each group of related parties.

(Amounts in € thousand)

	INCOME STATEMENT AS AT DECEMBER 31, 2016			
	DIRECTORS, BOARD OF STATUTORY AUDITORS AND KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES	TOTAL	% OF CARRYING AMOUNT
Interest income and similar revenues	-	8	8	0.00%
Interest expenses and similar charges	(2)	-	(2)	0.05%
Fee and commission income	5	30,879	30,884	6.53%
Fee and commission expense	(1)	(397)	(398)	0.17%
Gains (losses) on financial assets and liabilities held for trading	-	(22)	(22)	-0.05%
Other administrative expenses	-	(3,716)	(3,716)	1.58%
Other operating expenses/income	25	6	31	0.04%
Total income statement	**27**	**26,758**	**26,785**	

With regard to the category "Directors, Board of Statutory Auditors and Key Management Personnel", in application of the special regulations laid down in Article 136 of Legislative Decree 385/93 (Consolidated Law on Banking), the obligations established for persons that perform administrative, management and control functions pursuant to those regulations were unanimously approved by a resolution of the Board of Directors with the favourable vote of all members of the Board of Statutory Auditors, in accordance with Article 136 of said Consolidated Law on Banking.
The category "Directors, Board of Statutory Auditors and Key Management Personnel" includes their dealings with the Bank (excluding their fees, which are discussed in point 1. *Details of compensation for key management personnel*) and the Parent Company UniCredit, mainly concerning assets for credit card use, liabilities for funds held by them with the Bank and costs and revenues generated from the aforesaid assets and liabilities.

The "Other related parties" category includes:
- close family members of key management personnel (i.e., relatives who could be expected to influence, or be influenced by the party involved);
- companies controlled (or jointly controlled) by, or associated with, "key management personnel" or their close family members;
- associates, and their subsidiaries, of the Parent Company UniCredit;
- shareholders, and their subsidiaries, of the Parent Company UniCredit.

Transactions with "Other related parties", mainly refer to:

- assets for credit card use and liabilities for funds held with the Bank or securities lending transactions guaranteed by sums of money;
- assets for current receivables associated with the provision of financial services, mainly referring to fees for the placement of asset management and insurance products;
- costs and revenues generated from the above assets and liabilities, mainly referring to subscription and management fee and commission income related to the placement of asset management and insurance products and insurance premiums.

Amounts as at December 31, 2016 and the income components accrued in 2016 relating to the Parent Company UniCredit and the UniCredit group companies are not included, as they are presented further below.

Transactions with the Parent Company and other Unicredit Group companies

(Amounts in € thousand)

TOTAL TRANSACTIONS WITH UNICREDIT GROUP COMPANIES	TOTAL 12.31.2016	% OF CARRYING AMOUNT
Assets	**15,717,922**	**74.90%**
Loans and receivables with banks	15,694,648	99.74%
Loans and receivables with customers	19,151	1.88%
Other assets	4,123	1.23%
Liabilities	**1,051,310**	**5.01%**
Deposits from banks	1,033,886	93.05%
Hedging derivative liabilities	10,914	100.00%
Other liabilities	6,510	2.58%
Guarantees and commitments	**1,274,070**	**85.03%**
Guarantees issued and commitments	1,274,070	85.03%
Income Statement	**303,622**	
Interest income and similar revenues	201,073	79.38%
Interest expenses and similar charges	3,021	-77.11%
Fee and commission income	113,433	23.99%
Fee and commission expense	(6,360)	2.77%
Fair value adjustments in hedge accounting	6,872	n.c.
Administrative costs	(14,668)	4.67%
Other net operating income	251	0.32%

Part H - Related-party transactions (Continued)

The following table summarizes transactions with UniCredit group companies as at December 31, 2016:

(Amounts in € thousand)

COMPANY	ASSETS	LIABILITIES	GUARANTEES AND COMMITMENTS	INCOME STATEMENT
UniCredit S.p.A.	15,695,566	1,041,514	1,274,070	204,084
UniCredit Bank AG	3,187	6,624	-	342
UniCredit Bank AG, Milan	-	3,065	-	(1,911)
UniCredit Factoring S.p.A.	-	-	-	(3)
UniCredit Leasing S.p.A.	1	-	-	-
UniCredit Luxemburg Finance SA	-	-	-	106
UniCredit Business Integrated Solutions S.C.p.A.	17	82	-	(11,159)
Pioneer Investment Management SGR p.A.	1,258	-	-	9,000
Cordusio Società Fiduciaria per Azioni	19	25	-	(7)
Pioneer Asset Management SA Luxemburg	17,874	-	-	103,170
Total	**15,717,922**	**1,051,310**	**1,274,070**	**303,622**

The following tables contain a breakdown of the items relating to Assets, Liabilities, Guarantees and Commitments, Costs and Revenue for each individual Group company.

Transactions with parent companies

(Amounts in € thousand)

TRANSACTIONS WITH UNICREDIT S.P.A.	TOTAL 12.31.2016
Assets	**15,695,566**
Loans and receivables with banks	15,691,570
Other assets	3,996
Liabilities	**1,041,514**
Deposits from banks	1,027,262
Hedging derivative liabilities	7,849
Other liabilities	6,403
Guarantees and commitments	**1,274,070**
Guarantees issued and commitments	1,274,070
Income Statement	**204,084**
Interest income and similar revenues	208,050
Interest expenses and similar charges	3,021
Fee and commission income	686
Fee and commission expense	(6,315)
Fair value adjustments in hedge accounting	1,893
Administrative costs	(3,270)
Other net operating income	19

Transactions with companies controlled by UniCredit S.p.A.

(Amounts in € thousand)

TRANSACTIONS WITH UNICREDIT BANK AG	TOTAL 12.31.2016
Assets	**3,187**
Loans and receivables with banks	3,078
Other assets	109
Liabilities	**6,624**
Deposits from banks	6,624
Income Statement	**342**
Interest income and similar revenues	55
Fee and commission income	294
Fee and commission expense	(7)

(Amounts in € thousand)

TRANSACTIONS WITH UNICREDIT BANK AG, MILAN	TOTAL 12.31.2016
Liabilities	**3,065**
Hedging derivative liabilities	3,065
Income Statement	**(1,911)**
Interest income and similar revenues	(7,032)
Fee and commission income	142
Fair value adjustments in hedge accounting	4,979

(Amounts in € thousand)

TRANSACTIONS WITH UNICREDIT LEASING S.P.A.	TOTAL 12.31.2016
Assets	**1**
Loans and receivables with customers	1

(Amounts in € thousand)

TRANSACTIONS WITH UNICREDIT LUXEMBOURG FINANCE SA	TOTAL 12.31.2016
Income Statement	**106**
Fee and commission income	106

(Amounts in € thousand)

TRANSACTIONS WITH UNICREDIT BUSINESS INTEGRATED SOLUTIONS S.C.P.A.	TOTAL 12.31.2016
Assets	**17**
Other assets	17
Liabilities	**82**
Other liabilities	82
Income Statement	**(11,159)**
Administrative costs	(11,393)
Other net operating income	232

(Amounts in € thousand)

TRANSACTIONS WITH PIONEER INVESTMENT MANAGEMENT SGR P.A.	TOTAL 12.31.2016
Assets	**1,258**
Loans and receivables with customers	1,258
Income Statement	**9,000**
Fee and commission income	9,000

(Amounts in € thousand)

TRANSACTIONS WITH CORDUSIO SOCIETÀ FIDUCIARIA PER AZIONI	TOTAL 12.31.2016
Assets	**19**
Loans and receivables with customers	19
Liabilities	**25**
Other liabilities	25
Income Statement	**(7)**
Fee and commission income	33
Fee and commission expense	(38)
Administrative costs	(2)

(Amounts in € thousand)

TRANSACTIONS WITH PIONEER ASSET MANAGEMENT SA LUXEMBOURG	TOTAL 12.31.2016
Assets	**17,874**
Loans and receivables with customers	17,874
Income Statement	**103,170**
Fee and commission income	103,170

Part I - Share-based payments

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Part I - Share-based payments

A. QUALITATIVE INFORMATION

1. Description of share-based payments

1.1 Outstanding instruments

The Medium & Long Term Incentive Plans for employees and financial advisors of the Bank include the following types of instruments:
- Equity-Settled Share Based Payments that involve payments settled with shares of the parent UniCredit S.p.A and of the Bank;
- Cash Settled Share Based Payments that involve payments made in cash[7].

The above categories refer to the allocation of the following instruments:
- **Stock Options** allocated to selected Top & Senior Managers and Key Talents and consisting of rights to subscribe UniCredit shares;
- **Group Executive Incentive Systems** that offers eligible Group Executives a variable remuneration for which payment will be made within a maximum of five years. The beneficiaries receive a payment in cash and/or UniCredit shares, in relation to the achievement of performance conditions (other than marked conditions) stated in the Plan Rules;
- **Group Executive Incentive System** (Bonus Pool), offering selected Executives and relevant personnel identified on the basis of regulatory requirements, a bonus structure consisting of immediate payments (following performance evaluation) and deferred payments in cash and ordinary UniCredit or FinecoBank shares, over a maximum period of 6 years. This payment structure ensures that bonuses are aligned to shareholders' interests and is subject to malus clauses (which apply in the event that specific profitability, liquidity and capital thresholds are not met at Group and/or at Country/Division level) and clawback clauses (to the extent they are legally applicable) in accordance with the plan rules (both represent vesting conditions other than market conditions);
- Employee Share Ownership Plan (ESOP - Let's Share), which offers eligible Bank employees the possibility to buy UniCredit ordinary shares with the advantage of involving the granting of free ordinary shares ("Free Shares" or rights to receive them) measured on the basis of the shares purchased by each Participant ("Investment Share") during the "Enrolment Period". The granting of free ordinary shares is subordinated to vesting conditions (other than market conditions) stated in the Plan Rules;
- Stock granting for employees offering the allocation of free shares of FinecoBank to beneficiaries belonging to Top Management ("2014-2017 Multi-year Plan Top Management") and to executives and employees of the Bank (other than Top Management) who, in the Bank's opinion, can significantly contribute to the Bank's profitability and sustainability due to their role, skills and potential ("2014 Key People Plan"). The shares shall be allocated to the beneficiaries in four annual instalments under the "2014-2017 Top Management Multi-Year Plan" as of 2017, and three annual instalments under the "2014 Key People Plan" as of 2015. The plans are subject to entry conditions (profitability and capital thresholds) and clawback clauses (as legally applicable) in accordance with the plan rules;
- **Stock granting for personal financial advisors** offering the allocation of free shares of FinecoBank to the network's personal financial advisors, subject to the achievement by the Bank's entire PFA network of a set net sales target for the year 2014 ("2014 PFA Plan") and for the three-year period 2015-2017 ("2015-2017 PFA Plan"). The shares will be allocated to the respective beneficiaries in three annual instalments from 2015, under the "2014 PFA Plan" and from 2018 under the "2015-2017 PFA Plan". The plans are subject to access conditions (profitability and capital thresholds) and clawback clauses (as legally applicable) in accordance with the plan rules.
- **Group Incentive System 2015 PFA**, offering selected financial advisors, identified as key personnel in accordance with regulatory requirements, an incentive system consisting of immediate cash payments (following performance evaluation) and deferred payments and the allocation of Phantom Shares, over a period of 5 years. This payment structure ensures that bonuses are aligned to shareholders' interests and is subject to malus clauses (which apply in the event that specific profitability, liquidity and capital thresholds are not met at Group and/or at Country/Division level) and clawback clauses (to the extent they are legally applicable) in accordance with the plan rules (both vesting conditions other than market conditions);
- **2016 PFA System**, offering selected financial advisors, identified as key personnel in accordance with regulatory requirements, an incentive system consisting of immediate cash payments (following performance evaluation) and deferred payments, in cash and FinecoBank ordinary shares, over a period of 5 years. This payment structure ensures that bonuses are aligned to shareholders' interests and is subject to malus clauses (which apply when specific earnings, liquidity and capital thresholds are not met at Group and/or at Country/Division level) and clawback clauses (to the extent they are legally applicable) in accordance with the plan rules (which are both vesting conditions other than market conditions).

Shares for employee incentive plans envisaging the allocation of FinecoBank shares will be issued through free capital increases in accordance with Article 2349 of the Italian Civil Code.
The financial instruments for incentive plans for the Bank's financial advisors involving the allocation of FinecoBank shares will be obtained through market purchases in implementation of the authorisation of the Bank Shareholders' Meeting pursuant to Article 2357 of the Italian Civil Code and of the Supervisory Authority.

7 Commensurate to the economic value of FinecoBank S.p.A.'s equity instruments.

1.2 Measurement model

1.2.1 Stock Options

The Hull and White Evaluation Model has been adopted to measure the economic value of Stock Options.
This model is based on a trinomial tree price distribution using the Boyle's algorithm and estimates the early exercise probability on the basis of a deterministic model connected to:

- reaching a Market Share Value equal to an exercise price-multiple (M);
- probability of beneficiaries' early exit (E) after the end of the Vesting Period.

The income statement and balance sheet effects are recognised during the vesting period of the instruments.
No new Stock Option Plans were granted in 2016.

1.2.2 Group Executive Incentive System

The amount of the incentive is determined on the basis of the achievement of quantitative and qualitative goals stated by the plan. In particular, the overall evaluation is expressed as a percentage, from a minimum of 0% to a maximum of 150% (non-market vesting conditions). This percentage, adjusted by the application of a risk/opportunity factor – Group Gate – at first payment and multiplied by the incentive, determines the actual amount that will be paid to the beneficiary.
The balance-sheet and income statement effects will be spread over the term of the Plans.

1.2.2.1 Group Executive Incentive System "Bonus Pool 2014" – Shares

The economic value of the shares granted is measured considering the share market price at the grant date less the present value of future dividends during the vesting period.
The plan is divided into clusters, each of which may include two to three deferred share-based payment instalments according to the period defined by the plan rules.
The plan was allocated in 2014 and the income statement and balance sheet effects will be recognised during the vesting period of the instruments.

1.2.2.2 Group Executive Incentive System "Bonus Pool 2015" – Shares

The economic value of the shares granted is measured considering the share market price at the grant date less the present value of future dividends during the vesting period.
The plan is divided into three deferred share-based payment instalments according to the period defined by the plan rules.

	FINECOBANK SHARES GRANTED			
	GROUP EXECUTIVE INCENTIVE SYSTEM - BONUS POOL 2015			
	2018 INSTALMENT	2019 INSTALMENT	2020 INSTALMENT	2021 INSTALMENT
Bonus Opportunity Economic Value Grant Date	01.22.2015	01.22.2015	01.22.2015	01.22.2015
Number of Shares - Date of Board resolution	02.08.2016	02.08.2016	02.08.2016	02.08.2016
Vesting Period Start Date	01.01.2015	01.01.2015	01.01.2015	01.01.2015
Vesting Period End Date	12.31.2015	12.31.2017	12.31.2018	12.31.2019
FinecoBank shares market price [€]	6.966	6.966	6.966	6.966
Economic value of vesting conditions [€]	-0.506	-0.797	-1.134	-1.727
Performance Shares value per share at Grant Date [€]	6.46	6.169	5.832	5.239

The plan was allocated in 2015 and the income statement and balance sheet effects will be recognised during the vesting period of the instruments.

1.2.2.3 Group Executive Incentive System 2016 (Bonus Pool)

The new 2016 incentive system is based on a bonus pool approach, in line with regulatory requirements and market practices; this approach sets out:

- the system's sustainability, by linking it directly to business results and aligning it to relevant risk categories through specific indicators that reflect the risk appetite framework;
- the link between the bonus and the organisational structure, the bonus pool being defined at Bank level and further reviewed at Group level;
- the allocation of bonuses to beneficiaries identified as Executives and other key personnel on the basis of criteria laid down in the Regulation of the European Banking Authority (EBA), and to other specific roles, based on local regulatory requirements;
- a structure of payments spread over a period of up to 6 years and consisting of a mix of cash and shares, aligned with the latest regulatory requirements as set out in Directive 2013/36/EU (CRD IV).

The plan was assigned during the current year and the income statement and balance sheet effects will be recognised during the vesting period of the instruments.

Part I - Share-based payments (Continued)

1.2.3 Employee Share Ownership Plan (Let's Share Plan 2016)

The following table shows the parameters used in relation to free shares (or rights to receive them) connected to the "Employee Share Ownership Plan" approved in 2015.

Measurement of Free Shares ESOP 2016

	FREE SHARE
Grant Date for Free Shares to employees	07.29.2016
Vesting Period Start Date	07.29.2016
Vesting Period End Date	07.29.2017
Fair Value per share of the Free Shares [€]	2.058

All income statement and balance sheet effects related to free shares will be booked during the vesting period (except adjustments, according to Plan Rules, that will be booked during the next closing after vesting period).
Let's Share for 2016 is a plan involving the use of the shares to be procured on the market. To that end the Participants grant a mandate to an intermediary (from inside or outside the UniCredit Group) to purchase the shares to be deposited in an account in their name.

1.2.4 Stock granting for employees

The economic value of the shares granted is measured considering the share market price at the grant date less the present value of future dividends during the vesting period.

1.2.4.1 2014 - 2017 Multi-year - Top management Plan

The plan offers the allocation of free shares of FinecoBank to beneficiaries belonging to the Top Management. The shares will be allocated to the respective beneficiaries, once the vesting period has elapsed and satisfaction of the conditions has been verified, in 4 annual tranches, starting in 2017.

	SHARES GRANTED			
	TOP MANAGEMENT			
	FIRST INSTALMENT 2017	SECOND INSTALMENT 2018	THIRD INSTALMENT 2019	FOURTH INSTALMENT 2020
Bonus Opportunity Economic Value - (Grant Date)	07.02.2014	07.02.2014	07.02.2014	07.02.2014
Number of Shares - Date of Board resolution	07.15.2014	02.09.2015	02.08.2016	To be defined
Vesting Period Start Date	07.02.2014	07.02.2014	07.02.2014	02.07.2014
Vesting Period End Date	12.31.2016	12.31.2017	12.31.2018	12.31.2019
FinecoBank shares market price [€]	3.700	4.725	6.966	To be defined
Economic value of vesting conditions [€]	-0.269	-0.590	-0.797	To be defined
Performance Shares value per share at Grant Date [€]	3.431	4.135	6.169	To be defined

The plan was allocated in 2014 and the income statement and balance sheet effects will be recognised during the vesting period of the instruments.

1.2.4.2 2014 Key people Plan

The plan offers the allocation of free shares of FinecoBank to executives and employees of the Bank (other than Top Management) who, in the Bank's opinion, can significantly contribute to the Bank's profitability and sustainability due to their role, skills and potential. The shares will be allocated to the respective beneficiaries, once the vesting period has elapsed and satisfaction of the conditions has been verified, in 3 annual tranches, starting in 2015.
The plan was allocated in 2014 and the income statement and balance sheet effects will be recognised during the vesting period of the instruments.

1.2.5 Stock granting for PFAs

The economic value of the shares granted is measured considering the share market price at the grant date less the present value of future dividends during the vesting period

1.2.5.1 2014 PFA Plan

The amount of the incentive was determined on the basis of the achievement of the goals stated by the plan, subject to the Bank's entire PFA network meeting their net sales targets in 2014.
The plan helps align the interests of beneficiaries, shareholders and other stakeholders and implement effective remuneration practices, in accordance with the applicable legislative and regulatory framework. The plan is subject to verification that the conditions established by the plan rules are satisfied.
The plan was allocated in 2014 and the income statement and balance sheet effects will be recognised during the vesting period of the instruments.
On July 9, 2015, the Board of Directors resolved to settle the PFAs rights to the first tranche of the bonus in cash, instead of the allocation of FinecoBank ordinary shares, with a payment in cash corresponding to a third of the bonus consideration, made on July, 2015.

1.2.5.2 2015 - 2017 PFA Plan

The amount of the incentive will be determined on the basis of the achievement of the goals stated by the plan, subject to the Bank's entire financial advisors network meeting their cumulative net sales targets for the three-year period 2015-2017.

The plan helps align the interests of beneficiaries, shareholders and other stakeholders and implement effective remuneration practices, in accordance with the applicable legislative and regulatory framework. The plan is subject to verification that the conditions established by the plan rules are satisfied. The plan was allocated in 2014 and the income statement and balance sheet effects will be recognised during the vesting period of the instruments.

1.2.6 Group Incentive System 2015 PFA

In line with Regulatory requirements, the 2015 Incentive System for Financial Advisers envisages:

- The system's sustainability, by linking it directly to business results;
- The allocation of bonuses to beneficiaries identified as key personnel on the basis of criteria laid down in the Regulation of the European Banking Authority (EBA);
- a structure of payments spread over a period of 3 years and consisting of a mix of cash and phantom shares, aligned with the latest regulatory requirements providing for the instruments to be unavailable during certain periods.

The amount of the incentive is determined on the basis of the achievement of the goals stated by the plan.
The balance-sheet and income statement effects are spread across the term of the Plan.
The economic value of the phantom shares allocated corresponds to the market price of the FinecoBank shares.
The plan was assigned during the previous financial year and the income statement and balance sheet effects will be recognised during the vesting period of the instruments.

	FINECOBANK PHANTOM SHARES GRANTED		
	GROUP EXECUTIVE INCENTIVE SYSTEM 2015 PFA		
	2018 INSTALMENT	2019 INSTALMENT	2020 INSTALMENT
Bonus Opportunity Economic Value Grant Date	03.10.2015	03.10.2015	03.10.2015
Number of Shares - Date of Board resolution	02.08.2016	02.08.2016	02.08.2016
Vesting Period Start Date	01.01.2015	01.01.2015	01.01.2015
Vesting Period End Date	12.31.2015	12.31.2017	12.31.2018
FinecoBank shares market price [€]*	5.33	5.33	5.33

* The market price of the FinecoBank shares is updated at each reporting date until the allocation date.

1.2.7 2016 PFA Incentive System

The new 2016 incentive system is based on a bonus pool approach, in line with regulatory requirements and market practices; this approach sets out:

- the system's sustainability, by linking it directly to business results and aligning it to relevant risk categories through specific indicators that reflect the risk appetite framework;
- the link between the bonus and the organisational structure, the bonus pool being defined at Bank level and further reviewed at Group level;
- the allocation of bonuses to beneficiaries identified as key personnel based on criteria laid down in the Regulation of the European Banking Authority (EBA), and to other specific roles, based on local regulatory requirements;
- a structure of payments spread over a period of up to 5 years and consisting of a mix of cash and shares, aligned with the latest regulatory requirements as set out in Directive 2013/36/EU (CRD IV).

The plan was assigned during the current year and the income statement and balance sheet effects will be recognised during the vesting period of the instruments.

Part I - Share-based payments (Continued)

B. QUANTITATIVE INFORMATION

1. Annual changes

ITEMS/NUMBER OF OPTIONS AND EXERCISE PRICE	12.31.2016			12.31.2015		
	NUMBER OF OPTIONS	AVERAGE EXERCISE PRICE	AVERAGE MATURITY	NUMBER OF OPTIONS	AVERAGE EXERCISE PRICE	AVERAGE MATURITY
A. Opening balance	**3,346,584**	**-**	**March 17**	**1,427,240**	**-**	**June 16**
B. Increases	591,083	-		2,164,844	-	
B.1 New issues	591,083	-		2,164,844	-	
B.2 Other increases	-	-		-	-	
C. Decreases	**(305,473)**	**-**		**(245,500)**	**-**	
C.1 Cancelled	(15,770)	-		(3,800)	-	
C.2 Exercised	(289,703)	-		(241,700)	-	
C.3 Expired	-	-		-	-	
C.4 Other decreases	-	-		-	-	
D. Closing balance	**3,632,194**	**-**	**November 17**	**3,346,584**	**-**	**March 17**
E. Vesting options at the end of the period	**907,909**	**-**		**289,703**	**-**	

The number of shares specified in the above table only refers to plans for which the number of shares allotted to individual beneficiaries has already been defined. The average prices for the year have not been stated because only freely allocated shares were involved.

2. Other information

Let's Share for 2017 - Employee Share Ownership Plan for 2016

In April 2016, the Ordinary Shareholders' Meeting approved the "UniCredit Group Employee Share Ownership Plan for 2016" ("Let's Share for 2017") that offers to eligible Group employees the opportunity to purchase UniCredit ordinary shares at favourable conditions, in order to reinforce employees' sense of belonging and commitment to achieve the corporate goals.

For the Let's Share Plan for 2017, UniCredit will be able, at its discretion, to establish to subscription periods:
- 1 subscription period: by the end of the first half of 2017;
- 2 subscription period: by the end of the second half of 2017.

Let's Share for 2017 is a broad based share plan under which:
- during the "Enrolment Period", which will be communicated in due time to the Participants, they will be able to buy UniCredit ordinary shares ("Investment Shares") on a monthly or one-off basis;
- at the beginning of the Enrolment Period, each Participant will receive a discount, in the form of free shares, equivalent to 25% of the total shares purchased; the Free Shares will be locked up for one year ("Holding Period"), and the Participants will lose the entitlement to the Free Shares if they cease to be employee of a UniCredit Group Company before the end of the Holding Period, unless the employment has been terminated for one of the specific reasons permitted under the Plan Rules.
- During the "Holding Period", the Participants can sell the Investment Shares purchased at any moment, but they will lose the corresponding Free Shares (or right to receive them).

The Free Shares qualify as "Equity Settled Share-based Payments" because the Participants, according to the Plan Rules, will receive UniCredit Equity Instruments as consideration for the services rendered to the legal entity where they are employed. The fair value will be measured at the beginning of Enrolment Period according to the price paid by Participants to acquire the first instalment of the Investment Shares on the market.

All Profit and Loss and Net Equity effects related to Let's Share for 2017 will be booked during the holding period. Let's Share for 2017 has not been produced any effects on 2016 Financial Statements.

Effects on Profit and Loss

The income statement and balance-sheet effects of the incentive systems based on FinecoBank and UniCredit shares are shown below, except for the balance of the reserve related to equity-settled plans.
The income statement impact is determined each year based on the vesting period of the instruments.

Financial statement presentation related to payments based on shares of Fineco and of the Parent Company UniCredit

(Amounts in € thousand)

	12.31.2016		12.31.2015	
	TOTAL	VESTED PLANS	TOTAL	VESTED PLANS
Costs	10,573		15,268	
- connected to Equity Settled Plans	*10,623*		*15,019*	
- connected to Cash Settled Plans	*(50)*		*249*	
Sums paid to UniCredit S.p.A. for				
vested plans		1,653		36
Payable due to UniCredit S.p.A.	757		2,242	
Payable due to personal financial advisors for Cash Settled plans	199		249	

Please note that the charges relating to Equity Settled Plans were recognised as Administrative costs – Staff expenses with respect to the plans granted to employees and as Administrative costs or Fee and commission expenses with regard to plans granted to personal financial advisors. Charges relating to Cash Settled Plans granted to financial advisors have been recognised as Fee and commission expenses.

Part L - Segment reporting

The Bank does not provide segment reporting information as its business model provides for a high level of integration among its different activities. The Bank offers its services (banking and investment services) through a network of personal financial advisors and online and mobile channels, that operate in a coordinated and integrated manner. The fully-comprehensive nature of the services offered allows the Bank to act as a one-stop solution for customers' banking and investment requirements.

This strategy, which is strongly anchored to the customer, means that revenues and margins relative to various products/services (investing, banking and brokerage) are highly interdependent on each other.

This integration approach has also inspired top management in setting company targets and identifying the means to achieve them.

As regards information on revenues from customers by product/service, in view of the above, reference should be made to information in Part C - Information on the income statement of these notes to the accounts.

FinecoBank mainly targets retail customers in Italy; information concerning geographic segments and the degree of dependency on main customers is therefore considered by top management as not being of material importance for information purposes, and is not therefore disclosed.

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Annexes

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Attachment 1 - Reconciliation of condensed accounts to mandatory reporting schedule

(Amounts in € thousand)

ASSETS	AMOUNTS AS AT 12.31.2016	12.31.2015
Cash and cash balances = *item 10*	5	6
Financial assets held for trading = *item 20*	6,044	3,983
Loans and receivables with banks = *item 60*	15,735,540	14,648,904
Loans and receivables with customers = *item 70*	1,016,798	922,774
Financial investments	3,757,529	2,245,982
40. Available-for-sale financial assets	*1,319,752*	*2,245,982*
50. Held-to-maturity investments	*2,437,777*	-
Hedging instruments	9,211	10,573
80. Hedging derivatives	*552*	-
90. Changes in fair value of portfolio hedged financial assets	*8,659*	*10,573*
Property, plant and equipment = *item 110*	14,451	12,419
Goodwill = *item 120. Intangible assets of which: goodwill*	89,602	89,602
Other intangible assets = *item 120 net of goodwill*	7,731	8,212
Tax assets = *item 130*	13,165	15,424
Other assets = *item 150*	336,300	370,070
Total assets	**20,986,376**	**18,327,949**

(Amounts in € thousand)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 12.31.2016	12.31.2015
Deposits from banks = *item 10*	1,111,106	1,423,459
Deposits from customers	18,801,073	15,822,459
20. Deposits from customers	*18,801,073*	*15,822,459*
Financial liabilities held for trading = *item 40*	2,626	4,100
Hedging instruments	11,371	31,319
60. Hedging derivatives	*10,914*	*31,319*
70. Changes in fair value of portfolio hedged financial assets	*457*	-
Provisions for risks and charges = *item 120*	111,756	120,534
Tax liabilities = *item 80*	10,048	37,445
Other liabilities	257,097	255,835
100. Other liabilities	*251,844*	*250,989*
110. Employee severance pay provision	*5,253*	*4,846*
Shareholders' Equity	681,299	632,798
- capital and reserves	476,249	430,119
160. Reserves	*278,407*	*236,590*
170. Share premium reserve	*1,934*	*1,934*
180. Capital	*200,246*	*200,150*
190. Treasury Shares	*(4,338)*	*(8,555)*
- revaluation reserves	(6,794)	11,626
130. Revaluation reserves of which: Available-for-sale financial assets	*(455)*	*16,904*
130. Revaluation reserves for actuarial net gains (losses) for defined benefit plans	*(6,339)*	*(5,278)*
- net profit = *item 200*	211,844	191,053
Total liabilities and shareholders' equity	**20,986,376**	**18,327,949**

(Amounts in € thousand)

INCOME STATEMENT	YEAR 2016	YEAR 2015
Net interest	249,388	240,762
30. Net interest margin	*249,388*	*240,762*
Dividends and other income from equity investments	6	-
70. Dividend income and similar revenue	19	5
less: dividends from held-for-trading equity instruments included in item 70	*(13)*	*(5)*
Net fee and commission income = item 60	242,881	252,610
60. Net fee and commission income	242,881	252,635
+ outsourcing costs for the management and recovery of Non Performing Loans	-	*(25)*
Net trading, hedging and fair value income	69,054	53,867
80. Gains (losses) on financial assets and liabilities held for trading	*48,590*	*53,705*
+ dividends from held-for-trading equity instruments (from item 70)	*13*	*5*
90. Fair value adjustments in hedge accounting	*69*	*(147)*
100. Gains (losses) on disposal or repurchase of: b) available-for-sale financial assets	*20,382*	*304*
Net other expenses/income	(2,211)	(2,974)
190. Other net operating income	*79,458*	*77,984*
less: other operating income - of which: recovery of expenses	*(85,395)*	*(84,347)*
less: adjustments of leasehold improvements	*3,726*	*3,389*
OPERATING INCOME	**559,118**	**544,265**
Staff expenses	(73,698)	(75,049)
150. Administrative costs - a) staff expenses	*(79,201)*	*(76,295)*
less: integration costs	*5,503*	*1,246*
Other administrative expenses	(228,119)	(232,870)
150. Administrative costs - b) other administrative expenses	*(235,007)*	*(234,197)*
+ adjustments of leasehold improvements	*(3,726)*	*(3,389)*
- ex-ante contributions to the Single Resolution Fund (SRF) Deposit Guarantee Systems (DGS)	*10,614*	*4,691*
- outsourcing costs for the management and recovery of Non Performing Loans	-	*25*
Recovery of expenses	85,395	84,347
190. Other net operating income - of which: recovery of expenses	*85,395*	*84,347*
Impairment/write-backs on intangible and tangible assets	(9,952)	(8,951)
170. Impairment/write-backs on property, plant and equipment	*(4,853)*	*(3,963)*
180. Impairment/write-backs on intangible assets	*(5,099)*	*(4,988)*
Operating costs	**(226,374)**	**(232,523)**
OPERATING PROFIT (LOSS)	**332,744**	**311,742**
Net write-downs of loans and provisions for guaranteed and commitments	(4,199)	(6,706)
130. Impairment losses/writebacks on: a) loans and receivables	(4,206)	(6,712)
130. Impairment losses/writebacks on: d) other financial assets	*1,423*	*7*
less: net value adjustments for the impairment of other financial assets - contribution to the Interbank Fund for the Protection of Deposits	*(1,416)*	-
NET OPERATING PROFIT (LOSS)	**328,545**	**305,036**
Provisions for risks and charges	(9,981)	(15,714)
160. Net provisions for risks and charges	(783)	(11,023)
+ ex-ante contributions to the Single Resolution Fund (SRF) Deposit Guarantee Systems (DGS)	*(10,614)*	*(4,691)*
+ net value adjustments for the impairment of other financial assets - contribution to the Interbank Fund for the Protection of Deposits	*1,416*	-
Integration costs	(5,503)	(1,246)
Net income from investments	(6,724)	(1)
130. Impairment losses/writebacks on: b) available-for-sale financial assets	*(6,724)*	-
240. Gains (losses) on disposal of investments	-	*(1)*
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**306,337**	**288,075**
Income tax for the period	(94,493)	(97,022)
260. Income tax for the period	*(94,493)*	*(97,022)*
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	**211,844**	**191,053**
PROFIT (LOSS) FOR THE PERIOD	**211,844**	**191,053**

Attachment 2 - Glossary of technical terminology and acronyms used

Accelerated bookbuilding offering
Procedure through which particularly large shareholdings are sold to institutional investors. This type of transaction is used by majority shareholders to sell share packages or by the company to rapidly obtain capital (for acquisitions or to refinance debt).

AMA (Advanced Measurement Approach)
Applying this methodology, operational risk requirement is obtained using calculation models based on operational loss data and other evaluation elements collected and processed by the Bank. Admittance threshold and specific suitability requirements have been established for the use of the standard and advanced approaches. For the AMA approach the requirements regard the measurement system, as well as the management system.

Risk-weighted assets
See the item "RWA - Risk-Weighted Assets".

Audit
Audit Process of controlling a company's activities and accounting, carried out either by an internal body (internal audit) or by an external firm of auditors (external audit).

Assets under management
Investment funds, segregated accounts and insurance products.

Assets Under Custody
Government securities, bonds and shares.

Available financial resources (AFR)
AFR are the resources that can be used to safeguard the bank from insolvency. The AFR are an economic measure that consider the potential reserves, hybrid debt instruments, IFRS reserves, goodwill and other intangible assets, treasury shares held and the expected profits.

Banking book
Used in relation to financial instruments, particularly securities, this term identifies the portion of those portfolios intended for "proprietary" activities.

Bail-in
Resolution measures adopted by the competent authorities that can involve the conversion of debt instruments into shares or the reduction in the value of liabilities, imposing losses on certain categories of creditors in accordance with the BRRD.

Basel 2
International agreement on the capital requirements of banks in relation to the risks assumed by them. This agreement has been adopted, at national level, by the respective competent supervisory authorities, including the Bank of Italy. The new prudential regulations, which came into force in Italy in 2008, are based on three pillars.

- Pillar 1: while the objective of a level of capitalisation equivalent to 8% of the risk-weighted exposures remains unchanged, a new set of rules has been established for measuring the typical risks associated with banking and financial activities (credit risk, counterparty risk, market risk and operational risk) which provides for alternative calculation methods characterised by different levels of complexity, with the ability to use internally developed models subject to prior authorization by the Supervisory Authority;
- Pillar 2: requires banks to have processes and tools for determining the adequate level of total internal capital (Internal Capital Adequacy Assessment Process - ICAAP) for covering all types of risk, including risks other than those covered by the overall capital requirement (Pillar I), within the framework of an evaluation of current and future exposure that takes account of strategies and of changes in the reference context. It is the Supervisory Authority's task to examine the ICAAP process, formulate an overall judgment and, where necessary, apply the appropriate corrective measures;
- Pillar III: introduces obligations to publish information concerning capital adequacy, exposure to risks, and the general characteristics of the systems used for identifying, measuring and managing those risks.

Basel 3
International agreement amending Basel 2 adopted in December 2010, containing amendments to the prudential rules on the capital and liquidity of banks, with the gradual entry into force of the new capital requirements from January 1, 2014 until December 31, 2019. These rules have been implemented at European level through the CRD IV "Package".

Best practice
Behaviour commensurate with the most significant experience and/or the best level of knowledge achieved in relation to a given technical or professional field.

Bank Recovery and Resolution Directive or BRRD
Refers to the Directive approved by the European Parliament and the Council, respectively. On April 15 and May 6, 2014, regarding the establishment of a recovery and resolution framework for the crisis affecting credit institutions and investment firms.

Basis point
The bp or basis point represents 0.01% of a particular amount, or one hundredth of a percentage point. 100 basis points are equivalent to 1%.

Budget
Statement forecasting the future costs and revenues of a business.
Economic capital
Capital level that is required by a bank to cover the losses that may occur with at a time horizon of one year and a certain probability or confidence level. Economic Capital is a measure of the variability of the Expected Loss of the portfolio and depends on the degree of diversification of the portfolio itself.

Internal Capital
Represents the amount of capital required to cover potential losses and is required to support the business activities and positions held. Internal Capital is the sum of the aggregated Economic Capital and a cushion that considers the effects of the cycle and model risk.

Common Equity Tier 1 or CET 1
The Common Equity Tier 1 under Basel 3, mainly consisting of ordinary paid-up capital, the related share premium, operating profit, reserves and other regulatory adjustments, as provided for by the CRR regulation and the Supervisory Regulations (both during the transitional period and fully loaded).

Tier 1 Capital
The most reliable and liquid part of a bank's capital, as defined by the regulatory rules.

CFO
Chief Financial Officer.

CGU - Cash Generating Unit
A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

CDS - Credit Default Swap
A derivative in which a seller of protection engages, for a fee, to pay the buyer of protection a fixed amount if a certain event indicating a deterioration of the creditworthiness of a reference entity occurs.

Credit quality step
A Step, based on external ratings, which is used to assign risk weights under the standardised approach for credit risk.

Clawback clause
Action of repayment of the bonus received when, after its disbursement, intentional or negligent conduct of the employee emerges that, if it had been known at the time of disbursement, would have been sufficient not to satisfy the
assessment of compliance, or that disbursement has been made in breach of legal or regulatory provisions.

Corporate
Customer segment consisting of medium to large businesses.

Cost/income ratio
The ratio of operating expenses to operating income. It is one of the main key performance indicators of the bank's efficiency: the lower the ratio, the more efficient the bank.

Cost of Risk
The ratio between loan loss provisions and loans and receivables with customers. It is one of the indicators of the bank assets' level of risk: the lower the ratio, the less risky the bank assets.

Covenant
A loan agreement clause whereby the lender is entitled to restructure or call in the loan upon occurrence of the events specified in the clause, which ties changes in the borrower's earnings and financial performance to default events/events modifying the contractual terms and conditions (maturity, interest rates, etc.).

Covered bond
A bond which, in addition to being guaranteed by the issuing bank, may also be covered by a portfolio of mortgages or other high-quality loans transferred, for that purpose, to a specific SPV – Special Purpose Vehicle (q.v.).

Attachment 2 - Glossary of technical terminology and acronyms used (Continued)

Countercyclical capital buffer
The countercyclical capital buffer consisting of Common Equity Tier 1 pursuant to Supervisory Regulations, according to the concept contained in Articles 128 and 130 of the CRD IV, equal to the risk weighted assets, calculated in accordance with Article 92, paragraph 3, of the CRR by the Company's countercyclical capital buffer, determined according to the criteria established by the Supervisory Regulations at an amount ranging from 0% to 2.5%.

Credit Quality - EL
EL%= EL/EAD
Represents the expected loss as a percentage of the exposure in the event of default (EAD) of the performing portfolio.
The perimeter is the customers of the performing portfolio.

CRD (Capital Requirements Directives)
EU Directives 2006/48 and 2006/49, adopted by Bank of Italy circular 263/2006 of December 27, 2006 as amended. The CRD IV "Package" has replaced the two aforementioned Directives and consists of the EU Directive 2013/36 on the taking up of the business of credit institutions and prudential supervision and the EU Regulation 575/2013 on prudential requirements, adopted by the Bank of Italy circular 285 of December 17, 2013 as amended.
Impaired loans
Loans and receivables are reviewed periodically in order to identify those that, following events occurring after initial recognition (at market value, which is, usually, equal to the amount paid including transaction costs and income directly attributable to the disbursement of the credit) show objective evidence of possible impairment. These include a loans to which the status of non-performing, unlikely to pay and past due has been assigned, according to the Bank of Italy rules in line with the IAS/IFRS (q.v.).

CRM - Credit Risk Mitigation
Credit Risk Mitigation is a set of techniques, ancillary contracts to the loan or other instruments (e.g. securities, guarantees), which reduces credit risk capital requirements.

CRO
Chief Risk Officer.

Default
A party's declared inability to honour its debts and/or the payment of the associated interest.

EAD - Exposure At Default
Relating to the on-balance and off-balance sheet positions, EAD is defined as the estimation of the future value of an exposure at the time of the debtor's default. Only banks that meet the requirements for adopting the "IRB – Internal Rating Based" advanced approach are allowed to estimate EAD (q.v.). Other banks are required to refer to regulatory estimations.

EBA European Banking Authority
The European Banking Authority is an independent EU Authority which works to ensure effective and consistent prudential regulation and supervision across the European banking sector.

ECA
Export Credit Agency.

ECAI
External Credit Assessment Institution.

ECB
European Central Bank. The ECB is the central bank for Europe's single currency, the euro.

Expected Losses
the losses recorded on average over a one year period on each exposure (or pool of exposures).

EPS - Earnings Per Shares
An indicator of a company's profitability calculated by dividing the net profit by the average total outstanding shares (excluding treasury shares).

Non-performing exposures
According to the EBA Implementing Technical Standards, non-performing exposures are all on-balance-sheet and off-balance-sheet exposures that satisfy either or both of the following criteria:
(i) material exposures which are more than 90 days past due;
(ii) exposures for which the debtor is assessed as unlikely to pay its credit obligations in full without realisation of collateral, regardless of the existence of any past-due amount or of the number of days past due.

Past-due and/or overdrawn impaired exposures
i.e. on-balance sheet exposures, other than those classified as non-performing or unlikely to pay that are past due or overdrawn at the reporting date. The past due and/or overdrawn impaired exposures may be determined, alternatively, with respect to the individual debtor or the individual transaction. Specifically, they represent the total exposure to any borrower not included in the unlikely to pay and non-performing loans categories, who at the reporting date has expired facilities or unauthorised overdrafts that are more than 90 days past due and meet the requirements set out by local supervisory regulations for their classification under the "past due exposures" category (TSA banks) or "defaulted exposures" (IRB banks).

EVA (Economic Value Added)
EVA is an indicator of the value created by a company. It expresses the ability to create value in monetary terms, as it is equal to the difference between net operating profit and the cost of invested capital.

Fair value
The price at which an asset can be traded or a liability settled in a free-market transaction between independent parties at arm's length.

Own funds or Total Capital
The own funds of a bank consist of a series of regulatory defined items (excluding the negative items to be deducted), classified based on capital quality and loss absorbing capacity. From January 1, 2014, after the CRR came into force, Own Funds consists of the sum of Tier 1 capital and Tier 2 capital.

Forbearance/Forborne exposures
According to the EBA Implementing Technical Standard, forborne exposures are exposures in respect of which forbearance measures have been extended, consisting of concessions towards a debtor facing or about to face difficulties in meeting its financial commitments ("financial difficulties").

Funding
Provision, in various forms, of the funds necessary to finance business activities or particular financial transactions.

Futures
Standardised contracts through which parties undertake to exchange money, transferable securities or goods at a set price at a future date. These contracts are traded on regulated markets, where their execution is guaranteed.

Goodwill
The additional sum paid for the acquisition of an equity interest, equal to the difference between the cost and the corresponding share of net assets, for the portion not attributable to the identifiable assets of the acquired company.

Guided Products & Services/AUM
The ratio of Guided Products & Services (q.v.) to Assets under Management (q.v.).

Significant exposures
The sum of all the exposures towards a counterparty that are equal to or more than 10% of the eligible capital of the Issuer, when: (i) the exposures are the sum of the on-balance-sheet risk assets and the off-balance-sheet operations with a counterparty, as defined by the regulations on credit risk, without applying the weighting factors established therein (these exposures do not include the risk assets deducted in the determination of the Own Funds); (ii) a counterparty is a customer or a group of connected customers; (iii) the eligible capital is equal to the Own Funds of the Issuer.

Guided Products & Services/TFA
The ratio of Guided Products & Services to Total Financial Assets.

Guided products & services
The Bank's products and/or services developed by investing in UCITs selected from among those distributed for each asset class taking into account customers' different risk profiles and offered to the Bank's customers under the guided open architecture model. At the date of this report, the guided products category included the "Core Series" umbrella fund of funds and the "Core Unit", "Advice Unit", "Core Multiramo" and "Advice Top Valor", unit-linked policies, while the "Fineco Advice" and "Fineco Stars" advanced advisory services (for investment) fall under the guided service category.

IAS/IFRS
International accounting standards issued by the International Accounting Standard Board (IASB), a private international body established in April 2001, involving representatives of the accounting professions of the principal countries and, as observers, the European Union, IOSCO (International Organization of Securities Commissions) and the Basel Committee. This body is the successor of the International Accounting Standards Committee (IASC), set up in 1973 to promote harmonization of the rules for the preparation of company accounts. When the IASC became the IASB, it was decided, among other things, to name the new accounting principles "International Financial Reporting Standards" (IFRS). At international level, work is currently underway to harmonize the IAS/IFRS with the US GAAP – United States Generally Accepted Accounting Principles (q.v.).

Attachment 2 - Glossary of technical terminology and acronyms used (Continued)

ICAAP - Internal Capital Adequacy Assessment Process
See "Basel 2 – Pillar 2".

Impairment
Within the framework of the IAS/IFRS (q.v.), this refers to the loss of value of a balance sheet asset, recorded when the book value is greater than the recoverable value, i.e. the sum that can be obtained by selling or using the asset.

Unlikely to pay
On-balance and off-balance sheet exposures that meet the definition of unlikely to pay, which do not meet the conditions to be classified as bad loans. The classification as "unlikely to pay" derives from the assessment of the debtor's unlikeliness (without actions such as realisation of collateral) to repay fully his credit obligation (principal and/or interest). This assessment is made independently of any past due and unpaid amount (or instalment). The classification of an exposure as unlikely to pay is not necessarily tied to evident issues (non-repayment), but is rather linked to indicators of a potential default of the borrower.

Index linked
Policies whose performance at maturity depends on a benchmark parameter that may be a share index, a basket of securities or another indicator.

IRB - Internal Rating Based
Method for determining the capital needed to cover credit risk within the framework of Pillar 1 of Basel 2 (q.v.). The rules are applied to the exposures of the banking book. Furthermore, in the IRB methods the risk weightings of the assets are determined on the basis of the bank's own internal evaluations of the debtors (or, in some cases, of the transactions). Using systems based on internal ratings, the banks determine the weighted risk exposure. The IRB methods consist of a basic method and an advanced method, which differ in terms of the risk parameters that the bank must estimate: in the basic method, the banks use their own estimates for "PD – Probability of Default" and the regulatory values for the other risk parameters; in the advanced method, the banks use their own estimates for "PD – Probability of Default ", "LGD – Loss Given Default", "CCF – Credit Conversion Factors" and, where provided for, "M - Maturity" (q.v.). The use of IRB methods for the calculation of capital requirements is subject to authorization from the Bank of Italy.

IRS – Interest Rate Swap
See "Swap".

Master servicing agreement
Type of contract under which two or more parties regulate the key terms of subsequent transactions and/or further agreements to be implemented between them in the future.

Maturity Ladder
Instrument for managing and monitoring short-term liquidity (operational liquidity), which, by offsetting assets and liabilities whose maturity falls within each individual time band, enables the identification of mismatches (periodic and cumulative) between incoming and outgoing cash flows and, therefore, to calculate the net financial requirement (or surplus) over the period of the year.

Joint venture
Agreement between two or more companies for the conduct of a given economic activity, usually through the constitution of a joint stock company.

Ke
The cost of equity is the minimum return on investment required by the shareholder. It is the sum of a risk-free rate and an additional spread remunerating the shareholder for the credit risk and the volatility of the share price. The cost of capital is based on medium/long-term averages of market parameters.
KPI - "Key Performance Indicators".
Set of indicators used to evaluate the success of a particular activity or process.

Key Risk Indicators
The risk indicators are quantitative metrics that reflect exposure to Operational Risks of specific processes or products: the value expressed by an indicator should be related to changes in risk levels.

LCP
Loss Confirmation Period.

Leasing
Contract whereby one party (the lessor) grants to another party (the lessee) for a given period of time the enjoyment of an asset purchased or built by the lessor at the discretion and according to the instructions of the lessee, with the latter having the option of acquiring ownership of the asset under predetermined conditions at the end of the leasing contract.

LGD - Loss Given Default
Expected value (which may be conditional upon adverse scenarios) of the ratio, expressed as a percentage, between the loss giving rise to the default and the amount of exposure at the time of the default ("EAD - Exposure At Default", q.v.).

Long and Short Margining
Margining is a trading method that allows investors to buy (long leverage) or sell (short selling) by investing only a part of the liquidity required.
Model Risk Category
The MRCs have been introduced at the group level in order to characterise the types of operational loss in more detail. They are obtained from the combination of the seven event types established by Basel II with one or more of products offered to customers.

UCI - Undertakings for Collective Investment
This term includes "UCITS – Undertakings for Collective Investment in Transferable Securities" (q.v.) and collective investment funds (real estate collective investment funds, closed-end investment funds).

UCITS - Undertakings for Collective Investment in Transferable Securities
This term covers open-end real estate investment funds, both Italian and foreign, and investment companies with variable capital. The latter are joint stock companies that have the sole purpose of collective investment of the assets gathered through a public offer of their own shares.

Option
The right, but not the commitment, acquired by the payment of a premium, to buy (call option) or sell (put option) a financial instrument at a given price (strike price) by or at a determined future date (American option/European option).
OTC – Over The Counter
Over-the-counter (OTC) trading consists of the exchange of financial instruments such as shares, bonds, derivatives or goods directly between two counterparties. The OTC markets do not have standardized contracts or buying/selling procedures and are not associated with a set of rules (admissions, controls, obligations of information, etc.) like those that govern the official markets.

Payout ratio
The percentage of net income that is distributed to shareholders. The percentage paid out is determined mainly on the basis of the company's self-financing needs and the return expected by shareholders.

PD – Probability of Default
Default Probability of a counterparty entering into a situation of "default" (q.v.) within a period of one year.

SME
Small and medium enterprises.

Private banking
Financial services aimed at "high-end" private customers for the global management of financial needs.

Direct deposits
Current accounts, repos and time deposits.
Tier 1 Capital Ratio
The percentage of a bank's Tier 1 Capital to its risk weighted assets "RWA – Risk Weighted Assets" (q.v.).

Rating
Evaluation of the quality of a company or its issues of debt securities on the basis of the company's financial soundness and prospects. This evaluation is made either by specialist agencies or by the bank on the basis of internal models.

Retail
Customer segment consisting principally of private individuals, self-employed professionals, traders and artisans.

Credit risk
The risk that an unexpected change in the credit rating of a counterparty, the value of the collateral they have provided, or of the amount used in the event of insolvency generates an unexpected change in the lending position of the Bank.

Credit counterparty risk
The risk that the counterparty in a transaction in financial instruments may enter default before settling all the agreed cash flows.

Attachment 2 - Glossary of technical terminology and acronyms used (Continued)

Liquidity risk
The risk of the company being unable to meet its payment commitments due to the inability to liquidate assets or obtain sufficient funding from the market (funding liquidity risk) or due to the difficulty/inability to easily liquidate positions in financial assets without significantly and unfavourably affecting the price because of insufficient depth or temporary malfunction of the financial market (market liquidity risk).

Market risk
Consists of the effect that changes in market variables (interest rates, securities prices, exchange rates, etc.) can cause to the economic value of the portfolio, when it includes assets held in the trading book, as well as those posted in the banking book, both on the operations characteristically involved in commercial banking and in the choice of strategic investments.

Operational risk
The risk of losses due to errors, violations, interruptions, or damage caused by internal processes, personnel, systems or by external events. This definition includes legal and compliance risks, but excludes strategic and reputational risk. For example, losses arising from the following can be defined as operational: internal or external fraud, employment practices and workplace safety, customer claims, product distribution, fines and penalties for regulatory breaches, damage to the Company's physical assets, business disruption and system failures, and management of processes.

Countercyclical capital buffer
The countercyclical capital buffer consisting of Common Equity Tier 1 pursuant to Supervisory Regulations, according to the concept contained in Articles 128 and 130 of the CRD IV, equal to the risk weighted assets, calculated in accordance with Article 92, paragraph 3, of the CRR by the Company's countercyclical capital buffer, determined according to the criteria established by the Supervisory Regulations at an amount ranging from 0% to 2.5%.

Capital conservation buffer
According to the definition contained in Article 128 of the CRD IV, this is a capital reserve whose establishment is required by the regulations – as also specified in the Supervisory Provisions – aimed at providing banks of a high quality capital buffer to be used in periods of market strain to prevent malfunctions of the banking system and avoid disruptions in the credit granting process, amounting, when fully loaded, to 2.5% of risk-weighted assets, calculated in accordance with Article 92, sub-section 3, of the CRR on an individual and consolidated basis.

Risk Taking Capacity
Ratio between Available Financial Resources and Internal Capital. Includes a prudential buffer (cushion).

ROAC - Return on Allocated Capital
An indicator calculated as ratio of net profit to the average allocated/absorbed capital. It shows the earning capacity in percentage terms for allocated/absorbed capital units.

RWA - Risk-Weighted Assets
It is the value of on-balance sheet and off-balance sheet risk-weighted assets on the basis of different weighting factors according to the class in which the exposure is classified and its credit quality, in accordance with the banking regulations issued by the regulatory authorities for the calculation of the solvency ratios.

Sensitivity
The greater or lesser degree of sensitivity with which certain assets or liabilities react to changes in rates or other reference parameters.

Sensitivity Analysis
Sensitivity analysis quantifies the change in value of a financial portfolio resulting from an unfavourable change in major risk factors (interest rate, exchange rate, equity).

Non-performing loans
Exposures to borrowers in a state of insolvency (even when not recognized in a court of law) or in an essentially similar situation, regardless of any loss forecasts made by the bank (i.e. irrespective of whether there are any – secured or personal – guarantees covering the exposures).

SPV - Special Purpose Vehicle
An entity – partnership, limited company or trust – set up to pursue specific objectives, such as isolating financial risk or obtaining special regulatory or tax treatment for specific portfolios of financial assets. The SPV's operations are accordingly limited by a set of rules designed for this purpose. In general the SPVs' sponsors (q.v.) do not hold equity in them. The equity is held by other entities in order to ensure that there is no shareholder relationship with the Sponsor (q.v.). SPVs are usually bankruptcy-remote, in that their assets cannot be claimed by the creditors of the sponsor, even if the latter becomes insolvent.

Swap
A transaction that generally consists of the exchange of financial streams between operators according to different contractual arrangements. In the case of an interest rate swap (IRS), the counterparties exchange payment streams that may or may not be linked to interest rates, calculated on a notional

principal amount (for example, counterparty pays a stream on the basis of a fixed rate, while the other does so on the basis of a variable rate). In the case of a currency swap, the counterparties exchange specific amounts in two different currencies, with these amounts being exchanged back in due course according to predefined arrangements that may concern both the capital (notional) and the streams of interest payments.

Total Financial Assets - TFA
Assets Under Management (q.v.), Assets Under Custody (q.v.) and Direct Deposits (q.v.).

Trading Book
Positions held for trading are those held intentionally for a subsequent sale in the near term and/or assumed with the intention of benefiting, in the short term, from the differences between buying and selling prices, or other price or interest rate interest variations.

(Internal) validation
Expert unit, internal but sufficiently independent, that verifies the adequacy of internal models for internal and regulatory purposes and issues a formal opinion about their usefulness and effectiveness. Usually a prerequisite for the validation process carried out by the authorities.

VaR - Value at Risk
A method used for quantifying risk. It measures potential future losses which will not be exceeded within a specified period and with a specified probability.

TRADING N.1

FINECO. SIMPLIFYING BANKING.

Certification of Annual Financial Statements pursuant to article 81-Ter of Consob Regulation no. 11971 of May 14, 1999 and subsequent amendments

Certification of Annual Financial Statements pursuant to article 81-Ter of Consob Regulation no. 11971 of May 14, 1999 and subsequent amendments

1. The undersigned, Alessandro Foti, as Chief Executive Officer and General Manager of FinecoBank S.p.A., and Lorena Pelliciari, as Nominated Official in charge of drawing up company accounts of FinecoBank S.p.A, taking into account the provisions of Article 154-bis, par. 3 and 4 of Legislative Decree 58 of February 24, 1998, do hereby certify:
- the adequacy in relation to the Company's features and
- the actual application

of the administrative and accounting procedures used in the preparation of the financial statements for the year ended December 31, 2016.

2. The adequacy of the administrative and accounting procedures employed to draw up the financial statements for the year has been evaluated by applying a model defined by the UniCredit Group, in accordance with the "Internal Control - Integrated Framework (CoSO)" and the "Control Objective for IT and Related Technologies (Cobit)", which are international commonly accepted standards for the internal control system and for financial reporting.

3. The undersigned also certify that:

3.1 The Annual Report and Accounts:
a) were prepared in compliance with applicable international accounting standards recognised by the European Community pursuant to European Parliament and Council Regulation 1606/2002 of July 19, 2002;
b) correspond to the results of the books and accounting records;
c) are suitable to provide an accurate representation of the financial position and performance of the issuer;

3.2. the Directors' Report on operations contains a reliable operating and financial review of the issuer, as well as the description of its exposure to the main risks and uncertainties.

Milan, February 7, 2017

FinecoBank S.p.A
The Chief Executive Officer and
General Manager
Alessandro Foti

FinecoBank S.p.A.
The Manager Responsible for Preparing
the Company's Financial Reports
Lorena Pelliciari

MORE THAN 350 FINECO CENTERS

AND MORE THAN 2.600 ADVISORS AT YOUR DISPOSAL

FINECO. SIMPLIFYING BANKING.

Report of the External Auditors

Deloitte & Touche S.p.A
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INDEPENDENT AUDITORS' REPORTPURSUANT TO ART. 14 AND 16 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

To the Shareholders of
FinecoBank Banca Fineco S.p.A.

Report on the Financial Statements

We have audited the accompanying financial statements of FinecoBank Banca Fineco S.p.A., which comprise the balance sheet as at December 31, 2016, and the income statement, the statement of comprehensive income, the statement of changes in equity and the cash flows statement for the year then ended, and the related explanatory notes.

Management's Responsibility for the Financial Statements

The Company's Directors are responsible for the preparation of these financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n° 38/05 and to art. 43 of Italian Legislative Decree n° 136/15.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA Italia) issued pursuant to art. 11 of Italian Legislative Decree n° 39/10. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation that give a true and fair view of financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of FinecoBank Banca Fineco S.p.A. as at December 31, 2016, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n° 38/05 and to art. 43 of Italian Legislative Decree n° 136/15.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Verona

Sede Legale: Via Tortona, 25 - 20144 Milano - Capitale Sociale Euro 10.328.220,00 i.v.
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Report on Other Legal and Regulatory Requirements

Opinion on the consistency of the report on operations and of certain information included in the report on corporate governance with the financial statements

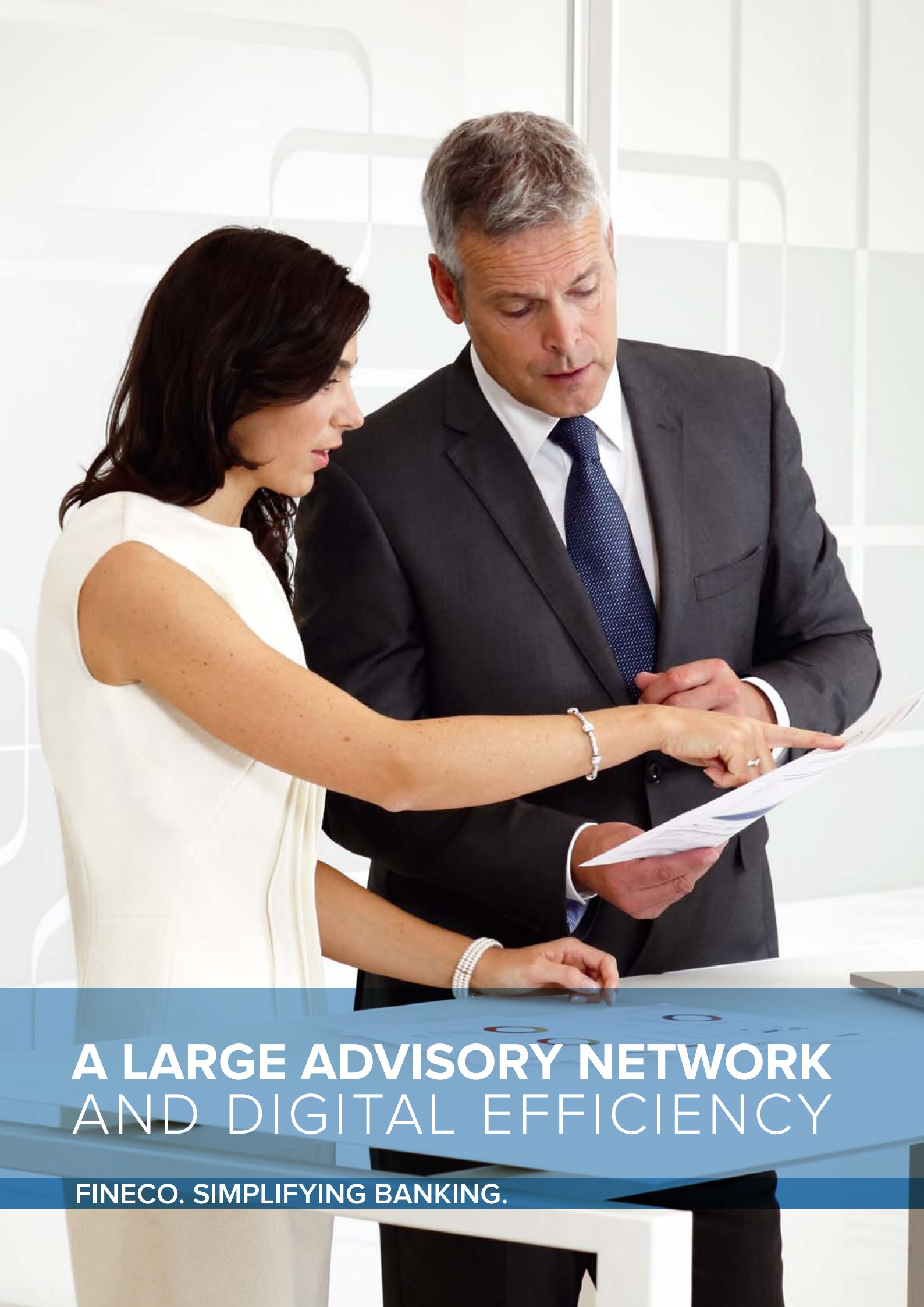
We have performed the procedures indicated in the Auditing Standard (SA Italia) n° 720B in order to express, as required by law, an opinion on the consistency of the report on operations and of certain information included in the report on corporate governance required by art. 123-bis, n° 4, of Italian Legislative Decree n° 58/98, which are the responsibility of the Directors of FinecoBank Banca Fineco S.p.A., with the financial statements of FinecoBank Banca Fineco S.p.A. as at December 31, 2016. In our opinion the report on operations and the information included in the report on corporate governance referred to above are consistent with the financial statements of FinecoBank Banca Fineco S.p.A. as at December 31, 2016.

DELOITTE & TOUCHE S.p.A.

Signed by
Paolo Gibello Ribatto
Partner

Milan, Italy
March 17, 2017

This report has been translated into the English language solely for the convenience of international readers.



A LARGE ADVISORY NETWORK AND DIGITAL EFFICIENCY

FINECO. SIMPLIFYING BANKING.

Report of the Board of Statutory Auditors

Report of the Board of Statutory Auditors

Dear Shareholders,
pursuant to Article 2429, paragraph 2, of the Italian Civil Code and Article 153 of Italian Legislative Decree no. 58 of 24 February 1998 (Consolidated Law on Finance), the Board reports on the supervisory activity performed during the financial year ended at 31 December 2016.

In 2016, the Board of Statutory Auditors performed its institutional tasks in compliance with the Italian Civil Code, Italian Legislative Decrees no. 385/1993 (TUB), no. 58/1998 (TUF) and no. 39/2010 (Consolidated Law on Statutory Audits), with statutory regulations and regulations issued by surveillance and control Authorities, also taking into account the Rules of Conduct of the Board of Statutory Auditors issued by the National Council of Chartered Accountants and Accounting Experts.

When implementing its work programme, the Board met several times with Top Management, the Managers of Operational Areas, as well as with the Managers and Auditors of the Parent Company, discussing in depth the main issues pertaining to the Company's organisation and control centres and monitoring the adequacy of the organisational and administrative structure and its correct operation.
Also in compliance with the guidelines issued by CONSOB, published with notice no. DEM/ 1025564 of 06 April 2001, we would like to specify as follows.

Administrative Body – Appointment, term of office and operation

The Board of Directors in office at the date of this Report was appointed by the Ordinary Shareholders' Meeting of FinecoBank on 15 April 2014 and shall remain in office until the next Shareholders' Meeting held to approve the Financial Statements at 31 December 2016.

It should be noted that, pursuant to applicable regulations and the Corporate Governance Code of listed companies, in February 2017 the Board of Directors, with the favourable opinion of the Remuneration and Appointments Committee, carried out the annual assessment on the independence requirement applicable to most Directors, with the findings listed in the Report on Corporate Governance and Ownership Structures, as well as on ongoing compliance with the requirements of good standing and professionalism. The Board of Statutory Auditors verified the correct implementation of criteria and procedures used by the Board of Directors to express such an assessment. In February 2017 the Board of Directors also assessed compliance with the so-called interlocking restriction for the Directors and the Financial Reporting Officer.

In compliance with Bank of Italy Corporate Governance Rules, on 1 August 2016 the Board of Directors approved the "Regulations for Corporate Bodies" that govern the operation and the remit of the Board and its Committees, as well as those of the Board of Statutory Auditors.

Board of Statutory Auditors – Appointment, term of office and operation

The Board of Statutory Auditors in office on the date of this Report was appointed by the Ordinary Shareholders' Meeting of FinecoBank of 15 April 2014. The Board of Statutory Auditors shall remain in office until the Shareholders' Meeting held to approve the Financial Statements as at 31 December 2016.

The Board of Statutory Auditors assessed its composition and verified compliance with legal and statutory requirements, compliance with the independence requirement for its members and the absence of impediment clauses pursuant to Article 36 of Italian Legislative Decree. n. 201/2011 for the latter.

In compliance with the requirements of Supervisory Authorities – in particular, of Circular 285/2013 of the Bank of Italy and the provisions of the regulations for Corporate Bodies– the Board of Statutory Auditors carried out a self-assessment on its composition and operation.

Company's compliance with the Corporate Governance Code and Actual implementation of the Code

In April 2014, the Board of Directors of FinecoBank resolved on the Bank's adoption of the Corporate Governance Code of listed companies ("Code") and, in compliance with the aforementioned Code, the Remuneration and Appointments Committee and the Audit (control and risks) and Related Parties Committee operate within the Board of Directors. The Committees consist of independent non-executive Directors.

In compliance with the Bank of Italy Corporate Governance Rules as well as with the Corporate Governance Code of listed companies, in February 2017 the Board of Directors approved the "Self-assessment of the structure, operation and efficiency of the Board of Directors for the year 2016" document – submitted to the Remuneration and Appointments Committee – that details the findings of the self-assessment process performed with the support of an external consultant.

The Board of Statutory Auditors found that the corporate governance rules set out in the aforementioned Corporate Governance Code had been correctly implemented.

Parent Company's direction and co-ordination activity

As part of the UniCredit Group, FinecoBank S.p.A. is subject to the discipline for banking groups enshrined in TUB and in the Bank of Italy Supervisory Regulations aimed at ensuring the stability and unity of companies belonging to the same banking Group. Against this backdrop, UniCredit S.p.A. performs management and co-ordination activity over FinecoBank S.p.A. pursuant to Articles 2497 et seq. of the Italian Civil Code.

Compliance with the Law and Articles of Association - Sound governance principles

The Board monitored compliance with the Law, the Articles of Association and sound governance principles both when performing its activity, including participating in meetings of the Board of Directors, of the Audit and Related Parties Committee, of the Remuneration and Appointments Committee, and during meetings with Top Management and the Managers of the Bank's various Departments and Functions.

During the financial year 2016, the Board of Statutory Auditors in office participated in no. 1 Shareholders' meeting, no. 11 meetings of the Board of Directors, no. 13 meetings of the Audit and Related Parties Committee, no. 10 meetings of the Remuneration and Appointments Committee, no. 4 Induction meetings, no. 5 meetings with Statutory Auditors, no. 17 meetings with Area and Organisational Unit Managers and Financial Advisers, no. 6 meetings of the Supervisory Body, no. 2 meetings at the Parent Company, as well as convening for drafting minutes, drawing up opinions, remarks, communications and performing other activities.

Participating in Board of Directors' Meetings enabled the Board to ascertain, inter alia, that delegated parties reported on transactions executed in view of the powers granted to them, pursuant to Article 150, paragraph 1, of TUF. In our opinion, the frequency of the meetings of the Board of Directors, the information provided during such meetings and, generally speaking, the information flows implemented are comprehensive with respect to legal and statutory obligations and applicable regulations.

The Board of Statutory Auditors verified compliance with disclosure obligations with respect to regulated and inside information or information required by Supervisory Authorities.

During the meetings of the Board of Directors, the Auditors viewed the quarterly reports of the Bank's control Function and reports of the Financial Reporting Officer, as well as ascertaining that the reports and information laid down by supervisory regulations were complied with.

On 7 March 2017, the Board of Directors of FinecoBank approved the 2016 Report on Corporate Governance and Ownership Structures pursuant to Article 123-bis of Italian. Legislative Decree 24.02.1998 no. 58 ("TUF") for 2016; The information requested by Article 123-bis, paragraph 1, letter i) of TUF is contained in the Remuneration Report published pursuant to Article 123-ter of TUF; the information requested by Article 123-bis, paragraph 1, letter l) of TUF pursuant to the appointment and replacement of directors is detailed in the section of the Report dedicated to the Board of Directors.

Atypical and/or unusual transactions

The Report of Operations, the information received during Board of Director's Meetings and those provided by the Chairman and the Managing Director, the management and the Independent Statutory Auditor did not evidence the existence of atypical and/or unusual transactions, including infra-group ones or ones with Related Parties.

Infra-group transactions or transactions with Related Parties – Transactions approved pursuant to Article 136 of TUB

The most important infra-group transactions or transactions with Related Parties from an economic, asset and financial viewpoint are highlighted in the Report on Operations and in the dedicated section of the Notes to the Financial Statements, with an indication of assets, liabilities, guarantees and commitments as at 31 December 2016, split by type of related party pursuant to IAS 24.

In April 2014, the Board of Directors of FinecoBank appointed the Audit and Related Parties Committee, consisting of Directors possessing the independence requirements provided for by Article 147-ter, paragraph 4, and 148, paragraph 3, of TUF, as well as by section 3.C.1 of the Corporate Governance Code, and performing the functions deferred not only by the Corporate Governance Code, but also by CONSOB and Bank of Italy regulations on transactions with related parties and associates.

On 22 September 2015, the Board of Directors of FinecoBank SpA approved, with the prior favourable opinion of the Audit and Related Parties Committee and of the Board of Statutory Auditors, the current "Procedures for the management of transactions with persons in conflict of interest", with which the Bank must comply when managing transactions with related parties pursuant to the "Regulations on transactions with related parties" adopted by CONSOB with Resolution no. 17221 of 12 March 2010 and the transactions with associate persons pursuant to the provisions on "Risk activities and conflicts of interest with Associated Persons" laid down by Bank of Italy Circular 263/2006 and the management of requirements for bank representatives pursuant to Article 136 of Italian Legislative Decree no. 385/1993, without prejudice to the disclosure obligations pursuant to Articles 114 and 154-ter of TUF and the aforementioned CONSOB Regulation. The annual audit of the "Procedures for the management of transactions with persons in conflict of interest" shall be formalised in the short term in order to integrate also the latest amendments to the Parent Company's "Global Policy on transactions with persons in conflict of interest" into the aforementioned Procedures.

The aforementioned "Procedures for the management of transactions with persons in conflict of interest" of FinecoBank SpA provide for regular disclosure to the Corporate Bodies, the Audit and Related Parties Committee and the Compliance Officer with respect to the opinions issued by the Audit and Related Parties Committee and the transactions concluded with related parties/persons in conflict of interest carried out by the Bank during the reference period; the Board of Statutory Auditors acknowledges the effectiveness in 2016 of the relevant quarterly reports (which include "Minor transactions" and "Ordinary transactions") that are part of the Bank's day-to-day operations and are concluded at market prices, which are not subject to the decision-making processes provided for by the aforementioned "Procedures", as well as by the implementation, where the relevant circumstances apply, of the aforementioned decision-making processes.

The Board of Directors – in compliance with the provisions of Article 150, 1 paragraph, of TUF - disclosed to the Board of Statutory Auditors, on a quarterly basis, any transactions having a significant impact on the Company's profitability, assets and liabilities or financial position carried out by the Bank, with specific reference to the transactions executed with related parties/persons in conflict of interest.

It should also be noted that the dedicated assessment by the Internal Audit function of the procedures for managing transactions with persons in conflict

Report of the Board of Statutory Auditors (Continued)

of interest and related parties was concluded in December 2016 with a "satisfactory" outcome.

The Board of Statutory Auditors always participated in the proceedings of the Audit Committee in its configuration as Related Parties Committee called to express its opinion on transactions identified by applicable procedures, verifying compliance with procedural rules adopted by the Bank, as well as with the provisions on transparency and disclosure to the public.

With respect to detailed information about individual infra-group transactions and transactions with Related Parties - significant, ordinary and market price transactions - see the relevant sections of the Report on Operations and the Notes to the Financial Statements.

With respect to transactions approved by the Board of Directors pursuant to Article 136 of TUB, the members of the Board of Statutory Auditors acknowledge that they have expressed their approval after verifying compliance with the execution requirements provided for by the Law.

Comments on the adequacy of the organisational structure - ICT

The Board of Statutory Auditors monitored the adequacy of the organisational structure and its correct operation over the course of various meetings with Top Management and the Managers of different Departments and functions. Such monitoring activity did not discover any significant organisational deficiencies.

Specifically, in 2016 the Board monitored initiatives aimed at improving the company's corporate management and acknowledged changes made to the Central Head Office, Network Head Offices, and the Organisational Chart, which clearly details functions, roles and reporting lines, and the Bank's Internal Regulations. The changes made include, in particular, the creation of the "Treasury Committee" and the approval of the relevant operation regulations and, after mortgages to retail customers started to be offered to customers, the creation of the "Mortgage" team.

The Bank's Internal Regulations – whose most up-to-date version was approved by the Board of Directors on 7 February 2017 – describe the organisational model and the structure it consists of (bodies, departments, teams). Apart from the Board of Directors' internal Committees, established pursuant to the "Regulations of the Board of Directors" "(Audit and Related Party Committee" and "Remuneration and Appointments Committee") and for which the "Report on Corporate Governance" and the " Annual Remuneration Report" provide relevant disclosures, the following managerial Committees are established as collegiate bodies aimed at providing united and participatory guidelines and guaranteeing continuity of direction:
- Strategic Committee
- Management Committee
- Advisory Committee
- Internal Control Business Committee
- Business Continuity & Crisis Management Committee
- Project Committee
- Risk Committee
- Network Committee
- Product Committee
- Disciplinary Committee
- Private Banking Committee
- Treasury Committee.

The Board acknowledged the ongoing transposal and the degree of implementation of the Guidelines issued by the Parent Company - to whose direction and co-ordination activity the Bank is subject - and the subsequent organisational changes implemented by the Bank.

The Board acknowledges the ongoing updating and implementation, in line with applicable Provisions of Bank of Italy Circular no. 285 and the Global Rules issued by the Parent Company, of the Bank's Business Continuity Plan and of the implementation, with an overall positive outcome, of annually scheduled Business Continuity and Disaster Recovery test activities. The Bank's Business Continuity & Crisis Management Framework includes the event, incident and crisis management plan and the operational continuity plan, of which the Disaster Recovery and Cyber Attack plan are an integral part. The 2016 Disaster Recovery Plan was approved by the Board of Directors of 07/02/2017. The Auditors focussed particularly on the performance, formalisation and relevant result of DR tests, including those performed by so-called critical outsourcers, and on the preparation of relevant monitoring reports for Governance Bodies. The Board of Statutory Auditors also analysed the status and the dynamic of the ICT project portfolio. With respect to IT risk assessment, see the paragraph below on risk management systems.

During meetings with Area and Function Managers, the Board always checked the adequacy of human resources both in terms of quantity and quality, with further in-depth investigation where needed, and involving both the Chief Executive Officer and the Board of Directors, where required.

Based on the documentation analysed and the information gathered when performing its monitoring activities, given an Organisational Chart and relevant Company Regulations that detail roles and responsibilities of organisational structures, having verified the correct implementation of the system of Proxies issued by the Board of Directors as well as the definition, implementation and monitoring of specific company regulations aimed at the performance of the activities typical of each function of FinecoBank S.p.A., the Board of Statutory Auditors deems the Bank's organisational structure as overall appropriate.

Comments on the adequacy of the Internal Control system

In implementation of Circular no. 285, the Bank approved and subsequently updated the "Document of Control Bodies and Functions" that establishes the Bank's Internal Control System, identifying the roles and responsibilities of Corporate Bodies and control functions in an analytical manner.

FinecoBank's internal control system is based on the principles of the Corporate Governance Code for Listed Companies, applicable regulations and best practices.

The Bank set up permanent and independent corporate control functions for: i) compliance with regulations;; ii) risk management; iii) internal audit.

The Managing Director and General Manager was appointed as the Director Responsible for the Internal Control and Risk Management System in compliance with the provisions of the Corporate Governance Code of Borsa Italiana (the Italian Stock Exchange). On 7 February 2017, the "2016 Statement on ICS Managerial Assessment" document was submitted to the Board of Directors, in which the Bank's CEO stated, in light of the analyses performed, that FinecoBank's Internal Control System were "Mostly Satisfactory", identifying some areas for improvement at the same time, for which suitable corrective action has been defined and initiated.

With respect to the Personal Financial Advisers Network, the "Risk Management" organisational structure also co-ordinates the activity of the "Operational and reputational risks" team, which carries out systematic remote checks on the entire network of Personal Financial Advisers using Risk Indicators, submitting relevant reports. Moreover, FinecoBank, in order to manage and prevent its own Personal Financial Advisers (PFAs) from adopting behaviours that are non compliant with regulations, has adopted a number of first and second tier checks by several internal functions and an information flow that, for the purpose of the immediate implementation of any actions deemed necessary for PFAs, gathers all information on a centralised basis and forwards it to the Network Control, Monitoring and Network Service Departments on behalf of Risk Management, Compliance, the Anti-Money Laundering and Anti-Terrorism Service, the Information Security and Fraud Management team, other Bank functions and Internal Audit. Every six months, in compliance with the requirements of the New Prudential Supervisory Provisions for Banks, the Incidents and Controls unit – operating within the Network Control, Monitoring and Network Service Department – submits to the Audit and Related Parties Committee and the Board of Directors a relevant Report on the activity of Financial Advisers that details, on the basis of specific anomaly indicators, the audits performed, their findings, any critical issues and the actions aimed at eliminating them. The Board of Statutory Auditors has examined the aforementioned six-monthly Reports - the last one being the "Semi-monthly report on activities performed from 1 July 2016 to 31 December 2016 - using the information therein contained to plan its own audit activity.

We have found that the quarterly Internal Audit Activity and Results Reports (IAAR) prepared by Internal Audit to assess the Internal Control System and containing sections dedicated to the findings of the Audit activity on the Personal Financial Advisers Network and the Audit Findings, including their composition over time and the specific disclosure on findings with an overdue status, were duly submitted to the Audit and Related Parties Committee and the Board of Directors and discussed within such bodies.

Following reports received by the Incidents and Controls Unit, the Disciplinary Committee – whose effective operation was monitored by the Auditors – assesses any anomalies that may have emerged with respect to the behaviour of PFAs, in order to apply appropriate disciplinary sanctions to them.

The Bank has approved the Policy on "Outsourcing/In-sourcing" and continued the review of outsourcing agreements and the adoption of the relevant procedures. The Auditors acknowledge that the Internal Audit function prepared the report in line with supervisory provisions for audits on key outsourced operating or control functions, as well as on any deficiencies detected and relevant corrective actions, highlighting the activities that need to be stepped up. The aforementioned "Outsourcing of business activities – Group Internal Audit Annual Report" document, together with the Remarks of the Board of Statutory Auditors, was approved by the Bank's Board of Directors on 7 March 2017. The Board of Statutory Auditors made specific recommendations in its aforementioned Remarks, also incorporating the remarks of the Audit Function.

The Internal Audit activity for FinecoBank is carried out in outsourced mode by resources of the Internal Audit Department of UniCredit S.p.A. on the basis of a specific service agreement and in compliance with the terms and conditions of the relevant "Group Audit Mandate" adopted by FinecoBank's Board of Directors.

In December 2016 the Board of Directors approved, with the favourable opinion of the Audit and Related Parties Committee, the annual Audit Plan for 2017, the strategic Audit Plan for the 2017-2021 5-year period and, on the basis of justified requirements, the amendment of the 2016 Audit Plan. The 2017 Audit Plan, which includes, amongst other things, no. 14 audits, guaranteeing coverage of no. 27 processes, takes into account the guidelines received by the Parent Company, the finding of the Risk Control Assessment process managed by UniCredit's Internal Audit Department and the 5-year strategic Plan, the requests received by the Audit and Related Parties Committee, the Board of Statutory Auditors and the Bank's Management and the follow-up requirements of previous audits. With respect to the Personal Financial Advisers' Network, the annual and multi-annual plan guarantee (on the basis of local audits and remote monitoring) the progressive coverage of the entire sales network over a 5-year period. In December 2016, the Board of Directors approved an updated version of the "PFA Network Control System" Policy aimed at ensuring an effective management and the prevention of non-compliance behaviours of its own Financial Advisers with respect to internal and external regulations by adopting a range of level I and level II controls for some organisational units and an information flow aimed at co-ordinating and channelling all information towards the Network Control, Monitoring and Network Service Department .

Report of the Board of Statutory Auditors (Continued)

During its activity, the Board ascertained compliance with the previously defined Audit plan both for central units and processes and Network structures, checking actual implementation time scales and the root cause of any variances.

The Board considered the "Report on FinecoBank S.p.A.'s Internal Audit activity pursuant to Article 14 of the joint CONSOB-Bank of Italy Regulation, as per CONSOB Resolution no. 17297 of 28 April 2010 " (hereinafter, also "Report pursuant to Article 14 of the joint Regulation") prepared by Internal Audit on the basis of its activity during 2016, submitted to the Audit and Related Parties Committee and the Board of Directors in March of this year and inclusive of a "satisfactory" assessment, since the controls for key risks on the investment services audited, central processes, placement and advisory services for financial products and instruments, operational processes shared by several investment services and the Personal Financial Advisers Network are adequate in general. The aforementioned report highlights some areas for improvement and details, in this respect, any measure deemed appropriate. With respect to the aforementioned Report pursuant to Article 14 of the joint Regulation, the Board of Statutory Auditors will present its Remarks to the Board of Directors.

The Board of Statutory Auditors examined the Audit Reports published by Internal Audit in 2016 using the information contained therein to carry out its activity and monitor the implementation of the relevant recommendations, with specific regard to the Managers of Organisational Areas involved.

The Board carried out its audit on the implementation by the Bank of the guideline included in CONSOB communication 0012130 of 11 February 2016 for a "regulated co-operation" and the exchange of information flows between the Compliance and the Internal Audit Functions.

The Board of Statutory Auditors successfully and systematically liaised with the Chief Audit Executive (CAE) of the Internal Audit function; during the meetings, the period reports prepared for the Board of Directors and the Board of Statutory Auditors were examined, amongst other things and the remarks and recommendations of the aforementioned Committee were submitted to the Internal Audit Function.

Based on the documentation reviewed, information received and inspections performed during its supervisory activities, the Board of Statutory Auditors, despite referring to the presence of some corrective measures currently under way, deems the Internal Control System to be adequate as a whole.

Supervisory Authority pursuant to Italian Legislative Decree no. 231/2001

FinecoBank deemed it appropriate to avail itself of the possibility of entrusting the Supervisory Authority function under Italian Legislative Decree 231/2001 to an especially established Body, rather than delegating it to the Control Body.

In June 2016, in compliance with the guidelines of the Bank of Italy and UniCredit's guidelines on the update of the Organisational, Management and control Model pursuant to Italian Legislative Decree 231/2001, the composition of the Supervisory Body was changed by including, amongst other things, the Chair of the Board of Statutory Auditors of FinecoBank as external member.

The Board of Statutory Auditors examined the "Information Report on the activity performed by the Supervisory Authority (SA) pursuant to Italian Legislative Decree no. 231 of 08 June 2001, as at 31 December 2016" the findings of the Supervisory Body's activities did not highlight any major breaches of reference regulations and showed, amongst other, that the Organisational and Management Model (General Part) of FinecoBank (approved by the Bank's Board of Directors on 8 November 2016) was updated, the versions of some Decision Protocols were approved, the findings of checks performed by Internal Audit on no. 3 decision protocols were examined and a whistleblowing incident was assessed.

Comments on the adequacy of risk management systems

FinecoBank SpA has an active Risk Management function aimed at assessing and monitoring the adequacy of the measurement, control and management of typical risks linked to the performance of financial and banking activities, in particular, liquidity risk, credit and counterparty risk, market risk, interest rate risk and price risk, as well as operational risk, reputational risk, in-sourcing risks and IT risk. The CRO function also verifies that mitigation transactions for the aforementioned corporate risks (risk management) are performed.

In February 2017 the CRO function submitted the "Report on Risk Management Activity in 2016 and 2017 Plan" in which, inter alia, it reported on the monitoring of the Risk Appetite Framework and operating exposures to various types of risks, the monitoring of the risks of the Bank's activity as well as on any proposals for risk mitigation policies, the quarterly monitoring of the adequacy of the Bank's internal capital (ICAAP) and on information flows towards the Board of Directors, the Audit and Related Parties Committee, the Risk Committee and Top Management and the production of monthly reporting to the Parent Company.

Moreover, Risk Management was responsible for the analysis of the new ICAAP methodology framework, suitably informing the Board of Directors thereof. In particular, the 2017 activity plan shall see Risk Management directly involved in the continuation of projects already started for credit risk and operational risk, in the monitoring of credit risk and impacts from a liquidity profile and the interest rate risk resulting from the granting of mortgage loans; with respect to market risk, the new demand items model shall be analysed and validated.

The Board of Statutory Auditors verified the effectiveness and the adequacy of the information flows, including the reports that provide evidence of structural liquidity and the Bank's ability of fulfilling short-term obligations, and those aimed at verifying compliance of individual limits for the management of liquidity itself. Risk Management, in compliance with the Supervisory Authority's instructions, carried out stress tests on the Bank's liquidity position.

In September 2016, the Bank issued the "ICAAP and Risk Appetite Framework" Circular that replaces the ICAAP manual and, moreover, sets out the escalation processes in the event Risk Appetite metrics are exceeded.

In January 2017 FinecoBank SpA approved the "2107 FinecoBank Risk Appetite" document, whose metrics, which include the exchange rate risk with respect to hedging policies, were subject to an assessment by the Audit and Related Parties Committee, and that also aims at monitoring consistency between the business mode, the aforementioned RAF and the budgeting process. The Bank's CRO and Risk Management deem FinecoBank's RAF compliance with supervisory provisions and internal regulations to be in line with the proportionality principle expressed by the Bank of Italy and suitable for the Bank's business model.
After defining the relevant measurement method in December 2016, the "Summary report on FinecoBank's IT risk situation" document drafted by Risk Management was submitted to the Board of Directors in compliance with Bank of Italy's provisions; at the end of the IT risk assessment activity, Responsible Users, on the basis of the limited exposure, accepted residual risk with no need for the identification of further mitigation measures.
The Bank's Internal Audit Function, in the "Basel 2 – Operational Risk –AMA – Local Internal Audit Report on the Operational Risk Management System" document and in the Audit Report "Analysis of the ICAAP process and Risk Appetite Framework" (overall rating: Good) of February 2017, highlights, ascertaining the presence of the requirements laid down by the Bank of Italy in Circular 285/2013, that the Operational Risk Management system, in implementation of the AMA model, and the relevant organisational and control centres were adequate.

In February 2017, the Bank's Internal Audit issued and presented to the Audit Committee the "ICAAP and RAF document: FinecoBank Annual Audit Report" with the results of their assessment on ICAAP and RAF processes. This document notifies that Group regulations were correctly transposed and implemented, that the Bank suitably defined the Risk Appetite pursuant to the provisions of the Bank of Italy and Group Policy and that the Bank correctly identified key risks with respect to the measurement of Economic Capital.

In 2016, the Bank diversified its business also by starting the issuing of mortgage loans with the prior approval of the dedicated "Policy on the granting of residential mortgages with property collateral to current account holders of FinecoBank S.p.A "; at the moment, the granting of loans is reserved to the purchase of the first and second home and excludes other, riskier type of mortgages.

During its activity, the Board periodically met with the Chief Risk Officer in order to assess, inter alia, his/her work and analyse in more detail the information reports submitted by him/her to the Corporate Bodies.

The Board deems the risk management system broadly adequate to the company's size and characteristics.

Remarks on the remuneration policy

Over 2016, in line with the provisions of the Surveillance Authority with respect to "Remuneration and bonus policies and practices", the Board of Statutory Auditors checked the adequacy and compliance of the remuneration policies and practices adopted by FinecoBank S.p.A. with the internal and external legal and regulatory framework. In 2016, the Board of Statutory Auditors participated in all meetings of the Remuneration and Appointments Committee.

The Bank's Board of Directors, in the meeting of 13 May 2014, adopting the Corporate Governance Code for listed companies, resolved on the appointment of the "Remuneration and Appointments Committee" by availing itself of the option, provided for by the aforementioned Corporate Governance Code, to concentrate the functions of the Appointment Committee and the Remuneration's Committee into a single Committee. It should be noted that, in the "Qualitative and quantitative composition of the Board of Directors of FinecoBank" document, approved with resolution of the Board of Directors or 7 February 2017, in view of the next reappointment of the Company's Administrative Body, the Board of Directors, in compliance with Surveillance Provisions on Corporate Governance, recommended the creation of three internal committee instead of the current two and, specifically, (i) an Appointment Committee, (ii) a Remuneration Committee and (iii) a Risk and Related Parties Committee.

The Bank's Board of Directors implemented the "2016 Incentive Plans", other existing incentive Plans and, in March 2017, taking into account the favourable opinion of thee Remuneration and Appointments Committee, it approved the "2017 FinecoBank's Remuneration Policy" (formulated by the HR Function, with the involvement of the Risk, Finance and Network Control, Monitoring and Network Services Functions, validated by the Compliance Function for the aspects falling under its remit and inclusive of the identification of "most relevant subjects" (so-called identified staff) and related Detailed Regulations of the 2017 Incentive System. This document – inclusive of the "Annual Remuneration Report" and the attached "2017 financial instruments-based remuneration plans" – shall be subject to approval by the Ordinary Shareholders' Meeting. This document also considers the Remuneration Policy applied to the members of FinecoBank's Independent Financial Advisers network, in line with their specific compensation policies. The definition of the 2017 Policy was also supported and validated by the Independent external consultant and the Remuneration and Appointments Committee.

The Internal Audit Function carried out the annual audit on the Bank's variable remuneration system pursuant to the provisions of the Supervisory Regulations issued by the Bank of Italy and examined the process for the identification of the resources belonging the most relevant employee class in order to check their compliance with the requirements of Amended Regulation (EU) no. 604/2014. The aforementioned annual audit – whose results were presented to the Remuneration Committee on 1 March 2017, in which all Auditors took part – ended with the formulation of a satisfactory assessment based on the correct implementation of bonus determination mechanisms, as defined by the Bank's remuneration policy, for both Employees and Financial Advisors.

Report of the Board of Statutory Auditors (Continued)

The Board of Directors also resolved on a free capital increase in order to execute the "2014-2017 Multi-year Top Management Plan" and "2014 Key People Plan" share plans, with a relevant amendment of the Company's Articles of Association. During the same meeting, the Board of Directors also approved, with effect from 31 March 2017, a free capital increase in order to implement the "2014 Incentive System", with relevant amendment to the Articles of Association.

In July 2016 the Board of Directors updated the "Professional Development Paths and Succession Planning" document, aimed, inter alia, at identifying skill and competency levels required for possible Succession Planning candidates, with particular reference to the post of Chief Executive Officer, General Manager and Directors with strategic responsibilities.

The Board of Statutory Auditors verified compliance with the regulatory framework of the remuneration policies adopted by the Bank and acknowledged that the 2017 Retribution Policy, including the "Annual Remuneration Report" and "2017 remuneration plans based on financial instruments", had been made available to the public in line with CONSOB Regulation no. 11971/1999; The report fulfils the disclosure requirements pursuant to Articles 114-bis and 123-ter of TUF and banking regulations' requirements at the same time.

Remarks on liquidity investment policy

Within the framework of its activity aimed at optimising the use of liquidity collected in its capacity of asset gatherer, during the financial year the Bank further enhanced internal regulatory and organisational tools aimed at limiting and monitoring risks, whilst continuing to pursue value creation.

The Bank operates on the basis of its "Liquidity Policy", which sets out the principles and the rules to be implemented for liquidity management, including, in particular, the investment in liquid assets or assets readily convertible into cash of cash components characterised by a lesser degree of persistence and stability. In 2016, the bank, inter alia:

- approved, with prior positive opinion of the Audit and Related Parties Committee and in line with the guidelines of the "2017-2019 investment plan", the "Medium-long term liquidity investments with the Parent Company" Framework Resolution, including a dedicated Technical Support Document, with validity up to November 2017;
- regularly monitored investment transactions carried out based on framework resolutions on liquidity management, the auditing of compliance of the aforementioned transactions with market conditions and alternative investment analyses performed by the CFO Department Treasury function and subject to second-tier audits by the FinecoBank's CRO Department.

The Notes to the Financial Statements as at 31 December 2016 also notify, inter alia, the renewal, in May 2016, of "Framework Agreement – Repurchase Agreements and Term Deposits with the Parent Company".

The Treasury of the CFO Department and the CRO Department regularly monitor the Investments already carried out based on the "Liquidity Risk Contingency Plan" document (updated by the Policy approved by the Board of Directors in November 2016 that defines the principles and the rules for managing liquidity in crisis or stress situations, defining the limits, the instruments and the early warning indicators to be monitored for operational and structural liquidity) and the "Contingency Plan on Bond Issuer Risk" document (which defines the principles and the rules for an efficient and comprehensive assessment, control and reduction of the issuer risk linked to the financial instruments in FinecoBank's banking portfolio), constantly assessing compliance with "threshold" and "trigger" values; to this end, within the scope of their remit, each of the aforementioned structures provides regular information to the Board of Directors to enable it to verify the ongoing consistency and fairness of the investments.

The Group has developed dedicated behavioural models for estimating the ongoing presence of asset and liabilities items that do not have a contractual deadline and such models are also validated by FinecoBank. The Demand Items model aimed at managing, based on the analysis of Liquidity Dynamics of the most recent years and customer cluster classification, the total deposits of FinecoBank in their core and non-core components.

For investment transactions, the Board of Statutory Auditors verified the implementation of the procedures established for ensuring the information basis and, where applicable, the procedures envisaged for transactions with Related Parties, requesting the opinion of the Audit Committee in its Related Party Committee configuration, where required (see the relevant section of this Report).

Remarks on Compliance and Anti-Money Laundering activity

On 8 February 2016, the Board of Directors of FinecoBank resolved on the in-sourcing of the Bank's Compliance function and appointed a Compliance Officer with effect from 1 April 2016.

The Board of Statutory Auditors considered the "Annual Report of the Compliance Function of FinecoBank - 2016" (hereinafter, also, in this paragraph, "Compliance Report") and its attachments, where, in compliance with the provisions of the Surveillance Authorities, the Compliance Function expressed an overall positive assessment and highlighted in particular that the assessment of main risks directly monitored by the Compliance Function identified a regulatory area with a "critical" and "significant" risk level and that directly monitored areas showed risk levels not greater than "medium". The Compliance Report, sub-divided into four sections, covers the themes indicated by the Supervisory Authority and specifies, inter alia, that the Compliance activities planned for 2017 together with the Parent Company's competent Compliance units, were included in FinecoBank's "2017 Compliance Plan" approved by the Board of Directors on 6 December 2016.
The Board of Directors shall prepare its "Remarks" that will supplement the "Compliance Report" to be forwarded to CONSOB within thirty days from the approval of the Financial Statements.

Following the decision of the aforementioned in-sourcing, FinecoBank's Compliance unit was strengthened in 2016, in order to autonomously perform all previously outsourced activity, with the exception of those relating to the management of Suspicious Transaction Reports pursuant to the Anti-money Laundering Procedure, for which the proxy already attributed by UniCredit SpA. was confirmed.

In 2016, the level II control system was expanded with the introduction/review of new checks pertaining to regulatory areas directly monitored by Compliance and with the definition of controls on regulatory areas that are subject to indirect coverage by "Specialist Control Centres (functions that, based on Company regulations, are currently responsible for monitoring regulatory areas). The findings of the monitoring performed were presented to the Audit Committee and the Board of Statutory Auditors of FinecoBank through specific reports and were integrated into the Compliance Risk Assessment process (CRA).

The Compliance Report also details the training activity performed in 2016 for both the Bank's employees and Network Personal Financial Advisors and summarises in advance some of the topics covered the "Anti-money Laundering Officer's Report" that, as mentioned below, shall be submitted at a later stage. In this regard, the Auditors note that the Risk Assessment of the AML Framework shows a "limited" level (at the end of 2016, two actions were open, whose completion is expected in the first half-year of 2017) and that, during the performance of level II controls, the risk level for the area is confirmed as "limited".

By May 2017, the self-assessment of the AML risk (already performed in May 2016, based on the method indicated by the Surveillance Authority, with a medium-low inherent level as an outcome) shall be concluded in October 2015 in line with the Bank of Italy's requests. During 2016, the Internal Audit Function performed two AML audits (a standard audit with a globally "satisfactory" outcome and a "special investigation" initiated upon request of the Surveillance Authority).

The Bank initiated - pursuant to the Provisions of the Bank of Italy that entered into force in September 2011 - adequate and prompt information flows towards Corporate Bodies and top management about the situation of FinecoBank's corporate control centres for the prevention of money-laundering and terrorism financing risk. With respect to AML controls, upon request of the Board of Statutory Auditors, since 2015 the Bank has already initiated a process for reporting any transactions recorded late in the Single Computer Archive to the aforementioned Board. Following reports received in 2016, the Board (apart from forwarding them to the Surveillance Authority, as detailed below) promptly liaised with the Compliance Function to request the early assessment of the presence of any procedural deficiencies in level I and level II controls implemented by the Bank with respect to anti-money laundering and shall evaluate with FinecoBank's CAE the appropriateness of specific actions on the effectiveness of controls implemented for the correct and prompt updating of the Single Computer Archive. The "Internal Audit Activity and Results" Report (so-called IAAR) for 2016 deemed the controls pertaining to the main risks in the management of the obligations set out by Anti-money laundering legislation as adequate overall.

In 2016, the Internal Audit Function carried out various audits on topics pertaining to the compliance activity issues, which were all concluded with a final "satisfactory" outcome.

The Board of Directors also considered the "Report on total complaints received by FinecoBank S.p.A. in 2016" (hereinafter, also the "Report on Complaints"), prepared by the Compliance Function on the complaints about the investment service, as well as on "other complaints". The Report on complaints detected a percentage increase in the number of complaints received in 2016 versus those receive in 2015, highlighting that the number of complaints received is still, in absolute terms, limited if assessed against the growth in the number of clients and the transactions executed by the Bank. The highest number of complaints pertains to "Loans and mortgages", with respect to complaints on transactions for loans against one fifth of the salary, a type of product that was dismissed in 2008 and is no longer marketed by FinecoBank.

Level II controls performed on the complaints area showed the absence of specific criticalities in the Bank's service/product offering and compliance with response times to be in line with regulatory provisions.

In February 2016 the Bank complied with a request issued by CONSOB with respect to financial instruments transactions effected by Customers, organisational measures implemented to capture new regulations for the sale of complex financial products and management procedures for consultancy services provided to Customers.

On 15 February 2016 the Bank received an update request on the implementation of ESMA guidelines on systems and controls for automated trading systems used by the Bank for the collection, transmission and execution of financial instruments purchase and sale orders issued by CONSOB. In April and May, two replies were provided to the Regulator's request.

On 11 October 2016, the Bank received from CONSOB a request for data and information regarding discrepancies found between transactions and positions on derivative contracts negotiated on behalf of Customers in reports to ESMA. The analysis of the reply shows that the majority of the discrepancies was due technical errors that were subsequently overcome.

Whilst performing its activity, the Board met with the Compliance Representative on several occasions, verifying and recommending in particular compliance with the deadlines provided for during the Compliance Risk Evaluation quarterly audits for closing corrective actions identified from time to time and with particular focus on residual risks highlighted during such audits.

Report of the Board of Statutory Auditors (Continued)

Finally, it should be noted that annual Report of the Compliance Function usually includes the "Report of the Anti-Money Laundering Officer of FinecoBank S.p.A." as part of the attachments; for 2016, however, in agreement with the Parent Company, this Report shall be presented to the Board of Directors' meeting scheduled for next May, together with the self-assessment required by the Bank of Italy, and, therefore, in a separate document from the aforementioned Compliance Report.

Processing of inside information

The Board of Directors, in the meeting held on 15 April 2014, approved the Procedure about the processing of Inside Information aimed at preventing that such processing may take place in an untimely, incomplete or inadequate manner.

In compliance with the provisions of TUF and the Issuers' Regulation and in order to transpose regulatory updates following the entry into force of (EU) Regulation of the European Parliament and of the Council no. 596/2014 of 16 April 2014, the Board of Directors, on 20 September 2016, approved the current version of the Code of Conduct on internal dealing to regulate the management, processing and communication of information on FinecoBank's shares and listed debt instruments, as well as on derivatives and related financial instruments.

Surveillance activity pursuant to the Consolidated Law on Statutory Audits - Relationship with the Independent Statutory Auditors.

The Board of Statutory Auditors, identified in the Consolidated Law on Statutory Audits as the "Committee for internal control and the statutory audit", monitored the: (i) financial reporting process; (ii) efficiency of internal control, audit and risk management systems; (iii) yearly statutory audit of the Bank's Financial Statements; (iv) independence of the Independent Statutory Audit, particularly with respect to the provision of non-audit services.

The Statutory Board of Auditors examined the Report prepared by the Independent Statutory Auditor Deloitte & Touche S.p.A..

The Report of Independent Statutory Auditors, issued without any remarks on 17 March 2017 pursuant to Articles 14 and 16 of Italian Legislative Decree 39/2010, highlighted that the Financial Statements have been prepared in accordance with IAS/IFRS accounting principles issued by the International Standards Board and adopted by the European Union, as well as with the provisions implementing Article 9 of Italian Legislative Decree 38/2005. Therefore, they were prepared clearly and were a true and correct reflection of the assets and the financial situation, the income statement result and the cash flows for the financial year ended at 31 December 2016. Moreover, in the opinion of the Independent Statutory Auditor, the Report on Operations and the information under paragraph 1 c), d), f), l) m) and paragraph 2b) of Article 123-bis of TUF, included in the Report on Corporate Governance and Ownership Structure, were coherent with the Financial Statements documentation.

The Board of Statutory Auditors, moreover, assessed the Report on the most relevant issues emerged during the statutory audit issued by the Independent Statutory Auditor on 17 March 2017 pursuant to Article 19 of Italian Legislative Decree no.39/2010, from which it can be evinced that no substantial deficiencies were found in the internal control system with respect to financial reporting that required being brought to the attention of the Internal control and Audit Committee.

The Board met periodically with the Independent Statutory Auditor, pursuant to Article no. 150, paragraph 3, of Italian Legislative Decree no. 58/98 and the provisions of Italian Legislative Decree no. 39/2010 – examining the 2016 audit activity plan and exchanging data and information relevant to the performance of respective tasks in a timely manner - with no particular results that need to be reported or any omissions requiring the drafting of specific reports pursuant to Article 155, paragraph 2, of TUF being identified. The minutes of periodic meetings between the Independent Statutory Auditor and the Board of Statutory Auditors were forwarded by the latter, in line with the provisions of FinecoBank's "Corporate Bodies' Regulation", to the Chair of the Audit and Related Parties Committee. The Notes to the Financial Statements provide information about statutory audit fees, as well as fees for other services provided as at 31 December 2016 to FinecoBank by the Independent Statutory Auditors and the units of the network to which the latter belong.

The Board finds that the Company Deloitte & Touche S.p.A. duly performed its mandate of Independent Statutory Audit of the Financial Statements for the financial year, including monitoring the correct keeping of corporate accounts, the faithful presentation of the results of operation, the signing (as far as this is within its remit based on the mandate received) of tax records and the limited audit of the Interim Financial Statements.

The Board also notes that it has received confirmation by the Independent Statutory Auditors, pursuant to Article 17, paragraph 9, of Italian Legislative Decree no. 39/2010 of the fact that in the period from 16 March 2016 to 17 March 2017 it did not find either situations that may have compromised the independence of the aforementioned Company or grounds for incompatibility pursuant to Articles 10 and 17 of Italian Legislative Decree no. 39/2010 and the relevant implementing provisions.

The fees (net of VAT and expenses) paid to the Independent Statutory Auditors are detailed below:

(figures in euros)

SERVICE TYPE	SERVICE PROVIDER	FEES
Audit	Deloitte & Touche S.p.A.	154,285
Certification services	Deloitte & Touche S.p.A.	40,000

"Certification services" refers to the performance of procedures for the issuing of the BCE comfort letter and the statutory auditing for the reporting package at 30 September 2016 only.

Surveillance activities on the financial reporting process - Comments on the adequacy of the administrative and accounting system.
The Financial Reporting Officer was appointed for an indefinite term on 13 May 2014 with the favourable opinion of the Board of Statutory Auditors. The Board of Directors of 7 February 2017 verified its compliance with the "interlocking ban" .

The Board of Statutory Auditors verified compliance with the internal regulations pertaining to the process that allows the Financial Reporting Officer and the Chief Executive Officer to issue the certifications provided for by Article 154-bis of TUF. The administrative and accounting procedures for preparing the Financial Statements and any other financial communication were drafted under the Responsibility of the relevant Manager who, together with the Chief Executive Officer, in the periodical reporting of the aforementioned information and, finally, in the "Report on the internal control system on financial reporting in compliance with Law no. 262/2005" approved by the Board of Directors of 7 February 2017, certified their adequacy and effective implementation for the preparation of the Financial Statements at 31 December 2016 and of the reporting package towards UCI Holding on 31 December 2016 on the basis of tests of the actual implementation of controls. The Financial Reporting Officer, during his/her meetings with the Board of Statutory Auditors, did not highlight any deficiencies in the operating and control processes that may impact on the assessment of adequacy and effective implementation of administrative and accounting procedures for correct economic, asset and financial reporting of the events of operations in compliance with the accounting principles adopted. The Financial Reporting Officer regularly updates the Board of Directors on the activities performed and reports on the progress of improvement measures for the Internal Control System for Financial Reporting.

During the periodical meetings organised to exchange information, just like in the report prepared pursuant to Article 19 of Italian Legislative Decree no. 39/2010, the Independent Statutory Auditor did not report any substantial issues of the internal control system with respect to the financial reporting process.

The Board acknowledges that the Financial Statements as at 31 December 2016 were drawn up in accordance with the accounting standards issued by the International Accounting Standards Board, including the SIC and IFRIC interpretation documents, approved by the European Commission up to 31 December 2016, as established by European Union Regulation no. 1606/2002 of 19 July 2002 and transposed by Italian Legislative Decree no. 38/2005.

The Financial Statements as at 31 December 2016 consist of the Balance Sheet, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Shareholders' Equity, the Statement of Cash Flow and the Notes to the Financial Statements, in addition to the "Directors' Report on Operations" and the Certification of the Financial Statements provided for by Article 81-ter of CONSOB Regulation no. 11971 of 14 May 1999 and subsequent amendments and additions issued on 7 February 2017. The Financial Statements also follow Financial Statements and relevant Notes formats set out by Bank of Italy's provisions with Circular no. 262 of 22 December 2005, and subsequent updates and amendments.

Pursuant to Bank of Italy/Consob/Isvap Document no. 4 of 3 March 2010 and the internal regulations implementing Law no. 262/2005, it is hereby acknowledged that the Board of Directors approved, priorly to and separately from the approval of the Financial Statements, the impairment test procedure for goodwill. The results confirmed the sustainability of the goodwill value recognised in the financial statements.

In 2016, the Administration Department periodically forwarded information to the Parent Company for the purposes of calculating the Regulatory Capital and the Second Pillar Capital. On 31 December 2016 , the CET1 Capital ratio (Tier one capital/Risk-weighted assets) was equal to 22.94%, as detailed in the dedicated section of the Financial Statements "Part F – Information on assets".

The Board of Statutory Auditors, in light of the information received and the documentation examined and the activity performed, assesses the process of the preparation of financial reporting as substantially adequate.

It is acknowledged that FinecoBank is obliged to publish the "Disclosure pursuant to EC Regulation 575/2013" at 31 December 2016. The aforementioned regulation provides that the disclosure by Entities must be effected both at consolidated and separate business unit level if the bank is the "most important subsidiary". FinecoBank – whose Board of Directors of 9 January 2017 approved the findings of the assessment and identification of financial information to be disclosed - is responsible for publishing such information, approved by the Board of Directors of 9 February 2017, on its website together with the Draft Financial Statements at 31 December 2016.

Complaints under Article 2408 of the Italian Civil Code – Reports - Notifications
In 2016 the Board of Statutory Auditors did not receive any complaints under Article 2408 of the Italian Civil Code or petitions from third parties.

In January, October and November 2016 and in January 2017, the Board of Statutory Auditors sent no. 4 notifications pursuant to Article 52, paragraph 2 of Italian Legislative Decree no. 231/2007 to the Supervisory Authorities.

Opinions and remarks pursuant to the Law.
The Board was asked to express its opinion in the following circumstances:
- favourable and individual opinion of all members of the Board of Statutory Auditors, with the affected member abstaining, issued about the provision of a credit facility to a company representative;
- opinion issued to the Board of Directors on the Bank's Operational Risk Management System in implementation of the AMA model;
- prior opinion issued in November 2016 following the co-optation of a Member of the Board of Directors after the resignation of another Member.

Report of the Board of Statutory Auditors (Continued)

Moreover, the Board expressed its remarks about Reports pursuant to Articles 13, 14 and 16 of Bank of Italy and CONSOB's Regulation (adopted with provision of 29 October 2007, in line with Article 6, paragraph 2-bis, of TUF) and its "Remarks on the "Outsourcing of company functions" document). "Annual Report of the Internal Audit function".

Conclusions

The Board also points out that, in the performance of its duties, it did not find any irregularities, omissions and/or anomalies and did not become aware of any transactions that did not comply with sound administration principles, which were not resolved on or implemented in compliance with the Law and the Articles of Association, were not in the interest of FinecoBank, were against the resolutions taken by the Shareholders' Meeting, were manifestly imprudent or risky, such as to compromise the integrity of the share capital.

The Board of Statutory Auditors does not deem it necessary to exercise the right to submit proposals to the Shareholders' Assembly pursuant to Article 153, second paragraph, of TUF.

Taking into account the results reported in the Financial Statements and the content of the "Directors' Report" that supplements it, the contents of the Certification of the Financial Statements pursuant to Article 81-ter of CONSOB Regulation no. 11971 of 14 May 1999 and subsequent amendments and integrations, signed by the Chief Executive Officer, the General Manager and the Financial Reporting Manger, and considering the content of the Reports drafted by the Independent Statutory Auditor, the Board of Directors does not find, insofar this is within its remit, any impediments to the approval of the draft Financial Statements as at 31 December 2016 and the relevant profit allocation proposal made by the Board of Directors.

Milan, 17 March 2017

The Statutory Auditors

Gaccioli Gian-Carlo Noris - Chairman
Aloisi Barbara
Viozzi Marziano

FINECO BANK

REPORT

ON THE CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURES

pursuant to Article 123-*bis* of the Legislative Decree no. 58 of February 24, 1998 (traditional management and control model)

Name of Issuer:
"FinecoBank S.p.A."

Website:
www.finecobank.com

Financial year of reference of the Report:
January 1, 2016 / December 31, 2016

Date of approval of the Report:
March 7, 2017

This is an English translation of the original Italian document. The original version in Italian takes precedence.

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Glossary

Audit and Related Parties Committee:	the internal committee of the Board of Directors, established in accordance with Articles 4 and 7 of the Corporate Governance Code for Listed Companies.
Bank of Italy Circular:	Bank of Italy Circular no. 263 of December 27, 2006 (laying down *"New regulations for the prudential supervision of banks"*) as amended.
By-laws:	the By-laws of the Company in force at the date of approval of this Report (available on the Company's website).
Board/Board of Directors:	the Board of Directors of the Issuer.
Board of Statutory Auditors:	the Board of Statutory Auditors of the Issuer.
Borsa Italiana:	Borsa Italiana S.p.A.
Civil Code:	the Italian Civil Code approved by Royal Decree no. 262 of March 16, 1942 as amended.
Code/Corporate Governance Code for Listed Companies:	the Corporate Governance Code for Listed Companies approved in July 2015 by the Corporate Governance Companies Committee and endorsed by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria.
Consob:	Commissione Nazionale per le Società e la Borsa (National Commission for Companies and the Stock Exchange) with headquarters in Rome, Via G.B. Martini no. 3.
Consolidated Law on Banking:	Legislative Decree no. 385 of September 1, 1993 as amended.
Consolidated Law on Finance:	Legislative Decree no. 58 of February 24, 1998 as amended (containing the Consolidated Finance Act).
Corporate Bodies Regulations	The Regulations approved by the Board of Directors (last version August 2016) that govern the functioning and responsibilities of the Company's corporate bodies and the related information flows, in compliance with the rules of law, including the regulatory provisions and the By-laws, as well as the principles contained in the Guidelines issued by UniCredit, in performing its management and coordination as the parent company of the UniCredit Group. This document is available on the Issuer's website www.finecobank.com ("Governance/ Company Boards" Section).
External Auditors:	Deloitte & Touche S.p.A., with registered office in Via Tortona 25, Milan, VAT no. 03049560166, Tax ID no. and Milan Companies Register no. 03049560166, Economic and Administrative Index (REA) no. 1720239, a company registered in the Register of Auditors, engaged for the independent audit of the accounts of the Issuer.
Group or UniCredit Group:	UniCredit and its subsidiary companies pursuant to Article 2359 of the Civil Code and Article 93 of the Consolidated Law on Finance.
Instructions on the Stock Exchange Regulations:	instructions on the Regulations of the Markets organised and managed by Borsa Italiana, in force at the date of approval of this Report.
Issuer or FinecoBank or Bank or Company:	FinecoBank S.p.A., a company of the UniCredit Banking Group, Register of Banking Groups No. 020081, with registered office in Piazza Durante 11, Milan, Headquarters in Via Rivoluzione d'Ottobre 16, Reggio Emilia 42123, VAT no. 12962340159, Tax ID no. and Milan Companies Register no. 1392970404, Economic and Administrative Index (REA) no. 1598155, Member of the National Guarantee Fund and the Interbank Fund for the Protection of Deposits.
Issuer Regulations:	the Regulations issued by Consob by resolution no. 11971 of May 14, 1999 (as amended) laying down rules governing issuers.
Market Regulations:	the Regulations issued by Consob by resolution no. 16191 of October 29, 2007 (as amended), laying down rules governing markets.

MTA:	Borsa Italiana's Main Market (MTA) where FinecoBank's shares are also traded.
Related-Party Regulations:	the Regulations issued by Consob by resolution no. 17221 of March 12, 2010 (as amended), laying down provisions on related-party transactions.
Remuneration and Appointments Committee:	the internal committee of the Board of Directors, established in accordance with Articles 4, 5 and 6 of the Corporate Governance Code for Listed Companies.
Report:	this report on the corporate governance system and the ownership structures of the Issuer, drawn up pursuant to Article 123-bis of the Consolidated Law on Finance.
Shareholders:	owners of FinecoBank shares.
Shareholders' Meeting:	Shareholders' Meeting of the Issuer.
Stock Exchange Regulations:	the Rules of the Markets organized and managed by Borsa Italiana, approved by the Board of Directors of Borsa Italiana and approved by Consob, in force at the date of approval of the Report.
Supervisory Regulations:	the Supervisory regulations for banks set out in Bank of Italy Circular no. 285 of December 17, 2013.
Supervisory Regulations on Corporate Governance:	the Supervisory regulations for banks in relation to organisation and corporate governance set out in Bank of Italy Circular no. 285 of December 17, Part 1, Title IV, Chapter 1.
UniCredit:	UniCredit S.p.A., with Registered office in Via Specchi, no. 16, Rome, VAT no., Tax ID no. and Companies Register of Rome no. 00348170101, a bank registered Register of Banks and Parent of the UniCredit Group, Register of Banking Groups no. 2008.1, Italian Banking Association Code no. 02008, Member of the Interbank Fund for the Protection of Deposits.
Year:	the financial year of reference of the Report.

Introduction

This Report has been prepared in accordance with Article 123-*bis* of the Consolidated Law on Finance according to the *"Format for the report on corporate governance and ownership structures"*, VI edition, January 2017. The information contained in the Report refers to the closure date of 2016 financial year, unless otherwise specified.

The Report, approved by the Company's Board of Directors by resolution of February 8, 2017, is published at the same time as the Management Report on the Issuer's website (in the Governance Section) and is also available on the website of the storage mechanism authorised and managed by Spafid Connect S.p.A. (www.emarketstorage.com).

The Report has been submitted to the External Auditors for the verifications and the fairness opinion required by Article 123-*bis*, paragraph 4, Consolidated Law on Finance. The results of the work carried out by the External Auditors are contained in the report prepared by it in accordance with Article 14 of the Legislative Decree no. 39 of the January 27, 2010, attached to the 2016 annual financial statements of the Company.

1. Profile of the Issuer

FinecoBank is UniCredit Group's direct multichannel bank. It has one of the largest advisory networks in Italy, and is the number one broker in Italy for equity trades in terms of volume of orders and number one broker in Europe for number of executed orders. FinecoBank offers an integrated business model combining direct banking and financial advice, with a single free-of-charge account including a full range of banking, credit, trading and investment services, which are also available through applications for smartphone and tablet.

FinecoBank is listed on the MTA [1].

1.1. Corporate governance model

The corporate governance system adopted by the Company is based on principles recognised by international best practices as fundamental for good governance: the central role of the Board of Directors, the correct management of conflicts of interest, an efficient internal control system and transparency in relations with the market, with particular reference to reporting corporate management decisions.

FinecoBank is part of the UniCredit group and it is managed and coordinated by the UniCredit parent company pursuant to and for the purposes of Articles 2497 et seq. of the Civil Code.

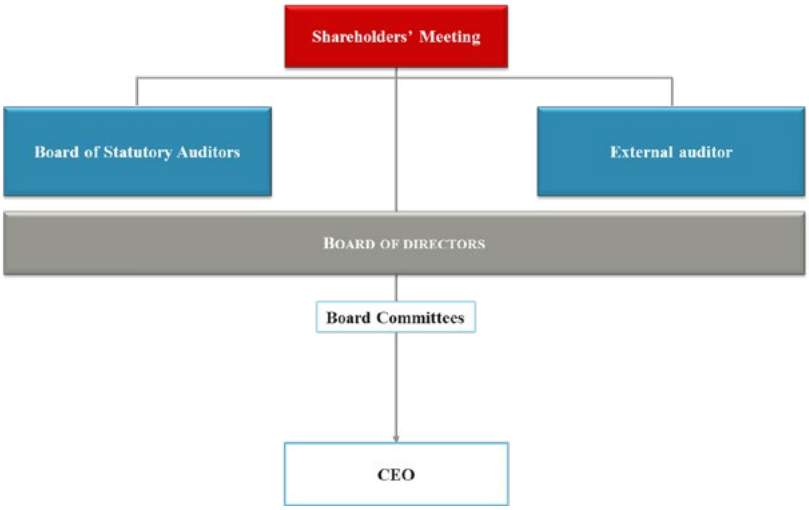
FinecoBank's overall corporate governance structure has been defined taking into account applicable laws and recommendations in the Corporate Governance Code. The Company must also meet the requirements of Supervisory Regulations issued by the Bank of Italy and, in particular, with regard to corporate governance, to the Supervisory Regulations on Corporate Governance. Pursuant to the aforementioned provisions, FinecoBank, as a listed bank and under the European Central Bank (ECB) prudential supervision qualifies as a Bank of significant size or operational complexity and, therefore, complies with the provisions applicable to such banks.

FinecoBank adopts a traditional administration and control system based on two bodies appointed by the Shareholders' Meeting: the Board of Directors, with strategic oversight and business management functions, and the Board of Statutory Auditors, with administration control functions. The independent audit of the accounts is assigned to an external independent auditing company, in compliance with applicable laws.

At the date of approval of these Report, the governance of FinecoBank also consisted of the following internal committees of the Board of Directors:

- the Audit and Related Parties Committee; and
- the Remuneration and Appointments Committee.

FinecoBank's governance structure is illustrated in the diagram below:



(1) FinecoBank was admitted for listing on the MTA on July 2, 2014. Since April 1, 2016, FinecoBank has been included in the FTSE-MIB index. For the purposes of this Report, please note that, pursuant to Paragraph VI of the Main Principles and temporary regime of the Corporate Governance Code for Listed Companies, an issuer is deemed to belong to the FTSE-MIB if its shares were included in the list of such index in the last trading day of the financial year before to the financial year covered by the corporate governance reports refers to.

1. Profile of the Issuer (Continued)

1.1.1 Shareholders' Meeting

The **Shareholders' Meeting** represents the interests of shareholders as a whole, and through its decisions - of the company.

The Shareholders' Meeting has the authority to pass resolutions in ordinary and extraordinary session with the meeting and voting quorums provided for by law and by the By-laws, taking into account the specific matters under review.

The Ordinary Shareholders' Meeting approves, inter alia, the annual financial statements and decides on the distribution of dividends, the appointment of directors and statutory auditors and appoints the external auditors, determining their fees. It also resolves on remuneration and incentive policies and practices established by current regulations.

The Extraordinary Shareholders' Meeting resolves on amendments of the By-laws, capital increases and mergers and demergers.

Holders of voting rights and in respect of whom the Company has received, from the broker holding the relevant account, notification within the deadline set forth by applicable law (record date, the seventh open market day prior to the date established for the Meeting).

For further information on the Shareholders' Meeting, see Section 16

1.1.2 Board of Directors

The **Board of Directors**, pursuant to the By-laws, is the body, within the framework of the company object, given all powers according to law or the By-laws, that are not expressly conferred on the Shareholders' Meeting, and that exclusively oversees business management. For this purpose, the Board of Directors is vested with full powers for the ordinary and extraordinary management of the Company.

The members of the Board of Directors meet the professional competence, integrity and independence requirements of current and statutory regulations.

As established in the By-laws, members of the Board of Directors are appointed by the Shareholders' Meeting for a three-year term of office, save for a shorter term established by the Shareholders' Meeting when making appointments, based on a slate voting system, to guarantee an adequate number of board directors elected by the minority.

The Board of Directors elects a **Chairman** from amongst its members and – where appropriate – one or two **Vice Chairmen**, one of whom will act as a stand-in. The Chairman and Vice Chairman remain in office for the entire duration of the Board. The Board of Directors also appoints a **Secretary**, who is not necessarily a board member. The Board may establish committees or commissions with advisory, decision-making or coordination functions, in compliance with applicable current and statutory regulations.

The Board of Directors may also appoint a **Managing Director**, determining the term of office and relative duties and powers, and one or more Deputy General Managers, who form the Head Office. In line with the By-laws, the Board of Directors of the Company had appointed Alessandro Foti as Managing Director and General Manager of the Bank.

For further information on the Board of Directors, see Section 4

1.1.3 Audit and Related Parties Committee

The **Audit and Related Parties Committee** is a Board Committee which, pursuant to Article 7.P.4 of the Corporate Governance Code and Article 3 of the Related Parties Regulations, and as provided for by the Control and Risk Committee Regulations, comprises three independent directors, with adequate professional expertise of corporate governance and internal controls, capable of independent unbiased judgement in the duties assigned to them. This Committee *(i)* has advisory functions concerning internal control and company risk management *(ii)* issues preliminary and reasoned opinions, also in the interest of carrying out transactions with related parties and/or associated persons completed by the Bank and on the appropriateness and fairness of the relative terms and conditions, if the Bank internal procedures on the topic settle it.

For further information on the Audit and Related Parties Committee, see Section 6.1

1.1.4 Remuneration and Appointments Committee

The **Remuneration and Appointments Committee** is a Board Committee which, pursuant to Articles 5.P.1 and 6.P.3 of the Corporate Governance Code, comprises three independent directors, with advisory functions concerning the remuneration of directors and senior managers and the appointment of directors, the general manager and key management personnel.

For further information on the Remuneration and Appointments Committee, see Sections 7 and 8

1.1.5 Board Of Statutory Auditors

Pursuant to the By-laws, the **Board of Statutory Auditors** comprises three permanent and two alternate auditors. Auditors are appointed by the Shareholders' Meeting based on a slate voting system to guarantee an auditor elected by the minority, as well as compliance with regulations on gender balance.

Auditors remain in office for three years, they may be re-elected and their term ends on the date of the Shareholders' Meeting called to approve the financial statements relating to the third year of their appointment. The Board of Statutory Auditors performs the functions assigned to it by law and other applicable regulations. For the entire period while the Company's shares are admitted to trading on a regulated Italian market, the Board of Statutory Auditors also exercises all powers and carries out all duties provided for by special laws; with particular reference to disclosure, directors are required to report on a quarterly basis, pursuant to Article 150 of the Consolidate Law on Finance, according to the procedures in Article 15 of the By-laws. The Board of Statutory Auditors, acting as the "*Internal control and auditing committee*", pursuant to the Legislative Decree no. 39 of January 27, 2010, carries out all other activities provided for by this decree.

Members of the Board of Statutory Auditors are registered in the Register of Auditors and meet the professional competence, integrity and independence requirements of current and statutory regulations.

For further information on the Board of Statutory Auditors, see Section 14

1.1.6 External Auditors

As established in the By-laws, the accounts are audited, pursuant to applicable legal provisions, by an entity that meets the requirements of current regulations.

The **External Auditors** represent the external control body auditing the accounts. In particular, the External Auditors are required, during the year, to verify the accounts of the company, and to give an opinion on the financial statements and consolidated financial statements, in a relative report.

For further information on the External Auditors, see Section 11.4

* * *

The powers and duties and operating procedures of corporate bodies are governed by law, by the provisions set forth in the By-laws and by decisions taken by competent bodies.

For further information on each body and/or entity comprising the Company's governance system, reference is made to specific Sections in this Report.

2. Information on ownership structures (pursuant to Article 123-*bis*, paragraph 1, Consolidated Law on Finance)

a) Structure of Share Capital (pursuant to Article 123-*bis*, paragraph 1, letter g), Consolidated Law on Finance)

At the date of approval of this Report, the share capital, fully subscribed and paid up, was €200,540,166.09 divided into no. 607,697,473 ordinary shares with a nominal value of €0.33 each. The Board of Directors, in partial execution of the authority granted pursuant to Article 2443 of the Italian Civil Code by the Extraordinary Shareholders' Meeting of June 5,2014, resolved on February 7, 2017 to increase the share capital, with effect from March 31, 2017, by a nominal amount of €5,237.76, corresponding to 15,872 ordinary shares with a par value of €0.33 each, to service the implementation of the Employee incentive plans.

In this regard, please note that the Board of Directors, in partial execution of the authority granted pursuant to Article 2443 of the Civil Code by the Extraordinary Shareholders' Meeting of June 5, 2014, has passed the following resolutions:

(i) on February 8, 2016, to increase the share capital by a nominal amount of €95,601.99, corresponding to 289,703 ordinary shares with a par value of €0.33 each, to service the implementation of the Employee incentive plans;

(ii) on February 7, 2017, to increase the share capital by a nominal amount of €294,372.21, corresponding to 892,037 ordinary shares with a par value of €0.33 each, to service the implementation of the Employee incentive plans.

The ordinary shares are registered.

The shares are indivisible, with cases of joint ownership governed by law.

The shares are not subject to any rights, privileges or constraints; there are no shares reserved for issue under option and sales contracts.

For equity-based incentive plans, which involve free share capital increases approved by the Shareholders' Meeting, see the relative prospectuses drawn up pursuant to Article 84-*bis* of the Issuer Regulations [(2)], as well as the Remuneration Report drawn up pursuant to Article 84-*quater* of the Issuer Regulations [(3)].

b) Restrictions on the transfer of securities (pursuant to Article 123-*bis*, paragraph 1, letter b), Consolidated Law on Finance)

As at the date of approval of this Report, there were no restrictions on the transfer of securities.

c) Major shareholdings in capital (pursuant to Article 123-bis, paragraph 1, letter g), Consolidated Law on Finance)

Based on the entries in the Shareholders' Register, integrated with the communications received pursuant to Article 120 of the Consolidated Law on Finance, and on other information available to the Company, the major stakes in share capital as at December 31, 2016 – both direct and indirect – are summarised below.

The table does not include entities that are exempt from the disclosure requirements pursuant to Article 119-*bis* of the Issuer Regulations.

DECLARER OR ENTITY AT THE TOP OF THE CHAIN OF OWNERSHIP	DIRECT SHAREHOLDER	NO. OF ORDINARY SHARES	% SHARE OF ORDINARY CAPITAL	% SHARE OF VOTING CAPITAL
UniCredit S.p.A.	UniCredit S.p.A.	215,066,403	35.443%	35.443%
	UniCredit Bank AG	219,550	0.036%	0.036%
	Total	215,285,953	35.479%	35.479%
Wellington Management Group LLP	Wellington Management International LTD	1,571,283	0.259%	0.259%
	Wellington Management Company LLP	29,976,253	4.940%	4.940%
	Total	**31,547,536**	**5.199%**	**5.199%**

(2) The information documents are available at the following address on the FinecoBank website: https://images.fineco.it/pub-fineco/pdf/corporate/assemblea/2017/en/Annex_2_2017_FinecoBank_Compensation_Policy.pdf. See in particular the information provided on page 2 et seq.

(3) The remuneration report is available at the following address on the FinecoBank website: https://images.fineco.it/pub-fineco/pdf/corporate/assemblea/2017/en/2017_compensation_policy.pdf. See in particular the information provided on page 54 et seq. of the remuneration report.

d) Securities conferring special rights (pursuant to Article 123-*bis*, paragraph 1, letter d), Consolidated Law on Finance)

As at date of approval of this Report, FinecoBank has not issued any shares that grant special control rights and it has not adopted By-laws provisions which allow multiple or increased voting rights.

e) Employee shareholdings: mechanism to exercise voting rights (pursuant to Article 123-*bis*, paragraph 1, letter e), Consolidate Law on Finance)

There is no employee share ownership system in which the voting right is exercised by representatives of the employees.

f) Restrictions on voting right (pursuant to Article 123-*bis*, paragraph 1, letter f), Consolidate Law on Finance)

There are no restrictions on voting rights.

g) Shareholder agreements (pursuant to Article 123-*bis*, paragraph 1, letter g), Consolidate Law on Finance)

The Issuer is not aware of any shareholder agreements pursuant to Article 122 of the Consolidated Law on Finance.

h) Change of control clauses (pursuant to Article 123-*bis*, paragraph 1, letter h), Consolidate Law on Finance) and statutory provisions on Takeover bids (pursuant to Articles 104, paragraph 1-*ter*, and 104-*bis*, paragraph 1, Consolidate Law on Finance)

FinecoBank has not executed any significant agreements that become effective, are modified or are terminated in the event of a change in control of the contracting company.

The Bank's By-laws do not envisage any exceptions to the provisions on the passivity rule pursuant to Article 104, paragraphs 1 and 1-*bis* of the Consolidated Law on Finance, nor do they envisage application of the neutralisation provisions contemplated by Article 104-*bis*, paragraphs 2 and 3, of the Consolidated Law on Finance.

i) Authorisations to increase share capital and purchase treasury shares (pursuant to Article 123-*bis*, paragraph 1, letter m), Consolidated Law on Finance)

The Board of Directors has been authorised by the Extraordinary Shareholders' Meeting to carry out free capital increases, aimed at implementing the incentive plans for Bank personnel qualified as "identified staff". The Board of Directors was not assigned the power to issue equity-based financial instruments.

The Shareholders' Meeting by resolution of April 12, 2016, on proposal from the Board of Directors, authorised the purchase and disposition of no. 250,000 treasury shares to be granted to the personal financial advisors and network managers identified as key personnel.

On January 9, 2017, the Board of Directors resolved to submit the proposal to the Shareholders' Meeting called for the approval of the 2016 financial statements for the authorization to purchase and dispose of no. 346,000 treasury shares to be granted to the personal financial advisors and network managers identified as key personnel.

As at December 31, 2016, the Company held no. 714,325 treasury shares corresponding to 0.12% of the share capital.

2. Information on ownership structures (pursuant to Article 123-*bis*, paragraph 1, Consolidated Law on Finance) (Continued)

l) Management and coordination (pursuant to Article 2497 et seq. of the Civil Code)

UniCredit carries out management and coordination in conformity to and within the limits of the Consolidated Law on Banking and Supervisory Regulations, which includes the following activities: *(i)* proposing members of the board of directors and control bodies, and managerial positions, of Group companies, to the shareholders' meetings; *(ii)* disseminating best practices, methodologies, procedures and IT systems in order to standardise operating procedures within the Group; *(iii)* defining and implementing a managerial/functional system that defines mechanisms for managerial coordination at group level, assigning the managers of parent company functions specific responsibilities and powers vis-à-vis corresponding functions of subsidiaries, in order to ensure the overall consistency of the group's corporate governance system, through adequate coordination among bodies, structures and company functions of different entities comprising the group; and *(iv)* defining, disseminating and implementing group regulations for activities which are significant in terms of legal compliance and/or risk management, concerning, for example: (a) the reporting of inside information; (b) the preparation of periodic financial information; (c) the drafting of the strategic budget; (d) management control and the notification of management information; (e) the structure, composition and remuneration of the board of directors; (f) transactions with related parties and associated persons; (g) choice of suppliers; and (h) personnel and personnel training.

* * *

The information required by Article 123-*bis*, paragraph 1, letter i), of the Consolidated Law on Finance is contained in the remuneration report published in accordance with Article 123-*ter* of the Consolidated Law on Finance [4].

* * *

The information required by Article 123-*bis*, paragraph 1, letter l), of the Consolidated Law on Finance regarding the appointment and replacement of the directors is provided in the section of this Report on the Board of Directors (Section 4.1).

(4) The remuneration report is available at the following address on the FinecoBank website: https://images.fineco.it/pub-fineco/pdf/corporate/assemblea/2017/en/2017_compensation_policy.pdf.

3. Compliance (pursuant to Article 123-*bis*, paragraph 2, letter a), Consolidated Law on Finance)

FinecoBank adheres to the Corporate Governance Code for Listed Companies, bringing its own conduct in line with the principles therein, where applicable.

The Code is available to the public on the website of the Corporate Governance Committee, at: http://www.borsaitaliana.it/comitato-corporate-governance/codice/2015clean.pdf.

For additional information on the corporate governance structure of FinecoBank, in addition to the specific sections of this Report, see the Company's website, where it is available together with economic-financial information, data and documents of interest to shareholders.

* * *

The Issuer is not subject to provisions of law outside Italy that affect its corporate governance structure.

4. Board of Directors

4.1 Appointment and replacement (pursuant to Article 123-*bis*, paragraph 1, letter l), Consolidated Law on Finance)

In compliance with the laws and regulations applicable to listed companies, Article 13 of the By-laws requires that the Board of Directors be appointed by the Shareholders' Meeting, on the basis of lists of candidates submitted by Shareholders (each list shall contain the names of the candidates numbered progressively), according to the procedure described below.

Shareholders can submit a list for the appointment of Directors, provided that when they submit the list they hold, alone or together with others presenting shareholders, at least the minimum investment established by Consob pursuant to Article 147-*ter*, paragraph 1, of the Consolidated Law on Finance and in accordance with the relevant provisions set forth in the Issuers Regulations. Ownership of the minimum shareholding required is calculated based on the shares registered to each shareholder on the day when the lists are filed at the Company; the related certification may be submitted after the lists have been filed, provided that it is within the deadline for publication of the lists.

Each party entitled to vote (as well as *(i)* entitled persons belonging to the same group, intended as a party, which need not be a corporation, exercising control pursuant to Article 2359 of the Civil Code and any subsidiary controlled by, or under the control of the said party, or *(ii)* shareholders who are party to a shareholders' agreement as per Article 122 of the Consolidate Law on Finance, or *(iii)* entitled persons who are otherwise associated with each other in a material relationship pursuant to current and applicable statutory or regulatory provisions) may submit individually or with others only one list, just like each candidate can be included in only one list, or otherwise be considered ineligible.

Each list that has three or more candidates must be composed of candidates from both genders, so as to ensure compliance with at least the minimum requirements of current laws and regulations on gender equality.

The lists shall be submitted at the Registered Office or Head Office – also by means of remote communication and in accordance with the procedures stated in the notice of call, so as to allow the identification of the parties submitting the list – at least twenty-five days before the date of the Shareholders' Meeting called to appoint members of the board of directors, in single call. Furthermore, the Company shall ensure that the lists are made public on the Company's website and by the other means established by current provisions, at least twenty-one days prior to the above shareholders' meeting, in one session or on first call.

The lists also contain, in attachments, any additional documentation and declarations required by the laws and regulations in force at the time, as well as:

- information on the identity of those who have submitted the lists, specifying the total percentage of shares held;
- information on the personal and professional characteristics of the candidates included in the list;
- a statement whereby the individual candidates irrevocably accept the position (subject to their appointment) and attest, under their responsibility, that there are no grounds for their ineligibility or incompatibility to stand as candidate, and that they meet the professional competence and integrity requirements prescribed by current laws and regulations;
- a statement that the independence requirements set out in the By-laws have been met.

The lists that do not comply with the requirements set out above shall be considered not to have been submitted.

Each eligible voter may vote for one list only.

After the vote, candidates are elected from lists that have obtained the largest number of votes, with the following criteria:

(a) a number of Directors equal to the number of board members, decreased by 1 (one), shall be drawn - in the order in which they appear on the list – f rom the list receiving the most votes. The remaining Director shall be drawn- in numerical order-from the minority list that received the most votes among the minority lists;

(b) if the majority list does not reach a sufficient number of candidates for the election of the number of Directors to be appointed, according to the mechanism indicated in letter (a) above, all the candidates from the majority list shall be appointed and the remaining Directors shall be drawn from the minority list, in the order in which they appear on the list, receiving the highest number of votes; if necessary, directors shall also be drawn from the second most voted minority list, always in the order in which the appear on the list, until the number of Directors to elect has been reached;

(c) if the number of candidates in the majority as well as minorities lists submitted is less than the number of the Directors to be elected, the remaining Directors shall be elected through a resolution made by the Shareholders' Meeting by relative majority, ensuring compliance with the principles of independence and gender equality prescribed by current law and regulations. If there is a tie vote between two or more candidates, a run-off will be held between these candidates by means of another vote at the Shareholders' Meeting;

(d) where only one, or no lists have been submitted, the Shareholders' Meeting shall resolve in accordance with the procedures specified in subparagraph(c) above;

(e) if the required minimum number of Independent Directors and/or Directors belonging to the least represented gender is not elected, the Directors of the most voted list who have the highest consecutive number and do not meet the requirements in question shall be replaced by the next candidates on the same list, who meet the necessary requirements. Should it prove impossible, even after applying this criterion, to identify the Directors who meet the above requirements, the above substitution criterion shall apply to the minorities lists receiving the highest votes from which the candidates elected have been drawn;

(f) in the event that, following the application of the replacement criterion set out in (e), it is still not possible to identify any suitable directors, the shareholders' meeting shall resolve by relative majority. In this case, the substitutions shall be effected starting from the most voted lists and from the candidates bearing the highest number in consecutive order.

In the event of death, resignation, withdrawal or removal from office for any other reason of a Director, or where a Director no longer meets the professional competence and integrity requirements, the Board of Directors can take steps to co-opt a Director, in compliance with the principles of minority representation and gender equality. If, in the above cases, the minimum number of independent Directors falls below the level required by the laws and regulations in force at the time and/or the number of Directors belonging to the least represented gender falls below the level prescribed by law, the Board of Directors shall replace them.

For the appointment of Directors needed to fill vacancies on the Board of Directors, the Shareholders' Meeting shall resolve by relative majority, ensuring that the principles of independence and gender equality established by current law and regulations are met.

The Board of Directors shall elect a Chairman from among its members and - where appropriate - one or more Vice Chairmen, one of which will act as a stand-in.

Succession plans

On July 6, 2016, the Board of Directors approved the Succession plan for the Chief Executive Office and General Manager and for the other Key Managers, in which the professional skills and expertise required for the possible candidates have been established.

Only the Chief Executive Officer and General Manager has a term of office with an expiry date, as the other key management personnel are employees of the Bank. For the Chief Executive Officer and General Manager, the succession plan provides information to support the appointment of the successor also in the event of early replacement, subject to the required involvement of UniCredit, as the parent company, in the replacement process. This succession plan is submitted annually for approval to the Board of Directors by the Human Resources function, after having received approval from the Remuneration and Appointments Committee. The annual review consists of a detailed analysis of the competences and requirements necessary to cover the individual positions. The supporting tools used to identify the pool of possible candidates for the succession plans include the assessment and development processes for staff in Band or higher (EDP – Executive Development Plan) and staff with high potential (TMR – Talent Management Review).

4.2 Composition (pursuant to Article 123-*bis*, paragraph 2, letter d), Consolidated Law on Finance)

Pursuant to Article 13 of the By-laws, the company is managed by a Board of Directors composed of a minimum of five and a maximum of thirteen Directors, elected by the Shareholders' Meeting. The Shareholders' Meeting shall also determine the term of office, on the understanding that said term may not be less than one year or more than three years from acceptance of office and shall expire on the date of the Shareholders' Meeting called to approve the financial statements relating to the last year of their appointment. The members of the Board of Directors may be re-elected.

All directors must meet the eligibility and professional requirements provided for by law and any other applicable regulations.

4. Board of Directors (Continued)

As regards integrity requirements, given the important role played by directors in terms of reputation, the Corporate Bodies Regulations require that, in addition to meeting the integrity requirements set out in the Ministerial Decree no. 161 of March 18, 1998 and Ministerial Decree no. 162 of March 30, 2000, the Directors should avoid any situation that could be cause for suspension from their duties as Director pursuant to Article 6 of the Ministerial Decree no. 161 of March 18, 1998 and must refrain from engaging in conduct which, while not constituting an offence, appears to be inconsistent with the role of a bank director or that could seriously damage the bank's reputation.

The Board shall verify that its members meet the above requirements:

(i) following appointment, the outcome of which shall be disclosed to the market by means of a press release;

(ii) the respective results shall be reported on an annual basis in the annual corporate governance report.

Pursuant to Article 147-*ter*, of the Consolidate Law on Finance and Article 37 of the Market Regulations, as well as the Bank of Italy Rules on Corporate Governance, the majority of the members of FinecoBank's Board of Directors must meet the independence requirements provided in Article 3 of the Corporate Governance Code, as the Company is subject to management and coordination by another Italian company with shares listed in regulated markets (*i.e.* UniCredit).

The Board shall assess whether the independence requirements have been met with regard to the prevalence of substance over form. This assessment shall be performed:

(i) following appointment of a new Director who qualifies himself/herself as independent;

(ii) once a year for all Directors.

For this purpose, the Board of Directors, based on the statements provided and any other information available, shall examine the Director's direct or indirect commercial, financial or professional relationships with the Company, assessing their significance both in absolute terms and with regard to the economic and financial position of the individual concerned. The results of the Board's assessment shall be disclosed to the market. The Board of Statutory Auditors shall ascertain the correct application of the criteria and procedures adopted by the Board of Directors for the above-mentioned assessment. The results of this assessment shall be disclosed to the market.

The Company's Board of Directors was appointed by the Shareholders' Meeting held on April 15, 2014 and its term of office will end at the date of the Shareholders' Meeting called for the approval of the annual financial statements as at December 31, 2016.

Accordingly, at the next Shareholders' Meeting called for April 11, 2017, the Shareholders will be called upon, among other things, to approve the appointment of the new directors. In this regard, please note that this is the first reappointment after the admission to listing of FinecoBank's shares on the MTA and therefore this appointment will take place with the first time based on the list voting mechanism as governed by the Company's By-laws and described in Section 4.1 of this Report.

In view of the reappointment of the management body, the Board of Directors of FinecoBank was required to identify the theoretical profile (including the characteristics of professional competence and independence, were applicable) of the candidates for the appointment. To that end, by resolution of February 7, 2017, the Board of Directors approved the document *"Assessment of the Qualitative and quantitative composition of the FinecoBank S.p.A. Board of Directors"* (replacing the previous 2014 Qualitative and Quantitative Profile, as defined below), which contains the results of the preliminary analysis carried out by the Board of Directors (with the aid of the Remuneration and Appointments Committee) on its optimal qualitative/quantitative composition in view of properly performing its functions, in accordance, in particular, with the Supervisory Regulations on Corporate Governance. This document is available on the FinecoBank website (*"Governance/Shareholders' Meeting"* Section).

With regard to the Board of Directors in office at the date of approval of this Report, it is noted that, in accordance with the requirements of the Supervisory Regulations on Corporate Governance, the appointment of the Directors was proposed to the aforementioned Shareholders' Meeting of April 2014 after having determined their number and set their term of office. In this context, the Board of Directors, by resolution of March 27, 2014, determined and approved its qualitative and quantitative composition (hereinafter, the "**2014 Qualitative and Quantitative Profile**"), considered optimal in order to achieve the goal of correctly fulfilling the functions assigned to the management body, asking its sole shareholder to take it into account in doing the appointment of the management body (for more information, please see Section 4.3 "*Role of the Board of Directors*").

In line with the 2014 Qualitative and Quantitative Profile, the Corporate Bodies Regulations require that the number of Board members must be commensurate with the size and complexity of the bank's organizational structure, and allow for the supervision of all corporate operations, as far as management and controls are concerned.

Furthermore, this number should ensure the presence on the Board of *(i)* various representatives of the shareholder base, *(ii)* the professional skills necessary to foster internal dialogue and (iii) a sufficient number of independent members in accordance with the Corporate Governance Code. Lastly, the composition of the Board shall be gender balanced.

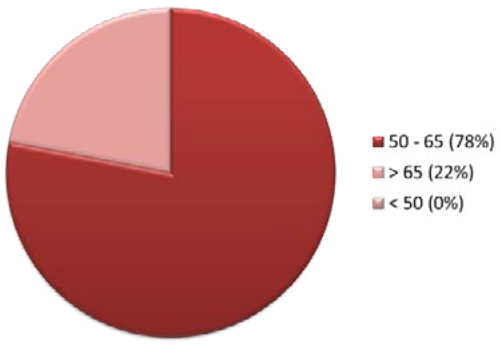
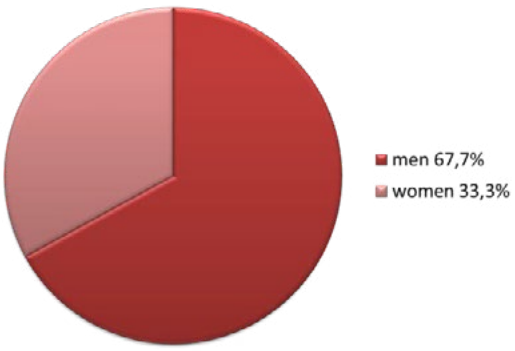
The table below provides relevant information about each member of the Board of Directors in office as of the date of approval of this report.

POSITION	MEMBERS	YEAR OF BIRTH	DATE OF FIRST APPOINTMENT (*)	IN OFFICE FROM	IN OFFICE UNTIL	% (**)	NUMBER OF OFFICES HELD IN OTHER COMPANIES (***)
Chairman	Enrico Cotta Ramusino (2)	1959	13.12. 2001	15.04.2014	11.04.2017	100	1
Vice Chairman	Francesco Saita (1)-(2)	1967	15.04.2014	15.04.2014	11.04.2017	100	0
Managing Director and General Manager	Alessandro Foti (3)	1960	20.10.1999	15.04.2014	11.04.2017	100	0
Director	Gianluigi Bertolli (1)-(2)	1951	15.04.2014	15.04.2014	11.04.2017	100	0
Director	Manuela D'Onofrio (6)	1962	=	08.11.2016	11.04.2017	50	0
Director	Mariangela Grosoli (1)-(2)	1960	12.04.2011	15.04.2014	11.04.2017	91	0
Director	Pietro Angelo Guindani (1)-(2)	1958	15.04.2014	15.04.2014	11.04.2017	91	3
Director	Girolamo Ielo (1)-(2)	1947	14.04.2008	15.04.2014	11.04.2017	100	0
Director	Marina Natale (3)- (5)	1962	15.04.2014 (4)	15.04.2014	11.04.2017	67	0
Director	Laura Stefania Penna	1965	17.04.2012	15.04.2014	11.04.2017	91	1

(*) The date of first appointment of each Director means the date when the Director was appointed for the first time (ever) to the Board of Directors of the Company.
(**) Percentage attendance at Committee's meetings (no. of attendances/ no. of meetings held during the actual period office of the person concerned during the reporting period).
(***) Number of offices as Director or Statutory Auditor held in other companies listed in regulated markets, in financial, banking, insurance or large companies (please see Paragraph 4.2.1 below).
(1) Independent Director pursuant to Article 3 Corporate Governance Code for Listed Companies.
(2) Independent Director pursuant to Article 148, paragraph 3, of the Consolidated Law on Finance.
(3) Executive Director pursuant to the Corporate Governance Code for Listed Companies.
(4) Position of Director held from September 18, 2008 to May 21, 2009.
(5) Resignation with effect from October 28, 2016.
(6) Appointed pursuant to Article 2386 of the Civil Code on November 8, 2016 as a replacement to Mrs. Marina Natale.

For the personal and professional characteristics of each Director, see the information published on the FinecoBank website (www.finecobank.com).

A breakdown is provided below of the members in office of the Board of Directors by age and gender.

Breakdown by age	Breakdown by gender
	

4. Board of Directors (Continued)

4.2.1. Maximum number of offices in other companies

Without prejudice to compliance with limits on the number of positions the members of the management body may hold according to the legal and regulatory provisions and the By-laws, Directors may accept a position on the Board if they believe they can dedicate the time necessary to diligently perform their duties, taking into account their participation in other Board committees and the number of posts they hold as directors or auditors at other companies (including non-Italian firms). Based on information submitted by the Directors, in the report on corporate governance and ownership interests the Board annually surveys and discloses any directorships or auditor positions held by the Directors in the aforementioned companies.

The Directors shall notify the Company regarding corporate offices acquired or disposed of during their mandate.

In this regard, please note that, when it approved the 2014 Qualitative and Quantitative Profile, the Board of Directors established the general criteria, summarised in the table below, for the maximum number of management and control positions in other companies that can be considered compatible with the effective performance of the role of director of the Issuer, taking into account the participation of the directors in the committees established within the Board of Directors:

	LISTED COMPANIES AND/OR BANKS, FINANCIAL, INSURANCE COMPANIES AND/OR LARGE COMPANIES		
FINECOBANK	EXECUTIVE OFFICES	NON-EXECUTIVE OFFICES	TOTAL OFFICES(*)
Director CEO and General Manager	NO	2	5
Chairman	NO	3	8
Non-executive directors	3 0	5 7	10

(*) The calculation of the total number of positions also include those held in company other listed companies and/or banks, financial, insurance companies and/or large companies.

Executive offices are considered as: Managing Director, member of the Management Board, Chairman of the Board of Directors or of the Supervisory Board, General Manager; as a member of the Board of Directors with delegated powers; as a member of the Board of Directors with an executive position.

Non-executive offices are considered as: member of the Board of Directors without delegated powers, Member of the Supervisory Board, Member of the Board of Statutory Auditors.

The Managing Director and the Chairman are not allowed to accept positions as members of a Board of Statutory Auditors.

In addition to any other incompatibility prescribed by law, the rule of incompatibility with positions of a political or trade union nature shall apply.

Companies within the Group are not included in the calculation of the total number of companies in which Directors hold a position as Director or Statutory Auditor.

Up to 4 positions may be held as director or member of controlling bodies within the same Group (outside of FinecoBank). Each position shall be counted as 1 executive position in listed companies, banks, financial and insurance companies or large companies; over 4 offices shall be counted as 2 executive positions in listed companies, banks, financial and insurance companies or large companies.

The current composition of the Board of Directors meets the above-mentioned general criteria [5].

In addition to the above, please note that, in compliance with Article 36 of the Decree Law no. 201 of December 6, 2011, ratified with Amendments by Law no. 214 of December 22, 2011 laying down the provisions on "*personal crossholdings in the credit and financial markets it*" it is forbidden for "*those who hold offices in the management, control and supervisory bodies and the top officers of firms or groups of firms engaged in credit, insurance and financial markets, to accept or exercise similar positions in competing firms or groups of firms*" (interlocking ban). Those who hold incompatible offices must notify the option exercised within 90 days of the appointment. Upon expiration of this period without any choice being made, they shall be removed from both offices.

The Directors are required to annually renew the certificate of not holding office in the management, supervisory or control bodies of competing companies or groups of companies to enable the Board to carry out its annual assessment. This verification was carried out again with a positive outcome for the year 2016.

The Directors are also required to inform the Bank regarding the offices held in other companies and entities. In the summary table presented in Paragraph 4.2 above, in accordance with the provisions of the Corporate Governance Code for Listed Companies, information is provided on the number of positions of director and control that the members of the management body of FinecoBank have communicated that they hold in other companies listed in regulated markets (including foreign markets), in financial, banking insurance or large size companies.

(5) For the sake of completeness, please note that, in accordance with Article 2, paragraph 7, of the Legislative Decree no. 72 of May 12, 2015, when the management board is re-elected the new provisions of Article 26 of the Consolidated Law on Banking shall apply. In this regard, in the document containing the *"Assessment of the Qualitative and quantitative composition of the FinecoBank S.p.A. Board of Directors"* approved on February 7, 2017, the Board of Directors decided to make reference to the provisions of the CRD IV Directive (Directive 2013/36 / EU), which establishes that each Director may only simultaneously occupy one of the following combinations of board member position (in any kind of society, except for organizations that do not primarily pursue commercial objectives):
- 1 executive position and 2 non-executive positions;
- 4 non-executive positions;
with the specification that the following are considered as a single position of director: *(a)* offices as executive or non-executive director held within the same group; and *(b)* offices as executive or non-executive director held within companies in which the entity has a qualified holding (see Article 91). Neverthless without prejudice to the additional or different requirements on the subject that may arise from the enactment of the ministerial decrees implementing Article 26 of the Consolidated Law on Banking (as amended by the Legislative Decree no. 72 of May 12, 2015 to implement the CRD IV Directive into national law).

The table below, on the other hand, contains the list of those positions.

NAME	LIST OF OFFICES	COMPANY BELONGS TO UNICREDIT GROUP	
		YES	NO
Enrico Cotta Ramusino *Chairman*	Director, Salvatore Maugeri Foundation		x
Francesco Saita *Vice Chairman*	-	-	-
Alessandro Foti *Managing Director and General Manager*	-	-	-
Gianluigi Bertolli *Director*	-	-	-
Mariangela Grosoli *Director*	-	-	-
Pietro Angelo Guindani *Director*	Chairman, Vodafone Italia S.p.A. Director, ENI S.p.A. Director, Salini-Impregilo S.p.A.	- - -	x x x
Girolamo Ielo *Director*	-	-	-
D'Onofrio Manuela *Director*	-	-	-
Laura Stefania Penna *Director*	Director, BANK PEKAO	x	

4.2.2. Induction initiatives and ongoing training

During the Year, at the request of the Chairman of Board of Directors and also taking into account the information received from the Directors during the previous self-assessments, three induction meetings were held involving the following matters: "*Transactions in financial derivatives*"; "*The management of the Personal Financial Advisors Network: controls, verifications and actions*" "*Risk Appetite in the new European regulatory environment and Credit Assessment, Reporting and Pricing of products*".

In addition, as required by the Supervisory Regulations on Corporate Governance, during 2016 and off-site meeting was held on the subject of the initial introduction of the FinecoBank plan.

4.3 Role of the board of directors (pursuant to Article 123-*bis*, paragraph 2, letter d), Consolidated Law on Finance)

4.3.1 Duties

Pursuant to current regulations for companies with shares listed on regulated markets and in accordance with the recommendations of the Corporate Governance Code, the Board of Directors plays a central role in the Company's governance system.

Article 17 of the By-laws requires that the Board of Directors be vested with the broadest powers for the ordinary and extraordinary management of the Company, without any exception whatsoever, and the power to carry out all the activities that it deems necessary to achieve the corporate purposes, except for those powers that are reserved by law to the Shareholders' Meetings.

The matters under the sole responsibility of the Board include the general guidelines, as well as the adoption and amendment of the Bank's industrial, strategic and financial plans.

In particular, in addition to those duties and powers that cannot be delegated under law, in accordance with the By-laws and the Corporate Bodies Regulations, the Board of Directors has exclusive jurisdiction over the following matters:

- the general guidelines, as well as the adoption and amendment of the Bank's industrial, strategic and financial plans, within the framework of the directives imparted by UniCredit;

4. Board of Directors (Continued)

- the appointment and dismissal of the Chief Executive Officer and/or the General Manager and Deputy General Manager(s) and of the nominated official in charge of drawing up company accounts;
- assessments on the general performance of company management ();
- adjustments to the By-laws to bring them in line with legal requirements;
- corporate mergers and demergers in the cases provided under Articles 2505 and 2505 *bis* and 2506 of the Civil Code;
- the reduction of capital in the event of shareholder withdrawal;
- guidelines on which Directors, in addition to those indicated in these By-laws, may represent the Company;
- the establishment of committees or commissions with advisory, deliberative or coordination functions;
- the risk management policies, as well as the evaluation of the functioning, efficiency and effectiveness of the internal control system and the adequacy of the organisational, administrative and accounting structure within the framework of the directives issued by UniCredit;
- the purchase and sale of investments in associates and joint ventures, companies and/or company divisions, without prejudice to the provisions set out in Article 2361, paragraph 2, of the Civil Code;
- the purchase and sale of property;
- the approval and amendment of internal regulations;
- the appointment and dismissal of the heads of the Internal Audit, Compliance and Risk Control functions, having consulted the Board of Statutory Auditors;
- the opening and establishment, also for the purpose of structuring the signing authority, in Italy and abroad, of, in Italy and abroad, of secondary offices, branches, agencies, counters and representation offices, however named, as well as closing them.

In accordance with the Supervisory Regulations on Corporate Governance and the Corporate Governance Code for Listed Companies, consistent with the provisions of the By-laws and the Corporate Bodies Regulations, the Board of Directors, *inter alia*:

(a) defines the nature and the level of risk consistent with the strategic objectives of the Bank, including in its assessment all those risks that could be relevant in view of sustainability in the medium to long term of the Bank's activity; approves the business model while being aware of the risks to which this model exposes the Bank; formalises policies for the management of those risks to which the Bank may be exposed, as well as the risk objectives and tolerance thresholds;

(b) approves the Bank's organisational and corporate governance structure, ensuring clear separation of tasks and functions, the prevention of conflicts of interest, the corporate structure and the models/guidelines for governance;

(c) approves the accounting and reporting systems;

(d) approves the policies and processes for the assessment of corporate activities and, in particular, the financial instruments, ensuring the ongoing appropriateness; they also establish the bank's maximum exposure limits for financial instruments or products that are uncertain or difficult to measure;

(e) approves the process for the development and validation of the internal risk measurement systems not intended for regulatory purposes, periodically assessing its correct functioning; also approves the adoption of internal risk measurement systems for assessing capital requirements, periodically checking their validity and adopting – annually, and after consulting the Board of Statutory Auditors – a formal resolution regarding compliance with the requirements for the use of such systems;

(f) defines the process for approval of new products and services, the commencement of new business and the entry into new markets;

(g) approves the company's policy on the outsourcing of business functions;

(h) in order to mitigate the bank's operational and reputational risks and encourage the dissemination of a culture based on internal controls, approves a code of ethics which must be complied with by all members of the corporate bodies and employees. The code defines the principles of conduct (e.g. rules of professional conduct and rules to follow in dealings with clients) of which company activities must be based on;

(6) Taking into account the information received from the authorised bodies, and periodically comparing the results achieved with those planned. In this regard, it is noted that this assessment was conducted monthly during the Year.

(i) approves the internal systems of reporting of violations;

(j) approves, with regard to ICT matters: *(i)* the development strategies of the information system and the reference model for the architecture of the system; *(ii)* the policy on information security; *(iii)* the guidelines relating to the selection of personnel with technical functions and the procurement of systems, software and services, including the use of outside suppliers, and promotes the development, sharing and updating knowledge on ICT; *(iv)* the organisational and methodological framework for the analysis of IT risk; *(v)* the IT risk appetite, regarding internal services and those offered to customers, in accordance with the risk objectives and the framework for the determination of risk appetite defined at corporate level; *(vi)* the corporate documents required by law for the management and supervision of the information system; the Board shall be informed at least once a year regarding the adequacy of the services provided and the support given by such services to the evolution of business operations compared to the costs incurred and, promptly, in the event of serious problems arising for the business from accidents and/or malfunctions within the information system;

(k) on the subject of business continuity: *(i)* defines the objectives and business continuity strategies of the service, ensuring adequate human, technological and financial resources; *(ii)* approves the business continuity plan and subsequent amendments as a result of technological and organisational adjustments, accepting residual risks not managed by the business continuity plan, and also promoting development, periodic monitoring and updating following significant innovations, or any deficiencies/gaps or risks that may occur; *(iii)* appoints the operating continuity plan manager; *(iv)* approves the annual plan for testing of business continuity measures and examines the test results documented in writing;

(l) defines the criteria for identifying the most significant transactions to be submitted for prior examination by the Internal Audit and Related Parties Committee, and decides on transactions with related parties and affiliated entities under the procedures adopted in this regard;

(m) determines the remuneration/incentive systems in favour of top management and the checks to ensure that such systems do not increase business risks and are consistent with long-term strategies;

(n) prepares and submits the remuneration and incentives policy to the Shareholders' Meeting, on an annual basis, and is responsible for its proper implementation;

(o) approves the processes concerning the provision of investment services and periodic testing of their adequacy.

Furthermore, the Board of Directors ensures that:

(i) the bank's structure is consistent with the activities carried out and with the business model adopted, avoiding the creation of complex structures which are not justified by an operational aim;

(ii) the implementation of the relevant framework for determining the Risk Appetite Framework ("RAF") is consistent with the approved risk objectives and tolerance thresholds (where identified); in this regard, the Board of Directors periodically assesses the suitability and effectiveness of the RAF and the compatibility between the actual risk and the risk objectives;

(iii) the strategic plan, RAF, Internal Capital Adequacy Assessment (ICAAP) process, the budget and internal control system are consistent, also bearing in mind the changing internal and external conditions within which the bank operates;

(iv) the quantity and allocation of capital and liquidity held is consistent with the risk appetite, the risk governance policies and the risk management process;

(v) in the case where the bank operates in jurisdictions lacking transparency or through especially complex structures, the Board assesses the related operational risks, especially those of a legal, reputational and financial nature, identifying oversight measures to mitigate them and ensure that they are effectively monitored;

(vi) the Board approves, at least once a year, the plan of activities (including the audit plan) and reviews the annual reports prepared by the corporate control functions (Compliance, Internal Audit and Risk Management). In this context, the Board also approves the long-term audit plan.

The Board of Directors also ensures the adoption of the directives issued by UniCredit in exercising the powers attributed to UniCredit as the parent company – by the relevant laws and regulations – to give instructions to the various legal entities of the Group.

Lastly, it is the exclusive task of the Board to report to the shareholders at the Shareholders' Meeting.

4. Board of Directors (Continued)

4.3.2 Meetings and functioning

The Board of Directors held 11 meetings during the Year, each with an average duration of 2 hours and forty minutes. For details of the percentage attendance by each directors see the table in Section 4.2 above.

For 2017, 13 (thirteen) meetings have been scheduled, of which 3 (three) have been already held at the date of approval of this Report.

The Chairman shall be responsible for planning the Board's schedule with regard to the agenda, based on input from the Managing Director and General Manager. The Chairman shall also ensure that enough time is dedicated to the topics in the agenda in order to permit an effective discussion, encouraging directors to actively contribute to the meetings.

Article 16 of the By-laws requires that the Company's Board of Directors be convened, also using telecommunication facilities, at the Registered Office or elsewhere, provided that it is in Italy by the Chairman (or his/her representative), usually at least once every three months and however any time the Chairman feels it necessary, or if requested in writing by the Managing Director or by least two Directors of the Board of Directors. A Board meeting may also be convened on the initiative of one permanent Statutory Auditor.

The Board of Directors shall be validly composed even without a call notice, provided that all Directors and permanent Statutory Auditors are present.

Article 16 of the By-laws envisages the possibility for participants of the Board of Directors' meetings to attend remotely, through audio-visual communication systems (video conference or conference call) where the conditions are in place to identify the attendees, allow their real-time participation in discussing the topics examined and receive, transmit and examine any documents not previously seen.

Pursuant to the Corporate Bodies Regulations, notice of meetings must be given to all Directors and permanent Statutory Auditors within a reasonable period of time, except in the case of emergency. The notice should include, except in cases where this is not possible due to confidentiality issues, the items on the agenda so that the attendees can read the issues ahead of time and come prepared to the meeting. The Corporate Bodies Regulations also provides that documentation in support of proposals and any information needed is provided to the Directors at least 3 (three) business days prior to the meeting (with the exception of the financial documents, that must be provided at least one business day before the meeting), so that the Directors are able to express an informed opinion on the issues being decided. In this regard, it is noted that – with regard to the Year – the above term was complied with.

The Chairman shall be responsible for planning the Board of Directors' schedule with regard to the agenda, based on input from the Managing Director and General Manager. Furthermore, the Chairman shall ensure that adequate information – both in terms of quality and quantity – on the items placed on the agenda are provided to all Board members, so as to allow the Board to make informed decisions on the business to be discussed and approved and shall endeavour to ensure that the necessary time is devoted to an effective discussion of the items on the agenda during the meetings, encouraging directors to actively contribute to the meetings.

The Chairman of the Board of Directors, also at the request of one or more Directors, may request the Managing Director and General Manager that the senior managers of the issuer and those of group companies, in charge of the pertinent management areas related to the Board agenda, attend the meetings of the Board, in order to provide appropriate supplemental information on the items on the agenda. In this regard, it is noted that – with regard to the year – there was effective attendance by the executives in the meetings of the Board of Directors.

Pursuant to Article 15 of the By-laws, the General Manager, if appointed, may take part, without voting rights, at the meetings of the Board of Directors. If a Managing Director has not been appointed, the General Manager shall take part in Board meetings with the power to make proposals.

In addition, pursuant to Article 16 of the By-laws, the Chairman may invite Deputy General Managers and other employees from the management team to take part in Board meetings.

Apart from the Board meetings, the Directors attend "off-site" meetings, in order to investigate and discuss strategic issues.

The independent directors shall meet at least once a year in an ad hoc closed session without the other Directors.

In these meetings, the role of Chairman is performed by an independent Director appointed at the first meeting of the independent Directors.

4.3.3 Self-assessment

The Board of Directors conducted the annual self-assessment on the functioning of the Board and its committees, as well as on their size and composition. The self-assessment was conducted in compliance with the provisions of the Corporate Governance Code for Listed Companies and the Supervisory Regulations on Corporate Governance, with the aid of the external consultant Egon Zehnder International S.p.A., as independent expert, which FinecoBank has already used in previous years.

The self-assessment also analysed the work carried out by the bodies during the year and examined the improvements achieved with respect to the weaknesses identified in the previous self-assessment.

More specifically, in accordance with the Corporate Bodies Regulations, the self-assessment, with the aid of the external consultant, consisted of: *(i)* a preliminary phase of information and data gathering through questionnaires completed between December 27, 2016 and January 13, 2017 – which formed the basis for the assessment; *(ii)* a phase of processing and preparation of the outcome of the process, with the identification of the strengths and weaknesses observed; *(iii)* a phase of preparation of the summary document on the results of the process, which concluded with the board discussion of the results.

* * *

The Board's self-assessment it clearly emerged that the Board composition set by Shareholders' at the previous election is adequate. Specifically, all directors agreed that the current size of the board of directors is just about optimal to make discussions and subsequent decision-making easier. The directors also agreed with the current balance between independent and non-independent directors, and recommended that it be retained when the new board is appointed.

Since the current term of office for the Board of Directors ends with the approval of the 2016 financial statements, the Directors as part of the board evaluation process also provided some guidance on the managerial and professional profile that FinecoBank directors (who will be appointed by the Shareholders' Meeting) should ideally meet. The results of those suggestions The document named "*Assessment of the qualitative and quantitative composition of the FinecoBank Board of Directors*" describes in detail such qualitative criteria (please see note 7 of this Report). That document also showed, ahead of the re-election of the Board, a desirable increase of minority shareholders' representatives within the administrative body, raising up to two the total number of directors expressed by the minorities themselves. The directors support the idea of building a governance system that provides stronger protection of minority interests. They believe this approach is in the interest of all shareholders and in line with best practices on the composition of listed companies' boards of directors

4.3.4 Competing activities

The Company has not authorised any exceptions to the non-competition clause pursuant to Article 2390 of the Civil Code.iv.

4.4 Executive bodies and officers

The Corporate Bodies Regulations establish that powers be delegated in such a way that does not deprive the Board of its fundamental rights and prerogatives.

The Board establishes the content of the delegated powers in a detailed, clear and precise manner, also indicating the limits in terms of quantity and amount, as well as the means of exercising the delegated powers; this will also allow the Board of Directors to accurately check that the delegated powers have been correctly complied with, as well the possibility to exercise its overriding executive and evocation rights.

4.4.1 Managing Director and General Manager

Pursuant to Article 15 of the By-laws, the Board of Directors may appoint a Managing Director, determining the term of office and the respective duties and powers, a General Manager and one or more Deputy General Managers, who form the Head Office, together with the other employees of this office.

The Managing Director or – where not appointed – the General Manager shall oversee the Head Office.

4. Board of Directors (Continued)

The Managing Director shall take up the powers and duties of the General Manager if the latter has not been appointed.

If a Managing Director and General Manager are appointed, both positions must be held by the same person.

The Managing Director, or where not appointed, the General Manager shall be responsible for implementing the resolutions passed by the Board of Directors, with the assistance of the Head Office.

If a Managing Director has not been appointed, the General Manager shall take part in the meetings of the Board of Directors with the power to make proposals and without voting rights.

The Managing Director and other Directors vested with particular responsibilities, as well as the General Manager, where no Managing Director has been appointed, shall report to the Board of Directors on their activities, according to the procedures and time limits established by the Board, in accordance with law.

The Managing Director or, where not appointed, the General Manager at the request of the Managing Director, shall be responsible for the implementation of the resolutions passed by the Board of Directors, with the assistance of the Head Office.

Effective July 1, 2014, the Board of Directors confirmed Alessandro Foti as Managing Director, also assigning him the role of General Manager, effective from the same date.

The Managing Director and General Manager is responsible for managing the company and does not fall within the interlocking directorate scenario envisaged by the Corporate Governance Code for Listed Companies (Application Criterion 2.C.5.).

4.4.2 Chairman of the Board of Directors

Pursuant to Article 14 of the By-laws, the Board of Directors shall elect a Chairman from amongst its members and – where appropriate – one or two Vice Chairmen, one of which will act as a stand-in. The Board of Directors shall elect the Chairman and Vice Chairman from amongst its members, who shall remain in office for the entire duration of the Board.

The Board of Directors appointed, by resolution on 15 April 2014, Mr. Enrico Cotta Ramusino as Chairman of the Board of Directors.

Article 10 of the By-laws, provides that the Chairman of the Board of Directors is responsible for presiding over the Shareholders' Meeting, as well as directing and moderating the discussions, establishing the voting procedures and confirming the results, in compliance with the provisions of current regulations and the procedures for Shareholders' meetings.

The Chairman of the Board of Directors has not been granted any management powers and therefore does not have any executive role. He also does not have a specific role in the development of the business strategies.

The Chairman does not hold, directly or indirectly, relevant shares in the Company's capital share.

4.4.3 Reporting to the Board of Directors

The Corporate Bodies Regulations require that the flow of information amongst and within Corporate Bodies is an essential condition for ensuring that the objectives of efficient management and effective control of the company are actually achieved.

In order to ensure the continuous and comprehensive flow of information amongst and within the corporate bodies, the Board is called on to approve and oversee the maintenance and update of a structured information flow system over time that regulates the circulation of information and ensures the correct flow in a timely and comprehensive manner, whilst respecting the responsibilities of the various bodies with supervisory and control functions.

The analytical identification of these flows, their content and timing was carried out by the Board of Directors, among other places, in the "*Document on the corporate bodies and functions with supervisory tasks"* approved by it. With regard to transactions with related parties and associated

persons, please refer to the "*Procedures for the management of transactions with persons in conflict of interest*" (below "**RPT Procedures**") and information flows therein [7].

The Corporate Bodies Regulations of FinecoBank identify the persons required to submit, on a regular basis, information flows to the corporate bodies and describes the minimum content and the timing of the main participation flows.

Furthermore, in order to implement the necessary organisational controls for the proper management of information flows and to provide the necessary information on other aspects (forms, tasks and duties and other content), not covered in the Regulation, approves specific organisational procedures are adopted that accurately describe the activities and controls related to the "*Management of the Board of Directors*", the "*Management of inside information*", in relation to the complexity of the information processed, as well the "*Procedures for the management of transactions with persons in conflict of interest*".

Article 21 of the By-laws provides that the decisions made by those with delegated powers must be disclosed to the Board according to the procedures and frequency (at least quarterly) established by the Board. In particular, the executive bodies and officers shall report to the Board of Directors and the Board of Statutory Auditors, at least on a quarterly basis, on the general performance of the company, the business outlook, and transactions that have a significant effect on the results of operations and financial position – with particular regard to those that could potentially give rise to conflict of interest – carried out by the Company and its subsidiaries.

In this regard, the delegated bodies reported to the Board of Directors and the Board of Statutory Auditors, on at least a quarterly basis, on the activities performed in the exercise of their delegated powers.

4.5 Other executive directors

At the date of approval of this Report, no other Directors have been granted management powers besides the Managing Director.

4.6 Independent directors

At the date of approval of this Report, the Board of Directors had five independent Directors pursuant to Article 3 of the Corporate Governance Code for Listed Companies, as identified below.

Subject to that already stated in paragraph 4.2 above regarding the procedures and timing for the verification of the independence of the directors, please note that the Board of Directors: *(i)* pursuant to Article 144-*novies*, paragraph 1-*bis*, of the Issuer Regulations and Application Criterion 3.C.4. of the Corporate Governance Code for Listed Companies, assessed, at the first available opportunity after the appointment, the possession of the independence requirements by each of the non-executive directors and disclosed the results of its assessments through a press release; *(ii)* assessed, before the approval of this Report, the continued status of independence of the Directors. To enable the Board of Directors to assess the position of the requirements of independence by its members, each Director was asked to make a personal updated assessment of their status of independence, taking into account the criteria set out in Articles 147-*ter*, paragraphs 3 and 4, and 148 paragraphs 3 and 4, of the Consolidated Law on Finance and Article 3 of the Corporate Governance Code for Listed Companies, providing a specific certification in that regard.

Having received an opinion from the Remuneration and Appointments Committee on February 2, 2017, the Board of Directors, in its meeting of February 7, 2017, verified the existence of the independence requirements for Directors, pursuant to Article 148 of the Consolidated Law on Finance and Article 3 of the Corporate Governance Code for Listed Companies. In performing the above assessments, the Board of Directors applied all the criteria established by the Corporate Governance Code for Listed Companies.

The results of this verification are as follows:

- *Independent Directors pursuant to Article 148 of the Consolidated Law on Finance and Article 3 of the Corporate Governance Code for Listed Companies*: Francesco Saita, Gianluigi Bertolli, Mariangela Grosoli, Pietro A. Guindani, Girolamo Ielo;

(7) The RPT Procedures are available at the following address on the FinecoBank website: https://images.fineco.it/pub-fineco/pdf/corporate/Procedures-for-the-management-of-transactions-with-persons-in-conflict-of-interest.pdf.

4. Board of Directors (Continued)

- *Independent directors pursuant to Article 148 of the Consolidated Law on Finance*: Enrico Cotta Ramusino;
- *Non-independent directors pursuant to Article 148 of the Consolidated Law on Finance*: Alessandro Foti, Manuela D'Onofrio, Laura Stefania Penna.

The Board of Statutory Auditors ascertained the correct application of the assessment criteria and procedures adopted by the Board for evaluating the independence of its members. In this regard, the results of the checks carried out will be made known in the annual report to the shareholders' meeting which will be published together with the annual report and accounts at December 31, 2016 in accordance with the procedures and timing established by law.

According to the Criteria 3.C.6 of the Corporate Governance Code for Listed Companies, the Independent Directors meeting took place on April 1, 2016. The Independent Directors met to discuss corporate governance issues without the presence of the other directors.

4.7 Lead Independent Director

As the conditions envisaged by the Code for such an office do not exist, the Board of Directors has not appointed any independent Director as lead independent director [8].

(8) In accordance with Application Criterion 2.C.3. of the Corporate Governance Code for Listed Companies, the Board of Director designates an independent director as the lead independent director in the following cases: *(i)* if the chairman of the board of directors is the chief executive officer; *(ii)* if the office of chairman is held by the person that controls the issuer; *(iii)* if the issuer is part of the FTSE-Mib index when has been requested by the majority of the independent directors.

5. Processing of company information

In compliance with Stock Exchange Regulations and relative Instructions, as well as relevant provisions of the Consolidate Law on Finance and Issuer Regulations, which require directors and statutory auditors to keep documents and information acquired in performing their duties confidential, the Board of Directors' Rules and Corporate Bodies Regulations assign the Board the responsibility for establishing the procedures for the internal management and disclosure of documents and information on the Company, also with reference to inside information.

In the meeting of 15 April 2014, the Board of Directors approved the procedure for the processing of inside information (hereinafter, the "**Procedure for processing Inside Information**").

The aim of the Procedure for processing Inside Information is to prevent the processing of Inside Information (as defined below) in a manner which is not prompt, is incomplete or inadequate and in any case may result in inconsistent disclosure.

In particular, the disclosure of Inside Information, as regulated by this Procedure, makes it possible to protect the market and investors, giving them adequate knowledge of matters concerning the Issuer, on the basis of which they may make investment decisions.

The Procedure for processing Inside Information also aims to prevent some persons or categories of persons from acquiring information which is not in the public domain in order to carry out speculative transactions on markets to the detriment of investors, that are not aware of this information.

The Procedure explains:

- with reference to FinecoBank as the entity controlled by the listed issuer UniCredit, the process to assess inside information concerning UniCredit, as well as requirements for managing the List of Persons who have access to the inside information (hereinafter, the "**UCI List**");
- with reference to FinecoBank as a listed issuer, the process to assess and disclose inside information concerning FinecoBank, as well as requirements for managing the List of Persons who have access to this information (hereinafter, the "**Fineco List**").

The Procedure regulates the management of company information (meaning all information and data concerning Fineco, UniCredit and/or other Group companies, which is not in the public domain, acquired by persons required to comply with the Procedure, in performing their duties), with particular reference to "*Inside Information*" as defined in Article 181 Consolidate Law on Finance.

It establishes, firstly, the obligation for all persons that perform activities within the Group to keep company information acquired in performing their duties confidential and to use this information exclusively for carrying out their duties.

The Procedure for processing Inside Information now establishes:

(a) responsibility for assessing whether information is classified as inside information, also for the purpose of disclosure to the public, shall be assigned,

- as regards information relative to UniCredit, to the Planning, Finance and Administration Department (hereinafter, the "**UCI CFO**"), assisted as necessary by the Group Investor Relation Department and the Legal & Compliance Department, for areas in their responsibility;
- as regards information relative to the Company, to the Chief Financial Officer of FinecoBank (hereinafter, the "**FinecoBank CFO**") assisted, as required by heads of Investor Relations, Legal and Compliance, for areas in their responsibility. In any case, the FinecoBank CFO shall notify the UCI CFO of its assessments, to verify whether inside information relative to the Issuer may also have an impact on UniCredit.

In particular, the Procedure for processing Inside Information establishes that anyone who has inside information relative to UniCredit and/or Fineco and/or the Group shall promptly report the circumstance – as necessary – to the FinecoBank CFO and/or UCI CFO to allow for an assessment of the inside nature of the information disclosed and to take the necessary measures to correctly manage the information, including its prompt disclosure to the market, as applicable;

(b) appropriate, effective measures to ensure the confidentiality of information until it is disclosed to the public shall be adopted.

To this end, FinecoBank has established a "List of persons who have access to inside information" which is price sensitive, as regards the Company's shares, in compliance with applicable regulations. It has also established a process to add data to, update and maintain the List, identifying the head of the Company's Compliance function as the person responsible for the management of the Fineco List.

5. Processing of company information (Continued)

With reference to price sensitive information about UniCredit shares, the Issuer has assigned UniCredit to keep the UCI List, that shall add data to the list, notified as and when necessary by the Compliance function of the Issuer;

(c) FinecoBank's CFO shall be responsible for assessing disclosure to the public of information about the Company, and – in agreement with the UCI CFO – the advisability of delaying disclosure to the public of Inside Information, in cases specifically indicated by the Procedure for processing Inside Information;

(d) the FinecoBank CFO and the Head of Investor Relations shall be responsible for preparing press releases in which Inside Information is disclosed, assisted by Company units involved and with the equivalent units at UniCredit (if UniCredit is also required to disclose the same information);

(e) FinecoBank's CFO shall be responsible for sending the prepared press release to the UCI CFO, so that he/she, if the Inside Information is also relevant for UniCredit shares, may submit it to the Board of Directors of UniCredit for approval or, when relative to delegated transactions, to the Chairman, Managing Director, General Manager or one of the Deputy General Managers, for areas in their responsibility;

(f) the press release shall be disclosed, subject to approval from the Managing Director of the issuer, via the "eMarket-SDIR" system, to Borsa Italiana and Consob.

As established by the procedure, if the press release concerns particularly significant events, the Head of Media Relations and Executive Communications, assisted by the Legal & Compliance Unit, informs Consob and Borsa Italiana before sending the press release.

Press releases are published on the Company's website before the opening of the market on the day after disclosure and are available on the site for at least five years from publication.

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In compliance with provisions set forth in Article 114, paragraph 7, of the Consolidate Law on Finance and Articles 152-*sexies* et seq. of the Issuer Regulations – and in order to reflect changes in laws resulting from the entry into force of Regulation (EU) No. 596/2014 of the European Parliament and Council of April 16 2014 - on Market Abuse (Regulation on market abuse) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Directives 2003/124/EC, 2003/125/EC and 2004/72/EC of the Commission – on September 20, 2013 the Board of Directors approved the current version of the code of conduct on internal dealing, which regulates the management, processing and disclosure of information relative to transactions on FinecoBank's listed shares and debt instruments (and on the derivatives and financial instruments connected to them) undertaken by insiders and by persons strictly related to them (hereinafter, the "**Internal Dealing Code**"). This procedure regulates disclosure obligations to be complied with and conduct to be observed by the above persons and by FinecoBank in order to ensure maximum transparency in disclosure to the market.

The main aim of the Internal Dealing Code is to improve transparency and uniformity in disclosure relative to financial transactions undertaken by the above persons, to give investors an idea of how these persons perceive the prospects of the company and/or the group it belongs to. Thus the Code does not directly address whether significant persons have acquired confidential information and used said information unlawfully (a conduct which instead constitutes the offence of insider trading), assuming that the undertaking of certain financial transactions by particular persons considered "significant" (*i.e.* by persons that, due to their position, are able to acquire information on matters of the company and the group it belongs to), is, per se, price sensitive.

The Internal Dealing Code identifies "Significant Persons" and "Closely-Related Persons" to the Significant Persons in compliance with the Issuer Regulations and establishes that "Material Transactions" (and thus which are subject to the disclosure obligations of the Internal Dealing Code) are transactions concerning the purchase, sale, underwriting or exchange of shares and debt instruments issued by FinecoBank (admitted to trading – or for which an application has been made for admission to trading – in a regulated market or and MTF), or derivatives or other financial instruments linked to those instruments carried out by the above persons, directly or through intermediaries, trusts or subsidiaries. The Internal Dealing Code also identifies some types of transactions which are exempt from disclosure obligations.

The Internal Dealing Code also contains regulations on the management, processing and disclosure of information relative to these transactions. To this aim, it regulates:

(a) disclosure obligations of Significant Persons *vis-à-vis* the Company;

(b) disclosure obligations of Significant Persons and the Company vis-à-vis Consob;

(c) cases in which the undertaking of transactions on financial instruments by Significant Persons is prohibited or limited.

In compliance with the Internal Dealing Code, the Bank's Compliance Officer is the Officer Responsible for providing information to the public and to Consob with regard to the Declaration given by the Relevant People.

6. Internal Committees of the Board of Directors (pursuant to article 123-*bis*, paragraph 2, letter d), consolidated law on finance)

At the date of approval of this Report, the Board of Directors had to committees with proposal, consultation and coordination functions: *(i)* Audit And Related Parties Committee; and *(ii)* Remuneration and Appointments Committee.

In this regard, it is noted that, for reasons of efficiency and simplification of the governance structure, the Company considered it appropriate to make use of the option allowed by the Corporate Governance Code to combine the functions of its Appointments Committee and Remuneration Committee into one committee, as described in further detail below. It is noted, however, that in the document containing the "*Assessment of the qualitative and quantitative composition of the Board of Directors of FinecoBank*" approved by resolution of the Board of Directors of February 7, 2017, in view of the forthcoming re-election of the management body of the Company (please see note 7 of this Report), the management body, in accordance with the Supervisory Regulations on Corporate Governance, recommends that three board the committees be appointed instead of the two currently present (namely *(i)* an Appointments Committee, *(ii)* a Remuneration Committee and *(iii)* a Risks and Related Parties Committee), hoping that each committee, as well as the three members that should constitute each of them, confirms the exclusive presence confirmed of independent directors in accordance with the Consolidated Law on Finance and the Corporate Governance Code for Listed Companies.

In the performance of their duties, the committees set up within the Board of Directors are entitled to access the company's information and functions required for the performance of their respective tasks. Furthermore, the committees may avail themselves of external advisers at the Company's expense, within the budget limits approved by the Board of Directors. The committees established within the Board of Directors are described below.

6.1 Audit and related-parties committee

FinecoBank's Board of Directors, by resolution of June 17, 2008, established the Audit Committee (now the Audit and Related Parties Committee) to provide support with information, advisory, recommendation and investigation functions, using a risk-oriented approach to identify the guidelines for the entire internal control system and assess its effectiveness and efficiency, so that key risks are correctly identified, as well as adequately measured, managed and monitored, with the Board of Directors responsible for making any decisions on the matter.

The Audit and Related Parties Committee's mission includes assessing the proper use of the accounting principles for drawing up the financial statements and supervising the efficacy of the audit process and the activities of the auditors.

The aforementioned Committee is also responsible for related-party transactions pursuant to Regulation adopted by Consob Resolution no. 17221 of 12 March 2010 and with associated persons pursuant to the applicable Supervisory Regulations on Corporate Governance.

6.1.1. Composition

The Board of Directors appointed new members of the Audit and Related-Parties Committee on 15 April 2014, in application of the provisions referred to in Article 37 of the Market Regulations, according to which – since FinecoBank is subject to the management and coordination of UniCredit – all members of this Committee must be independent directors.

Furthermore, in accordance with Principle 7.P.4 of the Corporate Governance Code, under which at least one member of the committee is required to have an adequate experience in the area of accounting and finance or risk management, all members of the Committee meet the requirements indicated above.
The members of the Committee shall remain in office for as long as they are members of the Board of Directors, unless a shorter term is decided on at the time of their appointment. They may resign as member of the Committee, without this necessarily entailing resignation from the Board of Directors.
If, for any reason whatsoever, a member no longer holds the position, the Board of Directors will replace the member. The expiry of the new member's term of office coincides with that of the outgoing member. If the Chairman of the Committee ceases to hold office, the Board of Directors will appoint a new Chairman with the decision to appoint the replacement member.

At the date of approval of this Report, the composition of the Audit and Related Parties Committee was as follows:

NAME	EXECUTIVE	NON-EXECUTIVE	INDEP. CODE	INDEP. CONSOLIDATE LAW ON FINANCE	%(*)	(**)
Francesco Saita		X	X	X	100%	C
Pietro Angelo Guindani		X	X	X	92.30%	M
Mariangela Grosoli		X	X	X	100%	M
No. of Committee meetings: 13(*)						

(*) This column shows the percentage attendance at Committee meetings (no. of attendances/ no. of meetings held during actual period office of the person concerned during the Year).
(**) This column shows the position of the director within the Committee ("C": Chairman; "M": member).

All the members of the Audit and Related Parties Committee will end their term of office at the time of the next Shareholders' Meeting called to approve the annual financial statsment at December 31, 2016.

6.1.2. Functioning

In compliance with the provisions set forth in Criterion 4.C.1 of the Corporate Governance Code, the composition, functioning, organization and activities of the Audit and Related Parties Committee are regulated by the specific section of the Corporate Bodies Regulations.

The Committee shall meet, also by means of telecommunication media, as often as necessary to perform its functions, as well as at the request of any of its members or the Chairman of the Board of Statutory Auditors, through a notice of call sent by the Chairman of the Committee, also through the Secretary of the Committee, usually at least three days before the scheduled date of the meeting. In case of an emergency, determined to be so by the Chairman of the Committee, meetings may be convened with one day notice.

The notice it can also be sent via fax or email and shall state the date, time and venue of the meeting, together with the list of items to be discussed. The Committee shall be considered valid with the presence of the majority of its members in office and with the absolute majority vote of those present for resolutions.

In the event the Chairman is absent or incapacitated, the oldest member of the Committee shall act as Chairman.

Should the Chairman of the Committee so decide, their meetings may be held using telecommunication means, provided that each attendee can be identified by all the other attendees, and that each attendee is able to intervene in real time during discussions, and is able to receive, transmit and view the documents.

The minutes of the Committee meetings shall be transcribed briefly by the Secretary, who need not be a member of the Committee. The minutes contain, amongst other things, the reasons for any disagreements expressed by the Committee members. The Secretary shall retain the minutes of the meeting for consultation by Committee members who did not attend the meeting, as well as Directors and Statutory Auditors. The Chairman of the Committee shall report on the meeting held to the next available Board of Directors' meeting.

The Nominated Official in charge of drawing up company accounts, the head of the Internal Audit function and the Chairman of the Board of Statutory Auditors, or other permanent statutory auditor by him designated, shall participate in the Committee meetings; executive directors, senior managers of the Company and external auditors may be invited to attend the meetings for specific issues.

The Chairman of the Board of Directors and the Chief Executive Officer of the Company are entitled to participate in the meetings.

In carrying out their duties, the Committee may rely on adequate financial resources for the performance of their duties, within the limits of the budget approved annually by the Board of Directors.

The Shareholders' Meeting resolves the annual remuneration for the members and/or an attendance fee for participating in the Audit and Related Parties Committee.

The Corporate Bodies Regulations also lay down the rules for temporary replacement of a Committee member with reference to, in particular, cases where the Committee is called on to express an opinion on transactions with related parties and/or associated persons.

6. Internal Committees of the Board of Directors (pursuant to article 123-*bis*, paragraph 2, letter d), consolidated law on finance) (Continued)

In this regard, the Corporate Bodies Regulations, after making it clear that, for each transaction considered, the members of the Audit Committee must be different from the counterparty and parties related thereto, establishes that, in the event a member of the Committee is a counterparty of the transaction (or a person associated to the counterparty), they must promptly inform the Chairman of the Board of Directors and the Chairman of the Committee about this situation, and refrain from taking part in any further work of the Committee concerning the relevant transaction.

In this event, the Chairman of the Board of Directors, having consulted with the Chairman of the Audit Committee, immediately replaces the member who is in conflict of interest by appointing, after having contacted him/her, another independent and unconnected member of the Board of Directors.

In case of transactions with related parties and/or associated persons whose completion is urgent and for which the Committee is involved in the negotiation and diligence phases and/or when issuing an opinion, the Chairman of the Audit and Related-Parties Committee, after having acknowledged the urgency of the transaction and having established that the majority or all members are unavailable to meet or to carry out the required activities in time for the transaction to be concluded, shall promptly notify the Chairman of the Board of Directors of this situation.

This communication must be sent no later than the day after the Chairman of the Committee learns that the majority or all of the members are unavailable.

The Chairman of the Board of Directors, having consulted with the Managing Director to assess the actual urgency of the transaction, shall immediately reform the Committee by appointing the required number of Independent Directors, following the same procedure followed for temporary replacement of a member in case of a conflict of interest (appointment of the replacement(s) from amongst the independent members of the Board of Directors).

The above shall also apply if the unavailability of the majority is due to the resignation of a member of the Committee.

6.1.3 Duties and Responsibilities

In accordance with the recommendations contained in Criteria 7.C.1 and 7.C.2 of the Corporate Governance Code for Listed Companies, the role of the Committee is to provide information, advice, make proposals and enquiries, in defining, based on a risk-oriented approach, the guidelines for the entire internal control system, and to assess its effectiveness and efficiency, so that the main risks are properly identified, as well as appropriately measured, managed and monitored, without prejudice to the Board of Director's power to make all decisions on the issue at hand.

The Committee helps to promote a corporate culture that values the control function, steering it towards a risk-oriented approach.

The Committee's mission includes assessing the proper use of the accounting principles for drawing up the financial statements and supervising the efficacy of the audit process and the activities of the auditors.

The Committee is also responsible for related-party transactions in accordance with the Regulation on transactions with related parties and associated persons pursuant to the Supervisory Regulations on Corporate Governance.

The Audit Committee, among other things:

(a) in relation to the model for outsourcing audits adopted by the Bank (please see Section 11.2 below) is called upon to perform the following activities:

- acting as a liaison between the Bank and the Group's Independent Auditors, in line with the instructions provided by the Appointed Director and the Regulatory Authority;
- verifying that the service levels covered by outsourcing contracts for audit activities are complied with at all times, providing support to the Board of Directors and Appointed Director in evaluating the adequacy of the services received, and verifying that the audits conducted by the internal audit function are primarily based on the constantly updated risk assessment analyses;
- monitoring compliance with Group Audit Standards and the Group Audit Policies;

(b) identifying and proposing to the Board of Directors, making use of the Remuneration and Appointments Committee, the heads of the Compliance, Internal Audit and Risk Management functions to be appointed;

(c) helping to identify internal control system guidelines, based on a risk-oriented approach, so that the main risks concerning the Company are correctly identified and adequately measured, managed and monitored, which it concludes with assessments and the making of recommendations to the Board of Directors on compliance with the principles with which the system of internal controls and business organisation need to be defined and the requirements that need to be met by the Compliance, Internal Audit and Risk Management functions, bringing to the attention of the Board any weaknesses, along with the resulting corrective actions to be promoted;

(d) reporting to the Board of Directors, at least every six months, when the annual financial statements and the half-yearly financial statements are approved, on activities carried out and the adequacy of the internal control and risk management system;

(e) makes a prior examination of the activity schedules (including the Internal Audit plan) and the annual reports by the Compliance, Internal Audit and Risk Management functions as submitted to the Board;

(f) examines the periodic reports and audit reports produced by the internal audit function, and evaluating any findings, following actions taken to remedy deficiencies/anomalies identified, as well as the implementation of corrective measures proposed and adoption of suggested recommendations;

(g) supports, with proper preliminary investigation, the assessment and decisions of the Board of Directors in relation to the management of risks arising out of prejudicial acts of which the Board of Directors is aware;

(h) contributes, through assessments and opinions, to the definition of the company's policy of outsourcing control functions;

(i) verifies that the Compliance, Internal Audit and Risk Management functions conform exactly to the indications and guidelines of the Board and assist the latter in preparing the coordination documents required by the Supervisory Regulations;

(j) evaluates the proper use of accounting standards and their uniformity for preparing the financial statements, in conjunction with the company financial reporting officer and external auditors;

(k) examines the process of formation of infra-annual reports required by law, as well as the annual financial statements, on the basis of the relevant departments in charge of the applicable functions;

(l) evaluates the proposals made by external auditors seeking to obtain the relevant appointment, including the amount of their remuneration;

(m) oversees the audit process, reviewing the audit work plans and the findings contained in the audit report and any letter of recommendations;

(n) meets with the external auditors at least once a year;

(o) examines the reports received from the Board of Statutory Auditors, from the Supervisory Board under the Legislative Decree no. 231 of June 8, 2001, and the Regulatory Authorities, assessing the findings therein and ensuring the rectification of any abnormal situations and possible deficiencies noted therein;

(p) it may ask the Internal Audit function to make assessments on specific operating areas, giving simultaneous notice to the Chairman of the Board of Statutory Auditors, the Chairman of the Board of Directors and to the Supervisory Director;

(q) expresses its opinion on the corporate governance report to the Board of Directors, for the purposes of describing the main features of the internal control and risk management system, and its evaluation on its adequacy;

(r) formulates preliminary opinions (binding, where appropriate) on procedures for the identification and management of transactions with related parties and/or associated persons carried out by the Company as well as on the relevant changes thereof;

(s) formulates preliminary, reasoned opinions, when explicitly required, also in the interest of carrying out transaction with related parties and/or associated persons to be completed by the Bank, and on the appropriateness and fairness of the relative terms and conditions;

(t) in case of material transactions with related parties and/or associated persons, the Committee is involved – if considered necessary by the Committee, through one or more of its members – in the negotiation and the preliminary investigation phase by being sent a complete and prompt stream of information, with the right to request information and make observations to the appointed bodies and persons in charge of conducting the negotiations or diligence phases.

6. Internal Committees of the Board of Directors (pursuant to article 123-*bis*, paragraph 2, letter d), consolidated law on finance) (Continued)

With particular reference to the tasks in matters of risk management and control, the Committee performs support functions to the Board:

- in the definition and approval of strategic guidelines and the risk management policies, with particular reference to risk appetite and the risk tolerance threshold;
- in the verification of the correct implementation of strategies, governance policies on risk and the Risk Appetite Framework (RAF);
- in the definition of policies and processes for evaluating company activities, including verification such that the price and conditions of transactions with customers are consistent with the business model and strategies as regards risk.

Without prejudice to the powers of the Remuneration and Appointments Committee, the Committee ensures that the incentives underlying the remuneration and incentive system are consistent with the RAF, particularly in view of capital and liquidity risks.

6.1.4 Activities performed

During 2016, the Committee carried out the duties assigned to it by the Board of Directors, operating with advisory and recommendation functions with regard to the topics concerning the internal control system and management of risk.

In this respect, it met 13 (thirteen) times, with an average duration of three hours, examining the results of the activities performed by the control functions (audit, compliance and risk management) through an in-depth analysis of the quarterly reports prepared by said functions. The Committee also examined the annual report prepared by the head of the Accidents and Controls function (relating to the controls carried out on the work of the network of personal financial advisors authorised to sell the bank's products outside its premises), the periodic reports on the work carried out by the competent units in relation to anti-money laundering and anti-terrorist financing, and the process for the preparation of the periodic accounting statements, assessing the proper use of the accounting principles for the preparation of the annual financial statements.

With regard to transactions with related and/or associated parties, it drew up, in the cases expressly envisaged by the internal procedures, preventive and justified opinions on the Bank's interest in carrying out said transactions and on the advantage and substantial fairness of the relative conditions.

Particular attention was paid to examining the risk and governance aspects connected to the use of funds from customer deposits, as well as analysis of outsourced services contracts.

The Committee also monitored the insourcing of the Compliance function and the Investor Relations function and examined the pricing, assessment and reporting procedures used for the management of credit, with a specific focus on the policy for granting residential mortgages to current account holders of the Bank.

The meetings of the Committee were attended, in accordance with the requirements described above and upon invitation by the committee, by people who were not members in regard to individual items on the agenda.

For this year (*i.e.* 2017 financial year), 13 meetings of the Committee were scheduled, of which 4 have already been held.

7. Remuneration and Appointments Committee

Without prejudice to that already stated in Section 6 above, regarding the incorporation of the related functions within a single committee, it is noted that, at the date of approval of this Report, the composition of the Remuneration and Appointments Committee was as follows:

NAME	EXECUTIVE	NON-EXECUTIVE	INDEP. CODE	INDEP. CONSOLIDATE LAW ON FINANCE	%(*)	(**)
Gianluigi Bertolli		X	X	X	100%	C
Mariangela Grosoli		X	X	X	92%	M
Girolamo Ielo		X	X	X	100%	M
No. of Committee meetings: 13						

(*) This column shows the percentage attendance at Committee meetings (no. of attendances/ no. of meetings held during actual period office of the person concerned during the Year).
(**) This column shows the position of the director within the Committee ("C": Chairman; "M": member).

All the members of the Remuneration and Appointments Committee will end their term of office at the time of the next Shareholders' Meeting called to approve the annual financial statement at December 31, 2016.

For the additional information requested with regards to the set-up, tasks and functioning of the Remuneration Committee, please refer to the Chapter "*Remuneration and Appointments Committee*" of the "*Annual Remuneration Report*" published, within the context of the "2017 FinecoBank Compensation Policy", according to Article 123-*ter* of the Consolidated Law on Finance, Article 84-*quater* of the Issuer Regulations and the provisions set forth in Title IV, Chapter 1, Table 15 of Bank of Italy Circular no. 263.

8. Remuneration Committee

As a single Remuneration and Appointments Committee has been established, please see Section 7 above.

9. Remuneration of Directors

For the information requested with regard to the compensation for the executive directors, the non-executive directors and the key management personnel and for that concerning the indemnities to directors in the event of resignation, dismissal or termination of employment following a public purchase offer (as per Article 123-*bis*, paragraph 1, letter i), of the Consolidated Law on Finance), please refer to the Chapter "*Remuneration paid to the members of the Management and Control Bodies, the General Managers and other Key Management Personnel*" contained in the "*Annual Compensation Report*" published – as part of the "*2017 FinecoBank Compensation Policy*" – according to Article 123-*ter* of the Consolidated Law on Finance, to Article 84-*quater* of the Issuer Regulation (as amended by resolution 18214 of May 9, 2012) and the provisions set forth in Title IV, Chapter 1, Table 15 of Bank of Italy Circular no. 263.

10. Control and risks committee

The functions that the Corporate Governance Code assigns to the Control and Risks Committee have been assigned to the Audit and Related Parties Committee.

11. Internal control and risk management system

The internal control system is a fundamental part of the overall governance system of banks. It has a central role in the organisation and ensures the effective monitoring of risk, so as to guarantee that operations are in line with company strategies and policies and based on principles of sound and prudent management.

An efficient and effective internal control system forms the basis for creating value in the medium and long term, for safeguarding the quality of operations and for a correct perception of risk and appropriate allocation of capital.

The Company's internal control system is based on the principles of the Corporate Governance Code for Listed Companies, applicable regulations and best practices, and:

- concerns control function and positions, involving within their area of responsibility, the Board of Directors, the Audit and Related-Parties Committee, the Internal Control System and Risk Management System Director, the Board of Statutory Auditors, as well as company functions with specific internal control duties;
- establishes procedures for entities involved in the internal control and risk management system to work together.

On 15 April 2014, the Board of Directors, in compliance with Stock Exchange Regulations and relative Instructions, approved the Memorandum describing the management control system adopted by FinecoBank and certified that the Company had adopted a management control system that could promptly and periodically give managers sufficiently in-depth information on the economic and financial situation of the company and main group subsidiaries, and provided for the following: *(i)* the monitoring of main key performance indicators and risk factors of companies and main group subsidiaries; *(ii)* the production of data and information with particular reference to financial information, according to analysis profiles that are adequate for the type of business, organisational complexity and specific information needs of management; *(iii)* the processing of forward-looking financial data for the industrial plan and budget, as well as the monitoring of company objectives being achieved, based on deviation analysis.

11. Internal control and risk management system (Continued)

Board of Directors and Audit and Related Parties Committee

The guidelines of the internal control and risk management system (hereinafter, the "**Internal Control and Risk System**") are established by the Board of Directors. Accordingly, the Board ensures that the main risks to which the Bank is exposed are adequately identified, measured, managed and monitored.

In this context, the Board of Directors revises and updates the Risk Appetite Framework (or "**RAF**") on an annual basis, and in line with schedules for the budget process and definition of the financial plan, in order to guarantee a business development that has a correct risk profile and complies with national and international regulations.

During 2016, the Board approved the "Group Risk Appetite Framework" Global Policy and new "2016 FinecoBank Risk Appetite" (replacing the same document for 2015), which sets out the risk profile in relation to three areas (capital adequacy, profitability and risk, monitoring of specific risks such as credit risk, operational risk, market risk and funding and liquidity), defining reference metrics for each one.

The definition process, revised from the previous version, is structured so as to guarantee consistency with the budget, while the performance indicator (hereinafter, the "**KPIs**" or "**Key Performance Indicators**") were revised to include simple, comprehensible metrics.

The Risk Appetite Framework of FinecoBank not only includes the list of relevant metrics, but also the targets, triggers and reference limits: *(i)* targets represent the extent of risk the Bank is prepared to undertake to achieve its budget objectives and defines the constraints for development of the business, *(ii)* triggers represent alarm thresholds which activate the analysis of possible mitigation actions and require reporting to the Chief Executive Officer; *(iii)* limits are the values that must not be exceeded; if exceeded, the Board of Directors must be informed.

As regards competencies, the Corporate Bodies Regulations establish that the Board is responsible for the Internal Control and Risk System, and provides guidelines for and assesses the adequacy of the system; from its members the Board appoints:

- the director for establishing and maintaining an effective internal control and risk management system (hereinafter the "**Internal Control and Risk Management System Director**");
- an Audit and Related-Parties Committee (hereinafter, also abbreviated to the "**Audit Committee**") consisting entirely of independent directors. This Committee assists the Board of Directors, based on adequate preliminary activities, in its assessments and decisions concerning the internal control and risk management system, as well as the approval of periodical financial reports.

The Board of Directors, with the prior approval of the Audit Committee:

(a) establishes the guidelines of the Internal Control and Risk Management System, assesses at least annually the consistency and adequacy of the company's characteristics, its strategic direction and its risk profile, as well as its effectiveness, in terms of the ability to grasp the evolution of the business risks and the interaction between them, assigning the Director in charge of establishing and maintaining an effective Internal Control and Risk System; (please see the Corporate Bodies Regulations, page 5);

(b) appoints, after consulting with the Board of Statutory Auditors, an Internal Audit Manager (hereinafter, the "**Head of Internal Audit**"), who ensures that the Internal Control and Risk system is functioning and adequate and that internal audit activities are carried out independently and in such a way as to guarantee their effectiveness and efficiency;

(c) approves, at least annually, the work plan prepared by the Head of Internal Audit, after consulting with the Board of Statutory Auditors and obtaining approval from the Audit Committee and Director;

(d) assesses, after consulting with the Board of Statutory Auditors, the results of the external auditors in the opinion letter and report on fundamental issues identified during auditing.

The Board of Directors assesses, among others and at least annually, the adequacy, functioning and effectiveness of the Internal Control and Risk System, assisted by the Audit Committee, based on:

- reports from the Managers of: the Compliance function, the Risk Management function and the Internal Audit function;
- reporting from the Financial Reporting Officer on the proper use of accounting standards and their consistency for preparing consolidated financial statements;
- all useful information on the monitoring of overall company risk which is provided by relevant units and/or the External Auditors.

The Board globally monitors main company risks, assisted by the Audit Committee (see Section 6.1 above).

In accordance with the Supervisory Regulations on internal control systems, the Bank – in April 2016 and subsequently in February 2017 – carried out the annual assessment on the adequacy of the internal control and risk management system with respect to the characteristics of the business and the risk profile assumed, together with its effectiveness. With regard to the results of this assessment process, the Internal Control and Risk Management System was found to be Mostly Satisfactory on an assessments scale structured on four levels in increasing order: "Unsatisfactory", "Nearly Satisfactory", "Mostly satisfactory" and "Adequate" since, although there were some areas of improvement for which corrective actions have been identified, is components as a whole generated an overall satisfactory level of functioning of the system.

In this regard, the Audit Committee, based on the results of the checks conducted above, together with the additional projects being implemented, in turn provided this assessment which found that the Internal Control and Risk Management System, can be considered adequate for the size and complexity of the Bank with respect to the business and its operating environment and that its design is capable, within reasonable limits, of preventing all in any event of avoiding, in a prompt manner, any significant errors in the financial statements.

The Board of Directors also determines the objectives and strategies to guarantee the operating continuity of the service, ensuring adequate resources to achieve established objectives. It approves the operating continuity plan and subsequent amendments, accepting residual risks not managed by the operating continuity plan.

It is informed, at least annually, of the results of controls on the plan's adequacy and on operating continuity measures. It appoints an operating continuity plan manager.

With specific reference to non-compliance risk [9], the Board of Directors, after consulting with the Board of Statutory Auditors, approves risk management policies, evaluates, at least once a year and with the technical support of the Audit Committee, the adequacy of the organizational unit, the quality and amount of resources of the Compliance function and analyses periodic reports on its controls on non-compliance risk management.

Moreover, the Board of Directors accepts general responsibility for direction and control of the information system, with optimal use of the technological resources supporting the company strategies (ICT governance). In this respect, it:

- approves the IT development strategies and architectural model for the system, the sourcing strategies and the IT risk propensity, in accordance with the risk objectives and the reference framework for determination of risk propensity at company level;
- approves the IT security policy;
- approves the guidelines on recruitment of personnel with technical functions and on the acquisition of systems, software and services, including the use of external suppliers;
- promotes development, sharing and updating of ICT knowledge in the company.

(9) Non-compliance risk may be defined as the risk of incurring legal or administrative sanctions, financial losses or sustaining reputational damage, as a result of non-compliance with financial and banking laws, regulations, codes of conduct and good practices.

11. Internal control and risk management system (Continued)

With specific regard to exercising its supervisory responsibility in the analysis of ICT risk, the Board:

- approves the organisational and methodological reference framework for analysis of ICT risk, promoting the appropriate enhancement of information on technological risk within the ICT function and integration with the risk measurement and management systems (in particular, operational, reputational and strategic risks);
- approves the ICT risk propensity, having considered internal services and those offered to clientele, in accordance with the risk objectives and the reference framework to define risk propensity at the company level.

With regard to the aforementioned responsibility, it is informed at least annually on the adequacy of services offered in relation to costs sustained and on the ICT risk situation with regard to risk propensity.

Board of Statutory Auditors

The Board of Statutory Auditors of FinecoBank monitor the effectiveness, completeness, adequacy, functioning and reliability of the internal control and risk management system, and of the Risk Appetite Framework, in line with requirements of the Corporate Governance Code for Listed Companies and the Supervisory Regulations.

It also monitors compliance with the Internal Capital Adequacy Assessment Process (ICAAP) and the completeness, adequacy, functioning and reliability of the operating continuity plan.

With specific reference to the possibility of the Board of Statutory Auditors to undertake Supervisory Board functions pursuant to Legislative Decree no. 231 of June 8, 2001, the Company considered it appropriate to assign these functions to a specifically established Body (please see below Section 11 of the Report).

The Board of Statutory Auditors establishes appropriate working relations with the Audit Committee to carry out joint activities, in compliance with individual areas of responsibility.

To carry out its duties, the Board of Statutory Auditors may use the aid of the company's internal control departments and functions to carry out an guide its checks and the necessary assessments. In order to accomplish this, it receives adequate regular data flows and information on specific situations/company performance. Given this close connection, the Board of Statutory Auditors is specifically heard not just on decisions regarding the appointment and dismissal of the Heads of control-related corporate functions (Compliance, Group Risk Management and Internal Audit), but also on defining the essential elements of the control system's overall architecture (powers, responsibilities, resources, data flows and handling conflicts of interest). Regarding their own activities, Auditors may ask the Internal Audit department to carry out specific audit activities in the operational and business operations departments. The Board of Statutory Auditors verifies and investigates the causes of and remedies to operational irregularities, performance anomalies, and shortcomings in the organizational and accounting structure. Particular attention must given to compliance with regulations on conflicts of interest.

Control functions

FinecoBank's internal control system is based on four types of controls:

(i) *level one controls* ("line controls"): these are controls relative to individual activities and are carried out according to specific operational procedures based on a specific internal regulation. "Process supervisors" monitor and continually update these processes, establishing appropriate controls to ensure the proper performance of daily activities by personnel concerned, as well as compliance with delegated powers. Formalised processes concern units that have contacts with customers and Company units that are exclusively internal;

(ii) *level two controls*: these are controls related to daily operations connected with the process to measure quantifiable risks and are carried out by units other than operating units, on an ongoing basis. The Risk Management function controls market, credit and operational risks, as regards compliance with limits assigned to operating functions and the consistency of operations of individual production areas with established risk/yield objectives; the Compliance function controls non-compliance risks;

(iii) *level three controls*: these controls are typical of internal auditing, based on analysis of information obtained from databases or company reports, as well as on-site controls. The purpose of these controls is to check the functioning of the overall internal control system and identify any anomalous trends, or infringements of procedures or regulations. These controls are assigned to the Internal Audit function, which operates at a central level, at UniCredit, based on a specific service agreement;

(iv) *institutional supervisory controls:* these refer to controls by Company bodies, including in particular the Board of Statutory Auditors and Supervisory Board pursuant to Legislative Decree no. 231 of June 8, 2001.

The Risk Management function

The Risk Management function prevents and monitors different components of Bank risks. In particular the Risk Management Function controls credit, market and operational risk to which the Bank is exposed. Risk Management also involves monitoring business, reputational and liquidity risk.

The risk control function:

(i) is involved in defining the RAF, risk governance policies and various stages comprising the risk management process, as well as establishing operating limits for various types of risk. In this context, it proposes quantitative and qualitative parameters necessary to define the RA, which refer to stress scenarios and, in the case of changes the bank's internal and external operating context, modifications to these parameters;

(ii) checks the adequacy of the RAF and on an ongoing basis the adequacy of the risk management process and operating limits;

(iii) is responsible for developing, validating and maintaining the independence of risk measurement and control systems in order to report periodically to Control Bodies, the Board of Directors and UniCredit;

(iv) defines the metrics to use to assess operational risk in line with the RAF, coordinating with the compliance function, ICT function and operating continuity function;

(v) defines procedures for assessing and controlling reputational risk, coordinating with the compliance function and with company functions that are most exposed;

(vi) assists company bodies in assessing strategic risk, monitoring significant variables;

(vii) ensures the consistency of risk control and measurement systems with processes and methodologies to assess company activities, coordinating with company units concerned; develops and adopts indicators that can identify anomalies and inefficiencies in risk control and measurement systems;

(viii) analyses the risks of new products and services and risks from entering new operating and market segments;

(ix) gives prior opinions on the consistency of material transactions with the RAF, and obtains the opinion of other functions involved in the risk management process, depending on the nature of the transaction;

(x) monitors actual risk undertaken by the bank, on an ongoing basis, and consistency with risk objectives, as well as compliance with operating limits assigned to operating units in relation to the undertaking of different types of risk;

(xi) checks the adequacy and effectiveness of measures taken to remedy inefficiencies identified in the risk management process.

The Risk Management function also develops the ICAAP - Internal Capital Adequacy Assessment Process - in compliance with Basel II requirements, updates to Basel III requirements and indications from the parent company UniCredit.

The function also carries out monitoring and reports to company bodies (Managing Director and General Manager, Board of Directors, Audit Committee and Board of Statutory Auditors) and to internal committee with advisory functions concerning strategic guidelines and policies referred to any type of risk (hereinafter, the "**Risk Committee**").

Reporting to corporate bodies consists of the quarterly report on the Bank's risk exposure; specific reporting is also prepared for the Risk Committee, with operating information in relation to key risk indicator performance and consequent corrective measures.

11. Internal control and risk management system (Continued)

The Compliance Function

The Compliance function monitors non-compliance risk management[10] with a risk-based approach, referring to all company operations and ensuring that internal procedures are appropriate for preventing this type of risk.

The Compliance function assists/supports the management and Company employees in managing non-compliance risk and monitoring the correct performance of business operations so as to ensure compliance with current regulations, internal procedures and applicable best practices.

For an effective management of non-compliance risk, the Company shall have a Compliance function. This function must be independent, with a sufficient number and quality of human and technical resources for duties to perform, and may deal freely with Senior Management and company bodies; it shall have access to all resources and company information and may report any matter directly to higher hierarchical levels.

In February 2016 the Board of Directors approved the insourcing, with effect from April 1, 2016, of the Compliance function, previously centralised at the parent company UniCredit based on a specific outsourcing agreement and with a centre (hereinafter, the "**Compliance Officer Unit**") at FinecoBank, responsible for applying the methods for assessing and monitoring non-compliance risk.

In this regard, the Compliance Officer unit was reorganised was renamed the Compliance unit.

The role and requirements of the Compliance function are regulated in specific global rules issued by UniCredit and implemented by the Company.

The mission of the Compliance reference unit is to support the Company, the Company Bodies and personnel in managing the risks of non-compliance with regulations with regard to all company operations, verifying that internal procedures are adequate in preventing this risk.

The above is in compliance with the provisions of the Supervisory Regulations and with the Global Compliance Rules and Group methods.

In particular, management of the risk of non-compliance with regulations is carried out through:

(a) Pro-active consulting, as well as on request

- ongoing identification of the laws applicable to the bank and of the consequent risks of non-compliance; definition of the impact on company processes and procedures, including the information system (ICT Compliance);
- ex ante assessment of compliance with regulations applicable to products, processes, organisational structures, incentive system, training modules and, in particular, innovative projects (including operations in new business lines and geographical areas) that the bank intends to undertake – also through the participation in specifically designated committees – as well as prevention and management of conflicts of interest among the various activities carried out by the bank, with regard to employees and collaborators;
- carrying out requests for opinions and prior assessments on compliance matters originating from the various internal units in relation to external regulations, with the aid of those units by analysing and interpreting those regulations;
- assessments, for the areas under its responsibility, of the Bank's remuneration policy and in particular of the remuneration/incentive systems for personnel and the personal financial advisors network authorised for cold calling;
- participation, where required, in Group projects and work groups according to area of responsibility.

(b) Communication

- promotion of a culture based on compliance with internal and external regulations and international best practices, through adoption (upon the appropriate adjustments in order to incorporate the specific characteristics of Fineco) of the Global Compliance Rules (Policies and Operational Regulation) issued by the parent company UniCredit, drawing up of Circulars and Service Orders, notes, memoranda, opinions and communications, as well as through personnel training activities;
- collaboration with the other Bank functions and, in particular, with those that oversee management and control of risks (starting with Internal Audit and Risk Management), in order to improve overall consistency and ensure mutually adequate and ongoing flows of information;

(10) Non-compliance risk may be defined as the risk of incurring legal or administrative sanctions, financial losses or sustaining reputational damage, as a result of non-compliance with financial and banking laws, regulations, codes of conduct and good practices.

- development of FinecoBank's annual training plan, in line with the UniCredit guidelines.

(c) Interaction with the Authorities

- management of the relationship with the Authorities together with other relevant functions (such as participation in discussions on significant legislative and regulatory news, assistance in the preparation of comments on bills, monitoring of requests and inspections by the Authorities and the relative corrective measures).

(d) Monitoring, surveillance and reporting

- assessment of the non-compliance risks identified (so-called compliance risk assessment), also through level two controls, definition of corrective measures to mitigate said risks, monitoring of the measures, and initiation of procedures to involve the relevant higher hierarchical levels by topic (escalation) to resolve the critical issues identified;
- verification of the effectiveness of organisational adjustments (structures, processes and procedures, operational and commercial) recommended to prevent the risk of non-compliance with regulations.

The function is directly responsible for non-compliance risk management in the case of regulations that are more significant as regards non-compliance risk, *i.e.* on banking and the provision of investment services, the management of conflicts of interest, transparency in customer relations and, more in general, on consumer protection and regulations for which strategic oversight at the bank is not already provided for.

With reference to other regulations for which specific types of strategic oversight (e.g. occupational safety, tax laws, etc.) are provided, the Bank, based on an assessment of the adequacy of specialist controls for managing non-compliance risk profiles, adopted the indirect coverage model:

- the specialist unit to adopt the risk assessment methodologies and second level controls defined by the Compliance function;
- the Compliance function verifies that the units operate in compliance with the methodologies and procedures provided, by ensuring suitable control of non-compliance risk and establishes and validates the reporting with the aim of providing an overall view of non-compliance risk.

In performing its duties, the Compliance function has access to all bank operations, both central and peripheral, and to all information considered significant in this regard, also through direct interviews with personnel.

The Anti-Money Laundering and Anti-Terrorism Service, charged with managing the proper application of regulations with regard to fighting money laundering and the financing of terrorism, was established within the Compliance Officer Unit.

11. Internal control and risk management system (Continued)

11.1 Director in charge of the Internal Control System and Risk Management

To comply with the recommendation set forth in Principle 7.P.3 of the Corporate Governance Code for Listed Companies, and with the Supervisory Regulations, the Managing Director and General Manager Mr Alessandro Foti has been appointed Internal Control and Risk System Director.

As part of the internal control system, the Managing Director and General Manager, acting as Internal Control and Risk System Director, is tasked with and is responsible for the following:

(i) identifying the main business risk, and ensuring effective risk management and execution of the instructions from the Board of Directors in the presence of a defined, managed and monitored Internal Control System;

(ii) defining the means and methods for implementing the control and risk system, using guidelines from the Board of Directors, undertaking the design, management and monitoring of the internal control and risk management system, establishing operating limits for different types of risk and facilitating the development and dissemination of a culture of risk, assisted by relevant functions; the Chief Executive Officer and General Manager is responsible for the annual assistance assessment of the Internal Control and Risk System;

(iii) ensuring the overall adequacy of the Control and Risk System, its actual functioning, amendments to take into account changes in operating conditions and the legal and regulatory framework; the Chief Executive Officer and General Manager and his first-line managers are called upon to provide a professional judgement on matters relating to the Internal Control System referring to their activities, taking into account the level of compliance with regulations, procedures and controls;

(iv) establishing and overseeing the implementation of process to approve investments in new products, the distribution of new products or services or start of new activities or entry on new markets, or the implementation of processes and methods to evaluate company operations, in particular financial instruments, overseeing ongoing updates;

(v) defining and overseeing the implementation of company policy on the outsourcing of company functions;

(vi) defining internal information flows to ensure that company control bodies are fully aware of and can govern risk factors and compliance with the Risk Appetite Framework*;*

(vii) authorizing, within the Risk Appetite Framework and where a tolerance threshold has been defined, the risk appetite being exceeded - within the tolerance threshold limit, reporting to the Board of Directors and identifying the management actions necessary to return the risk to within the established limit;

(viii) implementing follow-up measures for the control and risk system after controls have been carried out, adopting necessary corrective measures or actions if inefficiencies or anomalies are identified, or after the introduction of new products, activities, services or processes that are significant;

(ix) submitting proposals to the Chairman of the Board of Directors to appoint or remove from office the Head of Internal Audit, ensuring that the Manager has adequate resources to carry out his/her responsibilities;

(x) promoting the development, periodic control of the operating continuity plan and its updating, approving the annul plan to control operating continuity measures and examining results of tests documented in a written form;

(xi) ensuring completeness, adequacy, functionality (in terms of efficacy and efficiency) and reliability of the Bank's information system.

The Managing Director and General Manager implements the ICAAP (Internal Capital Adequacy Assessment Process), ensuring it conforms to the strategic guidelines and RAF and meets the following requirements: *(a)* it considers all relevant risks; *(b)* it includes forward-looking valuations; *(c)* it uses appropriate methodologies; *(d)* it is distributed to internal units; *(e)* it is adequately formalised and documented; *(f)* it identifies the roles and responsibilities assigned to company functions and units; *(g)* it is managed by an adequate number of competent resources, in a hierarchical position appropriate for complying with planning; *(h)* it is an integral part of management activities.

As regards credit and counterparty risk in particular, the Managing Director and General Manager, in line with strategic guidelines, approves specific guidance to guarantee the effectiveness of the system to manage risk mitigation techniques and compliance with the general and specific requirements of these techniques.

With specific reference to internal risk measurement systems to define capital requirements, the Managing Director and General Manager has the following duties:

- responsibility for the structure and functioning of the selected system; to perform this duty, members shall have an adequate knowledge of relevant aspects;

- issuing instructions so that the selected system is developed based on identified guidelines, assigning duties and responsibilities to company functions and ensuring the formalization and documentation of risk management process stages;

- ensuring that risk measurement systems are part of decision-making processes and use tests;

- considering observations made following the validation process and internal audits.

With regard to non-compliance risk in particular, they ensure the effective management of this risk, also establishing suitable policies and procedures for compliance for with the applicable regulations to be adhered to within the Bank, verifying, in cases of violations, whether the appropriate remedies have been implementing and establishing the reporting flows aimed at ensuring that the Bank's corporate bodies are fully informed about the for the management of non-compliance risk.

Assisted by the Compliance function, the Managing Director and General Manager identifies and evaluates at least annually, the main non-compliance risks to which the Bank is exposed, and plans relative management measures, as well as reporting at least once a year to the Board of Directors on the adequacy of non-compliance risk management.

Pursuant to the Corporate Bodies Regulations, the Managing Director and General Manager promptly reports to the Audit and Related Parties Committee (or Board of Directors) on problems and critical aspects identified or notified while carrying out his/her activities, also reporting to the Chairman of the Board of Directors, so that the Audit and Related Parties Committee (or the Board of Directors) may take appropriate measures.

The Managing Director and General Manager takes part in meetings of the Risk Committee, which as already noted is an internal committee with advisory functions concerning strategic guidelines and policies referred to any type of risk and with decision-making functions in relation to internal rules of an operational nature.

11.2 Head of the Internal Audit Function

The Internal Audit function, pursuant to Supervisory Regulations, is independent of other company functions and reports on its activities directly to the Board of Directors (also through the Audit Committee) and to the Board of Statutory Auditors on a quarterly basis; it also attends Audit Committee meetings, which are usually held monthly. As already indicated, (please see Section 6.1.3 above) and as detailed below, FinecoBank's Internal Audit function is outsourced to UniCredit based on a specific service agreement which governs procedures for performing activities.

The Internal Audit function operates in accordance with the audit mandate, most recently approved by the Board of Directors on September 20, 2016. This document defines its mission, responsibilities, organisational positioning, independence, duties and authority. The purpose of audits is to provide an independent assessment of the adequacy and functionality of the Bank's internal control systems (line or operating controls, or risk management controls), by evaluating the efficiency and effectiveness of information systems, organizational processes and company procedures, as well as the models and mechanisms for controlling and managing risks, including compliance risk.

The methodology used is based on the following main stages: *(i)* definition of the "Audit Universe", i.e. organizational and process analysis to identify elements involved in audit activities; *(ii)* risk assessment, i.e. identifying, assessing and measuring risks to which elements of the "Audit Universe" are exposed; *(iii)* definition of the annual and long-term audit plan, which establishes the objectives, types and frequency of audits and resources to use based on risk assessment results. Planning for the personal financial advisors network is based on a combined assessment using a risk-based approach while also considering the frequency of audits.

The audit measures carried out on the Bank as well as on the personal financial advisors network may include: *(i)* **audit processes** aimed at verifying the effective and efficient performance of activities and proper monitoring of risks implicit in the subject audit process; *(ii)* **audit of the personal financial advisors network**, carried out within the operating points of the sales network, with the objective of verifying the definition and functioning of level 1 and 2 controls on the main company processes impacting the personal financial advisors network. Remote audit activities are carried out predominantly with the support of anomaly indicators, together with subsequent on-site analysis to complete the activity; *(iii)* **specific**

11. Internal control and risk management system (Continued)

assessments referring to individual behaviours or types of behaviours that aim to identify the causes and responsibilities for specific events, accidents or conduct (e.g., measures for cases of fraud and disloyalty belong to this type).

After completing audits and based on findings, the Internal Audit function makes suggestions to relevant company structures. It also informs other company control functions of any inefficiencies, weaknesses and irregularities identified during audits of specific areas or matters within their remit. Actions to remedy identified anomalies and inefficiencies are monitored by a systematic audit tracking process, and if particular risk situations and/or weaknesses in the internal control system are noted, by specific follow up.

Internal Audit may also carry out advisory services which, while not compromising its independence, aim to provide added value and support to the Bank in achieving its objectives, by offering advisory support on the design, functioning and improvement of the internal control system.

Internal Audit achieves its mission and conducts activities in accordance with the Internal Audit Group Standards, which include the Code of Ethics, approved by the Company's relevant Governing Bodies and which are based on International Standards for the Professional Practice of Internal Audit.

The Company has outsourced the Internal Audit function to UniCredit, through a services contract, the last version of which was signed on December 19, 2014. Under this agreement, the Chief Audit Executive manages the agreement and this position is assigned to the Company's Internal Audit Manager (hereinafter, the "**Chief Audit Executive**"), with the same duties and responsibilities as those in Application Criterion 7.C.5 of the Corporate Governance Code for Listed Companies.

In particular, the agreement gives the Chief Audit Executive the task of assessing the Bank's Internal Control and Risk System on an ongoing basis, making observations, proposals and suggestions and providing advice, in order to contribute to improving the effectiveness and efficiency of the system and correcting relative vulnerability factors. The Chief Audit Executive also assists Company bodies in planning audit activities.

With regard to the tasks required of the Head of the Internal Audit Function, the Audit Mandate specifies that said individual shall provide an annual evaluation of the adequacy and effectiveness of the Company's risk management and control processes in the areas covered by the mission and with respect to the relative scope of responsibility, with the objective of assessing, providing added value and contributing to improving the Company's internal control system.

In this scenario, the Head of the Internal Audit Function:

- develops a flexible, annual and long-term Audit plan, through an appropriate evaluation of risks, submitted to the Board of Directors for approval;
- implements the annual Audit plan, as approved, including the tasks or special projects requested by Management and/or by the Audit Committee;
- conducts special investigations on operational events;
- informs the corporate bodies, summarising the results of the Audit activities and the implementation status of Management's action plans.

Moreover, under the agreement, FinecoBank's Board of Statutory Auditors may request the Chief Audit Executive to report in full on activities carried out. In particular, in order to provide the corporate bodies and Senior Management with an overall evaluation of the internal control system, the Chief Executive Officers prepares the quarterly report entitled "*Internal Audit Activities and Results (IAAR)*". In addition to an assessment of the internal control system, the IAAR contains summary information on the Audit activities performed, on the main risks identified and on the implementation status of Management's action plans. An update on the progress of the annual plan is also provided on a periodic basis. The Chief Audit Executive also submits Audit Reports with a "critical" or "unsatisfactory" assessment directly to the Board of Statutory Auditors and to the Audit Committee; in any case, it may send additional audit reports to the Audit Committee and the Board of Statutory Auditors which, regardless of the overall assessment, contain significant shortcomings.

With specific reference to the planning of activities, the Head of the Internal Audit Function has drawn up:

- the audit plan, based on the results of the Risk Assessment, in accordance with the Group's Audit Guidelines. FinecoBank's Audit Plan also takes into consideration the requirements of the Supervisory Authorities and corporate bodies;
- FinecoBank's audit plan as part of the 5-year audit plan based on mandatory audits and on the risk assessment of FinecoBank's Audit Universe (AU). The long-term audit plan, revised annually based on the risk assessment, permits efficient and effective coverage of the AU, in line with the Bank's risks. IT auditing activities are included within the aforementioned plans.

The Internal Audit function is authorised by the Board of Directors to have unlimited access to all company functions, entries, property and personnel.

On May 13, 2014, the Board of Directors of the Company confirmed Mr Alessandro Carè as Internal Audit Manager of FinecoBank, pursuant to Article 7 of the Corporate Governance Code for Listed Companies.

The Internal Audit Manager, in compliance with Application Criterion 7.C.5 of the Corporate Governance Code for Listed Companies, is not responsible for any operating area and does not report hierarchically to any operating area manager. He also has direct access to all information useful for carrying out his duties.

11.3 Compliance programme pursuant to Legislative Decree no. 231 of June 8, 2001

On March 15, 2010, the Board of Directors approved FinecoBank's Organisation Management and Control Model (hereinafter, the "**Model**"), pursuant to Legislative Decree no. 231 of June 8, 2001, on "*Provisions for the administrative liability of corporate bodies, Companies and associations also without legal status*" (hereinafter, the "**Legislative Decree 231/2001**"). This document was amended to take into account subsequent regulations and the current version was approved by the Board of Directors by resolution of November 8, 2016.

The Model is made up of:

(i) A **general part**, divided into seven chapters that describe: the scope and purposes of the Model; the applicable regulatory framework; the description of the management and control system adopted by FinecoBank to mitigate the risk of commission of the crimes pursuant to Legislative Decree 231/2001; the functioning of the body appointed to supervise the functioning and compliance with the Model; the disciplinary system and related penalties; the information and training plan to be adopted in order to guarantee knowledge of the measures and provisions of the Model; the criteria for updating and adapting the Model;

(ii) A **special part**, containing the decision protocols and the schedule of the sensitive processes.

The Model is completed with the following annexes, which are integral part of the Model:

- Annex 1 containing the "*List of predicate crimes and individual criminal offences*";
- Annex 2 containing the "*Code of ethics pursuant to Legislative Decree 231/01*" which sets out the rules designed to guarantee that the conduct of the recipients of the Model is always based on the criteria of fairness, collaboration, loyalty, transparency and mutual respect, and also to avoid conduct capable of constituting the criminal offences and the predicate administrative offences;
- Annex 3 "*Information flows to the Supervisory Board*".

Furthermore, on May 11, 2012 the Board of Directors resolved to adopt the Integrity Charter and Code of Conduct of the UniCredit Group, along with the supplementary FinecoBank regulations. The document combining these (hereinafter, the "**Code**"), as last amended with resolution of January 27, 2014, integrates the current regulations on banking, investment services and employment, identifying the fundamental principles of conduct for those working for the company. The Regulations therefore concern all persons performing activities on behalf of the Company: members of supervisory, management and control bodies of the Company, employees, personal financial advisors authorised for cold-calling, outsourcers.

In accordance with the provisions set forth in Article 6, paragraph 1, of the Legislative Decree 231/2001, the Company has also established a specific body (hereinafter, the "**Supervisory Board**") to monitor the functioning of and compliance with the Model, and its continual updating.

11. Internal control and risk management system (Continued)

To that end, Supervisory Board, among other things: *(i)* has independent powers to act and carry out controls, and independent spending powers, *(ii)* periodically reports to the Audit and Related Parties Committee on the Programme's functioning, and *(iii)* gives the Board of Directors, on an annual basis, a written report on the implementation status of the Programme, and in particular, on controls carried out and on critical aspects and anomalies identified.

The Supervisory Board was appointed by the Board of Directors on April 15, 2014, for a term of three years; subsequently the composition was modified by the February 8, 2016 Board of Directors resolution, valid up to April 12, 2016 (date of the Shareholder Meeting that approved the 2015 annual financial report), which appointed two "external members" replacing the independent director who acted as Chairman of the Supervisory Board, according to the previous Model; subsequently, the Board of Directors, by resolution of June 16, 2016, establish the introduction of the Head Legal & Corporate Affairs as a replacement to the Head of GBS and the Head of Human Resources. Accordingly, at the date of approval of this Report, the composition of the Supervisory Board was as follows:

NAME AND SURNAME	POSITION
Marianna Li Calzi	(Chairman)
Gian-Carlo Noris Gaccioli	*Chairman of the Board of Statutory Auditors*
Andrea Pepe	Head of Legal & Corporate Affairs
Alessandro Carè	Head of internal Audit
Silvio Puchar	Head of Compliance

Compliance Program adopted by the Company, as above described is available on the Issuer web site: www.finecobank.com. at the following link https://images.fineco.it/pub-fineco/pdf/popup/modello_organizzazione_gestione.pdf?v=1.

11.4 External Auditors

The Shareholders' Meeting of April 16, 2013 appointed Deloitte & Touche S.p.A., pursuant to Article 16, paragraph 1, of the Legislative Decree no. 39 of January 27, 2010, *(i)* to audit the financial statements of the Issuer for the years from December 31, 2013 to December 31, 2021 (included), including the auditing of the company's accounts, and *(ii)* the limited auditing of interim reports from 30 June 2013 to 30 June 2021 (included).

11.5 Nominated Official in charge of drawing up company accounts

As established by Article 28 of the By-laws and subject to the mandatory opinion of the Board of Statutory Auditors, the Board of Directors appoints the Officer responsible for preparing the financial reports (hereinafter the "**Financial Reporting Officer**"), pursuant to Article 154-*bis* of the Consolidated Law on Finance.

The Financial Reporting Officer is selected by the Board of Directors from the executives of the Company that have specific expertise, in administrative and accounting terms, of lending, finance, securities or insurance. This expertise, verified by the Board of Directors, shall be gained from professional experience in a position of adequate responsibility for a suitable period of time and in like-for-like companies. The Financial Reporting Officer shall also meet the good standing requirements of laws in force for positions indicated in the By-laws. If the Financial Reporting Officer no longer meets the good standing requirements, he/she shall be removed from office.

As provided for by Article 154-*bis* of the Consolidated Law on Finance, the Financial Reporting Officer is responsible for the following: *(i)* preparing adequate administrative and accounting procedures for preparing financial statements and as well as any other kind of financial disclosure; *(ii)* including a written statement with the documents and notices required by law or disclosed to the market, containing information and data on the financial position and performance of the Company, that said information and data is truthful; *(iii)* arranging for the preparation of the financial statements, interim reporting and *(iv)* within relative areas of responsibility, representing the Bank in relations with the international financial community.

By resolution of 13 May 2014, subject to approval from the Board of Statutory Auditors and in compliance with Article 154-*bis*, paragraph 1, of the Consolidate Law on Finance and Article 28 of the By-laws, the Board of Directors of the Company appointed Ms. Lorena Pelliciari (already the Chief Financial Officer of the Bank) as the Financial Reporting Officer of the Company, assigning her the duties established in Article 154-*bis* of the Consolidated Law on Finance described above. This appointment became effective from July 2, 2014 (date of listing on the MTA).

Ms. Pelliciari has gained considerable experience as Chief Financial Officer of FinecoBank and therefore has an excellent knowledge of processes for preparing the Company's accounting and financial documents. She therefore meets the professional requirements established in Article 28 of the By-laws.

The Board of Directors also gave Ms. Pelliciari the following powers, in order for her carry out her duties as Financial Reporting Officer:

(i) having free access to all information considered relevant for her duties, within the Company;

(ii) taking part in Board Meetings dealing with issues in her area of responsibility;

(iii) engaging with the Company's administrative and control bodies;

(iv) approving company procedures, when they have an impact on the financial statements or other documents which are certified;

(v) being involved in the design of information systems that have an impact on the financial position and performance of the Company;

(vi) using the internal auditing, organization and compliance function to map and analyze processes within her area of responsibility and carry out specific controls;

(vii) using information systems;

(viii) updating, amending and supplementing, also with the assistance of external advisors, procedures on: *(a)* the standardisation of information flows to the Financial Reporting Officer and *(b)* the preparation of financial statements and all other types of financial disclosure.

Lastly, the Board of Directors, in exercising its supervisory powers, established that the Financial Reporting Officer shall report at least quarterly to the Board of Directors on activities carried out, as well as on any critical aspects identified.

Financial reporting process

As regards the main characteristics of the internal control and risk system in relation to financial reporting, including the reporting of consolidated information, under article 154-bis of the Consolidate Law on Finance, the financial reporting officer of FinecoBank is responsible for preparing and adopting adequate administrative and accounting procedures for the preparation of the financial statements, as well as all other forms of financial reporting to the market.

The Financial Reporting Officer, along with the Managing Director and General Manager, in a report on the financial statements and interim abbreviated financial statements shall also certify:

- the adequacy and actual adoption of administrative and accounting procedures;
- compliance with applicable international accounting standards endorsed by the European Community pursuant to Regulation (EC) no. 1606/2002;
- the consistency of accounting records;
- the accurate representation of the financial position and performance of the Company;
- the inclusion in the Directors' report on operations of reliable analysis of the company's performance, operations and situation, along with a description of main risks and uncertainties to which it is exposed.

As established by Article 28 of the By-laws, the Board of Directors ensures that the Financial Reporting Officer has adequate powers and resources to carry out the duties established by current regulations, and to comply with administrative and accounting procedures. In carrying out his/her duties, the Financial Reporting Officer may be assisted by all Bank units.

11. Internal control and risk management system (Continued)

11.6 Procedures for the coordination of entities involved in the internal control and risk management system

Procedures for interaction among company functions and entities involved in the risk management and control system have been designed to prevent as far as possible overlapping or gaps, or to alter, even in essence, the main responsibilities of company bodies as concerns the risk management and control system.

Specifically, the Company has significantly consolidated cooperation among control functions, through specific formalised information flows on internal regulations and through managerial committees dedicated to control issues.

Interaction among level two and level three control functions is part of a more general framework of ongoing, proactive cooperation, which is mainly formalized in specific regulations/internal regulations and includes:

- involvement in the process to define and/or update internal regulations on risks and controls;
- the exchange of information flows, documents or data, as well as access to all resources or company information in line with the control requirements of functions;
- involvement in Board and Managerial Committees, systematically or on request;
- involvement in working parties, which are set up from time to time for risk and control issues.

The purpose of improved interaction between control functions and their continual reporting to company bodies is to ultimately establish a corporate governance system that guarantees sound and prudent management, also through a more effective monitoring of risk, at all company levels.

To ensure coordination and interaction among the various functions and bodies with control duties (envisaged by company, accounting or supervisory regulations), after the meeting of the Audit and Related Parties Committee, the Board of Directors has approved a specific document "*Document on Bodies and functions with supervisory tasks*" – sent to all the areas involved – outlining duties, responsibilities of the various Bodies and functions with supervisory tasks and methods of coordination/collaboration and the information flows transferred among them pursuant to Supervisory Regulations on Corporate Governance.

12. Directors' interests and Related-Party transactions

By resolution of September 22, 2015, the Board of Directors approved the adoption of the new procedures to manage transactions with related parties and associated persons (hereinafter, the "**Procedures for Related Parties and Associated Persons**").

The Procedures for Related Parties and Associated Persons were previously reviewed and approved by the Audit and Related Parties Committee.

The Procedures for Related Parties and Associated Persons address governance issues, the scope of the procedures and the procedural and organizational profiles relative to managing transactions with related parties, associated persons and corporate officers pursuant to applicable regulations, as regards the operations of the Issuer.

The Procedures for Related Parties and Associated Persons are designed to govern the:

- identification, updating and ongoing monitoring of persons in conflict of interest (previously identified);
- management of transactions with persons in conflict of interest, with reference to, among others:
  - identification of transactions (including exemptions and exclusions);
  - management of the deliberative process;
  - reporting and transparency obligations to company bodies, the Supervisory Authorities and the market.

They also define:

- procedures for activities to manage transactions with persons in conflict of interest;
- organizational structures involved and their relative role;
- internal and external information flows;
- monitoring and control activities;
- methods for updating the procedures.

The Procedures for Related Parties and Associated Persons, in line with the Global Policy issued by UniCredit, are adopted for transactions undertaken by FinecoBank with parties in the "Combined Perimeter" which means the related parties and associated persons of UniCredit ("*UniCredit Perimeter*"), of FinecoBank ("*FinecoBank Perimeter*") and of other banks and intermediaries supervised by UniCredit ("*Banks and Supervised Intermediaries Perimeter*") combined.

The FinecoBank perimeter includes persons defined as "*Consob Related Parties*", pursuant to the Related-Parties Regulations, and "*Associated Persons*", or Related Parties identified as such pursuant to the Bank of Italy Circular no. 263 of December 27, 2006, as well as persons connected to them, in addition to persons who are included in the Perimeter on a voluntary and discretionary basis and not on the basis of the current regulations.

In compliance with Related-Parties Regulations, the Procedures for Related Parties and Associated Persons identify, as regards the materiality threshold, material transactions, non-material transactions and minor transactions.

As regards Transactions with the members of the Combined Perimeter, the Procedures for Related Parties and Associated Persons require specific information flows to:

- the Board of Directors and Board of Statutory Auditors
- Audit and Related Parties Committee;
- The Compliance Function;
- the CFO
- the parent company Central Oversight Unit.

12. Directors' interests and Related-Party transactions (Continued)

The full text of the Procedures for Related Parties and Associated Persons, to which reference is made for further details, is available on the Issuer's website: www.finecobank.com at the following *link* https://images.fineco.it/pub-fineco/pdf/corporate/Procedures-for-the-management-of-transactions-with-persons-in-conflict-of-interest.pdf.

* * *

Under the principle set out in Article 2391 of the Civil Code concerning the interests of company Directors and the procedures for related parties and associated persons, considering that FinecoBank is a banking company also has to comply with Article 136, Consolidated Law on Banking, according to which officers cannot take on any obligation, directly or indirectly, with the bank they manage, direct or control, unless it is approved unanimously by the supervisory body and with the favourable vote of the members of the controlling body, without prejudice of the requirements of the Civil Code regarding the interests of company Directors.

Accordingly, corporate officers are required to report the names of individuals or companies with whom their entering into relations might constitute an indirect obligation substantially related to the corporate officers.

13. Appointment of Statutory Auditors

In accordance with the recommendations set forth in Application Criterion 8.C.1 of the Corporate Governance Code, statutory auditors shall be chosen among people who may be qualified as independent also on the basis of the criteria provided by the above Code with reference to directors.

In compliance with the laws and regulations applicable to listed companies, Article 23 of the By-laws requires that the Board of Statutory Auditors be appointed by the Shareholders' Meeting based on the lists presented by the entitled persons, in which the candidates are listed in sequential order, according to the procedure described below.

Shareholders can submit a list for the appointment of Auditors, provided that when they submit the list they hold, alone or in conjunction with other presenting shareholders, at least the minimum percentage of share capital established by the laws and regulations in force at the time. Ownership of the minimum shareholding required is calculated based on the shares registered to each shareholder on the day when the lists are filed at the Company; the related certification may be submitted after the lists have been filed, provided that it is within the deadline for publication of the lists.

Each party entitled to vote (as well as *(i)* entitled persons belonging to the same group, intended as a party, which need not be a corporation, exercising control pursuant to Article 2359 of the Civil Code and any subsidiary controlled by, or under the control of the said party, or *(ii)* shareholders who are party to a shareholders' agreement as per Article 122 of the Consolidate Law on Finance, or *(iii)* entitled persons who are otherwise associated with each other in a material relationship pursuant to current and applicable statutory or regulatory provisions) may submit individually or with others only one list, just like each candidate can be included in only one list, or otherwise be considered ineligible.

Lists shall be divided in two sections, containing respectively up to three candidates for the position of Statutory Auditor and up to two candidates for the position of Stand-in Statutory Auditor.

At least the first two candidates for the position of Statutory Auditor and the first candidate for the position of Stand-in Statutory Auditor in the respective lists must be entered in the Register of Auditors and have experience as statutory auditors.

Each list for the appointment of Statutory Auditor and Stand-in Statutory Auditor must have a certain number of candidates belonging to the least represented gender, so as to ensure compliance with at least the minimum requirements for gender equality prescribed by current law and regulations.

In order to be valid, the lists must be filed at the Registered Office or the HeadQuarters, also by means of remote communication and in accordance with the procedures stated in the notice of call which allows the identification of the parties filing the lists, no later than twenty-five days before the date of the Shareholders' Meeting (or within a different period of time according to applicable laws in force at the time) and must be made available to the public at the registered office, on the Company's website and through other channels provided for under current laws at least twenty-one days prior to the date of the Shareholders' Meeting (or within a different deadline as per applicable regulations).

Minority shareholders who are not affiliated with the shareholders concerned shall be entitled to extend the deadline for presenting lists in the circumstances and according to the procedures set forth in current laws and regulations.

Each eligible voter may vote for one list only.

The members of the Board of Statutory Auditors shall be elected as follows:

(a) two (2) permanent Statutory Auditors and one (1) alternate Statutory Auditor are taken from the list that has obtained the highest number of votes cast by the entitled persons, in the order in which they appear on the list;

(b) the remaining permanent Statutory Auditor and the remaining alternate Statutory Auditor shall be taken from the list that has obtained the most votes after the one referred to in (a) and the first candidates of the relevant section shall be appointed as regular Statutory Auditor and Alternate Statutory Auditor, respectively.

The Chairmanship of the Board of Statutory Auditors will go to the first candidate of the minority list of Standing Auditors receiving the most votes.

13. Appointment of Statutory Auditors (Continued)

If, in accordance with the deadlines and procedures set forth above, only one list or no list has been presented, or the lists do not contain the required number of candidates to be elected, the Shareholders' Meeting shall pass a resolution for the appointment or completion of the Board of Statutory Auditors by relative majority. If there is a tie vote between several candidates, a run-off election shall be held between them with a further vote of the Shareholders' Meeting. The Shareholders' Meeting shall be required to ensure compliance with the provisions of applicable laws and regulations concerning gender balance.

In the event the death, resignation, withdrawal or removal from office for any other reason of a permanent Statutory Auditor, he/she shall be replaced by the alternate Statutory Auditor, from the same list as the outgoing Statutory Auditor, in the order in which they appear on the list, complying with the minimum number of members entered in the Register of Auditors who have been engaged in auditing activities, and in compliance with gender equality principles. If this is not possible, the outgoing Statutory Auditor shall be replaced by the alternate Statutory Auditor meeting the specified requirements, drawn from the minority list which obtained the most votes, following the order in which they appear on the list. Where the appointment of Statutory Auditors is not carried out using the slate voting system, the alternate Statutory Auditor shall take over pursuant to statutory provisions. Should it be necessary to replace the Chairman, the alternate Statutory Auditor taking over shall also serve as Chairman. The Shareholders shall appoint or replace Statutory Auditors in meetings called in accordance with Article 2401, paragraph 1, of the Civil Code in compliance with the principle of adequate representation of minority shareholders and gender equality. Where the appointment of the alternate Statutory Auditor in lieu of the permanent Statutory Auditor is not confirmed by the Shareholders' Meeting, he/she shall return to his/her position as alternate Auditor.

14. Composition and functioning of the Board of Statutory Auditors

Pursuant to Article 23 of the By-laws and in compliance with current rules and regulations, at least 2 (two) Standing Auditors and 1 (one) Stand-in Auditor must have been entered in the Register of Auditors for at least three years and have not less than three years of experience as a statutory auditor. The Auditors who are not entered in the Register of Auditors must have gained at least three years of experience in:

(a) performing professional activities as a business accountant or lawyer, mainly in the banking, insurance and finance sector;

(b) performing university teaching on subjects relating to - in the legal field - banking, commercial, tax and financial markets law and - in the business / finance field - banking operations, business economics, accountancy, economics of the securities market, economics of financial and international markets, corporate finance;

(c) management functions at public entities governmental authorities operating in the credit, financial or insurance sector, as well as in the provision of investment services sector or collective portfolio management sector, both of which are defined in the Consolidated Law on Finance.

All Auditors must meet the eligibility, professional competence and integrity requirements provided for by law and any other applicable regulations.

Furthermore, in application of the recommendations contained in the Application Criterion 8.C.1 of the Corporate Governance Code for Listed Companies, the Auditors of FinecoBank must meet the independence requirements set forth in Article 3 of the Corporate Governance Code for Listed Companies, as well as the requirements provided in Article 148, paragraph 3, of the Consolidated Law on Finance.

In application of Article 144-*novies* of the Issuer Regulations and the above Criterion, the Board of Directors and the Board of Statutory Auditors are responsible for evaluating whether the members of the Board of Statutory Auditors meet the requirements specified above:

(i) following appointment, the outcome of which shall be disclosed to the market by means of a press release;

(ii) on an annual basis, reporting the results thereof in the annual corporate governance report.

The Company's Board of Statutory Auditors currently in office was appointed by the Shareholders' Meeting held on April 15, 2014. It shall remain in office until approval of the financial statements for the year ending on December 31, 2016.

In the light of the foregoing, the slate voting system (described in Section 13 of this Report) shall be used, for the first time, for the appointment of the new Board of Statutory Auditors to be carried out during the Shareholders' Meeting for approval of the financial statements for the year ending on December 31, 2016.

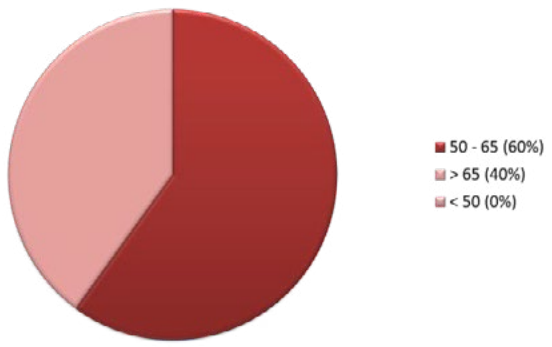
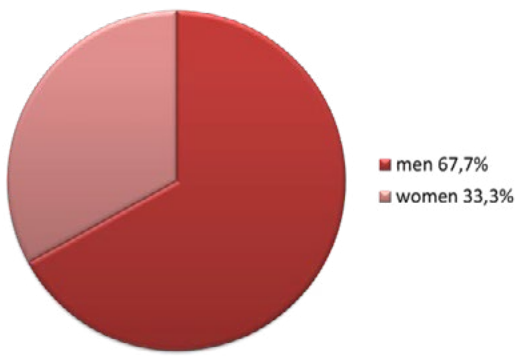
The table below provides relevant information about each member of the Board of Statutory Auditors in office as of the date of approval this Report.

POSITION	MEMBERS	YEAR OF BIRTH	DATE OF FIRST APPOINTMENT (*)	IN OFFICE FROM	IN OFFICE UNTIL	INDEP. CORPORATE GOVERNANCE CODE FOR LISTED COMPANIES	% (**)	NUMER OF OTHER POSITIONS (***)
Chairman	Gian-Carlo Noris Gaccioli	1951	14.04.2008	15.04.2014	11.04.2017	X	100	0
Statutory Auditor	Barbara Aloisi	1967	17.04.2012	15.04.2014	11.04.2017	X	93	2
Statutory Auditor	Marziano Viozzi	1946	16.04.2013	15.04.2014	11.04.2017	X	83	0
Alternate Statutory Auditor	Federica Bonato	1955	15.04.2014	15.04.2014	11.04.2017	X	=	1
Alternate Statutory Auditor	Marzio Duilio Rubagotti	1965	8.05.2012	15.04.2014	11.04.2017	X	=	0

(*) The date of first appointment of each Statutory Auditor means the date when the statutory auditor was appointed for the first time (ever) to the Board of Statutory Auditors of the Company.
(**) Percentage attendance at Committee's meetings (no. of attendances/ no. of meetings held during the actual period office of the person concerned during the reporting period).
(***) Number of offices as Director or Statutory Auditor in other companies listed in regulated markets, in financial, banking, insurance or large companies.

14. Composition and functioning of the Board of Statutory Auditors (Continued)

A breakdown is provided below of the members in office of the Board of Statutory Auditors by age and gender.

Breakdown by age	Breakdown by gender
	

A brief *curriculum vitae* of each member of the Board of Statutory Auditors, highlighting their professional and personal details along with their expertise and experience, is available on the FinecoBank website at the following link https://finecobank.com/en/public/corporate/governance/cariche-sociali.

The members of the Board of Statutory Auditors have not provided advisory services to the Issuer.

During the year, the Board of Statutory Auditors met 30 times. The average duration of the meetings was approximately 4 hours.

For the year 2017, 30 meetings of the Board of Statutory Auditors have been scheduled. At the date of approval of this Report 10 meetings had been held since the beginning of 2017.

All members of the Board of Statutory Auditors meet the professional competence and integrity requirements provided for by Article 148 of the Consolidated Law on Finance and Ministerial Decree no. 162 of March 30, 2000.

To the best of the Company's knowledge, none of the members of the Board of Statutory Auditors exceeded the limits on the number of board mandates specified in Article 144-*terdecies* of the Issuer Regulations, at the date of approval of this Report.

After its appointment, the Board of Statutory Auditors verified that each of its members possess the requirements of independent provided for by the Consolidated Law on Finance and the Corporate Governance Code for Listed Companies and communicated to the results of those checks to the Board of Directors.

During the meeting held on January 30, 2017, the Board of Statutory Auditors verified the independence of its members in accordance with the Corporate Governance Code for Listed Companies and Article 1148 of the Consolidated Law on Finance and Article 144-*novies* of the Issuers Regulations and communicated that the result of those of those checks to the Board of Directors.

In the assessment of the position of the requirements of independence no additional criteria were applied with respect to those envisaged by Article 148, paragraph 3, of the Consolidated Law on Finance, those established by any applicable industry sector regulation, and those envisaged by the Corporate Governance Code for Listed Companies.

Article 24 of the By-laws provides that, in order to properly perform its tasks, and in particular to fulfil its obligation to promptly inform the Bank of Italy, and other Supervisory Authorities if required, on management irregularities or violations of the law, the Board of Statutory Auditors is vested with the broadest powers provided for by current laws and regulations.

The Board of Statutory Auditors, without prejudice to any other or more specific duty and power assigned to it by primary and secondary laws and regulations in force, monitors compliance with laws, regulations and the By-laws, as well as the correct administration, adequacy of organisational and accounting arrangements of the Bank, of the risk management and control system, as well as the functioning of the overall internal control system, of the external auditing of the accounts, of the independence of external auditors and on the financial reporting process. The Board of Statutory Auditors works in close cooperation with the corresponding body of the UniCredit.

The Board of Statutory Auditors takes part in periodic meetings with the Chairman of the Board and with the Managing Director and General Manager, during which they exchange information.

In performing its duties, the Board of Statutory Auditors liaises with the Internal Audit function and the Audit and Related Parties Committee, through ongoing communication and the exchange of information, as well as by taking part in the meetings of the above mentioned Committee.

The Statutory Auditors are subject to the limit of the cumulation of positions pursuant to Article 144-*terdecies* of the Issuer Regulations.

The Statutory Auditors must also take into account the provisions of Article 36 of Law Decree no. 201 of December 6, 2011, converted into a law, after amendment by Law no. 214 of December 22, 2011 according to which holders of a seat in managerial, supervisory and controlling bodies, as well as top management officers in companies or groups of companies active in banking, insurance and financial markets are forbidden to hold similar offices, or to exercise similar duties, in competing companies or groups of companies (interlocking ban). Those who hold incompatible offices must notify the option exercised within 90 days of the appointment. Upon expiration of this period without any choice being made, they shall be removed from both offices.

The table below shows the offices held by statutory auditors of Finecobank in other companies listed in regulated markets, in financial, banking, insurance or large companies:

		COMPANY BELONGS TO UNICREDIT GROUP	
NAMES	**LIST OF OFFICES**	YES	NO
Gaccioli Gian-Carlo Noris *Chairman*	-	-	-
Viozzi Marziano *Statutory Auditor*	-	-	-
Alosi Barbara *Statutory Auditor*	 Permanent Statutory Auditor, SIAD S.p.A.	- -	x x
Bonato Federica *Stand-in Statutory Auditor*	Permanent Statutory Auditor, Cattolica Assicurazione	-	x
Rubagotti Marzio Duilio *Stand-in Statutory Auditor*	-	-	-

The special authorization procedure set out in Article 136 of the Consolidated Law on Banking applies to obligations of any kind or to purchase/sale agreements executed, directly or indirectly, by the Board of Statutory Auditors members with the bank for which they perform their duties.

The Statutory Auditors, who on their own behalf or for third parties, have an interest in a particular transaction of the Issuer promptly and comprehensively inform the other Statutory Auditors and the Chairman of the Board of Directors, regarding the nature, terms, origin and extent of their interest.

For more information regarding the establishment, duties and functioning of the Board of Statutory Auditors, see the chapter “Board of Statutory Auditors” of the Corporate Bodies Regulations of FinecoBank.

15. Relations with Shareholders

The Company considers it fitting in its own interests and a duty for the market to forge an ongoing dialogue with its shareholders and institutional investors, in compliance with the procedure for disclosing company documents and information to the market, and in general in compliance with laws and regulations that govern the disclosure of inside information applicable to listed companies.

In this context, the Company, in compliance with the provisions of Article 9 of the Corporate Governance Code for Listed Companies, considers the Shareholders' Meeting as an important opportunity for shareholders and directors to engage, and consequently adopts measures that encourage shareholders to take part in the Shareholders' Meeting and exercise their right to vote. In this respect, subject to that described in Paragraph 16, below, it is noted that in accordance with Article 7 of the By-laws the Shareholders' Meeting held on single call, unless the Board of Directors establishes that they be held in more than one session.

Pursuant to Article 135-*undecies* of the Consolidate Law on Finance, the Company may appoint, for each Shareholders' Meeting, with information given in the notice of meeting, a person (company-appointed representative), that shareholders may appoint to act as proxy with instructions to vote on all or some items on the agenda, according to terms and procedures established by law.

Pursuant to Application Criterion 9.C.1 of the Corporate Governance Code for Listed Companies, relations with institutional investors are instead overseen by the Investor Relator. In this regard, the Board of Directors resolve to insource the Investor Relations function, with effect from October 6, 2016, previously assigned to UniCredit, through a specific service agreement. In keeping with previous resolutions, the Board also appointed Ms. Stefania Mantegazza as the head of the Investor Relations function, assigning her the position of Investor Relator of the Company.

The Investor Relator reports continually to the Company's Senior Management on requirements concerning disclosure to the financial market and in particular to investors.

The Investor Relator is therefore the point of contact between the Issuer and the market and works with the entire company to maintain and promote compliance with regulations on corporate reporting.

* * *

The Company has created a specific section, on its website www.finecobank.com – which is easily identifiable and accessible – in which the information is made available regarding the Company that is of significance for its shareholders, in order to enable them to exercise their rights in an informed manner. In particular, in that section updated information is made available on the Company, and services offered, providing the key documents on corporate governance, as well as all press releases on the main company events, in addition to financial and accounting data. Information on the website is updated as promptly as possible, to guarantee the transparency and effectiveness of disclosure to the public.

16. Shareholders' meetings (pursuant to Article 123-*bis*, paragraph 2, letter c), Consolidated Law on Finance)

In compliance with regulatory and legal provisions in force, the Ordinary Shareholders' Meeting, pursuant to the By-laws, is convened at least once a year, within 120 (one hundred and twenty) days from the end of the financial year, to resolve on items in its remit as established by laws in force and the By-laws. The Extraordinary Shareholders' Meeting is convened whenever there is a need to resolve on items in its remit as established by the applicable regulations.

The Shareholders' Meeting is convened as one session in compliance with laws in force, however in order to maintain adequate organisational flexibility, the By-laws establish that the Board may convene several sessions for individual Shareholders' Meetings.

Meetings are convened according to law, by notice published on the Company's website, as well as by other procedures required by law. The Agenda is established according to law and the By-laws by the person with powers to convene Shareholders' Meetings.

Before the deadline for publishing the notice convening the meeting, based on each item on the agenda – or another term established by law – the Board of Directors shall make available to the public a report on each item on the Agenda.

The Agenda may be supplemented - according to the circumstances, procedures and terms established by laws in force - by shareholders that, even jointly, represent at least 2.50% of the share capital. Shareholders that request an item on the agenda to be added shall prepare a report stating the reasons for proposals to resolve on new items. Shareholders may also submit further proposals for resolutions on items already on the Agenda, giving relative reasons.

The Shareholders' Meeting meets at the Registered Office of the company or at another venue in Italy, indicated in the notice of meeting, and resolves with the majorities established by laws in force.

Quorums are not established in the By-laws, therefore in order for the Shareholders' Meeting to be duly established and for resolutions to be passed, laws in force shall be observed.

Pursuant to the By-laws, and in line with laws in force on remuneration and incentive policies and practices issued by Consob, and, for banks and banking groups, issued by the Bank of Italy, the Ordinary Shareholders' Meeting establishes the fees of the bodies it appoints, and also approves: *(i)* remuneration policies for Board Directors, employees and persons working for the company on a self-employed basis; *(ii)* remuneration plans based on financial instruments; *(iii)* payments agreed on in the event of the early termination of employment or early termination of an appointment, including the limits established for said fees in terms of annual fixed remuneration.

When approving remuneration policies, the Shareholders' Meeting may increase the limit of the ratio between variable and fixed remuneration up to a maximum of 2:1 or, if lower, to the maximum allowed by applicable laws in force. The Shareholders' Meeting votes on the Company's policy on the remuneration of Board Directors, the General Manager and Key Management Personnel, and the procedures used to adopt and implement this policy.

16.1 Legitimation, procedures for taking the floor and voting

According to applicable regulations, referred to in Article 8 of the By-laws, persons may take part in the shareholders' meeting and exercise their voting rights following notification sent to the Company, within the legal established time limits, by the intermediary authorized by law to keep the accounts, based on the entries in the accounting records relative to the end of the accounting day of the seventh open market day prior to the date established for the shareholders' meeting convened as a single session, or as a first session if the Board of Directors has planned for further sessions to take place.

The By-laws enable shareholders to take part in the Shareholders' Meeting using telecommunication means and to exercise voting rights digitally. The decision to activate these means is to be taken by the Board of Directors for each Shareholders' Meeting.

Pursuant to Article 8 of the By-laws, each shareholder who may take part in Shareholders' Meetings can be represented by written proxy by another person, who is not necessarily a shareholder, provided this complies with legal provisions. Voting by proxy may also be authorized by a document signed digitally pursuant to laws in force and notified to the Company at the email address and according to procedures indicated in the notice of meeting, or by another procedure established by current laws in force.

16. Shareholders' meetings (pursuant to Article 123-*bis*, paragraph 2, letter c), Consolidated Law on Finance) (Continued)

In compliance with the Application Criterion 9.C.2 of the Corporate Governance Code for Listed Companies, which recommends the involvement of directors in Shareholders' Meetings as an important opportunity for director/shareholder engagement, all directors usually take part in the Shareholders' Meetings of the Company. On these occasions, the Board of Directors, in particular, reports on past and planned activities and ensures shareholders are given sufficient information on items necessary for them to make informed decisions during shareholders' meetings.

The Board reports to the Shareholders' Meeting on past and planned activities within the context of the Directors' Report on Operations. It also gives shareholders sufficient information on items necessary for them to make informed decisions during shareholders' meetings, ensuring that Directors' reports and additional documents are made available within the times established by regulations and laws.

16.2 Proceedings of shareholdings' meetings

In accordance with the recommendations of the Corporate Governance Code for Listed Companies (Application Criterion 9.C.3), on proposal by the Board of Directors, the Shareholders' Meeting adopted regulations for the orderly and functional proceedings of shareholders' meetings (hereinafter, the "**Shareholders' Meeting Regulations**"). The Regulations for Shareholders' Meetings, is available on the Company's website at the following link https://images.fineco.it/pub-fineco/pdf/corporate/RegolamentoAssemblea-All-B_EN.pdf.

Pursuant to Article 8 of the Regulations for Shareholders' Meetings, persons who are entitled to take part in shareholders' meetings may take the floor as regards each item to discuss. Persons intending to take the floor shall request permission from the Chairman, submitting a written request with details of the issue the request refers to, after the Chairman has read the items on the Agenda and before he declares discussions the request to take the floor refers to as closed. The Chairman may authorise requests to take the floor to be made with a show of hands, and in this case persons take the floor in the alphabetical order of their surnames.

Article 10 of the By-laws also establishes that the Chairman is aided by a Secretary, selected by the attendees, who may also be a non-shareholder, by majority of those attending. In addition to the cases provided for by law, when the Chairman considers it appropriate, a notary may perform the function of Secretary, selected by the Chairman.

16.3 Significant changes in the capitalisation and in the ownership structure

The capitalisation of FinecoBank fell by around €1,391,000.00 during the Year compared to the previous year, to a figure of €3,234,000.00 at December 31, 2016.

With regard to the changes in the ownership structure during the year, the following is noted:

- UniCredit announced, in July 2016, that it had reduced its shareholding from 65.500% to 54.457% and then announced, in October 2016, that it had further reduced its shareholding to below the material limit of 50% (namely from 54.457% to 35.479%);
- Norges Bank announced that it had exceeded the material limit of 3% in October 2016 and then announced, in November 2016, that it had fallen back below that limit;
- Wellington Management Group LLP announced that it had exceeded the limit of 5% in October 2016.

No proposals were made to the Shareholders' Meeting for amendments of the By-laws regarding the percentages established for the exercise of the shares and the prerogatives imposed for the protection of non-controlling interests.

17. Additional corporate governance practices

Among the corporate governance practices – in addition to those already indicated above – currently applied by the Company beyond the obligations provided for by laws or regulations it is noted that – in compliance with the established by the Supervisory Regulations on Corporate Governance (Part I, Title IV, Chapter 3, Section VIII) – the Company has adopted a system of internal reporting of violations (whistleblowing).

In this context, the Company has head of the compliance function as the person responsible for the whistleblowing process, vested with the necessary autonomy and independence for the assigned control functions, who ensures the proper conduct of the procedure and reports directly and without delay to the governing bodies on the information reported, where relevant.

18. Changes after the end of the Year

At the date of approval of this Report there were no changes to the corporate governance structure that had taken place after the end of the Year.

FINECO BANK

SHAREHOLDERS' MEETING
DIRECTORS' REPORTS

ORDINARY PART
ITEMS 1, 2, 3, 4, 5 and 6 OF THE AGENDA

This is an English translation of the original Italian document. The original version in Italian takes precedence.

FinecoBank S.p.A. - Member of UniCredit

Ordinary Shareholders' Meeting

Items 1 and 2 of the agenda

Directors' Report

Approval of the FinecoBank S.p.A. financial statements as at December 31, 2016, accompanied by the Reports of the Board of Directors and the Auditing Company; Report of the Board of Statutory Auditors.

Allocation of the net profit for the year 2016 of FinecoBank S.p.A.

Dear Shareholders,

We have called this Ordinary Meeting to resolve, *inter alia*, on the approval of the Financial Statements as at December 31, 2016 and the allocation of the net profit for the year 2016 of FinecoBank S.p.A (the "**Company**" or "**FinecoBank**").

In connection with the above, the proposals submitted for your approval are described below.

1. Approval of the Financial Statements as at December 31, 2016 and allocation of the net profit for the year 2016 of Finecobank S.p.A.

The Financial Statements for the year ended December 31, 2016 show a profit of Euro 211,843,793.79. While reference is made to the Board of Directors' report, which will be published in the manner and within the deadline set out by law as later explained, we hereby propose to approve the financial statements as at December 31, 2016, in its entirety and to allocate the aforesaid profit as follows:

(i) Euro 59,921.99, equal to 0.03% of the net profit for the year, to the legal reserve, one fifth of the share capital having been reached;

(ii) Euro 41,624,135.20 to the Extraordinary Reserve;

(iii) to distribute a dividend of Euro 0.28, amounting to a total of Euro 170,159,736.60, to the 607,713,345 ordinary shares having a par value Euro 0.33 each, making up the share capital as at the shareholders' meeting date and, therefore, inclusive of the 907,909 shares resulting from the bonus issue approved by the Board of Directors on February 7, 2017 with effect from March 31, 2017 (see the press release of February 7, 2017 available on the Company's *website*).

The dividend approved by the shareholders' meeting shall be paid, in accordance with applicable laws and regulations, on April 26, 2017 with "ex-dividend" date on April 24, 2017. Pursuant to Art. 83-*terdecies* of Legislative Decree no. 58 of February 24, 1998 ("**Consolidated Law on Finance**"), therefore, those who appear as shareholders on the basis of the accounting records at the end of the accounting day of April 25, 2017, shall be entitled to receive the dividend.

The Board of Directors clarifies that the portion of undistributed dividends with respect to the treasury shares held by the Bank at the date of April 25, 2017, shall be transferred to the extraordinary reserve.

The documentation envisaged by art. 154-*ter* of the Consolidated Law on Finance shall be made available to the public at least twenty days prior to the date of the shareholders' meeting in single call. (*i.e.* by **March 20, 2017**).

2. Resolutions proposed to the Ordinary Shareholders' Meeting

Dear Shareholders,

If you agree with the content shown in this report, we ask you to pass the following resolution:

1. to approve the Financial Statements as at December 31, 2016, in their entirety;

2. to approve the allocation of the net profit for the year 2016 of Euro 211,843,793.79, as follows: *(i)* Euro 59,921.99 equal to 0.03% of the profit for the year, to the legal reserve, one fifth of the share capital having been reached; *(ii)* Euro 41,624,135.20 to the Extraordinary Reserve; *(iii)* Euro 170,159,736.60 to the 607,713,345 ordinary shares having a par value Euro 0.33 each, making up the share capital – and, therefore, inclusive of the 907,909 shares resulting from the bonus issue approved by the Board of Directors on February 7, 2017 with effect from March 31, 2017 – corresponding to a dividend per share of Euro 0.28.

Ordinary Shareholders' Meeting (Continued)

Items 3 and 4 of the agenda

Directors' Report

Appointment of the Board of Directors, determination of the number of Directors and determination of the duration of their term in office.

Pursuant to Article 20 of the By-laws, determination of the remuneration due to the Directors for their work on the Board of Directors, the Board Committees and other company bodies.

Dear Shareholders,

One of the reasons for calling this Ordinary Shareholders' Meeting of FinecoBank S.p.A. (the "**Company**" or "**FinecoBank**") was so that you can decide on which Directors to appoint, once the number of Board members has been set, and the duration of their term in office. Moreover, you are also being asked to define the remuneration due to the Directors, including for the work they do on the Board Committees and other Company bodies.

In this regard, please find below the proposals that you are being asked to approve.

1. Appointment of the board of directors, determination of the number of directors and determination of the duration of their term in office.

1.1 Reasons for proposing of the appointment of the Board of Directors and determination of the duration of their term in office

Since the current term of office for the Board of Directors, appointed by the Shareholders' Meeting of April 15, 2014, ends with the approval of the 2016 financial statements, you are being asked to approve the appointment of the new Board of Directors, once the number of Directors has been set, and the determination of their term in office.

In this regard, please note that, pursuant to Article 13 of the By-laws and accordingly with the current and applicable statutory and regulatory provisions, the members of the Board of Directors shall be appointed on the basis of lists of candidates submitted by Shareholders.

Furthermore, please also note that, pursuant to Article 13 of the By-laws, the Company is managed by a Board of Directors composed of a minimum of 5 (five) and a maximum of 13 (thirteen) members. Directors shall hold office for three financial years, except where a shorter term is established at the time of their appointment; the term ends on the date of the Shareholders' Meeting called to approve the financial statements relating to the last year of their appointment.

The number of members of the Board of Directors shall be determined on the basis of the proposals submitted by Shareholders at the time of submission of the lists or at the Meeting up to the time of the related resolution.

Both genders must be represented on each list that has 3 (three) or more candidates, so as to ensure compliance with at least the minimum requirements of current laws and regulations on gender equality (*i.e.* pursuant to Article 147-*ter*, paragraph 1-*ter*, of the Legislative Decree February 24, 1998, no. 58, the less-represented gender must represent at least one third of the directors elected). We also remind you that the members of the Board of Directors must satisfy the requirements of professionalism, integrity and independence imposed by laws, regulations and the By-laws.

Shareholders which, alone or jointly with others, hold at least 1% of the ordinary share capital have the right to submit lists. Ownership of the minimum number of shares required for submitting lists is calculated taking into consideration the shares registered for each individual shareholder, or for more shareholders jointly, on the day on which the lists are submitted to the Company and must be proven pursuant to the then current laws; such proof may also be submitted to the Company after the submitting of the lists, provided it is prior to the deadline within which the Company must make the lists public (*i.e.* within 21 days prior to the date of the Shareholders' Meeting).

Each shareholder entitled to vote (as well as Shareholders belonging to the same group or Shareholders who are party to a shareholders' agreement or entitled Shareholders who are otherwise associated with each other in a material relationship pursuant to current and applicable statutory or regulatory provisions) can submit individually or with others only one list, just like each candidate must only feature in one list, failing which he will become ineligible.

In order for a list to be valid, it must be submitted to the Company's registered office or to its headquarters or also via certified email, by **April 17, 2017**. The entitled shareholders who submitted a list must also file any additional documentation and declarations required by the laws and regulations in force at the time, as well as by the By-laws, within the deadline established for the submitting of the lists, as indicated in the Notice of Call of the Shareholders' Meeting.

Any list that does not meet the above requirements shall be deemed to not have been submitted.

With respect to the above, **Shareholders are invited to consult**:

- the recommendations set forth in the Consob Communication no. DEM/9017893 of February 26, 2009 related to the connecting relationship between the lists;

- the document entitled "*Assessment of the qualitative and quantitative composition of the FinecoBank Board of Directors*" – drawn up in accordance with the provisions of the Bank of Italy regarding corporate governance, as set out in Circular Letter no. 285/2013 – which contains the results of the prior analysis carried out by the Board of Directors of the Company (assisted by the Remuneration and Appointments Committee) on its qualitative and quantitative composition deemed optimal in order to ensure the proper performance of the functions assigned to it. The document, approved by the Board of Directors on February 7, 2017, is available on the website of the Company ("*Governance/Shareholders' Meeting*" Section). Shareholders shall remain entitled to express different views on the optimal composition of the Board, giving reasons for any differences from the analysis conducted by the Board;

- the document entitled "*Information concerning the procedure for the appointment of the Board of Directors and the Board of Statutory Auditors*" (in particular, Part A of such document), setting out detailed information about the procedure for the appointment of the Board of Directors and the documentation that must accompany the lists, published and available on the Company website ("*Governance / Shareholders Meeting*" Section).

1.2 Procedure for the appointment

More specifically, the Board of Directors will be appointed as follows, in accordance with the provisions set forth in the By-laws:

(a) a number of Directors equal to the number of board members, decreased by 1, shall be drawn - in the order in which they appear on the list - from the list receiving the majority of votes cast. The remaining Director shall be drawn- in numerical order - from the minority list that received the most votes among the minority lists;

(b) if the majority list does not reach a sufficient number of candidates for the election of the number of Directors to be appointed, according to the mechanism indicated in letter (a) above, all the candidates from the majority list shall be appointed and the remaining Directors shall be drawn from the minority list, in the order in which they appear on the list, receiving the highest number of votes; if necessary, directors shall also be drawn from the second most voted minority list, always in the order in which the appear on the list, until the number of Directors to elect has been reached;

(c) if the number of candidates in the majority as well as minorities lists submitted is less than the number of the Directors to be elected, the remaining Directors shall be elected through a resolution made by the Shareholders' Meeting by relative majority, ensuring compliance with the principles of independence and gender equality prescribed by current law and regulations. If there is a tie vote between two or more candidates, a run-off will be held between these candidates by means of another vote at the Shareholders' Meeting;

(d) if only one list or no list is filed, the Shareholders' Meeting shall act in accordance with the procedures set forth in letter (c) above;

(e) if the required minimum number of Independent Directors and/or Directors belonging to the least represented gender is not elected, the Directors of the most voted list who have the highest consecutive number and do not meet the requirements in question shall be replaced

Ordinary Shareholders' Meeting (Continued)

Items 3 and 4 of the agenda (Continued)

by the next candidates on the same list, who meet the necessary requirements. Should it prove impossible, even after applying this criterion, to identify the Directors who meet the above requirements, the above substitution criterion shall apply to the minorities lists receiving the highest votes from which the candidates elected have been drawn;

(f) if even after applying the substitution criteria referred to in letter (e) above, suitable substitutions have not been found, the Shareholders' Meeting shall resolve by a relative majority. In this case, the substitutions shall be effected starting from the most voted lists and from the candidates bearing the highest number in consecutive order.

2. Pursuant to Article 20 of the by-laws, determination of the remuneration due to the Directors for their work on the Board of Directors, the Board committees and other Company Bodies.

Following the appointment of the Board of Directors, it is necessary to determine the remuneration due to the Directors for their work on the Board of Directors, the Board Committees and other Company bodies.

With reference to the Directors whose term of office has just expired, please note that the Shareholders' Meeting of April 15, 2014 resolved, *inter alia*, to grant: *(i)* to the Board of Directors a total amount equal to Euro 370,000.00, for each year in office; *(ii)* to the Chairman and Vice Chairman, pursuant to Article 2389, paragraph 3, of the Italian Civil Code, a total gross annual amount equal to Euro 200,000.00; *(iii)* to the members of the Board Committees a total gross annual amount equal to: Euro 20,000.00 in favor of the Chairman of each Committee and Euro 15,000.00 in favor of each member of each Committee; *(iv)* for the participation in the Board of Directors' meeting and other Committees if any, an attendance fee equal to Euro 300.00, even if held in the same day.

Furthermore, please note that the Directors benefit from an insurance policy covering civil liability, while said they remained responsible for all tax arising from such benefit, already agreed upon by the Company in compliance with the resolution adopted by the Shareholders' Meeting on April 17, 2012.

3. Resolutions submitted to the Ordinary Shareholders' Meeting

Dear Shareholders,

If you agree with the contents and topics described in this Report and having taken into account what is established by the By-laws regarding the composition and methods for appointing the Board of Directors as well as the indications contained in the document entitled "*Assessment of the qualitative and quantitative composition of the FinecoBank Board of Directors*", we ask you to approve the following resolutions:

1. to set the number of members of the Board of Directors and their term in office;

2. pursuant to Article 13 of the By-laws, to appoint the directors on the basis of lists of candidates submitted by Shareholders;

3. to set the remuneration due, for each year in office, to the Directors for the activities they undertake in relation to the Board of Directors, the Board Committees and other Company bodies.

Ordinary Shareholders' Meeting (Continued)

Items 5 and 6 of the agenda

Directors' Report

Appointment of the Board of Statutory Auditors.

Pursuant to Article 23, paragraph 17, of the By-laws, determination of the remuneration due to the Statutory Auditors and determination of the remuneration due to the Chairman of the Board of Statutory Auditors as external member of the Supervisory Body.

Dear Shareholders,

You are asked to appoint the new Board of Statutory Auditors of FinecoBank S.p.A. (the "**Company**" or "**FinecoBank**") and also to define the remuneration due to the Chairman of the Board of Statutory Auditors as external member of the Supervisory Body.

In this regard, please find below the proposals that you are being asked to approve.

1. Appointment of the Board of Statutory Auditors.

1.1 Reasons for proposing of the appointment of the Board of Statutory Auditors

Since the current term of office for the Board of Statutory Auditors, appointed by the Shareholders' Meeting of April 15, 2014, ends with the approval of the 2016 financial statements, you are being asked to approve the appointment of the new Board of Statutory Auditors. The members of the Board of Statutory Auditors shall hold office for three financial years. Their term ends on the date of the Shareholders' Meeting called to approve the financial statements relating to the last year of their appointment.

In this regard, please note that, pursuant to Article 23 of the By-laws and accordingly with the current and applicable statutory and regulatory provisions, the members of the Board of Statutory Auditors shall be appointed on the basis of lists of candidates submitted by Shareholders. Each list shall contain the names of the candidates numbered progressively.

Each list shall be divided into two sections containing respectively up to three candidates for the position of permanent Statutory Auditor and up to two candidates for the position of alternate Statutory Auditor. At least the first two candidates for the seat as permanent Statutory Auditor and at least the first candidate for the seat as alternate Statutory Auditor given in the respective directories must be listed in the Roll of Auditors for at least three years and must have acquired at least three years' experience as regards statutory auditing of accounts.

Each list for the appointment of Statutory Auditor must have a number of candidates belonging to the least represented gender, so as to ensure compliance with at least the minimum requirements for gender equality prescribed by current law and regulations (i.e. pursuant to Article 148, paragraph 1-bis of the Legislative Decree February 24, 1998, no. 58, the less-represented gender must obtain at least one third of the regular members of the board of auditors).

Shareholders which, alone or jointly with others, hold at least 1% of the ordinary share capital have the right to submit lists. Ownership of the minimum number of shares required for submitting lists is calculated taking into consideration the shares registered for each individual shareholder, or for more persons jointly, on the day on which the lists are submitted to the Company and must be proven pursuant to the then current laws; such proof may also be submitted to the Company after the submitting of the lists, provided it is prior to the deadline within which the Company must make the lists public (i.e. within 21 days prior to the date of the Shareholders' Meeting).

Each shareholder entitled to vote (as well as shareholders belonging to the same group or Shareholders who are party to a shareholders' agreement or entitled Shareholders who are otherwise associated with each other in a material relationship pursuant to current and applicable statutory or regulatory provisions) can submit individually or with others only one list, just like each candidate may only feature in one list, failing which he will become ineligible.

In order for a list to be valid, it must be submitted to the Company's registered office or to its headquarters or also via certified email, by **April 17, 2017**. The entitled persons who submitted a list must also file any additional documentation and declarations required by the laws and regulations in force at the time, as well as by the By-laws, within the deadline established for the submitting of the lists, as it indicated in the Notice of Call of the Shareholders' Meeting.

Any list that does not meet the above requirements shall be deemed to not have been submitted.

With respect to the foregoing, **Shareholders are invited to consult**:

- the recommendations set forth in the Consob Communication no. DEM/9017893 of February 26, 2009 related to the connecting relationship between the lists;

- the document entitled "*Information concerning the procedure for the appointment of the Board of Directors and the Board of Statutory Auditors*" (in particular, Part B of such document), setting out detailed information about the procedure for the appointment of the Board of Statutory Auditors and the documentation that must accompany the lists, published and available on the Company website ("*Governance / Shareholders Meeting*" Section).

1.2 Procedure for the appointment

The members of the Board of Statutory Auditors shall be appointed as follows:

(a) 2 (two) Standing Auditors and 1 (one) Stand-in Statutory Auditor are drawn from the list obtaining the largest number of votes cast by the Shareholders, in the order in which they appear on the list;

(b) the remaining Statutory Auditor and the remaining Stand-in Statutory Auditor are drawn from the list that obtained the most votes after the list referred to in letter (a). The first candidates of the related section are thus elected Statutory Auditor and Stand-in Statutory Auditor.

If, in accordance with the deadlines and procedures set forth in the previous paragraphs, only one list or no list has been presented, or the lists do not contain the required number of candidates to be elected, the Shareholders' Meeting shall pass a resolution for the appointment or completion of the Board of Statutory Auditors by relative majority. If there is a tie vote between several candidates, a run-off election shall be held between them with a further vote of the Shareholders' Meeting.

The Shareholders' Meeting shall be required to ensure compliance with the provisions of applicable laws and regulations concerning gender balance.

1.3 Appointment of the Board of Statutory Auditors' Chairman

The Chairmanship of the Board of Statutory Auditors will go to the first candidate of Standing Auditors from the minority list receiving the most votes.

Ordinary Shareholders' Meeting (Continued)

Items 5 and 6 of the agenda (Continued)

2. Pursuant to Article 23, paragraph 17, of the by-laws, determination of the remuneration due to the Statutory Auditors and determination of the remuneration due to the Chairman of the Board of Statutory Auditors as external member of the Supervisory Body.

Following the appointment of the Board of Statutory Auditors, it is necessary to determine the annual remuneration due to the Statutory Auditors and the remuneration due to the Chairman of the Board of Statutory Auditors as external member of the supervisory body.

On the basis of the information provided by the outgoing Board of Statutory Auditors, we inform you that the total number of days to be accounted for as regards the activities carried out by the Auditors during 2016 amounts to 160 days (equal to 1.292 hours).

Please note that the Shareholder's Meeting on April 15, 2014 resolved to grant to the Chairman of the Board of Statutory Auditors a total gross annual amount equal to Euro 50,000.00 and to each permanent Auditor a total gross annual amount equal to 40,000.00, as well as an attendance fee of Euro 300.00 for each Board meeting. Please also note that the Shareholders' Meeting on April 12, 2016 resolved to grant to Mr. Gian-Carlo Noris Gaccioli a total gross annual amount equal to Euro 15,000.00 as external member of the Supervisory Body, in addition to that already due to him as Chairman of the Board of Statutory Auditors.

Furthermore, please note that the Statutory Auditors benefit from an insurance policy covering civil liability, while said they remained responsible for all tax arising from such benefit, already agreed upon by the Company in compliance with the resolution adopted by the Shareholders' Meeting on April 17, 2012.

3. Resolutions to the Ordinary Shareholders' Meeting

Dear Shareholders,

If you agree with the contents and topics described in this Report and having taken into account what is established by the By-laws regarding the composition and methods for appointing the Board of Statutory Auditors, we ask you to approve the following resolutions:

1. to appoint the members of the Board of Statutory Auditors, who shall hold office for three financial years (i.e. for the financial year 2017, 2018 and 2019, up to the Shareholders' Meeting called to approve the 2019 financial statements);

2. to determine the annual remuneration due to the members of the Board of Statutory Auditors for the entire term of office and the remuneration due to the Chairman of the Board of Statutory Auditors as external member of the Supervisory Body.

FINECO BANK

ORDINARY SHAREHOLDERS' MEETING
AND EXTRAORDINARY MEETING

DIRECTORS' REPORT

"Please note that this is a convenient translation of an Italian document provided for information purposes only. Therefore, the Italian version of such document shall prevail in all respects on the English translation."

FinecoBank S.p.A. - Member of UniCredit

Ordinary Shareholders' Meeting

Item no. 7 on the agenda

Directors' Report

2017 Compensation Policy

Dear Shareholders,

We have called this ordinary Shareholders' Meeting to request your approval of the "2017 FinecoBank Compensation Policy" (hereinafter, also "2017 Compensation Policy"), set out in the attached document which forms an integral part of the present Report, in compliance with the requirements set by the Bank of Italy Circular n. 285 of December 17th, 2013 providing the *"Supervisory Provisions concerning Banks"* (hereinafter, "Supervisory Provisions" which prescribe that the ordinary Shareholders' Meeting approves, amongst other items, the remuneration policy for members of the Board of Directors, employees and collaborators not related to the company by an employment agreement (or for FinecoBank selected Personal Financial Advisors of the Company) as well as according to section 123-ter of the legislative Decree 58 dated February 24th, 1998 (Consolidated Finance Act, known as TUF from its Italian initials). The approval of remuneration policy and incentive systems must evidence their conformity with prudent risk management and the company's long-term objectives, ensuring also an appropriate balance between the fixed and variable components of remuneration as required by regulators and, in the case of the latter, risk-weighting systems and mechanisms designed to ensure that compensation is linked to effective and lasting results.

In addition, in compliance with indications of the regulators, the 2017 Compensation Policy provides information on the implementation of the 2016 FinecoBank compensation policy approved by the Shareholders' Meeting on April 12th , 2016 (Section II of the 2017 Compensation Policy "Annual Compensation Report").

It is therefore proposed that this Shareholders' Meeting approves the 2017 Compensation Policy which defines the principles and standards that FinecoBank applies and which are used to define, implement and monitor the compensation policy and systems. The proposal was formulated by the Human Resources function, with the contribution of Compliance, Risk Management, Finance and Network Controls, Monitoring and Service Department functions on the topics by their scope. Shareholders are also invited to consult the information regarding the implementation of the 2016 Compensation Policy of FinecoBank approved by the Shareholders' Meeting on April 12th , 2016.

2017 Compensation Policy

The key principles of the 2017 Compensation Policy, which are confirmed with respect to those approved by Shareholders' Meeting on April 12th, 2016, are described in the section II of the attached document - that were made available to Shareholders and the market – and they are summarised here below:

(a) the FinecoBank compensation approach is performance and market framework oriented and aligned with business strategy and Stakeholder interests, ensuring remuneration competitiveness and effectiveness as well as internal and external equity and transparency, by driving sustainable behaviours and performance;

(b) within FinecoBank's governance structure, rules and processes for delegation of authority and for compliance were defined with the aim of ensuring adequate control, coherence and compliance of remuneration framework throughout the Bank;

(c) the key pillars of the 2017 Compensation Policy are:
- clear and transparent governance;
- compliance with regulatory requirements and principles of good professional conduct;
- continuous monitoring of market trends and practices;
- sustainable pay for sustainable performance;
- motivation and retention of all staff, with particular focus on talents and mission-critical resources

(d) on the basis of these principles, the 2017 Compensation Policy establishes the framework for a consistent approach and an homogeneous implementation of sustainable remuneration in FinecoBank, with particular reference to Identified Staff.

In line with the regulatory requirements provided by European Banking Authority (EBA), FinecoBank performed the yearly assessment of the staff categories whose professional activities have a material impact on the Bank's risk profile. The self-assessment was performed at local and Group level, as requested by Bank of Italy, and is documented in the 2017 Compensation Policy. The defined number of Identified Staff in 2017 amounted to 14 employees and 7 financial advisors.

Moreover, in line with the indications of national and international regulators, it was considered appropriate within the annual review of policy to highlight in particular:

i. updates of the regulatory framework as well as the peer group for compensation benchmarking
ii. the definition of the 2017 Identified Staff population, both employees and financial advisors;
iii. the ratio between variable and fixed remuneration. In particular, the adoption of a maximum ratio of 2:1 did not changed for the employees belonging to business functions, while for the rest of the employees, a maximum ratio equal to 1:1 is usually adopted, except for the staff of the company control functions, for which is provided that the variable remuneration could not exceed 33% of the fixed remuneration. Regarding the financial advisors belonging to Identified Staff, the 2:1 ratio will be adopted between the non-recurring and the recurring component of the remuneration;
iv. full description of the new 2017 FinecoBank incentive system reserved for employees belonging to Identified Staff;
v. full description of the new 2017 FinecoBank incentive system reserved for financial advisors belonging to identified staff;
vi. information about the role and activities of the Remuneration and Appointments Committee in 2016, as well as the role of Compliance, Audit and Risk functions;
vii. continuous disclosure of all information requested by national and international regulators (Bank of Italy, Consob and European Parliament).

Annual Compensation Report

In line with national and international standards, the key implementation features and the main results of FinecoBank compensation policy and 2016 incentive systems, as well as evidence of the coherence of the rationale behind the long-term loyalty plans of FinecoBank with the principles of its compensation policy and with specific regulatory requests, are described in the Annual Compensation Report that were made available for information to Shareholders and the market within the limits established by law. The Annual Compensation Report provides a description of compensation practices adopted in FinecoBank and the implementation of incentive systems, as well as Remuneration Tables with a focus on Non-Executive Directors, the Chief Executive Officer and General Manager, Executives with strategic responsibilities and other Identified Staff with a material impact on risk, in compliance in particular with the applicable regulations.

The Annual Compensation Report provides also the disclosure as per section 84-quater of Issuers regulation as adopted with the Consob Resolution no. 11971 of May, 14th, 1999, as later modified, referring to Directors, Statutory Auditors, General Manager and executives with strategic responsibilities. The document contains specific information regarding the approval and execution of equity plans, as requested by section 114-bis of TUF.

* * *

Dear Shareholders,

If you agree with the above, you are invited to approve the proposal on the agenda and, as a result, to adopt the following resolutions:

1. To approve the "2017 Compensation Policy" of FinecoBank, as contained in the attached document which forms an integral part of the present Report, in order to define the principles and standards that FinecoBank shall apply to the definition, implementation and monitoring of compensation policy and remuneration plans throughout the organisation for the members of the Board of Directors, for employee and for selected Personal Financial Advisors of the Company.

2. To confer to the Chairman and the Chief Executive Officer and General Manager, also separately, all necessary power of attorney to make any additions and/or modifications to the above 2017 Compensation Policy that will be eventually required by the regulators or changes of the Group Policy made by the Shareholders' Meeting of UniCredit that will be called to approve the 2016 Financial Report, which would render 2017 Policy of FinecoBank no longer consistent with that of the Group.

Ordinary Shareholders' Meeting (Continued)

Item no. 8 on the agenda

Directors' Report

Termination payments policy renewal

Dear Shareholders,

We have called this ordinary Shareholders' Meeting to request your approval of the renewal of the "FinecoBank Termination Payments Policy" (hereinafter "2017 Severance Policy" or the "Policy"), set out in the attached document which forms an integral part of the present Report, in compliance with the requirements set forth in the Part I, Title IV Chapter 2, "Remuneration policies and practices" of the Bank of Italy's Circular n. 285 of December 17th, 2013 (*"Supervisory Provisions concerning Banks"*). In particular, according to the dispositions mentioned before, the ordinary Meeting has to approve, amongst other items, the criteria to determine the compensation to be granted in case of early termination of the employment or office, including the limits to such compensation in terms of annual fixed remuneration and the maximum amount deriving from their application.

In the general assumption that termination payment (hereinafter, also "the *Severances*") is defined in each case in the best interests of the company, such payments do not exceed the limits provided by the law and/or by the collective labor agreements applicable in case of lay-off.

In particular, it is proposed that the termination payments do not exceed 24 months of total compensation including the indemnity in lieu of notice. In this context, in any case, the additional payments on top of the indemnity in lieu of notice, cannot exceed 18 months of total compensation.

To this regards is highlighted that the 2017 Severance Policy - compared to the same policy approved by the Shareholders' Meeting on April 23rd 2015 - sets a more strict maximum limit for the Severances (the 2015 document set a maximum limit of 24 months, plus the indemnity in lieu of notice).

With the only aim of meeting the regulatory provision introduced by the Bank of Italy, which requires to set a maximum limit to *Severances* also in terms of number of monthly fixed pay and in absolute terms, it is reported that – in view of maximum 2:1 ratio between variable and fixed remuneration set by 2014 Shareholders' Meeting – the aforesaid maximum limit (including the indemnity in lieu of notice) could arrive to correspond to a merely theoretical value of 72 months of fixed compensation in the case, purely hypothetical and improbable, of a subject who in the last three years prior to the termination has always received bonuses in a measure equal to 200% of his/her fixed compensation. The value of the Severance so determined will not in any case exceed Eur 5,1 million.

The value of each month's salary used to calculate the *Severance* is set – in compliance with the law and the applicable collective labor agreement – considering the current fixed remuneration plus the average of the incentives actually cashed-in during the last three years prior to the termination.

Regarding the determination criteria, *Severances*, due to the mechanism for the calculation of the compensation used for the determination, which includes the bonuses actually cashed-in after the application of *malus* clause, are as a matter of fact already differentiated just on the basis of the risk-adjusted individual performance. The definition of their amount also occurs evaluating on a case-by-case basis and in an overall perspective, the specific objective and subjective circumstances of the relationship resolution, however considering - within the specific legal and contractual framework - the following elements: duration of the employment, performance provided over time, assumption of inappropriate risks, behaviors alignment with FinecoBank and Group values, personal and social impacts of the termination, willingness to take on additional commitments, interest of the company to come anyway to a consensual resolution of the relationship rather than a unilateral one.

Severances are paid out in forms and with timings fully consistent with the discipline, also regulatory, time by time applicable to the specific case.

* * *

Dear Shareholders,

If you agree with the above, you are invited to approve the proposal on the agenda and, as a result, to adopt the following resolutions:

1. To approve the renewal of "FinecoBank Termination Payment Policy", as per the attached document and which form an integral part of this Report, in order to define the general principles, the limits, the criteria and procedures for payment of compensation to be granted in the case of early termination of the employment relationship or early termination of the position.

2. To confer to the Chairman and the Chief Executive Officer and General Manager, also separately, every opportune power of attorney to make any additions and/or modifications to the above Policy that will be eventually required by the regulators or changes of the Group Policy made by the Shareholders' Meeting of UniCredit that will be called to approve the 2016 Financial Report, which would render 2017 Termination Payment Policy of FinecoBank no longer consistent with that of the Group.

Ordinary Shareholders' Meeting (Continued)

Item no. 9 on the agenda

Directors' Report

2017 Incentive system

Dear Shareholders,

We have called this Ordinary Shareholders' Meeting to request your approval of the 2017 Incentive System, providing for the allocation of an incentive, in cash and/or in free ordinary shares, to be granted in a multi-year period to selected resources of FinecoBank, in accordance with the modalities described below and subject to the achievement of specific performance conditions.

This proposal was formulated in compliance with the provisions of section 114-bis of Decree 58 dated February 24th, 1998, and in accordance with the provisions set forth by Consob with reference to incentive plans based on financial instruments assigned to corporate officers, employees or collaborators; for this purpose, a document describing the details of the incentive system was released pursuant to section 84-bis of the Consob Regulation no. 11971/99 and subsequent amendments, and was made available to the public under the terms of the law and reference is made to detailed description of the incentive system described in this report.

The proposal is also aligned with the Compensation Policy of FinecoBank, the indications issued by the Bank of Italy on remuneration and incentives policies and practices, and the directive set by the European Directive 2013/36/EU (Capital Requirements Directive, also known as CRD IV), and by EBA (European Banking Authority) guidelines. Respecting these provisions, FinecoBank determined the adoption of a ratio between the variable and the fixed remuneration equal to 2:1 for employees working in business functions, unless of the application of a lower limit as provided by Regulators.

1. 2017 Incentive system

Goals

The 2017 Incentive System (hereinafter also **"2017 System"**) aims to attract, retain and motivate FinecoBank beneficiaries, in compliance with the national and international regulatory requirements with the aim to define - in the interest of all stakeholders - incentive systems aligned with long- term company strategies and goals, linked to bank results, adjusted in order to consider all risks, in coherence with capital and liquidity level necessary to cover the activities in place and, regardless, be able to avoid misleading incentives that could drive excessive risks taking for the bank and the system on a whole.

Beneficiaries

The potential beneficiaries of the 2017 System, identified in line with the criteria issued by Commission Delegated Regulation (EU) no. 604/2014 of March 4th, 2014, are the following:

- the Chief Executive Officer and General Manager (CEO/GM), the Deputy General Managers (DGM), the Executive Vice President (EVP), the Senior Vice President;
- Employees with total remuneration more than Eur 500,000 in the last year;
- Employees included within 0.3% of staff with the highest remuneration at local level;
- Employees whose remuneration is within the remuneration ranges of senior management and other Identified Staff;
- Other selected roles (including new hires).

The overall number of beneficiaries as at January 9th, 2017 is equal to 14.

Elements of the 2017 system

(a) In line with the same approach adopted in 2016, 2017 System provides for the bonus pool approach for determining variable remuneration to be paid in 2018. The link between profitability, risk and reward is guaranteed by directly linking the bonus pool with company results (at Group and local level), cost of capital and risk profiles relevant for the Group as stated in the Risk Appetite Framework.

(b) The bonus pool will be defined on the basis of local and Group performance and assigned to employees according to individual performance.

(c) The 2017 System aims to attract, retain and motivate the beneficiaries and to align FinecoBank incentive system to the most recent national and international regulatory requirements and provides for:

- allocation of a variable incentive defined based on available bonus pool, individual performance evaluation, internal benchmark for specific roles and ratio between fixed and variable component set by the Ordinary Shareholders' Meeting;
- definition of a balanced structure of upfront (as of the performance evaluation) and deferred payments, in cash and/or in shares;
- distribution of share payments, coherently with the applicable regulatory requirements regarding the application of share retention periods. In fact the defined payment structure requires a retention period on shares (of two years for upfront shares and of one year period for deferred shares);
- risk-adjusted metrics in order to guarantee long-term sustainability respecting the company's financial position and ensuring compliance with regulatory expectations;
- malus clause (Zero Factor) applies in case specific thresholds (profitability, capital and liquidity) are not met at both Group and local level. In particular, the bonus pool of 2017 will be zeroed, while previous systems deferrals could be reduced from 50% to 100% of their value, based on final effective results and on the assessment performed by the relevant Bodies and Functions.

(d) Individual performance appraisal is based on specific goals, linked to the 5 fundamentals of UniCredit Group competency model: "Customer First"; "People Development"; "Cooperation and Synergies"; "Risk Management"; "Execution & Discipline".

(e) Incentive pay-outs shall be made over a multi-year period (2018-2023) subject to continuous employment at each date of payment and as follows:

- in 2018 the first instalment of the overall incentive ("1st instalment") will be paid in cash, in absence of any individual values / compliance breach, considering also the gravity of any internal/external findings (e.g. Audit, Bank of Italy, Consob and/or analogous local authorities);
- over the period 2019-2023 the remaining amount of the overall incentive will be paid in several instalments in cash and/or Fineco free ordinary shares; each subsequent tranche will be subject to the application of the Zero Factor for the year of allocation and in absence of any individual values / compliance breach, considering also the gravity of any internal/external findings (e.g. Audit, Bank of Italy, Consob and/or analogous local authorities);

(f) The final evaluation of Group sustainable performance parameters and risk-reward alignment will be reviewed by the Remuneration and Appointments Committee and defined by the Board of Directors of FinecoBank.

(g) The percentages of payments in cash and shares are defined considering beneficiary categories, as described in the following table::

	2018	2019	2020	2021	2022	2023
CEO/GM and 1st reporting line	20% cash	10% cash	10% shares	10% shares	20% cash	20% cash + 10% shares
Other Identified Staff	30% cash	10% cash	30% shares	10% cash + 10% shares	10% shares	-

(h) Furthermore, in coherence with 2016, it is provided the introduction of a specific minimum threshold below which deferral mechanism would not apply (equal to Eur 75,000 that will be paid in cash).

(i) The 2017 System can also be offered during the hiring process of outside employees. In the event that new hires are already beneficiaries of deferral incentive plans (known as "bonus buy-out"), the payment scheme that would be offered will reflect the scheme defined by previous employers, in accordance to actual regulations.

(j) The number of shares to be allocated in the respective instalments shall be defined in 2018, on the basis of the arithmetic mean of the official closing market price of Fineco ordinary shares during the month preceding the Board meeting that evaluates 2017 performance achievements. The allocation of a maximum number of 480,000 Fineco ordinary shares is proposed, representing about 0.08% of FinecoBank share capital, of which a maximum number of 48,000 Fineco ordinary shares devoted to possible new hiring from external market.

(k) The FinecoBank ordinary shares to be allocated will be freely transferable.

Ordinary Shareholders' Meeting (Continued)

Item no. 9 on the agenda (Continued)

Changes to the 2017 system

In order to guarantee the compliance with regulatory and legal requirements (also regarding fiscal matters), to ensure the implementation of the 2017 System, the Chairman and the Chief Executive Officer will be granted with all necessary power of attorney to implement, also separately, any necessary adaptations to the 2017 System that do not change substantially the content of resolution of Board of Directors and Shareholders' Meeting, also via alternative solutions that fully comply with the principles of 2017 System and allow achievement of the same results (e.g. a different percentage distribution of the various instalments of payments; a different period of deferral; a retention on granted shares; extension of 2017 System application to other beneficiaries considered as equivalent to Identified Staff; using a trust company; paying an equivalent amount in cash in lieu of granting shares; to be determined on the basis of the market value of Fineco shares, considering the arithmetic mean of the official market price of ordinary shares during the month preceding each Board meeting to execute the actual grant).

It is understood that these amendments will be adopted in any case in accordance with the applicable requirements.

2. Shares requested for the 2017 incentive system

The issue of Fineco free ordinary shares necessary for the execution of the 2017 System, as in the past, will be performed in compliance with section 2349 of the civil Code and will be object of a delegation of power of attorney to the Board of Directors, in compliance with section 2443 of the civil Code.

Accordingly, the extraordinary session of today's Shareholders' Meeting will be asked to approve the proposal to delegate to the Board of Directors the related power of attorney.

For the issuance of Fineco ordinary shares to support the 2017 System the proposal will be submitted to the Extraordinary Shareholders' Meeting to transfer the powers of attorney to the Board of Directors as allowed by section 2443 of the Italian civil Code, to proceed with the capital increase in accordance with the provisions of section 2349 of the civil Code for a maximum nominal amount of euro 128,700,00 (attributable entirely to capital at Eur 0.33 per share, equal to the par value), corresponding to up to 390,000 Fineco ordinary shares with a par value of Eur 0.33 each, with the same characteristics as those in circulation with regular dividend entitlement.

Related to section 2443 of civil Code that provides that the Directors can exercise the right to carry out a free capital increase for a maximum period of five years starting from the date when the Shareholders' Meeting resolution providing the delegation of power was registered and therefore, until 2022, in order to assign last share instalment provided for 2023 it will be necessary to submit to a future Shareholders' Meeting approval a proposal aimed at integrating the delegation of power already provided to the Board of Directors so that the implementation of 2017 System can be completed.

The issue of free ordinary shares needed for the execution of 2017 System shall be done using the special reserve known as "Provisions Linked to the Medium-Term Incentive System for the staff of FinecoBank" which, if case may be restored or increased via allocation of profits or a portion of available statutory reserves, formed from the distribution of company profits that shall be identified by the Board of Directors at the moment of share issuance.

In case it will not be possible to issue (fully or partially) the shares to support the 2017 System, including the case in which the amount of the "Provisions Linked to the Medium-Term Incentive System for the staff of FinecoBank" would not be sufficient, an equivalent amount in cash will be allocated to the beneficiaries, determined in base of arithmetic mean of the official market price of Fineco ordinary shares during the month preceding the Board resolution that evaluates performance achievements 2017.

Dear Shareholders,

If you agree with the above proposal, you are invited to approve it by adopting the following resolutions:

"The Ordinary Shareholders' Meeting of FinecoBank S.p.A., having heard the Board of Directors' proposal,

RESOLVES

1. to adopt the 2017 Incentive System which provides for the allocation of an incentive, in cash and/or Fineco free ordinary shares, to be performed by April 2023, to selected FinecoBank beneficiaries in the manner and terms described above;

2. to confer to the Chairman and the Chief Executive Officer and General Manager, also separately, all necessary power of attorney to implement the present approval and the documents which represents part of it, also rendering any amendments and/or integrations which should be necessary to enact the present decisions of today's Shareholders' Meeting (without substantially changed the content of the decisions).

Ordinary Shareholders' Meeting (Continued)

Item no. 10 on the agenda

Directors' Report

2017 Incentive system for personal financial advisors (PFA) identified staff

Dear Shareholders,

We have called this ordinary Meeting to request your approval of the 2017 Incentive System for Personal Financial Advisors, aimed at allocating an incentive in cash and/or in FinecoBank free ordinary shares, to be granted over a multi-year period to a selected group of FinecoBank Personal Financial Advisors Identified Staff, according to the conditions described below.

This proposal has been formulated in compliance with the provisions of section 114-bis of Decree 58 dated February 24th, 1998, and in accordance with the provisions set forth by Consob with reference to incentive plans based on financial instruments assigned to corporate officers, employees and collaborators; for this purpose, a document describing the details of the incentive systems has been prepared pursuant to Section 84-bis of the Consob Regulation no. 11971/99 and subsequent amendments, and has been made available to the public under the terms of law and reference is made to detailed description of the incentive system described in this report.

The proposal is also in line with FinecoBank Compensation Policy, the indications issued by Bank of Italy[1] on remuneration policies and practices and the direction set by the European Directive 2013/36/UE (Capital Requirements Directive or CRD IV) and by EBA (European Banking Authority) guidelines. With this regards, it should be recalled that FinecoBank, in respect to these provisions, has defined the adoption of a ratio between the variable and the fixed remuneration equal to 2:1 for the Personal Financial Advisors Identified Staff, within the regulatory limit.

Goals

The 2017 Incentive System for Personal Financial Advisors Identified Staff (also the **"2017 PFA System"**) aims to retain and motivate the Personal Financial Advisors, in compliance with national and international regulatory requirements and with the aim to define – in the interest of all stakeholders – incentive systems aligned with long term company strategies and goals, linked to Company results, adjusted in order to consider all kind of risks, in coherence with capital and liquidity levels needed to cover the activities in place and, in any case, able to avoid misleading incentives that could drive excessive risk taking for the bank and the system in its whole.

Beneficiaries

The potential beneficiaries of the 2017 PFA System, as provided by the criteria issued by Commission Delegated Regulation (EU) No 604/2014 of March 4th, 2014, are:

- Personal Financial Advisors with a total remuneration ("recurring" and "non-recurring") greater than Eur 750,000 in the last year and with an impact on Bank risk profiles;
- Personal Financial Advisors Area Manager who coordinate a structure to which is linked an overall portfolio equal or greater than 5% of total network assets and with an impact on Bank risk profiles;

The total estimated number of beneficiaries, as on the date of the hereby report, is ca.10.

Elements of 2017 PFA system

(a) The 2017 PFA System is based on the "bonus pool approach" to define variable remuneration to be paid in 2018. The link between profitability, risk and reward is assured by linking directly bonus pool with company results (at Group and local level), cost of capital and relevant risk profiles as stated in the Risk Appetite Framework.

(b) The Bonus pool will be defined based on FinecoBank and Group performance and assigned to beneficiaries according to individual performance.

1 7° update of November, 18th, 2014 of "Disposizioni di vigilanza per le banche", Circolare nr. 285 of December, 17th, 2013 ("Nuove Disposizioni").

(c) The 2017 PFA System - besides its aims to retain and motivate beneficiaries - confirm the alignment of FinecoBank to the most recent national and international regulatory requirements providing for:

- the allocation of a variable incentive defined on the basis of the available bonus pool, of the individual performance evaluation as well as in coherency with the bonus cap set by the ordinary Shareholder's meeting;
- the definition of a balanced structure of upfront (done at the moment of performance evaluation) and deferred payments, in cash and in FinecoBank ordinary shares (also "shares");
- the distribution of share payments, coherently with the applicable regulatory requirements regarding the application of share retention periods. The payment structure defined requires a retention period on upfront shares of 2 years and of 1 year for deferred shares;
- risk adjusted metrics in order to guarantee long-term sustainability with respect to company's financial position and to ensure compliance with regulatory expectations;
- malus condition (Zero Factor) applies in case specific thresholds (of capital & liquidity) are not met at both FinecoBank and Group levels (at local level it is considered also the profitability). In particular, the Bonus Pool related to 2017 performance will be zeroed.

(d) Incentive payouts will be made over a multi-year period (2018-2022), as indicated below and provided that the agency relationship of the beneficiaries is in place at the time of each payment:

- in 2018 the first instalment of the overall incentive will be paid in cash ("1st instalment") in absence of any individual values/compliance breach, considering also the gravity of any internal/external findings (i.e. Audit, Consob and/or analogous local authorities);
- over the period 2019-2022 the remaining amount of the overall incentive will be paid in several instalments in cash and/or FinecoBank ordinary shares; each further instalments will be subject to the application of the Zero Factor for the year of allocation and in absence of any individual /values compliance breach, considering also the gravity of any internal/external findings (i.e. Audit, Consob and/or analogous local authorities);

(e) The final evaluation of sustainable performance parameters and risk-reward alignment will be reviewed by the Remuneration and Appointments Committee and defined under the responsibility and governance of the Board of Directors of FinecoBank.

(f) The percentages of payments in cash and shares are defined as described in the following table:

	2018	2019	2020	2021	2022
Personal Financial Advisors Identified Staff	30% cash	10% cash	30% FinecoBank ordinary shares	10% cash + 10% FinecoBank ordinary shares	10% FinecoBank ordinary shares

(g) In coherence with 2016, it is foreseen a specific minimum threshold below which deferral mechanism will not be applied (Eur 75,000 that will be paid in cash).

(h) The number of ordinary shares to be allocated with the third, fourth and fifth instalments will be defined in 2018, on the basis of the arithmetic mean of the official closing price of FinecoBank ordinary shares during the month preceding the Board resolution that verifies 2017 performance achievements.

(i) The estimated allocation is maximum number of 346,000 FinecoBank ordinary shares, representing about 0.06% of FinecoBank share capital, therefore, well below the maximum limit of 20% provided by the applicable regulation, also taking into consideration the number of 714,325 treasury shares owned by the Company at the date of the present report, equal to 0.12% of share capital, and also the maximum number of treasury shares (i.e. number of 250,000 shares, equal to 0.04% of the current share capital) that the Bank will be able to purchase on the market in order to support the "2016 PFA Plan", already been authorized by the 2016 Shareholders' Meeting and also by the European Central Bank.

(j) The FinecoBank ordinary shares to be allocated will be freely transferable.

Ordinary Shareholders' Meeting (Continued)

Item no. 10 on the agenda (Continued)

Changes to the 2017 pfa system

In order to guarantee the compliance with regulatory and legal dispositions (also in fiscal matter), during the implementation of 2017 PFA System, it deems appropriate to empower the Chairman and the Chief Executive Officer and General Manager, also separately, with every opportune power to implement any eventual change to the 2017 PFA System that do not change substantially the content of resolutions of Board and today's General Shareholders' Meeting, also through alternative solutions that fully comply with the principles of 2017 PFA System and allow achievement of the same results (e.g.: a different percentage distribution of the various instalments of payments; a different period of deferral; paying an equivalent amount in cash in lieu of granting shares, to be determined on the basis of the market value of FinecoBank shares, considering the arithmetic mean of the official closing price of ordinary shares during the month preceding each Board resolution to execute the actual grant; extension of 2017 PFA System application to other beneficiaries considered as equivalent to identified staff).

It is understood that these amendments will be adopted in any case in accordance with the applicable provisions and in particular as provided by the Regulation "Nuove Disposizioni".

Dear Shareholders,

If you agree with the above proposal, you are invited to approve it by adopting the following resolution:

"FinecoBank's ordinary shareholders' meeting, having heard the Board of Directors proposal,

RESOLVES

1. to adopt the 2017 Incentive System for Personal Financial Advisors (PFA) Identified Staff which provides for the allocation of an incentive in cash and/or FinecoBank ordinary shares, to be performed by July 2022, to selected PFA beneficiaries in the manner and terms described above;

2. to confer to the Chairman and to the Chief Executive Officer and General Manager, also separately, every opportune power of attorney to implement the present resolution and the documents which represent part of it, also rendering any amendments and/or integrations which should be necessary to enact the present deliberations of today's Shareholders' Meeting (not changing substantially the content of the resolutions).

Item no. 11 on the agenda

Authorization to purchase and dispose of treasury shares. Consequent and inherent resolutions

Dear Shareholders,

We have called this ordinary Meeting to request your approval of the authorization to purchase and to dispose of treasury shares. Consequent and inherent resolutions.

Supply related to the 2017 pfa system

In order to acquire the financial instruments needed to carry out the 2017 PFA System for the Personal Financial Advisors, it is needed to propose to the Shareholders' Meeting the authorization, pursuant article 2357 civil Code, to purchase and to dispose of treasury shares. In this way the Company will have, by purchasing them on the market, the shares needed to support the 2017 Incentive System for PFA through the assignment of those shares to the beneficiaries who have the right to receive them.

The proposal foresees to confer to the Board of Directors the faculty to carry out repeated and subsequent transactions to buy and sell (or other kind of disposals) treasury shares on a revolving base, also for fractions of the maximum amount authorized, so that, at any time, the number of shares of the purchase proposed and in the Company's ownership does not exceed the limits set by the law and by the authorization provided by the Shareholders' Meeting.

The authorization request is for maximum number of 346,000 ordinary shares, equal to 0.06% of share capital and, therefore, well below the maximum limit of 20% provided by the applicable regulation, also taking into consideration the nr. 714,325 treasury shares owned by the Company at the date of the present report, equal to 0.12% of share capital, and also the maximum number of treasury shares (i.e. number of 250,000 shares, equal to 0.04% of the current share capital) that the Bank will be able to purchase on the market in order to support the "2016 PFA Plan", already authorized by the 2016 Shareholders' Meeting and also by the European Central Bank.

The purchase of treasury shares will be executed within the limits of the distributable earnings and of available supply consequent to the last annual report approved at the moment of the disposal of purchasing operations.

The purchasing of treasury shares reduces the net worth of an equal amount, through the inclusion in the balance sheet of a specific passive item, with negative sign.

The proposal foresees that purchasing and disposition orders of treasury shares have to be made on regulated capital markets, according to art. 132 of the Consolidated Finance Act (TUF) and to art. 144-bis (1) (b) of Consob regulation, with the same operational procedures described in the guidelines of organization and management of such marketsin order to guarantee equality in treatment between Shareholders and which do not allow the direct matching of purchase orders against pre-determined sell orders; in particular, these purchases will have to be made:

(i) by public offering for purchase or trade;

(ii) on regulated capital markets, according to the operational procedures described in the guidelines of organization and management of such markets, which do not allow the direct matching of purchase orders against pre-determined sell orders;

(iii) by allocating to Shareholders, proportionally to their own shares, a put option to be exercised during the period of the authorization granted by the Shareholders' Meeting to purchase treasury shares.

Sell operations of treasury shares in portfolio instead will be executed in the manner deemed recommendable for the Company's interest, including transfer and/or the assignment to execute stock granting incentive plans.

With reference to the amount of the purchasing operations, it is proposed that it should not be below the nominal per share value, equal to a nominal value of Eur 0.33 and not above, as a maximum, to the arithmetic mean of the official closing price of FinecoBank ordinary shares registered in the MTA ("Mercato Telematico Azionario" – Milan Stock Exchange) in the 30 days preceding the purchase, increased by 10%.

Ordinary Shareholders' Meeting (Continued)

Item no. 11 on the agenda (Continued)

Regarding the disposal of the treasury shares, the Board of Directors will establish from time to time criteria for the definition of the corresponding fees and/or modalities, terms and conditions of purpose of treasury shares in portfolio, taking into consideration the procedure followed, the share price trend in the period prior to transactions and the best interest of the Company.

Finally it is proposed that the authorization to purchase is released for a period of eighteen months from the date of the Shareholders' Meeting that passed the resolution for authorization.

Dear Shareholders,

If you agree with the above proposal, you are invited to approve it by adopting the following resolution:
"FinecoBank's ordinary shareholders' meeting, having heard the Board of Directors proposal, according to the provisions of articles 2357 and 2357-ter of the Civ. Cod., 132 D, Lgs. D. n. 58/1998 and 114-bis of Consob Regulation

RESOLVES

1. To authorize the purchase and the dispose of a maximum of number 346,000 treasury shares, equal to a nominal value of Eur 0.33 each, for the purposes of "2017 PFA System" under the terms and conditions described above, considering that buy back operations of treasury shares could be executed after having received the necessary authorization of the Regulator, according to articles 77-78 Reg. UE n°575/2013 (CRR) dated June 26th, 2013.

2. To confer to the Board of Directors and consequently to the Chairman and to the Chief Executive Officer and General Manager, also separately, every opportune power of attorney to implement the present resolution and to communicate to the market, in accordance with applicable regulations.

Item no. 12 on the agenda

Directors' Report

Renewal of the authorization to purchase and dispose of treasury shares for stock granting plan "2015 - 2017 pfa plan. Related and consequent resolutions

Dear Shareholders,

We have called this Ordinary Meeting to request your approval of an authorization renewal to purchase and dispose of treasury shares for stock granting plan "2015-2017 PFA PLAN". Related and consequent resolutions.

Supply related to the stock granting plan "2015-2017 PFA PLAN"
In order to acquire the financial instruments needed to carry out the stock granting plan "2015-2017 PFA PLAN" for the Personal Financial Advisors - also considering the relevant resolution of the Shareholders' Meeting held on June, 5th 2014 - it is needed to propose to the Shareholders' Meeting the authorization, pursuant article 2357 Civil Code, to purchase and to dispose of treasury shares. In this way the Company will have, by purchasing them on the market, the shares needed to support the stock granting plan "2015-2017 PFA PLAN" through the assignment of those shares to the beneficiaries who have the right to receive them.

The proposal foresees to confer to the Board of Directors the faculty to carry out repeated and subsequent transactions to buy and sell (or other kind of disposals) treasury shares on a revolving base, also for fractions of the maximum amount authorized, so that, at any time, the number of shares of the purchase proposed and in the Company's ownership does not exceed the limits set by the law and by the authorization provided by the Shareholders' Meeting.

The authorization request is for maximum number of 5,520,000 ordinary shares, equal to 0.91% of share capital and, therefore, well below the maximum limit of 20% provided by the applicable regulation, also taking into consideration the nr. 714,325 treasury shares owned by the Company at the date of the present report, equal to 0.12% of share capital, and also the maximum number of treasury shares (i.e. number of 250,000 shares, equal to 0.04% of the current share capital) that the Bank will be able to purchase on the market in order to support the "2016 PFA PLAN", already authorized by the 2016 Shareholders' Meeting and also by the European Central Bank.

The purchase of treasury shares will be executed within the limits of the distributable earnings and of available supply consequent to the last annual report approved at the moment of the disposal of purchasing operations.

The purchasing of treasury shares reduces the net worth of an equal amount, through the inclusion in the balance sheet of a specific passive item, with negative sign.

The proposal foresees that purchasing and disposition orders of treasury shares have to be made on regulated capital markets, according to art. 132 of the Consolidated Finance Act (TUF) and to art. 144-bis (1) (b) of Consob regulation, with the same operational procedures described in the guidelines of organization and management of such markets, in order to guarantee equality in treatment between Shareholders and which do not allow the direct matching of purchase orders against pre-determined sell orders; in particular, these purchases will have to be made:
(i) by public offering for purchase or trade;
(ii) on regulated capital markets, according to the operational procedures described in the guidelines of organization and management of such markets, which do not allow the direct matching of purchase orders against pre-determined sell orders;
(iii) by allocating to Shareholders, proportionally to their own shares, a put option to be exercised during the period of the authorization granted by the Shareholders' Meeting to purchase treasury shares.

Sell operations of treasury shares in portfolio instead will be executed in the manner deemed recommendable for the Company's interest, including transfer and/or the assignment to execute stock granting incentive plans.

Ordinary Shareholders' Meeting (Continued)

Item no. 12 on the agenda (Continued)

With reference to the amount of the purchasing operations, it is proposed that it should not be below the nominal per share value, equal to a nominal value of Eur 0.33 and not above, as a maximum, to the arithmetic mean of the official closing price of Fineco ordinary shares registered in the MTA ("Mercato Telematico Azionario" – Milan Stock Exchange) in the 30 days preceding the purchase, increased by 10%.

Regarding the disposal of the treasury shares, the Board of Directors will establish from time to time criteria for the definition of the corresponding fees and/or modalities, terms and conditions of purpose of treasury shares in portfolio, taking into consideration the procedure followed, the share price trend in the period prior to transactions and the best interest of the Company.

Finally it is proposed that the authorization to purchase is released for a period of eighteen months from the date of the Shareholders' Meeting that passed the resolution for authorization.

Dear Shareholders,

If you agree with the above proposal, you are invited to approve it by adopting the following resolution:

"FinecoBank's ordinary shareholders' meeting, having heard the Board of Directors proposal, according to the provisions of articles 2357 and 2357-ter of the Civil Code, 132 D, Legislative Decree n° 58/1998 and 114-bis of Consob Regulation

RESOLVES

1. To authorize the purchase and the dispose of a maximum nr. of 5,520,000 treasury shares, equal to a nominal value of Eur 0.33 each, for the purposes of "2015 – 2017 PFA PLAN" under the terms and conditions described above, considering that buy back operations of treasury shares could be executed after having received the necessary authorization of the Regulator, according to articles 77-78 Reg. UE n°575/2013 (CRR) dated June 26th, 2013.

2. To confer to the Board of Directors and consequently to the Chairman and to the Chief Executive Officer and General Manager, also separately, every opportune power of attorney to implement the present resolution and to communicate to the market, in accordance with applicable regulations.

2017
COMPENSATION POLICY

FINECO. SIMPLIFYING BANKING.

FinecoBank S.p.A. - Member of UniCredit

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SECTION I

EXECUTIVE SUMMARY

FINECO. SIMPLIFYING BANKING.

Executive Summary

Our Compensation Policy

The implementation of the principles set in our Compensation Policy provides the framework for the design of reward programs across the Bank.

FinecoBank compensation approach, coherent with UniCredit Group one, is compliant with the most recent national and international regulatory requirements and guarantees the link to the performance, the market framework, the alignment with business strategy and the long-term shareholders' interest.

The key pillars of our Compensation Policy (Section II) reflect the most recent regulations in terms of remuneration and incentive policies and practices, in order to build, year-by-year – in the interest of all stakeholders – remuneration systems aligned with long-term strategies and goals. These are linked with company results and adequately adjusted in order to take into account all risks consistent with capital and liquidity levels needed to support all activities and to avoid distorted incentives that could lead to a breach of law or to excessive risk taking.

Elements of our compensation approach and key results of 2016:

Key elements of 2017 Compensation Policy	Description
1. Key pillars • *Clear and transparent governance* • *Compliance with regulatory requirements and principles of good professional conduct* • *Continuous monitoring of market trends and practices* • *Sustainable pay for sustainable performance* • *Motivation and retention of all staff, with particular focus on talents and mission-critical resources*	***Details - Section II*** • **The key pillars of our Compensation Policy** ensure a correct definition of competitive compensation levels, internal equity and transparency • Compensation Policy is aligned to the latest national and international regulatory requirements. Full compliance of compensation policies and processes is assured through involvement of Company Control Functions: such as Compliance and Risk Management, that also guarantee the coherence with the Risk Appetite Framework, in line with sector regulation[1]
2. Compensation Benchmarking • Update of the peer group for compensation benchmarking, performed by the independent advisor of the Remuneration and Appointments Committee	***Details - Section III paragraph 3*** • With specific reference to Identified Staff population of FinecoBank, the Remuneration and Appointments Committeee identifies, supported by the independent external advisor, the **peer group**, considering our main Italian and European peers on which compensation benchmarking analysis are performed
3. Identified Staff definition • Application of qualitative and quantitative criteria which are common at European level defined by EBA Regulatory Technical Standards	***Details - Section III paragraph 5.1*** • As per Bank of Italy request, also for 2017 the identification of the **Identified Staff** has followed a structured assessment process both at Group and local level, involving Compliance and Risk Management functions of FinecoBank. The self-evaluation, supported also by the independent external advisor who ensured the compliance, brought to a total number of Identified Staff for 2017 equal to **14 employees and 7 Financial Advisors**
4. Ratio between variable and fixed remuneration • In compliance with the regulatory requirements, the 2:1 ratio represents the maximum limit to the ratio between variable and fixed components of the remuneration for all employees belonging to business functions, including Identified Staff	***Details – Section II paragraph 3.1*** • In compliance with applicable regulations, the adoption of a maximum ratio between variable and fixed remuneration of 2:1 has not changed for the employees belonging to the business functions. For the rest of the employees, a maximum ratio between the components of remuneration equal to 1:1 is usually adopted, **except for the staff of the Company Control Functions[2], for which it is provided that the variable remuneration could not exceed 33% of the fixed remuneration** and that incentive mechanisms are consistent with the assigned tasks as well as independent of results from areas under their control • With reference to applicable regulations, regarding the **Financial Advisors belonging to Identified Staff**, the 2:1 ratio will be adopted between the non-recurring and the recurring component of the remuneration • The adoption of a ratio of 2:1 between variable and fixed compensation don't have any implication on bank's capacity to continue to respect all prudential rules, in particular capital requirements • This approach allows FinecoBank to maintain a strong link between pay and performance, as well as to avoid the rigidity of the cost structure derived from a possible increase of fixed costs and to guarantee the alignment with multi-year performance, avoiding the decrease of deferred compensation

1 i.e. Capital Requirement Directive IV (CRD IV); EBA Regulatory Technical Standards (RTS); Bank of Italy "Disposizioni di vigilanza per le Banche", 7th update to the Circular n. 285 of 17th December 2013.

2 Meaning Risk Management, Compliance and Human Resources functions. Human Resources function is considered Company Control Function, as far as remuneration and incentive policies and practices are concerned, pursuant to Bank of Italy Circular nr. 285 of 17 December 2013. Audit function is outsourced in Holding.

	5. Incentive system linked to the annual performance for the employees belonging to Identified Staff • The FinecoBank 2017 Incentive System, that confirms the "bonus pool" approach, provides for a strong link between remuneration, risk and sustainable profitability • Such system provides for an overall performance assessment both at individual level and at Group and local level	***Details – Section III paragraph 5.3*** • **Bonus pool** whose size is linked to the Bank profitability; bonus pool adjustments driven by the evaluation of the economy and risk sustainability (alignment to Risk Appetite Framework) • **Entry conditions**: a mechanism that determines the possible application of malus clause (Zero Factor), on the basis of performance indicators in terms of profitability, capital and liquidity defined at both Group and local level • **Bonus allocation**: incentives are allocated taking into consideration the managerial evaluation, the available bonus pool, the individual performance evaluation based on risk-adjusted indicators and a specific reference value for each position • **Pay-out**: individual bonuses composed of 50% cash and 50% shares; pay-out over a period up to maximum 6 years, ensuring alignment with shareholders' interests and subject to malus and claw-back conditions, as legally enforceable
	6. Performance measurement • Review of the "KPI (Key Performance Indicators), Bluebook", that supports manager and incumbent to define the Performance Screen that refers to the annual Incentive System for the employees Identified Staff	***Details – Section III paragraph 5.3.1*** • The **KPI Bluebook** supports the definition of Performance Screens providing a **set of performance indicators and guidelines**. The categories of the main indicators of financial and non-financial Group performance, annually defined within the KPI Bluebook, are certified with the involvement of Group functions Human Resources, Finance, Risk Management, Compliance, Group Sustainability, Group Stakeholder and Service Intelligence and Audit, which reflect the Bank's core operating profitability and risk profile. Also this year the KPI Bluebook has been structured and clustered on the basis of the different Group's business
NEW	**7. Termination payments** • Continuous alignment with regulations / contract timely in force • Severance pay-outs take into consideration long-term performance, in terms of shareholder added-value, do not reward failures or abuses and shall not exceed in general 24 months of total compensation (including the indemnity in lieu of notice)	***Details – Section II paragraph 3.3*** • An update of the **Termination Payments Policy** - approved by the 2015 Annual General Meeting (so called severance) - is submitted for **approval to the 2017 Annual General Meeting**, according to the regulatory requirements issued by Bank of Italy in "Disposizioni di vigilanza per le banche" (Circular no. 285 of 17th December 2013, 7th update of 18th November 2014). For details on criteria, limits and authorization processes, reference is made in the above mentioned Policy
NEW	**8. Linee Guida per il possesso azionario** Specific share ownership guidelines are introduced for the Chief Executive Officer and the other Executives with strategic responsibilities in order to **align the management and the shareholders' interests**	***Details – Section II paragraph 3.5*** • The Chief Executive Officer and the other Executives with strategic responsibility, should ensure appropriate levels of personal investment in FinecoBank shares (equal to 100% of fixed remuneration for the Chief Executive Officer and to 50% for the other Executives with strategic responsibility)
	9. Incentive system linked to the annual performance for the Financial Advisors belonging to Identified Staff • The provisions of FinecoBank Compensation Policy also apply to the members of the Financial Advisors' Network, in line with the Advisors' specific remuneration • In line with the incentive model provided for the employees Identified Staff, the 2017 PFA[3] Incentive System provides for a strong link between remuneration, risk and sustainable profitability • Such system provides for an overall performance assessment both at individual level and at Group and local level	***Dettagli – Sezione III paragrafo 5.4*** • **Bonus pool** whose size is linked to the Bank profitability; bonus pool adjustments driven by the evaluation of the economy and risk sustainability (alignment to the Risk Appetite Framework) • **Entry conditions**: a mechanism that determines the possible application of malus clause (Zero Factor), on the basis of performance indicators in terms of capital and liquidity defined at both Group and local level (at local level also profitability will be taken into account) • **Bonus allocation**: incentives are allocated taking into consideration the available bonus pool and the individual performance evaluation based on risk-adjusted indicators • **Pay-out**: individual bonuses composed of 50% cash and 50% shares; pay-out over a period up to maximum 5 years, ensuring alignment with shareholders' interests and subject to malus and claw-back conditions, as legally enforceable

3 PFA – *Personal Financial Advisors.*

Executive Summary (Continued)

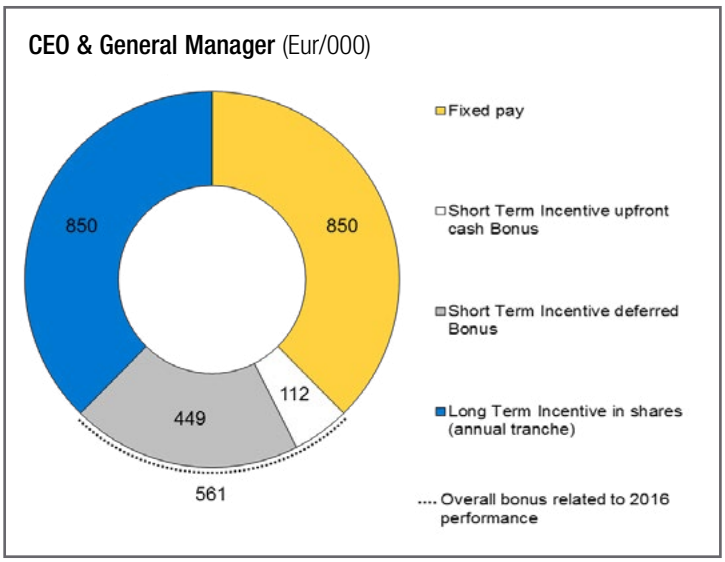
Our compensation disclosure

The **Annual Compensation Report** (Section III) provides the description of our compensation practices and the implementation outcomes of FinecoBank Incentive Systems, as well as remuneration data, with a focus on the Identified Staff, defined in line with regulatory requirements.
Full disclosure on compensation payout amounts, deferrals and ratio between variable and fixed components of remuneration for the Identified staff is provided in the Annual Compensation Report (Section III - paragraph 6.1), including data regarding Directors, General Managers and other Executives with strategic responsibility.
Data pursuant sect. 84-quarter Consob Issuers Regulation Nr. 11971, Compensation report – Section II, as well as the information on incentive systems under 114-bis of legislative decree 58/1998 ("Testo Unico della Finanza" – "TUF") are included in this document as well as in the annex ("*2017 compensation systems based on financial instruments*") of the 2017 FinecoBank Compensation Policy.

Chief Executive Officer and General Manager variable and fixed compensation data

2016 Performance evaluation of the Chief Executive Officer and General Manager's individual goals has exceeded expectations, on the basis of elements reported in section III – paragraph 5.2.1 and evaluated by the Remuneration and Appointment Committee of February 2nd and the Board of Directors of February 7th, 2017.
In 2016, the effect of the variable remuneration on the total remuneration of the Chief Executive Officer decreased versus the 2015. As a matter of fact, Considering 2015 performance, it has been granted a short term variable remuneration equal to Eur 850,000, while with reference to the 2016 performance it is granted a short term variable remuneration equal to Eur 561,000. The reasons explaining such difference are related to the reduction of the available bonus pool for 2016, due to the Group failure to achieve the Entry Conditions (as detailed described in the paragraph 5.2.1).

The 2016 compensation structure of Finecobank's Chief Executive Officer and General Manager is:



Looking forward to 2017, the goals for the Chief Executive Officer and General Manager defined and approved by the Board of Directors are:

#	CORE GOALS	PERIMETER	REFERENCE TARGET	LINK TO 5 FUNDAMENTALS	RISK ADJUSTMENT / SUSTAINABILITY GOAL
1	ROAC	FinecoBank	vs. budget	*Execution & Discipline*	S RISK ADJUSTED
2	EVA	FinecoBank	vs. budget	*Risk Management*	S RISK ADJUSTED
3	Operating Costs	FinecoBank	vs. budget	*Execution & Discipline*	
4	Net new clients	FinecoBank	vs. target	*Customers first*	S
5	Net Sales of guided products	FinecoBank	vs. budget	*Execution & Discipline*	
6	New business EL	FinecoBank	vs. budget	*Risk Management*	RISK ADJUSTED S
7	Sustain value through people	FinecoBank	Qualitative assessment based on: • Y/Y delta on Pay for Performance metrics on variable and fix pay • Y/Y delta on Gender Pay Gap / Gender Balance dashboard / Gender Diversity Initiatives • Succession Planning / Building up a sustainable Talent Management Support • People Engagement Index	*People Development*	S
8	Tone from the top on Compliance Culture	FinecoBank	Qualitative assessment based on: • Scope, kind and numbers of documented initiatives - pre-committed with CEO Office / Country's CEO, aimed at promoting staff integrity / customer protection / trustworthiness • The overall status of findings or proceedings in place (internal or external) considering the trend, type, severity and the timely completion of the related remediation actions	*Risk Management*	S RISK ADJUSTED

Legenda
S KPI di sostenibilità
RISK ADJUSTED KPI risk adjusted

SECTION II

COMPENSATION POLICY

FINECO. SIMPLIFYING BANKING.

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1. Introduction

Our set of values is based on integrity as a condition to transform profit into value for our stakeholders.

By upholding the standards of sustainability behaviours and values which drive our mission, our compensation strategy represents a key enabler to enhance and protect our reputation and to create long-term value for all stakeholders.

Also through appropriate compensation mechanism, we aim to create a work environment which is comprehensive of any form of diversity and which foster and unlock individual potential, to attract, retain and motivate highly qualified employees, capable of creating a competitive advantage and to reward those who reflect our standards of consistently ethical behaviour in conducting sustainable business.

Relying on our governance model, our Compensation Policy sets the framework for a common and coherent design, implementation and monitoring of compensation practices across our Company that reinforce sound risk management policies and our long-term business strategy. In so doing, we most effectively meet the specific and evolving needs of our different businesses and populations, and ensure that business and people strategies are always appropriately aligned with our remuneration approach.

To ensure the competitiveness and effectiveness of remuneration as well as transparency and internal equity, the **key pillars** of our Compensation Policy were confirmed:

- **Clear and transparent governance**, through efficient corporate and organizational governance structures, as well as clear and rigorous systems and governance rules.
- **Compliance with regulatory requirements and principles of good professional conduct**, by protecting and enhancing our company reputation, as well as avoiding or managing conflicts of interest between roles within the Bank or vis-à-vis customers.
- **Continuous monitoring of market trends and practices** and awareness of international practices, aimed at sound formulation of competitive compensation as well as at transparency and internal equity.
- **Sustainable pay for sustainable performance**, by maintaining consistency between remuneration and performance, and between rewards and value creation, as well as enhancing both the actual result achieved and the way by which they are achieved.
- **Motivation and retention of all staff, with particular focus on talents and key players**, with the aim to attract, motivate and retain the best resources capable of achieving our company mission according to Bank's values.

2. *Governance*

Our compensation governance model aims to assure clearness and reliability in the governance processes related to remuneration through a right control of Company's remuneration practices by ensuring that decisions are made in an independent, informed and timely manner at appropriate levels, avoiding conflicts of interest and guaranteeing appropriate disclosure in full respect of the general principles defined by regulators.

2.1 Role of the Remuneration and Appointments Committee

The Board of Directors established a Delegation of Powers system to appropriately regulate effective decision-making processes throughout the organization.

In particular, the Remuneration and Appointments Committee is vested with the role of providing advice and opinions submitted to the Board of Directors with regard to FinecoBank Remuneration Strategy, also with the support of Risk and Compliance functions, as well as of an independent external advisor, if required and needed.

The main topics discussed by the Committee are also submitted to the attention of the Board of Statutory Auditors, in advance over their submission to the Board of Directors. The Remuneration and Appointments Committee, instituted in 2014, consists of 3 non-executive members all independent.

As per regulatory requirements, at least one of the Committee's member has an adequate knowledge and experience in finance or remuneration policies.

2.2 Market benchmark

With specific reference to *Identified Staff*, an independent external advisor supports the Remuneration and Appointments Committee on the definition of a list of selected competitors that represent our peer group with regards to whom compensation benchmarking analysis is performed, considering our main national and European competitors in terms of market capitalization, total assets, business scope and dimension, to assure a competitive alignment with the market of reference.

The results of this analysis will be at FinecoBank Remuneration and Appointments Committee's disposal, in order to support the formulation of opinions to the Bodies of the Bank responsible for taking such decisions.

On the basis of constant benchmarking, we aim to adopt a competitive compensation structure for effective retention and motivation of our critical resources, as well as payments consistent with long-term value for stakeholders.

FinecoBank salary and compensation structures defined on the basis of business or market-specific benchmarking must, in any case, be fully aligned with the general principles of the Group Compensation Policy, with particular reference to the pillars of compliance and sustainability.

2. Governance (Continued)

2.3 Definition of FinecoBank Compensation Policy

The FinecoBank Compensation Policy, as drawn up by the *Human Resources* function, with the involvement of *Risk Management*, *Finance* and *Network Controls, Monitoring and Service Department* functions for all related aspects, is validated by the *Compliance* function for all compliance-related aspects, before being submitted to the Remuneration and Appointments Committee. On annual basis the Compensation Policy, as proposed by the Remuneration and Appointments Committee, is submitted to the Board of Directors for approval and then presented to the Shareholders' Meeting for approval, in line with the regulatory requirements.

The principles of FinecoBank Compensation Policy, coherently with the Group's ones, are applicable to the entire organization and includes:

- all categories of employees, considering that the Group Compensation Policy, with specific reference to *Identified Staff* defined according to the regulatory requirements of the *European Banking Authority* (*EBA*), provides for a centralized, and homogeneous compensation and incentive system guidelines defined at Group level;
- members of the Company's Financial Advisors' Network, in line with the specific pay conditions applicable to them.

2.4 Role of Compliance function

Compliance function operates in close co-ordination with the *Human Resources* function, in order to support the design and the definition of compensation policy and processes and to evaluate them for the profiles in scope.
In this framework, *Compliance* function verifies the consistency with "the goal of complying with regulations, articles of association and any other code of ethics or other standards of conduct applicable to the bank, so that legal and reputational risks mostly embedded in the relationship with customers are duly contained" (ref. Bank of Italy).

In particular, *Compliance* function, evaluates, for all aspects that fall within its perimeter, the FinecoBank Compensation Policy and – referring to applicable regulations – the incentive systems for Bank staff as drawn up by *Human Resources* function for the employees and by *Network PFA Department / Network Controls, Monitoring and Service Department* for the Financial Advisors, providing input – as far as it is concerned – for the design of compliant incentive systems. Furthermore, *Compliance* function, for all aspects that fall within its perimeter, is involved in the process for the identification of Bank's risk takers.

In accordance with the regulatory framework and our governance, the guidelines for the definition of the incentive systems for *non-Identified Staff* population are arranged, in collaboration with *Compliance* function:

- by *Human Resources* function for the employees
- by *Network PFA Department / Network Controls, Monitoring and Service Department* for the Financial Advisors

2.5 Role of Risk Management function

FinecoBank ensure consistency between remuneration and accountable and sustainable risk assumption. This policy is ensured through rigorous governance processes based on informed decisions taken by Corporate Bodies. Compensation plans include the strategic risk appetite defined through the evaluation of the consistency with the results achieved and the FinecoBank *Risk Appetite Framework*, which is consistent with Group *Risk Appetite Framework*.

The *Risk Management* function is constantly involved in the definition of the remuneration policy, the incentive system and compensation processes as well as in the identification of objectives, in the performance appraisal and in the identification of Bank's Identified Staff. This involvement implies explicit link between the Bank incentive mechanisms, selected metrics of the *Risk Appetite Framework*, the validation of performance and pay, so that the incentives are consistent with the risk assumption identified and approved by the Board of Directors.

3. Fundamentals

3.1 Ratio between variable and fixed remuneration

- Compensation levels and ratio between fix and variable component of overall remuneration for Identified Staff are managed and monitored based on our business strategy and also aligned with FinecoBank relative performance over time.
- In compliance with applicable regulations, the adoption of a maximum ratio between variable and fixed remuneration of 2:1 has not changed for the employees belonging to the business functions.
- For the rest of the employees, a maximum ratio between the components of remuneration equal to 1:1 is usually adopted, except for the staff of the Company Control Functions[4], for which it is provided that the variable remuneration could not exceed 33% of the fixed remuneration and that incentive mechanisms are consistent with the assigned tasks as well as independent of results from areas under their control.
- With reference to applicable regulations, regarding the Financial Advisors belonging to Identified Staff, the 2:1 ratio will be adopted between the non-recurring and the recurring component of the remuneration.
- The adoption of a ratio of 2:1 between variable and fixed compensation don't have any implication on bank's capacity to continue to respect all prudential rules, in particular capital requirements.

3.2 Sustainability of the variable compensation

- Performance is evaluated in terms of risk-adjusted profitability and provide for risk-weighted systems and mechanisms.
- Incentive systems must not in any way induce risk-taking behaviours in excess of strategic risk appetite; in particular they should be coherent to the Risk Appetite Framework ("RAF").

3.2.1 Definition of performance targets

- Consider the customer as the central focus of our mission, placing customer satisfaction in the forefront of all incentive systems, at all levels, both internally and externally;
- design forward-looking incentive plans which balance internal key value driver achievement with external measures of value creation relative to the market;
- consider performance on basis of annual achievements and on their impact over time;
- include reflection of the impact of individual's / business units' return on the overall value creation of related business groups and organization as a whole;
- individual performance appraisal cannot be based only on financial criteria[1], but should be also based on non-financial criteria[5], considering the specificity of the various roles;
- consider also performance indicators such as risk management, adherence with Company values or other behaviours;
- it is crucial to avoid measures linked to economic results for Company Control Functions (*Risk Management* [6], *Compliance* and *Human Resources* [7]);
- the approach for Company Control Functions is also recommended where possible conflicts may arise due to the function's activities. In particular, this is the case of functions (if any) performing control activities pursuant to internal / external regulations such as some structures that perform accounting / tax activities[8];
- assure independence between front and back office functions in order to guarantee the effectiveness of cross-checks and avoid conflict of interest, with a particular focus on trading activities, as well as ensuring the appropriate independence levels for the functions performing control activities;
- set an appropriate mix between short and long-term variable compensation, coherently with the Company strategy, as relevant on the basis of market and business specifics, and in line with long-term interests of the Bank.

4 Meaning Risk Management, Compliance and Human Resources functions. Human Resources function is considered Company Control Function, as far as remuneration and incentive policies and practices are concerned, pursuant to Bank of Italy Circular nr. 285 of 17 December 2013. Audit function is externalized in Holding.

5 As provided by the CRDIV art 94, 1 a). financial criteria includes performance indicators reported in the annual financial report and in particular linked with the profit and loss report, the balance sheet and relevant components or indicators.

6 Where CRO roles cover both *Underwriting* and *Risk Management* functions, goals assigned must not represent a source of conflict of interest between Risk Management and Underwriting activities

7 *Human Resources* function is considered Company Control Function only pursuant to Bank of Italy Circular nr. 285 of 17 December 2013

8 Where CFO roles cover also Financial Statements preparation, possible economic measures have to be chosen in a conflict-avoidance perspective.

3. Fundamentals (Continued)

3.2 Sustainability of the variable compensation (Continued)

3.2.2 Performance evaluation

- Base performance evaluation upon profitability, financial strenght and other drivers of sustainable business with particular reference to risk, cost of capital and efficiency;
- design flexible incentive systems such as to manage pay-out levels in consideration of Group and FinecoBank performance results and individual achievements, adopting a meritocratic approach to selective performance-based reward;
- design incentive systems to set minimum performance thresholds below which zero bonus will be paid. With regard to the Company Control Functions and in order to maintain the adequate independence level and provide a maximum threshold for the progressive reduction of the bonus pool, which can be phased out to zero only in presence of an exceptionally negative situation[9] within an approval process including a governance step in the Board of Directors;
- guarantee that evaluations and appraisals linked to compensation are, as far as possible, available for the scrutiny of independent checks and controls;
- assess all incentive systems, programs and plans against in order to avoid the risk that our Company reputation may be jeopardized.

3.2.3 Payment of the variable compensation

- phase, as foreseen by regulatory requirements, performance-based incentive pay-out to coincide with the risk timeframe of such performance by subjecting the pay-out of any deferred component of performance-based compensation to the actual sustainable performance demonstrated and maintained over the deferral timeframe, so that the variable remuneration takes into account the time trend of the risks assumed by the Bank (e.g. *malus* mechanisms);
- consider claw-back actions as legally enforceable on any performance-based incentive paid out on the basis of a pretext subsequently proven to be erroneous;
- include clauses for zero bonus in circumstances of non-compliant behaviour or qualified disciplinary action, subjecting pay-out to the absence of any proceeding undertaken by the company for irregular activities or misconduct of the employee with particular reference to risk underwriting, sales processes of banking and financial products and services, internal code of conduct or values breach;
- employees are required to undertake not to use personal hedging strategies or remuneration and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements. Such obligation is also reported in the detailed rules of Incentive Systems.

Focus on claw-back

The Company reserves the right to activate claw-back mechanisms, namely the return of any form of variable compensation already paid (both the immediate and deferred element, to the extent of 100% of the amount awarded) within, as a rule, the deferral and retention period applied to the payment structure of the variable award. This applies in the case of verification of behaviours adopted in the reference period, for which the employee[10]:

- contributed with fraudulent behaviour or gross negligence to incurring significant financial losses, or by his conduct had a negative impact on the risk profile or on other regulatory requirements at Group or local level;
- engaged in misconduct and/or fails to take expected actions which contributed to significant reputational harm to the Group or the Bank, or which were subject to disciplinary measures by the Authority;
- is the subject of disciplinary measures and initiatives envisaged in respect of fraudulent behaviour or characterized by gross negligence during the reference period;
- infringed the requirements set out by articles 26 TUB and 53 TUB, where applicable, or the obligations regarding the remuneration and incentive system.

For the executive directors and the executives with strategic responsibilities, are provided contractual clauses that consent to the company to claim the claw-back, fully or partially, of variable remuneration paid (or to retain the deferrals), defined on the basis of data that subsequently proven to be erroneous;
The claw-back mechanisms can be activated also after the employee's contract termination and/or the end of the appointment and take into account the relative legal, contribution and fiscal profiles and the time limits prescribed by regulations.

9 E.g. *Common Equity Tier 1 Ratio Transitional* dropping under the minimum regulatory requirement, in a persistent "recession" scenario.
10 Employees and Personal Financial Advisors

3.3 Termination payments

- According to the regulatory requirements issued by Bank of Italy in "*Disposizioni di vigilanza per le banche*" (Circolare no. 285 of December 17th, 2013, 7th update of November 18th, 2014), a specific policy ("*Termination Payments Policy*") on payments to be agreed in case of early termination of a contract (so called *severance*) was approved by 2015 Shareholders' Meeting. An update of this Policy, with stricter provisions, is submitted for approval to the 2017 Shareholders' Meeting. For details on criteria, limits and authorization processes, reference is made in the above mentioned Policy.
- Generally speaking, the calculation of any severance pay-outs prescribed or suggested by the specific market of reference takes into consideration the long-term performance in terms of shareholder added-value, as well as any local legal requirements, collective / individual contractual provisions, and any individual circumstances, including the reason for termination.
- According to the Severance Policy review proposed to the 2017 Shareholders' Meeting, it is provided that the maximum limit of termination payments - inclusive of the indemnity in lieu of notice – is equal to 24 months of total compensation, calculated considering the average of the incentives actually received in the 3 years preceding the termination, after the application of the malus and claw-back clauses. In any cases, the termination payments do not exceeds the limits foreseen by the laws and collective labour agreements.
- As a rule, discretionary pension benefits are not granted and, in any case, even if they may be provided in the context of local practices and/or, exceptionally, within individual agreements, they are paid consistently with the specific and applicable laws and regulations.
- The individual contracts must not contain clauses envisaging the payment of indemnities, or the right to keep post-retirement benefits, in the event of resignations or dismissal / revocation without just cause or if the employment relationship is terminated following a public purchase offer. In case of early termination of the mandate, the ordinary law provisions would therefore apply.

3.4 Non-standard compensation

- Non-standard compensation are those compensation elements not usually provided under our Compensation Policy and are considered exceptions (for instance welcome bonus, guaranteed bonus, special award, retention bonus).
- These awards are limited only to specific situations related to hiring phases, launch of special projects, achievement of extraordinary results, high risk of leaving for critical / strategic people / roles.
- Moreover, these awards must in any case be in accordance with regulations time to time in force (e.g. cap on the ratio between variable and fix remuneration, technical features fixed by regulation where applicable for bonus pay-out) and subject to Group and FinecoBank governance processes, periodically monitored and disclosed and must be subject to *malus* conditions and claw-back actions, as legally enforceable.

3. Fundamentals (Continued)

3.5 Share ownership guidelines

Share ownership guidelines set minimum levels for company share ownership by covered Executives, aiming to align managerial interests to those of shareholders by assuring appropriate levels of personal investment in FinecoBank shares over time. As part of our total compensation approach, we offer equity incentives that provide for opportunities of share ownership, in compliancy with the applicable laws.

The ownership of shares by our Company leaders is a meaningful and visible way to show our investors, clients and employees that we believe in our Company.

FinecoBank's Board of Directors approved in March 2017 specific share ownership guidelines, as shown in the following table, for the Chief Executive Officer and General Manager and for the other Executives with strategic responsibilities, in order to reinforce the alignment between managerial and shareholders' interests.

Population	*Share ownership*
CEO/General Manager	*1 x annual fixed pay*
Executives with strategic responsabilities	*0,5 x annual fixed pay*

The established levels described in the above table, should be reached, as a rule, within 5 years from first appointment in the covered role and they should be maintained for the entire duration of the role covered.

The established levels should be reached through a linear pro-rata approach during the 5-year period, providing for a minimum portion every year. Involved Executives are also expected to refrain from entering into schemes or arrangements that specifically protect the unvested value of equity granted under incentive plans ("*hedging*").

Any violation of the share ownership guidelines and any form of hedging, shall be considered in breach of compliance rules with such consequences as provided for under enforceable rules, provisions and procedures.

3.6 Compliance Drivers

TO SUPPORT THE DESIGN OF REMUNERATION AND INCENTIVE SYSTEMS, AND WITH PARTICULAR REFERENCE TO COMPANY CONTROL FUNCTIONS, THE FOLLOWING "COMPLIANCE DRIVERS" WERE DEFINED:	
• maintenance of an adequate ratio between economic and non-economic goals, depending on the role (in general, at least one goal should be non-economic)	• qualitative measures must be accompanied by an ex-ante indication of objective parameters to be considered in the evaluation, the descriptions of expected performance and the person in charge for the evaluation
• non-economic quantitative measures should be related to an area for which the employee perceives a direct link between her/his performance and the trend of the indicator	• among the non-financial goals (quantitative and qualitative), include, where relevant, goals related to Risk as well as to Compliance (e.g. credit quality, operational risks, application of MIFID principles, products sale quality, respect of the customer, Anti Money Laundering requirements fulfillment)
• set and communicate *ex-ante* clear and pre-defined parameters as drivers of individual performance	• avoidance of incentives with excessively short timeframes (e.g. less than three months)
• promotion of a customer-centric approach which places customer needs and satisfaction at the forefront and which will not constitute an incentive to sell unsuitable products to clients	• take into account, even in remuneration systems of the external networks (Financial Advisors), the principles of fairness in relation with customers, management of legal and reputational risks, protection and loyalty of customers, compliance with the provisions of law, regulatory requirements, and applicable self-regulations
• create incentives that are appropriate in avoiding potential conflicts of interest with customers, considering fairness in dealing with customers and the endorsement of appropriate business conduct	• economic goals must be avoided for Company Control Functions[11] and individual goals set for employees in these functions shall reflect primarily the performance of their own function and be independent of results of monitored areas, in order to avoid conflict of interest
• define – for personnel providing investment services and activities – incentives that are not only based on financial parameters, but also take into account the qualitative aspects of the performance; this in order to avoid potential conflicts of interest in the relationship with customers[12]	• the approach for Company Control Functions[13] is also recommended where possible conflicts may arise due to function's activities. This is the case in particular of functions of the Company (if any) performing control activities pursuant to internal / external regulations
• avoidance of incentives on a single product / financial instrument or specific categories of financial instruments, as well as single banking product	• for the purpose of granting incentive, take also into account any disciplinary sanctions and/or sanctions by regulatory authorities imposed on the resource. In the presence of these measures, the possible allocation of the incentive will require a written explanation, which will make possible a case-by-case verification of the managerial decisions
• for Commercial Network Roles, goals shall be defined including drivers on quality / riskiness / sustainability of the products sold, in line with client risk profiles. Particular attention shall be paid to the provision of non-economics goals for customer facing roles selling products covered by MiFID Directive; for those roles, incentives must be set in order to avoid potential conflict of interest with customers	• all rewarding system communication and reporting phases shall clearly indicate that the final evaluation of the employee achievements will also rely, according to local requirements on qualitative criteria such as: - compliance to external (i.e. laws / regulations) and internal rules (i.e. policies) - mandatory training completion - existence of disciplinary procedures officially activated and/or disciplinary sanctions actually applied
• maintenance of adequate balance of fixed and variable compensation elements also with due regard to the role and the nature of the business performed. The fix portion is maintained sufficiently high in order to allow the variable part to decrease, and in some extreme cases to drop down to zero	• the entire evaluation process must be conveniently put in writing and documented
• in case of individual performance evaluation systems are fully or partially focused on a managerial discretional approach, the evaluation parameters should be defined *ex-ante*, should be clear and documented to the manager at the beginning of the evaluation period. Such parameters should reflect all applicable regulation requirements[14]. The results of managerial discretional evaluation should be formalized for the adequate and predefined monitoring process by the proper functions	

11 Meaning Risk Management, Compliance and Human Resources functions. Human Resources function is considered Company Control Function, as far as remuneration and incentive policies and practices are concerned, pursuant to Bank of Italy Circular nr. 285 of 17 December 2013. Where CRO roles cover both Underwriting and Risk Management functions, goals assigned must not represent a source of conflict of interest between Risk Management and Underwriting activities.

12 See as example:
- ESMA requirements, with reference to MIFID remuneration policies and practices;
- Technical Advice ESMA on MiFid II (Final Report 2014/1569);
- MiFid II specific articles regarding remuneration / incentives for relevant subjects.

13 Where CFO roles cover also Financial Statements preparation, possible economic measures have to be chosen in a conflict-avoidance perspective..

14 Also in line with the regulation references reported in the note above.

3. Fundamentals (Continued)

3.6 Compliance Drivers (Continued)

Within network roles incentive systems, particular attention is put on all commercial initiatives that involve the Personal Financial Advisor network[15].

Such initiatives may be organized after the evaluation and authorization of the competent Company's Bodies. They represent business actions aimed at providing guidance to the sales network towards the achievement of the period's commercial targets (also intermediate) and with a direct impact on the budget and related incentive systems.

Among the distinctive features of the initiatives, there is the expectation of an award - in cash or non-monetary reward. The initiatives can also have the function to accelerate the achievement of certain objectives of the incentive system. The grant of awards related to the initiatives will be subordinated to behaviours compliant with the external and internal regulations.

Under no circumstances may the system of remuneration and evaluation of the sales network employees constitute an incentive to sell products unsuitable to the financial needs of the clients.

In particular the following "*compliance drivers*" have been defined:

- setting-up of the incentive mechanisms using criteria which are consistent with the best interest of the client and which avoid in any case conditions of potential conflicts of interest with customers, and coherently with relevant regulatory provisions (e.g. MiFID)
- ensuring consistency between an initiative's objectives with the objectives set when defining the budget and when assigning targets to the sales network
- avoidance of initiatives on a single product / financial instrument, or on a single Banking product
- inclusion of clauses for zero bonus payment in case of relevant non-compliant behaviour or qualified disciplinary actions
- avoidance of initiatives which – not being grounded an objective and customer interests related basis – may directly or indirectly lead to breaching the rules of conduct regarding clients
- avoidance of initiatives lacking a clear indication of the targets and of the maximum level of incentive to be granted for achieving those targets
- avoidance – in general – of initiatives that link incentives not only to the targets assigned to specific roles / structures but also to higher hierarchical levels or to the budget of the higher territorial structure.

15 As described in paragraph 4.2.2.

4. Compensation Structure

4.1 Employees

Within the framework provided by the "FinecoBank Compensation Policy", FinecoBank is committed to ensure fair treatment in terms of compensation and benefits regardless of age, race, culture, gender, disability, sexual orientation, religion, political belief and marital status.

Our total compensation approach provides for a balanced package of fix and variable, monetary and non-monetary elements, each designed to impact in a specific manner the motivation and retention of employees.

In line with the applicable regulations, particular attention is paid to avoid incentive elements in variable compensation which may induce behaviours not aligned with the company's sustainable business results and risk appetite.

As policy target, fix compensation for *Identified Staff* consider as a reference the market median, with individual positioning being defined on the basis of specific performance, potential and people strategy decisions.

With particular reference to *Identified Staff* – within the governance defined according to the applicable laws and regulations - the Board of Directors, upon proposal of the Remuneration and Appointments Committee, establishes the compensation structure for top positions, defining the mix of fix and variable compensation elements, consistently with market trends and internal analyses performed.

Moreover, the Board of Directors annually approves the criteria and features of *Identified Staff* incentive plans, ensuring the appropriate balance of variable reward opportunities within the pay-mix structure.

TYPE OF REMUNERATION	PURPOSES	FEATURES
4.1.1 FIXED COMPENSATION		
The fixed salary remunerates the role covered and the scope of responsibilities, reflecting the experience and skills required for each position, as well as the level of excellence demonstrated and the overall quality of the contribution to business results	Fixed salary is appropriately defined for the specific business in which an individual works and for the talents, skills and competencies that the individual brings to the Bank. The relevance of fixed compensation weight is sufficient to reward the activity rendered even if the variable part of the remuneration package were not paid due to non-achievement of performance goals such as to reduce the risk of excessively risk-oriented behaviours, to discourage initiatives focused on short-term results and to allow a flexible bonus approach.	Specific pay-mix guidelines for the weight of fix versus variable compensation are defined with respect to each target of employee population. With particular reference to Identified Staff, the Remuneration and Appointments Committee proposes to the Board of Directors: • the criteria and guidelines to perform market benchmarking analysis for each position in terms of compensation levels and pay-mix structure, including the definition of a specific peer group at local level and the identification of an external consultant to provide "executive compensation" services; • the positioning in terms of compensation, in line with relevant market's competitive levels, defining operational guidelines to perform single compensation reviews as necessary.

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4. Compensation Structure (Continued)

4.1 Employees (Continued)

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TYPE OF REMUNERATION	PURPOSES	FEATURES
4.1.2 VARIABLE COMPENSATION		
The variable compensation includes payments depending on performance, independently from how it is measured (profitability goals, volumes, etc.) or on other parameters (e.g. length of service)	Variable compensation aims to remunerate achievements by directly linking pay to performance outcomes in the short, medium and long-term, and risk adjusted. To strengthen the alignment of shareholders' interest and the interests of management and employees, performance measurement reflects the actual results of the Company overall, the business unit of reference and the individual. As such, variable compensation constitutes a mechanism of meritocratic differentiation and selectivity.	• Adequate range and managerial flexibility in performance-based pay-outs are an inherent characteristic of well-managed, accountable and sustainable variable compensation, which may be awarded via mechanisms differing by time horizon and typology of reward. • Incentives remunerate the achievement of performance objectives, both quantitative and qualitative, by providing for a variable bonus payment . • An appropriately balanced performance-based compensation element is encouraged for all employee categories as a key driver of motivation and alignment with organizational goals, and is set as a policy requirement for all business roles. • The design features, including performance measures and pay mechanisms, must avoid an excessive short-term focus by reflecting the principles of this policy, focusing on parameters linked to profitability and sound risk management, in order to guarantee sustainable performance in the medium and long-term. • Group common guidelines on the key elements of contracts for *Identified Staff* ensure alignment with regulatory requirements and also with Audit recommendations, in particular regarding contract elements with specific regulatory provisions, such as variable compensation and severance provisions. • Group common guidelines provide for the specification in the *Identified Staff* contracts only the "eligibility" to the variable compensation. The amounts related to the variable compensation and all the technical details of the payout (instruments, payout structure, timing) are included in a specific communication not included in the *Identified Staff* contract and are managed in strict coherence with the governance and the rules of the delegation of authorities. • More details on the design of remuneration and incentive systems, with particular reference to Control Functions, are reported in the section *"Compliance Drivers"*.
Incentive Systems linked to yearly performance	Aim to attract, motivate and retain strategic resources and maintain full alignment with the latest national and international regulatory requirements and with best market's practices.	• Pay-out is based on a "bonus pool" approach providing for a comprehensive performance measurement at individual and at Group and local level . • Reward is directly linked to performance, which is evaluated on the basis of results achieved and on the alignment with our leadership model and values. • The Executive Development Plan (EDP) as the Group-wide framework for Identified Staff performance management is a cornerstone of fair and coherent appraisal across the organization. • For the remaining employees – within the bonus pool logic as described above - annual incentives are determined on a discretionary basis according to the individual performance appraisal (e.g. Performance Management) that foresees a yearly, written, and documented process for the goals setting, self-assessment, managerial assessment and the definition of an individual development plan. • Where foreseen by regulations, the pay-out is phased to coincide with an appropriate risk time horizon. The design features of incentive plans for Identified Staff are aligned with shareholder interests and long-term, firm-wide profitability, providing for an appropriate allocation of a performance related incentive in cash and in shares, upfront and deferred • Each year, detailed information about our compensation governance, key figures and the features of our incentive systems, is fully disclosed in the Annual Compensation Report. • The individuals' behaviours (compliance with internal and external rules and regulations, absence of disciplinary actions and completion of mandatory training) are also evaluation elements to assign individual incentives.

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TYPE OF REMUNERATION	PURPOSES	FEATURES
Long-term loyalty plans	The aim of these plans is the allocation of free shares, in order to build retention, subject to the fulfilment of specific sustainability conditions	In 2014, FinecoBank's Shareholder's Meeting approved, when applied for listing on the Italian Stock Exchange and subject to the favourable outcome of it, the "2014-2017 Multi-year plan Top Management" for the Chief Executive Officer and General Manager and for the Executives with strategic responsibilities (6 Bank's employees). The plan provides the allocation of FinecoBank shares for each of the 4 years, with a 3-year vesting period for the assignment of each tranche. For the allocation of each annual tranche, it is provided the verification of continuous employment, no compliance breach and entry conditions (for 2017 Net Profit ≥ 0 and Common Equity Tier 1 ≥ 10,25%). On the basis of the same assumptions, the Shareholders' Meeting approved also the "2014 Plan Key People" that provides for the allocation – in 2014 – of FinecoBank shares to 79 selected employees of the Bank. The assignment of the shares is scheduled in 3 tranches in the years 2015-2016 and 2017, upon verification of the individual performance as described above and of the general entry conditions (for the last assignment - in 2017 the following indicators related to 2016 performance have been considered: Net Profit ≥ 0 and Common Equity Tier 1 ≥ 10%).
4.1.3 BENEFIT		
Benefits include welfare benefits that are supplementary to social security plans and are intended to provide substantial guarantees for the well-being of staff and their family members during their active career as well as their retirement. In addition, special terms and conditions of access to various FinecoBank and UniCredit Banking products and other services may be offered to employees in order to support them during different stages of their lives	Benefits aim to reflect internal equity and overall coherence of our remuneration systems, catering to the needs of different categories as appropriate and relevant.	• In coherence with Group governance framework and Global Job Model, benefits are aligned against general common criteria for each employee category, while benefits plans are established on the basis of FinecoBank practices. FinecoBank employees can also join the Group Employee Share Ownership Plan, named "Let's Share" which was launched for the first time in 2008. The plan offers to the participants the opportunity to buy ordinary UniCredit shares and to receive a 25% discount in the form of free shares allocated by the Company with a one-year restriction period.

4. Compensation Structure (Continued)

4.2 Financial Advisors

Financial Advisors are tied to the Company by an agency agreement, under which the Advisor is engaged on a permanent basis (without representation) to provide independent services, exclusively for the Bank, for the promotion and placement of financial instruments and Banking / financial services in Italy, as well as insurance and welfare products or any other products indicated in the contract. Advisors are also responsible for diligently monitoring the assistance to the existing and/or allocated customers in order to fulfil the Company's objectives.

In accordance with existing regulations, contractual relationships with customers acquired by the Financial Advisor, and any other that is subsequently allocated, are conducted exclusively between the customer and the Bank.

FinecoBank's Network of Financial Advisors is composed by:

- Financial Advisors
- Group Managers
- Area Managers

Area Managers are responsible for coordinating Advisors in their geographic area, for growing the business and for reaching the targets set by Commercial Department, and are supported by Group Managers.

The Commercial Department uses Company's internal structures, to provide support to the network. Their tasks are to control the local activities and provide support for commercial activity.

As mentioned in the preamble, the provisions of this Compensation Policy also apply to the members of the Financial Advisors' Network, in line with the Advisors' specific remuneration.

Financial Advisors are freelancers and their remuneration is entirely variable. Therefore regulatory requirements, in order to adapt the same employees' rules on compensation structure, based on a fixed and on a variable component, established for Financial Advisors a distinction between a "recurring" and a "non-recurring" pay component.

TYPE OF REMUNERATION	PURPOSES	FEATURES
4.2.1 RECURRING REMUNERATION		
This is the most stable and ordinary part of the total remuneration, equivalent to the fixed salary of employees	Recurring remuneration is sufficient to reward the activity rendered even if the variable part of the remuneration package were not paid due to non-achievement of performance goals such as to reduce the risk of excessively risk-oriented behaviours, to discourage initiatives focused on short-term results and to allow a flexible bonus approach.	• Sales commission, in other words the payment to the Financial Advisor of a percentage of the sales charge, paid by the customer at the time of purchase of investment instruments. It is paid on an individual basis or as a supplement if the Advisor has been given coordination tasks. • Management and maintenance commission, in other words the Financial Advisor monthly remuneration for assistance provided to customers during the contract, commensurate with the average value of the investments and the type of product, paid on an individual basis or as a supplement if the Advisor has coordination tasks.

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TYPE OF REMUNERATION	PURPOSES	FEATURES
4.2.2 NON-RECURRING REMUNERATION		
Incentive Systems linked to yearly performance. **This is the incentive element, in other words it is tied to reach certain goals, equivalent to the variable compensation of employees**	Aim to motivate, retain and incentive Financial Advisors and Managers of the Network, maintain full alignment with the regulatory requirements.	• Pay-out is based on a "bonus pool" approach providing for a comprehensive performance measurement at individual and at Group and local level. • Reward is directly linked to performance, which is evaluated on the basis of results achieved. • For the Financial Advisors belonging to *Identified Staff*, a dedicated incentive system (*"PFA Incentive System"*) was defined, whose pay-out, as foreseen by regulations, is phased to coincide with an appropriate risk time horizon. The design features of the plan is aligned with shareholder interests and long-term, firm-wide profitability of the Bank, providing for an appropriate allocation of a performance related incentive in cash and in shares, upfront and deferred. • For all the Financial Advisors not belonging to *Identified Staff*, specific incentive systems were defined, as, for example, *"Incentive Plans for PFA-Area Managers-Group Managers"*, and specific retention initiatives such as the ***"Additional Future Program"***. This plan, in particular, is dedicated to the PFA and the network Managers not Identified Staff and provides the accrual of annual awards (subject to the achievement of specific performance conditions and the compliance of individual behaviours) in specific insurance policies. The release of those awards is provided at the reach of the retirement age. • All the incentive systems provide for ex-ante ("entry conditions") and ex-post (*malus* on any deferred components) adjustment mechanisms and claw-back clauses. • The individuals' behaviours (compliance with internal and external rules and regulations and absence of disciplinary actions) are also evaluation elements to assign individual incentives.
Long-term loyalty plans	The aim is to retain and motivate Financial Advisors and Managers of the Network.	In 2014, FinecoBank's Shareholders' Meeting approved, when applied for listing on the Italian Stock Exchange and subject to the favourable outcome of it, the *"2015-2017 Plan PFA"*. This plan provides the allocation in 2018 of a number of FinecoBank shares to be assigned in 3 tranches in 2018, 2019 and 2020 subject to the fulfilment of: • annual entry conditions (for 2017 Net Profit ≥ 0 and Common Equity Tier 1 ≥ 10,25%); • individual compliance conditions and the existence of the agency agreement; • beneficiaries performance results achieved during the 3-year Plan. On the basis of the same assumptions, the Shareholders' Meeting approved also the "*2014 Plan PFA*" that provides for the allocation to the beneficiaries of a number of FinecoBank shares, which assignment is scheduled in 3 tranches in the years 2015, 2016 and 2017, upon verification of the individual performance as described above and of the general entry conditions (for the last assignment - in 2017 the following indicators related to 2016 performance have been considered: Net Profit ≥ 0 and Common Equity Tier 1 ≥ 10%).

SECTION III

ANNUAL
COMPENSATION REPORT

FINECO. SIMPLIFYING BANKING.

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1. Introduction

The *Annual Compensation Report* (hereinafter, the "Annual Report") discloses all relevant FinecoBank compensation-related information and methodologies with the aim to increasing Stakeholders' awareness of our compensation policies, practices and outcomes, demonstrating their coherence with business strategy and performance, responsible remuneration and sound risk management.

The Report provides *ex-post* information on 2016 outcomes, as well as *ex-ante* disclosure for 2017 approach, covering our *Identified Staff* population (both employees and Financial Advisors) and Corporate Bodies' members.

Remuneration solutions implemented in 2016 provided for:
- compliance of incentive strategies with all relevant regulations, including deferred pay-outs and incentives based on financial instruments;
- comprehensive performance measurement to foster sound behaviours aligned with different types of risk.

Over the year 2016 we constantly kept abreast of ongoing changes in national and international regulations. (see for instance, the ongoing procedure for the implementation at national level of the "*Guidelines on sound remuneration policy*[16]").

In 2016 we gave our contribution to the *European Banking Authority*'s ("EBA") remuneration benchmarking exercise and data collection of high earners. In particular our contribution was related to information regarding the remuneration for 2015 of all staff and of *Identified Staff*, including the number of individuals in pay brackets of at least 1 mln Euros.

The Annual Report, a unique document providing complete and comprehensive information on compensation, includes details referring to Members of Administrative and Auditing bodies, General Manager and Executives with strategic responsibilities.

Data pursuant section 84-*quater* approved with resolution of the Italian National Commission for Listed Companies (Consob) no.11971, dated May 14th 1999 (as subsequently modified), providing the rules for Issuers (so called "Issuers Regulation"), as well as the information on incentive systems pursuant to section 114-bis of the Legislative Decree issued on February 24th n. 58 (the Consolidated Text on Finance –"TUF"), and to the provisions of the Issuers Regulation on information that have to be communicated to the market on compensation plans based on financial instruments, are included in this document, further to be included in the annex to the 2017 FinecoBank Compensation Policy, named "*2017 Compensation Systems based on Financial Instruments*".

To this regard it is highlighted that the aforesaid information on provided for the purpose of the report on corporate governance (persuant to section 123-bis TUF)

16 Guidelines on sound remuneration policies under Article 74(3) and 75(2) of Directive 2013/36/EU and disclosures under Article 450 of Regulation (EU) No 575/2013.

2. Governance & Compliance

2.1 Remuneration and Appointments Committee

The Remuneration and Appointments Committee, established by the Board of Directors' resolution on May 13th, 2014, performs a strategic role in supporting Board of Directors' oversight of FinecoBank Compensation Policy and plans design.

According to the internal provisions approved by the Board of Directors, ruling the functioning and competencies of corporate bodies and related information flows (hereinafter the "Corporate Governance Rules"), this Committee is composed by 3 non-executive members, Mr. Gianluigi Bertolli, Mrs. Mariangela Grosoli and Mr. Girolamo Ielo, who met the independence requirements set out in Article 3.C.1 of the Corporate Governance Code and also Article 147 (4) and 148 (3) of the TUF and have adequate knowledge and experience in finance or accounting topics.
The Chairman, Mr. Gianluigi Bertolli, has presided the Committee's meetings during 2016.

In performing its duties and if important and suitable, also availing itself with the support of an external consultant, The Remuneration and Appointments Committee:

A. provides opinions to the Board of Directors - on the proposals formulated, as appropriate, by the Chairman of the Board or by the Chief Executive Officer and General Manager - concerning:
   - the definition of Policies for appointing the Company's directors (including the qualitative- quantitative characteristics required by the Supervisory Regulations of the Bank of Italy);
   - the appointment of the Chief Executive Officer and/or the General Manager and the other Executives with strategic responsibilities;
   - the definition of any succession plans for the Chief Executive Officer, for the General Manager and for the other Executives with strategic responsibilities;
   - the identification of FinecoBank Director candidates in the event of co-optation, and of independent Director candidates to be submitted for approval by the Company Shareholders' Meeting, taking into account any reports received from Shareholders;
   - the appointment of members of the Committees established within the Board of Directors, upon the proposal of the Chairman;
   - the various phases of self-evaluation process of the Board of Directors.

B. presents proposals to the Board for the definition of a general remuneration policy for the Chief Executive Officer and General Manager, for the other Executives with strategic responsibilities, and for the other *Identified Staff* – also so that the Board is able to prepare the Annual Compensation Report to be presented to the Shareholders' Meeting on an annual basis, and to periodically assess the suitability, overall consistency and effective application of the general remuneration policy approved by the Board;

C. presents proposals to the Board relating to the total remuneration of the Chief Executive Officer, of the General Manager, of the other Executives with strategic responsibilities, and of the other *Identified Staff* and for the determination of criteria for the remuneration of Company top Management, including the relevant performance targets related to the variable component of the remuneration;

D. monitors the implementation of the decisions adopted by the Board and verifies, in particular, the achievement of the performance targets;

E. examines any share-based or cash incentive plans for employees and PFAs of the Company, and strategic staff development policies;

F. supports the Audit and Related Parties Committee in the process of identification and proposal for the Heads of Company Control Functions to be appointed;

G. supports the Board in verifying the conditions provided by section 26 (requirements of company Directors) of the Legislative Decree dated September 1st 1993 n. 385 and subsequent amendments and integration (providing the TUB).

In 2016 the Remuneration and Appointments Committee met 13 times. The meetings had an average duration of two hours. From the beginning of 2017 and until the approval of the present 2017 Compensation Policy, 3 meetings of the Committee have been held this year. Minutes are taken of each meeting and placed on record by the Secretary designated by Committee itself.
From the approval of "Corporate Goverance Rules" , the Chairman of the Committee provided time by time the information on the Committee meetings to the subsequent Board meeting.

From December 2014 on the Committee, by means of its budget assigned for the year (amounting to 25.000€ for 2016) , has started a collaboration with an external advisor - whose independence has been previously verified - who is invited to the Committee's meeting when required.

The Committee may, when it deems it appropriate, invite other individuals from within the Company to attend the meetings, in relation to the corporate functions and organizations concerned by the issues at hand, including members of other committees within the Board of Directors, or external parties. The Committee shall meet when convened by its Chairman, whenever he/she deems necessary, or upon the request of one of its members. In any case the Committee has always been able to access the information and the Company Functions necessary to perform its activities.

2. Governance & Compliance (Continued)

2.1 Remuneration and Appointments Committee (Continued)

In 2016 the Head of *Human Resources* has been always invited to Committee's meetings. The Chairman has also invited the Head of *Legal & Corporate Affairs* to introduce Coporate Governance topics (see for instance the results of the Board of Directors' self-evaluation process or the appointment of a new Director) and the Head of *Network Controls, Monitoring and Service Department* for topics related to PFA network (see for instance the Incentive Systems and related rules for the PFA population).

In addition to the aforementioned Functions, the Chairman invited - to specific Committee's meetings and for topics in the respective competence perimeters – the CRO, CFO and Compliance Officer of FinecoBank. In particular the CRO and CFO participated in the meetings regarding the 2016 Incentive Systems evaluation while the Compliance Officer has been invited, among the others, to participate in the discussions related to the Identified Staff definition.

The Chairman has also invited the *Internal Audit* [17] function to the meeting related to the annual audit performed on FinecoBank remuneration policies and practices.

During 2016 the key activities of the Remuneration and Appointments Committee included:

KEY ACTIVITIES OF THE COMMITTEE IN 2016	
January	• 2016 Identified Staff and 2016 Incentive System for Employees Identified Staff and 2016 Incentive System for PFA Identified Staff • FinecoBank Compliance Officer appointment • Evaluation of regulatory requirements for Directors • "Annual Corporate Governance Report" (for the topic within Committee's competence) • 2015 Bonus Pool • Execution of 2015 Incentive System and 2015 individual bonus for Employees Identified Staff • Stock granting plan "2014-2017 Top Management Plan" and "2014 Key People Plan" execution for the Employees and update of related Rules • "2015 Incentive Plans" and "Additional Future Program" execution for the PFA and Managers of the Network and update of related Rules • 2016 Incentive Systems for the Managers and PFA of the Network and related new Rules
March	• 2016 Compensation Policy, including the Annual Report and the Audit Report • 2016 Incentive System Rules for the Employees Identified Staff • 2016 Incentive System Rules for the PFA Identified Staff • Integration to the execution of "Additional Future Program" plan for PFA and Managers of the Network
April	• Prorogation of the plan "Iniziativa Riqualificazione Prodotti Risparmio Gestito" for the PFA and Managers of the Network
June	• Developement and succession plans
July	• New initiative "Riqualificazione Amministrato e Liquidità in Guided Products" • Board self evaluation
September	• Prorogation of "Nuova Iniziativa Riqualificazione Amministrato e Liquidità in *Guided Products*"
November	• Appointment of Ms. Manuela D'Onofrio to Director • Initiative "Riqualificazione Amministrato e Liquidità in Guided Products". New edition • Verification of regulatory requirement of the new Director Ms. Manuela D'Onofrio

17 Internal Audit function is centralized in UniCredit and works based on a specific service contract.

The main topics discussed by the Committee are also submitted to the attention of the Board of Statutory Auditors, in advance over their submission to the Board of Directors.
Moreover, at least a member of the Board of Statutory Auditors, attended to the meetings of the Committee in 2016

We highlight that the Directors do not participate in the Committee meetings in which are made the proposals to the Board concerning their remuneration.

The following table summarizes the composition of the Committee in 2016 and, in addition to the information on the independency of the members, provides details regarding their attendance to the meetings that have been called during the year.

REMUNERATION AND APPOINTMENTS COMMITTEE – (YEAR 01/01/2016 – 31/12/2016)

OFFICE	NAME	INDIPENDENCY ACCORDING TO		*	**	***
		CODE	TUF			
Members currently in office						
Chairman	Gianluigi Bertolli	YES	YES	C	13	100%
Director	Mariangela Grosoli	YES	YES	M	13	92%
Director	Girolamo Ielo	YES	YES	M	13	100%

Notes
(*) In this column is pointed out the office covered in the Committee (C=Chairman; M=Member)
(**) In this column is pointed out the number of meetings attended during the period when the office has been covered
(***) In this column is pointed out the percentage of attending to Committee's meetings (no. of participation / no. of meetings taken during the effective period when the office has been covered)

2.2 The Role of Company Control Functions: Compliance, Risk Management and Audit

Key contributions in 2016 of FinecoBank *Compliance* function, for all aspects that fall within its perimeter and in collaboration with *Group Compliance*, included:
- validation of the 2016 Compensation Policy submitted to the Board of Directors for subsequent approval of the Shareholders' Meeting on April 12th, 2016;
- validation of the 2016 Incentive System for employees of FinecoBank belonging to *Identified Staff*;
- validation of the 2016 Incentive System for Financial Advisors of FinecoBank belonging to *Identified Staff*;
- preparation – in collaboration with the *Human Resources* function – and distribution of FinecoBank guidelines for the development and management of incentive systems for the population not belonging to *Identified Staff* (ref. *FinecoBank Internal Regulation 07/2016*);
- participation in specific initiatives of *Human Resources* function (e.g.: review of definition of *Identified Staff* for the application of Incentive System).

As per Board decision in April 2016, the Compliance Function - previously outsourced in UniCredit – has been internalized in FinecoBank.

In 2017, the *Compliance* function will continue to operate in close co-ordination with the *Human Resources* function to support not only in the validation but also in the design and definition of compensation policy and processes.

The link between compensation and risk has been maintained in 2016 with the involvement of the *Risk Management* function in compensation design and the definition of an explicit framework to base remuneration within an overarching FinecoBank *Risk Appetite Framework*, which is consistent with Group *Risk Appetite Framework*, so that incentives to take risk are appropriately constrained by incentives to manage risk. In particular, the Board of Directors and Remuneration and Appointments Committee draw upon the input of involved functions to define the link between profitability, risk and reward within FinecoBank incentive systems.

2. Governance & Compliance (Continued)

2.2 The Role of Company Control Functions: Compliance, Risk Management and Audit (Continued)

Internal Audit Report on the 2016 FinecoBank remuneration policies and practices

Internal Audit Function has carried out the annual assessment on the Bank's compensation system pursuant to Bank of Italy regulation. Besides, the evaluation process for the definition of Identified Staff was verified with the aim to check its compliance with the requirements provided for by Delegated Regulation (EU) No 604/2014.

The annual audit results have been submitted to the attention of the Remuneration and Appointments Committee on March 1st 2017. The audit tests have been performed on a sample of population which includes the following groups within FinecoBank compensation policy:

1. all the Identified Staff;
2. a sample of 211 employees non-Identified Staff (the so called "below executives"), selected considering the roles to whom a bonus higher than € 5.000 has been granted in 2016 (20% ca of the overall population as on 31/12/2016);
3. Members of Corporate Bodies;
4. Bank's Financial Advisors, with specific focus on categories of "non recurring" remuneration named "bonus raccolta netta" and "additional future program", equal to the 67% ca of 2016 total incentives.

The annual audit scrutiny outcome was satisfactory, on the basis of the correct application of bonus definition mechanisms, as provided by the Bank's Compensation Policy, with particular reference to the 2:1 limit for the ratio between variable and fixed pay (1/3 of fixed pay for the Company Control Functions).

As regards the Network, the process provided the inclusion in the Identified Staff of the Financial Advisors with a total remuneration, recurring and non-recurring, higher than Euro 750.000, as well as of the Managers coordinating Financial Advisors managing assets equal or higher than 5% of overall network assets, on the basis of quantitative criteria defined in the UE Regulation and of a qualitative criterion based on business risk (reduction of Bank's profitability as a consequence of Advisors leaving and the subsequent loss of customers' portfolios).

The Bank evaluation performed with the aim of excluding from the Identified Staff category roles with total compensation between Euro 500.000 and 750.000, subject to communication to ECB, is consistent with the internal accounting figures and with the risk profiles of Personal Financial Advisors activities.

3. Continuous Monitoring of Market Trends and Practices

Key highlights of the Compensation Policy defined this year with the support of external benchmarking and trends analysis provided by the independent external advisor to the Remuneration and Appointments Committee include:
- the definition of Compensation Policy for the *Identified* Staff, both employees and Financial Advisors, with particular reference to the design of the 2017 incentive systems;
- the pay recommendations based on specific benchmarking analysis versus our defined peer group to inform any decision.

The peer group used to benchmark compensation policy and practice with particular reference to employees *Identified Staff* has been defined by the Remuneration and Appointments Committee upon proposal of the independent external advisor on the basis of criteria including: comparability of size, complexity and business model, presence in customer, talent and capital markets, risk and legal-socio-economic environment.

The peer group is subject to annual review to assure its continuing relevance. For 2017 it has been defined a national peer group that includes:
- Banca Generali and Generali Investments Europe SGR
- Mediolanum Group
- Azimut
- Banca Popolare Vicenza (to be considered in case of merge with Veneto Banca)
- BNL
- BPER
- Credem
- Banco BPM
- Generali Group
- Mediobanca Group (CheBanca and Banca Esperia)
- Monte Paschi di Siena
- Intesa San Paolo
- UBI Banca
- Veneto Banca (to be considered in case of merge with Banca Popolare di Vicenza)
- Carige

In addition to what mentioned above, for the Chief Executive Officer and General Manager and for the Executives with strategic responsibilities it will be realized a benchmark also with European market, based on a sample of European Banks.

4. Compensation paid to Members of the Administrative and Auditing Bodies, to General Managers and to other Executives with strategic responsibilities

The remuneration for members of the administrative and auditing Bodies of FinecoBank is represented only by a fix component, determined on the basis of the importance of the position and the time required for the performance of the tasks assigned.

This policy applies to non-Executive Directors and to the Supervisory Body members that are not employees of FinecoBank or other Legal Entities of UniCredit Group, as well as to Statutory Auditors.

The compensation paid to non-Executive Directors, to the Supervisory Body members and to the Statutory Auditors is not linked to the economic results achieved by FinecoBank and none of them take part in any incentive plans based on stock options or, generally, based on financial instruments.

BENEFICIARY	REMUNERATION COMPONENT	APPROVED BY	AMOUNT (€)	REMARKS
Non-Executive Directors	Only fixed compensation	Shareholders' Meeting and Board of Directors of April 15th, 2014	Compensation for each year of activity: • € 330.000 for the Board of Directors[1] • € 50.000 for Board Committees • € 20.000 for the Chairman of the Supervisory Board[2] • € 300 as attendance fee for partecipating to each meeting of: - Board of Directors - Board Committees	The compensation is determined on the basis of the importance of the position and the time required for the performance of the tasks assigned
		Board of Directors of April 15th, 2014, persuant to sect. 2389 of the Civil Code par. 3 and Articles of Association, heard the opinion of Statutory Auditors	• € 200.000 for each year of activity, split between: - Board Chairman - Board Vice Chairman	
Statutory Auditors	Only fixed compensation	Shareholders' Meeting of April 15th, 2014	Compensation for each year of activity[4]: • € 50.000 for the Chairman of Board of Statutory Auditors • € 40.000 for each Standing Auditor • € 300 as attendance fee for partecipating to each meeting of the Board of Directors[3]	
Executives with strategic responsabilities[5]	Fixed and variable compensation	Board of Directors	2016 Compensation level: • € 850.000 fixed + € 561.000 variable for the CEO and GM • € 1.648.000 fixed + € 982.060 bonuses for the other 5 Executives with strategic responsabilities	Fixed and variable remuneration components of the CEO/GM and of the other Executives with strategic responsabilities are balanced, through the ex-ante definition of the maximum ratio between variable and fixed remuneration component.

1 Total compensation for the entire Board of Directors (Executive Directors included) approved by the Shareholders' Meeting is equal to Eur 370.000. On November 8,2016 Board of Directors approved the Office of a non executive member of the Board of Directors instead of an executive one.

2 With the resolution of the Board of Directors on February 8, has been nominated as Chairman Corporate Governance 231/2001 an external member persuant of the new Unicredit guidelines related to the update "modello di organizzazione, gestione e controllo ex D. Lgs. 231/2001".

3 Even if these meetings held in the same day.

4 Alternate Auditors do not receive any compensation unless they are actually asked to join the Board of Statutory Auditors in substitution of a standing member.

5 The Board of Directors has identified as "Executives with strategic responsabilities" – to the ends of the application of all statutory and regulatory instructions – the Chief Executive Officer and General Manager, the Deputy General Manager and Head of Global Banking Services, the Deputy General Manager and Head of Global Business,the Head of Commercial PFA Network, the Head of Investment Services and Private Banking as well as the Chief Financial Officer.

Further details on compensation of Executives with strategic responsibilities

For 2016, according to our Compensation Policy, in line with regulatory provisions, it has been defined *ex-ante* the maximum ratio between variable and fix component of the compensation both for the Chief Executive Officer and General Manager (the sole executive director sitting on the Board of Directors and employee of the Company) and for the other Executives with strategic responsibilities.

The balance between variable and fixed components has been defined considering also the Company's strategic goals, risk management policies and other elements influencing firm's business.

With reference to the above table, for Executives with strategic responsibilities it is specified that:
- the fix component is defined taking into opportune consideration market information and in such a way to be sufficient to reward the activity rendered even if the variable part of the remuneration package were not paid due to non-achievement of performance goals;
- in line with the latest regulatory requirements, the Chief Executive Officer and General Manager – as well as the Executives with strategic responsibilities – have a balanced part of their remuneration linked to the overall profitability of FinecoBank and the Group, weighted by risk and cost of capital, as well as sustainability goals (based on capital and liquidity ratios) of FinecoBank and the Group.

The variable compensation considers the achievement of specific goals which are previously approved by the Board of Directors upon proposal of the Remuneration and Appointments Committee and having informed the Board of the Statutory Auditors.

In particular, *ex-ante* defined specific metrics that reflect categories of our FinecoBank *Risk Appetite Framework*, which is consistent with *Group Risk Appetite Framework*, align the remuneration of the Chief Executive Officer and General Manager and of the others Executives with strategic responsibilities to sustainable performance and value creation for the shareholders in a medium / long term perspective. Specific individual goals are set out taking into consideration the market practices and the role assigned within the Bank, through the systematic use of specific indicators aimed at strengthening the sustainability of business, such as, for example, risk and financial sustainability indicators and profitability measures[18].
• *More information regarding our performance management and evaluation are provided further in chapter 5.3.1.*

It is also foreseen the deferral in cash and shares of minimum 60% of the incentive. All the instalments are subject to the application of *malus* and/or claw-back conditions, if legally enforceable. 2016 Incentive System provides for 50% of the annual incentive to be deferred and paid in the five following years through the granting of Fineco shares. The number of such shares is set at the beginning of the deferring period, thus creating a link between the evolution of the share price and the actual value of the incentive. *à More information regarding the 2016 incentive plan implementation and outcomes are provided further in chapter 5.2.*

The Chief Executive Officer and General Manager, on top of 2015 Incentive System, benefits also from:
- "2012 Group Incentive System – Executive Vice President"
- "2013 Group Incentive System – Executive Vice President & Above"
- "2014 Group Incentive System – Executive Vice President & Above"
- "2015 Group Incentive System – Executive Vice President & Above"
- "2014-2017 Multi-year Plan Top Management"

• *More information regarding the plans above mentioned are provided further in chapters 6 and 7.*

The measure and duration of the deferral are aligned with the provisions set by regulators and are consistent with the characteristics of the business and with the Company's risk profiles.

For the Heads of the Company Control Functions the goals, pursuant to the provisions of Bank of Italy, are established by the Board of Directors in line with the tasks assigned to them and avoiding, unless good reasons exist, goals connected to the Bank's performance.

Indemnities to directors in the event of resignations, dismissal or termination of employment following a public purchase offer (as per section 123/bis, paragraph 1, letter i), of TUF):

None of the Directors have contracts containing clauses envisaging the payment of indemnities, or the right to keep post-retirement benefits, in the event of resignations or dismissal / revocation without just cause or if the employment relationship is terminated following a public purchase offer. In case of early termination of the mandate, the ordinary law provisions would therefore apply.

The individual employment, as Executive, of the Chief Executive Officer and General Manager, Mr. Alessandro Foti, is today governed - also with regards to the event of resignations, dismissal / revocation or termination - by the ordinary provisions of the law and National Labor Agreement for Banking Industry Executives dated July 13, 2015. In such context, the annual remuneration used to define the possible indemnity due in the above mentioned instances would include the fix remuneration, any other continuative compensation and the average of the variable pay (inclusive of the components paid in equity - such as for example free shares, restricted shares, performance shares - with the only exclusion of the valorisation of the stock options potentially assigned within long-term incentive plans) received in the last three years prior to the termination. The actual amount of such indemnity – in terms of months of compensation considered – is then bound to vary depending on the events which led to the termination and on the relationship's duration and is anyway subjected to provisions of the "Termination Payments Policy" of FinecoBank approved by Shareholders' Meeting.

Non-executive Directors do not receive, within incentive plans, stock options or others equities. For the Chief Executive Officer and General Manager no specific provisions are provided with reference to the right to keep, in case of termination, the options received and the plans' provisions apply.

For none of the Directors currently in office, provisions exist regarding the establishment of advisory contracts for a term following the termination of the directorship, nor the right to keep post retirement perks. No agreements exist either providing compensation for non-competition undertakings.

18 Since the CFO- included in the Executives with Strategic Responsibilities - cover salso the activities related to the Finacial Statements – the individual goals are defined in coherence with the assigned tasks

5. Compensation Systems

5.1 Target population

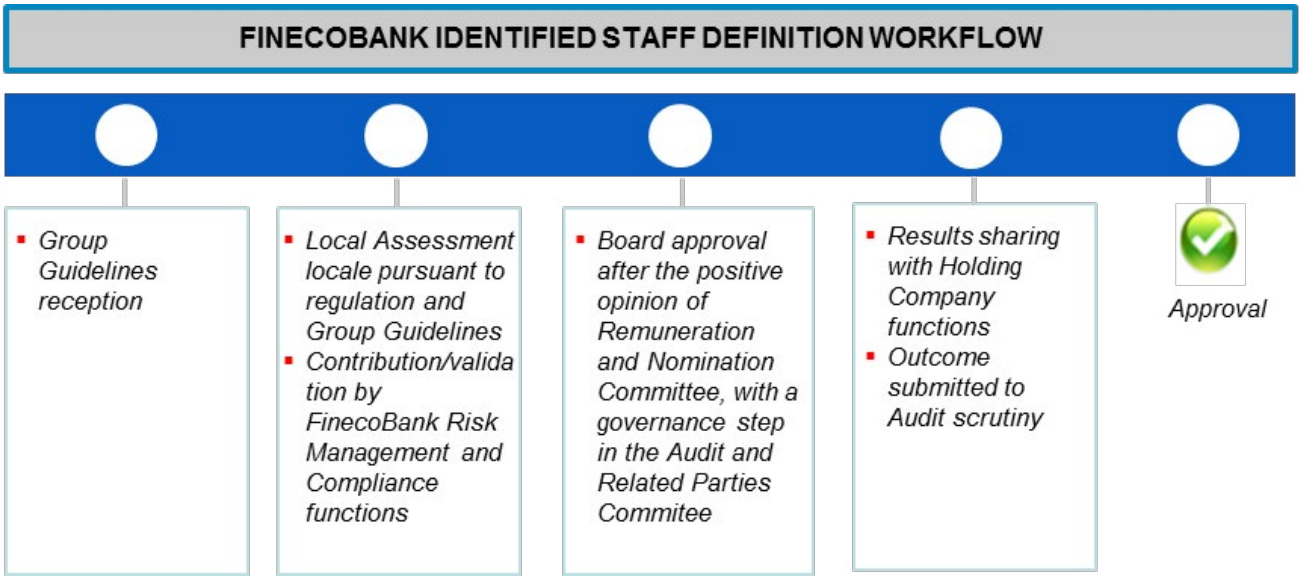
FinecoBank, starting from 2014 conducted, in alignment with specific regulation, the annual self-evaluation process to define *Identified Staff* population, both employees and Financial Advisors, to whom, according to regulators, specific remuneration rules apply.

The identification of 2017 *Identified Staff*, pursuant to the European criteria foreseen in the *European Banking Authority Regulatory Technical Standard* (RTS)[19], followed a structured and formalized assessment process both at Group and local level, based on the guidelines provided by the Group functions *Human Resources* with the contribution of *Risk Management* and *Compliance*, to guarantee a unique and common approach at Group level.

The recognition of subjects with significant impact on risk, further to be finalized to the definition of Bank's Identified Staff, is subject to the consolidation activity performed By the Holding Company, for the definition of Group Identified Staff.

This is valid, in particular for the Employees, while the PFAs are not included in the consolidation perimeter, as considered Identified Staff just at a Bank level[20].

As every year, the assessment performed took into account the role, the decision-making power, the effective responsibilities of the employees and of the Financial Advisors and, in addition, the total compensation level.



The result of the assessment process, submitted to Internal Audit scrutiny and documented into FinecoBank Compensation Policy, brought to the identification of a total number of 14 employees and 7 Financial Advisors for 2017[21].

Regarding the employees, as a result of the analysis and as approved by the Board of Directors upon Remuneration and Appointments Committee proposal, the following categories of employees have been defined for 2017 as *Identified Staff*: Chief Executive Officer and General Manager, Executives with strategic responsibilities, executive positions in Company Control Functions (*Compliance*, *Risk Management* and *Human Resources*) and other positions that are responsible at local level for strategic decisions which may have a relevant impact on the Bank's risk profile.

• Compensation data and vehicles used for the target population in 2016 are disclosed in chapters 6 and 7.

19 European Banking Authority (EBA) Regulatory Technical Standards on criteria to identify categories of staff whose professional activities have a material impact on an institution's risk profile under Article 94 (2) of Directive 2013/36/EU.
20 The qualification of Group Identified Staff or local Identified Staff does not prejudice the application of all the criteria defined by the regulation for the Identified Staff remuneration.
21 Identified Staff data refers to the population at the date of February 2017, providing for an ex-ante definition, in line with regulatory requirements.

Regarding the Financial Advisors, FinecoBank has applied a qualitative criteria to select those belonging to Identified Staff, on the basis of their impact on business risk (represented by the risk that the Bank's profitability decreases consequently to the exit of Advisors from the Network and the related loss of customers and assets), the only type of risk that the Bank considers attributable to PFA, due to the absence of power of attorney they have to assume any other kind of risks.

As a result of the analysis and as approved by the Board of Directors upon Remuneration and Appointments Committee proposal, the following categories of employees have been identified for 2017 as Identified Staff:
- for the single PFA the criteria above mentioned has been applied selecting those Advisors who have a total yearly compensation higher/equal to Euro 750,000;
- for PFA who have a managerial role have been selected Managers that coordinate Advisors with a total asset higher/equal to 5% of the total asset of the PFA Network.

Pursuant to the regulatory requirement and the process defined at EU level[22] the exclusion from Identified Staff of 8 PFA whose total remuneration in 2016 is equal or exceeds € 500.000 has been submitted to the European Central Bank and to Bank of Italy.

5.2 Implementation and Outcomes of 2016 Incentive Systems

5.2.1 2016 Incentive System for employees belonging to *Identified Staff*

The 2016 Incentive System, approved by FinecoBank Board of Directors on January 12th, 2016, provides - in total continuity with 2015 System - for a "bonus pool" approach which directly links bonuses with Company results at Group and local level, ensuring the link between profitability, risk and reward.

The System, implemented within the framework of our policy and governance, provides for the allocation of a performance related bonus in cash and/or free ordinary shares over maximum 6 years.

Bonus pool sizing

The bonus pool dimension is related to the actual profitability measure multiplied for the percentage of the bonus pool funding rate defined in the budgeting phase.

This calculation determines the so called "theoretical bonus pool", that, during the year of performance, has been adjusted based on the effective performance trend.

2016 Entry conditions at Group and local level

In order to align to regulatory requirements, specific indicators measuring annual profitability, solidity and liquidity results had been set both local and Group level as Entry Conditions. In particular, risk metrics and thresholds for 2016 Incentive System as defined within the Entry Conditions that confirm, reduce or cancel upfront and deferred pay-outs include:

GROUP LEVEL	LOCAL LEVEL
Net Operating Profit adjusted ≥ 0 and	Net Operating Profit adjusted ≥ 0 and
Net Profit ≥ 0 and	Net Profit ≥ 0
Common Equity Tier 1 ratio transitional ≥ 10%	
Liquidity Coverage Ratio ≥ 75%	

22 ECB Decision (EU) 2015/2218 dated November 20th 2015; EBA RTS chapter 4, §4

5. Compensation Systems (Continued)

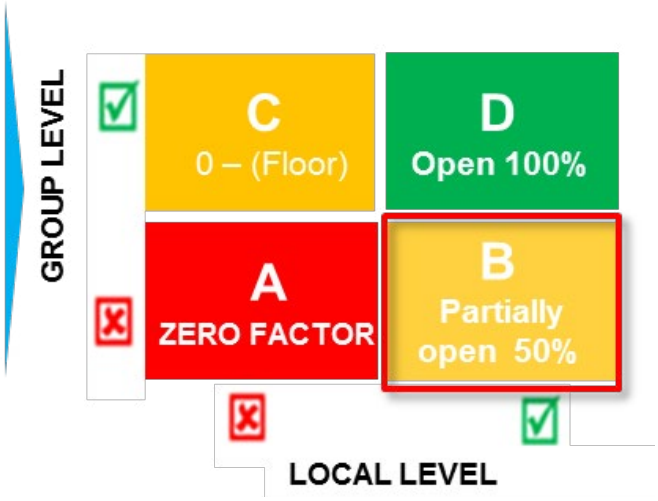
5.2 Implementation and Outcomes of 2016 Incentive Systems (Continued)

- **Net Operating Profit adjusted** to measure the profitability, is the NOP excluding income from buy-back of own debt and from the fair value accounting of own liabilities.
- **Net Profit** to measure profitability considering the results stated in the balance sheet excluding any extraordinary item as considered appropriate by the Board of Directors upon Remuneration and Appointments Committee proposal.
- **Common Equity Tier 1 Ratio Transitional** to measure the bank's solidity in terms of highest quality common equity introduced by Basel 3, consistent with regulatory limits and conservation buffers.
- **Liquidity Coverage Ratio:** guarantees the maintenance of an adequate level of "high quality liquid assets" non binding in appropriate amount to cover the "net cash outflows" within 30 calendar days in a high stress scenario defined by the Authorities.

According to the actual results, verified and approved by the Board of Directors of FinecoBank on February 7th, 2017, the relevant entry conditions have been achieved only at a local level, while at Group Level not all the relevant thresholds for the relevant KPIs have been achieved. In the "matrix" scheme – as provided by the Group Incentive System and shown below – the theoretical[23] FinecoBank bonus pool for Employees has been initially reduced by 50%.

GROUP	ENTRY CONDITIONS	RESULT
	Net Profit ≥ 0 €/mln	- € 11.790 mln
	NOP Adjusted ≥ 0 €/mln	- € 5.858 mln
	CET 1 Ratio Transitional ≥ 10%	✓*
	Liquidity Coverage Ratio ≥ 75%	✓

FINECO	ENTRY CONDITIONS	RESULT
	Net Profit ≥ 0 €/mln	✓
	NOP Adjusted ≥ 0 €/mln	✓



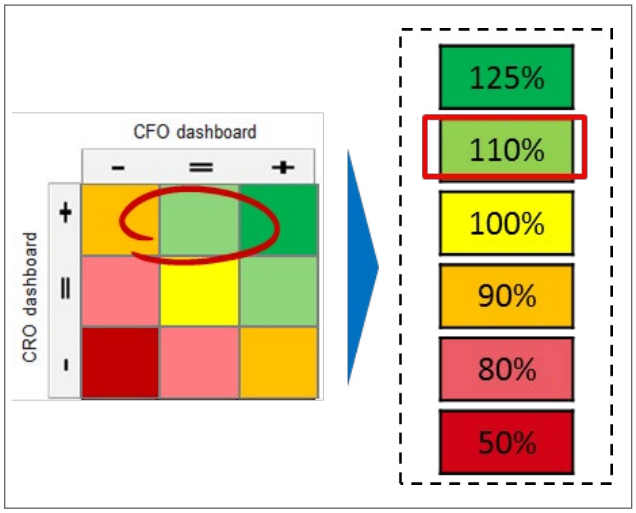
* In the 2016 Financial Statement is reported a CET1 Ratio Transitional equal to 8,15%. Including the capital increase effects, the value at December 2016 would be 11,49%. Il CET 1 fully loaded would be 11,15%.

Risk & Financial sustainability and additional discretion of Remuneration and Appointments Committee and Board of Directors

After the verification of the Entry Conditions, the actual bonus pool for FinecoBank Employees had been adjusted within respective ranges, based on the assessment of the overall financial and risk sustainability evaluated by CRO & CFO dashboards including respectively:
- risk indicators linked to local *RAF (Risk Appetite Framework)*, to evaluate risk sustainability
- performance indicators connected with the Multi-Year Strategic Plan, to evaluate the financial sustainability.

23 Calculated applying the funding rate percentage to the profitability results

The results of CRO and CFO dashboard for the 2016 performance period are shown below.



As provided by the Incentive System, to the theoretical Bonus Pool, initially reduced by 50%, has been applied the "multiplier" effect of CRO and CFO dashboard by 110%.

In the Remuneration and Appointments Committee and Board of Directors meetings, has been requested to apply the further discretion of 20% - as provided by the Incentive System Rules – considering the actual business results achieved by Fineco in 2016[24]. The final Bonus Pool resulted in the 66% of the theoretical Bonus Pool.

$$(50\%*110\%) + 20\% = 66\%$$

Evaluation and pay-out for Identified Staff

In line with FinecoBank governance, 2016 evaluations and pay-outs for Chief Executive Officer and General Manager, Deputy General Managers, other Executives with strategic responsibilities and other *Identified Staff* have been approved by the Board of Directors, based on the positive opinion of Remuneration and Appointments Committee.

The Board of Directors of FinecoBank on February 7th, 2017, has approved the allocation of a total number of shares equal to 152.034 to be assigned in 2019, 2020, 2021 and 2022.

Focus on the performance evaluation of the CEO and General Manager

The Board of Directors, upon positive opinion of Remuneration and Appointments committee, assessed the 2016 performance of FinecoBank CEO and General Manager as *Exceeds Expectations.* Below the details of the individual scorecard assessment.

24 PBT +8% ca. vs budget; Net Profit + 13% ca. vs. budget; Net Sales + 31% ca. vs budget

5. Compensation Systems (Continued)

5.2 Implementation and Outcomes of 2016 Incentive Systems (Continued)

GOAL	RESULT	ASSESSMENT (Below / Almost meets / Meets / Exceeds / Greatly exceeds)
Net Sales *vs. budget*	*Net Sales above budget* (Bdg € 3,85 bln / Act: € 5 bln)	
Net Profit *vs. budget*	*Net Profit above budget* *(Bdg € 188,2 mln / Act € 211,8 mln)*	
Net growth of number of clients *vs. budget*	*More than 11.800 new clients vs. budget (+13% y/y)* *(Bdg: 1.106.033 / Act: 1.117.876)*	
Stakeholder Value: Customer satisfaction (TRI*M external); People Engagement, Reputation *vs target*	*1)TRI*M and People Engagement Indexes remain within the excellence range (TRI*M index at 94% / People Engagement Indez at 83%)* *2)Reputation: Best website of 2016; Global Finance Award 2016 (Best digital bank, Best online deposit); Global Brands Magazine 2016 (Most innovative financial brand in Italy, best financial brand in Italy, Most innovative financial Advisory brand in Italy)*	
Operational Risk Management *vs qualitative assessment considering:* *•# Incidents* *•Losses* *•Launch of mitigation actions*	*1)Successful prevention and management of ICT incidents (small number of incidents , the largest part with low severity level)* *2)The operational losses significantly decrease comparing with 2015* *3)System of Fraud Identification & Analysis (SoFIA) has been object of further improvements and Operational Risk culture has been strengthened through governance initiatives and Permanent Work Groups ongoing oversight.*	
Execution of Strategic Plan *vs qualitative assessment with a specific focus on:* *•Loan business volume increase* *•Net sales of guided products*	*Net Sales of Guided Products in line with the budget, while Loan Business Volume is almost in line with target and increasing in respect of 2015.*	
Tone from the top on conduct and compliance culture, also coherent with FSB guidelines *vs qualitative assessment considering:* *•Initiatives aimed at promoting staff integrity towards internal/external conduct principles* *•The overall status of findings or proceedings in place (internal or external) considering the trend, typology, severity and the timely completion of the related remediation actions*	*1) Tone from the top initiatives have been launched in order to strengthen compliance culture within the bank, such as discussions in Bank's Committees and direct communications to the employees via intranet website highlighting the importance of compliance culture.* *2) Decreasing trend of the overall internal Audit findings and no critical findings in place. Overall evaluation of Internal Control System confirmed satisfactory.*	

Considering the performance assessment and the results of the KPIs in the Entry Conditions, the Board of Directors approved for the CEO and General Manager a bonus amounting to Euro 561.000 related to 2016 performance, towards a "cap" for the short term variable pay amounting to Euro 850.000[25], thus with an actual reduction by 34%, fully representative of the reduction at pool level.

5.2.2 2016 Incentive System for Financial Advisors belonging to *Identified Staff*

The 2016 Incentive System PFA, approved by FinecoBank Board of Directors on January 12th 2016, takes into consideration all the national and international regulatory requirements for the sales networks incentives and directly links bonuses with the objectives of growth in the medium and long term, in a general framework of overall sustainability. In the same way as for the Employees, the 2016 PFA System is based on a Bonus Pool approach which directly links bonuses with Company results at Group and local level, ensuring the link between profitability, risk and reward.

The System, implemented within the framework of our policy and governance, provides for the allocation of a performance related bonus in cash and/or shares over 5 years.

25 For the picture presenting the total remuneration package of CEO and General Manager, see p. 6.

Bonus pool sizing

The bonus pool dimension is related to the actual profitability measure multiplied for the percentage of the bonus pool funding rate defined in the budgeting phase.

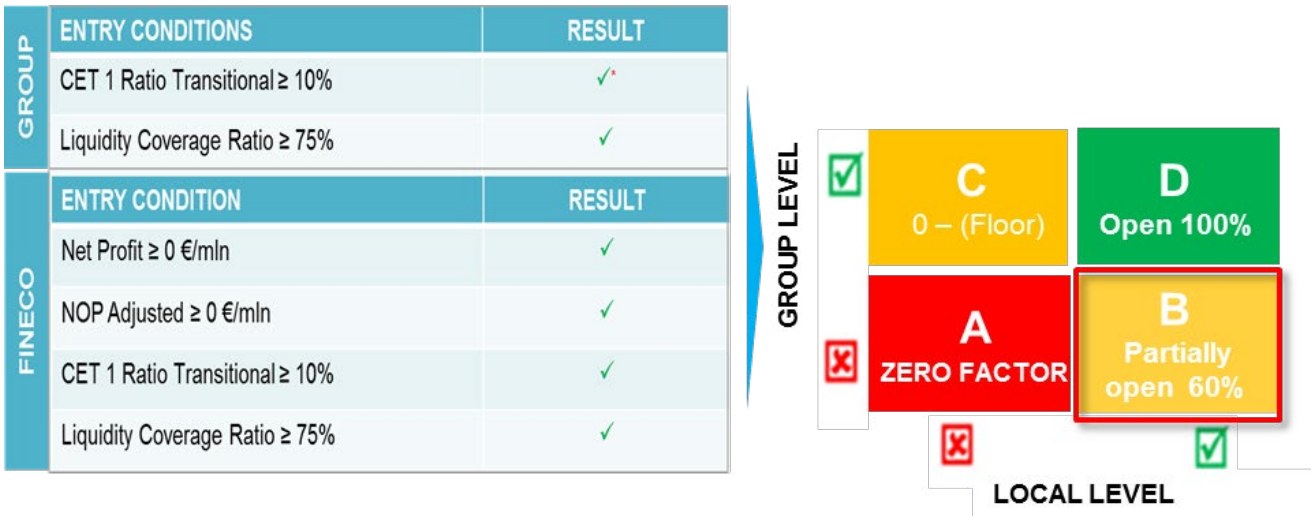
This calculation determines the so called "theoretical bonus pool", that, during the year of performance, has been adjusted based on the effective performance trend.

2016 Entry conditions at Group and local level

In order to align to regulatory requirements, specific indicators measuring annual profitability, solidity and liquidity results had been set both local and Group level as Entry Conditions. In particular, risk metrics[26] and thresholds for 2016 PFA Incentive System as defined within the Entry Conditions that confirm, reduce or cancel upfront and deferred pay-outs include:

GROUP LEVEL	LOCAL LEVEL
	Net Operating Profit adjusted ≥ 0 and
	Net Profit ≥ 0 and
Common Equity Tier 1 ratio transitional ≥ 10% and	Common Equity Tier 1 ratio transitional ≥ 10% and
Liquidity Coverage Ratio ≥ 75%	Liquidity Coverage Ratio ≥ 75%

According to the actual results, verified and approved by the Board of Directors of FinecoBank on February 7th, 2017, the relevant entry conditions have been achieved only at a local level, while at Group Level not all the relevant thresholds for the relevant KPIs have been achieved. In the "matrix" scheme – as provided by 2016 PFA Incentive System and shown below – the theoretical[27] FinecoBank PFA bonus pool has been initially reduced by 40%.



* In the 2016 Financial Statement is reported a CET1 Ratio Transitional equal to 8,15%. Including the capital increase effects, the value at December 2016 would be 11,49%. Il CET 1 fully loaded would be 11,15%.

26 For the KPIs definition see chapter 5.2.1

27 Calculated applying the funding rate percentage to the profitability results

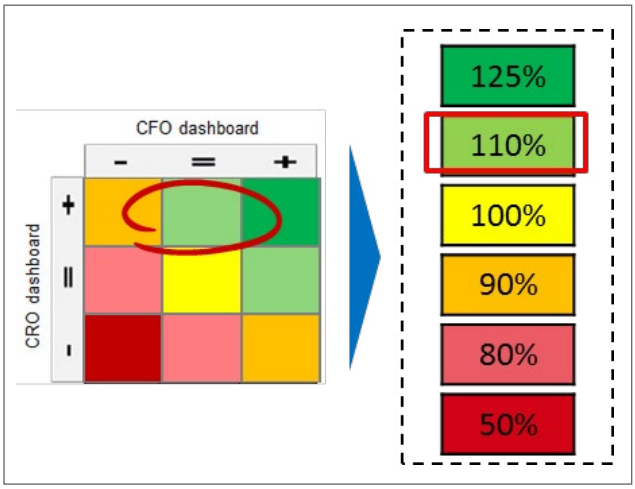
5. Compensation Systems (Continued)

5.2 Implementation and Outcomes of 2016 Incentive Systems (Continued)

Risk & Financial sustainability and additional discretion of Remuneration and Appointments Committee and Board of Directors

After the verification of the Entry Conditions, the actual bonus pool for FinecoBank Employees had been adjusted within respective ranges, based on the assessment of the overall financial and risk sustainability evaluated by CRO & CFO dashboards including respectively:
- risk indicators linked to local *RAF (Risk Appetite Framework)*, to evaluate risk sustainability
- performance indicators connected with the Multi-Year Strategic Plan, to evaluate the financial sustainability.

The results of CRO and CFO dashboard for the 2016 performance period are shown below.



As provided by the Incentive System, to the theoretical Bonus Pool, initially reduced by 40%, has been applied the "multiplier" effect of CRO and CFO dashboard by 110%.

In the Remuneration and Appointments Committee and Board of Directors meetings, has been requested to apply the further discretion of 20% - as provided by the Incentive System Rules – considering the actual business results achieved by Fineco in 2016[28]. The final Bonus Pool for FinecoBank PFA resulted in the 79% of the theoretical Bonus Pool.

$$(60\% * 110\%) + 20\% = 79\%$$

Evaluation and pay-out for Identified Staff

In line with FinecoBank governance, 2016 evaluations and pay-outs for PFA *Identified Staff* have been approved by the Board of Directors, based on the positive opinion of Remuneration and Appointments Committee.

The Board of Directors of FinecoBank on February 7th, 2017, has approved the allocation of a total number of shares equal to 57.740 to be assigned in 2019, 2020 and 2021.

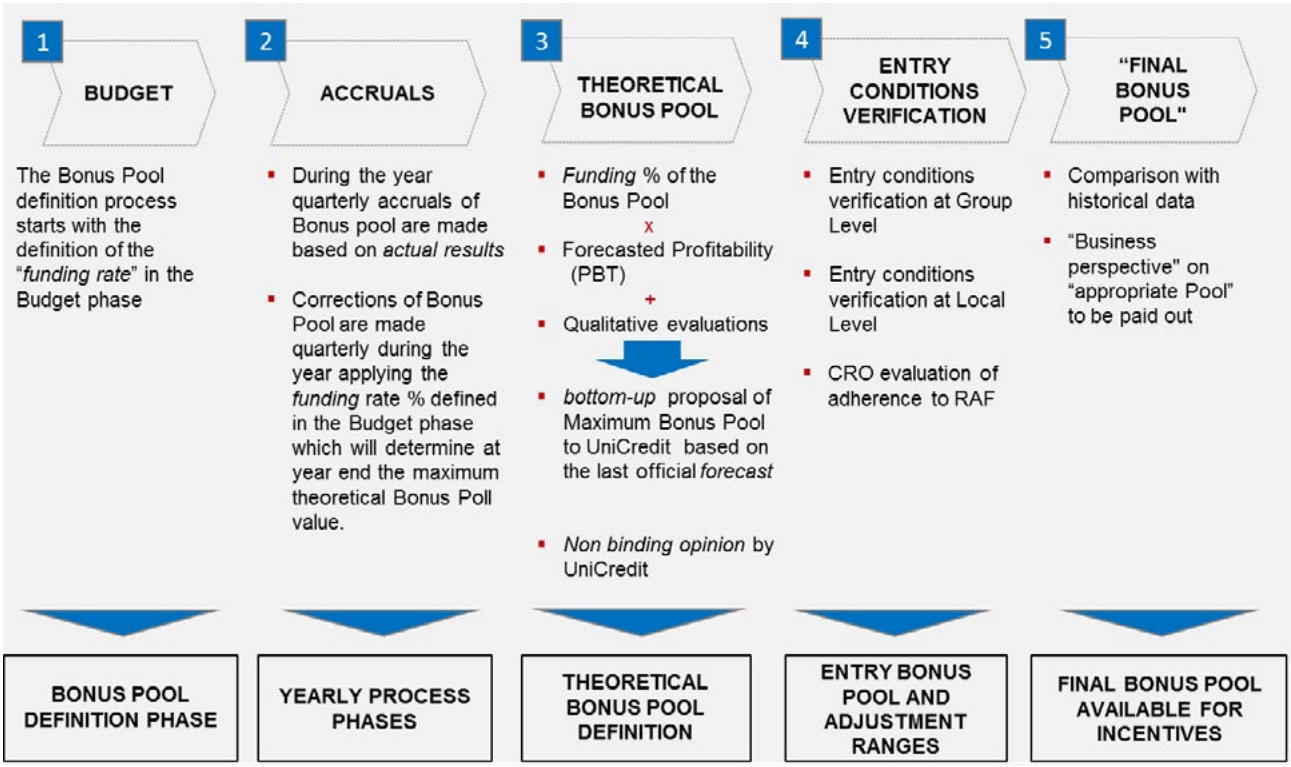
28 PBT +8% ca. vs budget; Net Profit + 13% ca. vs. budget; Net Sales + 31% ca. vs budget.

5.3 2017 Incentive System for employees belonging to *Identified Staff*

As in the past years, the 2017 Incentive System, as approved by the Board of Directors of FinecoBank on January 9th, 2017, is based on a "*bonus pool*" approach which takes into consideration the national and international regulatory requirements and directly links bonuses with Company results at Group and local level, ensuring the link between profitability, risk and reward.
In particular, the system provides for:

- allocation of a variable incentive defined on the basis of the determined bonus pool, of the individual performance appraisal and of the internal benchmarking on similar roles as well as compliant with the ratio between fixed and variable remuneration approved by the Shareholder's Meeting;
- definition of a balanced structure of "upfront" (following the moment of performance evaluation) and "deferred" payments, in cash and/or in shares, to be paid over a period of up to maximum 6 years;
- distributions of share payments which take into account the applicable regulatory requirements regarding the application of share retention periods. In fact the payment structure defined requires a retention period on shares (of 2 years for upfront shares and of 1 year for deferred shares);
- risk adjusted measures in order to guarantee long-term sustainability, regarding Company financial position and to ensure compliance with regulations;
- a *malus* clause (Zero Factor) which applies in case specific thresholds (profitability, capital and liquidity) are not met at both Group and local level. In particular, the bonus pool of 2017 will be zeroed, while previous systems deferrals could be reduced from 50% to 100% of their value, based on final effective results.

The bonus pool process includes the following steps:



BUDGET

- Bonus pool process starts with the definition of the "funding rate" during budgeting phase. The funding rate for FinecoBank is a percentage of the Net Operating Profit (net of Provisions for Risk and Charges, corresponding to Profit Before Tax) considering: historical data analysis, expected profitability, business strategy and previous year pool. The bonus pool is submitted for approval to the Board of Directors of FinecoBank.

5. Compensation Systems (Continued)

5.3 2017 Incentive System for employees belonging to Identified Staff (Continued)

ACCRUALS

- During the year of performance, quarterly accruals are based on the actual results;
- on a quarterly basis bonus pool is adjusted applying the % of *funding rate* fixed during budgeting phase that set by the end of the year the maximum theoretical bonus pool.

THEORETICAL BONUS POOL, ENTRY CONDITIONS VERIFICATION AND RISK ADJUSTMENT

- Consistency with FinecoBank performance and sustainability is ensured through specific "Entry Conditions" set at both Group and local level;
- application of a *malus* clause in case specific profitability, liquidity and capital thresholds are not reached at Group and local level;
- the distribution is risk adjusted in order to guarantee sustainability with respect to FinecoBank *Risk Appetite Framework*;
- the bonus pool is proposed by FinecoBank on the basis of the year forecast – risk-adjusted – both at Group and local level.

The Entry Conditions are the mechanism that determines the possible application of *malus* clause (Zero Factor) on the basis of performance indicators in terms of profitability, capital and liquidity defined at both Group and local level. The entry conditions provided for 2017 are:

Group level	Local level
Net Operating Profit adjusted ≥ 0 and	*Net Operating Profit adjusted ≥ 0 and*
Net Profit ≥ 0 and	*Net Profit ≥ 0 and*
Common Equity Tier 1 Ratio Transitional ≥ 10,25% and NEW	*Common Equity Tier 1 Ratio Transitional ≥ 10,25% and* NEW
Liquidity Coverage Ratio ≥ 100% and NEW	*Liquidity Coverage Ratio ≥ 100%* NEW
Net Stable Funding Ratio ≥ 100% NEW	

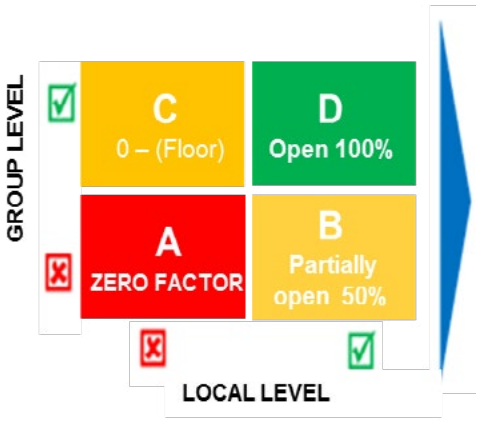
In particular, KPIs (or related thresholds) that have been subject to modification or added in respect of 2016 System.

To this regard - at FinecoBank level – have been added Capital and Liquidity indicators, mirroring those at Group Level.

The thresholds for said indicators have been increased in respect of last year (the CET 1 is brought form a threshold of 10% to a threshold of 10,25%, while the Liquidity Coverage Ratio is brought from 75% to a threshold of 100%).

At Group Level a further liquidity KPI has been added – the Net Stable Funding Ratio – representing the ratio between the available amount of stable funding and the required amount of stable funding.

The Entry Conditions matrix and related effects on Fineco Bonus Pool follows the same logics provided in 2016, as shown below.



A. In case the Entry Conditions are not met both at Group and Local level, a Zero Factor is determined for the Identified Staff, while for the rest of population a portion of pool could be kept for retention purposes or to guarantee the competition on the market
B. In case the Entry Conditions are not met at Group Level, it is possible to have a pool at local level, if results are achieved, considering also the multiplier effect and the discretion of Remuneration and Nomination Committee and Board.
C. In case the Entry Conditions are not met at Local Level, but are met at Group Level, a minimum pool ("floor") for retention purposes can be set up.
D. In case the Entry Conditions are met both at Group and Local Level, the bonus pool can be confirmed or increased, with the possibility to award the extra performance, considering –also in this case – the multiplier effect and the discretion of Remuneration and Nomination Committee and Board.

In the "matrix" logic, in the hypotheses described in the boxes A and B (Entry Conditions not met at Group Level) the bonus for the CEO and General Manager of FinecoBank is zeroed.

To activate the "multiplier" the crossed outcome of CRO and CFO dashboard are not considered anymore, but only the CRO dashboard is taken into account.

This choice for 2017, made also at Group Level, has the aim to avoid overlappings and to simplify the process, and takes also into account the fact that the Risk Appetite Framework already includes sustainability indicators.

The CRO dashboard (defined incoherence with the FinecoBank and Group Risk Appetite Framework) includes KPIs related to all relevant risks, among which the cost of capital and several risks such as credit, market and liquidity, measured with reference to the respective relevant thresholds (*limit*, *trigger* and *target*). Here below a sample of the content of the dashboard.

SAMPLE

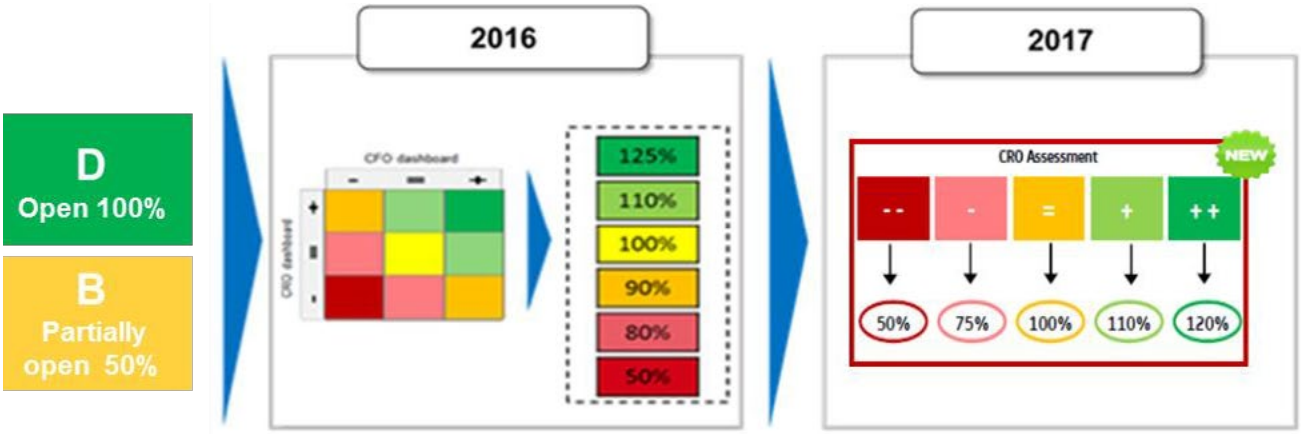
Pillar 1 KPIs		KPI	RAF Thresholds		
			Target	Trigger	Limit
Pillar 1 KPIs	Capital	CET1 Ratio (%)	…	…	…
	Liquidity	LCR (%)	…	…	…
		NSFR (%)	…	…	…
Managerial KPIs	Risk & Return	ROAC (%)	…	…	…
	Credit	EL stock (%)	…	…	…
		EL new business (%)	…	…	…
		Coverage on Impaired (%)	…	…	…
Specific Risks KPIs	Financial Risks	EV Sensitivity (%)	…	…	…
	Operational	Op. Losses/ Operating Income (%)	…	…	…

5. Compensation Systems (Continued)

5.3 2017 Incentive System for employees belonging to Identified Staff (Continued)

The "multiplier" effect deriving from the evaluation of overall CRO dashboard outcome made by the FinecoBank CRO – and verified by the FinecoBank Remuneration and Appointments Committee and by the FinecoBank Board – applies to the bonus pool in the cases described in the boxes D and B.

Compared to 2016 Incentive System, the multiplier ranges are slightly different, as shown below.



As provided in the 2016 System, a further range of discretion up to +20% is in the faculty of Remuneration and Appointments Committee and Board of Directors, while no limits to downward discretionally the bonus pool with respect to theoretical value is foreseen.

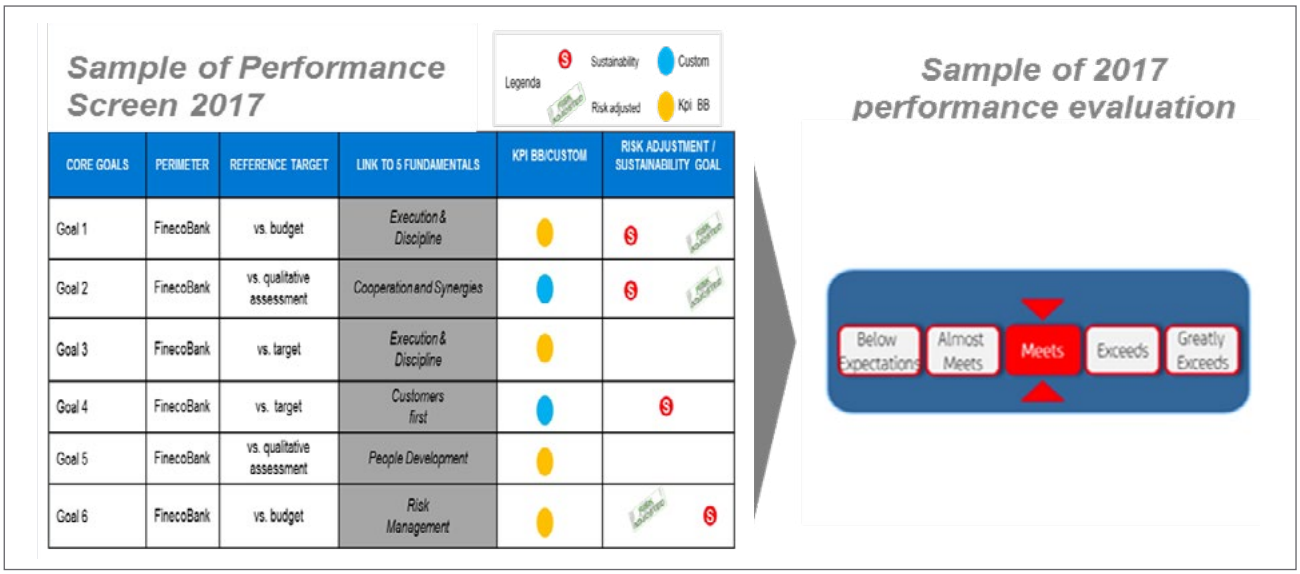
In any case, as requested by regulations as per Bank of Italy provisions, the final evaluation of sustainable performance parameters and the alignment between risk and remuneration will be assessed by Remuneration and Appointments Committee and defined under the governance and accountability of the Board of Directors.

The Board of Directors does not take into account, when deciding bonus, balance sheet extraordinary items which do not impact operational performance, regulatory capital and liquidity (e.g. goodwill impairment, extraordinary contributions to deposit guarantee schemes, etc.).

Moreover, following potential changes in current regulations and/or in relation to potential extraordinary and/or unpredictable contingencies which can impact the Group, the Company or the market in which it operates, the Board of Directors, having heard the opinion of Remuneration and Nomination Committee, maintains the right to amend the system and relevant rules.

INDIVIDUAL BONUS ALLOCATION

- Individual bonus will be allocated to beneficiaries considering bonus pool, the individual performance appraisal, the internal benchmarking analysis on similar roles and the maximum ratio between variable and fix compensation as approved by Shareholder's Meeting;
- individual performance appraisal is based on 2017 performance screen: a minimum of 5 and maximum 8 individual goals assigned during the performance year, selected from the catalogue of main key performance indicators ("*KPI Bluebook*") and linked to the 5 Fundamentals[29] of Group Competency Model[30] of which at least 4.
  Competencies and behaviours considered as relevant can be taken into account by the manager for the overall performance appraisal;
  • Further details in chapter 5.3.1.
- the goals appraisal system is based on a 1-5 values scale with a descriptive outcome (from "*Below Expectations*" to "*Greatly Exceeds Expectations*").



CORE GOALS	PERIMETER	REFERENCE TARGET	LINK TO 5 FUNDAMENTALS	KPI BB/CUSTOM	RISK ADJUSTMENT / SUSTAINABILITY GOAL
Goal 1	FinecoBank	vs. budget	*Execution & Discipline*		S
Goal 2	FinecoBank	vs. qualitative assessment	*Cooperation and Synergies*		S
Goal 3	FinecoBank	vs. target	*Execution & Discipline*		
Goal 4	FinecoBank	vs. target	*Customers first*		S
Goal 5	FinecoBank	vs. qualitative assessment	*People Development*		
Goal 6	FinecoBank	vs. budget	*Risk Management*		S

BONUS PAYOUT

- As approved by the Board of Directors of January 9th, 2017, with reference to pay-out structure, the *Identified Staff* population will be differentiated into two clusters, using a combined approach of banding and compensation:
  - CEO/GM and 1st reporting line: 5 years deferral scheme
  - Other identified Staff: 3 years deferral scheme.

REGULATORY REQUIREMENTS

In line with regulatory requirements:

- 5-year deferral period maintained only for Top Management and selected key senior roles. In general a deferral period from 3 to 5 years is required, and the request for 5 years is limited to «high earners", Top Management and Head of key business lines as well as the direct reports to strategic supervisory, management and control bodies
- minimum 50% of bonus to be allocated in shares or other financial instruments
- minimum 40% of bonus to be paid out under a deferral period (minimum 60% for specific positions and particularly high amounts)
- 2 years minimum retention period for the upfront shares and shorter retention period (1 year) for the deferred shares

29 See also chapter 5.3.1

5. Compensation Systems (Continued)

5.3 2017 Incentive System for employees belonging to Identified Staff (Continued)

- The pay-out of incentives will be done through upfront and deferred instalments, in cash or in Fineco ordinary shares, up to a maximum 6-year period:

	2017	2018	2019	2020	2021	2022	2023
CEO/GM AND 1ST REPORTING LINE	PERFORMANCE YEAR	20% UPFRONT CASH	10% DEFERRED CASH	20% UPFRONT SHARES	10% DEFERRED SHARES	10% DEFERRED SHARES	20% DEFERRED CASH 10% DEFERRED SHARES
OTHER IDENTIFIED STAFF	PERFORMANCE YEAR	30% UPFRONT CASH	10% DEFERRED CASH	30% UPFRONT SHARES	10% DEFERRED CASH 10% DEFERRED SHARES	10% DEFERRED SHARES	

- in 2018 the first instalment (1st tranche) of the total incentive will be paid in cash in absence of any individual values /compliance breach[31];
- over the period 2019-2023 the remaining part of the overall incentive will be paid in cash and/or Fineco ordinary shares; each further tranche will be subject to the application of the Zero Factor for the year of allocation and in absence of any individual / values compliance breach[31];

- all the instalments are subject to the application of claw-back conditions, as legally enforceable;
- in coherence with 2016, a minimum threshold[32] will be introduced, below which no deferral mechanisms will be apply;
- the number of shares to be allocated in the respective instalments shall be defined in 2018, on the basis of the arithmetic mean of the official closing market price of Fineco ordinary shares during the month preceding the Board resolution that evaluates 2017 performance achievements;
- free Fineco ordinary shares that will be allocated will be freely transferable;
- the payment structure has been defined in line with Bank of Italy provisions requiring a share retention period for upfront and deferred shares. In particular, the implementation of the share retention periods may be carried out in line with the fiscal framework, either via the allocation of restricted shares or the promise of shares that shall subsequently be allocated at the end of the intended retention period;
- the 2017 Incentive System provides for an expected impact on FinecoBank share capital of approximately 0,08%, assuming that all free shares for employees have been distributed. The overall dilution for all other current outstanding FinecoBank equity-based plans equals 0,52%;
- the beneficiaries cannot activate programs or agreements that specifically protect the value of unavailable financial instruments assigned within the incentive plans. Any form of coverage will be considered a violation of compliance rules and imply the consequences set out in the regulations, rules and procedures.

5.3.1 Comprehensive Performance Measurement

The 2017 Incentive System, described in the chapter 5.3, is supported by an annual performance measurement framework assuring coherence, consistency and clarity of performance objectives with business strategy, and encouraging and rewarding desired behaviours and risk orientation. Our performance management process ensures that to all *Identified Staff* are assigned at the beginning of the year their own individuals goals and includes a rigorous review of their goals achievements.

A specific process is performed annually at Group level with the involvement of key relevant functions (*Human Resources, Finance, Risk Management, Compliance, Group Sustainability, Audit, Group Stakeholder and Service Intelligence*) to review the so-called *KPI Bluebook*.

The *KPI Bluebook* serves as the framework for the definition of performance goals coherent, high quality based, aligned to business strategy, compliant with regulatory requirements and consistent with our corporate values and Group Competency model. Therefore it supports the employees and their managers in the definition of individual Performance Screen.

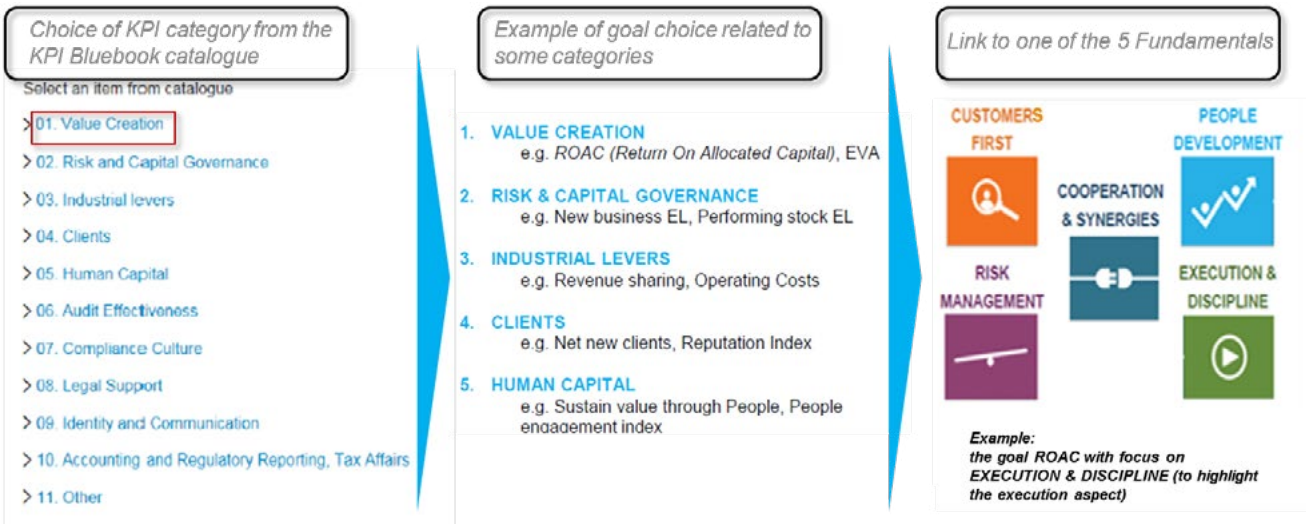
30 *Group Competency Model* represents the framework in which the Executives are assessed within the *Executive Development Plan process.* The 5 Fundamental are: *Customers First, Execution & Discipline, Cooperation and Synergies, Risk management, People Development.*

31 Considering also the seriousness of any internal/external findings (e.g. Audit, Bank of Italy, Consob and/or analogous local authorities).

32 Equal to Euro 75.000 that will be paid in cash.

KPI Bluebook includes a list of indicators certified at Group level, as well as specific guidelines related to:
- the selection of goals based on yearly priorities and customizable goals for Business Division
- the use of risk-adjusted goal (e.g. select at least one KPI belonging to "Risk category" or related to risk management / risk-adjusted profitability)
- the use of sustainability objectives (e.g. at least half of the goals should be related to sustainability)
- the definition of the target of reference, in case objectives not included in certified list are selected(e.g. use clear and pre-defined parameters for future evaluation of performance)
- the selection of goals for the Company Control Functions, in order to ensure their independence (e.g. avoid KPI linked to economic measure).

The *KPI Bluebook* maps 11 categories of drivers that include a list of goals (KPI Dashboard):



The 11 categories represent financial and non-financial performance and are mapped into the different clusters of business of the Group (Asset Gathering included) to help identifying the most relevant standardized KPIs (all certified by relevant Group functions) for each role assigned, with specific focus on risk-adjusted, sustainability-driven metrics and economic measures. For each KPI included in the catalogue a link to one of the "5 fundamentals" of the *Group Competency Model*[33] (as shown above) is pre-set, conferring a specific qualitative connotation to the goal itself.

33 Group Competency Model represents the framework in which the Executives are assessed within the Executive Development Plan process. The 5 Fundamental are: Customers First, Execution & Discipline, Cooperation and Synergies, Risk management, People Development.

5. Compensation Systems (Continued)

5.3 2017 Incentive System for employees belonging to Identified Staff (Continued)

2017 Chief Executive Officer and General Manager Performance Screen

2017 KPIs defined and approved by FinecoBank Board of Directors as the core drivers of performance for FinecoBank Chief Executive Officer and General Manager include goals related to Bank profitability, with particular focus on risk, consistency with *Risk Appetite Framework* and sustainability. In continuity with 2016, also for 2017 a specific KPI has been provided, with reference to *"Tone from the top*" related to integrity towards conduct principles and spread of compliance culture among the organization.

#	CORE GOALS	PERIMETER	REFERENCE TARGET	LINK TO 5 FUNDAMENTALS	KPI BB/CUSTOM	RISK ADJUSTMENT / SUSTAINABILITY GOAL
1	ROAC	FinecoBank	vs. budget	*Execution & Discipline*		S, Risk adjusted
2	EVA	FinecoBank	vs. budget	*Risk Management*		S, Risk adjusted
3	Operating Costs	FinecoBank	vs. budget	*Execution & Discipline*		
4	Net new clients	FinecoBank	vs. target	*Customers first*		S
5	Net Sales of guided products	FinecoBank	vs. budget	*Execution & Discipline*		
6	New business EL	FinecoBank	vs. budget	*Risk Management*		Risk adjusted, S
7	Sustain value through people	FinecoBank	Qualitative assessment based on: • Y/Y delta on Pay for Performance metrics on variable and fix pay • Y/Y delta on Gender Pay Gap / Gender Balance dashboard / Gender Diversity Initiatives • Succession Planning / Building up a sustainable Talent Management Support • People Engagement Index	*People Development*		S
8	Tone from the top on Compliance Culture	FinecoBank	Qualitative assessment based on: • Scope, kind and numbers of documented initiatives - pre-committed with CEO Office / Country's CEO, aimed at promoting staff integrity / customer protection / trustworthiness • The overall status of findings or proceedings in place (internal or external) considering the trend, type, severity and the timely completion of the related remediation actions	*Risk Management*		S, Risk adjusted

Legenda: S Sustainability; Risk adjusted; Custom; Kpi BB

For the other *Identified Staff* of FinecoBank KPIs that include profitability and risk management are reflected also in their Performance Screens, with differences given by the relevant activities. It is understood in any case the rule pursuant to which no economic goals must be provided for the Company Control Functions.

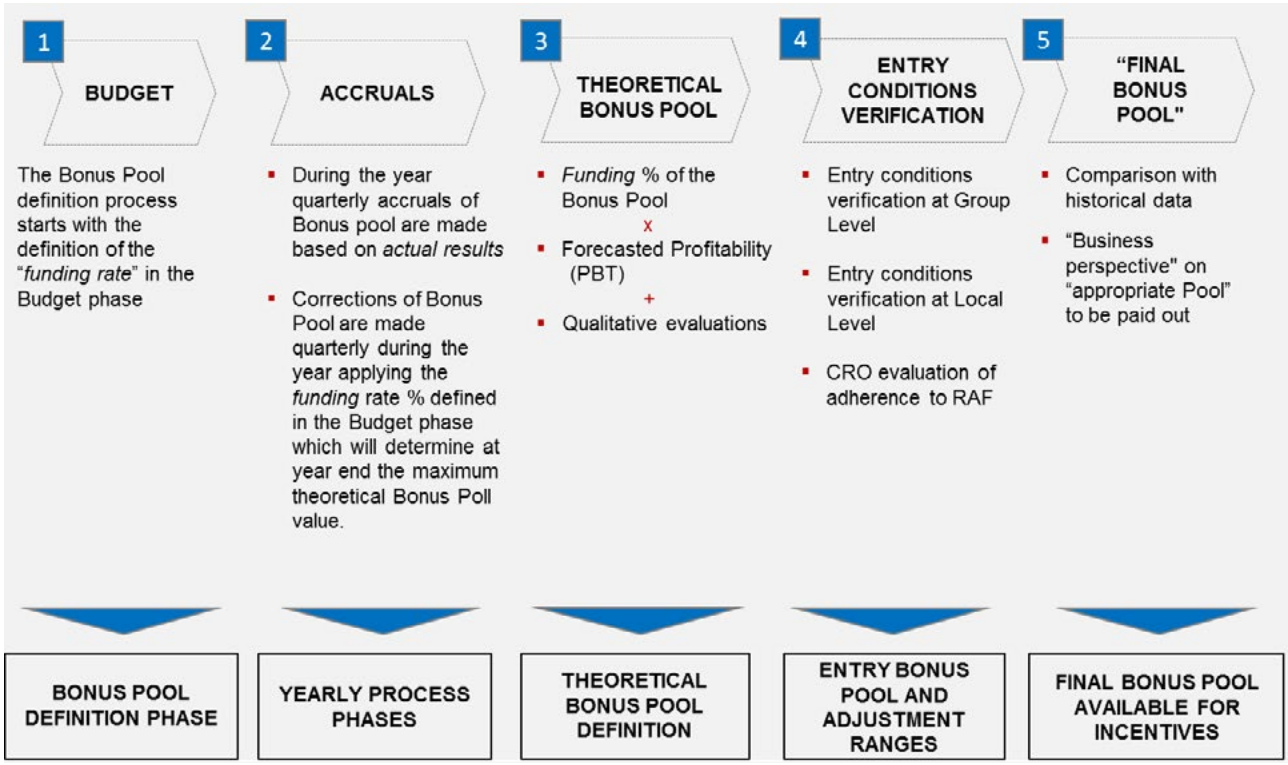
5.4 2017 Incentive System for Financial Advisors belonging to *Identified Staff*

Given the differences in the forms of remuneration and in the modalities of its generation (see paragraph 4.2, Section II), also for the PFA population in FinecoBank, mirroring what is designed for the Employees, is provided a specific Incentive System based on a bonus pool approach, which takes into account the national and international regulatory requirements and directly links bonuses with Company results at Group and local level, ensuring the link between profitability, risk and reward.

In particular, the 2017 System for PFA Identified Staff – as approved by the Board on January 9th 2017 - provides for:

- allocation of a variable incentive defined on the basis of the determined bonus pool, of the individual performance appraisal as well as compliant with the ratio between fixed and variable remuneration approved by the Shareholder's Meeting;
- definition of a balanced structure of "upfront" (following the moment of performance evaluation) and "deferred" payments, in cash and/or in shares, to be paid over a period of up to maximum 5 years;
- distribution of share[34] payments which take into account the applicable regulatory requirements regarding the application of share retention periods. In fact the payment structure defined requires a retention period on shares (of 2 years for upfront shares and of 1 year for deferred shares);
- risk adjusted measures in order to guarantee long-term sustainability, regarding Company financial position and to ensure compliance with regulations;
- a *malus* clause (Zero Factor) which applies in case specific thresholds (profitability, capital and liquidity) are not met at both Group and local level. In particular, the bonus pool of 2017 will be zeroed, while previous systems deferrals could be reduced from 50% to 100% of their value, based on final effective results.

In coherence with what previously described for the Employees, also for the PFA the process of bonus pool definition includes the following steps:



34 Unlike what happens in the Incentive System for Employees, the FinecoBank shares used for the purposes of payments to the PFA, are not generated by a free capital increase, but are purchased directly on the market, pursuant to section 2357 of Italian Civil Code.

5. Compensation Systems (Continued)

5.4 2017 Incentive System for Financial Advisors belonging to Identified Staff (Continued)

BUDGET

- Bonus pool process starts with the definition of the "funding rate" during budgeting phase. The funding rate for FinecoBank is a percentage of the Net Operating Profit (net of Provisions for Risk and Charges, corresponding to Profit Before Tax) considering: historical data analysis, expected profitability, business strategy and previous year pool. The bonus pool is submitted for approval to the Board of Directors of FinecoBank.

ACCRUALS

- During the year of performance, quarterly accruals are based on the actual results;
- on a quarterly basis bonus pool is adjusted applying the % of *funding rate* fixed during budgeting phase that set by the end of the year the maximum theoretical bonus pool.

THEORETICAL BONUS POOL, ENTRY CONDITIONS VERIFICATION AND RISK ADJUSTMENT

- Consistency with FinecoBank performance and sustainability is ensured through specific "Entry Conditions" set at both Group and local level;
- application of a *malus* clause in case specific profitability, liquidity and capital thresholds are not reached at Group and local level;
- the distribution is risk adjusted in order to guarantee sustainability with respect to FinecoBank *Risk Appetite Framework*;
- the bonus pool is proposed by FinecoBank on the basis of the year forecast – risk-adjusted – both at Group and local level.

The Entry Conditions are the mechanism that determines the possible application of *malus* clause (Zero Factor) on the basis of performance indicators in terms of profitability, capital and liquidity defined at both Group and local level (at local level is considered also the profitability). The entry conditions provided for 2017 are reported in the subsequent table, showing the differences in respect to 2016.

2016	
GROUP	**LOCAL**
	Net Operating Profit adjusted ≥ 0 and
	Net Profit ≥ 0 and
Common Equity Tier 1 Ratio Transitional ≥ 10% and	*Common Equity Tier 1 Ratio Transitional ≥ 10% and*
Liquidity Coverage Ratio ≥ 75%	*Liquidity Coverage Ratio ≥ 75%*

2017	
GROUP	**LOCAL**
	Net Operating Profit adjusted ≥ 0 and
	Net Profit ≥ 0 and
Common Equity Tier 1 Ratio Transitional ≥ 10,25% and NEW	*Common Equity Tier 1 Ratio Transitional ≥ 10,25% and* NEW
Liquidity Coverage Ratio ≥ 100% and NEW	*Liquidity Coverage Ratio ≥ 100%* NEW
Net Stable Funding Ratio ≥ 100% NEW	

It is highlighted, in particular, that the thresholds for Common Equity Tier 1 and for Liquidity Coverage Ratio have been increased in respect of last year (the CET 1 is brought form a threshold of 10% to a threshold of 10,25%, while the Liquidity Coverage Ratio is brought from 75% to a threshold of 100%).
At Group Level a further liquidity KPI has been added – the Net Stable Funding Ratio – representing the ratio between the available amount of stable funding and the required amount of stable funding.

The Entry Conditions matrix and related effects on Fineco Bonus Pool follows the same logics provided in 2016, as shown below.

A. In case the Entry Conditions are not met both at Group and Local level, a Zero Factor is determined for the Identified Staff, while for the rest of population a portion of pool could be kept for retention purposes or to guarantee the competition on the market
B. In case the Entry Conditions are not met at Group Level, it is possible to have a pool at local level, if results are achieved, considering also the multiplier effect and the discretion of Remuneration and Nomination Committee and Board.
C. In case the Entry Conditions are not met at Local Level, but are met at Group Level, a minimum pool ("floor") for retention purposes can be set up.
D. In case the Entry Conditions are met both at Group and Local Level, the bonus pool can be confirmed or increased, with the possibility to award the extra performance, considering –also in this case – the multiplier effect and the discretion of Remuneration and Nomination Committee and Board.

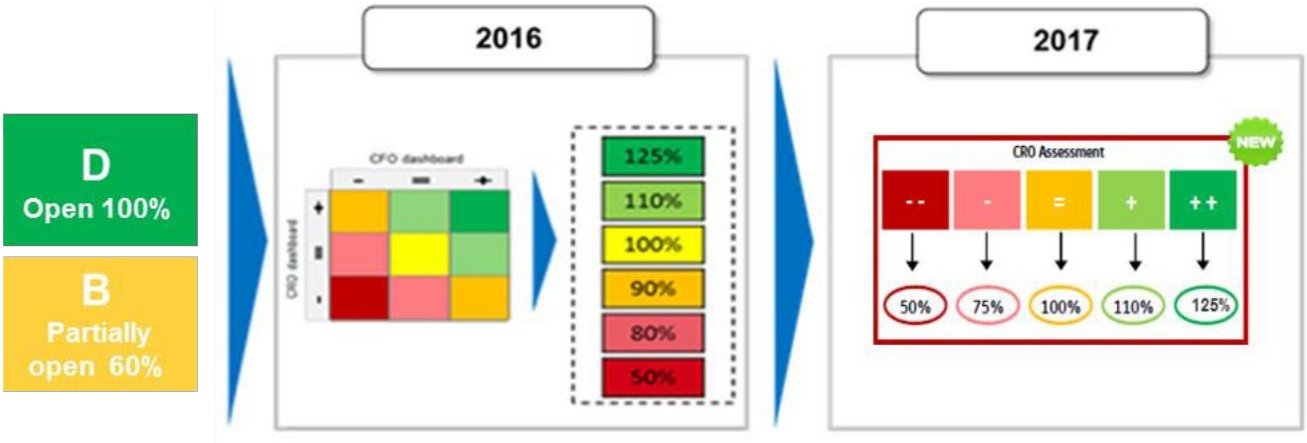
In continuity with the 2016 System, in case the pool is in the box "B" the starting percentage of bonus pool is higher than the one provided for the Employee's System[35].

To activate the "multiplier" the crossed outcome of CRO and CFO dashboard are not considered anymore, but only the CRO dashboard is taken into account.
This choice for 2017, made also at Group Level, has the aim to avoid overlapping and to simplify the process, and takes also into account the fact that the Risk Appetite Framework already includes sustainability indicators.

The "multiplier" effect deriving from the evaluation of overall CRO dashboard outcome made by the FinecoBank CRO – and verified by the FinecoBank Remuneration and Appointments Committee and by the FinecoBank Board – applies to the bonus pool in the cases described in the boxes D and B.

The CRO dashboard (defined incoherence with the FinecoBank and Group Risk Appetite Framework) includes KPIs related to all relevant risks, among which the cost of capital and several risks such as credit, market and liquidity, measured with reference to the respective relevant thresholds (*limit*, *trigger* and *target*)[36].

Compared to 2016 Incentive System, the multiplier ranges are slightly different, as shown below.



35 The choice is due to the necessity of retention for Financial Advisors (tied to FinecoBank by an agency agreement) and consequently to safeguard a Company asset.
36 See page 43.

5. Compensation Systems (Continued)

5.4 2017 Incentive System for Financial Advisors belonging to Identified Staff (Continued)

As provided in the 2016 System, a further range of discretion up to +20% is in the faculty of Remuneration and Appointments Committee and Board of Directors, while no limits to downward discretionally the bonus pool with respect to theoretical value is foreseen.

In any case, as requested by regulations as per Bank of Italy provisions, the final evaluation of sustainable performance parameters and the alignment between risk and remuneration will be assessed by Remuneration and Appointments Committee and defined under the governance and accountability of the Board of Directors.

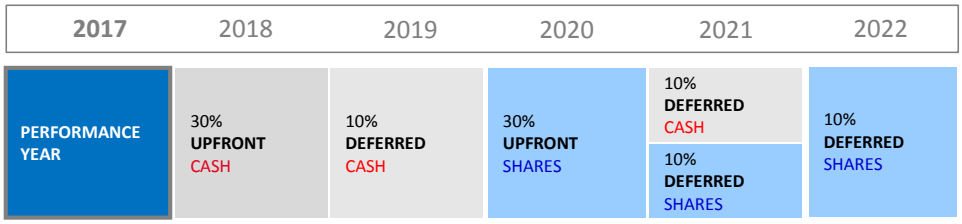
The Board of Directors does not take into account, when deciding bonus, balance sheet extraordinary items which do not impact operational performance, regulatory capital and liquidity (e.g. goodwill impairment, extraordinary contributions to deposit guarantee schemes, etc.).

Moreover, following potential changes in current regulations and/or in relation to potential extraordinary and/or unpredictable contingencies which can impact the Group, the Company or the market in which it operates, the Board of Directors, having heard the opinion of Remuneration and Nomination Committee, maintains the right to amend the system and relevant rules.

BONUS PAYOUT

For the Financial Advisors included in the Identified Staff, a payout mechanism with a 3 years deferral is provided. The possible 2017 bonus will be paid up to a maximum 5 years period. In particular:

- in 2018 will be paid in cash the 1st tranche of the overall bonus, in absence of any individual values /compliance breach;
- in the period 2019–2022 the remaining part of the overall incentive will be paid in cash and/or Fineco ordinary shares; each further tranche will be subject to the application of the Zero Factor for the year of allocation and in absence of any individual / values compliance breach[37];



- all the instalments are subject to the application of claw-back conditions, as legally enforceable;
- in coherence with 2016, a minimum threshold[38] will be introduced, below which no deferral mechanisms will be apply;
- the number of shares to be allocated in the respective instalments shall be defined in 2018, on the basis of the arithmetic mean of the official closing market price of Fineco ordinary shares during the month preceding the Board resolution that evaluates 2017 performance achievements;
- free Fineco ordinary shares that will be allocated will be freely transferable;
- the 2017 Incentive System provides for an expected impact on FinecoBank share capital of approximately 0,06%, assuming that all free shares for employees have been distributed. The 2017 PFA Incentive System does not have a dilution impact as the FinecoBank shares awarded are purchased on the market and are not generated through a free capital increase.

The beneficiaries cannot activate programs or agreements that specifically protect the value of unavailable financial instruments assigned within the incentive plans. Any form of coverage will be considered a violation of compliance rules and imply the consequences set out in the regulations, rules and procedures.

37 Considering also the seriousness of any internal/external findings (e.g. Audit, Bank of Italy, Consob and/or analogous local authorities).
38 Equal to Euro 75.000 that will be paid in cash.

5.4.1 Comprehensive performance measurement

Taking into account the specificities of the PFA business, and in continuity with the previous years Incentive Plans in terms of business objectives, for the purposes of the 2017 Incentive System for PFA[39] the performance assessment of Financial Advisors included in the Identified Staff will be based on the following indicators:

- total net sales goal (difference between the invested and disinvested assets by FinecoBank customers);
- net sales of asset under management goal;
- development activities (for instance planned and structured meeting with customers);
- percentage of achievement of the overall group goal by the managed Financial Advisors and percentage of sales in Guided Products[40] in comparison with the group overall goal[41];
- percentage of achievement of individual net sales goal and percentage of net sales of asset under management in comparison with the individual goal[42];
- value generated by the requalification of assets in liquidity and asset under custody in *Guided Products*.

39 Always taking into account the individual compliance condition, as described above

40 Guided products and services, as SICAV Core/Advice/Core Unit and all the products identified as such by the Company at the time

41 For the Financial Advisors with managerial positions with more than 5 PFA coordinated

42 For the Financial Advisors and Financial Advisors with managerial position and less than 5 PFA coordinated

6. Compensation Data

6.1 2016 Compensation Outcomes

Employees

Euro/ 000

Population as of 31/12/2016	No.	Fix	2016 Short Term Variable				Deferred variable from previous exercises***				Variable paid in 2016 from previous exercises	
			Upfront		Deferred		Vested in 2016		Unvested			
			€	Shares	€	Shares	€	Shares	€	Shares	€	Shares
Chief Executive Officer and General Manager (CEO) *	1	850	112	0	168	281	283	1.408	170	3.385	404	279
Non-executives Directors**	8	604	0	0	0	0	0	0	0	0	0	0
Executives with strategic resposibilities	5	1.648	196	0	295	491	355	2.300	297	5.854	504	272
Other Identified staff	7	1.206	347	0	42	69	67	350	119	311	358	554

* 10 % of the amount has been paid by UniCredit S.p.A.

** Including employees of UniCredit Group. In compliance with has been defined at Group level in the " Policy in materia di struttura, composizione e remunerazione degli Organi Sociali delle Società di Gruppo", the Board of Directors' members who are employees of Unicredit Group renounce of the total amount of their appointment as Board members.

*** Monetary and shares amounts of the UniCredit Group Incentive System Plans included in the table are subjet to the approval of the Unicredit Board of Directors on March 13, 2017. The shares amounts are expressed with convertion rate and after Capital increase.

Euro/ 000

Population as of 31/12/2016	No.	Fix	2016 Short Term Variable				Deferred variable from previous exercises**				Variable paid in 2016 from previous exercises	
			Upfront		Deferred		Vested in 2016		Unvested			
			€	Shares	€	Shares	€	Shares	€	Shares	€	Shares
Identified Staff belonging to business functions *	5	2.178	287	0	431	719	601	3.459	435	8.617	854	521
Identified Staff belonging to support functions	5	1.003	254	0	73	122	56	474	69	716	316	327
Identified Staff belonging to control functions	3	523	115	0	0		48	125	82	217	96	257

* 10 % of the amount of the CEO has been paid by UniCredit S.p.A.

** Monetary and shares amounts of the UniCredit Group Incentive System Plans included in the table are subjet to the approval of the Unicredit Board of Directors in 13th March 2017.

The vested component refers to cash and equity awards to which the right matured in 2016 as the performance conditions were achieved:
- vested cash payments refer to *2013, 2014* and *2015 Group Incentive System*;
- vested equity payments refer to *2012, 2013*, 2014 *Group Incentive System*, to "*2014 Plan Key People*" and to "*2014-2017 Multi-year Plan Top Management*".

The unvested component refer to cash and equity awards for which the right did not matured in 2016 and for which any potential future gain has not been yet realized and remains subject to future performance:
- unvested cash payments refer to *2015 Group Incentive System*;
- unvested equity payments refer to *2013, 2014,2015 and* "*2014-2017 Multi-year Plan Top Management*".

The value of the shares shown as 2016 short term variable and deferred variable from previous exercises is calculated considering:

- for *2014, 2015 and 2016 Group Incentive System* the arithmetic mean of the official closing prices of Fineco ordinary shares from January 6th to February 6th, 2017;
- for "*2014-2017 Multi-year Plan Top Management*" the listing price of Fineco ordinary shares for the 4th instalments' number of shares, while the arithmetic mean of the official closing prices of Fineco ordinary shares from January 6th to February 6th, 2017 for the 1st, the 2nd and the 3rd instalments' number of shares;

- for "*2014 Plan Key People*" the arithmetic mean of the official closing prices of Fineco ordinary shares from January 6th to February 6th, 2017;
- for *2014, 2013 and 2012 Group Incentive System* based on UniCredit shares, the arithmetic mean of the official closing prices of UniCredit ordinary shares from January 28th to February 28th, 2017.

Variable paid in 2016 from previous exercises includes pay-outs based on demonstrated multi-year performance achievements related to Group Incentive Systems plans based on Fineco and UniCredit shares, to the "*2014 Plan Key People*".

All stock options granted under existing Group LTI plans represent zero gain for the beneficiaries as long as the entry conditions will not allow the exercise.

The Chief Executive Officer and General Manager for 2016 is the only one employee that have been rewarded with more than 1 mln Euros.

It is underlined that in 2016 no non standard compensation[43] has been paid to or agreed with employees belonging to Identified Staff.

It is underlined that in 2016 no Severance[44] has been paid to or agreed with Identified Staff.

Financial Advisors

Euro/ 000

Population as of 31/12/2016	No.	Fix*	2016 Short Term Variable **				Deferred variable from previous exercises **				Variable paid in 2016 from previous exercises **	
			Upfront		Deferred		Vested in 2016		Unvested			
			€	Shares	€	Shares	€	Shares	€	Shares ***	€	Shares
Personal Financial Advisors belonging to Identified Staff	11	5.403	341	0	128	319	63	95	63	250	250	132

* Recurring remuneration

** Non-recurring remuneration

*** Phantom Share

The vested component refers to cash and equity awards to which the right matured in 2016 as the performance conditions were achieved. In particular:
- vested cash payments refer to "*2015 Group Incentive System PFA*" for Financial Advisors and Managers of the Network;
- vested equity payments refer to "2014 *Plan PFA*" for Financial Advisors and Managers of the Network;

The unvested component refer to cash and to Phantom shares to which the right did not matured in 2016 and for which any potential future gain has not been yet realized and remains subject to future performance. In particular:
- the unvested cash payment refer to "*2015 Group Incentive System PFA*" for Financial Advisors and Managers of the Network.
- the unvested phantom shares refer to "*2015 Group Incentive System PFA"* for Financial Advisors and Managers of the Network.

The value of the shares / Phantom shares shown as 2016 short term variable and deferred variable from previous exercises is calculated considering the arithmetic mean of the official closing prices of Fineco ordinary shares from January 6th to February 6th, 2017.

Variable paid in 2016 from previous exercises includes pay-outs based on actual performance achievements related to "*2014 Plan PFA*", to "*2015 Group Incentive System PFA*" for Financial Advisors and Managers of the Network.

43 See paragraph 3.4.
44 See paragraph 3.3.

6. Compensation Data (Continued)

6.2 2017 Compensation Policy

Total compensation policy for non-Executive Directors, *Identified Staff* and for the overall employee population demonstrates in particular how:
- remuneration of the non-Executive Directors, as approved by the Shareholders' Meeting, does not include variable performance-related pay;
- *Identified Staff* are offered opportunities for variable compensation in line with their strategic role, regulatory requirements and our pay for performance culture;
- the general employee population is offered a balanced pay-mix in line with the role, scope and business or market context of reference.

	COMPENSATION PAY-MIX	
	FIX AND OTHER NON - PERFORMANCE RELATED PAY	**VARIABLE PERFORMANCE - RELATED PAY**
NON-EXECUTIVE DIRECTORS		
Chairman and Vice Chairman	100%	0%
Directors	100%	0%
Statutory Auditors	100%	0%
OVERALL EMPLOYEE POPULATION		
Business areas	81%	19%
Support function	92%	8%
Overall Company	90%	10%

6.3. Benefits Data

Our employees enjoy welfare, healthcare and life balance benefits that supplement social security plans and minimum contractual requirements. These benefits are intended to provide substantial guarantees for the well-being of staff and their family members during their active careers as well as in retirement.

In Italy, among the complementary pension plans, there are both defined performance funds (whose performances, which come to fruition once the retirement requirements are reached, are known in advance as they are set by the fund statute) and defined contribution plans (whose performances depend on the results of the asset management).

Complementary pension plans can also be classified as external or internal pension funds, where external funds are legally autonomous from the Group, while internal funds are accounting items entered into UniCredit S.p.A.'s balance sheet, whose creditor counterparts are the employees enrolled (both active and retired).

Both these categories are closed and, as such, they do not allow new subscriptions. The only exception is represented by the individual capitalization section of the "Fondo Pensione per il Personale delle Aziende del Gruppo UniCredit". Within this section subscribers can distribute their contribution – depending on their own risk appetite – among four investment lines (Insurance, Short, Medium and Long Term) characterized by different risk / yield ratios. In addition, always in this section, the enrolled employees may open complementary pension plan positions in favour of their family members dependent for tax purposes.

FinecoBank S.p.A.

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FinecoBank S.p.A. – Part of the UniCredit Banking Group enrolled in the Register of Banking Groups at No. 02008.1
Registered Office in Piazza Durante 11, Milan, 20131
Headquarters in Via Rivoluzione d'Ottobre 16, Reggio Emilia, 42123
approved Share capital €200,545,403.85 fully subscribed and paid-in €200,540,166.09
ABI Code 3015.5 – VAT No. 12962340159 – Tax ID No. and Milan Companies Register No. 01392970404
Economic and Administrative Index (REA) No. 1598155 – Member of the National Guarantee Fund
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FINECO BANK

ANNEX 1 TO 2017 FINECOBANK COMPENSATION POLICY

INFORMATION TABLES PURSUANT ART. 84-QUATER "ANNUAL REPORT – SECTION II" OF THE REGULATION N° 11971 ISSUED BY COMMISSIONE NAZIONALE PER LE SOCIETÀ E LA BORSA (CONSOB)

FinecoBank S.p.A. - Banca del Gruppo UniCredit

7. Compensation Tables

7.1 Disclosure as per section 84-quater of the Italian National Commission for Listed Companies (Consob) Issuers Regulation no.11971

A set of tables presents in the following pages the information that the Company is required to provide as per Section 84-quater of Consob's Issuers Regulation nr. 11971.

For a more detailed understanding of the methodological criteria underlying the information reported in the various tables, reference is made to Annex 3A of the said Consob Regulation.

In particular:

TABLE 1: Compensation paid to members of the Administrative and Auditing Bodies, to General Managers and to other Executives with strategic responsibilities

Provides, at an individual level and on an accrual basis, the details of the compensation paid to the Chief Executive Officer and General Manager, to the members of the Board of Directors and of the Board of Statutory Auditors.

For the other 5 Executives with strategic responsibilities the information is provided on an aggregate basis.
The overall compensation paid by FinecoBank to the Board of Directors for 2016 amounts to Euro 1.908.076

The overall compensation paid by FinecoBank to the Board of Statutory Auditors for 2016 amounts to Euro 166.909.

The "Fair value of equity compensation" (column 7) does not represent a value actually paid to/gained by the beneficiaries of equity plans, being instead the cost that the Company is booking - on an accrual basis and during the vesting period - in consideration of the provision of the incentives based on financial instruments. More details on such plans are provided at the following Table 2 and Table 3A.

TABLE 2: Stock Options assigned to the members of the Administrative Body, to General Managers and other Executives with strategic responsibilities

Nor the non-executive members of the Board of Directors, nor the members of the Board of Statutory Auditors benefit from any incentive plan, be it based on financial instruments or cash.

Only the Chief Executive Officer and General Manager and the Executives with strategic responsibilities benefit from Stock Option/Performance Stock Options plans launched by UniCredit Group in the previous years.

At current prices, all stock options, for which it could be possible to exercise the right ("vested"), are largely underwater.

TABLE 3A: Incentive plans based on financial instruments other than stock options, in favour of members of the Administrative Body, General Managers and other Executives with strategic responsibilities

The table reports - additionally to the shares granted within medium and/or long term incentive and retention equity plans - also the number of shares promised and/or granted in connection with the deferral of the annual incentive systems.

TABLE 3B: Monetary Incentive Plans in Favour of Members of the Administrative Body, General Managers and other Executives with strategic responsibilities

Provides the details of all the cash incentives accrued during the year in favour of the Chief Executive Officer and General Manager and of the other Executives with strategic responsibilities. Neither the non-executive members of the Board of Directors, nor the Statutory Auditors receive any variable compensation.

Information on the investments held by the members of the Administrative and Auditing Bodies, by General Managers and by other Executives with strategic responsibilities

Table 1 and Table 2, drafted in compliance with schedule 7-ter, provide the shareholding in FinecoBank held by the Chief Executive Officer and General Manager, the other members of the Board of Directors, the members of the Board of Statutory Auditors and the other Executives with strategic responsibilities.

7. Compensation Tables (Continued)

7.1 Disclosure as per section 84-quater of the Italian National Commission for Listed Companies (Consob) Issuers Regulation no.11971 (Continued)

Consob Issuers Regulation nr. 11971 - Annex 3A / Schedule 7-bis

Amounts in Euro

TABLE1: Compensation paid to members of the administrative and auditing bodies, to general managers and to other executives with strategic responsabilities

	(A)	(B)	(C)		(D)	(1)						(2)	(3)		(4)	(5)	(6)	(7)	(8)
						Fixed compensation							Variable non-equity compensation						
	Name and surname	Office	Period of which office was held		Office expiry	Emoluments resolved by the Shareholdes' Meeting	Attendance tokens	Lump sum expense reinbursements ****	Compensation for specific offices ex sec. 23889 Italian Civil Code	Employment fixed salary	Total	Compensation for committee partecipation	Bonuses and other incentives	Profit sharing	Non-monetary benefits	Other remuneration	Total	Fair Value of equity compensation	Severance indemnity for end of office or termination of employment
														Profit sharing					
BOARD OF DIRECTORS	Enrico Cotta Ramusino	Chairman of the Board of Directors	01/01/2016	31/12/2016	approv. AR at 31/12/16	50.000	3.300	-	150.000		203.300				2.962		206.262		
		(I) Total compensation in the company preparing the financial statements				**50.000**	**3.300**	**-**	**150.000**	**-**	**203.300**	**-**	**-**	**-**	**2.962**	**-**	**206.262**	**-**	**-**
		(II) Compensation from subsidiaries and associates									-						-		
		(III) Total				**50.000**	**3.300**	**-**	**150.000**	**-**	**203.300**	**-**	**-**	**-**	**2.962**	**-**	**206.262**	**-**	**-**
	Francesco Saita	Vice Chairman of the Board of Directors	01/01/2016	31/12/2016	approv. AR at 31/12/16	40.000	3.300		50.000		93.300						93.300		
		Chairman of the Audit and Related Parties Committee	01/01/2016	31/12/2016	approv. AR at 31/12/16	20.000	3.900				23.900						23.900		
		(I) Total compensation in the company preparing the financial statements				**60.000**	**7.200**	**-**	**50.000**	**-**	**117.200**	**-**	**-**	**-**	**-**	**-**	**117.200**	**-**	**-**
		(II) Compensation from subsidiaries and associates									-						-		
		(III) Total				**60.000**	**7.200**	**-**	**50.000**	**-**	**117.200**	**-**	**-**	**-**	**-**	**-**	**117.200**	**-**	**-**
	Alessandro Foti	Chief Executive Officer/ General Manager**	01/01/2016	31/12/2016	approv. AR at 31/12/16					850.000	850.000		395.238		6.229	49.466	1.300.932	1.144.844	
		(I) Total compensation in the company preparing the financial statements				**-**	**-**	**-**	**-**	**850.000**	**850.000**	**-**	**395.238**	**-**	**6.229**	**49.466**	**1.300.932**	**1.144.844**	**-**
		(II) Compensation from subsidiaries and associates									-						-		
		(III) Total				**-**	**-**	**-**	**-**	**850.000**	**850.000**	**-**	**395.238**	**-**	**6.229**	**49.466**	**1.300.932**	**1.144.844**	**-**
	Girolamo Ielo	Member of the Board of Directors	01/01/2016	31/12/2016	approv. AR at 31/12/16	40.000	3.300	1.718			45.018						45.018		
		Chairman Corporate Governance***	01/01/2016	11/04/2016		5.615	300				5.915						5.915		
		Member of the Remuneration and Appointments Committee	01/01/2016	31/12/2016	approv. AR at 31/12/16	15.000	3.900	123			19.023						19.023		
		(I) Total compensation in the company preparing the financial statements				**60.615**	**7.500**	**1.841**	**-**	**-**	**69.955**	**-**	**-**	**-**	**-**	**-**	**69.955**	**-**	**-**
		(II) Compensation from subsidiaries and associates									-						-		
		(III) Total				**60.615**	**7.500**	**1.841**	**-**	**-**	**69.955**	**-**	**-**	**-**	**-**	**-**	**69.955**	**-**	**-**
	Pietro Angelo Guindani	Member of the Board of Directors	01/01/2016	31/12/2016	approv. AR at 31/12/16	40.000	3.300				43.300						43.300		
		Member of the Audit and Related Parties Committee	01/01/2016	31/12/2016	approv. AR at 31/12/16	15.000	3.600				18.600						18.600		
		(I) Total compensation in the company preparing the financial statements				**55.000**	**6.900**	**-**	**-**	**-**	**61.900**	**-**	**-**	**-**	**-**	**-**	**61.900**	**-**	**-**
		(II) Compensation from subsidiaries and associates									-						-		
		(III) Total				**55.000**	**6.900**	**-**	**-**	**-**	**61.900**	**-**	**-**	**-**	**-**	**-**	**61.900**	**-**	**-**
	Mariangela Grosoli	Member of the Board of Directors	01/01/2016	31/12/2016	approv. AR at 31/12/16	40.000	3.000	1.893			44.893						44.893		
		Member of the Audit and Related Parties Committee	01/01/2016	31/12/2016	approv. AR at 31/12/16	15.000	3.900	1.622			20.522						20.522		
		Member of the Remuneration and Appointments Committee	01/01/2016	31/12/2016	approv. AR at 31/12/16	15.000	3.600	611			19.211						19.211		
		(I) Total compensation in the company preparing the financial statements				**70.000**	**10.500**	**4.126**	**-**	**-**	**84.626**						**84.626**	**-**	**-**
		(II) Compensation from subsidiaries and associates									-						-		
		(III) Total				**70.000**	**10.500**	**4.126**	**-**	**-**	**84.626**						**84.626**	**-**	**-**
	Gianluigi Bertolli	Member of the Board of Directors	01/01/2016	31/12/2016	approv. AR at 31/12/16	40.000	3.300				43.300						43.300		
		Chairman of the Remuneration and Appointments Committee	01/01/2016	31/12/2016	approv. AR at 31/12/16	20.000	3.900				23.900						23.900		
		(I) Total compensation in the company preparing the financial statements				**60.000**	**7.200**	**-**	**-**	**-**	**67.200**						**67.200**	**-**	**-**
		(II) Compensation from subsidiaries and associates									-						-		
		(III) Total				**60.000**	**7.200**	**-**	**-**	**-**	**67.200**						**67.200**	**-**	**-**
	Laura Stefania Penna*	Member of the Board of Directors	01/01/2016	31/12/2016	approv. AR at 31/12/16						-						-		
		(I) Total compensation in the company preparing the financial statements				-	-	-	-	-	-						-	-	-
		(II) Compensation from subsidiaries and associates									-						-		
		(III) Total				-	-	-	-	-	-						-	-	-
	Manuela D'Onofrio*	Member of the Board of Directors	08/11/2016	31/12/2016	approv. AR at 31/12/16						-						-		
		(I) Total compensation in the company preparing the financial statements									-						-		
		(II) Compensation from subsidiaries and associates									-						-		
		(III) Total									-						-		
	Marina Natale*	Member of the Board of Directors	01/01/2016	28/10/2016							-						-		
		(I) Total compensation in the company preparing the financial statements				-	-	-	-	-	-						-	-	-
		(II) Compensation from subsidiaries and associates									-						-		
		(III) Total				-	-	-	-	-	-						-	-	-
	TOTAL BOARD OF DIRECTORS	**(I) Total compensation in the company preparing the financial statements**				**355.615**	**42.600**	**5.966**	**200.000**	**850.000**	**1.454.181**	**-**	**395.238**	**-**	**9.191**	**49.466**	**1.908.076**	**1.144.844**	**-**
		(II) Compensation from subsidiaries and associates				-	-	-	-	-	-	-	-	-	-	-	-	-	-
		(III) Total				**355.615**	**42.600**	**5.966**	**200.000**	**850.000**	**1.454.181**	**-**	**395.238**	**-**	**9.191**	**49.466**	**1.908.076**	**1.144.844**	**-**

* Employees of UniCredit Group in compliance with what has been defined at Gropu level in the "Policy in materia di struttura, composizione e remunerazione degli Organi Sociali delle Società di Gruppo", the Board of Directors' members who are employees of UniCredit Grouo renounce to the total amount of their appointment as Board members.

**10% of the amount has been paid by UniCredit S.p.A.

*** With the Board of Directors resolution of February 08, 2016, has been elected as Chairman Corporate Governance 231/2001 an external member persuant of the new Unicredit guidelines related to the update "modello di organizzazione, gestione e controllo ex D. lgs. 231/2001".

Amounts in Euro

TABLE1: Compensation paid to members of the administrative and auditing bodies, to general managers and to other executives with strategic responsabilities

	(A)	(B)	(C)		(D)	(1)						(2)	(3)		(4)	(5)	(6)	(7)	(8)
						Fixed compensation							Variable non-equity compensation						
	Name and surname		Period of which office was held		Office expiry	Emoluments resolved by the Shareholdes' Meeting	Attendance tokens	Lump sum expense reinbursements ****	Compensation for specific offices ex sec. 23889 Italian Civil Code	Employment fixed salary	Total	Compensation for committee partecipation	Bonuses and other incentives	Profit sharing	Non-monetary benefits	Other remunaration	Total	Fair Value of equity compensation	Severance indemnity for end of office or termination of employment
COLLEGIO SINDACALE	Gian-Carlo Noris Gaccioli	Chairman of the Board of Statutory Auditors	01/01/2016	31/12/2016	approv.bil al 31/12/16	50.000	3.300	4.368			57.668				5.850		63.518		
		(I) Total compensation in the company preparing the financial statements				**50.000**	**3.300**	**4.368**	**-**	**-**	**57.668**				**5.850**		**63.518**		**-**
		(II) Compensation from subsidiaries and associates									**-**						**-**		
		(III) Total				**50.000**	**3.300**	**4.368**	**-**	**-**	**57.668**				**5.850**		**63.518**		**-**
	Barbara Aloisi	Standing Auditor	01/01/2016	31/12/2016	approv.bil al 31/12/16	40.000	3.300	427			43.727				5.850		49.577		
		(I) Total compensation in the company preparing the financial statements				**40.000**	**3.300**	**427**	**-**	**-**	**43.727**				**5.850**		**49.577**		**-**
		(II) Compensation from subsidiaries and associates									**-**						**-**		
		(III) Total				**40.000**	**3.300**	**427**	**-**	**-**	**43.727**				**5.850**		**49.577**		**-**
	Mariano Viozzi	Standing Auditor	01/01/2016	31/12/2016	approv.bil al 31/12/16	40.000	3.000	4.963			47.963				5.850		53.813		
		(I) Total compensation in the company preparing the financial statements				**40.000**	**3.000**	**4.963**	**-**	**-**	**47.963**				**5.850**		**53.813**		**-**
		(II) Compensation from subsidiaries and associates									**-**						**-**		
		(III) Total				**40.000**	**3.000**	**4.963**	**-**	**-**	**47.963**				**5.850**		**53.813**		**-**
	Federica Bonato	Alternate Auditor	01/01/2016	31/12/2016	approv.bil al 31/12/16						-						-		
		(I) Total compensation in the company preparing the financial statements				-	-	-	-	-	-				-		-		-
		(II) Compensation from subsidiaries and associates									-						-		
		(III) Total				-	-	-	-	-	-				-		-		-
	Marzio Duilio Rubagotti	Alternate Auditor	01/01/2016	31/12/2016	approv.bil al 31/12/16						-						-		
		(I) Total compensation in the company preparing the financial statements				-	-	-	-	-	-				-		-		-
		(II) Compensation from subsidiaries and associates									-						-		
		(III) Total				-	-	-	-	-	-				-		-		-
	TOTAL BOARD OF STATUTORY AUDITORS	**(I) Total compensation in the company preparing the financial statements**				**130.000**	**9.600**	**9.759**	**-**	**-**	**149.359**				**17.550**		**166.909**		**-**
		(II) Compensation from subsidiaries and associates				-	-	-	-	-	-				-		-		-
		(III) Total				**130.000**	**9.600**	**9.759**	**-**	**-**	**149.359**				**17.550**		**166.909**		**-**

**** To be considered as expense reimbursements "a piè di lista" and reimbursement per Km

*****The amount is referred to the fringe benefit of the insurance policy Directors & Officers (D&O) that covers the entire year.

Other Executives with Strategic Responsabilities (total no. 5)	**(I) Total compensation in the company preparing the financial statements**							**1.647.976**	**1.647.976**		**551.512**		**99.387**	**32.599**	**2.331.474**	**1.937.598**	
	(II) Compensation from subsidiaries and associates								**-**								
	(III) Total	**-**	**-**	**-**	**-**	**1.647.976**	**1.647.976**		**551.512**		**99.387**	**32.599**	**2.331.474**	**1.937.598**	**-**

7. Compensation Tables (Continued)

7.1 Disclosure as per section 84-quater of the Italian National Commission for Listed Companies (Consob) Issuers Regulation no.11971 (Continued)

Amounts in euro	TABLE 2: Stock Option assigned to the Members of the Administrative Body, to General Managers and other Executives with Strategic Responsabilities																
			Opzions held at the beginning of the year			Opzions assigned during the year						Options exercised during the year					
(A)	(B)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Name and surname	Office	Plan	Number of Options	Exercise Price	Period of Possible Exercise (from .. to)	Number of Options	Exercise Price	Period of Possible Exercise (from .. to)	Fair Value at Assignment Date	Assignment Date	Market Price of Underlying Shares upon Assignment of Options	Number of Options	Exercise Price	Market Price of Underlying Shares on Exercise Date	Options Lapsed during the year (Number)	Options held at the end of the year (Number)	Options relevant to this year (Fair Value)
Alessandro Foti	Chief Executive Officer/ General Manager																
(I) Compensation in the Company preparing the Financial Statement		LTI Unicredit - Plan 2008 Stock Options	216.384	23,351	09/07/2012 09/07/2018											216.384	
(II) Compensation from Subsidiaries and Associates		-															
(III) Total			**216.384**												-	**216.384**	-
Altri Dirigenti con responsabilità strategiche																	
(I) Compensation in the Company preparing the Financial Statement	n. 2 Executives	LTI Unicredit - Plan 2004 Stock Options	24.000	22,420	03/09/2008 31/12/2017											24.000	
	n. 2 Executives	LTI Unicredit - Plan 2005 Stock Options	45.500	26,878	26/11/2009 31/12/2018											45.500	
	n. 2 Executives	LTI Unicredit - Plan 2006 Stock Options	34.400	33,205	28/06/2010 31/12/2019											34.400	
	n. 2 Executives	LTI Unicredit - Plan 2007 Stock Options	57.793	39,583	13/07/2011 15/07/2017											57.793	
	n. 5 Executives	LTI Unicredit - Plan 2008 Stock Options	194.748	23,351	09/07/2012 09/07/2018											194.748	
(II) Compensation from Subsidiaries and Associates		-															
(III) Total			**356.441**													**356.441**	

Amounts in euro	TABLE 3A: Incentive Plans based on financial instruments other than stock options, in favour of Members of the Administrative Body, General Managers and other Executives with Strategic Responsabilities												
			Financial instruments assigned during previous years and not vested during the year		Financial instruments assigned during the year					Financial instruments vested during the year and not assigned	Financial instruments vested during the year and assignable		Financial instruments relevant to the year
(A)	(B)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Name and surname	Office	Plan	Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair Value on assignment date	Vesting period	Assignment date	Market price upon assignment	Number and type of financial instruments	Number and type of financial instruments	Value on maturity date	Fair Value
Alessandro Foti	**Chief Executive Officer/ General Manager**												
(I) Compensation in the Company preparing the Financial Statement		Unicredit shares - 2012 Group Incentive System									60.724	199.600	
		Unicredit shares - 2013 Group Incentive System									24.066	79.105	
		Unicredit shares promiesd - 2012 Group Incentive System	30.362	31.12.2016									18.086
		Unicredit shares promiesd - 2013 Group Incentive System	36.099	67% 31.12.2016 33% 31.12.2017									46.081
		Fineco shares promised - 2014 Group Incentive System	89.946	40% 31.12.2017 30% 31.12.2018 30% 31.12.2019									75.645
		Fineco shares promised -2014 2017 Multy year Plan Top Management	761.315*	30% 31.12.2016 24% 31.12.2017 16% 31.12.2018 30% 31.12.2019									842.816
		Fineco shares promised -2015 Group incnetive System	36.606	34% 31.12.2017 33% 31.12.2018 33% 31.12.2019						24.404			6.062
		Fineco share promised - 2016 Group Incentive System			50.721	280.487	40% 31.12.2016 20% 31.12.2018 20% 31.12.2019 20% 31.12.2020	07/02/2017	5,53				156.153
(II) Compensation from Subsidiaries and Associates		-											
(III) Total						**280.487**				**24.404**		**278.705**	**1.144.844**
Other Executives with Strategic Responsabilities													
(I) Compensation in the Company preparing the Financial Statement	**n. 5 Executives**	Unicredit shares - 2012 Group Incentive System									50.531	166.095	
	n. 5 Executives	Unicredit shares - 2013 Group Incentive System									32.350	106.334	
	n. 5 Executives	Unicredit shares promiesd - 2013 Group Incentive System	32.350	31.12.2016									50.008
	n. 5 Executives	Fineco shares promised - 2014 Group Incentive System	155.445	40% 31.12.2017 30% 31.12.2018 30% 31.12.2019**									130.730
	n. 5 Executives	Fineco shares promised -2014 2017 Multy year Plan Top Management	1.330.502*	30% 31.12.2016 24% 31.12.2017 16% 31.12.2018 30% 31.12.2019									1.472.937
	n. 5 Executives	Fineco shares promised -2015 Group incnetive System	63.945	34% 31.12.2017 33% 31.12.2018 33% 31.12.2019						42.632			10.589
	n. 5 Executives	Fineco share promised - 2016 Group Incentive System			88.783	490.970	40% 31.12.2016 20% 31.12.2018 20% 31.12.2019 20% 31.12.2020	07/02/2017	5,53				273.334
(II) Compensation from Subsidiaries and Associates		-											
(III) Total						**490.970**				**42.632**		**272.430**	**1.937.598**

* Maximun number of shares granted for the entier Plan. The Board of Directos of 08/02/2016 approved the number of shares related to 3^ instalment adjusted to respect the ratio between fixed and variable remuneration in line with current regulations, on the basis of the aritmetic mean of the official price of Fineco ordinary shares on each trading day at the electronic stock market organised and managed by Borsa Italiana S.p.A. in the period from the day preceding the date of the resolution by the Board of Directors that evaluated entry conditions achievements to the same day in the previous month (€ 6,966):

** For no. 1 Executives 2014 Group Incentive System guidelines foresee the following payments deferrals: 60% 31.12.2017 20% 31.12.2018 20% 31.12.2019

7. Compensation Tables (Continued)

7.1 Disclosure as per section 84-quater of the Italian National Commission for Listed Companies (Consob) Issuers Regulation no.11971 (Continued)

Amounts in euro	TABLE 3B: Monetary Incentive Plans in favour of Members of the Administrative Body, General Managers and other Executives with Strategic Responsabilities								
(A)	(B)	(1)	(2)			(3)			(4)
			Annual Bonus			Previous years Bonuses			
			(A)	(B)	(C)	(A)	(B)	(C)	
Name and surname	Office	Plan	Payable / Paid	Deferred	Deferral period	Non longer payable	Payable / Paid	Still deferred	Other Bonuses
Alessandro Foti	**Chief Executive Officer/ General Manager**								
(I) Compensation in the Company preparing the Financial Statement		2016 Group Incentive System	112.200	168.300	33% 31.12.2017 67% 31.12.2021				
		2015 Group Incentive System					85.000	170.000	
		2014 Group Incentive System					127.500		
		2013 Group Incentive System					70.538		
(II) Compensation from Subsidiaries and Associates									
(III) Total			**112.200**	**168.300**			**283.038**	**170.000**	
Other Executives with Strategic Responsabilities									
(I) Compensation in the Company preparing the Financial Statement	n. 5 Executives	2016 Group Incentive System	196.412	294.618	33% 31.12.2017 67% 31.12.2021				
	n. 5 Executives	2015 Group Incentive System					148.500	297.000	
	n. 5 Executives	2014 Group Incentive System					206.600		
(II) Compensation from Subsidiaries and Associates									
(III) Total			**196.412**	**294.618**			**355.100**	**297.000**	

TABLE 1: Investments of the Members of the Administrative and Auditing Bodies and General Managers							
Name and surname	Office	Investee Company	Type of shares	Number of shares			
				Held at the end of 2016	Acquired	Sold	Held at the end of 2016
BOARD OF DIRECTORS							
Enrico Cotta Ramusino	Chairman	FinecoBank	Ord.	37.000			37.000
Francesco Saita	Vice Chairman						
Alessandro Foti	Chief Executive Officer / General Manager						
Gianluigi Bertolli	Director						
Mariangela Grosoli	Director						
Pietro Angelo Guindani	Director						
Girolamo Ielo	Director						
Manuela D'Onofrio	Director						
Laura Stefania Penna	Director						
BOARD OF STATUTORY AUDITORS							
Gian-Carlo Noris Gaccioli	Chairman of the Board Statutory Auditors	FinecoBank	Ord.				-
Barbara Aloisi	Standing Auditor						
Marziano Viozzi	Standing Auditor						
Federica Bonato	Alternate Auditor						
Marzio Duilio Rubagotti	Alternate Auditor						

TABLE 2: Investments of Other Executives with Strategic Resonsabilities						
Number of Executives with Strategic responsabilities	Società Partecipata	Type of shares	Number of shares			
			Held at the end of 2016	Acquired	Sold	Held at the end of 2016
4	FinecoBank	Ord.	11.000			11.000

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FinecoBank S.p.A. – Part of the UniCredit Banking Group enrolled in the Register of Banking Groups at No. 02008.1
Registered Office in Piazza Durante 11, Milan, 20131
Headquarters in Via Rivoluzione d'Ottobre 16, Reggio Emilia, 42123
approved Share capital €200,545,403.85 fully subscribed and paid-in €200,540,166.09
ABI Code 3015.5 – VAT No. 12962340159 – Tax ID No. and Milan Companies Register No. 01392970404
Economic and Administrative Index (REA) No. 1598155 – Member of the National Guarantee Fund
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FINECO BANK

ANNEX 2 TO 2017 FINECOBANK COMPENSATION POLICY

2017 COMPENSATION SYSTEMS BASED ON FINANCIAL INSTRUMENTS

FinecoBank S.p.A. - Banca del Gruppo UniCredit

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4.2 The reason for the adoption of the plan

4.3 The procedure for the adoption of the plan and the timeframe for the assignment of the financial instruments

4.4 The characteristics of the financial instruments assigned

1. Introduction

Pursuant to the provision set forth in Article 114-bis of legislative decree no. 58 of February 24th, 1998 as well as to the provisions of the issuer adopted by Consob with resolution no. 11971 of May 14th, 1999 (the "Issuers Regulations") regarding the information to be disclosed to the market in relation to the granting of awarding plans based on financial instruments, the Board of Directors of FinecoBank (the "Board of Directors") prepared this information memorandum which will be reported to the Ordinary General Shareholders' Meeting of FinecoBank on April 11th, 2017 which is called to resolve, inter alia, upon the approval for 2017 of the following new incentives plans:

- **"2017 Incentive System"** defined in order to reward employees, belonging to Identified Staff, with an incentive payable in cash and/or free Fineco ordinary shares over a multi-year period, according to the modalities described below and subject to the achievement of specific performance objectives;
- **"2017 Incentive System for Financial Advisors belonging to *Identified Staff*"** defined in order to reward Financial Advisors, belonging to *Identified Staff*, with an incentive payable in cash and/or Fineco ordinary shares over a multi-year period, according to the modalities described below and subject to the achievement of specific performance objectives.

This Information Memorandum – prepared in compliance with Scheme 7 of Annex 3A to the Issuers Regulation – was also prepared for the purpose of giving information concerning the execution of the following "FinecoBank Compensation Systems" already approved by the Shareholders' Meetings of April 23rd, 2015, of June 5th, 2014 and of April 12th, 2016, and defined in order to assign free shares to selected resources of FinecoBank, according to the modalities described below and subject to the achievement of specific performance objectives:

- **2016 Incentive System for Financial Advisors**
- **2016 Incentive System**
- **2015 Incentive System for Financial Advisors**
- **2015 Incentive System**
- **2014 Incentive System**
- "***2014-2017 Multi-year Plan Top Management***"
- "***2014 Plan Key People***"
- "***2014 Plan PFA***"

Pursuant to the definition set forth in article 84-bis of the issuer regulations, the above mentioned incentive plans, in consideration of their beneficiaries, have the nature of "relevant plans".

2. 2017 Incentive System

In compliance with the last Bank of Italy provisions set forth in Circular 285, December 17th, 2013 (Section "*Regulations on remuneration and incentive policies and practices of Banks and Banking groups*") – VII Update of November 18th, 2014, First Part, Title IV, Chapter 2, implementing the *Capital Requirements Directive* 2013/36/EU (CRD IV) and in line with the guidelines issued by *European Banking Authority* (EBA), FinecoBank defined compensation systems based on financial instruments in order to align shareholders and management interests, reward long-term value creation, share price appreciation and motivate and retain key resources of FinecoBank. For this purpose it was proposed the adoption of the Plan "**2017 Incentive System**" (hereinafter also "**2017 System**"), which provides for the allocation of an incentive – in cash and/or free Fineco ordinary shares – to be granted in a multi-year period, subject to the achievement of specific performance objectives.

2.1 BENEFICIARIES OF THE PLAN

I dipendenti di FinecoBank che sono destinatari del Sistema Incentivante 2017 sono 14 *Identified Staff* le cui attività hanno impatto sui rischi della Banca come specificato nella sezione 2.1.2.

Sulla base dei criteri determinati dall'Assemblea degli Azionisti, il Consiglio di Amministrazione procederà all'individuazione degli effettivi beneficiari tra gli appartenenti alle categorie indicate in questa sezione 2.1.

2.1.1 Indication of the name of beneficiaries who are members of the Board of Directors of FinecoBank and of the companies directly or indirectly controlled by FinecoBank

Mr. Alessandro Foti, Chief Executive Officer and General Manager of FinecoBank, is among the beneficiaries of 2017 Incentive System.

2.1.2 The categories of employees or collaborators of FinecoBank and companies controlling or controlled by this issuer

The employees of FinecoBank that are defined as *Identified Staff* and benefit from the 2017 Incentive System are defined based on criteria provided by *European Banking Authority* (EBA) *Regulatory Technical Standards* issued on December 16th, 2013, as follows:
Chief Executive Officer (CEO) and General Manager (GM), Deputy General Managers (DGM), Executive Vice Presidents (EVP), Senior Vice Presidents (SVP), direct reports to strategic supervisory, management and control bodies;
Employees with total remuneration greater than € 500,000 in the last year;
Employees included within 0,3% of staff with the highest remuneration at local level;
Employees whose remuneration is within the remuneration ranges of *Identified Staff*;
Other selected roles (including new hires)..

2.1.3 Individuals who benefit from the Plan belonging to the following groups:

a) General Manager of FinecoBank

Mr. Alessandro Foti, Chief Executive Officer and General Manager of FinecoBank, is among the beneficiaries of 2017 Incentive System.

b) other Executives with strategic responsibilities of FinecoBank not classed as "small", in accordance with Article 3, paragraph 1, letter *f*) of Regulation no. 17221 of 12 March 2010, if they have, during the course of the year, received total compensation (obtained by adding the monetary compensation to the financial instrument-based compensation) in excess of the highest total compensation assigned to the members of the Board of Directors or Management Board, and to the General Manager of FinecoBank

None of FinecoBank Executives with strategic responsibilities meet the description; therefore no information is provided in connection thereto.

c) natural persons controlling FinecoBank, who are employee or collaborator of FinecoBank

No individual controls FinecoBank and, therefore, no information is provided in connection thereto.

2. 2017 Incentive System (Continued)

2.1.4 Description and numerical indication, broken down according to category:

a) Executives with strategic responsibilities other than those specified under lett. b) of paragraph 2.1.3

Amongst the beneficiaries of the 2017 Incentive System, along with the Chief Executive Officer and General Manager, there are n. 5 executives of FinecoBank who have regular access to privileged information and are authorized to take resolutions capable of influencing the development and prospects of FinecoBank:

1. the Deputy General Manager and Head of Global Banking Services, Mr. Fabio Milanesi
2. the Deputy General Manager and Head of Global Business, Mr. Paolo Di Grazia
3. the Head of Commercial PFA Network, Mr. Mauro Albanese
4. the Head of Investment Services and Private Banking, Mr. Carlo Giausa
5. the Chief Financial Officer, Mrs. Lorena Pelliciari

b) in the case of "small" companies, in accordance with Article 3, paragraph 1, letter f) of Regulation no. 17221 of 12 March 2010, the indication for the aggregate of all Executives with strategic responsibilities of the financial instrument issuer

This provision is not applicable.

c) other categories of employees or collaborators for which different characteristics are envisaged for the plan (e.g. executives, middle management, employees etc.)

There are no classes of employees to which different characteristics of the 2017 Incentive System apply.

2.2 THE REASONS FOR THE ADOPTION OF THE PLAN

2.2.1 The targets which the parties intend to reach through the adoption of the plan

The 2017 Incentive System aims to attract, retain and motivate FinecoBank beneficiaries in compliance with the most recent national and international regulatory requirements with the aim to define – in the interest of all stakeholders – incentive systems in line with long-term Company strategies and goals, linked to Bank results, adjusted in order to consider all risks, in coherence with capital and liquidity levels needed to cover the activities in place and, in any case, able to avoid misleading incentives that could drive to regulatory breaches or to assume excessive risks for the Bank and the system in its whole.

The 2017 Incentive System is compliant with FinecoBank Compensation Policy and with the most recent national and international regulatory requirements providing for:

allocation of a variable incentive defined based on available bonus pool, individual performance evaluation, internal benchmark for specific roles and bonus cap as set by the Ordinary Shareholder's meeting;

definition of a balanced structure of "upfront" (done at the moment of performance evaluation) and "deferred payments", in cash and in shares;

distribution of share payments, coherently with the applicable regulatory requirements regarding the application of share retention periods. In fact the payment structure defined requires a retention period on shares (of 2 years for upfront shares and of 1 year for deferred shares);

risk-adjusted metrics in order to guarantee long-term sustainability with respect to Company's financial position and to ensure compliance with regulatory expectations;

malus clause (*Zero Factor*) applies in case specific thresholds (profitability, capital and liquidity) are not met at both Group and local level. In particular, the bonus pool of 2017 will be zeroed, while previous systems deferrals could be reduced from 50% to 100% of their value, based on final effective results and dashboards assessments done by CRO and CFO.

2.2.2 Principal factors of variation and performance indexes taken into account for the assignment of plans based on financial instruments.

Individual bonuses will be allocated on the basis of available bonus pool, individual performance evaluation and internal benchmarking for specific roles.

Individual performance appraisal is based on specific goals, linked to the 5 fundamentals of UniCredit Group competency model: "*Customers First*"; "*Execution and Discipline*"; "*Cooperation and Synergies*"; "*Risk Management*"; "*People Development*".

Incentive pay-outs shall be made over a multi-year period (2018-2023) subject to continuous employment at each date of payment and as follows:
- in 2018 the first instalment of the overall incentive ("1st instalment") will be paid in cash, in absence of any individual / values compliance breach, considering also the gravity of any internal / external findings (e.g. Audit, Bank of Italy, Consob);
- over the period 2019-2023 the remaining amount of the overall incentive will be paid in several instalments in cash and/or Fineco free ordinary shares; each subsequent tranche will be subject to the application of the *Zero Factor* for the year of allocation and in absence of any individual / values compliance breach, considering also the gravity of any internal / external findings (e.g. Audit, Bank of Italy, Consob);
- distribution of share payments takes into account the applicable regulatory requirements regarding the application of share retention periods.

2.2.3 The factors assumed as basis for the determination of the compensation based upon financial instruments, or the criteria for the determination of the aforesaid compensation.

In 2017 Incentive System the link between profitability, risk and reward is assured by linking directly bonus pool with Company results (at Group and local level), cost of capital and risk profiles relevant for the Bank as stated in the *Risk Appetite Framework*.

At this stage, the 2017 Incentive System does not contain an exact indication of the value of free shares to be actually allocated to the beneficiaries, rather it merely fixes the maximum number of the free shares to be issued with reference to the Plan. In any case, are already established the criteria that the Board of Directors should follow, in the resolutions that after the Shareholders' Meeting approval will execute the Plan, to define the actual number of beneficiaries and the number of free shares to be granted.

The 2017 Incentive System provides that in 2018 will be formulated the promise to pay the incentive in cash and shares. The percentages of the payments in cash and shares are linked to the beneficiaries' categories as described in the following points of this document.

The final evaluation of sustainable performance parameters and risk-reward alignment will be reviewed by the Remuneration and Appointments Committee and defined under the responsibility and governance of the Board of Directors.

2.2.4 The reasons justifying the decision to assign compensation plans based on financial instruments not issued by FinecoBank, such as financial instruments issued by its subsidiaries, its parent companies or third parties; in the event the aforesaid financial instruments are not negotiated on regulated markets, the issuer shall provide information as to the criteria adopted for the calculation of the value attributable to such financial instruments

The 2017 Incentive System does not contemplate the allocation of similar financial instruments.

2.2.5 The evaluations, with respect to the relevant tax and accounting implications, taken into account in the definition of the plans

The 2017 Incentive System definition was not influenced by significant tax or accounting consideration.

2.2.6 The indication as to whether the plan enjoys any support from the special fund for encouraging worker participation in the companies, as provided for under Article 4, paragraph 112, of Law December, 24 2003 n. 350

The 2017 Incentive System is not currently supported by the special fund for encouraging worker participation in the companies, as provided for under sect. 4, paragraph 112, of Law December 24, 2003 n. 350.

2. 2017 Incentive System (Continued)

2.3 PROCEDURE FOR THE ADOPTION OF THE PLAN AND TIMEFRAME FOR THE ASSIGNMENT

2.3.1 Powers delegated to the Board of Directors by the Shareholders' Meeting for the implementation of the plan

The Board of Directors, on January 9th, 2017, approved the proposal related to the 2017 Incentive System to be submitted to the General Shareholder's Meeting called on April 11th, 2017. Furthermore, the Board of Directors, in the same meeting, formulated the proposal to provide to the Board of Directors the delegation of power to carry out a free capital increase for the 2017 Incentive System, to be executed by 2022, with the possibility to submit to a future Shareholders' Meeting approval the proposal aimed at integrating this power to carry out a further capital increase for the 2017 Incentive System, in order to assign the last share instalment foreseen for 2023.

2.3.2 Indication of the individuals in charge of the management of the plan, their powers authority

"*Human Resources*" function of FinecoBank is in charge for the management of the 2017 Incentive System, as well as of the definition of the FinecoBank Compensation Policy.

2.3.3 Procedures for the amendment of the plans, if any, also in connection with potential variation of the original targets

No specific procedures for the amendment of the 2017 Incentive System are provided for, other than the power of attorney that is provided by the Shareholders' Meeting to the Chairman and the Chief Executive Officer and General Manager, also separately, to possibly make changes to the 2017 System.

2.3.4 Description of the modalities for the determination of the availability and assignment of the financial instruments contemplated by the plan

The best solution identified to execute the 2017 Incentive System is to delegate the Board of Directors, pursuant to sect. 2443 of the Civil Code, the faculty to increase share capital as described in the Director's Report presented to the Extraordinary Shareholders' Meeting called for on April 11th, 2017 (in single call).

In force of this delegation, the Board of Directors could resolve:

- on one or more occasions for a maximum period of five years starting from the date of the Shareholders' resolution, to carry out a free capital increase, pursuant to Article 2349 of the Italian Civil Code, for a maximum amount of Euro 128,700.00 (to be allocated in full to share capital at Euro 0.33 per share, corresponding to the nominal value per share), corresponding to up to 390,000 FinecoBank ordinary shares, to be granted to employees of FinecoBank. Such an increase in capital shall be carried out using the special reserve known as "*Provisions Linked to the Medium-Term Incentive System for the staff of FinecoBank*" set up for this purpose, which, if case, may be restored or increased via allocation of profits or a portion of available statutory reserves, formed from the distribution of company profits that shall be identified by the Board of Directors at the moment of share issuance;
- Related to section 2443 of Civil Code that provides that the Directors can exercise the right to carry out a free capital increase for a maximum period of five years starting from the date when the Shareholders' Meeting resolution providing the delegation of power was registered and therefore, until 2022, in order to assign the last share instalment provided for 2023 it will be necessary to submit to a future Shareholders' Meeting approval a proposal aimed at integrating the delegation of power already provided to the Board of Directors so that the implementation of 2017 System can be completed.

The number of shares to be allocated in the respective instalments (as described at paragraph 2.4.1.) shall be defined in 2018, on the basis of the arithmetic mean of the official market closing prices of Fineco ordinary shares during the month preceding the Board resolution that evaluates 2017 performance achievements. The allocation of a maximum number of 480.000 Fineco free ordinary shares is proposed, representing about 0,08% of FinecoBank share capital, of which a maximum n° of 48.000 Fineco ordinary shares for the possible hiring of *Identified Staff* from external market.

Over the period 2019-2023 the remaining amount of the overall incentive will be paid in several instalments in cash and/or Fineco free ordinary shares; each subsequent tranche will be subject to the application of the *Zero Factor* for the year of allocation and in absence of any individual / values compliance breach, considering also the gravity of any internal / external findings (e.g. Audit, Bank of Italy, Consob).

Distribution of share payments takes into account the applicable regulatory requirements regarding the application of share retention periods.

2.3.5 The influence exercised by each director in the determination of the characteristics of the plans; the potential conflict of interest which may trigger the obligation for the relevant director to abstain from exercising his vote in the relevant resolution

In the determination of the proposal submitted to the Shareholders' Meeting, the Board of Directors identified the essential characteristics of the 2017 Incentive System, unanimously approved, following the guidelines and criteria elaborated by the Remuneration and Appointments Committee of FinecoBank.

Since the Chief Executive Officer and General Manager of FinecoBank is among the potential beneficiaries of the 2017 Incentive System, he did not participated in the definition of the 2017 Incentive System.

2.3.6 The date on which the Board of Directors of FinecoBank resolved upon the assignment of the financial instruments contemplated by the plan

The Board of Directors, on January 9th, 2017 approved the proposal related to the 2017 Incentive System to be submitted to FinecoBank Shareholders' Meeting.
Furthermore, in exercising the delegation received by the Shareholders' Meeting, as described in point 2.3.1, the Board of Directors will resolve in one or more occasions to allocate the financial instruments related to the 2017 Incentive System.

2.3.7 The date on which the Remuneration and Appointments Committee resolved upon the Plan of FinecoBank

The Remuneration and Appointments Committee on January 9th, 2017 positively resolved upon the criteria and the methodology elaborated for the definition of the 2017 Incentive System, sharing the reasons and motivations thereof.

2.3.8 The market price of Fineco ordinary shares, on the dates mentioned in points 2.3.6 and 2.3.7

The market price of Fineco ordinary shares, registered on the date of Board of Directors approval of 2017 Incentive System proposal (January 9th, 2017) and on the date of the positive opinion released by the Remuneration and Appointments Committee of FinecoBank (January 9th, 2017), resulted equal to € 5,43.

2.3.9 In which terms and modalities FinecoBank takes into account, in the determination of the timeframe for the assignment of the plans, of the possible time-coincidence between:

i) such assignment or the decision, if any, adopted thereon by the Remuneration and Appointments Committee, and
ii) the dissemination of relevant information, if any, pursuant to sect. 114, paragraph 1 of Legislative Decree 58/98; for instance, in cases in which such information is:
a. not already public and capable to positively affect the market quotation, or
b. already published and capable to negatively affect the market quotation

In relation to the foregoing it is clarified that the resolution of the Board of Directors which approved the proposal to be submitted to the Shareholders' Meeting, was communicated to the markets, in compliance with the current regulations. It is also clarified that analogous information to the market, if required, will be made available upon any other following resolution adopted by the Board of Directors of the 2017 Incentive System.

The resolutions related to the incentive plans based on financial instruments are examined by the Remuneration and Appointments Committee of FinecoBank in advance to provide for the positive opinion to the Corporate Bodies, the information to the market is given, if needed, after the relevant resolution of the Board of Directors.

2. 2017 Incentive System (Continued)

2.4. THE CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ASSIGNED

2.4.1 Description of the compensation plan

Individual bonuses will be allocated on the basis of available bonus pool, individual performance evaluation and internal benchmarking for specific roles.

Individual performance appraisal is based on specific goals, linked to the 5 fundamentals of UniCredit Group competency model: "*Customers First*"; "*Execution and Discipline*"; "*Cooperation and Synergies*"; "*Risk Management*"; "*People Development*".

The final evaluation of sustainable performance parameters and risk-reward alignment will be reviewed by the Remuneration and Appointments Committee and defined under the responsibility and governance of the Board of Directors.

The 2017 Incentive System provides that in 2018 the Board of Directors – once verified the achievement of the goals defined for 2017 – will define the percentage of payments in cash and shares established for each category of beneficiaries, as illustrated in the table below:

	2018	2019	2020	2021	2022	2023
CEO/GM and 1st reporting line	20% cash	10% cash	20% shares	10% shares	10% shares	20% cash + 10% shares
Other *Identified Staff*	30% cash	10% cash	30% shares	10% cash + 10% shares	10% shares	-

The number of shares to be allocated in the respective instalments shall be defined in 2018, on the basis of the arithmetic mean of the official market closing prices of Fineco ordinary shares during the month preceding the Board resolution that evaluates 2017 performance achievements. The maximum number of Fineco free ordinary shares to service the 2017 System is estimated at 480.000 representing about 0,08% of FinecoBank share capital, of which maximum n° of 48.000 Fineco ordinary shares for the possible hiring of *Identified Staff* from external market.

Pay-outs in shares comply with the applicable regulatory provisions in terms of holding period.

2.4.2 Indication of the time period for the implementation of the plan also indicating different cycles, if any, of its implementation

Incentive pay-outs shall be made over a multi-year period (2018-2023) in a balanced structure of upfront (following the moment of performance evaluation) and deferred payments, in cash and in shares, subject to what mentioned above and continuous employment at each date of payment. The free shares related to the 2017 Incentive System will be allocated by FinecoBank in multiple instalments (as shown in the table above) subject to the Board assessment in 2018 of the goal achievement set for 2017.

2.4.3 The termination date of the plan

The 2017 Incentive System will lapse by July 2023.

2.4.4 The overall maximum number of financial instruments, also in the form of options, assigned over any fiscal years with respect to the beneficiaries namely identified or identified by categories, as the case may be

The maximum number of Fineco free ordinary shares is estimated at 480.000, representing about 0,08% of FinecoBank share capital, of which maximum n° of 48.000 Fineco ordinary shares for the possible hiring of *Identified Staff* from external market.

For the assignment of the last instalment of shares planned for 2023 it will be submitted to one of the future Shareholders' Meetings the proposed integration of the power of attorney, already provided to the Board of Directors, for capital increase to service the above mentioned 2017 System.

At this stage it is not possible to indicate the maximum number of free shares allocated in each fiscal year during the life of the 2017 Incentive System, since the actual definition will be done by the Board of Directors on the basis of the criteria approved by the Shareholders' Meeting.

2.4.5 The procedures and clauses for the implementation of the plan, specifying whether the assignment of the financial instruments is subject to the satisfaction of certain specific conditions and, in particular, to the achievement of specific results, including performance targets; a description of the aforesaid conditions and results

Bonus pool is defined as a percentage of the specific funding KPI (*Net Operating Profit,* net of *Provisions for Risk and Charges*, corresponding to *Profit Before Tax*) at local level, taking into consideration the "Entry Conditions" criteria assessment (based on forecasted results – risk-adjusted – both at Group and local level) e and local risk and performance assessment.

The Entry Conditions are the mechanism that determines the possible application of *malus* clause (*Zero Factor*) on the basis of performance indicators in terms of profitability, capital and liquidity defined at both Group and local level. In particular the bonus pool of 2017 will be zeroed, while previous systems deferrals could be reduced from 50% to 100% of their value, based on final effective results.

In order to align to regulatory requirements, in case both at Group and local level set KPIs are not met, a *Zero Factor* will apply to the *Identified Staff* population whereas for the rest of the population, a significant reduction will be applied. In case *Zero Factor* is not activated, bonus pool adjustments will be applied within respective ranges based on the assessment of local and Group performance and risk factors.

In case the Entry Conditions are not met at local level, but at Group level they are, a floor might be defined for retention purposes and in order to maintain the minimum pay levels needed to play in the market.

2.4.6 Indication of the restrictions on the availability of the financial instruments allocated under the plan or of the financial instruments relating to the exercise of the options, with particular reference to the time limits within which the subsequent transfer of the stocks to the issuer or third parties is permitted or prohibited

The 2017 Incentive System provides that the free Fineco ordinary shares that will be allocated will be freely transferable, considering the applicable regulatory requirements regarding the application of share retention periods, as described in section 2.2.1.

2.4.7 Description of any condition subsequent to the plan in connection with the execution, by the beneficiaries, of hedging transactions aimed at preventing the effects of potential limits to the transfer of the financial instruments assigned there under, also in the form of options, as well as to the transfer of the financial instruments relating to the exercise of the aforesaid options

In accordance with national regulatory guidelines and the 2017 Compensation Policy, beneficiaries are required to undertake not to use personal hedging strategies or remuneration and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements. Involvement in any form of hedging transaction shall be considered in breach of the Bank compliance policies and therefore the relevant rights under the plan shall automatically expire.

2.4.8 Description of the consequences deriving from the termination of the employment or working relationship

The 2017 Incentive System provides that the Board of Directors will have the faculty to identify, in the resolution that will execute the 2017 System, the termination of the beneficiary with the Bank, as cause for the expiring of the right to receive the free shares, coherently with the Plan rules.

2.4.9 The indication of any other provisions which may trigger the cancellation of the plan

The 2017 Incentive System does not provide for any provision which may trigger its cancellation.

2.4.10 The reasons justifying the redemption, pursuant to sect. 2357 and followings of the Italian Civil Code, by FinecoBank, of the financial instruments contemplated by the plan; the beneficiaries of such redemption, indicating whether the same is limited only to certain categories of employees; the consequences of the termination of the employment relationship with respect to such redemption rights

The 2017 Incentive System does not provide for the redemption by FinecoBank with reference to the free shares.

2. 2017 Incentive System (Continued)

2.4.11 The loans or other special terms that may be granted for the purchase of stocks pursuant to sect. 2358, paragraph 3, of the Italian Civil Code

The 2017 Incentive System does not provide for a loan or other special terms for the purchase of the shares.

2.4.12 The evaluation of the economic burden for FinecoBank at date of the assignment of the plan, as determined on the basis of the terms and conditions already defined, with respect to the aggregate overall amount as well as with respect to each financial instrument contemplated by the plan

The estimation of the overall cost expected by FinecoBank in relation to the 2017 Incentive System at the grant date of the free shares, was made on the basis of the IAS principles, considering the accounting assumptions on the probability to achieve the performance targets related to the allocation of the free shares.

On the basis of these estimations, the overall expected cost for FinecoBank (IAS cost) on the basis of the effective performance conditions met, could be equal to € 3.700.000 to be split in 6 years. Nevertheless, at this stage it is not possible to define the exact cost in each year of life of the 2017 Incentive System, since the definition of the actual incentive to be allocated is subject to the Board of Directors resolution.

2.4.13 The indication of any dilution on the corporate capital of the issuer resulting from the compensation plan, if any

The maximum impact of the 2017 Incentive System on FinecoBank share capital shall be approx. 0,08% in case of the potential allocation of all free shares to employees.

2.4.14 Any limitation to the voting and to the economic rights

At this stage, the 2017 Incentive System does not provide for any limitation to the voting or economic rights for the shares allocated.

2.4.15 In the event the stocks are not negotiated on a regulated market, any and all information necessary for a complete evaluation of the value attributable to them

The 2017 Incentive System provides only for the use of shares negotiated on regulated markets.

2.4.16 The number of financial instruments belonging to each option

The 2017 Incentive System does not provide for options.

2.4.17 The termination date of the options

The 2016 Incentive System does not provide for options.

2.4.18 The modalities, time limits and clauses for the exercise of the options

The 2017 Incentive System does not provide for options.

2.4.19 The strike price of the options or the criteria and modalities for its determination, with respect in particular to:

a) the formula for the calculation of the exercise price in connection with the fair market value; and to

b) the modalities for the calculation of the market price assumed as basis for the calculation of the exercise price

The 2017 Incentive System does not provide for options.

2.4.20 In case the strike price is different from the fair market value as determined pursuant to point 2.4.19.b, the indication of the reasons for such difference

The 2017 Incentive System does not provide for options.

2.4.21 The criteria justifying differences in the exercise prices between the relevant beneficiaries or class of beneficiaries

The 2017 Incentive System does not provide for options.

2.4.22 In the event the financial instruments underlying granted options are not negotiated on a regulated market, the indication of the value attributable to the same or of the criteria for its determination

The 2017 Incentive System does not provide for options.

2.4.23 The criteria for the adjustments required in connection with any extraordinary transaction involving the corporate capital of the issuer as well as in connection with transaction triggering a variation in the number of the financial instruments underlying granted options

The 2017 Incentive System does not provide for adjustments applicable in connection with extraordinary transactions involving FinecoBank corporate capital (saving the provisions that the Board of Directors may define in the resolution in which the Board will exercise the delegation received from the Shareholders' Meeting).

3. 2017 Incentive System for Financial Advisors belonging to Identified Staff (hereafter also "2017 INCENTIVE SYSTEM PFA")

In compliance with the last Bank of Italy provisions set forth in Circular 285, December 17th, 2013 (Section "*Regulations on remuneration and incentive policies and practices of Banks and Banking groups*") – VII Update of November 18th, 2014, First Part, Title IV, Chapter 2, implementing the *Capital Requirements Directive* 2013/36/EU (CRD IV) and in line with the guidelines issued by *European Banking Authority* (EBA), FinecoBank defined compensation systems based on financial instruments in order to align shareholders and management interests, reward long-term value creation, share price appreciation and motivate and retain key resources of FinecoBank. For this purpose it was proposed the adoption of the Plan "**2017 Incentive System for Financial Advisors belonging to *Identified Staff***", which provides for, to selected Financial Advisors belonging to *Identified Staff*, the allocation of an incentive – in cash and Fineco ordinary shares – to be granted in a multi-year period, subject to the achievement of specific objectives.

3.1 BENEFICIARIES OF THE PLAN

The Financial Advisors of FinecoBank that benefit from the 2017 Incentive System PFA are 7 *Identified Staff* whose activities have impacts on Bank's risks based on criteria provided by *European Banking Authority (EBA) Regulatory Technical Standards* issued on December 16th, 2013. In particular the following criteria were applied:
- Personal Financial Advisors with a total remuneration ("recurring" and "non-recurring") more than Euro 750,000 in the last year and with an impact on Bank risk profiles;
- Personal Financial Advisors Area Manager who coordinate a structure which is linked an overall portfolio equal to or more than 5% of total network assets and with an impact on Bank risk profiles.

3.1.1 Indication of the name of beneficiaries who are members of the Board of Directors of FinecoBank and of the companies directly or indirectly controlled by FinecoBank

There are no members of the Board of Directors that benefit from the 2017 Incentive System PFA; therefore this provision is not applicable.

3.1.2 The categories of employees or collaborators of FinecoBank and companies controlling or controlled by this issuer

There are no employees of FinecoBank that benefit from the 2017 Incentive System PFA; therefore this provision is not applicable.

3.1.3 Individuals who benefit from the Plan belonging to the following groups:

a) General Manager of FinecoBank

Mr. Alessandro Foti, Chief Executive Officer and General Manager of FinecoBank, is not among the beneficiaries of 2017 Incentive System PFA.

b) other Executives with strategic responsibilities of FinecoBank not classed as "small", in accordance with Article 3, paragraph 1, letter f) of Regulation no. 17221 of 12 March 2010, if they have, during the course of the year, received total compensation (obtained by adding the monetary compensation to the financial instrument-based compensation) in excess of the highest total compensation assigned to the members of the Board of Directors or Management Board, and to the General Manager of FinecoBank

None of FinecoBank Executives meet the description; therefore this provision is not applicable.

c) natural persons controlling FinecoBank, who are employee or collaborator of FinecoBank

No individual controls FinecoBank and meet the description; therefore this provision is not applicable.

3.1.4 Description and numerical indication, broken down according to category:

a) Executives with strategic responsibilities other than those specified under lett. b) of paragraph 3.1.3

None of FinecoBank Executives meet the description; therefore this provision is not applicable.

b) in the case of "small" companies, in accordance with Article 3, paragraph 1, letter f) of Regulation no. 17221 of 12 March 2010, the indication for the aggregate of all Executives with strategic responsibilities of the financial instrument issuer

This provision is not applicable.

c) other categories of employees or collaborators for which different characteristics are envisaged for the plan (e.g. executives, middle management, employees etc.)

No classes of employees meet the description; therefore this provision is not applicable.

3.2 THE REASONS FOR THE ADOPTION OF THE PLAN

3.2.1 The targets which the parties intend to reach through the adoption of the plan

The 2017 Incentive System PFA aims to retain and motivate beneficiary Advisors in compliance with the most recent national and international regulatory requirements with the aim to define – in the interest of all stakeholders – incentive systems in line with long-term Company strategies and goals, linked to Bank results, adjusted in order to consider all risks, in coherence with capital and liquidity levels needed to cover the activities in place and, in any case, able to avoid misleading incentives that could drive to regulatory breaches or to assume excessive risks for the Bank and the system in its whole.

The 2017 Incentive System PFA is compliant with FinecoBank Compensation Policy and with the most recent national and international regulatory requirements providing for:

- allocation of a variable incentive defined based on available bonus pool, individual performance evaluation and bonus cap as set by the Ordinary Shareholder's meeting;
- definition of a balanced structure of "upfront" (done at the moment of performance evaluation) and "deferred payments", in cash and in Fineco ordinary shares;
- distribution of Fineco share payments, coherently with the applicable regulatory requirements regarding the application of share retention periods. In fact the payment structure defined requires a retention period on Fineco shares (of 2 years for upfront shares and of 1 year for deferred shares);
- risk-adjusted metrics in order to guarantee long-term sustainability with respect to Company's financial position and to ensure compliance with regulatory expectations;
- *malus* clause (*Zero Factor*) applies in case specific thresholds (capital and liquidity) are not met at both Group and local level (at local level also profitability will be considered). In particular, the bonus pool of 2017 will be zeroed.

3.2.2 Principal factors of variation and performance indexes taken into account for the assignment of plans based on financial instruments

Individual bonuses will be allocated based on available bonus pool, individual performance evaluation and internal benchmarking for specific roles.

Total incentive pay-out as defined will be made over a multi-year period (2018-2022), as indicated below and provided that the agency relationship of the beneficiaries is in place at the time of each payment:

- in 2018 the first instalment of the overall incentive ("1st instalment") will be paid in cash, in absence of any individual/values compliance breach, considering also the gravity of any internal/external findings (e.g. Audit, Consob and/or analogous local authorities);
- over the period 2019-2022 the remaining amount of the overall incentive will be paid in several instalments in cash and/or Fineco ordinary shares; each subsequent tranche will be subject to the application of the *Zero Factor* for the year of allocation and in absence of any individual/values compliance breach, considering also the gravity of any internal / external findings (e.g. Audit, Consob and/or analogous local authorities);
- distribution of share payments takes into account the applicable regulatory requirements regarding the application of share retention periods.

3. 2017 Incentive System for Financial Advisors belonging to Identified Staff (hereafter also "2017 INCENTIVE SYSTEM PFA") (Continued)

3.2.3 The factors assumed as basis for the determination of the compensation based upon financial instruments, or the criteria for the determination of the aforesaid compensation

In 2017 Incentive System PFA the link between profitability, risk and reward is assured by linking directly bonus pool with Company results (at Group and local level), cost of capital and risk profiles relevant for the Bank as stated in the *Risk Appetite Framework*.

At this stage, the 2017 Incentive System PFA does not contain an exact indication of the value of free shares to be actually allocated to the beneficiaries, rather it merely fixes the maximum number of the free shares to be issued with reference to the Plan. In any case, are already established the criteria that the Board of Directors should follow, in the resolutions that after the Shareholders' Meeting approval will execute the Plan, to define the actual number of beneficiaries and the number of free shares to be granted.

The 2017 Incentive System PFA provides that in 2018 will be formulated the promise to pay the incentive in cash and shares.

The final evaluation of sustainable performance parameters and risk-reward alignment will be reviewed by the Remuneration and Appointments Committee and defined under the responsibility and governance of the Board of Directors.

3.2.4 The reasons justifying the decision to assign compensation plans based on financial instruments not issued by FinecoBank, such as financial instruments issued by its subsidiaries, its parent companies or third parties; in the event the aforesaid financial instruments are not negotiated on regulated markets, the issuer shall provide information as to the criteria adopted for the calculation of the value attributable to such financial instruments

The 2017 Incentive System PFA does not contemplate the allocation of similar financial instruments.

3.2.5 The evaluations, with respect to the relevant tax and accounting implications, taken into account in the definition of the plans

The 2017 Incentive System PFA definition was not influenced by significant tax or accounting consideration.

3.2.6 The indication as to whether the plan enjoys any support from the special fund for encouraging worker participation in the companies, as provided for under Article 4, paragraph 112, of Law December, 24 2003 n. 350

The 2017 Incentive System PFA is not currently supported by the special fund for encouraging worker participation in the companies, as provided for under sect. 4, paragraph 112, of Law December 24, 2003 n. 350.

3.3 PROCEDURE FOR THE ADOPTION OF THE PLAN AND TIMEFRAME FOR THE ASSIGNMENT

3.3.1 Powers delegated to the Board of Directors by the Shareholders' Meeting for the implementation of the plan

The Board of Directors, on January 9th, 2017, approved the proposal related to the 2017 Incentive System PFA to be submitted to the General Shareholder's Meeting called on April 11th, 2017. Furthermore, the Board of Directors, in the same meeting, formulated the proposal to provide the delegation of power to purchase and to dispose of treasury shares, after having received the necessary authorization of the Regulator.

3.3.2 Indication of the individuals in charge of the management of the plan, their powers authority

"*Human Resources*" function and "*Network Controls, Monitoring and Service Department*" function of FinecoBank are in charge for the management of the 2017 Incentive System PFA, as well as of the definition of the FinecoBank Compensation Policy for Financial Advisors.

3.3.3 Procedures for the amendment of the plans, if any, also in connection with potential variation of the original targets

No specific procedures for the amendment of the 2017 Incentive System PFA are provided for, other than the power of attorney that is provided by the Shareholders' Meeting to the Chairman and the Chief Executive Officer and General Manager, also separately, to possibly make changes to the 2017 Incentive System PFA.

3.3.4 Description of the modalities for the determination of the availability and assignment of the financial instruments contemplated by the plan

To execute the 2017 Incentive System PFA, in 2018 the Board of Directors will define the number of shares to assign for the 3rd, 4th and 5th instalments (as described in paragraph 3.4.1), taking into consideration the arithmetic mean of the official closing price of the shares on each trading day at the electronic stock market organised and managed by Borsa Italiana S.p.A. in the period from the day preceding the date of the resolution by the Board of Directors that evaluates 2017 performance achievements to the same day in the previous month (both inclusive).

The maximum number of Fineco free ordinary shares is estimated at 346.000, representing about 0,06% of FinecoBank share capital that will be purchased from the market, after having received the necessary authorization of the Regulator.

Over the period 2020-2022 each instalments of shares assigned will be subject to the application of the *Zero Factor* for the year of allocation and in absence of any individual / values compliance breach, considering also the gravity of any internal / external findings (e.g. Audit, Consob and/or analogous local authorities).

Distribution of shares payments takes into account the applicable regulatory requirements regarding the application of retention periods.

3.3.5 The influence exercised by each director in the determination of the characteristics of the plans; the potential conflict of interest which may trigger the obligation for the relevant director to abstain from exercising his vote in the relevant resolution

In the determination of the proposal submitted to the Shareholders' Meeting, the Board of Directors identified the essential characteristics of the 2017 Incentive System PFA, unanimously approved, following the guidelines and criteria elaborated by the Remuneration and Appointments Committee of FinecoBank.
Since the Chief Executive Officer and General Manager of FinecoBank is not among the potential beneficiaries of the 2017 Incentive System PFA, he participated in the definition of the 2017 Incentive System PFA.

3.3.6 The date on which the Board of Directors of FinecoBank resolved upon the assignment of the financial instruments contemplated by the plan

The Board of Directors, on January 9th, 2017 approved the proposal related to the 2017 Incentive System PFA to be submitted to FinecoBank Shareholders' Meeting.

3.3.7 The date on which the Remuneration and Appointments Committee resolved upon the Plan of FinecoBank

The Remuneration and Appointments Committee on January 9th, 2017 positively resolved upon the criteria and the methodology elaborated for the definition of the 2017 Incentive System PFA, sharing the reasons and motivations thereof.

3.3.8 The market price of Fineco ordinary shares, on the dates mentioned in points 3.3.6 e 3.3.7

The market price of Fineco ordinary shares, registered on the date of Board of Directors approval of 2017 Incentive System PFA proposal (January 9th, 2017) and on the date of the decision made by the Remuneration and Appointments Committee of FinecoBank (January 9th, 2017), resulted equal to 5,43 €.

3. 2017 Incentive System for Financial Advisors belonging to Identified Staff (hereafter also "2017 INCENTIVE SYSTEM PFA") (Continued)

3.3.9 In which terms and modalities FinecoBank takes into account, in the determination of the timeframe for the assignment of the plans, of the possible time-coincidence between:

i) such assignment or the decision, if any, adopted thereon by the Remuneration and Appointments Committee, and

ii) the dissemination of relevant information, if any, pursuant to sect. 114, paragraph 1 of Legislative Decree 58/98; for instance, in cases in which such information is:

a. not already public and capable to positively affect the market quotation, or

b. already published and capable to negatively affect the market quotation

In relation to the foregoing it is clarified that the resolution of the Board of Directors which approved the proposal to be submitted to the Shareholders' Meeting, was communicated to the markets, in compliance with the current regulations. It is also clarified that analogous information to the market, if required, will be made available upon any other following resolution adopted by the Board of Directors of the 2017 Incentive System PFA.

The resolutions related to the incentive plans based on financial instruments are examined by the Remuneration and Appointments Committee of FinecoBank in advance to provide for the positive opinion to the Corporate Bodies, the information to the market is given, if needed, after the relevant resolution of the Board of Directors.

3.4. THE CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ASSIGNED

3.4.1 Description of the compensation plan

Individual bonuses will be allocated based on available bonus pool and individual performance evaluation.

The final evaluation of sustainable performance parameters and risk-reward alignment will be reviewed by the Remuneration and Appointments Committee and defined under the responsibility and governance of the Board of Directors.

The 2017 Incentive System PFA provides that in 2018 the Board of Directors – once verified the achievement of the goals defined for 2017 – will define the payments in cash and shares, as illustrated in the table below:

	2018	2019	2020	2021	2022
Financial Advisors belonging to *Identified Staff*	30% cash	10% cash	30% shares	10% cash + 10% shares	10% shares

The number of shares to assign for the 3rd, 4th and 5th instalments will be defined in 2018, taking into consideration the arithmetic mean of the official closing price of the shares on each trading day at the electronic stock market organised and managed by Borsa Italiana S.p.A. in the period from the day preceding the date of the resolution by the Board of Directors that evaluates 2017 performance achievements to the same day in the previous month (both inclusive).

The maximum number of Fineco free ordinary shares is estimated at 346.000, representing about 0,06% of FinecoBank share capital.

Pay-outs in shares comply with the applicable regulatory provisions in terms of holding period.

3.4.2 Indication of the time period for the implementation of the plan also indicating different cycles, if any, of its implementation

Incentive pay-outs shall be made over a multi-year period (2018-2022) in a balanced structure of upfront (following the moment of performance evaluation) and deferred payments, in cash and in shares, subject to what mentioned above and continuous employment at each date of payment. Shares related to the 2017 Incentive System PFA will be allocated by FinecoBank in multiple instalments (as shown in the table above) subject to the Board assessment in 2017 of the goal achievement set for 2017.

3.4.3 The termination date of the plan

The 2017 Incentive System PFA will lapse by May 2022.

3.4.4 The overall maximum number of financial instruments, also in the form of options, assigned over any fiscal years with respect to the beneficiaries namely identified or identified by categories, as the case may be

The maximum number of Fineco free ordinary shares is estimated at 346.000, representing about 0,06% of FinecoBank share capital.

At this stage it is not possible to indicate the maximum number of shares allocated in each fiscal year during the life of the 2017 Incentive System PFA, since the actual definition will be done by the Board of Directors on the basis of the criteria approved by the Shareholders' Meeting.

3.4.5 The procedures and clauses for the implementation of the plan, specifying whether the assignment of the financial instruments is subject to the satisfaction of certain specific conditions and, in particular, to the achievement of specific results, including performance targets; a description of the aforesaid conditions and results

Bonus pool is defined as a percentage of the specific funding KPI (*Net Operating Profit,* net of *Provisions for Risk and Charges*, corresponding to *Profit Before Tax*) at local level, taking into consideration the "Entry Conditions" criteria assessment (based on forecasted results – risk-adjusted – both at Group and local level) e and local risk and performance assessment.

The Entry Conditions are the mechanism that determines the possible application of *malus* clause (*Zero Factor*) on the basis of performance indicators in terms of capital and liquidity defined at both Group and local level (at local level also profitability will be considered). In particular the bonus pool of 2017 will be zeroed.

In order to align to regulatory requirements, in case both at Group and local level set KPIs are not met, a *Zero Factor* will apply to the *Identified Staff* population whereas for the rest of the population, a significant reduction will be applied. In case *Zero Factor* is not activated, bonus pool adjustments will be applied within respective ranges based on the assessment of local and Group performance and risk factors.

In case the Entry Conditions are not met at local level, but at Group level they are, a floor might be defined for retention purposes and in order to maintain the minimum pay levels needed to play in the market.

3.4.6 Indication of the restrictions on the availability of the financial instruments allocated under the plan or of the financial instruments relating to the exercise of the options, with particular reference to the time limits within which the subsequent transfer of the stocks to the issuer or third parties is permitted or prohibited

The 2017 Incentive System PFA provides that the Fineco ordinary shares that will be allocated will be freely transferable, considering the applicable regulatory requirements regarding the application of share retention periods, as described in section 3.2.1.

3.4.7 Description of any condition subsequent to the plan in connection with the execution, by the beneficiaries, of hedging transactions aimed at preventing the effects of potential limits to the transfer of the financial instruments assigned there under, also in the form of options, as well as to the transfer of the financial instruments relating to the exercise of the aforesaid options

In accordance with national regulatory guidelines and the 2017 Compensation Policy, beneficiaries are required to undertake not to use personal hedging strategies or remuneration and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements.

3.4.8 Description of the consequences deriving from the termination of the employment or working relationship

The 2017 Incentive System PFA provides that the Board of Directors will have the faculty to identify, in the resolution that will execute the 2017 plan, the termination of the agency relationship of beneficiary with the Bank, as cause for the expiring of the right to receive the Phantom shares, coherently with the Plan rules.

3.4.9 The indication of any other provisions which may trigger the cancellation of the plan

The 2017 Incentive System PFA does not provide for any provision which may trigger its cancellation.

3. 2017 Incentive System for Financial Advisors belonging to Identified Staff (hereafter also "2017 INCENTIVE SYSTEM PFA") (Continued)

3.4.10 The reasons justifying the redemption, pursuant to sect. 2357 and followings of the Italian Civil Code, by FinecoBank, of the financial instruments contemplated by the plan; the beneficiaries of such redemption, indicating whether the same is limited only to certain categories of employees; the consequences of the termination of the employment relationship with respect to such redemption rights

The 2017 Incentive System PFA does not provide for the redemption by FinecoBank.

3.4.11 The loans or other special terms that may be granted for the purchase of stocks pursuant to sect. 2358, paragraph 3, of the Italian Civil Code

The 2017 Incentive System PFA does not provide for a loan or other special terms for the purchase of the shares.

3.4.12 The evaluation of the economic burden for FinecoBank at date of the assignment of the plan, as determined on the basis of the terms and conditions already defined, with respect to the aggregate overall amount as well as with respect to each financial instrument contemplated by the plan

The estimation of the overall cost expected by FinecoBank in relation to the 2017 Incentive System PFA at the grant date of the shares, was made on the basis of the IAS principles, considering the accounting assumptions on the probability to achieve the performance targets related to the allocation of the shares.

On the basis of these estimations, the overall expected cost for FinecoBank (IAS cost) on the basis of the effective performance conditions met, could be equal to € 2.500.000 to be split in 4 years.

Nevertheless, at this stage it is not possible to define the exact cost in each year of life of the 2017 Incentive System PFA, since the definition of the actual incentive to be allocated is subject to the Board of Directors resolution.

3.4.13 The indication of any dilution on the corporate capital of the issuer resulting from the compensation plan, if any

Considering that the shares for 2017 Incentive System PFA will be purchased from the market, impact on FinecoBank share capital is not foreseen.

3.4.14 Any limitation to the voting and to the economic rights

At this stage, the 2017 Incentive System PFA does not provide for any limitation to the voting or economic rights for the shares allocated.

3.4.15 In the event the stocks are not negotiated on a regulated market, any and all information necessary for a complete evaluation of the value attributable to them

The 2017 Incentive System PFA provides only for the use of Fineco ordinary shares negotiated on regulated markets.

3.4.16 The number of financial instruments belonging to each option

The 2017 Incentive System PFA does not provide for options.

3.4.17 The termination date of the options

The 2017 Incentive System PFA does not provide for options.

3.4.18 The modalities, time limits and clauses for the exercise of the options

The 2017 Incentive System PFA does not provide for options.

3.4.19 The strike price of the options or the criteria and modalities for its determination, with respect in particular to:

a) the formula for the calculation of the exercise price in connection with the fair market value, and to

b) the modalities for the calculation of the market price assumed as basis for the calculation of the exercise price

The 2017 Incentive System PFA does not provide for options.

3.4.20 In case the strike price is different from the fair market value as determined pursuant to point 3.4.19.b, the indication of the reasons for such difference

The 2017 Incentive System PFA does not provide for options.

3.4.21 The criteria justifying differences in the exercise prices between the relevant beneficiaries or class of beneficiaries

The 2017 Incentive System PFA does not provide for options.

3.4.22 In the event the financial instruments underlying granted options are not negotiated on a regulated market, the indication of the value attributable to the same or of the criteria for its determination

The 2017 Incentive System PFA does not provide for options.

3.4.23 The criteria for the adjustments required in connection with any extraordinary transaction involving the corporate capital of the issuer as well as in connection with transaction triggering a variation in the number of the financial instruments underlying granted options

The 2017 Incentive System PFA does not provide for adjustments applicable in connection with extraordinary transactions involving FinecoBank corporate capital (saving the provisions that the Board of Directors may define in the resolution in which the Board will exercise the delegation received from the Shareholders' Meeting).

4. Execution of "FinecoBank Compensation Systems"

4.1 BENEFICIARIES OF THE PLAN

With reference to the Board of Directors' resolutions of:
- February 7th, 2017
- February 8th, 2016
- February 9th, 2015
- July 15th, 2014

for the execution of **2015 Incentive System PFA**, of **2015 Incentive System**, of **"*2014-2017 Multi-year Plan Top Management*"**, of **"*2014 Plan Key People*"** and of **"*2014 Plan PFA*"** (hereinafter **"FinecoBank Compensation Systems"**), approved by the Shareholders' Meetings of April 12th, 2016, of April 23rd, 2015 and of June 5th, 2014, were identified the following beneficiaries for the respective plans**:**

- **2016 Incentive System PFA**, foresees an incentive – payable in cash and/or Phantom shares – for the Financial Advisors *Identified Staff* of FinecoBank over a multi-year period of maximum 5 years (2017-2021), after the verification of the achievement of specific performance goals, of entry conditions and of those individual (continuous employment and no compliance breach);

- **2016 Incentive System**, distinguished in two different plans depending on the category of beneficiaries, foresees an incentive – payable in cash and/or free Fineco ordinary shares – for the employees *Identified Staff* of FinecoBank over a multi-year period of maximum 6 years (2017-2022), after the verification of the achievement of specific performance goals, of entry conditions and of those individual (continuous employment and no compliance breach);

- **2015 Incentive System PFA**, foresees an incentive – payable in cash and/or Phantom shares – for the Financial Advisors *Identified Staff* of FinecoBank over a multi-year period of maximum 5 years (2016-2021), after the verification of the achievement of specific performance goals, of entry conditions and of those individual (continuous employment and no compliance breach);

- **2015 Incentive System**, distinguished in two different plans depending on the category of beneficiaries, foresees an incentive – payable in cash and/or free Fineco ordinary shares – for the employees *Identified Staff* of FinecoBank over a multi-year period of maximum 6 years (2016-2021), after the verification of the achievement of specific performance goals, of entry conditions and of those individual (continuous employment and no compliance breach);

- **2014 Incentive System**, distinguished in two different plans depending on the category of beneficiaries, foresees an incentive – payable in cash and/or free Fineco ordinary shares – for the employees *Identified Staff* of FinecoBank over a multi-year period of maximum 6 years (2015-2020), after the verification of the achievement of specific performance goals, of entry conditions and of those individual (continuous employment and no compliance breach);

- **"*2014-2017 Multi-year Plan Top Management*"**, foresees an incentive – linked to FinecoBank IPO – payable in free Fineco ordinary shares, for the Chief Executive Officer and General Manager and for the Executives with strategic responsibilities of FinecoBank over a multi-year period (2017-2020) subject to the achievement of specific entry conditions. This plan foresees, *inter alia*, that the assignment of the 1st instalment of shares promised in 2014 will be done in 2017, the other instalments will be done in 2018, in 2019 and in 2020 respectively, after the verification of the achievement of entry conditions and of those individual (continuous employment and no compliance breach);

- **"*2014 Plan Key People*"**, foresees an incentive – linked to FinecoBank IPO – payable in free Fineco ordinary shares, for selected employees of FinecoBank over a multi-year period (2015-2017) subject to the achievement of specific entry conditions. This plan foresees, *inter alia*, that the assignment of the 3rd instalment of shares promised in 2014 will be done in 2017, after the verification of the achievement of entry conditions and of those individual (continuous employment and no compliance breach);

- **"*2014 Plan PFA*"**, foresees to determine an amount to be granted over a multi-year period (2015-2017) through the assignment of ordinary shares to Managers of the Network and Financial Advisors of FinecoBank that, during 2014, met specific performance goals. This plan foresees, *inter alia*, that the amount and the shares' calculation will be done in 2015 and that the assignment of the 3rd instalment of shares promised in 2014 will be done in 2017, after the verification of the achievement of net inflows goal for the entire Advisors' Network, of the entry conditions and of those individual (continuous employment and no compliance breach).

4.1.1 Indication of the name of beneficiaries who are members of the Board of Directors of FinecoBank and of the companies directly or indirectly controlled by FinecoBank

Mr. Alessandro Foti, Chief Executive Officer and General Manager of FinecoBank, is among the beneficiaries of 2016 Incentive System, of 2015 Incentive System, of 2014 Incentive System and of "*2014-2017 Multi-year Plan Top Management*".

4.1.2 The categories of employees or collaborators of FinecoBank and companies controlling or controlled by this issuer

The employees of FinecoBank that benefit from FinecoBank Compensation Systems (along with the Chief Executive Officer and General Manager of FinecoBank) are:

for the 2016 Incentive System:
- the Deputy General Managers, the other Executives with strategic responsibilities and the other *Identified Staff* 2016 of FinecoBank

for the **2015 Incentive System**:
- the Deputy General Managers, the other Executives with strategic responsibilities and the other *Identified Staff* 2015 of FinecoBank

for the **2014 Incentive System**:
- the Deputy General Managers, the other Executives with strategic responsibilities and the other *Identified Staff* 2014 of FinecoBank

for the plan **"*2014-2017 Multi-year Plan Top Management*"**:
- the Deputy General Managers and the other Executives with strategic responsibilities of FinecoBank;

for the plan **"*2014 Plan Key People*"**:
- 79 selected employees of FinecoBank, among which 3 belonging to *Identified Staff* 2014;

for **2016 Incentive System PFA** there are no employees of FinecoBank that benefit from the plan. It is highlighted that the beneficiaries are 4 Financial Advisors, 2 Group Manager e 4 Area Managers belonging to Financial Advisors *Identified Staff* 2016 of FinecoBank;

for **2015 Incentive System PFA** there are no employees of FinecoBank that benefit from the plan. It is highlighted that the beneficiaries are 4 Financial Advisors, 1 Group Manager e 4 Area Managers belonging to Financial Advisors *Identified Staff* 2015 of FinecoBank;

for the plan **"*2014 Plan PFA*"** there are no employees of FinecoBank that benefit from the plan. It is highlighted that the beneficiaries are 832 Financial Advisors, 169 Group Managers and 32 Area Managers.

4. Execution of "FinecoBank Compensation Systems" (Continued)

4.1.3 Individuals who benefit from the Plan belonging to the following groups:

a) General Manager of FinecoBank

Mr. Alessandro Foti, Chief Executive Officer and General Manager of FinecoBank, is among the beneficiaries of 2016 Incentive System, of 2015 Incentive System, of 2014 Incentive System and of the plan "*2014-2017 Multi-year Plan Top Management*".

b) other Executives with strategic responsibilities of FinecoBank not classed as "small", in accordance with Article 3, paragraph 1, letter f) of Regulation no. 17221 of 12 March 2010, if they have, during the course of the year, received total compensation (obtained by adding the monetary compensation to the financial instrument-based compensation) in excess of the highest total compensation assigned to the members of the Board of Directors or Management Board, and to the General Manager of FinecoBank

None of FinecoBank Executives meet the description; therefore this provision is not applicable.

natural persons controlling FinecoBank, who are employee or collaborator of FinecoBank

No individual controls FinecoBank and, therefore, this provision is not applicable.

4.1.4 Description and numerical indication, broken down according to category:

a) Executives with strategic responsibilities other than those specified under lett. B) of paragraph 4.1.3

Amongst the beneficiaries of FinecoBank Compensation Systems, along with the Chief Executive Officer and General Manager, there are n. 5 executives of FinecoBank who have regular access to privileged information and are authorized to take resolutions capable of influencing the development and prospects of FinecoBank.

Benefit from **2016 Incentive System** the **2015 Incentive System**, from the **2014 Incentive System** and from the plan **"*2014-2017 Multi-year Plan Top Management*"**:

1. the Deputy General Manager and Head of Global Banking Services, Mr. Fabio Milanesi
2. the Deputy General Manager and Head of Global Business, Mr. Paolo Di Grazia
3. the Head of Commercial PFA Network, Mr. Mauro Albanese
4. the Head of Investment Services and Private Banking, Mr. Carlo Giausa
5. the Chief Financial Officer, Mrs. Lorena Pelliciari

Regarding the **2016 Incentive System PFA**, the **2015 Incentive System PFA** and the plans **"*2014 Plan Key People*" and "*2014 Plan PFA*"** there are no beneficiaries among the Executives with strategic responsibilities.

b) in the case of "small" companies, in accordance with Article 3, paragraph 1, letter f) of Regulation no. 17221 of 12 March 2010, the indication for the aggregate of all Executives with strategic responsibilities of the financial instrument issuer

This provision is not applicable.

c) other categories of employees or collaborators for which different characteristics are envisaged for the plan (e.g. executives, middle management, employees etc.)

There are 3 employees belonging to employees *Identified Staff* of FinecoBank to which different characteristics of **"*2014 Plan Key People*"** apply.

4.2 THE REASONS FOR THE ADOPTION OF THE PLAN

4.2.1 The targets which the parties intend to reach through the adoption of the "FinecoBank Compensation Systems"

The **2016 Incentive System PFA** aims to retain and motivate beneficiary Advisors, taking into account the objectives of growth in the medium and long term, in a general framework of overall sustainability.
The 2016 Incentive System PFA is compliant with FinecoBank Compensation Policy and with the most recent national and international regulatory requirements.

The **2016 Incentive System** aims to attract, retain and motivate FinecoBank beneficiaries in compliance with the most recent national and international regulatory requirements with the aim to define – in the interest of all stakeholders – incentive systems in line with long-term Company strategies and goals, linked to Bank results, adjusted in order to consider all risks, in coherence with capital and liquidity levels needed to cover the activities in place and, in any case, able to avoid misleading incentives that could drive to regulatory breaches or to assume excessive risks for the Bank and the system in its whole.
The 2016 Incentive System is compliant with FinecoBank Compensation Policy and with the most recent national and international regulatory requirements.

The **2015 Incentive System PFA** aims to retain and motivate beneficiary Advisors, taking into account the objectives of growth in the medium and long term, in a general framework of overall sustainability.
The 2015 Incentive System PFA is compliant with FinecoBank Compensation Policy and with the most recent national and international regulatory requirements.

The **2015 Incentive System** aims to attract, retain and motivate FinecoBank beneficiaries in compliance with the most recent national and international regulatory requirements with the aim to define – in the interest of all stakeholders – incentive systems in line with long-term Company strategies and goals, linked to Bank results, adjusted in order to consider all risks, in coherence with capital and liquidity levels needed to cover the activities in place and, in any case, able to avoid misleading incentives that could drive to regulatory breaches or to assume excessive risks for the Bank and the system in its whole.
The 2015 Incentive System is compliant with FinecoBank Compensation Policy and with the most recent national and international regulatory requirements.

The **2014 Incentive System** aims to attract, retain and motivate FinecoBank beneficiaries in compliance with the most recent national and international regulatory requirements with the aim to define – in the interest of all stakeholders – incentive systems in line with long-term Company strategies and goals, linked to Bank results, adjusted in order to consider all risks, in coherence with capital and liquidity levels needed to cover the activities in place and, in any case, able to avoid misleading incentives that could drive to regulatory breaches or to assume excessive risks for the Bank and the system in its whole.
The 2014 Incentive System is compliant with FinecoBank Compensation Policy and with the most recent national and international regulatory requirements.

The plan **"*2014-2017 Multi-year Plan Top Management*"** is a special award for Top Management of FinecoBank, linked to the Initial Public Offering. It aims to build retention of the Top Management, taking into account the objectives of growth in the medium and long term.

The plan **"*2014 Plan Key People*"** is a special award for selected employees of FinecoBank, linked to the IPO. It aims to build retention of the "key people", taking into account the objectives of growth in the medium and long term.

The plan **"*2014 Plan PFA*"** is a special award for Managers of the Network and Financial Advisors of FinecoBank, with the aim to retain and incentive them, taking into account the objectives of growth in the medium and long term.

4. Execution of "FinecoBank Compensation Systems" (Continued)

4.2.2 Principal factors of variation and performance indexes taken into account for the assignment of plans based on financial instruments

The **2016 Incentive System PFA** foresees that individual bonuses will be allocated based on individual performance evaluation.

Total incentive pay-out as defined will be made over a multi-year period (2017-2021), as indicated below and provided that the agency relationship of the beneficiaries is in place at the time of each payment:

- in 2017 the first instalment of the overall incentive ("1st instalment") will be paid in cash, in absence of any individual/values compliance breach, considering also the gravity of any internal / external findings (e.g. Audit, Consob and/or analogous local authorities);
- over the period 2018-2021 the remaining amount of the overall incentive will be paid in several instalments in cash and/or Phantom shares; each subsequent tranche will be subject to the application of the *Zero Factor* for the year of allocation and in absence of any individual / values compliance breach, considering also the gravity of any internal / external findings (e.g. Audit, Consob and/or analogous local authorities).

The **2016 Incentive System** foresees that individual bonuses will be allocated on the internal basis of available bonus pool, individual performance evaluation and internal benchmarking for specific roles.

Individual performance appraisal is based on specific goals, linked to the 5 fundamentals of UniCredit Group competency model: "*Customers First*"; "*Execution and Discipline*"; "*Cooperation and Synergies*"; "*Risk Management*"; "*People Development*".

Incentive pay-outs shall be made over a multi-year period (2017-2022) subject to continuous employment at each date of payment and as follows:

- in 2017 the first instalment of the overall incentive ("1st instalment") will be paid in cash, in absence of any individual / values compliance breach, considering also the gravity of any internal / external findings (e.g. Audit, Bank of Italy, Consob);
- over the period 2018-2022 the remaining amount of the overall incentive will be paid in several instalments in cash and/or Fineco free ordinary shares; each subsequent tranche will be subject to the application of the *Zero Factor* for the year of allocation and in absence of any individual / values compliance breach, considering also the gravity of any internal / external findings (e.g. Audit, Bank of Italy, Consob);
- distribution of share payments takes into account the applicable regulatory requirements regarding the application of share retention periods.

The **2015 Incentive System PFA** foresees that individual bonuses will be allocated based on individual performance evaluation.

Total incentive pay-out as defined will be made over a multi-year period (2016-2020), as indicated below and provided that the agency relationship of the beneficiaries is in place at the time of each payment:

- in 2016 the first instalment of the overall incentive (" instalment") is paid in cash, in absence of any individual / values compliance breach, considering also the gravity of any internal / external findings (e.g. Audit, Consob and/or analogous local authorities);
- over the period 2017-2020 the remaining amount of the overall incentive will be paid in several instalments in cash and/or Phantom shares; each subsequent tranche will be subject to the application of the *Zero Factor* for the year of allocation and in absence of any individual / values compliance breach, considering also the gravity of any internal / external findings (e.g. Audit, Consob and/or analogous local authorities).

The **2015 Incentive System** foresees that individual bonuses will be allocated on the internal basis of available bonus pool, individual performance evaluation and internal benchmarking for specific roles.

Individual performance appraisal is based on specific goals, linked to the 5 fundamentals of UniCredit Group competency model: "*Customers First*"; "*Execution and Discipline*"; "*Cooperation and Synergies*"; "*Risk Management*"; "*People Development*".

Incentive pay-outs shall be made over a multi-year period (2016-2021) subject to continuous employment at each date of payment and as follows:
- in 2016 the first instalment of the overall incentive ("1st instalment") is paid in cash, in absence of any individual/values compliance breach, considering also the gravity of any internal/external findings (e.g. Audit, Bank of Italy, Consob);
- over the period 2017-2021 the remaining amount of the overall incentive will be paid in several instalments in cash and/or Fineco free ordinary shares; each subsequent tranche will be subject to the application of the *Zero Factor* for the year of allocation and in absence of any individual / values compliance breach, considering also the gravity of any internal / external findings (e.g. Audit, Bank of Italy, Consob);
- distribution of share payments takes into account the applicable regulatory requirements regarding the application of share retention periods.

The **2014 Incentive System** foresees that individual bonuses will be allocated on the basis of available bonus pool, individual performance evaluation and internal benchmarking for specific roles.

Individual performance appraisal is based on specific goals, linked to the 5 fundamentals of UniCredit Group competency model: "*Customers First*"; "*Execution and Discipline*"; "*Cooperation and Synergies*"; "*Risk Management*"; "*People Development*".

Incentive pay-outs shall be made over a multi-year period (2015-2020) subject to continuous employment at each date of payment and as follows:
- in 2015 the first instalment of the overall incentive ("1st instalment") is paid in cash, in absence of any individual / values compliance breach, considering also the gravity of any internal / external findings (e.g. Audit, Bank of Italy, Consob);
- over the period 2016-2020 the remaining amount of the overall incentive will be paid in several instalments in cash and/or Fineco free ordinary shares; each subsequent tranche will be subject to the application of the *Zero Factor* for the year of allocation and in absence of any individual / values compliance breach, considering also the gravity of any internal / external findings (e.g. Audit, Bank of Italy, Consob);
- distribution of share payments takes into account the applicable regulatory requirements regarding the application of share retention periods.

The plan **"*2014-2017 Multi-year Plan Top Management*"** foresees that the assignment of the 1st instalment of shares promised in 2014 will be done in 2017 for the 6 beneficiaries of FinecoBank, the other instalments will be done in 2018, in 2019 and in 2020 respectively, after the verification of the achievement of entry conditions and of those individual (continuous employment and no compliance breach).

The plan **"*2014 Plan Key People*"** foresees that the assignment of the 3rd instalments of shares promised in 2014 will be done in 2017 for the 79 beneficiaries of FinecoBank, after the verification of the achievement of entry conditions and of those individual (continuous employment and no compliance breach).

The plan **"*2014 Plan PFA*"** foresees that the assignment of the-3rd instalments of shares promised in 2014 will be done in 2017, after the verification of the achievement of net inflows goal for the entire Advisors' Network, of the entry conditions and of those individual (continuous employment and no compliance breach).

4. Execution of "FinecoBank Compensation Systems" (Continued)

4.2.3 The factors assumed as basis for the determination of the compensation based upon financial instruments, or the criteria for the determination of the aforesaid compensation

Here below the general criteria that the Board of Directors followed, in the resolutions that after the Shareholders' Meeting approval executed the Plans, to define the actual number of beneficiaries and the number of free shares to be granted.

The **2016 Incentive System PFA** provides that in 2017 the Board of Directors – once verified the achievement of the entry conditions, of the individual performance conditions and of the goals defined for 2016 – will define the number of shares to be paid in the 3rd, 4th and 5th instalments.

The **2016 Incentive System** provides that in 2017 the Board of Directors – once verified the achievement of the entry conditions, of the individual performance conditions and of the goals defined for 2016 – will define the number of shares to be paid in the respective instalments for each category of beneficiaries.

The **2015 Incentive System PFA** provides that in 2016 the Board of Directors – once verified the achievement of the entry conditions, of the individual performance conditions and of the goals defined for 2015 – will define the number of Phantom shares to be paid in the 3rd, 4th and 5th instalments.

The **2015 Incentive System** provides that in 2016 the Board of Directors – once verified the achievement of the entry conditions, of the individual performance conditions and of the goals defined for 2015 – will define the number of shares to be paid in the respective instalments for each category of beneficiaries.

The **2014 Incentive System** provides that in 2015 the Board of Directors – once verified the achievement of the entry conditions, of the individual performance conditions and of the goals defined for 2014 – will define the number of shares to be paid in the respective instalments for each category of beneficiaries.

The plan **"*2014-2017 Multi-year Plan Top Management*"** provides that in 2017 the Board of Directors – once verified the achievement of the entry conditions and of those individual – will authorize the assignment of the 1st instalment of shares allocated in 2014 and will define the individual assignments of the 4rd instalment of shares to be granted in 2020, adjusting the shares promised in 2017 respect the ratio between fixed and variable remuneration.

The plan **"*2014 Key People Plan*"** provides that in 2017 the Board of Directors – once verified the achievement of entry conditions and of those individual – will authorize the assignment of the 3rd instalment of shares allocated in 2014.
The plan **"*2014 Plan PFA*"** provides that in 2017 the Board of Directors – once verified the achievement of net inflows goal for the entire Advisors' Network, of the entry conditions and of those individual – will authorize the assignment of the 3rd instalment of shares allocated in 2014.

4.2.4 The reasons justifying the decision to assign compensation plans based on financial instruments not issued by FinecoBank, such as financial instruments issued by its subsidiaries, its parent companies or third parties; in the event the aforesaid financial instruments are not negotiated on regulated markets, the issuer shall provide information as to the criteria adopted for the calculation of the value attributable to such financial instruments

FinecoBank Compensation Systems do not contemplate the allocation of similar financial instruments.

4.2.5 The evaluations, with respect to the relevant tax and accounting implications, taken into account in the definition of the plans

The FinecoBank Compensation Systems definition was not influenced by significant tax or accounting consideration.

4.2.6 The indication as to whether the plan enjoys any support from the special fund for encouraging worker participation in the companies, as provided for under Article 4, paragraph 112, of Law December, 24 2003 n. 350

FinecoBank Compensation Systems are not currently supported by the special fund for encouraging worker participation in the companies, as provided for under sect. 4, paragraph 112, of Law December 24, 2003 n. 350.

4.3 PROCEDURE FOR THE ADOPTION OF THE PLAN AND TIMEFRAME FOR THE ASSIGNMENT OF THE FINANCIAL INSTRUMENTS

4.3.1 Powers delegated to the Board of Directors by the Shareholders' Meeting for the implementation of the plan

The General Shareholder's Meetings of April 12th, 2016, of April 23rd, 2015 and of June 5th, 2014 provided to the Board of Directors the delegation of power:

- for the **Compensation Systems for the employees** ***Identified Staff*** (**2016 Incentive System**, **2015 Incentive System**, **2014 Incentive System**, **"*2014-2017 Multi-year Plan Top Management*"** and **"2*014 Plan Key People*"**), on one or more occasions, to carry out a free capital increase, as allowed by section 2349 of the Italian Civil Code;
- for the **Compensation Systems for the Financial Advisors**:
  - (i) for the for the **2016 Incentive System PFA** pursuant to sect. 2357 of the Civil Code, to purchase and dispose of Fineco ordinary shares
  - (ii) **2015 Incentive System PFA** to allocate Phantom shares
  - (iii) for the plan **"*2014 Plan PFA*"**, pursuant to sect. 2357 of the Civil Code, to purchase and dispose of Fineco ordinary shares

4.3.2 Indication of the individuals in charge of the management of the plan, their powers authority

"*Human Resources*" function and, related to 2016 Incentive System PFA, to 2015 Incentive System PFA and to the "*2014 Plan PFA*", "*Network Controls, Monitoring and Service Department*" function, of FinecoBank are in charge for the management of FinecoBank Compensation Systems.

4.3.3 Procedures for the amendment of the plans, if any, also in connection with potential variation of the original targets

No specific procedures for the amendment of FinecoBank Compensation Systems are provided for.

4.3.4 Description of the modalities for the determination of the availability and assignment of the financial instruments contemplated by the plan

The best solution identified to execute FinecoBank Compensation Systems for the employees is to delegate the Board of Directors, pursuant to sect. 2443 of the Civil Code, the faculty to increase share capital as described in the Director's Reports presented to the Extraordinary Shareholders' Meetings of April 12th, 2016, of April 23rd, 2015 and of June 5th, 2014.

In force of this delegation, the Board of Directors could resolve:

- for the **2016 Incentive System**, on one or more occasions, a free capital increase, as allowed by section 2349 of the Italian Civil Code, for a maximum amount of 268.000 Fineco ordinary shares;
- for the **2015 Incentive System**, on one or more occasions, a free capital increase, as allowed by section 2349 of the Italian Civil Code, for a maximum amount of 496.816 Fineco ordinary shares;
- for the **2014 Incentive System**, on one or more occasions, a free capital increase, as allowed by section 2349 of the Italian Civil Code, for a maximum amount of 420.000 Fineco ordinary shares;
- for the plan **"*2014-2017 Multi-year Plan Top Management*"**, on one or more occasions, a free capital increase, as allowed by section 2349 of the Italian Civil Code, for a maximum amount of 2.900.000 Fineco ordinary shares;
- for the plan **"*2014 Key People Plan*"**, on one or more occasions, on one or more occasions, a free capital increase, as allowed by section 2349 of the Italian Civil Code, for a maximum amount of 900.000 Fineco ordinary shares.

Regarding the execution of **2016 Incentive System PFA**, the best solution identified is to delegate the Board of Directors, pursuant to sect. 2357 of the Civil Code, the faculty to buy and carry out disposals for maximum no. 250.000 ordinary shares.

Regarding the execution of **2015 Incentive System PFA**, the best solution identified is to delegate the Board of Directors the faculty to authorize the allocation of Phantom shares.

Moreover, regarding the execution of the plan **"*2014 Plan PFA*"** instead, the best solution identified is to delegate the Board of Directors, pursuant to sect. 2357 of the Civil Code, the faculty to buy and carry out disposals for maximum no. 5.000.000 ordinary shares (the total number includes also the plan **"*2015-2017 Plan PFA*"**, approved in 2014 whose execution is foreseen starting from 2018).

4. Execution of "FinecoBank Compensation Systems" (Continued)

4.3.5 The influence exercised by each director in the determination of the characteristics of the plans; the potential conflict of interest which may trigger the obligation for the relevant director to abstain from exercising his vote in the relevant resolution

The Board of Directors verified the entry conditions to FinecoBank Compensation Systems as well as the criteria related to the financial instruments assignment to FinecoBank staff, on the basis of the positive opinion of the Remuneration and Appointments Committee.

Since the Chief Executive Officer and General Manager of FinecoBank is among the beneficiaries of the 2016 Incentive System, of the 2015 Incentive System, of the 2014 Incentive System and of "*2014-2017 Multi-year Plan Top Management*", he abstained from participating in the decision on the granting of the mentioned plans.

4.3.6 The date on which the Board of Directors of FinecoBank resolved upon the assignment of the financial instruments contemplated by the plan

To execute the **2016 Incentive System PFA**, in exercising the delegation received by the Shareholders' Meeting, as described in point 4.3.1, the Board of Directors on February 7th, 2017 approved the promise to grant no. 57.740 Phantom shares to Financial Advisors *Identified Staff* of FinecoBank, after the verification of the achievement of the Entry Conditions foreseen for the beneficiaries, ad described in point 4.2.3

To execute the **2016 Incentive System**, in exercising the delegation received by the Shareholders' Meeting, as described in point 4.3.1, the Board of Directors on February 7th, 2017 approved the promise to grant no. 152.034 Fineco ordinary shares to employees *Identified Staff* of FinecoBank, after the verification of the achievement of the Entry Conditions foreseen for the beneficiaries, ad described in point 4.2.3

To execute the **2015 Incentive System PFA**, in exercising the delegation received by the Shareholders' Meeting, as described in point 4.3.1, the Board of Directors on February 8th, 2016 approved the promise to grant no. 45.171 Phantom shares to Financial Advisors *Identified Staff* of FinecoBank, after the verification of the achievement of the Entry Conditions foreseen for the beneficiaries, ad described in point 4.2.3

To execute the **2015 Incentive System**, in exercising the delegation received by the Shareholders' Meeting, as described in point 4.3.1, the Board of Directors on February 8th, 2016 approved the promise to grant no. 210.288 Fineco ordinary shares to employees *Identified Staff* of FinecoBank, after the verification of the achievement of the Entry Conditions foreseen for the beneficiaries, ad described in point 4.2.3

To execute the **2014 Incentive System**, in exercising the delegation received by the Shareholders' Meeting, as described in point 4.3.1, the Board of Directors on February 7th, 2017 approved the assignment of no. 15.872 Fineco ordinary shares to employees *Identified Staff* of FinecoBank, after the verification of the achievement of the Entry Conditions foreseen for the beneficiaries, ad described in point 4.2.3.

To execute the **"*2014-2017 Multi-year Plan Top Management*"** plan, in exercising the delegation received by the Shareholders' Meeting, as described in point 4.3.1, the Board of Directors on February 7th, 2017 approved the assignment of no. 630.850 Fineco ordinary shares and the promise to grant no. 442.779 of the fourth instalment of the plan, to the 6 beneficiaries of FinecoBank, after the verification of the achievement of the Entry Conditions foreseen for the beneficiaries, ad described in point 4.2.3

To execute the **"*2014 Key People Plan*"**, in exercising the delegation received by the Shareholders' Meeting, as described in point 4.3.1, the Board of Directors on February 7th, 2017 approved the assignment of the 3rd instalment of shares, equal to no. 261.187Fineco ordinary shares, to the 79 beneficiaries of FinecoBank, after the verification of the achievement of the Entry Conditions foreseen for the beneficiaries, ad described in point 4.2.3

To execute the **"*2014 Plan PFA*"** plan, in exercising the delegation received by the Shareholders' Meeting, as described in point 4.3.1, the Board of Directors on February 7th, 2017 approved the assignment of the 3rd instalment of shares, equal to no. 688.104 Fineco ordinary shares, to the 1.007 Financial Advisors of FinecoBank beneficiaries, after the verification of the achievement of the Entry Conditions foreseen for the beneficiaries, ad described in point 4.2.3.

4.3.7 The date on which the Remuneration and Appointments Committee resolved upon the Plan of FinecoBank

The Remuneration and Appointments Committee on February 2nd, 2017 positively resolved upon the criteria to be applied for the execution of FinecoBank Compensation Systems, sharing the reasons and motivations thereof.

4.3.8 The market price of Fineco ordinary shares, on the dates mentioned in points 4.3.6 e 4.3.7

The market price of Fineco ordinary shares, registered on the date of Board of Directors' approval of FinecoBank Compensation Systems' execution (February 7th, 2017) and on the date of the decision made by the Remuneration and Appointments Committee of FinecoBank (February 2th, 2017), resulted equal to € 5,43 and to € 5,54 respectively.

4.3.9 In which terms and modalities FinecoBank takes into account, in the determination of the timeframe for the assignment of the plans, of the possible time-coincidence between:

(i) such assignment or the decision, if any, adopted thereon by the Remuneration and Appointments Committee, and

(ii) the dissemination of relevant information, if any, pursuant to sect. 114, paragraph 1 of Legislative Decree 58/98; for instance, in cases in which such information is:

a. not already public and capable to positively affect the market quotation, or

b. already published and capable to negatively affect the market quotation

In relation to the foregoing it is clarified that the resolution of the Board of Directors which approved the execution of FinecoBank Compensation Systems was communicated to the markets, in compliance with the current regulations.

The resolutions related to the incentive plans based on financial instruments are examined by the Remuneration and Appointments Committee of FinecoBank in advance to provide for the positive opinion to the Corporate Bodies, the information to the market is given, if needed, after the relevant resolution of the Board of Directors.

4.4. THE CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ASSIGNED

4.4.1 Description of the compensation plan

The **2016 Incentive System PFA** foresees an incentive – payable in cash and/or Phantom shares – over a multi-year period (2017-2021), subject to the achievement of specific entry conditions.

The **2016 Incentive System** foresees an incentive – payable in cash and/or free Fineco ordinary shares – over a multi-year period (2017-2022), subject to the achievement of specific entry conditions

The **2015 Incentive System PFA** foresees an incentive – payable in cash and/or Phantom shares – over a multi-year period (2016-2020), subject to the achievement of specific entry conditions.

The **2015 Incentive System** foresees an incentive – payable in cash and/or free Fineco ordinary shares – over a multi-year period (2016-2021), subject to the achievement of specific entry conditions.

The **2014 Incentive System** foresees an incentive – payable in cash and/or free Fineco ordinary shares – over a multi-year period (2015-2020), subject to the achievement of specific entry conditions.

The plan **"*2014-2017 Multi-year Plan Top Management*"** foresees an incentive – payable in free Fineco ordinary shares – over a multi-year period (2017-2020), subject to the achievement of specific entry conditions.

The plan **"*2014 Key People Plan*"** foresees an incentive – payable in free Fineco ordinary shares – over a multi-year period (2015-2017), subject to the achievement of specific entry conditions.

The plan **"*2014 Plan PFA*"** foresees an incentive – payable in free Fineco ordinary shares – over a multi-year period (2015-2017), subject to the achievement of specific entry conditions.

4. Execution of "FinecoBank Compensation Systems" (Continued)

4.4.2 Indication of the time period for the implementation of the plan also indicating different cycles, if any, of its implementation

The free shares for the **2016 Incentive System PFA** will be assigned by FinecoBank in multiple instalments (in the period 2019-2021) subject to the Board assessment of specific entry conditions, as described in point 4.2.3.

The free shares for the **2016 Incentive System** will be assigned by FinecoBank in multiple instalments (in the period 2020-2022) subject to the Board assessment of specific entry conditions, as described in point 4.2.3.

The Phantom shares for the **2015 Incentive System PFA** will be assigned by FinecoBank in multiple instalments (in the period 2018-2020) subject to the Board assessment of specific entry conditions, as described in point 4.2.3.

The free shares for the **2015 Incentive System** will be assigned by FinecoBank in multiple instalments (in the period 2019-2021) subject to the Board assessment of specific entry conditions, as described in point 4.2.3.

The free shares for the **2014 Incentive System** will be assigned by FinecoBank in multiple instalments (in the period 2018-2020) subject to the Board assessment of specific entry conditions, as described in point 4.2.3.

The free shares for the **"*2014-2017 Multi-year Plan Top Management*"** plan will be assigned by FinecoBank in multiple instalments (in the period 2017-2020) subject to the Board assessment of specific entry conditions, as described in point 4.2.3.

The free shares for the **"*2014 Key People Plan*"** plan will be assigned by FinecoBank in multiple instalments (in the period 2015-2017) subject to the Board assessment of specific entry conditions, as described in point 4.2.3.

The shares for the **"*2014 Plan PFA*"** plan will be assigned by FinecoBank in multiple instalments (in the period 2015-2017) subject to the Board assessment of specific entry conditions, as described in point 4.2.3.

4.4.3 The termination date of the plan

The **2016 Incentive System PFA** will lapse by July 2021.

The **2016 Incentive System** will lapse by July 2022

The **2015 Incentive System PFA** will lapse by July 2020.

The **2015 Incentive System** will lapse by July 2021.

The **2014 Incentive System** will lapse by July 2020.

The plan **"*2014-2017 Multi-year Plan Top Management*"** will lapse by July 2020.

The plan **"*2014 Plan Key People*"** will lapse by July 2017.

The plan **"*2014 Plan PFA*"** will lapse by July 2017.

4.4.4 The overall maximum number of financial instruments, also in the form of options, assigned over any fiscal years with respect to the beneficiaries namely identified or identified by categories, as the case may be

The maximum number of shares that the Board of Directors is authorized to allocate within the power of the delegation received by Shareholders' Meeting of FinecoBank for the **2016 Incentive System PFA** is equal to no. 250.000 shares.

The maximum number of free shares that the Board of Directors is authorized to allocate within the power of the delegation received by Shareholders' Meeting of FinecoBank for the **2016 Incentive System** is equal to no. 335.000 shares.

The maximum number of Phantom shares that the Board of Directors is authorized to allocate for the **2015 Incentive System PFA** is equal to no. 45.171 Phantom shares.

The maximum number of free shares that the Board of Directors is authorized to allocate within the power of the delegation received by Shareholders' Meeting of FinecoBank for the **2015 Incentive System** is equal to no. 397.453 shares.

The maximum number of free shares that the Board of Directors is authorized to allocate within the power of the delegation received by Shareholders' Meeting of FinecoBank for:

- the **2014 Incentive System**
- the plan **"*2014-2017 Multi-year Plan Top Management*"**
- the plan **"*2014 Plan Key People*"**

is equal to no. 3.500.000 shares.

Regarding the execution of **"*2014 Plan PFA*"** instead, the Board of Directors is authorized to buy and carry out disposals for maximum no. 5.000.000 ordinary shares (the total number includes also **"*2015-2017 Plan PFA*"**, approved in 2014 whose execution is foreseen starting from 2018).

At this stage it is not possible to indicate the maximum number of free shares allocated in each fiscal year during the life of FinecoBank Compensation Systems, since the actual definition will be done by the Board of Directors on the basis of the criteria approved by the Shareholders' Meeting.

4.4.5 The procedures and clauses for the implementation of the plan, specifying whether the assignment of the financial instruments is subject to the satisfaction of certain specific conditions and, in particular, to the achievement of specific results, including performance targets; a description of the aforesaid conditions and results

Considering the criteria described in the point 4.2.2, the allocation and the exercise of the free shares is subject to the achievement of the performance targets set by the Board of Directors. The assessment of the goals achievement should be done by the Board of Directors at the end of the performance period described in point 4.4.2.

4.4.6 Indication of the restrictions on the availability of the financial instruments allocated under the plan or of the financial instruments relating to the exercise of the options, with particular reference to the time limits within which the subsequent transfer of the stocks to the issuer or third parties is permitted or prohibited

FinecoBank Compensation Systems provides that the free Fineco ordinary shares that will be allocated will be freely transferable, considering the applicable regulatory requirements regarding the application of share retention periods.

4.4.7 Description of any condition subsequent to the plan in connection with the execution, by the beneficiaries, of hedging transactions aimed at preventing the effects of potential limits to the transfer of the financial instruments assigned there under, also in the form of options, as well as to the transfer of the financial instruments relating to the exercise of the aforesaid options

In accordance with national regulatory guidelines and the 2016 Compensation Policy, beneficiaries are required to undertake not to use personal hedging strategies or remuneration and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements. For employees, Involvement in any form of hedging transaction shall be considered in breach of the Bank compliance policies and therefore the relevant rights under the plan shall automatically expire.

4. Execution of "FinecoBank Compensation Systems" (Continued)

4.4.8 Description of the consequences deriving from the termination of the employment or working relationship

FinecoBank Compensation Systems provides that the Board of Directors will have the faculty to identify, in the resolutions that will execute each plan, the termination of the beneficiary with the Bank, as cause for the expiring of the right to receive the free shares, coherently with the Plans rules.

4.4.9 The indication of any other provisions which may trigger the cancellation of the plan

FinecoBank Compensation Systems do not provide for any provision which may trigger their cancellation.

4.4.10 The reasons justifying the redemption, pursuant to sect. 2357 and followings of the Italian Civil Code, by FinecoBank, of the financial instruments contemplated by the plan; the beneficiaries of such redemption, indicating whether the same is limited only to certain categories of employees; the consequences of the termination of the employment relationship with respect to such redemption rights

FinecoBank Compensation Systems do not provide for the redemption by FinecoBank or other Legal Entities of the Group with reference to the free shares.

4.4.11 The loans or other special terms that may be granted for the purchase of stocks pursuant to sect. 2358, paragraph 3, of the Italian Civil Code

FinecoBank Compensation Systems do not provide for a loan or other special terms for the purchase of the shares.

4.4.12 The evaluation of the economic burden for FinecoBank at date of the assignment of the plan, as determined on the basis of the terms and conditions already defined, with respect to the aggregate overall amount as well as with respect to each financial instrument contemplated by the plan

The estimation of the overall cost expected by FinecoBank in relation to the adoption of FinecoBank Compensation Systems at the grant date of the free shares, was made on the basis of the IAS principles, considering the accounting assumptions on the foreseeable beneficiaries exits before the allocation of the free shares and on the probability to achieve the performance targets related to the allocation of the free shares.

On the basis of these estimations, the overall expected cost for FinecoBank at the grant date of the target number of free shares is equal to a total amount of € 42.001.631, split in:

- Euro 3.000.000, split in 4 years, for the **2016 Incentive System PFA**
- Euro 4.000.000, split in 6 years, for the **2016 Incentive System**
- Euro 1.500.000, split in 5 years, for the **2015 Incentive System PFA**
- Euro 3.666.500, split in 6 years, for the **2015 Incentive System**
- Euro 2.598.909, split in 6 years, for the **2014 Incentive System**
- Euro 9.336.580, split in 6 years, for the plan **"*2014-2017 Multi-year Plan Top Management*"**
- Euro 2.946.643, split in 3 years, for the plan **"*2014 Plan Key People*"**
- Euro 14.952.999, split in 4 years, for the plan **"*2014 Plan PFA*"**

4.4.13 The indication of any dilution on the corporate capital of the issuer resulting from the compensation plan, if any

The maximum impact of FinecoBank Compensation Systems (2015 Incentive System PFA and the plan "*2014 Plan PFA*" excluded) on FinecoBank share capital shall be approx. 0,52%.

4.4.14 Any limitation to the voting and to the economic rights

At this stage, FinecoBank Compensation Systems do not provide for any limitation to the voting or economic rights for the shares allocated.

4.4.15 In the event the stocks are not negotiated on a regulated market, any and all information necessary for a complete evaluation of the value attributable to them

FinecoBank Compensation Systems provide only for the use of shares negotiated on regulated markets.

4.4.16 The number of financial instruments belonging to each option
FinecoBank Compensation Systems do not provide for options.

4.4.17 The termination date of the options
FinecoBank Compensation Systems do not provide for options.

4.4.18 The modalities, time limits and clauses for the exercise of the options
FinecoBank Compensation Systems do not provide for options.

4.4.19 The strike price of the options or the criteria and modalities for its determination, with respect in particular to: the formula for the calculation of the exercise price in connection with the fair market value, and to the modalities for the calculation of the market price assumed as basis for the calculation of the exercise price
FinecoBank Compensation Systems do not provide for options.

4.4.20 In case the strike price is different from the fair market value as determined pursuant to point 4.4.19.b, the indication of the reasons for such difference
FinecoBank Compensation Systems do not provide for options.

4.4.21 The criteria justifying differences in the exercise prices between the relevant beneficiaries or class of beneficiaries
FinecoBank Compensation Systems do not provide for options.

4.4.22 In the event the financial instruments underlying granted options are not negotiated on a regulated market, the indication of the value attributable to the same or of the criteria for its determination
FinecoBank Compensation Systems do not provide for options.

4.4.23 The criteria for the adjustments required in connection with any extraordinary transaction involving the corporate capital of the issuer as well as in connection with transaction triggering a variation in the number of the financial instruments underlying granted options
FinecoBank Compensation Systems do not provide for adjustments applicable in connection with extraordinary transactions involving FinecoBank corporate capital (saving the provisions that the Board of Directors may define in the resolution in which the Board will exercise the delegation received from the Shareholders' Meeting).

4. Execution of "FinecoBank Compensation Systems" (Continued)

INCENTIVE PLANS BASED ON FINANCIAL INSTRUMENTS

Table no. 1 of scheme 7 of Annex 3A Regulation no. 11971/1999 Date: March 8th, 2015

Name or category (1)	Capacity	Box 1 Financial Instruments other than Stock Opion (8)						
		Section 1 Instruments related tooutstanding plans, approved by previous shareholders meetings' resolutions						
		Date of Shareholders' Meeting resolution	Type of financial Instruments (12)	Number of financial Instruments (11)	Assignment date (10)	Purchase price of financial Instruments, if any	Market price at the assignment date	Vesting period (14)
Alessandro Foti	CEO/GM	11/05/2012	Unicredit **	30.362	11/04/2013 cpr 11/04/2013 cda/oc	0	3,520	11/04/2013 31/12/2016
Alessandro Foti	CEO/GM	11/05/2013	Unicredit **	36.099	11/03/2014 cpr 11/03/2014 cda/oc	0	5,862	11/03/2014 31/12/2017
Alessandro Foti	CEO/GM	05/06/2014	FinecoBank	89.946	05/02/2015 cpr 09/02/2015 cda/oc	0	4,725	09/02/2015 31/12/2019
Alessandro Foti	CEO/GM	23/04/2015	FinecoBank	61.010	29/01/2016 cpr 08/02/2016 cda/oc	0	6,966	08/02/2016 31/12/2019
Alessandro Foti	CEO/GM	05/06/2014	FinecoBank	761.315*	27/05/2014 cpr 15/07/2014 cda/oc	0	3,700	15/07/2014 31/12/2019
5 Executives with strategic responsabilities		11/05/2013	Unicredit **	32.350	11/03/2014 cpr 11/03/2014 cda/oc	0	5,862	11/03/2014 31/12/2016
5 Executives with strategic responsabilities		05/06/2014	FinecoBank	155.445	05/02/2015 cpr 09/02/2015 cda/oc	0	4,725	09/02/2015 31/12/2019
5 Executives with strategic responsabilities		23/04/2015	FinecoBank	106.577	29/01/2016 cpr 08/02/2016 cda/oc	0	6,966	08/02/2016 31/12/2019
5 Executives with strategic responsabilities		05/06/2014	FinecoBank	1.330.502*	27/05/2014 cpr 15/07/2014 cda/oc	0	3,700	15/07/2014 31/12/2019
Cathegory of other employees: Executives		11/05/2013	Unicredit **	1.827	11/03/2014 cpr 11/03/2014 cda/oc	0	5,862	11/03/2014 31/12/2016
Cathegory of other employees: Executives		13/05/2014	Unicredit	11.165	09/04/2015 cpr 09/04/2015 cda/oc	0	6,269	09/04/2015 31/12/2019
Cathegory of other employees: Executives		05/06/2014	FinecoBank	24.337	05/02/2015 cpr 09/02/2015 cda/oc	0	4,725	09/02/2015 31/12/2017
Cathegory of other employees: Executives		23/04/2015	FinecoBank	42.701	29/01/2016 cpr 08/02/2016 cda/oc	0	6,966	08/02/2016 31/12/2019
Cathegory of other employees: Executives, Middle Management		05/06/2014	FinecoBank	261.187	27/05/2014 cpr 15/07/2014 cda/oc	0	3,700	15/07/2014 31/12/2016
Cathegory of non-employees collaborators Financial Advisors		23/04/2015	FinecoBank	45.171***	29/01/2016 cpr 08/02/2016 cda/oc	0	6,966	08/02/2016 31/12/2018
Cathegory of non-employees collaborators: Financial Advisors		05/06/2014	FinecoBank	688.104	09/07/2015 cpr 09/07/2015 cda/oc	0	6,783	09/07/2015 30/06/2017

* Maximum number of shares granted the entire Plan. The Board of Directors of 08/02/2016 approved the number of shares related to the third instalment adjusted to respect the ratio between fixed and variable remuneration in line with current regulations, on the basis of the arithmetic mean of the official prices of Fineco ordinary shares on each trading day at the electronic stocjk market organised anda managed by Borsa Italiana S.p.A. in the period from the day preceding the date of resolution by the Board of Diretors that evaluated entry conditions achievements to the same day in the previous month (€ 6,966).

** Unicredit Plans with payment in 2017 subject to the UniCredit Board of Directors approval on March 13, 2017

***Phantom Share

Name or category (1)	Capacity	Box 1 Financial Instruments other than Stock Opion (8)						
		Section 2 Financial instruments to be assigned on the basis of the decision of*: BoD, as to be proposed to shareholders meeting X competent Body to implement Shareholders'Meeting resolution (9)						
		Date of Shareholders' Meeting resolution	Type of financial Instruments (12)	Number of financial Instruments (11)	Assignment date (10)	Purchase price of financial Instruments, if any	Market price at the assignment date	Vesting period (14)
Alessandro Foti	CEO/GM	12/04/2016	FinecoBank	50.721	02/02/2017 cpr 07/02/2017 cda/oc	0	5,530	07/02/2017 31/12/2020
5 Executives with strategic responsabilities		12/04/2016	FinecoBank	88.783	02/02/2017 cpr 07/02/2017 cda/oc	0	5,530	07/02/2017 31/12/2020
Cathegory of other employees: Executives		12/04/2016	FinecoBank	12.530	02/02/2017 cpr 07/02/2017 cda/oc	0	5,530	07/02/2017 31/12/2020
Cathegory of non-employees collaborators: Financial Advisors		12/04/2016	FinecoBank	57.740	02/02/2017 cpr 07/02/2017 cda/oc	0	5,530	07/02/2017 31/12/2019

Name or category (1)	Capacity	Box 2 Stock Option							
		Sezione 1 Options relating to outstanding plans approved on the basis of previous shareholders meetings' resolutions(8)							
		Date of Shareholders' Meeting resolution	Type of financial Instruments (12)	Number of financial Instruments (11)	Financial instruments underlying the otions exercised(13)	Assignment date (10)	Exercise price	Market price of underlying shares at the assignment date **	Period of possible exercise (from - to)
Alessandro Foti	CEO/GM	08/05/2008	Unicredit	38.780	0	17/06/2008 cpr 25/06/2008 cda/oc	23,351	22,893	09/07/2012 09/07/2018
2 Executives with strategic responsabilities		04/05/2004	Unicredit	4.300	0	29/06/2004 cpr 22/07/2004 cda/oc	22,420	3,945	03/09/2008 31/12/2017
2 Executives with strategic responsabilities		04/05/2004	Unicredit	8.153	0	10/11/2005 cpr 18/11/2005 cda/oc	26,878	5,266	26/11/2009 31/12/2018
2 Executives with strategic responsabilities		12/05/2006	Unicredit	6.165	0	07/06/2006 cpr 13/06/2006 cda/oc	33,205	5,626	28/06/2010 31/12/2019
2 Executives with strategic responsabilities		10/05/2007	Unicredit	10.357	0	07/06/2007 cpr 12/06/2007 cda/oc	39,583	37,127	13/07/2011 15/07/2017
5 Executives with strategic responsabilities		08/05/2008	Unicredit	34.902	0	17/06/2008 cpr 25/06/2008 cda/oc	23,351	22,893	09/07/2012 09/07/2018
Cathegory of other employees: Executives		08/05/2008	Unicredit	25.262	0	17/06/2008 cpr 25/06/2008 cda/oc	23,351	22,893	09/07/2012 09/07/2018

* The data is referred to the number of Financial instruments underlying the options assigned and not forfeited accordingly to the long term incentive plans and have been adjusted beccause of the capital operation resolved by UniCredit General Meeting on 29, April 2009 (script dividend), on 15, November 2009 and on 16, December 2011.

** The market price of the financial instruments at the assignment date for plan 2004,2005 and 2006 has not been adjusted because of the capital operation.

Name or category (1)	Capacity	Box 2 Stock Options						
		Section 2 Options to be assigned on the basis of the decision of: ☐ BoD, as to be proposed to shareholders meeting ☐ competent Body to implement shareholders meeting resolution (9)						
		Date of Shareholders' Meeting resolution	Instrument description (12)	Number of options	Assignment date (10)	Exercise price	Market price of underlying shares at the assignment date	Period of possible exercise (from..to)
Alessandro Foti	CEO/GM	-	-	-	-	-	-	-
Executives with strategic responsibilities		-	-	-	-	-	-	-
Category of other employees: Executives, Middle Management		-	-	-	-	-	-	-

4. Execution of "FinecoBank Compensation Systems" (Continued)

FOOTNOTES TO THE TABLE:

(1) The issuer shall fill-in a line for each beneficiary namely identified as well as for each category contemplated by the plan; for each individual or category shall be indicated a specific line for: i) each type of financial instrument or option granted (e.g., different exercise prices and/or exercise dates imply different type of options); ii) each plan approved by different shareholders' meetings.

(2) Indicate the name of the members of the board of directors or management body of the issuer and of its subsidiaries or parent companies.

(3) Indicate the name of the General Manager of the shares issuer.

(4) Indicate the name of the individuals controlling the issuer of stocks, who are employee or who render their services to the issuer of stock without being employee of the same.

(5) Indicate the name of other executives with strategic responsibilities of the shares issuer not classed as "small", in accordance with Article 3, paragraph 1, letter f) of Regulation no. 17221 of 12 March 2010, if they have, during the course of the year, received total compensation (obtained by adding the monetary compensation to the financial instrument-based compensation) in excess of the highest total compensation assigned to the members of the board of directors or management board, and to the general managers of the financial instrument issuer.

(6) Indicate the category of executives with strategic responsibilities for whom there is an indication by category is.

(7) Indicate the category of other employees and the category of collaborators not employed by the issuer. The issuer shall fill-in different lines in connection with the categories of employees or collaborators for which the plan provides for different characteristics (e.g., managers, officers, employees).

(8) The relevant data shall refer to financial instruments relating to plans approved by means of:

i. shareholders' resolutions adopted prior to the date on which the competent corporate body approves the proposal to the shareholders' meeting and/or

ii. shareholders' resolutions adopted prior to the date on which the competent corporate body implements the shareholders' resolution;

therefore the table shall indicate:

- in the event under i) above, data adjourned as at the date of the competent body's proposal to the shareholders' meeting (in which case the table is attached to the information document prepared for the shareholders' meeting called to approve the plan);
- in the event under ii) above, data adjourned as at the date of the competent body's resolution implementing the plan, (in which case the table is attached to the information documents to be published following the competent body's resolution implementing the plan);

(9) The data may refer to:

a. the resolution of the board of directors preceding the shareholders' meeting, as to the table attached to the information document submitted to the same; in such event the table shall indicate only the characteristics already defined by the board of directors;

b. the resolution of the corporate body which resolves upon the implementation of the plan following the approval by the shareholders' meeting, in the event the table is attached to the press release to be issued following such last resolution implementing the plan.

In both the aforesaid cases the issuer shall cross out the corresponding box relating to this footnote No. 9. For the data not available the issuer shall indicate in the corresponding box the code "N.A." (Not available).

(10) In case the date of the assignment is different from the date on which the remuneration body (comitato per la remunerazione), if any, makes the proposal relating to such assignment, the issuer shall indicate also the date of such proposal highlighting the date of the board of directors or the competent corporate body's resolution with the code "cda/oc" (for the board of directors/competent body) and the date of the proposal of the remuneration body (comitato per la remunerazione) with the code "cpr" (for the remuneration body)."

(11) The number of options held at the end year, preceding the date in which the shareholder's meeting is called resolve the new allocation.

(12) Indicate for example, in box 1: i) stock of issuer X, ii) financial instrument indexed to issuer Y stock value, and in box 2: iii) option on issuer W stock with physical settlement; iv) option on issuer Z stock with cash settlement, etc.

(13) The number of option exercised from the beginning of the plan until the end year, preceding the date in which the shareholder's meeting is called to resolve a new stock option plan.

(14) Vesting period means the period between the moment in which the right to participate to the incentive system is granted and the moment in which the right may be exercised.

FinecoBank S.p.A.

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FinecoBank S.p.A. – Part of the UniCredit Banking Group enrolled in the Register of Banking Groups at No. 02008.1
Registered Office in Piazza Durante 11, Milan, 20131
Headquarters in Via Rivoluzione d'Ottobre 16, Reggio Emilia, 42123
approved Share capital €200,545,403.85 fully subscribed and paid-in €200,540,166.09
ABI Code 3015.5 – VAT No. 12962340159 – Tax ID No. and Milan Companies Register No. 01392970404
Economic and Administrative Index (REA) No. 1598155 – Member of the National Guarantee Fund
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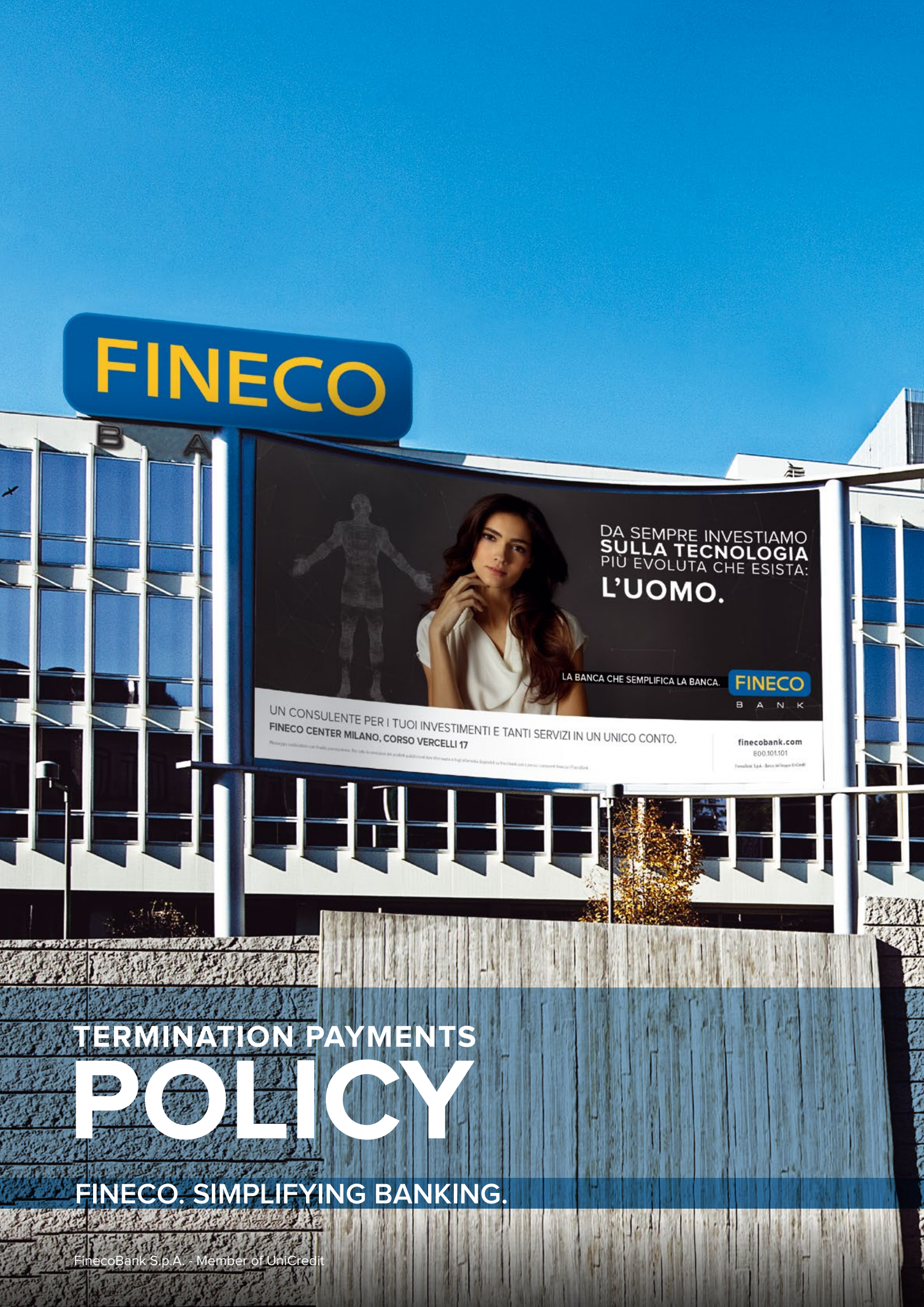

TERMINATION PAYMENTS POLICY

FINECO. SIMPLIFYING BANKING.

FinecoBank S.p.A. - Member of UniCredit

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1. General principles

Within FinecoBank, in line with UniCredit Group policy, the termination payments (the so called "Golden Parachutes", hereinafter also "the severances"), including the indemnity in lieu of notice possibly due according to laws or contracts, may be generally (di massima) provided for in favour of subjects whose employment or office is resolved (in the case of fixed term contracts, before their natural expiry) upon company's initiative or in the interest of the same, and are aimed at provisionally support the income of the recipient.

No severance payments is foreseen if the resolution is due to voluntary resignation and/or the same is not consistent with company's interests.

Severances consider the long-term performance, in terms of value creation for the shareholders and do not reward failures or abuses.

Moreover they are defined consistently with the rules concerning lay-offs, as provided by regulations and by the collective and individual contracts.

The compensation defined, at any title, at the time of the termination is set consistently with the overall applicable rules, even of regulatory nature, and in the company's interest, identifying time by time those solutions that – respecting regulations, corporate values and peoples – allow to optimize the achievement of business objectives, at the same time minimizing costs and risks, both current and prospective.

The amounts autonomously defined by a third subject having the power to do that (such as judicial and/or arbitrary and/or conciliatory authority) as well accessory elements of limited material value are not considered as severance payments.

2. Limits and criteria

2.1. Maximum Limits

The severance Policy is restrictively revised versus the past in consideration of the evolution of national and international regulatory provisions, of prevailing practices and Investors' expectations.

In principle, the termination payments – inclusive of the indemnity in lieu of notice and of any other amount defined upon or in the occasion of the resolution of the employment – do not exceed the lower between twenty-four months of total compensation[1] or the limits foreseen by the laws and collective labor agreements locally applicable in case of lay-off.

In any case, termination payments, in excess of the indemnity in lieu of notice, do not exceed 18 months of total compensation.

The value of each month's salary used to calculate the severance is set considering the current fixed remuneration plus the average of the incentives actually cashed-in during the last three years prior to the termination, inclusive of the value of those parts disbursed in equity, with the sole exclusion of any income from the exercise of stock options or performance stock options. Further elements (such as the value of any fringe benefit possibly granted to the employee) may be included in the computation of the above mentioned basis if this is required or foreseen by law, regulations or by contract.

This Policy defines the maximum limits for severance payments and does not in any way imply the right or even only the expectation of overcoming any possibly more restrictive limit or criteria foreseen by the laws, collective contracts and/ or practices locally applicable in case of lay-off.

2.2. Criteria

Severances, due to the mechanism for the calculation of the compensation used for their determination, which includes the bonuses actually cashed-in after the application of *malus clauses* (as defined below), are as a matter of fact already differentiated just on the basis of risk-adjusted individual performances.

The number of months of average total compensation to which the severance corresponds, as determined in the fourth paragraph of section 2.1., is in any case defined with the goal of supporting in the best possible way the achievement of corporate goals, minimizing at the same time costs and risks, current and perspective.

Such a definition is made assessing on a case by case basis the specific objective and subjective circumstances of the relationship resolution, considered within the specific legal and contractual framework, including:

- the actual duration of the employment, with significant reductions of the *severances* in case of particularly short relationships;
- the fact that the subject has provided, especially if repeatedly, performance qualitatively / quantitatively below reasonable expectations;
- the fact that the person has assumed risks deemed to be not consistent with Fineco Risk Appetite Framework, which is coherent with UniCredit Group Risk Appetite Framework;
- the fact that the person has enacted behaviours and or demonstrated attitudes not aligned with corporate values;
- the social and personal impacts of the employment termination, especially for those subjects who are in particular personal situation;
- any other facts / circumstance / attitude / behaviours related to the individual, the company and the social context which have an impact on the decision to come to the termination of the relationship;
- the rationale at the base of the decision to terminate the employment (also with reference to the concepts of cause and justified reason according to the parameters time by time applicable), considered at the light of the company's interest to come anyway to a consensual resolution of the relationship – rather than a unilateral one – through the payout of an amount whose cost, calculated on the basis of adequate procedures and elements (and possibly as indicated by third competent subjects, such as judicial and/or arbitrary and/or conciliatory authority) is not higher than the one that would presumably born if the subject were laid-off and would apply to the judge to protect his/her interests.

In any case, the above criteria are, depending on the peculiarities of each actual case, carefully weighted and balanced among them, always in the perspective of the best company's interest.

1 With the only aim of meeting the regulatory provision introduced by the Bank of Italy with the VII update of Circular 285, which requires the banks to set a maximum limit to the severances also in terms of number of fixed months' salary and in an absolute amount, it is reported that – in view of the maximum 2:1 ratio between variable and fixed remuneration – 24 months of total compensation could arrive to correspond to a merely theoretical value of 72 months of fixed compensation in the case, purely hypothetic and improbable, of a subject who in the last three years prior to the termination has always received bonuses in a measure equal to 200% of his/her fixed compensation (BS):
(Fixed [12 months BS] + Average Bonus [24 months BS]) x 24/12 = 72 months BS
The value of the severance thus determined will not in any case exceed € 5,1 million overall (inclusive of the indemnity in lieu of notice)

3. Payout Methods

The overall termination payment is paid out under the technical forms and with the juridical qualifications that – in full respect of the law – allow the best optimization of costs and pursue of corporate goals.

Severances, defined overall on the basis of the criteria previously outlined, are paid out in forms and with timings fully consistent with the discipline, also regulatory, time by time applicable to the specific case.

In relation to the requirements recalled above, when *severances* are paid to people belonging to "Identified Staff" for the excess of the indemnity in lieu of notice possibly due according to laws or contracts, they can be subject to deferred payout mechanism, in cash and equity, in analogy with what foreseen for the variable remuneration of such category of employees.

In such cases, the amounts deferred in cash or shares – whose payout is split in yearly installments during the deferral period – are subject to malus clauses that provide for their reduction / revocation in case of i) discover of fraud or negligence, unknown at the time of the termination agreement's sign-off, to the damage of the Bank / Group, or ii) constituting cases of fraud or negligence or otherwise if negative consequences, equally unknown, directly linked to the activities of the beneficiary in the period preceding the termination should manifest themselves, or, still, iii) the minimum capital and liquidity requirements as foreseen by the regulations time by time applicable should not be met. In these cases i) and ii), the employee in such cases has the faculty to ask that such circumstances are finally decided by a judge or arbitration. Pending such decision the payout of the instalments remains in stand-by.

In case of deferrals in equity instruments, the company reserves the right to use equivalent monetary instruments (e.g. *Phantom shares*).

Moreover the payout of severances, unless it comes from a law or pre-existing contractual obligation, or still from a judicial or arbitration decision, must be defined within a comprehensive agreement foreseeing:

- the inclusion of *claw-back* clause, covering at least the cases of fraud and/or negligence;
- the faculty for the company to exercise responsibility actions for facts / behaviours representing fraud and/or negligence, unknown at the time of resolution;
- the waiver of all claims towards the company (for the "Identified Staff).

4. Exceptions

In particular circumstances it might be opportune / necessary, in the framework of the due pursue of company's interests, to exceed the limits and/or deviate from the criteria for the definition or the modalities of disbursement of the *severances* provided for by this Policy in particular as far as the stipulation of non-competition / non solicitation covenants is regarded.

In such cases it is foreseen a particular authorization process which envisages:

- the explication in the single proposal of rationale and/or advantages for company which suggest the deviation;
- the opinion of the Compliance function;
- the final approval by the Manager hierarchically one level higher than the one to whom would normally belong the decision based on the powers configuration and related delegations;
- a punctual disclosure to the Remuneration & Appointments Committee.

FinecoBank S.p.A.

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and the Interbank Fund for the Protection of Deposits. Fineco is a trademark licensed for use by FinecoBank S.p.A.

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Approval of the financial statements as at December 31, 2016**

Attendees:

No. **587** shareholders entitled to vote took part in the voting on own behalf or by proxy

No. **458,527,782** ordinary shares

The counting of votes produced the following results:

		%OF ORDINARY SHARE CAPITAL PRESENT (Voting Quorum)	%OF ORDINARY SHARES ENTITLED TO VOTE	%SHARE CAPITAL
Favour	455,586,112	99.358453	99.358453	74.967271
Against	84,483	0.018425	0.018425	0.013902
SubTotal	455,670,595	99.376878	99.376878	74.981173
Abstentions	187	0.000041	0.000041	0.000031
Not Voting	2,857,000	0.623081	0.623081	0.470123
SubTotal	2,857,187	0.623122	0.623122	0.470154
Total	458,527,782	100.000000	100.000000	75.451327

Shareholders:	587	People:	24
Shareholders on own behalf:	21	Shareholders by proxy:	566

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Approval of the financial statement as at December 31, 2016**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	NORTHERN IRELAND LOCAL GOV PENSION FUND	84,483	0	84,483

Total votes	84,483
Percentage of voters %	0.018425
Percentage of share capital %	0.013902

Shareholders:	1	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	1

DE* proxy to the natural persona above mentioned with the badge number

**D proxy to natural person above mentioned with the badge number (voting at the specific "assisted voting stations")

RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Approval of the financial statement as at December 31, 2016**

ABSTENTIONS

	Surname	Tot. Votes	On own behalf	Proxy
742	AUSILIO ROSA GIUSEPPINA	187	187	0

Total votes	187
Percentage of voters %	0.000041
Percentage of share capital %	0.000031

Shareholders:	1	People:	1
Shareholders on own behalf:	1	Shareholders by proxy:	0

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Approval of the financial statement as at December 31, 2016**

NOT VOTING

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	150,000	0	150,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	1,100,000	0	1,100,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	30,000	0	30,000
**D	INTERFUND SICAV INTERFUND EQUITY ITALY	450,000	0	450,000
**D	FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	27,000	0	27,000
**D	MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	1,100,000	0	1,100,000

Total votes	2,857,000
Percentage of voters %	0.623081
Percentage of share capital %	0.470123

Shareholders:	6	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	6

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Approval of the financial statement as at December 31, 2016**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
1027	PRANDINI GIULIANO	12,000	12,000	0
1240	FOGLI MAURIZIO	1,953	1,953	0
1262	AMADEI STEFANO	3,861	3,861	0
1305	ROSSOTTI ROBERTO	3,000	3,000	0
1774	MINNELLA CARMELO GIOVANNI	1,867	1,867	0
1834	CROCE MARIO	1,500	1,500	0
1837	SIRIANNI PIER BATTISTA	8,000	8,000	0
1948	ANNIBALETTI ANGELO	30,000	30,000	0
2068	BONETTI EMANUELE	100	100	0
2223	MARTIRIGGIANO ANTONIO	2,681	2,681	0
2253	TONELLI GIULIO	0	0	0
**D	ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	670,000	0	670,000
**D	FRANKLIN TEMPLETON INVESTMENT FUNDS	668,413	0	668,413
**D	T. ROWE PRICE FUNDS SICAV	145,427	0	145,427
**D	SCHRODER INTERNATIONAL SELECTION FUND	8,682,403	0	8,682,403
**D	GENERALI INVESTMENTS LUXEMBURG S.A.	684,571	0	684,571
**D	MERRILL LYNCH PROFESSIONAL CLEARING CORP	86,328	0	86,328
**D	WELLINGTON MANAGEMENT PORTFOLIOS	335,843	0	335,843
**D	FIDELITY FUNDS SICAV	1.194,975	0	1,194,975
**D	WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	36,542	0	36,542
**D	WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	28,228	0	28,228
**D	WELLINGTON TRUST COMP COMM TRUST INT OPP	175,018	0	175,018
**D	WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	10,972	0	10,972
**D	JAPAN TRUSTEE SERVICES BANK LTD	469,886	0	469,886
**D	AFER ACTION PME	451,836	0	451,836
**D	BNP PARIBAS SMALL CAP EUROLAND	2,526,390	0	2,526,390
**D	BNP PARIBAS ACTIONS PME	543,807	0	543,807
**D	FCP BNP PARIBAS ACTIONS EUROLAND	43,134	0	43,134
**D	AXA OPTIMAL INCOME	2,068,464	0	2,068,464
**D	AXA VALEURS EURO	1,200,000	0	1,200,000
**D	PARVEST	3,121,423	0	3,121,423
**D	BNP PARIBAS A FUND	58,956	0	58,956
**D	BNP PARIBAS L1	82,735	0	82,735
**D	BNP PARIBAS B PENSION BALANCED	733,505	0	733,505
**D	BNP PARIBAS B PENSION STABILITY	47,432	0	47,432
**D	METROPOLITAN RENTASTRO	183,304	0	183,304
**D	BANQUE PICTET & CIE SA	33,126	0	33,126
**D	ROBECO CAPITAL GROWTH FUNDS	350,000	0	350,000
**D	DEKA BASISSTRATEGIE FLEXIBEL	23,960	0	23,960
**D	DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	7,900	0	7,900
**D	DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	74,600	0	74,600
**D	DEKA INVESTMENT GMBH RE ARIDEKA	1,150,000	0	1,150,000
**D	DEKA INVEST DIVIDENDENSTRATEGIE CF A	1,088,900	0	1,088,900
**D	HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	2,810,128	0	2,810,128
**D	UBS GLOBAL ASSET MANAGEMENT LIFE LTD	73,068	0	73,068

Shareholders:	579	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	559

DE* proxy to the natural persona above mentioned with the badge number

**D proxy to natural person above mentioned with the badge number (voting at the specific "assisted voting stations")

RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Approval of the financial statement as at December 31, 2016**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	UBS ASSET MANAGEMENT LIFE LTD	283	0	283
**D	FONDO CONSOLIDADO DE RESERVAS PREVISIONA	86,791	0	86,791
**D	CHINA LIFE INSURANCE COMPANY LIMITED	60,140	0	60,140
**D	COINVEST LIMITED	13,801	0	13,801
**D	UBS (US) GROUP TRUST	7,469	0	7,469
**D	T. ROWE PRICE INTERNATIONAL DISCOVERY FU	4,303,286	0	4,303,286
**D	MINISTRY OF STRATEGY AND FINANCE	143,444	0	143,444
**D	T ROWE PRICE INTERNATIONAL EQUITY INDEX	14,257	0	14,257
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	138,293	0	138,293
**D	STICHTING PENSIOENFONDS MEDISCH SPECIALI	506,456	0	506,456
**D	DEKA INVEST RE DEKA-ZMV-FONDS	22,000	0	22,000
**D	DEKA INVESTMENT GMBH RE PRODEKA	65,200	0	65,200
**D	DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	9,400	0	9,400
**D	DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	10,813	0	10,813
**D	MI-FONDS 392	462,000	0	462,000
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	309,886	0	309,886
**D	NATIONWIDE SMALL CAP INDEX FUND	400,962	0	400,962
**D	PENSIONSKASSEN FOR BORNE-OG UNGDOMS	16,958	0	16,958
**D	KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	1,525,392	0	1,525,392
**D	DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	546,850	0	546,850
**D	STICHTING PENSIOENFONDS VOOR HUISARTSEN	25,292	0	25,292
**D	T ROWE PRICE GLOBAL ALLOCATION FUND INC	7,791	0	7,791
**D	T ROWE INTL SMALL CAP EQUITY TRUST	486,110	0	486,110
**D	ENTERGY CORP.RETIREMENT PLANS MASTER TR.	203,718	0	203,718
**D	INVESCO GLOBAL SMALL CAP EQUITY POOL	143,065	0	143,065
**D	RBC CANADIAN MASTER TRUST	124,418	0	124,418
**D	REGIME DE RETRAITE D HYDRO QUEBEC	102,698	0	102,698
**D	WEST MIDLANDS METROPOLITAN AUT PENS FD	61,000	0	61,000
**D	AXA FRAMLINGTON FINANCIAL FUND	125,000	0	125,000
**D	NATIXIS INTERNT FUNDS LUX I	238,000	0	238,000
**D	FCP SCANDIUM	122,000	0	122,000
**D	ALLIANZGI FONDS BAT LS	92,900	0	92,900
**D	ALLIANZGI FONDS PF1	14,182	0	14,182
**D	ALLIANZGI FONDS AFE	3,943	0	3,943
**D	FCP BRONGNIART AVENIR	100,000	0	100,000
**D	TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	1,507,269	0	1,507,269
**D	PFIZER JAPAN INC PENSION FUND	80,700	0	80,700
**D	TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	55,682	0	55,682
**D	THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	83,856	0	83,856
**D	BT WHOLESALE MULTI MANAG INTL SHARE FUND	186,764	0	186,764
**D	SCHRODER PENSION MANAGEMENT LTD	42,277	0	42,277
**D	MFS INTERNATIONAL NEW DISCOVERY FUND	2,267,886	0	2,267,886
**D	AVIVA LIFE & PENSIONS UK LIMITED	53,590	0	53,590
**D	AVIVA LIFE AND PENSIONS UK LIMITED	181,930	0	181,930
**D	SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	71,392	0	71,392

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Approval of the financial statement as at December 31, 2016**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	SCHRODER EUROPEAN FUND	2,365,914	0	2,365,914
**D	SCHRODER INTERNATIONAL SMALL COMPANIES P	8,000	0	8,000
**D	SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	125,000	0	125,000
**D	TEACHERS PENSION PLAN & PRIVATE SCHOOL	639,710	0	639,710
**D	FTSE ALL WORLD INDEX FUND	33,351	0	33,351
**D	FRIENDS LIFE LIMITED	89,644	0	89,644
**D	REASSURE LIMITED	14,216	0	14,216
**D	HSBC EUROPEAN INDEX FUND	75,508	0	75,508
**D	FRIENDS LIFE AND PENSIONS LIMITED	6,627	0	6,627
**D	REALDANIA	532,000	0	532,000
**D	FCP VILLIERS ACTIONS EDRAM	968,000	0	968,000
**D	ANIMA SGR SPA	12,381,073	0	12,381,073
**D	ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	242,269	0	242,269
**D	ARTEMIS EUROPEAN OPPORTUNITIES FUND	1,301,374	0	1,301,374
**D	NMM3 EUEQ MFS ACCOUNT	8,971	0	8,971
**D	CITI RETIREMENT SAVINGS PLAN	115,234	0	115,234
**D	FIRST INVESTORS GLOBAL FUND	306,236	0	306,236
**D	UWF TROW INTL DISCOVERY	55,384	0	55,384
**D	BOK KIC GAEQ6	85,699	0	85,699
**D	PS FTSE LO BT EQ WT PORT	32,076	0	32,076
**D	CEP DEP IP GLOBAL SMALLER COS	802,185	0	802,185
**D	EIR EIE WELLINGTON INT	179,053	0	179,053
**D	BNYMTCIL IFS4 INV CONT EU SM CAP FD	1,317,413	0	1,317,413
**D	BNYMTCIL IFS4 INV GBL SM CAP EQ FD	385,588	0	385,588
**D	PS FTSERAFI EUSM UCITS ETF BNYMTCIL	2,919	0	2,919
**D	PS SP INTL DEVEL QUALITY PORTFOLIO	4,736	0	4,736
**D	PS FR DEVEL MARK EX US SMALL PORT	5,473	0	5,473
**D	PRU SECTOR FDS INC PRU FIN SER FD	787,168	0	787,168
**D	AST TRP DIVERS REAL GWTH PORT PDMO	1,049	0	1,049
**D	AST FI PYRAMIS QUANT AA IE SC PDGJ	83,115	0	83,115
**D	AST TRP GWTH OPP PORT BAL PDRB	26,600	0	26,600
**D	AST RCM WORLD TRENDS PORT PDBF	250,800	0	250,800
**D	WELLINGTON MGMT CY LLPQUALITY EDUC FD	138,871	0	138,871
**D	BANK OF AMERICA PENSION PLAN OECHSLE	143,212	0	143,212
**D	BOA FBO SKL INVESTMENT GRP LLC	8,534	0	8,534
**D	WMP OPP INVESTMENT PRTNS LP	32,852	0	32,852
**D	AWAF AWAC WELLINGTON	58,355	0	58,355
**D	THE CLEVELAND CLINIC FOUNDATION	70,858	0	70,858
**D	GLOBAL EQUITY WELLINGTON	235,725	0	235,725
**D	GLOBAL INVESTMENT FUND	31,323	0	31,323
**D	MFS INTL EQUITY FUND	74,599	0	74,599
**D	INVESCO FUNDS	177,083	0	177,083
**D	HP INC MASTER TRUST	68,418	0	68,418
**D	BNYMTD RAMAM WORLD RECOVERY FUND	180,600	0	180,600
**D	UNISYS MASTER TRUST	70,952	0	70,952

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IN FAVOUR

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**D	CPA COP PSERS PYRAMIS GLOBAL ADV	78,706	0	78,706
**D	BNYMTD RM GLOBAL HIGH ALPHA FUND	63,600	0	63,600
**D	AMG TIMESSQUARE INTL SM CAP	643,360	0	643,360
**D	FLORIDA RETIREMENT SYSTEM	215,017	0	215,017
**D	BELL ATLANTIC MASTER TRUST	41,418	0	41,418
**D	VERIZON MASTER SAVINGS TRUST	98,016	0	98,016
**D	UTC WELLINGTON GLOBAL	91,148	0	91,148
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	132,596	0	132,596
**D	BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	109,924	0	109,924
**D	JOHN S AND JAMES L KNIGHT FOUNDATION	229,700	0	229,700
**D	PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	246	0	246
**D	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	192,127	0	192,127
**D	PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	385,014	0	385,014
**D	PIONEER FD-EUROPEAN RESEARCH	321,167	0	321,167
**D	PIONEER FD-EURO EQ OPTIMAL VOL	95,282	0	95,282
**D	PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	25,412	0	25,412
**D	PIONEER FD SF EQUITY PLAN60	52,401	0	52,401
**D	PIONEER FD-GLOBAL MULTI ASSET	39,321	0	39,321
**D	PIONEER FD-EUROPEAN POTENTIAL	1,801,653	0	1,801,653
**D	FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	250,000	0	250,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	110,000	0	110,000
**D	FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	100,000	0	100,000
**D	F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	60,000	0	60,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	15,000	0	15,000
**D	GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	11,000	0	11,000
**D	FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	5,000	0	5,000
**D	METZLER INT INV EUR SMALLER CO	1,575,000	0	1,575,000
**D	UBS EUROP SMALL CAP EQUITY FD	84,125	0	84,125
**D	CIPAV ALOIS	117,262	0	117,262
**D	SOGECAP ACTIONS SMALL CAP	942,243	0	942,243
**D	SG ACTIONS EUROPE MID CAP	197,367	0	197,367
**D	AGI FRANCE	171,200	0	171,200
**D	ALLIANZ ACTIONS EURO PME-ETI	167,700	0	167,700
**D	AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	10,120	0	10,120
**D	COLONIAL FIRST STATE INVESTMENTS LIMITED.	71,939	0	71,939
**D	STICHTING PGGM DEPOSITARY	179,921	0	179,921
**D	WELLINGTON ALTA FUND	94,527	0	94,527
**D	UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	73,720	0	73,720
**D	UBS FUND MANAGEMENT (SWITZERLAND) AG.	132,808	0	132,808
**D	CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	11,326	0	11,326
**D	UBS (LUX) EQUITY SICAV	128,845	0	128,845
**D	S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	201,592	0	201,592
**D	FEDERATED KAUFMANN FUND	6,839,360	0	6,839,360
**D	FEDERATED KAUFMANN FUND II	166,330	0	166,330
**D	FEDERATED KAUFMANN SMALL CAP FUND	874,310	0	874,310

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**D	LAUDUS INTERNATIONAL MARKETMASTERS FUND	684,332	0	684,332
**D	SCHWAB INTERNATIONAL EQUITY ETF	195,728	0	195,728
**D	JOHN HANCOCK SEAPORT FUND	522,049	0	522,049
**D	WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	152,865	0	152,865
**D	MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	142,892	0	142,892
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	165,000	0	165,000
**D	ANIMA FUNDS PLC	353,973	0	353,973
**D	MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	127,626	0	127,626
**D	THE FRANCIS E. PARKER MEMORIAL HOME	23,936	0	23,936
**D	THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	41,964	0	41,964
**D	THE GABELLI GLOBAL SMALL AND MID CAP VALUE TRUST	49,000	0	49,000
**D	THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	25,000	0	25,000
**D	HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	907,160	0	907,160
**D	HARTFORD CAPITAL APPRECIATION HLS FUND	1,411,126	0	1,411,126
**D	THE HARTFORD INTERNATIONAL GROWTH FUND	141,392	0	141,392
**D	THE HARTFORD CAPITAL APPRECIATION FUND	3,822,524	0	3,822,524
**D	THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	1,698,920	0	1,698,920
**D	HARTFORD INTERNATIONAL EQUITY FUND	20,015	0	20,015
**D	THE HARTFORD GLOBAL ALL- ASSET FUND	73,365	0	73,365
**D	HARTFORD GLOBAL CAPITAL APPRECIATION FUND	549,306	0	549,306
**D	HARTFORD HEALTHCARE ENDOWMENT LLC	10,847	0	10,847
**D	HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	9,572	0	9,572
**D	HSBC STAT	58,300	0	58,300
**D	ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	7,316	0	7,316
**D	HENKEL OF AMERICA MASTER RETIREMENT TRUST	20,932	0	20,932
**D	TEXAS MUNICIPAL RETIREMENT SYSTEM	897,775	0	897,775
**D	ASHWOOD INVESTMENTS LIMITED	6,619	0	6,619
**D	STATE OF NEW JERSEY COMMON PENSION FUND D	257,203	0	257,203
**D	NEW YORK STATE DEFERRED COMPENSATION PLAN	124,544	0	124,544
**D	CITY OF NEW YORK GROUP TRUST	513,664	0	513,664
**D	WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	122,551	0	122,551
**D	HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	193,662	0	193,662
**D	BIMCOR GLOBAL EQUITY POOLED FUND	87,658	0	87,658
**D	GOVERNMENT OF THE PROVINCE OF ALBERTA	169,600	0	169,600
**D	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	2,292,969	0	2,292,969
**D	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	365,713	0	365,713
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	487,200	0	487,200
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	136,317	0	136,317
**D	METZLER INVESTMENT GMBH FOR MI-FONDS 415	113,500	0	113,500
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	346,439	0	346,439
**D	SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	37,395	0	37,395
**D	VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	125,203	0	125,203
**D	THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	376,990	0	376,990
**D	THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	88,420	0	88,420
**D	THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	151,092	0	151,092

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**D	WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	7,964	0	7,964
**D	THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	12,538	0	12,538
**D	THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	900,083	0	900,083
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	226,758	0	226,758
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	2,381	0	2,381
**D	WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	56,613	0	56,613
**D	AXA WORLD FUNDS	12,770,072	0	12,770,072
**D	ALLIANZ GLOBAL INVESTORS FUND	1,446,700	0	1,446,700
**D	MFS MERIDIAN FUNDS	1,306,568	0	1,306,568
**D	KIEGER FUND I	50,329	0	50,329
**D	UBS ETF	5,105	0	5,105
**D	INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	61,206	0	61,206
**D	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	157,750	0	157,750
**D	COLLEGE RETIREMENT EQUITIES FUND	1,416,042	0	1,416,042
**D	RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	238,547	0	238,547
**D	RUSSELL INVESTMENT FUNDS NON-U.S. FUND	28,598	0	28,598
**D	MULTI-STYLE, MULTI-MANAGER FUNDS PLC	210,400	0	210,400
**D	ONTARIO TEACHERS PENSION PLAN BOARD	183,162	0	183,162
**D	THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	24,218	0	24,218
**D	THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	5,970	0	5,970
**D	THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	622,711	0	622,711
**D	GOVERNMENT INSTITUTIONS PENSION FUND	3,059	0	3,059
**D	BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	1,495,583	0	1,495,583
**D	THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	177,800	0	177,800
**D	HRW TESTAMENTARY TRUST NO 3	127,400	0	127,400
**D	THE WALTON FAMILY FOUNDATION	269,600	0	269,600
**D	HRW TESTAMENTARY TRUST NO. 8	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO 2	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO. 12	109,400	0	109,400
**D	GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	120,164	0	120,164
**D	SCHLUMBERGER COMMON INVESTMENT FUND	44,607	0	44,607
**D	LTW INVESTMENTS LLC	170,000	0	170,000
**D	LOY PARTNERSHIP, LLC	96,500	0	96,500
**D	RAMI PARTNERS, LLC	90,600	0	90,600
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	53,438	0	53,438
**D	BLUE SKY GROUP	209,000	0	209,000
**D	BATTELLE MEMORIAL INSTITUTE	39,700	0	39,700
**D	DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	59,456	0	59,456
**D	PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	291,526	0	291,526
**D	THE HEALTH FOUNDATION	57,168	0	57,168
**D	MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	57,188	0	57,188
**D	ST. JOSEPH HEALTH SYSTEM	100,661	0	100,661
**D	TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	17,288	0	17,288
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	319,807	0	319,807
**D	EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	44,336	0	44,336

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**D	STATE UNIVERSITIES RETIREMENT SYSTEM	68,085	0	68,085
**D	UTAH STATE RETIREMENT SYSTEMS	44,501	0	44,501
**D	STICHTING PENSIOENFONDS APF	2,873	0	2,873
**D	AMG FUND PLC	8,390	0	8,390
**D	ILLINOIS STATE BOARD OF INVESTMENT	77,149	0	77,149
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	20,610	0	20,610
**D	EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	528,640	0	528,640
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	26,395	0	26,395
**D	EURIZON EASY FUND - EQUITY ITALY	129,738	0	129,738
**D	EURIZON FUND - EQUITY ITALY SMART VOLATILITY	76,384	0	76,384
**D	AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	994,376	0	994,376
**D	AMUNDI LUXEMBOURG SA	909,666	0	909,666
**D	FCP EDMOND DE ROTHSCHILD EURO LEADERS	923,900	0	923,900
**D	FCP EDMOND DE ROTHSCHILD EURO SRI	168,000	0	168,000
**D	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	834,000	0	834,000
**D	FCP LCF PHARMA INTERNATIONAL	164,920	0	164,920
**D	CNP ASSUR SMALL CAP	432,330	0	432,330
**D	EDMOND DE ROTHSCHILD ASSET MANAGEMENT	399,330	0	399,330
**D	AA FORTIS ACTIONS PETIT CAP EUROPE	270,956	0	270,956
**D	FCP RSI EURO P	63,089	0	63,089
**D	FCP VILLIERS DIAPASON	69,636	0	69,636
**D	FCP NATIXIS ACTIONS SMALL MID CAP EURO	263,000	0	263,000
**D	ASSURDIX	41,977	0	41,977
**D	CPR EURO HIGH DIVIDEND	94,061	0	94,061
**D	CPR SILVER AGE	2,472,859	0	2,472,859
**D	SICAV BBM V-FLEX	135,784	0	135,784
**D	FCP BEST BUSINESS MODELS	1,530,000	0	1,530,000
**D	CROISSANCE PME M	433,376	0	433,376
**D	BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	973,829	0	973,829
**D	PUBLIC SERVICE PENSION PLAN FUND	35,520	0	35,520
**D	TEACHERS` PENSION PLAN FUND	37,223	0	37,223
**D	TELUS PENSIONS MASTER TRUST	78,303	0	78,303
**D	ALLEGHENY COLLEGE	24,200	0	24,200
**D	ERIE COUMMINTY FOUNDATION	27,300	0	27,300
**D	TIMESQUARE FOCUS FUND LP	25,000	0	25,000
2276	ROSSI MARCO	57,288	57,288	0
2666	DI PALMA GIUSEPPE	1,100	1,100	0
3005	CAGLIA MARIA	0	0	0
DE*	UNICREDIT S.P.A.	215,066,403	0	215,066,403
3025	GHIBAUDI LEOPOLDO	9,000	9,000	0
3061	VIOZZI DANIELE	50	50	0
3200	SCANU MARCO	187	187	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	MOMENTUM INVESTMENT FUNDS SCIVA SIF	133,040	0	133,040
**D	JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	2,045,229	0	2,045,229

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**D	JPMORGAN INVESTMENT FUNDS	1,205,954	0	1,205,954
**D	CC&L Q 140/40 FUND	600	0	600
**D	CC& L US Q MARKET NEUTRAL ONSHORE FUND I	300	0	300
**D	CC&L Q CAN EQUITY 130/30 PLUS FUND	775	0	775
**D	CC&L Q MARKET NEUTRAL FUND	82,300	0	82,300
**D	VANGUARD EUROPEAN STOCK INDEX FUND	691,987	0	691,987
**D	VANGUARD DEVELOPED MARKETS INDEX FUND	1,795,422	0	1,795,422
**D	VANGUARD TOTAL WORLD STOCK INDEX FUND	82,591	0	82,591
**D	VANGUARD FTSE ALL-WORLD EX US INDEX FUND	565,229	0	565,229
**D	VANGUARD FUNDS PLC	91,522	0	91,522
**D	RAINIER INT SMALL CAP EQUITY COLLECTIVE	182,840	0	182,840
**D	VANGUARD INVESTMENT SERIES PLC	79,836	0	79,836
**D	JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	3,877	0	3,877
**D	STICHT BEDRIJ MEDIA PNO	180,000	0	180,000
**D	HENDERS.EURO.SMALLER COMPANIES FUND	322,357	0	322,357
**D	HENDERSON INSTIT EUROP INDEX OPP FUND	42,487	0	42,487
**D	SAINT MARTIN 4	888,000	0	888,000
**D	FCP SAKKARAH 7	7,500	0	7,500
**D	FCPE TOTAL ACTIONS EUROPEENNES	750,000	0	750,000
**D	FCP KLESIA A DIVERSIFIE	325,000	0	325,000
**D	TOTAL GESTION FLEX PATRI	44,970	0	44,970
**D	FONDS RESERVE RETRAITES	888,450	0	888,450
**D	HENDERSON HORIZON FUND SICAV	2,101,556	0	2,101,556
**D	HENDERSON GARTMORE FUND	572,233	0	572,233
**D	MERIFIN CAPITAL B.V.	39,940	0	39,940
**D	VANGUARD INTERNATIONAL SMALL COMPANIES I	20,939	0	20,939
**D	ONEPATH GLOBAL SHARES - SMALL CAP INDEX	22,117	0	22,117
**D	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	4,895	0	4,895
**D	NVIT MULTI MANAGER INTERNATIONAL GROWTH	143,770	0	143,770
**D	JPM EUROPE DYNAMIC (EX UK) FUND	551,178	0	551,178
**D	JPM EUROPE SMALLER COMPANIES FUND	409,306	0	409,306
**D	VANGUARD TOTAL INTERNATIONAL STOCK INDEX	4,791,064	0	4,791,064
**D	JPMORGAN EUROPEAN INVESTMENT TRUST PLC	94,946	0	94,946
**D	JPMORGAN EUROPEAN SMALLER COMPANIES TST	1,533,787	0	1,533,787
**D	JAPAN TRUSTEE SERVICES BANK LTD AS TRUST	3,489	0	3,489
**D	JTSB LTD. AS TRUSTEE FOR SUMITOMO	16,888	0	16,888
**D	NEW YORK LIFE INSURANCE COMPANY	66,324	0	66,324
**D	PEERLESS INSURANCE COMPANY	115,223	0	115,223
**D	PROSHARES HEDGED FTSE EUROPE ETF	191	0	191
**D	JPMORGAN INTERNATIONAL DISCOVERY FUND	6,507	0	6,507
**D	THE CANADA POST CORPORATION PENSION PLAN	104,309	0	104,309
**D	TR EUROPEN GROWTH TRUST PLC	1,844,247	0	1,844,247
**D	ING DIRECT	29,652	0	29,652
**D	FIDELITY SAL ST T SPARTAN TOTAL INT IN F	4,749	0	4,749
**D	BEST INVESTMENT CORPORATION	9,518	0	9,518

Shareholders:	579	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	559

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Approval of the financial statement as at December 31, 2016**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	BLACKROCK INSTITUTIONAL POOLED FUND PLC	6,097	0	6,097
**D	CHINA LIFE INSURANCE (GROUP) COMPANY	2,554	0	2,554
**D	BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	1,214	0	1,214
**D	BLACKROCK FISSION INDEXED INTL EQUITY FD	24,822	0	24,822
**D	SUPER FUNDS MANAG CORP SOUTH AUSTRALIA	119,451	0	119,451
**D	MINISTRY OF STRATEGY AND FINANCE	33,349	0	33,349
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	32,767	0	32,767
**D	TRUST AND CUSTODY SERVICED BANK LIMITED	34,871	0	34,871
**D	THE MASTER TRUST BANK OF JAPAN LTD	37,838	0	37,838
**D	MASTER TRUST FOR NATIONAL PENSION FD	35,535	0	35,535
**D	FLF STRATEGIC GLOBAL EQUITY FUND	72,428	0	72,428
**D	BOK KIC AAEQ 3	15,026	0	15,026
**D	SUBSIDIZED SCHOOLS P FUND NORTHERN	13,614	0	13,614
**D	55016 UP INTERNATIONALE AKTIER	225,930	0	225,930
**D	WILM MULTI MGR INTL FD OBERWEIS	241,652	0	241,652
**D	56053 IP GLOBAL EQUITIES I	12,883	0	12,883
**D	LMIF LMGAMI EURO SMLL CP	181,818	0	181,818
**D	IQ 50 PERCENT HEDGED FTSE EURO ETF	3,749	0	3,749
**D	DEUTSCHE XTRK MSCI EMU HDG EQ ETF	4,402	0	4,402
**D	BLACKROCK GLOBAL FUNDS	4,397,203	0	4,397,203
**D	FPXF WILLIAM BLAIR CO	31,880	0	31,880
**D	RVN WILLIAM BLAIR	4,196	0	4,196
**D	BLL AQUILA LIFE EUROPEAN EQUITY	755,618	0	755,618
**D	BLL ASCENT LIFE EUROPEAN	62,130	0	62,130
**D	BLK MULTI ASSET INC PF EUR EQU INC	478,931	0	478,931
**D	BLL AQUILA LIFE OSEAS EQUITY FUND	4,851	0	4,851
**D	BLL ASCENT LIFEENHANCED	1,766	0	1,766
**D	DEUTSCHE XTRK MSCI EAFE SC HDG ETF	466	0	466
**D	CHI OPERATING INVESTMENT PROGRAM LP	78,109	0	78,109
**D	CATHOLIC HEALTH INITIATIVES MASTER TRUST	40,056	0	40,056
**D	FIRST INITIATIVES INSURANCE LIMITED	6,914	0	6,914
**D	EATON VANCE MGMT INTL SMALL CAP	1,057	0	1,057
**D	ONFF WILLIAM BLAIR NONUS	17,060	0	17,060
**D	CE8F WILLIAM BLAIR IACG	115,413	0	115,413
**D	RAYTHEON MASTER PENSION TRUST	1,528	0	1,528
**D	VANGUARD INTL HIGH DIV YLD INDEX FD	14,295	0	14,295
**D	BSNF NTR WILLIAM BLAIR	12,404	0	12,404
**D	BSPF PMT WILLIAM BLAIR	8,749	0	8,749
**D	BGF EURO MKTS FD EURO EQUITY PF	8,176,154	0	8,176,154
**D	BGF FLEX MULTI ASSET GBL EQ PF	9,039	0	9,039
**D	LRPF WILLIAM BLAIR	42,009	0	42,009
**D	W11F WILLIAM BLAIR	10,510	0	10,510
**D	BFTF WILLIAM BLAIR	21,724	0	21,724
**D	US BK RAINIER INTL DISCOVERY FUND	395,610	0	395,610
**D	ATFF AMERICAN CENTURY	74,487	0	74,487

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Approval of the financial statement as at December 31, 2016**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	RZSF3001 NON US GE W BLAIR	103,201	0	103,201
**D	ALASKA PERMANENT FUND CORPORATION	57,838	0	57,838
**D	1216 APG DME FINANC	1,221,917	0	1.221,917
**D	2054 APG DME BLACKR	117,398	0	117,398
**D	AON HEWITT COLLECTIVE INVESTMENT TRUST	27,414	0	27,414
**D	MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	30,345	0	30,345
**D	PHC NT SMALL CAP	26,269	0	26,269
**D	BNYMTD BLK CONTINENTAL EURO INC	4,653,703	0	4,653,703
**D	BNYMTD BLK CONT EUR EQ TRCK FD INV	265,102	0	265,102
**D	PENSION RESERVES INVESTMENT TRUST FUND	73,110	0	73,110
**D	VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	97,220	0	97,220
**D	THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	20,153	0	20,153
**D	GENERAL MILLS INVESTMENT TRUST	36,637	0	36,637
**D	INDIANA PUBLIC RETIREMENT SYSTEM	12,426	0	12,426
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	27,702	0	27,702
**D	SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	19,925	0	19,925
**D	UPS GROUP TRUST	86,396	0	86,396
**D	ELEVA UCITS FD-ELEVA ABSOLUTE	6,479,400	0	6,479,400
**D	COLISEE IFC 1	538,000	0	538,000
**D	IRISH LIFE ASSURANCE.	184,234	0	184,234
**D	LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	1,666,611	0	1,666,611
**D	CITIBANK KOREA INC	848,102	0	848,102
**D	THREADNEEDLE (LUX	978,719	0	978,719
**D	THREADNEEDLE INVESTMENT FUNDS ICVC	11,652,830	0	11,652,830
**D	LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	8,892	0	8,892
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	12,500	0	12,500
**D	GOVERNMENT OF NORWAY	5,524,312	0	5,524,312
**D	NORGES BANK	109,988	0	109,988
**D	AQR ORACLE FUND LP	5,896	0	5,896
**D	NUMERIC ABS RETURN FD LP	18,000	0	18,000
**D	FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	2,062	0	2,062
**D	FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	203,488	0	203,488
**D	INTERNATIONAL MONETARY FUND	15,994	0	15,994
**D	AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	6,110	0	6,110
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	26,000	0	26,000
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	23,070	0	23,070
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	301,560	0	301,560
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	219,530	0	219,530
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	266,990	0	266,990
**D	AMERICAN CENTURY RETIREMENT DATE TRUST	114,333	0	114,333
**D	CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	183,278	0	183,278
**D	CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	462	0	462
**D	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	28,252	0	28,252
**D	EATON VANCE INTERNATIONAL SMALL-CAP FUND	10,546	0	10,546
**D	WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	217,799	0	217,799

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Shareholders on own behalf:	20	Shareholders by proxy:	559

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Approval of the financial statement as at December 31, 2016**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	WILLIAM BLAIR INTERNATIONAL GROWTH FUND	657,058	0	657,058
**D	WILLIAM BLAIR INSTITUTIONAL INTERNATIONAL GROWTH FUND	476,734	0	476,734
**D	MM SELECT EQUITY ASSET FUND	6,406	0	6,406
**D	ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM	78,810	0	78,810
**D	MARYLAND STATE RETIREMENT & PENSION SYSTEM	19,979	0	19,979
**D	MERCER QIF CCF	1,101,611	0	1,101,611
**D	MERCER QIF CCF	616,038	0	616,038
**D	STATE OF MONTANA BOARD OF INVESTMENTS	66,699	0	66,699
**D	CITY OF NEW YORK GROUP TRUST	183,462	0	183,462
**D	STATE STREET IRELAND UNIT TRUST	52,145	0	52,145
**D	SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY	62,756	0	62,756
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	634,198	0	634,198
**D	UAW RETIREE MEDICAL BENEFITS TRUST	154,557	0	154,557
**D	VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	3,873	0	3,873
**D	VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	3,671	0	3,671
**D	VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	697	0	697
**D	VANGUARD GLOBAL LIQUIDITY FACTOR ETF	1,061	0	1,061
**D	VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	8,723	0	8,723
**D	VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	25,281	0	25,281
**D	VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	1,123	0	1,123
**D	WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	26,627	0	26,627
**D	WELLS FARGO ALTERNATIVE STRATEGIES FUND	7,561	0	7,561
**D	WASHINGTON STATE INVESTMENT BOARD	165,288	0	165,288
**D	WASHINGTON STATE INVESTMENT BOARD	3,050	0	3,050
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	139	0	139
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	17,270	0	17,270
**D	WISDOMTREE DEFA EQUITY INCOME FUND	18,109	0	18,109
**D	WISDOMTREE INTERNATIONAL EQUITY FUND	30,409	0	30,409
**D	WISDOMTREE INTERNATIONAL MIDCAP DIVIDEND FUND	37,696	0	37,696
**D	WISDOMTREE EUROPE LOCAL RECOVERY FUND	867	0	867
**D	WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	212,713	0	212,713
**D	NEW YORK STATE TEACHERS RETIREMENT SYSTEM	131,253	0	131,253
**D	PRUDENTIAL BANK AND TRUST	56,511	0	56,511
**D	SPDR EURO STOXX SMALL CAP ETF	19,641	0	19,641
**D	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	560,715	0	560,715
**D	BLACKROCK STRATEGIC FUNDS	102,172	0	102,172
**D	KIEGER FUND I	1,887	0	1,887
**D	ISHARES MSCI EAFE SMALL CAP ETF	1,043,062	0	1,043,062
**D	ISHARES MSCI EUROPE SMALL-CAP ETF	29,608	0	29,608
**D	BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	548,131	0	548,131
**D	ISHARES CORE MSCI EAFE ETF	592,081	0	592,081
**D	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	114,889	0	114,889
**D	ISHARES MSCI INTERNATIONAL DEVELOPED ETF	2,460	0	2,460
**D	ISHARES CORE MSCI EAFE IMI INDEX ETF	16,762	0	16,762
**D	ISHARES MSCI EUROPE IMI INDEX ETF	6,701	0	6,701

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Approval of the financial statement as at December 31, 2016**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	ISHARES CORE MSCI EUROPE ETF	79,880	0	79,880
**D	CONNECTICUT GENERAL LIFE INSURANCE COMPANY	2,775	0	2,775
**D	CDN ACWI ALPHA TILTS FUND	15,426	0	15,426
**D	RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B	1,917	0	1,917
**D	EURO EX-UK ALPHA TITLS FUND B	9,358	0	9,358
**D	WORLD ALPHA TILTS NON-LENDABLE FUND B	757	0	757
**D	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	15,676	0	15,676
**D	DELUXE CORPORATION MASTER TRUST	12,195	0	12,195
**D	MERCY HEALTH	9,457	0	9,457
**D	MERCY HEALTH RETIREMENT TRUST	2,453	0	2,453
**D	TRUTH INITIATIVE FOUNDATION	4,601	0	4,601
**D	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	103,806	0	103,806
**D	ISHARES PUBLIC LIMITED COMPANY	1,002,024	0	1,002,024
**D	ISHARES II PUBLIC LIMITED COMPANY	603,850	0	603,850
**D	ISHARES VII PLC	674,577	0	674,577
**D	ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	233,174	0	233,174
**D	BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	1.086,651	0	1,086,651
**D	BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	163,680	0	163,680
**D	BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	334,720	0	334,720
**D	BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	273,064	0	273,064
**D	MANAGED PENSION FUNDS LIMITED	12,389	0	12,389
**D	THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	11,592	0	11,592
**D	FAMILY INVESTMENTS CHILD TRUST FUND	14,367	0	14,367
**D	FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	9,961	0	9,961
**D	HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	284,213	0	284,213
**D	STICHTING PHILIPS PENSIOENFONDS	49,007	0	49,007
**D	THE TRUSTEES OF SAL PENSION SCHEME	3,820	0	3,820
**D	VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	17,302	0	17,302
**D	VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	41,639	0	41,639
**D	VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	103,491	0	103,491
**D	VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	276	0	276
**D	SUNSUPER SUPERANNUATION FUND	13,451	0	13,451
**D	CANADA PENSION PLAN INVESTMENT BOARD	369,604	0	369,604
**D	THE TRUSTEES OF BP PENSION FUND	773,030	0	773,030
**D	FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	13,955	0	13,955
**D	UNIVERSITY OF KENTUCKY	10,000	0	10,000
**D	WHEELS COMMON INVESTMENT FUND	18,626	0	18,626
**D	CHEVRON MASTER PENSION TRUST	29,057	0	29,057
**D	CHEVRON UK PENSION PLAN	2,761	0	2,761
**D	THE CURATORS OF THE UNIVERSITY OF MISSOURI	50,065	0	50,065
**D	DFI LP EQUITY (PASSIVE)	1,693	0	1,693
**D	NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND	12,165	0	12,165
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	169,898	0	169,898
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	34,430	0	34,430
**D	NEW ZEALAND SUPERANNUATION FUND	26,623	0	26,623

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Approval of the financial statement as at December 31, 2016**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	AON SAVINGS PLAN TRUST	46,862	0	46,862
**D	MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	2,113	0	2,113
**D	NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST	363,921	0	363,921
**D	TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	17,985	0	17,985
**D	ADVOCATE HEALTH CARE NETWORK	20,899	0	20,899
**D	CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	64,284	0	64,284
**D	FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	10,415	0	10,415
**D	ILLINOIS MUNICIPAL RETIREMENT FUND	134,679	0	134,679
**D	LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM	41,051	0	41,051
**D	CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN	65,307	0	65,307
**D	UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	51,783	0	51,783
**D	POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	32,151	0	32,151
**D	SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM	116,549	0	116,549
**D	SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	17,859	0	17,859
**D	FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	1,181	0	1,181
**D	OPSEU PENSION PLAN TRUST FUND	5,309	0	5,309
**D	NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	2,417,367	0	2,417,367
**D	THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	572,086	0	572,086
**D	STRATHCLYDE PENSION FUND	341,499	0	341,499
**D	MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO	27,415	0	27,415
**D	NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	891	0	891
**D	NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	212,266	0	212,266
**D	SSGA GROSS ROLL UP UNIT TRUST	13,909	0	13,909
**D	LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	4,616	0	4,616
**D	STATE TEACHERS RETIREMENT SYSTEM OF OHIO	423,988	0	423,988
**D	ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND	32,387	0	32,387
**D	UNIVEST	126,385	0	126,385
**D	STG PFDS V.D. GRAFISCHE	155,541	0	155,541
**D	FCP ECUREUIL RETRAITE EURO ACTIONS 4	300,000	0	300,000
**D	I.2.C. ACTIONS	488,000	0	488,000
**D	FCP GROUPAMA AVENIR EURO	3,136,372	0	3,136,372
**D	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN	14,955	0	14,955
**D	THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	15,685	0	15,685
**D	MCGILL UNIVERSITY PENSION FUND	7,953	0	7,953
**D	PUBLIC SECTOR PENSION INVESTMENT BOARD	104,668	0	104,668
**D	CIBC INTERNATIONAL SMALL COMPANIES FUND	44,559	0	44,559
**D	CF DV ACWI EX-U.S. IMI FUND	1,587	0	1,587
4003	CASTAGNA SERGIO	1	1	0
581	CERASUOLO STEFANO	7,241	7,241	0
599	AMADASI GIORDANO	158	158	0
773	CORNAGO DANIELE	2,241	2,241	0
962	ZACCARDI ANTONELLA	1,259	1,259	0

Total votes 455,586,112

Percentage of voters % 99,358453

Shareholders:	579	People:	23
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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Approval of the financial statement as at December 31, 2016**

IN FAVOUR

Surname	Tot. Votes	On own behalf	Proxy
Percentage of share capital %	74.967271		

Shareholders:	579	People:	23
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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Allocation of the net profit for the year 2016**

Attendees:

No. **587** shareholders entitled to vote took part in the voting on own behalf or by proxy

No. **458,527,782** ordinary shares

The counting of votes produced the following results:

		%OF ORDINARY SHARE CAPITAL PRESENT (Voting Quorum)	%OF ORDINARY SHARES ENTITLED TO VOTE	%SHARE CAPITAL
Favour	454,702,781	99.165808	99.165808	74.821918
Against	968,000	0.211110	0.211110	0.159286
SubTotal	455,670,781	99.376919	99.376919	74.981204
Abstentions	1	0.000000	0.000000	0.000000
Not Voting	2,857,000	0.623081	0.623081	0.470123
SubTotal	2,857,001	0.623081	0.623081	0.470123
Total	458,527,782	100.000000	100.000000	75.451327

Shareholders:	587	People:	24
Shareholders on own behalf:	21	Shareholders by proxy:	566

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Allocation of the net profit for the year 2016**

AGAINTS

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	FCP VILLIERS ACTIONS EDRAM	968,000	0	968,000

Total votes	968,000
Percentage of voters %	0.211110
Percentage of share capital %	0.159286

Shareholders:	1	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	1

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Allocation of the net profit for the year 2016**

ABSTENTIONS

	Surname	Tot. Votes	On own behalf	Proxy
4003	CASTAGNA SERGIO	1	1	0

Total votes	1
Percentage of voters %	0.000000
Percentage of share capital %	0.000000

Shareholders:	1	People:	1
Shareholders on own behalf:	1	Shareholders by proxy:	0

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Allocation of the net profit for the year 2016**

NOT VOTING

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	150,000	0	150,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	1,100,000	0	1,100,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	30,000	0	30,000
**D	INTERFUND SICAV INTERFUND EQUITY ITALY	450,000	0	450,000
**D	FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	27,000	0	27,000
**D	MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	1,100,000	0	1,100,000

Total votes	2,857,000
Percentage of voters %	0.623081
Percentage of share capital %	0.470123

Shareholders:	6	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	6

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Allocation of the net profit for the year 2016**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
1027	PRANDINI GIULIANO	12,000	12,000	0
1240	FOGLI MAURIZIO	1,953	1,953	0
1262	AMADEI STEFANO	3,861	3,861	0
1305	ROSSOTTI ROBERTO	3,000	3,000	0
1774	MINNELLA CARMELO GIOVANNI	1,867	1,867	0
1834	CROCE MARIO	1,500	1,500	0
1837	SIRIANNI PIER BATTISTA	8,000	8,000	0
1948	ANNIBALETTI ANGELO	30,000	30,000	0
2068	BONETTI EMANUELE	100	100	0
2223	MARTIRIGGIANO ANTONIO	2,681	2,681	0
2253	TONELLI GIULIO	0	0	0
**D	ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	670,000	0	670,000
**D	FRANKLIN TEMPLETON INVESTMENT FUNDS	668,413	0	668,413
**D	T. ROWE PRICE FUNDS SICAV	145,427	0	145,427
**D	SCHRODER INTERNATIONAL SELECTION FUND	8,682,403	0	8,682,403
**D	GENERALI INVESTMENTS LUXEMBURG S.A.	684,571	0	684,571
**D	MERRILL LYNCH PROFESSIONAL CLEARING CORP	86,328	0	86,328
**D	WELLINGTON MANAGEMENT PORTFOLIOS	335,843	0	335,843
**D	FIDELITY FUNDS SICAV	1,194,975	0	1,194,975
**D	WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	36,542	0	36,542
**D	WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	28,228	0	28,228
**D	WELLINGTON TRUST COMP COMM TRUST INT OPP	175,018	0	175,018
**D	WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	10,972	0	10,972
**D	JAPAN TRUSTEE SERVICES BANK LTD	469,886	0	469,886
**D	AFER ACTION PME	451,836	0	451,836
**D	BNP PARIBAS SMALL CAP EUROLAND	2.526,390	0	2,526,390
**D	BNP PARIBAS ACTIONS PME	543,807	0	543,807
**D	FCP BNP PARIBAS ACTIONS EUROLAND	43,134	0	43,134
**D	AXA OPTIMAL INCOME	2,068,464	0	2,068,464
**D	AXA VALEURS EURO	1,200,000	0	1,200,000
**D	PARVEST	3,121,423	0	3,121,423
**D	BNP PARIBAS A FUND	58,956	0	58,956
**D	BNP PARIBAS L1	82,735	0	82,735
**D	BNP PARIBAS B PENSION BALANCED	733,505	0	733,505
**D	BNP PARIBAS B PENSION STABILITY	47,432	0	47,432
**D	METROPOLITAN RENTASTRO	183,304	0	183,304
**D	BANQUE PICTET & CIE SA	33,126	0	33,126
**D	ROBECO CAPITAL GROWTH FUNDS	350,000	0	350,000
**D	DEKA BASISSTRATEGIE FLEXIBEL	23,960	0	23,960
**D	DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	7,900	0	7,900
**D	DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	74,600	0	74,600
**D	DEKA INVESTMENT GMBH RE ARIDEKA	1,150,000	0	1,150,000
**D	DEKA INVEST DIVIDENDENSTRATEGIE CF A	1,088,900	0	1,088,900
**D	HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	2,810,128	0	2,810,128
**D	UBS GLOBAL ASSET MANAGEMENT LIFE LTD	73,068	0	73,068

Shareholders:	579	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	559

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Allocation of the net profit for the year 2016**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	UBS ASSET MANAGEMENT LIFE LTD	283	0	283
**D	FONDO CONSOLIDADO DE RESERVAS PREVISIONA	86,791	0	86,791
**D	CHINA LIFE INSURANCE COMPANY LIMITED	60,140	0	60,140
**D	COINVEST LIMITED	13,801	0	13,801
**D	UBS (US) GROUP TRUST	7,469	0	7,469
**D	T. ROWE PRICE INTERNATIONAL DISCOVERY FU	4,303,286	0	4,303,286
**D	MINISTRY OF STRATEGY AND FINANCE	143,444	0	143,444
**D	T ROWE PRICE INTERNATIONAL EQUITY INDEX	14,257	0	14,257
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	138,293	0	138,293
**D	STICHTING PENSIOENFONDS MEDISCH SPECIALI	506,456	0	506,456
**D	DEKA INVEST RE DEKA-ZMV-FONDS	22,000	0	22,000
**D	DEKA INVESTMENT GMBH RE PRODEKA	65,200	0	65,200
**D	DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	9,400	0	9,400
**D	DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	10,813	0	10,813
**D	MI-FONDS 392	462,000	0	462,000
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	309,886	0	309,886
**D	NATIONWIDE SMALL CAP INDEX FUND	400,962	0	400,962
**D	PENSIONSKASSEN FOR BORNE-OG UNGDOMS	16,958	0	16,958
**D	KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	1,525,392	0	1,525,392
**D	DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	546,850	0	546,850
**D	STICHTING PENSIOENFONDS VOOR HUISARTSEN	25,292	0	25,292
**D	T ROWE PRICE GLOBAL ALLOCATION FUND INC	7,791	0	7,791
**D	T ROWE INTL SMALL CAP EQUITY TRUST	486,110	0	486,110
**D	ENTERGY CORP.RETIREMENT PLANS MASTER TR.	203,718	0	203,718
**D	INVESCO GLOBAL SMALL CAP EQUITY POOL	143,065	0	143,065
**D	RBC CANADIAN MASTER TRUST	124,418	0	124,418
**D	REGIME DE RETRAITE D HYDRO QUEBEC	102,698	0	102,698
**D	WEST MIDLANDS METROPOLITAN AUT PENS FD	61,000	0	61,000
**D	AXA FRAMLINGTON FINANCIAL FUND	125,000	0	125,000
**D	NATIXIS INTERNT FUNDS LUX I	238,000	0	238,000
**D	FCP SCANDIUM	122,000	0	122,000
**D	ALLIANZGI FONDS BAT LS	92,900	0	92,900
**D	ALLIANZGI FONDS PF1	14,182	0	14,182
**D	ALLIANZGI FONDS AFE	3,943	0	3,943
**D	FCP BRONGNIART AVENIR	100,000	0	100,000
**D	TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	1,507,269	0	1,507,269
**D	PFIZER JAPAN INC PENSION FUND	80,700	0	80,700
**D	TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	55,682	0	55,682
**D	THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	83,856	0	83,856
**D	BT WHOLESALE MULTI MANAG INTL SHARE FUND	186,764	0	186,764
**D	SCHRODER PENSION MANAGEMENT LTD	42,277	0	42,277
**D	MFS INTERNATIONAL NEW DISCOVERY FUND	2,267,886	0	2,267,886
**D	AVIVA LIFE & PENSIONS UK LIMITED	53,590	0	53,590
**D	AVIVA LIFE AND PENSIONS UK LIMITED	181,930	0	181,930
**D	SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	71,392	0	71,392

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Allocation of the net profit for the year 2016**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	SCHRODER EUROPEAN FUND	2,365,914	0	2,365,914
**D	SCHRODER INTERNATIONAL SMALL COMPANIES P	8,000	0	8,000
**D	SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	125,000	0	125,000
**D	TEACHERS PENSION PLAN & PRIVATE SCHOOL	639,710	0	639,710
**D	FTSE ALL WORLD INDEX FUND	33,351	0	33,351
**D	FRIENDS LIFE LIMITED	89,644	0	89,644
**D	REASSURE LIMITED	14,216	0	14,216
**D	HSBC EUROPEAN INDEX FUND	75,508	0	75,508
**D	NORTHERN IRELAND LOCAL GOV PENSION FUND	84,483	0	84,483
**D	FRIENDS LIFE AND PENSIONS LIMITED	6,627	0	6,627
**D	REALDANIA	532,000	0	532,000
**D	ANIMA SGR SPA	12,381,073	0	12,381,073
**D	ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	242,269	0	242,269
**D	ARTEMIS EUROPEAN OPPORTUNITIES FUND	1,301,374	0	1,301,374
**D	NMM3 EUEQ MFS ACCOUNT	8,971	0	8,971
**D	CITI RETIREMENT SAVINGS PLAN	115,234	0	115,234
**D	FIRST INVESTORS GLOBAL FUND	306,236	0	306,236
**D	UWF TROW INTL DISCOVERY	55,384	0	55,384
**D	BOK KIC GAEQ6	85,699	0	85,699
**D	PS FTSE LO BT EQ WT PORT	32,076	0	32,076
**D	CEP DEP IP GLOBAL SMALLER COS	802,185	0	802,185
**D	EIR EIE WELLINGTON INT	179,053	0	179,053
**D	BNYMTCIL IFS4 INV CONT EU SM CAP FD	1,317,413	0	1,317,413
**D	BNYMTCIL IFS4 INV GBL SM CAP EQ FD	385,588	0	385,588
**D	PS FTSERAFI EUSM UCITS ETF BNYMTCIL	2,919	0	2,919
**D	PS SP INTL DEVEL QUALITY PORTFOLIO	4,736	0	4,736
**D	PS FR DEVEL MARK EX US SMALL PORT	5,473	0	5,473
**D	PRU SECTOR FDS INC PRU FIN SER FD	787,168	0	787,168
**D	AST TRP DIVERS REAL GWTH PORT PDMO	1,049	0	1,049
**D	AST FI PYRAMIS QUANT AA IE SC PDGJ	83,115	0	83,115
**D	AST TRP GWTH OPP PORT BAL PDRB	26,600	0	26,600
**D	AST RCM WORLD TRENDS PORT PDBF	250,800	0	250,800
**D	WELLINGTON MGMT CY LLPQUALITY EDUC FD	138,871	0	138,871
**D	BANK OF AMERICA PENSION PLAN OECHSLE	143,212	0	143,212
**D	BOA FBO SKL INVESTMENT GRP LLC	8,534	0	8,534
**D	WMP OPP INVESTMENT PRTNS LP	32,852	0	32,852
**D	AWAF AWAC WELLINGTON	58,355	0	58,355
**D	THE CLEVELAND CLINIC FOUNDATION	70,858	0	70,858
**D	GLOBAL EQUITY WELLINGTON	235,725	0	235,725
**D	GLOBAL INVESTMENT FUND	31,323	0	31,323
**D	MFS INTL EQUITY FUND	74,599	0	74,599
**D	INVESCO FUNDS	177,083	0	177,083
**D	HP INC MASTER TRUST	68,418	0	68,418
**D	BNYMTD RAMAM WORLD RECOVERY FUND	180,600	0	180,600
**D	UNISYS MASTER TRUST	70,952	0	70,952

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	CPA COP PSERS PYRAMIS GLOBAL ADV	78,706	0	78,706
**D	BNYMTD RM GLOBAL HIGH ALPHA FUND	63,600	0	63,600
**D	AMG TIMESSQUARE INTL SM CAP	643,360	0	643,360
**D	FLORIDA RETIREMENT SYSTEM	215,017	0	215,017
**D	BELL ATLANTIC MASTER TRUST	41,418	0	41,418
**D	VERIZON MASTER SAVINGS TRUST	98,016	0	98,016
**D	UTC WELLINGTON GLOBAL	91,148	0	91,148
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	132,596	0	132,596
**D	BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	109,924	0	109,924
**D	JOHN S AND JAMES L KNIGHT FOUNDATION	229,700	0	229,700
**D	PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	246	0	246
**D	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	192,127	0	192,127
**D	PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	385,014	0	385,014
**D	PIONEER FD-EUROPEAN RESEARCH	321,167	0	321,167
**D	PIONEER FD-EURO EQ OPTIMAL VOL	95,282	0	95,282
**D	PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	25,412	0	25,412
**D	PIONEER FD SF EQUITY PLAN60	52,401	0	52,401
**D	PIONEER FD-GLOBAL MULTI ASSET	39,321	0	39,321
**D	PIONEER FD-EUROPEAN POTENTIAL	1,801,653	0	1,801,653
**D	FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	250,000	0	250,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	110,000	0	110,000
**D	FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	100,000	0	100,000
**D	F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	60,000	0	60,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	15,000	0	15,000
**D	GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	11,000	0	11,000
**D	FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	5,000	0	5,000
**D	METZLER INT INV EUR SMALLER CO	1,575,000	0	1,575,000
**D	UBS EUROP SMALL CAP EQUITY FD	84,125	0	84,125
**D	CIPAV ALOIS	117,262	0	117,262
**D	SOGECAP ACTIONS SMALL CAP	942,243	0	942,243
**D	SG ACTIONS EUROPE MID CAP	197,367	0	197,367
**D	AGI FRANCE	171,200	0	171,200
**D	ALLIANZ ACTIONS EURO PME-ETI	167,700	0	167,700
**D	AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	10,120	0	10,120
**D	COLONIAL FIRST STATE INVESTMENTS LIMITED.	71,939	0	71,939
**D	STICHTING PGGM DEPOSITARY	179,921	0	179,921
**D	WELLINGTON ALTA FUND	94,527	0	94,527
**D	UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	73,720	0	73,720
**D	UBS FUND MANAGEMENT (SWITZERLAND) AG.	132,808	0	132,808
**D	CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	11,326	0	11,326
**D	UBS (LUX) EQUITY SICAV	128,845	0	128,845
**D	S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	201,592	0	201,592
**D	FEDERATED KAUFMANN FUND	6,839,360	0	6,839,360
**D	FEDERATED KAUFMANN FUND II	166,330	0	166,330
**D	FEDERATED KAUFMANN SMALL CAP FUND	874,310	0	874,310

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Shareholders on own behalf:	20	Shareholders by proxy:	559

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	LAUDUS INTERNATIONAL MARKETMASTERS FUND	684,332	0	684,332
**D	SCHWAB INTERNATIONAL EQUITY ETF	195,728	0	195,728
**D	JOHN HANCOCK SEAPORT FUND	522,049	0	522,049
**D	WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	152,865	0	152,865
**D	MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	142,892	0	142,892
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	165,000	0	165,000
**D	ANIMA FUNDS PLC	353,973	0	353,973
**D	MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	127,626	0	127,626
**D	THE FRANCIS E. PARKER MEMORIAL HOME	23,936	0	23,936
**D	THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	41,964	0	41,964
**D	THE GABELLI GLOBAL SMALL AND MID CAP VALUE TRUST	49,000	0	49,000
**D	THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	25,000	0	25,000
**D	HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	907,160	0	907,160
**D	HARTFORD CAPITAL APPRECIATION HLS FUND	1,411,126	0	1,411,126
**D	THE HARTFORD INTERNATIONAL GROWTH FUND	141,392	0	141,392
**D	THE HARTFORD CAPITAL APPRECIATION FUND	3,822,524	0	3,822,524
**D	THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	1,698,920	0	1,698,920
**D	HARTFORD INTERNATIONAL EQUITY FUND	20,015	0	20,015
**D	THE HARTFORD GLOBAL ALL- ASSET FUND	73,365	0	73,365
**D	HARTFORD GLOBAL CAPITAL APPRECIATION FUND	549,306	0	549,306
**D	HARTFORD HEALTHCARE ENDOWMENT LLC	10,847	0	10,847
**D	HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	9,572	0	9,572
**D	HSBC STAT	58,300	0	58,300
**D	ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	7,316	0	7,316
**D	HENKEL OF AMERICA MASTER RETIREMENT TRUST	20,932	0	20,932
**D	TEXAS MUNICIPAL RETIREMENT SYSTEM	897,775	0	897,775
**D	ASHWOOD INVESTMENTS LIMITED	6,619	0	6,619
**D	STATE OF NEW JERSEY COMMON PENSION FUND D	257,203	0	257,203
**D	NEW YORK STATE DEFERRED COMPENSATION PLAN	124,544	0	124,544
**D	CITY OF NEW YORK GROUP TRUST	513,664	0	513,664
**D	WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	122,551	0	122,551
**D	HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	193,662	0	193,662
**D	BIMCOR GLOBAL EQUITY POOLED FUND	87,658	0	87,658
**D	GOVERNMENT OF THE PROVINCE OF ALBERTA	169,600	0	169,600
**D	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	2,292,969	0	2,292,969
**D	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	365,713	0	365,713
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	487,200	0	487,200
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	136,317	0	136,317
**D	METZLER INVESTMENT GMBH FOR MI-FONDS 415	113,500	0	113,500
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	346,439	0	346,439
**D	SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	37,395	0	37,395
**D	VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	125,203	0	125,203
**D	THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	376,990	0	376,990
**D	THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	88,420	0	88,420
**D	THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	151,092	0	151,092

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Allocation of the net profit for the year 2016**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	7,964	0	7,964
**D	THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	12,538	0	12,538
**D	THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	900,083	0	900,083
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	226,758	0	226,758
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	2,381	0	2,381
**D	WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	56,613	0	56,613
**D	AXA WORLD FUNDS	12,770,072	0	12,770,072
**D	ALLIANZ GLOBAL INVESTORS FUND	1,446,700	0	1,446,700
**D	MFS MERIDIAN FUNDS	1,306,568	0	1,306,568
**D	KIEGER FUND I	50,329	0	50,329
**D	UBS ETF	5,105	0	5,105
**D	INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	61,206	0	61,206
**D	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	157,750	0	157,750
**D	COLLEGE RETIREMENT EQUITIES FUND	1,416,042	0	1,416,042
**D	RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	238,547	0	238,547
**D	RUSSELL INVESTMENT FUNDS NON-U.S. FUND	28,598	0	28,598
**D	MULTI-STYLE, MULTI-MANAGER FUNDS PLC	210,400	0	210,400
**D	ONTARIO TEACHERS PENSION PLAN BOARD	183,162	0	183,162
**D	THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	24,218	0	24,218
**D	THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	5,970	0	5,970
**D	THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	622,711	0	622,711
**D	GOVERNMENT INSTITUTIONS PENSION FUND	3,059	0	3,059
**D	BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	1,495,583	0	1,495,583
**D	THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	177,800	0	177,800
**D	HRW TESTAMENTARY TRUST NO 3	127,400	0	127,400
**D	THE WALTON FAMILY FOUNDATION	269,600	0	269,600
**D	HRW TESTAMENTARY TRUST NO. 8	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO 2	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO. 12	109,400	0	109,400
**D	GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	120,164	0	120,164
**D	SCHLUMBERGER COMMON INVESTMENT FUND	44,607	0	44,607
**D	LTW INVESTMENTS LLC	170,000	0	170,000
**D	LOY PARTNERSHIP, LLC	96,500	0	96,500
**D	RAMI PARTNERS, LLC	90,600	0	90,600
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	53,438	0	53,438
**D	BLUE SKY GROUP	209,000	0	209,000
**D	BATTELLE MEMORIAL INSTITUTE	39,700	0	39,700
**D	DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	59,456	0	59,456
**D	PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	291,526	0	291,526
**D	THE HEALTH FOUNDATION	57,168	0	57,168
**D	MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	57,188	0	57,188
**D	ST. JOSEPH HEALTH SYSTEM	100,661	0	100,661
**D	TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	17,288	0	17,288
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	319,807	0	319,807
**D	EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	44,336	0	44,336

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	STATE UNIVERSITIES RETIREMENT SYSTEM	68,085	0	68,085
**D	UTAH STATE RETIREMENT SYSTEMS	44,501	0	44,501
**D	STICHTING PENSIOENFONDS APF	2,873	0	2,873
**D	AMG FUND PLC	8,390	0	8,390
**D	ILLINOIS STATE BOARD OF INVESTMENT	77,149	0	77,149
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	20,610	0	20,610
**D	EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	528,640	0	528,640
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	26,395	0	26,395
**D	EURIZON EASY FUND - EQUITY ITALY	129,738	0	129,738
**D	EURIZON FUND - EQUITY ITALY SMART VOLATILITY	76,384	0	76,384
**D	AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	994,376	0	994,376
**D	AMUNDI LUXEMBOURG SA	909,666	0	909,666
**D	FCP EDMOND DE ROTHSCHILD EURO LEADERS	923,900	0	923,900
**D	FCP EDMOND DE ROTHSCHILD EURO SRI	168,000	0	168,000
**D	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	834,000	0	834,000
**D	FCP LCF PHARMA INTERNATIONAL	164,920	0	164,920
**D	CNP ASSUR SMALL CAP	432,330	0	432,330
**D	EDMOND DE ROTHSCHILD ASSET MANAGEMENT	399,330	0	399,330
**D	AA FORTIS ACTIONS PETIT CAP EUROPE	270,956	0	270,956
**D	FCP RSI EURO P	63,089	0	63,089
**D	FCP VILLIERS DIAPASON	69,636	0	69,636
**D	FCP NATIXIS ACTIONS SMALL MID CAP EURO	263,000	0	263,000
**D	ASSURDIX	41,977	0	41,977
**D	CPR EURO HIGH DIVIDEND	94,061	0	94,061
**D	CPR SILVER AGE	2,472,859	0	2,472,859
**D	SICAV BBM V-FLEX	135,784	0	135,784
**D	FCP BEST BUSINESS MODELS	1,530,000	0	1,530,000
**D	CROISSANCE PME M	433,376	0	433,376
**D	BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	973,829	0	973,829
**D	PUBLIC SERVICE PENSION PLAN FUND	35,520	0	35,520
**D	TEACHERS` PENSION PLAN FUND	37,223	0	37,223
**D	TELUS PENSIONS MASTER TRUST	78,303	0	78,303
**D	ALLEGHENY COLLEGE	24,200	0	24,200
**D	ERIE COUMMINTY FOUNDATION	27,300	0	27,300
**D	TIMESQUARE FOCUS FUND LP	25,000	0	25,000
2276	ROSSI MARCO	57,288	57,288	0
2666	DI PALMA GIUSEPPE	1,100	1,100	0
3005	CAGLIA MARIA	0	0	0
DE*	UNICREDIT S.P.A.	215,066,403	0	215,066,403
3025	GHIBAUDI LEOPOLDO	9,000	9,000	0
3061	VIOZZI DANIELE	50	50	0
3200	SCANU MARCO	187	187	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	MOMENTUM INVESTMENT FUNDS SCIVA SIF	133,040	0	133,040
**D	JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	2,045,229	0	2,045,229

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**D	JPMORGAN INVESTMENT FUNDS	1,205,954	0	1,205,954
**D	CC&L Q 140/40 FUND	600	0	600
**D	CC& L US Q MARKET NEUTRAL ONSHORE FUND I	300	0	300
**D	CC&L Q CAN EQUITY 130/30 PLUS FUND	775	0	775
**D	CC&L Q MARKET NEUTRAL FUND	82,300	0	82,300
**D	VANGUARD EUROPEAN STOCK INDEX FUND	691,987	0	691,987
**D	VANGUARD DEVELOPED MARKETS INDEX FUND	1,795,422	0	1,795,422
**D	VANGUARD TOTAL WORLD STOCK INDEX FUND	82,591	0	82,591
**D	VANGUARD FTSE ALL-WORLD EX US INDEX FUND	565,229	0	565,229
**D	VANGUARD FUNDS PLC	91,522	0	91,522
**D	RAINIER INT SMALL CAP EQUITY COLLECTIVE	182,840	0	182,840
**D	VANGUARD INVESTMENT SERIES PLC	79,836	0	79,836
**D	JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	3,877	0	3,877
**D	STICHT BEDRIJ MEDIA PNO	180,000	0	180,000
**D	HENDERS.EURO.SMALLER COMPANIES FUND	322,357	0	322,357
**D	HENDERSON INSTIT EUROP INDEX OPP FUND	42,487	0	42,487
**D	SAINT MARTIN 4	888,000	0	888,000
**D	FCP SAKKARAH 7	7,500	0	7,500
**D	FCPE TOTAL ACTIONS EUROPEENNES	750,000	0	750,000
**D	FCP KLESIA A DIVERSIFIE	325,000	0	325,000
**D	TOTAL GESTION FLEX PATRI	44,970	0	44,970
**D	FONDS RESERVE RETRAITES	888,450	0	888,450
**D	HENDERSON HORIZON FUND SICAV	2,101,556	0	2,101,556
**D	HENDERSON GARTMORE FUND	572,233	0	572,233
**D	MERIFIN CAPITAL B.V.	39,940	0	39,940
**D	VANGUARD INTERNATIONAL SMALL COMPANIES I	20,939	0	20,939
**D	ONEPATH GLOBAL SHARES - SMALL CAP INDEX	22,117	0	22,117
**D	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	4,895	0	4,895
**D	NVIT MULTI MANAGER INTERNATIONAL GROWTH	143,770	0	143,770
**D	JPM EUROPE DYNAMIC (EX UK) FUND	551,178	0	551,178
**D	JPM EUROPE SMALLER COMPANIES FUND	409,306	0	409,306
**D	VANGUARD TOTAL INTERNATIONAL STOCK INDEX	4,791,064	0	4,791,064
**D	JPMORGAN EUROPEAN INVESTMENT TRUST PLC	94,946	0	94,946
**D	JPMORGAN EUROPEAN SMALLER COMPANIES TST	1,533,787	0	1,533,787
**D	JAPAN TRUSTEE SERVICES BANK LTD AS TRUST	3,489	0	3,489
**D	JTSB LTD. AS TRUSTEE FOR SUMITOMO	16,888	0	16,888
**D	NEW YORK LIFE INSURANCE COMPANY	66,324	0	66,324
**D	PEERLESS INSURANCE COMPANY	115,223	0	115,223
**D	PROSHARES HEDGED FTSE EUROPE ETF	191	0	191
**D	JPMORGAN INTERNATIONAL DISCOVERY FUND	6,507	0	6,507
**D	THE CANADA POST CORPORATION PENSION PLAN	104,309	0	104,309
**D	TR EUROPEN GROWTH TRUST PLC	1,844,247	0	1,844,247
**D	ING DIRECT	29,652	0	29,652
**D	FIDELITY SAL ST T SPARTAN TOTAL INT IN F	4,749	0	4,749
**D	BEST INVESTMENT CORPORATION	9,518	0	9,518

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Ordinary Shareholders' Meeting of April 11, 2017

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**D	BLACKROCK INSTITUTIONAL POOLED FUND PLC	6,097	0	6,097
**D	CHINA LIFE INSURANCE (GROUP) COMPANY	2,554	0	2,554
**D	BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	1,214	0	1,214
**D	BLACKROCK FISSION INDEXED INTL EQUITY FD	24,822	0	24,822
**D	SUPER FUNDS MANAG CORP SOUTH AUSTRALIA	119,451	0	119,451
**D	MINISTRY OF STRATEGY AND FINANCE	33,349	0	33,349
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	32,767	0	32,767
**D	TRUST AND CUSTODY SERVICED BANK LIMITED	34,871	0	34,871
**D	THE MASTER TRUST BANK OF JAPAN LTD	37,838	0	37,838
**D	MASTER TRUST FOR NATIONAL PENSION FD	35,535	0	35,535
**D	FLF STRATEGIC GLOBAL EQUITY FUND	72,428	0	72,428
**D	BOK KIC AAEQ 3	15,026	0	15,026
**D	SUBSIDIZED SCHOOLS P FUND NORTHERN	13,614	0	13,614
**D	55016 UP INTERNATIONALE AKTIER	225,930	0	225,930
**D	WILM MULTI MGR INTL FD OBERWEIS	241,652	0	241,652
**D	56053 IP GLOBAL EQUITIES I	12,883	0	12,883
**D	LMIF LMGAMI EURO SMLL CP	181,818	0	181,818
**D	IQ 50 PERCENT HEDGED FTSE EURO ETF	3,749	0	3,749
**D	DEUTSCHE XTRK MSCI EMU HDG EQ ETF	4,402	0	4,402
**D	BLACKROCK GLOBAL FUNDS	4,397,203	0	4,397,203
**D	FPXF WILLIAM BLAIR CO	31,880	0	31,880
**D	RVN WILLIAM BLAIR	4,196	0	4,196
**D	BLL AQUILA LIFE EUROPEAN EQUITY	755,618	0	755,618
**D	BLL ASCENT LIFE EUROPEAN	62,130	0	62,130
**D	BLK MULTI ASSET INC PF EUR EQU INC	478,931	0	478,931
**D	BLL AQUILA LIFE OSEAS EQUITY FUND	4,851	0	4,851
**D	BLL ASCENT LIFEENHANCED	1,766	0	1,766
**D	DEUTSCHE XTRK MSCI EAFE SC HDG ETF	466	0	466
**D	CHI OPERATING INVESTMENT PROGRAM LP	78,109	0	78,109
**D	CATHOLIC HEALTH INITIATIVES MASTER TRUST	40,056	0	40,056
**D	FIRST INITIATIVES INSURANCE LIMITED	6,914	0	6,914
**D	EATON VANCE MGMT INTL SMALL CAP	1,057	0	1,057
**D	ONFF WILLIAM BLAIR NONUS	17,060	0	17,060
**D	CE8F WILLIAM BLAIR IACG	115,413	0	115,413
**D	RAYTHEON MASTER PENSION TRUST	1,528	0	1,528
**D	VANGUARD INTL HIGH DIV YLD INDEX FD	14,295	0	14,295
**D	BSNF NTR WILLIAM BLAIR	12,404	0	12,404
**D	BSPF PMT WILLIAM BLAIR	8,749	0	8,749
**D	BGF EURO MKTS FD EURO EQUITY PF	8,176,154	0	8,176,154
**D	BGF FLEX MULTI ASSET GBL EQ PF	9,039	0	9,039
**D	LRPF WILLIAM BLAIR	42,009	0	42,009
**D	W11F WILLIAM BLAIR	10,510	0	10,510
**D	BFTF WILLIAM BLAIR	21,724	0	21,724
**D	US BK RAINIER INTL DISCOVERY FUND	395,610	0	395,610
**D	ATFF AMERICAN CENTURY	74,487	0	74,487

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**D	RZSF3001 NON US GE W BLAIR	103,201	0	103,201
**D	ALASKA PERMANENT FUND CORPORATION	57,838	0	57,838
**D	1216 APG DME FINANC	1,221,917	0	1,221,917
**D	2054 APG DME BLACKR	117,398	0	117,398
**D	AON HEWITT COLLECTIVE INVESTMENT TRUST	27,414	0	27,414
**D	MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	30,345	0	30,345
**D	PHC NT SMALL CAP	26,269	0	26,269
**D	BNYMTD BLK CONTINENTAL EURO INC	4,653,703	0	4,653,703
**D	BNYMTD BLK CONT EUR EQ TRCK FD INV	265,102	0	265,102
**D	PENSION RESERVES INVESTMENT TRUST FUND	73,110	0	73,110
**D	VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	97,220	0	97,220
**D	THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	20,153	0	20,153
**D	GENERAL MILLS INVESTMENT TRUST	36,637	0	36,637
**D	INDIANA PUBLIC RETIREMENT SYSTEM	12,426	0	12,426
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	27,702	0	27,702
**D	SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	19,925	0	19,925
**D	UPS GROUP TRUST	86,396	0	86,396
**D	ELEVA UCITS FD-ELEVA ABSOLUTE	6,479,400	0	6,479,400
**D	COLISEE IFC 1	538,000	0	538,000
**D	IRISH LIFE ASSURANCE.	184,234	0	184,234
**D	LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	1,666,611	0	1,666,611
**D	CITIBANK KOREA INC	848,102	0	848,102
**D	THREADNEEDLE (LUX	978,719	0	978,719
**D	THREADNEEDLE INVESTMENT FUNDS ICVC	11,652,830	0	11,652,830
**D	LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	8,892	0	8,892
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	12,500	0	12,500
**D	GOVERNMENT OF NORWAY	5,524,312	0	5,524,312
**D	NORGES BANK	109,988	0	109,988
**D	AQR ORACLE FUND LP	5,896	0	5,896
**D	NUMERIC ABS RETURN FD LP	18,000	0	18,000
**D	FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	2,062	0	2,062
**D	FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	203,488	0	203,488
**D	INTERNATIONAL MONETARY FUND	15,994	0	15,994
**D	AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	6,110	0	6,110
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	26,000	0	26,000
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	23,070	0	23,070
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	301,560	0	301,560
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	219,530	0	219,530
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	266,990	0	266,990
**D	AMERICAN CENTURY RETIREMENT DATE TRUST	114,333	0	114,333
**D	CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	183,278	0	183,278
**D	CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	462	0	462
**D	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	28,252	0	28,252
**D	EATON VANCE INTERNATIONAL SMALL-CAP FUND	10,546	0	10,546
**D	WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	217,799	0	217,799

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**D	WILLIAM BLAIR INTERNATIONAL GROWTH FUND	657,058	0	657,058
**D	WILLIAM BLAIR INSTITUTIONAL INTERNATIONAL GROWTH FUND	476,734	0	476,734
**D	MM SELECT EQUITY ASSET FUND	6,406	0	6,406
**D	ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM	78,810	0	78,810
**D	MARYLAND STATE RETIREMENT & PENSION SYSTEM	19,979	0	19,979
**D	MERCER QIF CCF	1,101,611	0	1,101,611
**D	MERCER QIF CCF	616,038	0	616,038
**D	STATE OF MONTANA BOARD OF INVESTMENTS	66,699	0	66,699
**D	CITY OF NEW YORK GROUP TRUST	183,462	0	183,462
**D	STATE STREET IRELAND UNIT TRUST	52,145	0	52,145
**D	SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY	62,756	0	62,756
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	634,198	0	634,198
**D	UAW RETIREE MEDICAL BENEFITS TRUST	154,557	0	154,557
**D	VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	3,873	0	3,873
**D	VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	3,671	0	3,671
**D	VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	697	0	697
**D	VANGUARD GLOBAL LIQUIDITY FACTOR ETF	1,061	0	1,061
**D	VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	8,723	0	8,723
**D	VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	25,281	0	25,281
**D	VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	1,123	0	1,123
**D	WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	26,627	0	26,627
**D	WELLS FARGO ALTERNATIVE STRATEGIES FUND	7,561	0	7,561
**D	WASHINGTON STATE INVESTMENT BOARD	165,288	0	165,288
**D	WASHINGTON STATE INVESTMENT BOARD	3,050	0	3,050
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	139	0	139
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	17,270	0	17,270
**D	WISDOMTREE DEFA EQUITY INCOME FUND	18,109	0	18,109
**D	WISDOMTREE INTERNATIONAL EQUITY FUND	30,409	0	30,409
**D	WISDOMTREE INTERNATIONAL MIDCAP DIVIDEND FUND	37,696	0	37,696
**D	WISDOMTREE EUROPE LOCAL RECOVERY FUND	867	0	867
**D	WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	212,713	0	212,713
**D	NEW YORK STATE TEACHERS RETIREMENT SYSTEM	131,253	0	131,253
**D	PRUDENTIAL BANK AND TRUST	56,511	0	56,511
**D	SPDR EURO STOXX SMALL CAP ETF	19,641	0	19,641
**D	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	560,715	0	560,715
**D	BLACKROCK STRATEGIC FUNDS	102,172	0	102,172
**D	KIEGER FUND I	1,887	0	1,887
**D	ISHARES MSCI EAFE SMALL CAP ETF	1,043,062	0	1,043,062
**D	ISHARES MSCI EUROPE SMALL-CAP ETF	29,608	0	29,608
**D	BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	548,131	0	548,131
**D	ISHARES CORE MSCI EAFE ETF	592,081	0	592,081
**D	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	114,889	0	114,889
**D	ISHARES MSCI INTERNATIONAL DEVELOPED ETF	2,460	0	2,460
**D	ISHARES CORE MSCI EAFE IMI INDEX ETF	16,762	0	16,762
**D	ISHARES MSCI EUROPE IMI INDEX ETF	6,701	0	6,701

Shareholders:	579	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	559

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Allocation of the net profit for the year 2016**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	ISHARES CORE MSCI EUROPE ETF	79,880	0	79,880
**D	CONNECTICUT GENERAL LIFE INSURANCE COMPANY	2,775	0	2,775
**D	CDN ACWI ALPHA TILTS FUND	15,426	0	15,426
**D	RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B	1,917	0	1,917
**D	EURO EX-UK ALPHA TITLS FUND B	9,358	0	9,358
**D	WORLD ALPHA TILTS NON-LENDABLE FUND B	757	0	757
**D	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	15,676	0	15,676
**D	DELUXE CORPORATION MASTER TRUST	12,195	0	12,195
**D	MERCY HEALTH	9,457	0	9,457
**D	MERCY HEALTH RETIREMENT TRUST	2,453	0	2,453
**D	TRUTH INITIATIVE FOUNDATION	4,601	0	4,601
**D	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	103,806	0	103,806
**D	ISHARES PUBLIC LIMITED COMPANY	1.002,024	0	1,002,024
**D	ISHARES II PUBLIC LIMITED COMPANY	603,850	0	603,850
**D	ISHARES VII PLC	674,577	0	674,577
**D	ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	233,174	0	233,174
**D	BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	1,086,651	0	1,086,651
**D	BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	163,680	0	163,680
**D	BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	334,720	0	334,720
**D	BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	273,064	0	273,064
**D	MANAGED PENSION FUNDS LIMITED	12,389	0	12,389
**D	THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	11,592	0	11,592
**D	FAMILY INVESTMENTS CHILD TRUST FUND	14,367	0	14,367
**D	FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	9,961	0	9,961
**D	HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	284,213	0	284,213
**D	STICHTING PHILIPS PENSIOENFONDS	49,007	0	49,007
**D	THE TRUSTEES OF SAL PENSION SCHEME	3,820	0	3,820
**D	VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	17,302	0	17,302
**D	VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	41,639	0	41,639
**D	VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	103,491	0	103,491
**D	VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	276	0	276
**D	SUNSUPER SUPERANNUATION FUND	13,451	0	13,451
**D	CANADA PENSION PLAN INVESTMENT BOARD	369,604	0	369,604
**D	THE TRUSTEES OF BP PENSION FUND	773,030	0	773,030
**D	FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	13,955	0	13,955
**D	UNIVERSITY OF KENTUCKY	10,000	0	10,000
**D	WHEELS COMMON INVESTMENT FUND	18,626	0	18,626
**D	CHEVRON MASTER PENSION TRUST	29,057	0	29,057
**D	CHEVRON UK PENSION PLAN	2,761	0	2,761
**D	THE CURATORS OF THE UNIVERSITY OF MISSOURI	50,065	0	50,065
**D	DFI LP EQUITY (PASSIVE)	1,693	0	1,693
**D	NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND	12,165	0	12,165
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	169,898	0	169,898
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	34,430	0	34,430
**D	NEW ZEALAND SUPERANNUATION FUND	26,623	0	26,623

Shareholders:	579	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	559

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Allocation of the net profit for the year 2016**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	AON SAVINGS PLAN TRUST	46,862	0	46,862
**D	MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	2,113	0	2,113
**D	NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST	363,921	0	363,921
**D	TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	17,985	0	17,985
**D	ADVOCATE HEALTH CARE NETWORK	20,899	0	20,899
**D	CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	64,284	0	64,284
**D	FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	10,415	0	10,415
**D	ILLINOIS MUNICIPAL RETIREMENT FUND	134,679	0	134,679
**D	LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM	41,051	0	41,051
**D	CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN	65,307	0	65,307
**D	UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	51,783	0	51,783
**D	POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	32,151	0	32,151
**D	SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM	116,549	0	116,549
**D	SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	17,859	0	17,859
**D	FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	1,181	0	1,181
**D	OPSEU PENSION PLAN TRUST FUND	5,309	0	5,309
**D	NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	2,417,367	0	2,417,367
**D	THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	572,086	0	572,086
**D	STRATHCLYDE PENSION FUND	341,499	0	341,499
**D	MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO	27,415	0	27,415
**D	NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	891	0	891
**D	NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	212,266	0	212,266
**D	SSGA GROSS ROLL UP UNIT TRUST	13,909	0	13,909
**D	LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	4,616	0	4,616
**D	STATE TEACHERS RETIREMENT SYSTEM OF OHIO	423,988	0	423,988
**D	ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND	32,387	0	32,387
**D	UNIVEST	126,385	0	126,385
**D	STG PFDS V.D. GRAFISCHE	155,541	0	155,541
**D	FCP ECUREUIL RETRAITE EURO ACTIONS 4	300,000	0	300,000
**D	I.2.C. ACTIONS	488,000	0	488,000
**D	FCP GROUPAMA AVENIR EURO	3,136,372	0	3,136,372
**D	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN	14,955	0	14,955
**D	THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	15,685	0	15,685
**D	MCGILL UNIVERSITY PENSION FUND	7,953	0	7,953
**D	PUBLIC SECTOR PENSION INVESTMENT BOARD	104,668	0	104,668
**D	CIBC INTERNATIONAL SMALL COMPANIES FUND	44,559	0	44,559
**D	CF DV ACWI EX-U.S. IMI FUND	1,587	0	1,587
581	CERASUOLO STEFANO	7,241	7,241	0
599	AMADASI GIORDANO	158	158	0
742	AUSILIO ROSA GIUSEPPINA	187	187	0
773	CORNAGO DANIELE	2,241	2,241	0
962	ZACCARDI ANTONELLA	1,259	1,259	0

Total votes 454,702,781
Percentage of voters % 99.165808

Shareholders:	579	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	559

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Allocation of the net profit for the year 2016**

IN FAVOUR

Surname	Tot. Votes	On own behalf	Proxy
Percentage of share capital %	74.821918		

Shareholders:	579	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	559

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Ordinary Sharehodlers' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the number of the Directors**

Attendees:

No. **587** shareholders entitled to vote took part in the voting on own behalf or by proxy

No. **458,527,782** ordinary shares

The counting of votes produced the following results:

		%OF ORDINARY SHARE CAPITAL PRESENT (Voting Quorum)	%OF ORDINARY SHARES ENTITLED TO VOTE	%SHARE CAPITAL
Favour	452,002,564	98.576920	98.576920	74.377594
Against	3,454,625	0.753417	0.753417	0.568463
SubTotal	455,457,189	99.330337	99.330337	74.946057
Abstentions	12,001	0.002617	0.002617	0.001975
Not Voting	3,058,592	0.667046	0.667046	0.503295
SubTotal	3,070,593	0.669663	0.669663	0.505270
Total	458,527,782	100.000000	100.000000	75.451327

Shareholders:	587	People:	24
Shareholders on own behalf:	21	Shareholders by proxy:	566

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the number of the Directors**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	FTSE ALL WORLD INDEX FUND	33,351	0	33,351
**D	REASSURE LIMITED	14,216	0	14,216
**D	HSBC EUROPEAN INDEX FUND	75,508	0	75,508
**D	REALDANIA	532,000	0	532,000
**D	AMG TIMESSQUARE INTL SM CAP	643,360	0	643,360
**D	JOHN S AND JAMES L KNIGHT FOUNDATION	229,700	0	229,700
**D	HSBC STAT	58,300	0	58,300
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	487,200	0	487,200
**D	THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	177,800	0	177,800
**D	HRW TESTAMENTARY TRUST NO 3	127,400	0	127,400
**D	THE WALTON FAMILY FOUNDATION	269,600	0	269,600
**D	HRW TESTAMENTARY TRUST NO. 8	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO 2	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO. 12	109,400	0	109,400
**D	LTW INVESTMENTS LLC	170,000	0	170,000
**D	LOY PARTNERSHIP, LLC	96,500	0	96,500
**D	RAMI PARTNERS, LLC	90,600	0	90,600
**D	AMG FUND PLC	8,390	0	8,390
**D	ALLEGHENY COLLEGE	24,200	0	24,200
**D	ERIE COUMMINTY FOUNDATION	27,300	0	27,300
**D	TIMESQUARE FOCUS FUND LP	25,000	0	25,000

Total votes	3,454,625
Percentage of voters %	0.753417
Percentage of share capital %	0.568463

Shareholders:	21	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	21

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Determination of the number of the Directors**

ABSTENTIONS

	Surname	Tot. Votes	On own behalf	Proxy
1027	PRANDINI GIULIANO	12,000	12,000	0
4003	CASTAGNA SERGIO	1	1	0

Total votes	12,001
Percentage of voters %	0.002617
Percentage of share capital %	0.001975

Shareholders:	2	People:	2
Shareholders on own behalf:	2	Shareholders by proxy:	0

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the number of the Directors**

NOT VOTING

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	150,000	0	150,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	1,100,000	0	1,100,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	30,000	0	30,000
**D	INTERFUND SICAV INTERFUND EQUITY ITALY	450,000	0	450,000
**D	S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	201,592	0	201,592
**D	FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	27,000	0	27,000
**D	MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	1,100,000	0	1,100,000

Total votes	3,058,592
Percentage of voters %	0.667046
Percentage of share capital %	0.503295

Shareholders:	7	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	7

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Determination of the number of the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
1240	FOGLI MAURIZIO	1,953	1,953	0
1262	AMADEI STEFANO	3,861	3,861	0
1305	ROSSOTTI ROBERTO	3,000	3,000	0
1774	MINNELLA CARMELO GIOVANNI	1,867	1,867	0
1834	CROCE MARIO	1,500	1,500	0
1837	SIRIANNI PIER BATTISTA	8,000	8,000	0
1948	ANNIBALETTI ANGELO	30,000	30,000	0
2068	BONETTI EMANUELE	100	100	0
2223	MARTIRIGGIANO ANTONIO	2,681	2,681	0
2253	TONELLI GIULIO	0	0	0
**D	ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	670,000	0	670,000
**D	FRANKLIN TEMPLETON INVESTMENT FUNDS	668,413	0	668,413
**D	T. ROWE PRICE FUNDS SICAV	145,427	0	145,427
**D	SCHRODER INTERNATIONAL SELECTION FUND	8,682,403	0	8,682,403
**D	GENERALI INVESTMENTS LUXEMBURG S.A.	684,571	0	684,571
**D	MERRILL LYNCH PROFESSIONAL CLEARING CORP	86,328	0	86,328
**D	WELLINGTON MANAGEMENT PORTFOLIOS	335,843	0	335,843
**D	FIDELITY FUNDS SICAV	1,194,975	0	1,194,975
**D	WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	36,542	0	36,542
**D	WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	28,228	0	28,228
**D	WELLINGTON TRUST COMP COMM TRUST INT OPP	175,018	0	175,018
**D	WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	10,972	0	10,972
**D	JAPAN TRUSTEE SERVICES BANK LTD	469,886	0	469,886
**D	AFER ACTION PME	451,836	0	451,836
**D	BNP PARIBAS SMALL CAP EUROLAND	2,526,390	0	2,526,390
**D	BNP PARIBAS ACTIONS PME	543,807	0	543,807
**D	FCP BNP PARIBAS ACTIONS EUROLAND	43,134	0	43,134
**D	AXA OPTIMAL INCOME	2,068,464	0	2,068,464
**D	AXA VALEURS EURO	1,200,000	0	1,200,000
**D	PARVEST	3,121,423	0	3,121,423
**D	BNP PARIBAS A FUND	58,956	0	58,956
**D	BNP PARIBAS L1	82,735	0	82,735
**D	BNP PARIBAS B PENSION BALANCED	733,505	0	733,505
**D	BNP PARIBAS B PENSION STABILITY	47,432	0	47,432
**D	METROPOLITAN RENTASTRO	183,304	0	183,304
**D	BANQUE PICTET & CIE SA	33,126	0	33,126
**D	ROBECO CAPITAL GROWTH FUNDS	350,000	0	350,000
**D	DEKA BASISSTRATEGIE FLEXIBEL	23,960	0	23,960
**D	DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	7,900	0	7,900
**D	DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	74,600	0	74,600
**D	DEKA INVESTMENT GMBH RE ARIDEKA	1,150,000	0	1,150,000
**D	DEKA INVEST DIVIDENDENSTRATEGIE CF A	1,088,900	0	1,088,900
**D	HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	2,810,128	0	2,810,128
**D	UBS GLOBAL ASSET MANAGEMENT LIFE LTD	73,068	0	73,068
**D	UBS ASSET MANAGEMENT LIFE LTD	283	0	283

Shareholders:	557	People:	22
Shareholders on own behalf:	19	Shareholders by proxy:	538

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Determination of the number of the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	FONDO CONSOLIDADO DE RESERVAS PREVISIONA	86,791	0	86,791
**D	CHINA LIFE INSURANCE COMPANY LIMITED	60,140	0	60,140
**D	COINVEST LIMITED	13,801	0	13,801
**D	UBS (US) GROUP TRUST	7,469	0	7,469
**D	T. ROWE PRICE INTERNATIONAL DISCOVERY FU	4,303,286	0	4,303,286
**D	MINISTRY OF STRATEGY AND FINANCE	143,444	0	143,444
**D	T ROWE PRICE INTERNATIONAL EQUITY INDEX	14,257	0	14,257
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	138,293	0	138,293
**D	STICHTING PENSIOENFONDS MEDISCH SPECIALI	506,456	0	506,456
**D	DEKA INVEST RE DEKA-ZMV-FONDS	22,000	0	22,000
**D	DEKA INVESTMENT GMBH RE PRODEKA	65,200	0	65,200
**D	DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	9,400	0	9,400
**D	DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	10,813	0	10,813
**D	MI-FONDS 392	462,000	0	462,000
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	309,886	0	309,886
**D	NATIONWIDE SMALL CAP INDEX FUND	400,962	0	400,962
**D	PENSIONSKASSEN FOR BORNE-OG UNGDOMS	16,958	0	16,958
**D	KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	1,525,392	0	1,525,392
**D	DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	546,850	0	546,850
**D	STICHTING PENSIOENFONDS VOOR HUISARTSEN	25,292	0	25,292
**D	T ROWE PRICE GLOBAL ALLOCATION FUND INC	7,791	0	7,791
**D	T ROWE INTL SMALL CAP EQUITY TRUST	486,110	0	486,110
**D	ENTERGY CORP.RETIREMENT PLANS MASTER TR.	203,718	0	203,718
**D	INVESCO GLOBAL SMALL CAP EQUITY POOL	143,065	0	143,065
**D	RBC CANADIAN MASTER TRUST	124,418	0	124,418
**D	REGIME DE RETRAITE D HYDRO QUEBEC	102,698	0	102,698
**D	WEST MIDLANDS METROPOLITAN AUT PENS FD	61,000	0	61,000
**D	AXA FRAMLINGTON FINANCIAL FUND	125,000	0	125,000
**D	NATIXIS INTERNT FUNDS LUX I	238,000	0	238,000
**D	FCP SCANDIUM	122,000	0	122,000
**D	ALLIANZGI FONDS BAT LS	92,900	0	92,900
**D	ALLIANZGI FONDS PF1	14,182	0	14,182
**D	ALLIANZGI FONDS AFE	3,943	0	3,943
**D	FCP BRONGNIART AVENIR	100,000	0	100,000
**D	TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	1,507,269	0	1,507,269
**D	PFIZER JAPAN INC PENSION FUND	80,700	0	80,700
**D	TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	55,682	0	55,682
**D	THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	83,856	0	83,856
**D	BT WHOLESALE MULTI MANAG INTL SHARE FUND	186,764	0	186,764
**D	SCHRODER PENSION MANAGEMENT LTD	42,277	0	42,277
**D	MFS INTERNATIONAL NEW DISCOVERY FUND	2,267,886	0	2,267,886
**D	AVIVA LIFE & PENSIONS UK LIMITED	53,590	0	53,590
**D	AVIVA LIFE AND PENSIONS UK LIMITED	181,930	0	181,930
**D	SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	71,392	0	71,392
**D	SCHRODER EUROPEAN FUND	2,365,914	0	2,365,914

Shareholders:	557	People:	22
Shareholders on own behalf:	19	Shareholders by proxy:	538

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Determination of the number of the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	SCHRODER INTERNATIONAL SMALL COMPANIES P	8,000	0	8,000
**D	SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	125,000	0	125,000
**D	TEACHERS PENSION PLAN & PRIVATE SCHOOL	639,710	0	639,710
**D	FRIENDS LIFE LIMITED	89,644	0	89,644
**D	NORTHERN IRELAND LOCAL GOV PENSION FUND	84,483	0	84,483
**D	FRIENDS LIFE AND PENSIONS LIMITED	6,627	0	6,627
**D	FCP VILLIERS ACTIONS EDRAM	968,000	0	968,000
**D	ANIMA SGR SPA	12,381,073	0	12,381,073
**D	ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	242,269	0	242,269
**D	ARTEMIS EUROPEAN OPPORTUNITIES FUND	1,301,374	0	1,301,374
**D	NMM3 EUEQ MFS ACCOUNT	8,971	0	8,971
**D	CITI RETIREMENT SAVINGS PLAN	115,234	0	115,234
**D	FIRST INVESTORS GLOBAL FUND	306,236	0	306,236
**D	UWF TROW INTL DISCOVERY	55,384	0	55,384
**D	BOK KIC GAEQ6	85,699	0	85,699
**D	PS FTSE LO BT EQ WT PORT	32,076	0	32,076
**D	CEP DEP IP GLOBAL SMALLER COS	802,185	0	802,185
**D	EIR EIE WELLINGTON INT	179,053	0	179,053
**D	BNYMTCIL IFS4 INV CONT EU SM CAP FD	1,317,413	0	1,317,413
**D	BNYMTCIL IFS4 INV GBL SM CAP EQ FD	385,588	0	385,588
**D	PS FTSERAFI EUSM UCITS ETF BNYMTCIL	2,919	0	2,919
**D	PS SP INTL DEVEL QUALITY PORTFOLIO	4,736	0	4,736
**D	PS FR DEVEL MARK EX US SMALL PORT	5,473	0	5,473
**D	PRU SECTOR FDS INC PRU FIN SER FD	787,168	0	787,168
**D	AST TRP DIVERS REAL GWTH PORT PDMO	1,049	0	1,049
**D	AST FI PYRAMIS QUANT AA IE SC PDGJ	83,115	0	83,115
**D	AST TRP GWTH OPP PORT BAL PDRB	26,600	0	26,600
**D	AST RCM WORLD TRENDS PORT PDBF	250,800	0	250,800
**D	WELLINGTON MGMT CY LLPQUALITY EDUC FD	138,871	0	138,871
**D	BANK OF AMERICA PENSION PLAN OECHSLE	143,212	0	143,212
**D	BOA FBO SKL INVESTMENT GRP LLC	8,534	0	8,534
**D	WMP OPP INVESTMENT PRTNS LP	32,852	0	32,852
**D	AWAF AWAC WELLINGTON	58,355	0	58,355
**D	THE CLEVELAND CLINIC FOUNDATION	70,858	0	70,858
**D	GLOBAL EQUITY WELLINGTON	235,725	0	235,725
**D	GLOBAL INVESTMENT FUND	31,323	0	31,323
**D	MFS INTL EQUITY FUND	74,599	0	74,599
**D	INVESCO FUNDS	177,083	0	177,083
**D	HP INC MASTER TRUST	68,418	0	68,418
**D	BNYMTD RAMAM WORLD RECOVERY FUND	180,600	0	180,600
**D	UNISYS MASTER TRUST	70,952	0	70,952
**D	CPA COP PSERS PYRAMIS GLOBAL ADV	78,706	0	78,706
**D	BNYMTD RM GLOBAL HIGH ALPHA FUND	63,600	0	63,600
**D	FLORIDA RETIREMENT SYSTEM	215,017	0	215,017
**D	BELL ATLANTIC MASTER TRUST	41,418	0	41,418

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Determination of the number of the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	VERIZON MASTER SAVINGS TRUST	98,016	0	98,016
**D	UTC WELLINGTON GLOBAL	91,148	0	91,148
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	132,596	0	132,596
**D	BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	109,924	0	109,924
**D	PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	246	0	246
**D	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	192,127	0	192,127
**D	PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	385,014	0	385,014
**D	PIONEER FD-EUROPEAN RESEARCH	321,167	0	321,167
**D	PIONEER FD-EURO EQ OPTIMAL VOL	95,282	0	95,282
**D	PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	25,412	0	25,412
**D	PIONEER FD SF EQUITY PLAN60	52,401	0	52,401
**D	PIONEER FD-GLOBAL MULTI ASSET	39,321	0	39,321
**D	PIONEER FD-EUROPEAN POTENTIAL	1,801,653	0	1,801,653
**D	FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	250,000	0	250,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	110,000	0	110,000
**D	FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	100,000	0	100,000
**D	F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	60,000	0	60,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	15,000	0	15,000
**D	GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	11,000	0	11,000
**D	FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	5,000	0	5,000
**D	METZLER INT INV EUR SMALLER CO	1,575,000	0	1,575,000
**D	UBS EUROP SMALL CAP EQUITY FD	84,125	0	84,125
**D	CIPAV ALOIS	117,262	0	117,262
**D	SOGECAP ACTIONS SMALL CAP	942,243	0	942,243
**D	SG ACTIONS EUROPE MID CAP	197,367	0	197,367
**D	AGI FRANCE	171,200	0	171,200
**D	ALLIANZ ACTIONS EURO PME-ETI	167,700	0	167,700
**D	AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	10,120	0	10,120
**D	COLONIAL FIRST STATE INVESTMENTS LIMITED.	71,939	0	71,939
**D	STICHTING PGGM DEPOSITARY	179,921	0	179,921
**D	WELLINGTON ALTA FUND	94,527	0	94,527
**D	UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	73,720	0	73,720
**D	UBS FUND MANAGEMENT (SWITZERLAND) AG.	132,808	0	132,808
**D	CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	11,326	0	11,326
**D	UBS (LUX) EQUITY SICAV	128,845	0	128,845
**D	FEDERATED KAUFMANN FUND	6,839,360	0	6,839,360
**D	FEDERATED KAUFMANN FUND II	166,330	0	166,330
**D	FEDERATED KAUFMANN SMALL CAP FUND	874,310	0	874,310
**D	LAUDUS INTERNATIONAL MARKETMASTERS FUND	684,332	0	684,332
**D	SCHWAB INTERNATIONAL EQUITY ETF	195,728	0	195,728
**D	JOHN HANCOCK SEAPORT FUND	522,049	0	522,049
**D	WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	152,865	0	152,865
**D	MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	142,892	0	142,892
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	165,000	0	165,000
**D	ANIMA FUNDS PLC	353,973	0	353,973

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Ordinary Shareholders' Meeting of April 11, 2017

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	127,626	0	127,626
**D	THE FRANCIS E. PARKER MEMORIAL HOME	23,936	0	23,936
**D	THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	41,964	0	41,964
**D	THE GABELLI GLOBAL SMALL AND MID CAP VALUE TRUST	49,000	0	49,000
**D	THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	25,000	0	25,000
**D	HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	907,160	0	907,160
**D	HARTFORD CAPITAL APPRECIATION HLS FUND	1,411,126	0	1,411,126
**D	THE HARTFORD INTERNATIONAL GROWTH FUND	141,392	0	141,392
**D	THE HARTFORD CAPITAL APPRECIATION FUND	3,822,524	0	3,822,524
**D	THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	1,698,920	0	1,698,920
**D	HARTFORD INTERNATIONAL EQUITY FUND	20,015	0	20,015
**D	THE HARTFORD GLOBAL ALL- ASSET FUND	73,365	0	73,365
**D	HARTFORD GLOBAL CAPITAL APPRECIATION FUND	549,306	0	549,306
**D	HARTFORD HEALTHCARE ENDOWMENT LLC	10,847	0	10,847
**D	HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	9,572	0	9,572
**D	ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	7,316	0	7,316
**D	HENKEL OF AMERICA MASTER RETIREMENT TRUST	20,932	0	20,932
**D	TEXAS MUNICIPAL RETIREMENT SYSTEM	897,775	0	897,775
**D	ASHWOOD INVESTMENTS LIMITED	6,619	0	6,619
**D	STATE OF NEW JERSEY COMMON PENSION FUND D	257,203	0	257,203
**D	NEW YORK STATE DEFERRED COMPENSATION PLAN	124,544	0	124,544
**D	CITY OF NEW YORK GROUP TRUST	513,664	0	513,664
**D	WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	122,551	0	122,551
**D	HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	193,662	0	193,662
**D	BIMCOR GLOBAL EQUITY POOLED FUND	87,658	0	87,658
**D	GOVERNMENT OF THE PROVINCE OF ALBERTA	169,600	0	169,600
**D	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	2,292,969	0	2,292,969
**D	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	365,713	0	365,713
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	136,317	0	136,317
**D	METZLER INVESTMENT GMBH FOR MI-FONDS 415	113,500	0	113,500
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	346,439	0	346,439
**D	SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	37,395	0	37,395
**D	VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	125,203	0	125,203
**D	THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	376,990	0	376,990
**D	THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	88,420	0	88,420
**D	THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	151,092	0	151,092
**D	WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	7,964	0	7,964
**D	THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	12,538	0	12,538
**D	THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	900,083	0	900,083
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	226,758	0	226,758
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	2,381	0	2,381
**D	WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	56,613	0	56,613
**D	AXA WORLD FUNDS	12,770,072	0	12,770,072
**D	ALLIANZ GLOBAL INVESTORS FUND	1,446,700	0	1,446,700
**D	MFS MERIDIAN FUNDS	1,306,568	0	1,306,568

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	KIEGER FUND I	50,329	0	50,329
**D	UBS ETF	5,105	0	5,105
**D	INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	61,206	0	61,206
**D	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	157,750	0	157,750
**D	COLLEGE RETIREMENT EQUITIES FUND	1,416,042	0	1,416,042
**D	RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	238,547	0	238,547
**D	RUSSELL INVESTMENT FUNDS NON-U.S. FUND	28,598	0	28,598
**D	MULTI-STYLE, MULTI-MANAGER FUNDS PLC	210,400	0	210,400
**D	ONTARIO TEACHERS PENSION PLAN BOARD	183,162	0	183,162
**D	THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	24,218	0	24,218
**D	THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	5,970	0	5,970
**D	THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	622,711	0	622,711
**D	GOVERNMENT INSTITUTIONS PENSION FUND	3,059	0	3,059
**D	BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	1,495,583	0	1,495,583
**D	GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	120,164	0	120,164
**D	SCHLUMBERGER COMMON INVESTMENT FUND	44,607	0	44,607
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	53,438	0	53,438
**D	BLUE SKY GROUP	209,000	0	209,000
**D	BATTELLE MEMORIAL INSTITUTE	39,700	0	39,700
**D	DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	59,456	0	59,456
**D	PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	291,526	0	291,526
**D	THE HEALTH FOUNDATION	57,168	0	57,168
**D	MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	57,188	0	57,188
**D	ST. JOSEPH HEALTH SYSTEM	100,661	0	100,661
**D	TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	17,288	0	17,288
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	319,807	0	319,807
**D	EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	44,336	0	44,336
**D	STATE UNIVERSITIES RETIREMENT SYSTEM	68,085	0	68,085
**D	UTAH STATE RETIREMENT SYSTEMS	44,501	0	44,501
**D	STICHTING PENSIOENFONDS APF	2,873	0	2,873
**D	ILLINOIS STATE BOARD OF INVESTMENT	77,149	0	77,149
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	20,610	0	20,610
**D	EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	528,640	0	528,640
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	26,395	0	26,395
**D	EURIZON EASY FUND - EQUITY ITALY	129,738	0	129,738
**D	EURIZON FUND - EQUITY ITALY SMART VOLATILITY	76,384	0	76,384
**D	AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	994,376	0	994,376
**D	AMUNDI LUXEMBOURG SA	909,666	0	909,666
**D	FCP EDMOND DE ROTHSCHILD EURO LEADERS	923,900	0	923,900
**D	FCP EDMOND DE ROTHSCHILD EURO SRI	168,000	0	168,000
**D	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	834,000	0	834,000
**D	FCP LCF PHARMA INTERNATIONAL	164,920	0	164,920
**D	CNP ASSUR SMALL CAP	432,330	0	432,330
**D	EDMOND DE ROTHSCHILD ASSET MANAGEMENT	399,330	0	399,330
**D	AA FORTIS ACTIONS PETIT CAP EUROPE	270,956	0	270,956

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**D	FCP RSI EURO P	63,089	0	63,089
**D	FCP VILLIERS DIAPASON	69,636	0	69,636
**D	FCP NATIXIS ACTIONS SMALL MID CAP EURO	263,000	0	263,000
**D	ASSURDIX	41,977	0	41,977
**D	CPR EURO HIGH DIVIDEND	94,061	0	94,061
**D	CPR SILVER AGE	2,472,859	0	2,472,859
**D	SICAV BBM V-FLEX	135,784	0	135,784
**D	FCP BEST BUSINESS MODELS	1,530,000	0	1,530,000
**D	CROISSANCE PME M	433,376	0	433,376
**D	BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	973,829	0	973,829
**D	PUBLIC SERVICE PENSION PLAN FUND	35,520	0	35,520
**D	TEACHERS` PENSION PLAN FUND	37,223	0	37,223
**D	TELUS PENSIONS MASTER TRUST	78,303	0	78,303
2276	ROSSI MARCO	57,288	57,288	0
2666	DI PALMA GIUSEPPE	1,100	1,100	0
3005	CAGLIA MARIA	0	0	0
DE*	UNICREDIT S.P.A.	215,066,403	0	215,066,403
3025	GHIBAUDI LEOPOLDO	9,000	9,000	0
3061	VIOZZI DANIELE	50	50	0
3200	SCANU MARCO	187	187	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	MOMENTUM INVESTMENT FUNDS SCIVA SIF	133,040	0	133,040
**D	JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	2,045,229	0	2,045,229
**D	JPMORGAN INVESTMENT FUNDS	1,205,954	0	1,205,954
**D	CC&L Q 140/40 FUND	600	0	600
**D	CC& L US Q MARKET NEUTRAL ONSHORE FUND I	300	0	300
**D	CC&L Q CAN EQUITY 130/30 PLUS FUND	775	0	775
**D	CC&L Q MARKET NEUTRAL FUND	82,300	0	82,300
**D	VANGUARD EUROPEAN STOCK INDEX FUND	691,987	0	691,987
**D	VANGUARD DEVELOPED MARKETS INDEX FUND	1,795,422	0	1,795,422
**D	VANGUARD TOTAL WORLD STOCK INDEX FUND	82,591	0	82,591
**D	VANGUARD FTSE ALL-WORLD EX US INDEX FUND	565,229	0	565,229
**D	VANGUARD FUNDS PLC	91,522	0	91,522
**D	RAINIER INT SMALL CAP EQUITY COLLECTIVE	182,840	0	182,840
**D	VANGUARD INVESTMENT SERIES PLC	79,836	0	79,836
**D	JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	3,877	0	3,877
**D	STICHT BEDRIJ MEDIA PNO	180,000	0	180,000
**D	HENDERS.EURO.SMALLER COMPANIES FUND	322,357	0	322,357
**D	HENDERSON INSTIT EUROP INDEX OPP FUND	42,487	0	42,487
**D	SAINT MARTIN 4	888,000	0	888,000
**D	FCP SAKKARAH 7	7,500	0	7,500
**D	FCPE TOTAL ACTIONS EUROPEENNES	750,000	0	750,000
**D	FCP KLESIA A DIVERSIFIE	325,000	0	325,000
**D	TOTAL GESTION FLEX PATRI	44,970	0	44,970
**D	FONDS RESERVE RETRAITES	888,450	0	888,450

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**D	HENDERSON HORIZON FUND SICAV	2,101,556	0	2,101,556
**D	HENDERSON GARTMORE FUND	572,233	0	572,233
**D	MERIFIN CAPITAL B.V.	39,940	0	39,940
**D	VANGUARD INTERNATIONAL SMALL COMPANIES I	20,939	0	20,939
**D	ONEPATH GLOBAL SHARES - SMALL CAP INDEX	22,117	0	22,117
**D	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	4,895	0	4,895
**D	NVIT MULTI MANAGER INTERNATIONAL GROWTH	143,770	0	143,770
**D	JPM EUROPE DYNAMIC (EX UK) FUND	551,178	0	551,178
**D	JPM EUROPE SMALLER COMPANIES FUND	409,306	0	409,306
**D	VANGUARD TOTAL INTERNATIONAL STOCK INDEX	4,791,064	0	4,791,064
**D	JPMORGAN EUROPEAN INVESTMENT TRUST PLC	94,946	0	94,946
**D	JPMORGAN EUROPEAN SMALLER COMPANIES TST	1,533,787	0	1,533,787
**D	JAPAN TRUSTEE SERVICES BANK LTD AS TRUST	3,489	0	3,489
**D	JTSB LTD. AS TRUSTEE FOR SUMITOMO	16,888	0	16,888
**D	NEW YORK LIFE INSURANCE COMPANY	66,324	0	66,324
**D	PEERLESS INSURANCE COMPANY	115,223	0	115,223
**D	PROSHARES HEDGED FTSE EUROPE ETF	191	0	191
**D	JPMORGAN INTERNATIONAL DISCOVERY FUND	6,507	0	6,507
**D	THE CANADA POST CORPORATION PENSION PLAN	104,309	0	104,309
**D	TR EUROPEN GROWTH TRUST PLC	1,844,247	0	1,844,247
**D	ING DIRECT	29,652	0	29,652
**D	FIDELITY SAL ST T SPARTAN TOTAL INT IN F	4,749	0	4,749
**D	BEST INVESTMENT CORPORATION	9,518	0	9,518
**D	BLACKROCK INSTITUTIONAL POOLED FUND PLC	6,097	0	6,097
**D	CHINA LIFE INSURANCE (GROUP) COMPANY	2,554	0	2,554
**D	BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	1,214	0	1,214
**D	BLACKROCK FISSION INDEXED INTL EQUITY FD	24,822	0	24,822
**D	SUPER FUNDS MANAG CORP SOUTH AUSTRALIA	119,451	0	119,451
**D	MINISTRY OF STRATEGY AND FINANCE	33,349	0	33,349
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	32,767	0	32,767
**D	TRUST AND CUSTODY SERVICED BANK LIMITED	34,871	0	34,871
**D	THE MASTER TRUST BANK OF JAPAN LTD	37,838	0	37,838
**D	MASTER TRUST FOR NATIONAL PENSION FD	35,535	0	35,535
**D	FLF STRATEGIC GLOBAL EQUITY FUND	72,428	0	72,428
**D	BOK KIC AAEQ 3	15,026	0	15,026
**D	SUBSIDIZED SCHOOLS P FUND NORTHERN	13,614	0	13,614
**D	55016 UP INTERNATIONALE AKTIER	225,930	0	225,930
**D	WILM MULTI MGR INTL FD OBERWEIS	241,652	0	241,652
**D	56053 IP GLOBAL EQUITIES I	12,883	0	12,883
**D	LMIF LMGAMI EURO SMLL CP	181,818	0	181,818
**D	IQ 50 PERCENT HEDGED FTSE EURO ETF	3,749	0	3,749
**D	DEUTSCHE XTRK MSCI EMU HDG EQ ETF	4,402	0	4,402
**D	BLACKROCK GLOBAL FUNDS	4,397,203	0	4,397,203
**D	FPXF WILLIAM BLAIR CO	31,880	0	31,880
**D	RVN WILLIAM BLAIR	4,196	0	4,196

Shareholders:	557	People:	22
Shareholders on own behalf:	19	Shareholders by proxy:	538

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Determination of the number of the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	BLL AQUILA LIFE EUROPEAN EQUITY	755,618	0	755,618
**D	BLL ASCENT LIFE EUROPEAN	62,130	0	62,130
**D	BLK MULTI ASSET INC PF EUR EQU INC	478,931	0	478,931
**D	BLL AQUILA LIFE OSEAS EQUITY FUND	4,851	0	4,851
**D	BLL ASCENT LIFEENHANCED	1,766	0	1,766
**D	DEUTSCHE XTRK MSCI EAFE SC HDG ETF	466	0	466
**D	CHI OPERATING INVESTMENT PROGRAM LP	78,109	0	78,109
**D	CATHOLIC HEALTH INITIATIVES MASTER TRUST	40,056	0	40,056
**D	FIRST INITIATIVES INSURANCE LIMITED	6,914	0	6,914
**D	EATON VANCE MGMT INTL SMALL CAP	1,057	0	1,057
**D	ONFF WILLIAM BLAIR NONUS	17,060	0	17,060
**D	CE8F WILLIAM BLAIR IACG	115,413	0	115,413
**D	RAYTHEON MASTER PENSION TRUST	1,528	0	1,528
**D	VANGUARD INTL HIGH DIV YLD INDEX FD	14,295	0	14,295
**D	BSNF NTR WILLIAM BLAIR	12,404	0	12,404
**D	BSPF PMT WILLIAM BLAIR	8,749	0	8,749
**D	BGF EURO MKTS FD EURO EQUITY PF	8,176,154	0	8,176,154
**D	BGF FLEX MULTI ASSET GBL EQ PF	9,039	0	9,039
**D	LRPF WILLIAM BLAIR	42,009	0	42,009
**D	W11F WILLIAM BLAIR	10,510	0	10,510
**D	BFTF WILLIAM BLAIR	21,724	0	21,724
**D	US BK RAINIER INTL DISCOVERY FUND	395,610	0	395,610
**D	ATFF AMERICAN CENTURY	74,487	0	74,487
**D	RZSF3001 NON US GE W BLAIR	103,201	0	103,201
**D	ALASKA PERMANENT FUND CORPORATION	57,838	0	57,838
**D	1216 APG DME FINANC	1,221,917	0	1,221,917
**D	2054 APG DME BLACKR	117,398	0	117,398
**D	AON HEWITT COLLECTIVE INVESTMENT TRUST	27,414	0	27,414
**D	MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	30,345	0	30,345
**D	PHC NT SMALL CAP	26,269	0	26,269
**D	BNYMTD BLK CONTINENTAL EURO INC	4,653,703	0	4,653,703
**D	BNYMTD BLK CONT EUR EQ TRCK FD INV	265,102	0	265,102
**D	PENSION RESERVES INVESTMENT TRUST FUND	73,110	0	73,110
**D	VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	97,220	0	97,220
**D	THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	20,153	0	20,153
**D	GENERAL MILLS INVESTMENT TRUST	36,637	0	36,637
**D	INDIANA PUBLIC RETIREMENT SYSTEM	12,426	0	12,426
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	27,702	0	27,702
**D	SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	19,925	0	19,925
**D	UPS GROUP TRUST	86,396	0	86,396
**D	ELEVA UCITS FD-ELEVA ABSOLUTE	6,479,400	0	6,479,400
**D	COLISEE IFC 1	538,000	0	538,000
**D	IRISH LIFE ASSURANCE.	184,234	0	184,234
**D	LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	1,666,611	0	1,666,611
**D	CITIBANK KOREA INC	848,102	0	848,102

Shareholders:	557	People:	22
Shareholders on own behalf:	19	Shareholders by proxy:	538

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Determination of the number of the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	THREADNEEDLE (LUX	978,719	0	978,719
**D	THREADNEEDLE INVESTMENT FUNDS ICVC	11,652,830	0	11,652,830
**D	LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	8,892	0	8,892
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	12,500	0	12,500
**D	GOVERNMENT OF NORWAY	5,524,312	0	5,524,312
**D	NORGES BANK	109,988	0	109,988
**D	AQR ORACLE FUND LP	5,896	0	5,896
**D	NUMERIC ABS RETURN FD LP	18,000	0	18,000
**D	FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	2,062	0	2,062
**D	FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	203,488	0	203,488
**D	INTERNATIONAL MONETARY FUND	15,994	0	15,994
**D	AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	6,110	0	6,110
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	26,000	0	26,000
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	23,070	0	23,070
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	301,560	0	301,560
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	219,530	0	219,530
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	266,990	0	266,990
**D	AMERICAN CENTURY RETIREMENT DATE TRUST	114,333	0	114,333
**D	CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	183,278	0	183,278
**D	CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	462	0	462
**D	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	28,252	0	28,252
**D	EATON VANCE INTERNATIONAL SMALL-CAP FUND	10,546	0	10,546
**D	WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	217,799	0	217,799
**D	WILLIAM BLAIR INTERNATIONAL GROWTH FUND	657,058	0	657,058
**D	WILLIAM BLAIR INSTITUTIONAL INTERNATIONAL GROWTH FUND	476,734	0	476,734
**D	MM SELECT EQUITY ASSET FUND	6,406	0	6,406
**D	ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM	78,810	0	78,810
**D	MARYLAND STATE RETIREMENT & PENSION SYSTEM	19,979	0	19,979
**D	MERCER QIF CCF	1,101,611	0	1,101,611
**D	MERCER QIF CCF	616,038	0	616,038
**D	STATE OF MONTANA BOARD OF INVESTMENTS	66,699	0	66,699
**D	CITY OF NEW YORK GROUP TRUST	183,462	0	183,462
**D	STATE STREET IRELAND UNIT TRUST	52,145	0	52,145
**D	SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY	62,756	0	62,756
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	634,198	0	634,198
**D	UAW RETIREE MEDICAL BENEFITS TRUST	154,557	0	154,557
**D	VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	3,873	0	3,873
**D	VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	3,671	0	3,671
**D	VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	697	0	697
**D	VANGUARD GLOBAL LIQUIDITY FACTOR ETF	1,061	0	1,061
**D	VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	8,723	0	8,723
**D	VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	25,281	0	25,281
**D	VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	1,123	0	1,123
**D	WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	26,627	0	26,627
**D	WELLS FARGO ALTERNATIVE STRATEGIES FUND	7,561	0	7,561

Shareholders:	557	People:	22
Shareholders on own behalf:	19	Shareholders by proxy:	538

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Determination of the number of the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	WASHINGTON STATE INVESTMENT BOARD	165,288	0	165,288
**D	WASHINGTON STATE INVESTMENT BOARD	3,050	0	3,050
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	139	0	139
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	17,270	0	17,270
**D	WISDOMTREE DEFA EQUITY INCOME FUND	18,109	0	18,109
**D	WISDOMTREE INTERNATIONAL EQUITY FUND	30,409	0	30,409
**D	WISDOMTREE INTERNATIONAL MIDCAP DIVIDEND FUND	37,696	0	37,696
**D	WISDOMTREE EUROPE LOCAL RECOVERY FUND	867	0	867
**D	WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	212,713	0	212,713
**D	NEW YORK STATE TEACHERS RETIREMENT SYSTEM	131,253	0	131,253
**D	PRUDENTIAL BANK AND TRUST	56,511	0	56,511
**D	SPDR EURO STOXX SMALL CAP ETF	19,641	0	19,641
**D	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	560,715	0	560,715
**D	BLACKROCK STRATEGIC FUNDS	102,172	0	102,172
**D	KIEGER FUND I	1,887	0	1,887
**D	ISHARES MSCI EAFE SMALL CAP ETF	1,043,062	0	1,043,062
**D	ISHARES MSCI EUROPE SMALL-CAP ETF	29,608	0	29,608
**D	BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	548,131	0	548,131
**D	ISHARES CORE MSCI EAFE ETF	592,081	0	592,081
**D	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	114,889	0	114,889
**D	ISHARES MSCI INTERNATIONAL DEVELOPED ETF	2,460	0	2,460
**D	ISHARES CORE MSCI EAFE IMI INDEX ETF	16,762	0	16,762
**D	ISHARES MSCI EUROPE IMI INDEX ETF	6,701	0	6,701
**D	ISHARES CORE MSCI EUROPE ETF	79,880	0	79,880
**D	CONNECTICUT GENERAL LIFE INSURANCE COMPANY	2,775	0	2,775
**D	CDN ACWI ALPHA TILTS FUND	15,426	0	15,426
**D	RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B	1,917	0	1,917
**D	EURO EX-UK ALPHA TITLS FUND B	9,358	0	9,358
**D	WORLD ALPHA TILTS NON-LENDABLE FUND B	757	0	757
**D	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	15,676	0	15,676
**D	DELUXE CORPORATION MASTER TRUST	12,195	0	12,195
**D	MERCY HEALTH	9,457	0	9,457
**D	MERCY HEALTH RETIREMENT TRUST	2,453	0	2,453
**D	TRUTH INITIATIVE FOUNDATION	4,601	0	4,601
**D	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	103,806	0	103,806
**D	ISHARES PUBLIC LIMITED COMPANY	1,002,024	0	1,002,024
**D	ISHARES II PUBLIC LIMITED COMPANY	603,850	0	603,850
**D	ISHARES VII PLC	674,577	0	674,577
**D	ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	233,174	0	233,174
**D	BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	1,086,651	0	1,086,651
**D	BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	163,680	0	163,680
**D	BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	334,720	0	334,720
**D	BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	273,064	0	273,064
**D	MANAGED PENSION FUNDS LIMITED	12,389	0	12,389
**D	THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	11,592	0	11,592

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Determination of the number of the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	FAMILY INVESTMENTS CHILD TRUST FUND	14,367	0	14,367
**D	FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	9,961	0	9,961
**D	HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	284,213	0	284,213
**D	STICHTING PHILIPS PENSIOENFONDS	49,007	0	49,007
**D	THE TRUSTEES OF SAL PENSION SCHEME	3,820	0	3,820
**D	VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	17,302	0	17,302
**D	VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	41,639	0	41,639
**D	VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	103,491	0	103,491
**D	VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	276	0	276
**D	SUNSUPER SUPERANNUATION FUND	13,451	0	13,451
**D	CANADA PENSION PLAN INVESTMENT BOARD	369,604	0	369,604
**D	THE TRUSTEES OF BP PENSION FUND	773,030	0	773,030
**D	FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	13,955	0	13,955
**D	UNIVERSITY OF KENTUCKY	10,000	0	10,000
**D	WHEELS COMMON INVESTMENT FUND	18,626	0	18,626
**D	CHEVRON MASTER PENSION TRUST	29,057	0	29,057
**D	CHEVRON UK PENSION PLAN	2,761	0	2,761
**D	THE CURATORS OF THE UNIVERSITY OF MISSOURI	50,065	0	50,065
**D	DFI LP EQUITY (PASSIVE)	1,693	0	1,693
**D	NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND	12,165	0	12,165
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	169,898	0	169,898
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	34,430	0	34,430
**D	NEW ZEALAND SUPERANNUATION FUND	26,623	0	26,623
**D	AON SAVINGS PLAN TRUST	46,862	0	46,862
**D	MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	2,113	0	2,113
**D	NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST	363,921	0	363,921
**D	TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	17,985	0	17,985
**D	ADVOCATE HEALTH CARE NETWORK	20,899	0	20,899
**D	CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	64,284	0	64,284
**D	FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	10,415	0	10,415
**D	ILLINOIS MUNICIPAL RETIREMENT FUND	134,679	0	134,679
**D	LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM	41,051	0	41,051
**D	CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN	65,307	0	65,307
**D	UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	51,783	0	51,783
**D	POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	32,151	0	32,151
**D	SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM	116,549	0	116,549
**D	SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	17,859	0	17,859
**D	FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	1,181	0	1,181
**D	OPSEU PENSION PLAN TRUST FUND	5,309	0	5,309
**D	NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	2,417,367	0	2,417,367
**D	THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	572,086	0	572,086
**D	STRATHCLYDE PENSION FUND	341,499	0	341,499
**D	MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO	27,415	0	27,415
**D	NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	891	0	891
**D	NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	212,266	0	212,266

Shareholders:	557	People:	22
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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the number of the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	SSGA GROSS ROLL UP UNIT TRUST	13,909	0	13,909
**D	LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	4,616	0	4,616
**D	STATE TEACHERS RETIREMENT SYSTEM OF OHIO	423,988	0	423,988
**D	ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND	32,387	0	32,387
**D	UNIVEST	126,385	0	126,385
**D	STG PFDS V.D. GRAFISCHE	155,541	0	155,541
**D	FCP ECUREUIL RETRAITE EURO ACTIONS 4	300,000	0	300,000
**D	I.2.C. ACTIONS	488,000	0	488,000
**D	FCP GROUPAMA AVENIR EURO	3,136,372	0	3,136,372
**D	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN	14,955	0	14,955
**D	THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	15,685	0	15,685
**D	MCGILL UNIVERSITY PENSION FUND	7,953	0	7,953
**D	PUBLIC SECTOR PENSION INVESTMENT BOARD	104,668	0	104,668
**D	CIBC INTERNATIONAL SMALL COMPANIES FUND	44,559	0	44,559
**D	CF DV ACWI EX-U.S. IMI FUND	1,587	0	1,587
581	CERASUOLO STEFANO	7,241	7,241	0
599	AMADASI GIORDANO	158	158	0
742	AUSILIO ROSA GIUSEPPINA	187	187	0
773	CORNAGO DANIELE	2,241	2,241	0
962	ZACCARDI ANTONELLA	1,259	1,259	0

Total votes	452,002,564
Percentage of voters %	98.576920
Percentage of share capital %	74.377594

Shareholders:	557	People:	22
Shareholders on own behalf:	19	Shareholders by proxy:	538

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Oggetto: **Determination of the duration of the Directors' term in office**

Attendees:

No. **587** shareholders entitled to vote took part in the voting on own behalf or by proxy

No. **458,527,782** ordinary shares

The counting of votes produced the following results:

		%OF ORDINARY SHARE CAPITAL PRESENT (Voting Quorum)	%OF ORDINARY SHARES ENTITLED TO VOTE	%SHARE CAPITAL
Favour	444,255,012	96.887262	96.887262	73.102724
Against	3,334,177	0.727148	0.727148	0.548643
SubTotal	447,589,189	97.614410	97.614410	73.651367
Abstentions	7,880,001	1.718544	1.718544	1.296664
Not Voting	3,058,592	0.667046	0.667046	0.503295
SubTotal	10,938,593	2.385590	2.385590	1.799959
Total	458,527,782	100.000000	100.000000	75.451327

Shareholders:	587	People:	24
Shareholders on own behalf:	21	Shareholders by proxy:	566

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the duration of the Directors' term in office**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	REALDANIA	532,000	0	532,000
**D	AMG TIMESSQUARE INTL SM CAP	643,360	0	643,360
**D	JOHN S AND JAMES L KNIGHT FOUNDATION	229,700	0	229,700
**D	PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	246	0	246
**D	HSBC STAT	58,300	0	58,300
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	487,200	0	487,200
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	2,381	0	2,381
**D	THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	177,800	0	177,800
**D	HRW TESTAMENTARY TRUST NO 3	127,400	0	127,400
**D	THE WALTON FAMILY FOUNDATION	269,600	0	269,600
**D	HRW TESTAMENTARY TRUST NO. 8	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO 2	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO. 12	109,400	0	109,400
**D	LTW INVESTMENTS LLC	170,000	0	170,000
**D	LOY PARTNERSHIP, LLC	96,500	0	96,500
**D	RAMI PARTNERS, LLC	90,600	0	90,600
**D	AMG FUND PLC	8,390	0	8,390
**D	ALLEGHENY COLLEGE	24,200	0	24,200
**D	ERIE COUMMINTY FOUNDATION	27,300	0	27,300
**D	TIMESQUARE FOCUS FUND LP	25,000	0	25,000

Total votes	3,334,177
Percentage of voters %	0.727148
Percentage of share capital %	0.548643

Shareholders:	20	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	20

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the duration of the Directors' term in office**

ABSTENTIONS

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	FEDERATED KAUFMANN FUND	6,839,360	0	6,839,360
**D	FEDERATED KAUFMANN FUND II	166,330	0	166,330
**D	FEDERATED KAUFMANN SMALL CAP FUND	874,310	0	874,310
4003	CASTAGNA SERGIO	1	1	0

Total votes	7,880,001
Percentage of voters %	1.718544
Percentage of share capital %	1.296664

Shareholders:	4	People:	2	DE* proxy to the natural persona above mentioned with the badge number
Shareholders on own behalf:	1	Shareholders by proxy:	3	**D proxy to natural person above mentioned with the badge number (voting at the specific "assisted voting stations")

RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the duration of the Directors' term in office**

NOT VOTING

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	150,000	0	150,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	1,100,000	0	1,100,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	30,000	0	30,000
**D	INTERFUND SICAV INTERFUND EQUITY ITALY	450,000	0	450,000
**D	S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	201,592	0	201,592
**D	FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	27,000	0	27,000
**D	MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	1,100,000	0	1,100,000

Total votes	3,058,592
Percentage of voters %	0.667046
Percentage of share capital %	0.503295

Shareholders:	7	People:	1	DE* proxy to the natural persona above mentioned with the badge number
Shareholders on own behalf:	0	Shareholders by proxy:	7	**D proxy to natural person above mentioned with the badge number (voting at the specific "assisted voting stations")

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the duration of the Directors' term in office**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
1027	PRANDINI GIULIANO	12,000	12,000	0
1240	FOGLI MAURIZIO	1,953	1,953	0
1262	AMADEI STEFANO	3,861	3,861	0
1305	ROSSOTTI ROBERTO	3,000	3,000	0
1774	MINNELLA CARMELO GIOVANNI	1,867	1,867	0
1834	CROCE MARIO	1,500	1,500	0
1837	SIRIANNI PIER BATTISTA	8,000	8,000	0
1948	ANNIBALETTI ANGELO	30,000	30,000	0
2068	BONETTI EMANUELE	100	100	0
2223	MARTIRIGGIANO ANTONIO	2,681	2,681	0
2253	TONELLI GIULIO	0	0	0
**D	ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	670,000	0	670,000
**D	FRANKLIN TEMPLETON INVESTMENT FUNDS	668,413	0	668,413
**D	T. ROWE PRICE FUNDS SICAV	145,427	0	145,427
**D	SCHRODER INTERNATIONAL SELECTION FUND	8,682,403	0	8,682,403
**D	GENERALI INVESTMENTS LUXEMBURG S.A.	684,571	0	684,571
**D	MERRILL LYNCH PROFESSIONAL CLEARING CORP	86,328	0	86,328
**D	WELLINGTON MANAGEMENT PORTFOLIOS	335,843	0	335,843
**D	FIDELITY FUNDS SICAV	1,194,975	0	1,194,975
**D	WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	36,542	0	36,542
**D	WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	28,228	0	28,228
**D	WELLINGTON TRUST COMP COMM TRUST INT OPP	175,018	0	175,018
**D	WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	10,972	0	10,972
**D	JAPAN TRUSTEE SERVICES BANK LTD	469,886	0	469,886
**D	AFER ACTION PME	451,836	0	451,836
**D	BNP PARIBAS SMALL CAP EUROLAND	2,526,390	0	2,526,390
**D	BNP PARIBAS ACTIONS PME	543,807	0	543,807
**D	FCP BNP PARIBAS ACTIONS EUROLAND	43,134	0	43,134
**D	AXA OPTIMAL INCOME	2,068,464	0	2,068,464
**D	AXA VALEURS EURO	1,200,000	0	1,200,000
**D	PARVEST	3,121,423	0	3,121,423
**D	BNP PARIBAS A FUND	58,956	0	58,956
**D	BNP PARIBAS L1	82,735	0	82,735
**D	BNP PARIBAS B PENSION BALANCED	733,505	0	733,505
**D	BNP PARIBAS B PENSION STABILITY	47,432	0	47,432
**D	METROPOLITAN RENTASTRO	183,304	0	183,304
**D	BANQUE PICTET & CIE SA	33,126	0	33,126
**D	ROBECO CAPITAL GROWTH FUNDS	350,000	0	350,000
**D	DEKA BASISSTRATEGIE FLEXIBEL	23,960	0	23,960
**D	DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	7,900	0	7,900
**D	DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	74,600	0	74,600
**D	DEKA INVESTMENT GMBH RE ARIDEKA	1,150,000	0	1,150,000
**D	DEKA INVEST DIVIDENDENSTRATEGIE CF A	1,088,900	0	1,088,900
**D	HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	2,810,128	0	2,810,128
**D	UBS GLOBAL ASSET MANAGEMENT LIFE LTD	73,068	0	73,068

Shareholders:	556	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	536

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the duration of the Directors' term in office**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	UBS ASSET MANAGEMENT LIFE LTD	283	0	283
**D	FONDO CONSOLIDADO DE RESERVAS PREVISIONA	86,791	0	86,791
**D	CHINA LIFE INSURANCE COMPANY LIMITED	60,140	0	60,140
**D	COINVEST LIMITED	13,801	0	13,801
**D	UBS (US) GROUP TRUST	7,469	0	7,469
**D	T. ROWE PRICE INTERNATIONAL DISCOVERY FU	4,303,286	0	4,303,286
**D	MINISTRY OF STRATEGY AND FINANCE	143,444	0	143,444
**D	T ROWE PRICE INTERNATIONAL EQUITY INDEX	14,257	0	14,257
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	138,293	0	138,293
**D	STICHTING PENSIOENFONDS MEDISCH SPECIALI	506,456	0	506,456
**D	DEKA INVEST RE DEKA-ZMV-FONDS	22,000	0	22,000
**D	DEKA INVESTMENT GMBH RE PRODEKA	65,200	0	65,200
**D	DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	9,400	0	9,400
**D	DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	10,813	0	10,813
**D	MI-FONDS 392	462,000	0	462,000
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	309,886	0	309,886
**D	NATIONWIDE SMALL CAP INDEX FUND	400,962	0	400,962
**D	PENSIONSKASSEN FOR BORNE-OG UNGDOMS	16,958	0	16,958
**D	KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	1,525,392	0	1,525,392
**D	DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	546,850	0	546,850
**D	STICHTING PENSIOENFONDS VOOR HUISARTSEN	25,292	0	25,292
**D	T ROWE PRICE GLOBAL ALLOCATION FUND INC	7,791	0	7,791
**D	T ROWE INTL SMALL CAP EQUITY TRUST	486,110	0	486,110
**D	ENTERGY CORP.RETIREMENT PLANS MASTER TR.	203,718	0	203,718
**D	INVESCO GLOBAL SMALL CAP EQUITY POOL	143,065	0	143,065
**D	RBC CANADIAN MASTER TRUST	124,418	0	124,418
**D	REGIME DE RETRAITE D HYDRO QUEBEC	102,698	0	102,698
**D	WEST MIDLANDS METROPOLITAN AUT PENS FD	61,000	0	61,000
**D	AXA FRAMLINGTON FINANCIAL FUND	125,000	0	125,000
**D	NATIXIS INTERNT FUNDS LUX I	238,000	0	238,000
**D	FCP SCANDIUM	122,000	0	122,000
**D	ALLIANZGI FONDS BAT LS	92,900	0	92,900
**D	ALLIANZGI FONDS PF1	14,182	0	14,182
**D	ALLIANZGI FONDS AFE	3,943	0	3,943
**D	FCP BRONGNIART AVENIR	100,000	0	100,000
**D	TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	1,507,269	0	1,507,269
**D	PFIZER JAPAN INC PENSION FUND	80,700	0	80,700
**D	TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	55,682	0	55,682
**D	THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	83,856	0	83,856
**D	BT WHOLESALE MULTI MANAG INTL SHARE FUND	186,764	0	186,764
**D	SCHRODER PENSION MANAGEMENT LTD	42,277	0	42,277
**D	MFS INTERNATIONAL NEW DISCOVERY FUND	2,267,886	0	2,267,886
**D	AVIVA LIFE & PENSIONS UK LIMITED	53,590	0	53,590
**D	AVIVA LIFE AND PENSIONS UK LIMITED	181,930	0	181,930
**D	SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	71,392	0	71,392

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the duration of the Directors' term in office**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	SCHRODER EUROPEAN FUND	2,365,914	0	2,365,914
**D	SCHRODER INTERNATIONAL SMALL COMPANIES P	8,000	0	8,000
**D	SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	125,000	0	125,000
**D	TEACHERS PENSION PLAN & PRIVATE SCHOOL	639,710	0	639,710
**D	FTSE ALL WORLD INDEX FUND	33,351	0	33,351
**D	FRIENDS LIFE LIMITED	89,644	0	89,644
**D	REASSURE LIMITED	14,216	0	14,216
**D	HSBC EUROPEAN INDEX FUND	75,508	0	75,508
**D	NORTHERN IRELAND LOCAL GOV PENSION FUND	84,483	0	84,483
**D	FRIENDS LIFE AND PENSIONS LIMITED	6,627	0	6,627
**D	FCP VILLIERS ACTIONS EDRAM	968,000	0	968,000
**D	ANIMA SGR SPA	12,381,073	0	12,381,073
**D	ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	242,269	0	242,269
**D	ARTEMIS EUROPEAN OPPORTUNITIES FUND	1,301,374	0	1,301,374
**D	NMM3 EUEQ MFS ACCOUNT	8,971	0	8,971
**D	CITI RETIREMENT SAVINGS PLAN	115,234	0	115,234
**D	FIRST INVESTORS GLOBAL FUND	306,236	0	306,236
**D	UWF TROW INTL DISCOVERY	55,384	0	55,384
**D	BOK KIC GAEQ6	85,699	0	85,699
**D	PS FTSE LO BT EQ WT PORT	32,076	0	32,076
**D	CEP DEP IP GLOBAL SMALLER COS	802,185	0	802,185
**D	EIR EIE WELLINGTON INT	179,053	0	179,053
**D	BNYMTCIL IFS4 INV CONT EU SM CAP FD	1,317,413	0	1,317,413
**D	BNYMTCIL IFS4 INV GBL SM CAP EQ FD	385,588	0	385,588
**D	PS FTSERAFI EUSM UCITS ETF BNYMTCIL	2,919	0	2,919
**D	PS SP INTL DEVEL QUALITY PORTFOLIO	4,736	0	4,736
**D	PS FR DEVEL MARK EX US SMALL PORT	5,473	0	5,473
**D	PRU SECTOR FDS INC PRU FIN SER FD	787,168	0	787,168
**D	AST TRP DIVERS REAL GWTH PORT PDMO	1,049	0	1,049
**D	AST FI PYRAMIS QUANT AA IE SC PDGJ	83,115	0	83,115
**D	AST TRP GWTH OPP PORT BAL PDRB	26,600	0	26,600
**D	AST RCM WORLD TRENDS PORT PDBF	250,800	0	250,800
**D	WELLINGTON MGMT CY LLPQUALITY EDUC FD	138,871	0	138,871
**D	BANK OF AMERICA PENSION PLAN OECHSLE	143,212	0	143,212
**D	BOA FBO SKL INVESTMENT GRP LLC	8,534	0	8,534
**D	WMP OPP INVESTMENT PRTNS LP	32,852	0	32,852
**D	AWAF AWAC WELLINGTON	58,355	0	58,355
**D	THE CLEVELAND CLINIC FOUNDATION	70,858	0	70,858
**D	GLOBAL EQUITY WELLINGTON	235,725	0	235,725
**D	GLOBAL INVESTMENT FUND	31,323	0	31,323
**D	MFS INTL EQUITY FUND	74,599	0	74,599
**D	INVESCO FUNDS	177,083	0	177,083
**D	HP INC MASTER TRUST	68,418	0	68,418
**D	BNYMTD RAMAM WORLD RECOVERY FUND	180,600	0	180,600
**D	UNISYS MASTER TRUST	70,952	0	70,952

Shareholders:	556	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	536

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the duration of the Directors' term in office**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	CPA COP PSERS PYRAMIS GLOBAL ADV	78,706	0	78,706
**D	BNYMTD RM GLOBAL HIGH ALPHA FUND	63,600	0	63,600
**D	FLORIDA RETIREMENT SYSTEM	215,017	0	215,017
**D	BELL ATLANTIC MASTER TRUST	41,418	0	41,418
**D	VERIZON MASTER SAVINGS TRUST	98,016	0	98,016
**D	UTC WELLINGTON GLOBAL	91,148	0	91,148
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	132,596	0	132,596
**D	BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	109,924	0	109,924
**D	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	192,127	0	192,127
**D	PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	385,014	0	385,014
**D	PIONEER FD-EUROPEAN RESEARCH	321,167	0	321,167
**D	PIONEER FD-EURO EQ OPTIMAL VOL	95,282	0	95,282
**D	PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	25,412	0	25,412
**D	PIONEER FD SF EQUITY PLAN60	52,401	0	52,401
**D	PIONEER FD-GLOBAL MULTI ASSET	39,321	0	39,321
**D	PIONEER FD-EUROPEAN POTENTIAL	1,801,653	0	1,801,653
**D	FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	250,000	0	250,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	110,000	0	110,000
**D	FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	100,000	0	100,000
**D	F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	60,000	0	60,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	15,000	0	15,000
**D	GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	11,000	0	11,000
**D	FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	5,000	0	5,000
**D	METZLER INT INV EUR SMALLER CO	1,575,000	0	1,575,000
**D	UBS EUROP SMALL CAP EQUITY FD	84,125	0	84,125
**D	CIPAV ALOIS	117,262	0	117,262
**D	SOGECAP ACTIONS SMALL CAP	942,243	0	942,243
**D	SG ACTIONS EUROPE MID CAP	197,367	0	197,367
**D	AGI FRANCE	171,200	0	171,200
**D	ALLIANZ ACTIONS EURO PME-ETI	167,700	0	167,700
**D	AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	10,120	0	10,120
**D	COLONIAL FIRST STATE INVESTMENTS LIMITED.	71,939	0	71,939
**D	STICHTING PGGM DEPOSITARY	179,921	0	179,921
**D	WELLINGTON ALTA FUND	94,527	0	94,527
**D	UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	73,720	0	73,720
**D	UBS FUND MANAGEMENT (SWITZERLAND) AG.	132,808	0	132,808
**D	CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	11,326	0	11,326
**D	UBS (LUX) EQUITY SICAV	128,845	0	128,845
**D	LAUDUS INTERNATIONAL MARKETMASTERS FUND	684,332	0	684,332
**D	SCHWAB INTERNATIONAL EQUITY ETF	195,728	0	195,728
**D	JOHN HANCOCK SEAPORT FUND	522,049	0	522,049
**D	WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	152,865	0	152,865
**D	MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	142,892	0	142,892
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	165,000	0	165,000
**D	ANIMA FUNDS PLC	353,973	0	353,973

Shareholders:	556	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	536

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RESULTS OF VOTING

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	127,626	0	127,626
**D	THE FRANCIS E. PARKER MEMORIAL HOME	23,936	0	23,936
**D	THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	41,964	0	41,964
**D	THE GABELLI GLOBAL SMALL AND MID CAP VALUE TRUST	49,000	0	49,000
**D	THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	25,000	0	25,000
**D	HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	907,160	0	907,160
**D	HARTFORD CAPITAL APPRECIATION HLS FUND	1,411,126	0	1,411,126
**D	THE HARTFORD INTERNATIONAL GROWTH FUND	141,392	0	141,392
**D	THE HARTFORD CAPITAL APPRECIATION FUND	3,822,524	0	3,822,524
**D	THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	1,698,920	0	1,698,920
**D	HARTFORD INTERNATIONAL EQUITY FUND	20,015	0	20,015
**D	THE HARTFORD GLOBAL ALL- ASSET FUND	73,365	0	73,365
**D	HARTFORD GLOBAL CAPITAL APPRECIATION FUND	549,306	0	549,306
**D	HARTFORD HEALTHCARE ENDOWMENT LLC	10,847	0	10,847
**D	HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	9,572	0	9,572
**D	ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	7,316	0	7,316
**D	HENKEL OF AMERICA MASTER RETIREMENT TRUST	20,932	0	20,932
**D	TEXAS MUNICIPAL RETIREMENT SYSTEM	897,775	0	897,775
**D	ASHWOOD INVESTMENTS LIMITED	6,619	0	6,619
**D	STATE OF NEW JERSEY COMMON PENSION FUND D	257,203	0	257,203
**D	NEW YORK STATE DEFERRED COMPENSATION PLAN	124,544	0	124,544
**D	CITY OF NEW YORK GROUP TRUST	513,664	0	513,664
**D	WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	122,551	0	122,551
**D	HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	193,662	0	193,662
**D	BIMCOR GLOBAL EQUITY POOLED FUND	87,658	0	87,658
**D	GOVERNMENT OF THE PROVINCE OF ALBERTA	169,600	0	169,600
**D	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	2,292,969	0	2,292,969
**D	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	365,713	0	365,713
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	136,317	0	136,317
**D	METZLER INVESTMENT GMBH FOR MI-FONDS 415	113,500	0	113,500
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	346,439	0	346,439
**D	SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	37,395	0	37,395
**D	VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	125,203	0	125,203
**D	THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	376,990	0	376,990
**D	THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	88,420	0	88,420
**D	THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	151,092	0	151,092
**D	WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	7,964	0	7,964
**D	THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	12,538	0	12,538
**D	THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	900,083	0	900,083
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	226,758	0	226,758
**D	WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	56,613	0	56,613
**D	AXA WORLD FUNDS	12,770,072	0	12,770,072
**D	ALLIANZ GLOBAL INVESTORS FUND	1,446,700	0	1,446,700
**D	MFS MERIDIAN FUNDS	1,306,568	0	1,306,568
**D	KIEGER FUND I	50,329	0	50,329

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the duration of the Directors' term in office**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	UBS ETF	5,105	0	5,105
**D	INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	61,206	0	61,206
**D	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	157,750	0	157,750
**D	COLLEGE RETIREMENT EQUITIES FUND	1,416,042	0	1,416,042
**D	RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	238,547	0	238,547
**D	RUSSELL INVESTMENT FUNDS NON-U.S. FUND	28,598	0	28,598
**D	MULTI-STYLE, MULTI-MANAGER FUNDS PLC	210,400	0	210,400
**D	ONTARIO TEACHERS PENSION PLAN BOARD	183,162	0	183,162
**D	THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	24,218	0	24,218
**D	THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	5,970	0	5,970
**D	THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	622,711	0	622,711
**D	GOVERNMENT INSTITUTIONS PENSION FUND	3,059	0	3,059
**D	BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	1,495,583	0	1,495,583
**D	GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	120,164	0	120,164
**D	SCHLUMBERGER COMMON INVESTMENT FUND	44,607	0	44,607
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	53,438	0	53,438
**D	BLUE SKY GROUP	209,000	0	209,000
**D	BATTELLE MEMORIAL INSTITUTE	39,700	0	39,700
**D	DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	59,456	0	59,456
**D	PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	291,526	0	291,526
**D	THE HEALTH FOUNDATION	57,168	0	57,168
**D	MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	57,188	0	57,188
**D	ST. JOSEPH HEALTH SYSTEM	100,661	0	100,661
**D	TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	17,288	0	17,288
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	319,807	0	319,807
**D	EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	44,336	0	44,336
**D	STATE UNIVERSITIES RETIREMENT SYSTEM	68,085	0	68,085
**D	UTAH STATE RETIREMENT SYSTEMS	44,501	0	44,501
**D	STICHTING PENSIOENFONDS APF	2,873	0	2,873
**D	ILLINOIS STATE BOARD OF INVESTMENT	77,149	0	77,149
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	20,610	0	20,610
**D	EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	528,640	0	528,640
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	26,395	0	26,395
**D	EURIZON EASY FUND - EQUITY ITALY	129,738	0	129,738
**D	EURIZON FUND - EQUITY ITALY SMART VOLATILITY	76,384	0	76,384
**D	AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	994,376	0	994,376
**D	AMUNDI LUXEMBOURG SA	909,666	0	909,666
**D	FCP EDMOND DE ROTHSCHILD EURO LEADERS	923,900	0	923,900
**D	FCP EDMOND DE ROTHSCHILD EURO SRI	168,000	0	168,000
**D	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	834,000	0	834,000
**D	FCP LCF PHARMA INTERNATIONAL	164,920	0	164,920
**D	CNP ASSUR SMALL CAP	432,330	0	432,330
**D	EDMOND DE ROTHSCHILD ASSET MANAGEMENT	399,330	0	399,330
**D	AA FORTIS ACTIONS PETIT CAP EUROPE	270,956	0	270,956
**D	FCP RSI EURO P	63,089	0	63,089

Shareholders:	556	People:	23
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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	FCP VILLIERS DIAPASON	69,636	0	69,636
**D	FCP NATIXIS ACTIONS SMALL MID CAP EURO	263,000	0	263,000
**D	ASSURDIX	41,977	0	41,977
**D	CPR EURO HIGH DIVIDEND	94,061	0	94,061
**D	CPR SILVER AGE	2,472,859	0	2,472,859
**D	SICAV BBM V-FLEX	135,784	0	135,784
**D	FCP BEST BUSINESS MODELS	1,530,000	0	1,530,000
**D	CROISSANCE PME M	433,376	0	433,376
**D	BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	973,829	0	973,829
**D	PUBLIC SERVICE PENSION PLAN FUND	35,520	0	35,520
**D	TEACHERS` PENSION PLAN FUND	37,223	0	37,223
**D	TELUS PENSIONS MASTER TRUST	78,303	0	78,303
2276	ROSSI MARCO	57,288	57,288	0
2666	DI PALMA GIUSEPPE	1,100	1,100	0
3005	CAGLIA MARIA	0	0	0
DE*	UNICREDIT S.P.A.	215,066,403	0	215,066,403
3025	GHIBAUDI LEOPOLDO	9,000	9,000	0
3061	VIOZZI DANIELE	50	50	0
3200	SCANU MARCO	187	187	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	MOMENTUM INVESTMENT FUNDS SCIVA SIF	133,040	0	133,040
**D	JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	2,045,229	0	2,045,229
**D	JPMORGAN INVESTMENT FUNDS	1,205,954	0	1,205,954
**D	CC&L Q 140/40 FUND	600	0	600
**D	CC& L US Q MARKET NEUTRAL ONSHORE FUND I	300	0	300
**D	CC&L Q CAN EQUITY 130/30 PLUS FUND	775	0	775
**D	CC&L Q MARKET NEUTRAL FUND	82,300	0	82,300
**D	VANGUARD EUROPEAN STOCK INDEX FUND	691,987	0	691,987
**D	VANGUARD DEVELOPED MARKETS INDEX FUND	1,795,422	0	1,795,422
**D	VANGUARD TOTAL WORLD STOCK INDEX FUND	82,591	0	82,591
**D	VANGUARD FTSE ALL-WORLD EX US INDEX FUND	565,229	0	565,229
**D	VANGUARD FUNDS PLC	91,522	0	91,522
**D	RAINIER INT SMALL CAP EQUITY COLLECTIVE	182,840	0	182,840
**D	VANGUARD INVESTMENT SERIES PLC	79,836	0	79,836
**D	JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	3,877	0	3,877
**D	STICHT BEDRIJ MEDIA PNO	180,000	0	180,000
**D	HENDERS.EURO.SMALLER COMPANIES FUND	322,357	0	322,357
**D	HENDERSON INSTIT EUROP INDEX OPP FUND	42,487	0	42,487
**D	SAINT MARTIN 4	888,000	0	888,000
**D	FCP SAKKARAH 7	7,500	0	7,500
**D	FCPE TOTAL ACTIONS EUROPEENNES	750,000	0	750,000
**D	FCP KLESIA A DIVERSIFIE	325,000	0	325,000
**D	TOTAL GESTION FLEX PATRI	44,970	0	44,970
**D	FONDS RESERVE RETRAITES	888,450	0	888,450
**D	HENDERSON HORIZON FUND SICAV	2,101,556	0	2,101,556

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	HENDERSON GARTMORE FUND	572,233	0	572,233
**D	MERIFIN CAPITAL B.V.	39,940	0	39,940
**D	VANGUARD INTERNATIONAL SMALL COMPANIES I	20,939	0	20,939
**D	ONEPATH GLOBAL SHARES - SMALL CAP INDEX	22,117	0	22,117
**D	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	4,895	0	4,895
**D	NVIT MULTI MANAGER INTERNATIONAL GROWTH	143,770	0	143,770
**D	JPM EUROPE DYNAMIC (EX UK) FUND	551,178	0	551,178
**D	JPM EUROPE SMALLER COMPANIES FUND	409,306	0	409,306
**D	VANGUARD TOTAL INTERNATIONAL STOCK INDEX	4,791,064	0	4,791,064
**D	JPMORGAN EUROPEAN INVESTMENT TRUST PLC	94,946	0	94,946
**D	JPMORGAN EUROPEAN SMALLER COMPANIES TST	1,533,787	0	1,533,787
**D	JAPAN TRUSTEE SERVICES BANK LTD AS TRUST	3,489	0	3,489
**D	JTSB LTD. AS TRUSTEE FOR SUMITOMO	16,888	0	16,888
**D	NEW YORK LIFE INSURANCE COMPANY	66,324	0	66,324
**D	PEERLESS INSURANCE COMPANY	115,223	0	115,223
**D	PROSHARES HEDGED FTSE EUROPE ETF	191	0	191
**D	JPMORGAN INTERNATIONAL DISCOVERY FUND	6,507	0	6,507
**D	THE CANADA POST CORPORATION PENSION PLAN	104,309	0	104,309
**D	TR EUROPEN GROWTH TRUST PLC	1,844,247	0	1,844,247
**D	ING DIRECT	29,652	0	29,652
**D	FIDELITY SAL ST T SPARTAN TOTAL INT IN F	4,749	0	4,749
**D	BEST INVESTMENT CORPORATION	9,518	0	9,518
**D	BLACKROCK INSTITUTIONAL POOLED FUND PLC	6,097	0	6,097
**D	CHINA LIFE INSURANCE (GROUP) COMPANY	2,554	0	2,554
**D	BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	1,214	0	1,214
**D	BLACKROCK FISSION INDEXED INTL EQUITY FD	24,822	0	24,822
**D	SUPER FUNDS MANAG CORP SOUTH AUSTRALIA	119,451	0	119,451
**D	MINISTRY OF STRATEGY AND FINANCE	33,349	0	33,349
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	32,767	0	32,767
**D	TRUST AND CUSTODY SERVICED BANK LIMITED	34,871	0	34,871
**D	THE MASTER TRUST BANK OF JAPAN LTD	37,838	0	37,838
**D	MASTER TRUST FOR NATIONAL PENSION FD	35,535	0	35,535
**D	FLF STRATEGIC GLOBAL EQUITY FUND	72,428	0	72,428
**D	BOK KIC AAEQ 3	15,026	0	15,026
**D	SUBSIDIZED SCHOOLS P FUND NORTHERN	13,614	0	13,614
**D	55016 UP INTERNATIONALE AKTIER	225,930	0	225,930
**D	WILM MULTI MGR INTL FD OBERWEIS	241,652	0	241,652
**D	56053 IP GLOBAL EQUITIES I	12,883	0	12,883
**D	LMIF LMGAMI EURO SMLL CP	181,818	0	181,818
**D	IQ 50 PERCENT HEDGED FTSE EURO ETF	3,749	0	3,749
**D	DEUTSCHE XTRK MSCI EMU HDG EQ ETF	4,402	0	4,402
**D	BLACKROCK GLOBAL FUNDS	4,397,203	0	4,397,203
**D	FPXF WILLIAM BLAIR CO	31,880	0	31,880
**D	RVN WILLIAM BLAIR	4,196	0	4,196
**D	BLL AQUILA LIFE EUROPEAN EQUITY	755,618	0	755,618

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	BLL ASCENT LIFE EUROPEAN	62,130	0	62,130
**D	BLK MULTI ASSET INC PF EUR EQU INC	478,931	0	478,931
**D	BLL AQUILA LIFE OSEAS EQUITY FUND	4,851	0	4,851
**D	BLL ASCENT LIFEENHANCED	1,766	0	1,766
**D	DEUTSCHE XTRK MSCI EAFE SC HDG ETF	466	0	466
**D	CHI OPERATING INVESTMENT PROGRAM LP	78,109	0	78,109
**D	CATHOLIC HEALTH INITIATIVES MASTER TRUST	40,056	0	40,056
**D	FIRST INITIATIVES INSURANCE LIMITED	6,914	0	6,914
**D	EATON VANCE MGMT INTL SMALL CAP	1,057	0	1,057
**D	ONFF WILLIAM BLAIR NONUS	17,060	0	17,060
**D	CE8F WILLIAM BLAIR IACG	115,413	0	115,413
**D	RAYTHEON MASTER PENSION TRUST	1,528	0	1,528
**D	VANGUARD INTL HIGH DIV YLD INDEX FD	14,295	0	14,295
**D	BSNF NTR WILLIAM BLAIR	12,404	0	12,404
**D	BSPF PMT WILLIAM BLAIR	8,749	0	8,749
**D	BGF EURO MKTS FD EURO EQUITY PF	8,176,154	0	8,176,154
**D	BGF FLEX MULTI ASSET GBL EQ PF	9,039	0	9,039
**D	LRPF WILLIAM BLAIR	42,009	0	42,009
**D	W11F WILLIAM BLAIR	10,510	0	10,510
**D	BFTF WILLIAM BLAIR	21,724	0	21,724
**D	US BK RAINIER INTL DISCOVERY FUND	395,610	0	395,610
**D	ATFF AMERICAN CENTURY	74,487	0	74,487
**D	RZSF3001 NON US GE W BLAIR	103,201	0	103,201
**D	ALASKA PERMANENT FUND CORPORATION	57,838	0	57,838
**D	1216 APG DME FINANC	1,221,917	0	1,221,917
**D	2054 APG DME BLACKR	117,398	0	117,398
**D	AON HEWITT COLLECTIVE INVESTMENT TRUST	27,414	0	27,414
**D	MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	30,345	0	30,345
**D	PHC NT SMALL CAP	26,269	0	26,269
**D	BNYMTD BLK CONTINENTAL EURO INC	4,653,703	0	4,653,703
**D	BNYMTD BLK CONT EUR EQ TRCK FD INV	265,102	0	265,102
**D	PENSION RESERVES INVESTMENT TRUST FUND	73,110	0	73,110
**D	VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	97,220	0	97,220
**D	THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	20,153	0	20,153
**D	GENERAL MILLS INVESTMENT TRUST	36,637	0	36,637
**D	INDIANA PUBLIC RETIREMENT SYSTEM	12,426	0	12,426
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	27,702	0	27,702
**D	SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	19,925	0	19,925
**D	UPS GROUP TRUST	86,396	0	86,396
**D	ELEVA UCITS FD-ELEVA ABSOLUTE	6,479,400	0	6,479,400
**D	COLISEE IFC 1	538,000	0	538,000
**D	IRISH LIFE ASSURANCE.	184,234	0	184,234
**D	LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	1,666,611	0	1,666,611
**D	CITIBANK KOREA INC	848,102	0	848,102
**D	THREADNEEDLE (LUX	978,719	0	978,719

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	THREADNEEDLE INVESTMENT FUNDS ICVC	11,652,830	0	11,652,830
**D	LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	8,892	0	8,892
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	12,500	0	12,500
**D	GOVERNMENT OF NORWAY	5,524,312	0	5,524,312
**D	NORGES BANK	109,988	0	109,988
**D	AQR ORACLE FUND LP	5,896	0	5,896
**D	NUMERIC ABS RETURN FD LP	18,000	0	18,000
**D	FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	2,062	0	2,062
**D	FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	203,488	0	203,488
**D	INTERNATIONAL MONETARY FUND	15,994	0	15,994
**D	AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	6,110	0	6,110
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	26,000	0	26,000
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	23,070	0	23,070
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	301,560	0	301,560
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	219,530	0	219,530
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	266,990	0	266,990
**D	AMERICAN CENTURY RETIREMENT DATE TRUST	114,333	0	114,333
**D	CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	183,278	0	183,278
**D	CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	462	0	462
**D	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	28,252	0	28,252
**D	EATON VANCE INTERNATIONAL SMALL-CAP FUND	10,546	0	10,546
**D	WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	217,799	0	217,799
**D	WILLIAM BLAIR INTERNATIONAL GROWTH FUND	657,058	0	657,058
**D	WILLIAM BLAIR INSTITUTIONAL INTERNATIONAL GROWTH FUND	476,734	0	476,734
**D	MM SELECT EQUITY ASSET FUND	6,406	0	6,406
**D	ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM	78,810	0	78,810
**D	MARYLAND STATE RETIREMENT & PENSION SYSTEM	19,979	0	19,979
**D	MERCER QIF CCF	1,101,611	0	1,101,611
**D	MERCER QIF CCF	616,038	0	616,038
**D	STATE OF MONTANA BOARD OF INVESTMENTS	66,699	0	66,699
**D	CITY OF NEW YORK GROUP TRUST	183,462	0	183,462
**D	STATE STREET IRELAND UNIT TRUST	52,145	0	52,145
**D	SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY	62,756	0	62,756
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	634,198	0	634,198
**D	UAW RETIREE MEDICAL BENEFITS TRUST	154,557	0	154,557
**D	VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	3,873	0	3,873
**D	VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	3,671	0	3,671
**D	VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	697	0	697
**D	VANGUARD GLOBAL LIQUIDITY FACTOR ETF	1,061	0	1,061
**D	VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	8,723	0	8,723
**D	VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	25,281	0	25,281
**D	VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	1,123	0	1,123
**D	WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	26,627	0	26,627
**D	WELLS FARGO ALTERNATIVE STRATEGIES FUND	7,561	0	7,561
**D	WASHINGTON STATE INVESTMENT BOARD	165,288	0	165,288

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IN FAVOUR

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**D	WASHINGTON STATE INVESTMENT BOARD	3,050	0	3,050
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	139	0	139
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	17,270	0	17,270
**D	WISDOMTREE DEFA EQUITY INCOME FUND	18,109	0	18,109
**D	WISDOMTREE INTERNATIONAL EQUITY FUND	30,409	0	30,409
**D	WISDOMTREE INTERNATIONAL MIDCAP DIVIDEND FUND	37,696	0	37,696
**D	WISDOMTREE EUROPE LOCAL RECOVERY FUND	867	0	867
**D	WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	212,713	0	212,713
**D	NEW YORK STATE TEACHERS RETIREMENT SYSTEM	131,253	0	131,253
**D	PRUDENTIAL BANK AND TRUST	56,511	0	56,511
**D	SPDR EURO STOXX SMALL CAP ETF	19,641	0	19,641
**D	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	560,715	0	560,715
**D	BLACKROCK STRATEGIC FUNDS	102,172	0	102,172
**D	KIEGER FUND I	1,887	0	1,887
**D	ISHARES MSCI EAFE SMALL CAP ETF	1,043,062	0	1,043,062
**D	ISHARES MSCI EUROPE SMALL-CAP ETF	29,608	0	29,608
**D	BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	548,131	0	548,131
**D	ISHARES CORE MSCI EAFE ETF	592,081	0	592,081
**D	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	114,889	0	114,889
**D	ISHARES MSCI INTERNATIONAL DEVELOPED ETF	2,460	0	2,460
**D	ISHARES CORE MSCI EAFE IMI INDEX ETF	16,762	0	16,762
**D	ISHARES MSCI EUROPE IMI INDEX ETF	6,701	0	6,701
**D	ISHARES CORE MSCI EUROPE ETF	79,880	0	79,880
**D	CONNECTICUT GENERAL LIFE INSURANCE COMPANY	2,775	0	2,775
**D	CDN ACWI ALPHA TILTS FUND	15,426	0	15,426
**D	RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B	1,917	0	1,917
**D	EURO EX-UK ALPHA TITLS FUND B	9,358	0	9,358
**D	WORLD ALPHA TILTS NON-LENDABLE FUND B	757	0	757
**D	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	15,676	0	15,676
**D	DELUXE CORPORATION MASTER TRUST	12,195	0	12,195
**D	MERCY HEALTH	9,457	0	9,457
**D	MERCY HEALTH RETIREMENT TRUST	2,453	0	2,453
**D	TRUTH INITIATIVE FOUNDATION	4,601	0	4,601
**D	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	103,806	0	103,806
**D	ISHARES PUBLIC LIMITED COMPANY	1,002,024	0	1,002,024
**D	ISHARES II PUBLIC LIMITED COMPANY	603,850	0	603,850
**D	ISHARES VII PLC	674,577	0	674,577
**D	ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	233,174	0	233,174
**D	BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	1,086,651	0	1,086,651
**D	BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	163,680	0	163,680
**D	BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	334,720	0	334,720
**D	BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	273,064	0	273,064
**D	MANAGED PENSION FUNDS LIMITED	12,389	0	12,389
**D	THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	11,592	0	11,592
**D	FAMILY INVESTMENTS CHILD TRUST FUND	14,367	0	14,367

Shareholders:	556	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	536

DE* proxy to the natural persona above mentioned with the badge number

**D proxy to natural person above mentioned with the badge number (voting at the specific "assisted voting stations")

RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the duration of the Directors' term in office**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	9,961	0	9,961
**D	HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	284,213	0	284,213
**D	STICHTING PHILIPS PENSIOENFONDS	49,007	0	49,007
**D	THE TRUSTEES OF SAL PENSION SCHEME	3,820	0	3,820
**D	VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	17,302	0	17,302
**D	VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	41,639	0	41,639
**D	VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	103,491	0	103,491
**D	VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	276	0	276
**D	SUNSUPER SUPERANNUATION FUND	13,451	0	13,451
**D	CANADA PENSION PLAN INVESTMENT BOARD	369,604	0	369,604
**D	THE TRUSTEES OF BP PENSION FUND	773,030	0	773,030
**D	FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	13,955	0	13,955
**D	UNIVERSITY OF KENTUCKY	10,000	0	10,000
**D	WHEELS COMMON INVESTMENT FUND	18,626	0	18,626
**D	CHEVRON MASTER PENSION TRUST	29,057	0	29,057
**D	CHEVRON UK PENSION PLAN	2,761	0	2,761
**D	THE CURATORS OF THE UNIVERSITY OF MISSOURI	50,065	0	50,065
**D	DFI LP EQUITY (PASSIVE)	1,693	0	1,693
**D	NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND	12,165	0	12,165
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	169,898	0	169,898
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	34,430	0	34,430
**D	NEW ZEALAND SUPERANNUATION FUND	26,623	0	26,623
**D	AON SAVINGS PLAN TRUST	46,862	0	46,862
**D	MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	2,113	0	2,113
**D	NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST	363,921	0	363,921
**D	TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	17,985	0	17,985
**D	ADVOCATE HEALTH CARE NETWORK	20,899	0	20,899
**D	CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	64,284	0	64,284
**D	FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	10,415	0	10,415
**D	ILLINOIS MUNICIPAL RETIREMENT FUND	134,679	0	134,679
**D	LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM	41,051	0	41,051
**D	CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN	65,307	0	65,307
**D	UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	51,783	0	51,783
**D	POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	32,151	0	32,151
**D	SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM	116,549	0	116,549
**D	SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	17,859	0	17,859
**D	FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	1,181	0	1,181
**D	OPSEU PENSION PLAN TRUST FUND	5,309	0	5,309
**D	NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	2,417,367	0	2,417,367
**D	THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	572,086	0	572,086
**D	STRATHCLYDE PENSION FUND	341,499	0	341,499
**D	MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO	27,415	0	27,415
**D	NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	891	0	891
**D	NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	212,266	0	212,266
**D	SSGA GROSS ROLL UP UNIT TRUST	13,909	0	13,909

Shareholders:	556	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	536

DE* proxy to the natural persona above mentioned with the badge number

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RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the duration of the Directors' term in office**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	4,616	0	4,616
**D	STATE TEACHERS RETIREMENT SYSTEM OF OHIO	423,988	0	423,988
**D	ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND	32,387	0	32,387
**D	UNIVEST	126,385	0	126,385
**D	STG PFDS V.D. GRAFISCHE	155,541	0	155,541
**D	FCP ECUREUIL RETRAITE EURO ACTIONS 4	300,000	0	300,000
**D	I.2.C. ACTIONS	488,000	0	488,000
**D	FCP GROUPAMA AVENIR EURO	3,136,372	0	3,136,372
**D	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN	14,955	0	14,955
**D	THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	15,685	0	15,685
**D	MCGILL UNIVERSITY PENSION FUND	7,953	0	7,953
**D	PUBLIC SECTOR PENSION INVESTMENT BOARD	104,668	0	104,668
**D	CIBC INTERNATIONAL SMALL COMPANIES FUND	44,559	0	44,559
**D	CF DV ACWI EX-U.S. IMI FUND	1,587	0	1,587
581	CERASUOLO STEFANO	7,241	7,241	0
599	AMADASI GIORDANO	158	158	0
742	AUSILIO ROSA GIUSEPPINA	187	187	0
773	CORNAGO DANIELE	2,241	2,241	0
962	ZACCARDI ANTONELLA	1,259	1,259	0

Total votes	444,255,012
Percentage of voters %	96.887262
Percentage of share capital %	73.102724

Shareholders:	556	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	536

DE* proxy to the natural persona above mentioned with the badge number

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Appointment of the Directors**

Attendees:

no. **587** shareholders entitled to vote took part in the voting on own behalf or by proxy

no. **458,527,782** ordinary shares

The counting of votes produced the following results:

		%OF ORDINARY SHARE CAPITAL PRESENT (Voting Quorum)	%OF ORDINARY SHARES ENTITLED TO VOTE	%SHARE CAPITAL
LIST no. 1	255,055,509	55.624876	55.624876	41.969707
LIST no. 2	202,674,020	44.201034	44.201034	33.350266
SubTotal	457,729,529	99.825910	99.825910	75.319973
Against	498,232	0.108659	0.108659	0.081985
Abstentions	98,429	0.021466	0.021466	0.016197
Not Voting	201,592	0.043965	0.043965	0.033172
SubTotal	798,253	0.174090	0.174090	0.131354
Total	458,527,782	100.000000	100.000000	75.451327

Pursuant to Article 138, paragraph 6, of the Consob Regulation no. 11971 of May 14, 1999 **0** shares were not counted for the calculation of the majority and of share capital needed for approval to voting, corresponding to **0.000000%** of the shares represented at the meeting.

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Directors**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	7,316	0	7,316
**D	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	365,713	0	365,713
**D	VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	125,203	0	125,203

Total votes	498,232
Percentage of voters %	0.108659
Percentage of share capital %	0.081985

Shareholders:	3	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	3

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Directors**

ABSTENSIONS

	Surname	Tot. Votes	On own behalf	Proxy
1027	PRANDINI GIULIANO	12,000	12,000	0
2068	BONETTI EMANUELE	100	100	0
2253	TONELLI GIULIO	0	0	0
**D	MERRILL LYNCH PROFESSIONAL CLEARING CORP	86,328	0	86,328
4003	CASTAGNA SERGIO	1	1	0

Total votes	98,429
Percentage of voters %	0.021466
Percentage of share capital %	0.016197

Shareholders:	4	People:	4	DE* proxy to the natural persona above mentioned with the badge number
Shareholders on own behalf:	3	Shareholders by proxy:	1	**D proxy to natural person above mentioned with the badge number (voting at the specific "assisted voting stations")

RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Directors**

NOT VOTING

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	201,592	0	201,592

Total votes	201,592
Percentage of voters %	0.043965
Percentage of share capital %	0.033172

Shareholders:	1	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	1

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Directors**

IN FAVOUR OF THE LIST NO. 1

	Surname	Tot. Votes	On own behalf	Proxy
1240	FOGLI MAURIZIO	1,953	1,953	0
1305	ROSSOTTI ROBERTO	3,000	3,000	0
1774	MINNELLA CARMELO GIOVANNI	1,867	1,867	0
1837	SIRIANNI PIER BATTISTA	8,000	8,000	0
1948	ANNIBALETTI ANGELO	30,000	30,000	0
2223	MARTIRIGGIANO ANTONIO	2,681	2,681	0
2253	TONELLI GIULIO	0	0	0
**D	SCHRODER INTERNATIONAL SELECTION FUND	8,682,403	0	8,682,403
**D	AXA OPTIMAL INCOME	2,068,464	0	2,068,464
**D	AXA VALEURS EURO	1,200,000	0	1,200,000
**D	INVESCO GLOBAL SMALL CAP EQUITY POOL	143,065	0	143,065
**D	AXA FRAMLINGTON FINANCIAL FUND	125,000	0	125,000
**D	SCHRODER PENSION MANAGEMENT LTD	42,277	0	42,277
**D	SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	71,392	0	71,392
**D	SCHRODER EUROPEAN FUND	2,365,914	0	2,365,914
**D	SCHRODER INTERNATIONAL SMALL COMPANIES P	8,000	0	8,000
**D	SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	125,000	0	125,000
**D	NORTHERN IRELAND LOCAL GOV PENSION FUND	84,483	0	84,483
**D	PS FTSE LO BT EQ WT PORT	32,076	0	32,076
**D	CEP DEP IP GLOBAL SMALLER COS	802,185	0	802,185
**D	BNYMTCIL IFS4 INV CONT EU SM CAP FD	1,317,413	0	1,317,413
**D	BNYMTCIL IFS4 INV GBL SM CAP EQ FD	385,588	0	385,588
**D	PS FTSERAFI EUSM UCITS ETF BNYMTCIL	2,919	0	2,919
**D	PS SP INTL DEVEL QUALITY PORTFOLIO	4,736	0	4,736
**D	PS FR DEVEL MARK EX US SMALL PORT	5,473	0	5,473
**D	INVESCO FUNDS	177,083	0	177,083
**D	PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	246	0	246
**D	FEDERATED KAUFMANN FUND	6,839,360	0	6,839,360
**D	FEDERATED KAUFMANN FUND II	166,330	0	166,330
**D	FEDERATED KAUFMANN SMALL CAP FUND	874,310	0	874,310
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	2,381	0	2,381
**D	AXA WORLD FUNDS	12,770,072	0	12,770,072
**D	BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	1,495,583	0	1,495,583
2276	ROSSI MARCO	57,288	57,288	0
3005	CAGLIA MARIA	0	0	0
DE*	UNICREDIT S.P.A.	215,066,403	0	215,066,403
3025	GHIBAUDI LEOPOLDO	9,000	9,000	0
3061	VIOZZI DANIELE	50	50	0
3200	SCANU MARCO	187	187	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	FLF STRATEGIC GLOBAL EQUITY FUND	72,428	0	72,428
581	CERASUOLO STEFANO	7,241	7,241	0
599	AMADASI GIORDANO	158	158	0
773	CORNAGO DANIELE	2,241	2,241	0
962	ZACCARDI ANTONELLA	1,259	1,259	0

Shareholders:	42	People:	17
Shareholders on own behalf:	14	Shareholders by proxy:	28

DE* proxy to the natural persona above mentioned with the badge number
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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Directors**

IN FAVOUR OF THE LIST NO. 1

Surname	Tot. Votes	On own behalf	Proxy

Total votes	255,055,509
Percentage of voters %	55.624876
Percentage of share capital %	41.969707

Shareholders:	42	People:	17
Shareholders on own behalf:	14	Shareholders by proxy:	28

DE* proxy to the natural persona above mentioned with the badge number

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Directors**

IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
1262	AMADEI STEFANO	3,861	3,861	0
1834	CROCE MARIO	1,500	1,500	0
2253	TONELLI GIULIO	0	0	0
**D	ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	670,000	0	670,000
**D	FRANKLIN TEMPLETON INVESTMENT FUNDS	668,413	0	668,413
**D	T. ROWE PRICE FUNDS SICAV	145,427	0	145,427
**D	GENERALI INVESTMENTS LUXEMBURG S.A.	684,571	0	684,571
**D	CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	150,000	0	150,000
**D	WELLINGTON MANAGEMENT PORTFOLIOS	335,843	0	335,843
**D	FIDELITY FUNDS SICAV	1,194,975	0	1,194,975
**D	WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	36,542	0	36,542
**D	WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	28,228	0	28,228
**D	WELLINGTON TRUST COMP COMM TRUST INT OPP	175,018	0	175,018
**D	WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	10,972	0	10,972
**D	JAPAN TRUSTEE SERVICES BANK LTD	469,886	0	469,886
**D	AFER ACTION PME	451,836	0	451,836
**D	BNP PARIBAS SMALL CAP EUROLAND	2,526,390	0	2,526,390
**D	BNP PARIBAS ACTIONS PME	543,807	0	543,807
**D	FCP BNP PARIBAS ACTIONS EUROLAND	43,134	0	43,134
**D	PARVEST	3,121,423	0	3,121,423
**D	BNP PARIBAS A FUND	58,956	0	58,956
**D	BNP PARIBAS L1	82,735	0	82,735
**D	BNP PARIBAS B PENSION BALANCED	733,505	0	733,505
**D	BNP PARIBAS B PENSION STABILITY	47,432	0	47,432
**D	METROPOLITAN RENTASTRO	183,304	0	183,304
**D	BANQUE PICTET & CIE SA	33,126	0	33,126
**D	ROBECO CAPITAL GROWTH FUNDS	350,000	0	350,000
**D	DEKA BASISSTRATEGIE FLEXIBEL	23,960	0	23,960
**D	DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	7,900	0	7,900
**D	DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	74,600	0	74,600
**D	DEKA INVESTMENT GMBH RE ARIDEKA	1,150,000	0	1,150,000
**D	DEKA INVEST DIVIDENDENSTRATEGIE CF A	1,088,900	0	1,088,900
**D	HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	2,810,128	0	2,810,128
**D	UBS GLOBAL ASSET MANAGEMENT LIFE LTD	73,068	0	73,068
**D	UBS ASSET MANAGEMENT LIFE LTD	283	0	283
**D	FONDO CONSOLIDADO DE RESERVAS PREVISIONA	86,791	0	86,791
**D	CHINA LIFE INSURANCE COMPANY LIMITED	60,140	0	60,140
**D	COINVEST LIMITED	13,801	0	13,801
**D	UBS (US) GROUP TRUST	7,469	0	7,469
**D	T. ROWE PRICE INTERNATIONAL DISCOVERY FU	4,303,286	0	4,303,286
**D	MINISTRY OF STRATEGY AND FINANCE	143,444	0	143,444
**D	T ROWE PRICE INTERNATIONAL EQUITY INDEX	14,257	0	14,257
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	138,293	0	138,293
**D	STICHTING PENSIOENFONDS MEDISCH SPECIALI	506,456	0	506,456

Shareholders:	537	People:	6
Shareholders on own behalf:	4	Shareholders by proxy:	533

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RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Directors**

IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
**D	DEKA INVEST RE DEKA-ZMV-FONDS	22,000	0	22,000
**D	DEKA INVESTMENT GMBH RE PRODEKA	65,200	0	65,200
**D	DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	9,400	0	9,400
**D	DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	10,813	0	10,813
**D	MI-FONDS 392	462,000	0	462,000
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	309,886	0	309,886
**D	NATIONWIDE SMALL CAP INDEX FUND	400,962	0	400,962
**D	PENSIONSKASSEN FOR BORNE-OG UNGDOMS	16,958	0	16,958
**D	KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	1,525,392	0	1,525,392
**D	DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	546,850	0	546,850
**D	STICHTING PENSIOENFONDS VOOR HUISARTSEN	25,292	0	25,292
**D	T ROWE PRICE GLOBAL ALLOCATION FUND INC	7,791	0	7,791
**D	T ROWE INTL SMALL CAP EQUITY TRUST	486,110	0	486,110
**D	ENTERGY CORP.RETIREMENT PLANS MASTER TR.	203,718	0	203,718
**D	RBC CANADIAN MASTER TRUST	124,418	0	124,418
**D	REGIME DE RETRAITE D HYDRO QUEBEC	102,698	0	102,698
**D	WEST MIDLANDS METROPOLITAN AUT PENS FD	61,000	0	61,000
**D	NATIXIS INTERNT FUNDS LUX I	238,000	0	238,000
**D	FCP SCANDIUM	122,000	0	122,000
**D	ALLIANZGI FONDS BAT LS	92,900	0	92,900
**D	ALLIANZGI FONDS PF1	14,182	0	14,182
**D	ALLIANZGI FONDS AFE	3,943	0	3,943
**D	FCP BRONGNIART AVENIR	100,000	0	100,000
**D	TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	1,507,269	0	1,507,269
**D	PFIZER JAPAN INC PENSION FUND	80,700	0	80,700
**D	TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	55,682	0	55,682
**D	THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	83,856	0	83,856
**D	BT WHOLESALE MULTI MANAG INTL SHARE FUND	186,764	0	186,764
**D	MFS INTERNATIONAL NEW DISCOVERY FUND	2,267,886	0	2,267,886
**D	AVIVA LIFE & PENSIONS UK LIMITED	53,590	0	53,590
**D	AVIVA LIFE AND PENSIONS UK LIMITED	181,930	0	181,930
**D	TEACHERS PENSION PLAN & PRIVATE SCHOOL	639,710	0	639,710
**D	FTSE ALL WORLD INDEX FUND	33,351	0	33,351
**D	FRIENDS LIFE LIMITED	89,644	0	89,644
**D	REASSURE LIMITED	14,216	0	14,216
**D	HSBC EUROPEAN INDEX FUND	75,508	0	75,508
**D	FRIENDS LIFE AND PENSIONS LIMITED	6,627	0	6,627
**D	REALDANIA	532,000	0	532,000
**D	FCP VILLIERS ACTIONS EDRAM	968,000	0	968,000
**D	ANIMA SGR SPA	12,381,073	0	12,381,073
**D	ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	242,269	0	242,269
**D	ARTEMIS EUROPEAN OPPORTUNITIES FUND	1,301,374	0	1,301,374
**D	NMM3 EUEQ MFS ACCOUNT	8,971	0	8,971
**D	CITI RETIREMENT SAVINGS PLAN	115,234	0	115,234

Shareholders:	537	People:	6
Shareholders on own behalf:	4	Shareholders by proxy:	533

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RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Directors**

IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
**D	FIRST INVESTORS GLOBAL FUND	306,236	0	306,236
**D	UWF TROW INTL DISCOVERY	55,384	0	55,384
**D	BOK KIC GAEQ6	85,699	0	85,699
**D	EIR EIE WELLINGTON INT	179,053	0	179,053
**D	PRU SECTOR FDS INC PRU FIN SER FD	787,168	0	787,168
**D	AST TRP DIVERS REAL GWTH PORT PDMO	1,049	0	1,049
**D	AST FI PYRAMIS QUANT AA IE SC PDGJ	83,115	0	83,115
**D	AST TRP GWTH OPP PORT BAL PDRB	26,600	0	26,600
**D	AST RCM WORLD TRENDS PORT PDBF	250,800	0	250,800
**D	WELLINGTON MGMT CY LLPQUALITY EDUC FD	138,871	0	138,871
**D	BANK OF AMERICA PENSION PLAN OECHSLE	143,212	0	143,212
**D	BOA FBO SKL INVESTMENT GRP LLC	8,534	0	8,534
**D	WMP OPP INVESTMENT PRTNS LP	32,852	0	32,852
**D	AWAF AWAC WELLINGTON	58,355	0	58,355
**D	THE CLEVELAND CLINIC FOUNDATION	70,858	0	70,858
**D	GLOBAL EQUITY WELLINGTON	235,725	0	235,725
**D	GLOBAL INVESTMENT FUND	31,323	0	31,323
**D	MFS INTL EQUITY FUND	74,599	0	74,599
**D	HP INC MASTER TRUST	68,418	0	68,418
**D	BNYMTD RAMAM WORLD RECOVERY FUND	180,600	0	180,600
**D	UNISYS MASTER TRUST	70,952	0	70,952
**D	CPA COP PSERS PYRAMIS GLOBAL ADV	78,706	0	78,706
**D	BNYMTD RM GLOBAL HIGH ALPHA FUND	63,600	0	63,600
**D	AMG TIMESSQUARE INTL SM CAP	643,360	0	643,360
**D	FLORIDA RETIREMENT SYSTEM	215,017	0	215,017
**D	BELL ATLANTIC MASTER TRUST	41,418	0	41,418
**D	VERIZON MASTER SAVINGS TRUST	98,016	0	98,016
**D	UTC WELLINGTON GLOBAL	91,148	0	91,148
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	132,596	0	132,596
**D	BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	109,924	0	109,924
**D	JOHN S AND JAMES L KNIGHT FOUNDATION	229,700	0	229,700
**D	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	192,127	0	192,127
**D	PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	385,014	0	385,014
**D	PIONEER FD-EUROPEAN RESEARCH	321,167	0	321,167
**D	PIONEER FD-EURO EQ OPTIMAL VOL	95,282	0	95,282
**D	PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	25,412	0	25,412
**D	PIONEER FD SF EQUITY PLAN60	52,401	0	52,401
**D	PIONEER FD-GLOBAL MULTI ASSET	39,321	0	39,321
**D	PIONEER FD-EUROPEAN POTENTIAL	1,801,653	0	1,801,653
**D	FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	250,000	0	250,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	110,000	0	110,000
**D	FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	100,000	0	100,000
**D	F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	60,000	0	60,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	15,000	0	15,000

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Directors**

IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
**D	GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	11,000	0	11,000
**D	FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	5,000	0	5,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	1,100,000	0	1,100,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	30,000	0	30,000
**D	INTERFUND SICAV INTERFUND EQUITY ITALY	450,000	0	450,000
**D	METZLER INT INV EUR SMALLER CO	1,575,000	0	1,575,000
**D	UBS EUROP SMALL CAP EQUITY FD	84,125	0	84,125
**D	CIPAV ALOIS	117,262	0	117,262
**D	SOGECAP ACTIONS SMALL CAP	942,243	0	942,243
**D	SG ACTIONS EUROPE MID CAP	197,367	0	197,367
**D	AGI FRANCE	171,200	0	171,200
**D	ALLIANZ ACTIONS EURO PME-ETI	167,700	0	167,700
**D	AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	10,120	0	10,120
**D	COLONIAL FIRST STATE INVESTMENTS LIMITED.	71,939	0	71,939
**D	STICHTING PGGM DEPOSITARY	179,921	0	179,921
**D	WELLINGTON ALTA FUND	94,527	0	94,527
**D	UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	73,720	0	73,720
**D	UBS FUND MANAGEMENT (SWITZERLAND) AG.	132,808	0	132,808
**D	CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	11,326	0	11,326
**D	UBS (LUX) EQUITY SICAV	128,845	0	128,845
**D	LAUDUS INTERNATIONAL MARKETMASTERS FUND	684,332	0	684,332
**D	SCHWAB INTERNATIONAL EQUITY ETF	195,728	0	195,728
**D	JOHN HANCOCK SEAPORT FUND	522,049	0	522,049
**D	WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	152,865	0	152,865
**D	MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	142,892	0	142,892
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	165,000	0	165,000
**D	ANIMA FUNDS PLC	353,973	0	353,973
**D	MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	127,626	0	127,626
**D	THE FRANCIS E. PARKER MEMORIAL HOME	23,936	0	23,936
**D	THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	41,964	0	41,964
**D	THE GABELLI GLOBAL SMALL AND MID CAP VALUE TRUST	49,000	0	49,000
**D	THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	25,000	0	25,000
**D	HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	907,160	0	907,160
**D	HARTFORD CAPITAL APPRECIATION HLS FUND	1,411,126	0	1,411,126
**D	THE HARTFORD INTERNATIONAL GROWTH FUND	141,392	0	141,392
**D	THE HARTFORD CAPITAL APPRECIATION FUND	3,822,524	0	3,822,524
**D	THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	1,698,920	0	1,698,920
**D	HARTFORD INTERNATIONAL EQUITY FUND	20,015	0	20,015
**D	THE HARTFORD GLOBAL ALL- ASSET FUND	73,365	0	73,365
**D	HARTFORD GLOBAL CAPITAL APPRECIATION FUND	549,306	0	549,306
**D	HARTFORD HEALTHCARE ENDOWMENT LLC	10,847	0	10,847
**D	HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	9,572	0	9,572
**D	HSBC STAT	58,300	0	58,300
**D	HENKEL OF AMERICA MASTER RETIREMENT TRUST	20,932	0	20,932

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RESULTS OF VOTING
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IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
**D	TEXAS MUNICIPAL RETIREMENT SYSTEM	897,775	0	897,775
**D	ASHWOOD INVESTMENTS LIMITED	6,619	0	6,619
**D	STATE OF NEW JERSEY COMMON PENSION FUND D	257,203	0	257,203
**D	NEW YORK STATE DEFERRED COMPENSATION PLAN	124,544	0	124,544
**D	CITY OF NEW YORK GROUP TRUST	513,664	0	513,664
**D	WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	122,551	0	122,551
**D	HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	193,662	0	193,662
**D	BIMCOR GLOBAL EQUITY POOLED FUND	87,658	0	87,658
**D	GOVERNMENT OF THE PROVINCE OF ALBERTA	169,600	0	169,600
**D	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	2,292,969	0	2,292,969
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	487,200	0	487,200
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	136,317	0	136,317
**D	METZLER INVESTMENT GMBH FOR MI-FONDS 415	113,500	0	113,500
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	346,439	0	346,439
**D	SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	37,395	0	37,395
**D	THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	376,990	0	376,990
**D	THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	88,420	0	88,420
**D	THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	151,092	0	151,092
**D	WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	7,964	0	7,964
**D	THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	12,538	0	12,538
**D	THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	900,083	0	900,083
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	226,758	0	226,758
**D	WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	56,613	0	56,613
**D	ALLIANZ GLOBAL INVESTORS FUND	1,446,700	0	1,446,700
**D	MFS MERIDIAN FUNDS	1,306,568	0	1,306,568
**D	KIEGER FUND I	50,329	0	50,329
**D	UBS ETF	5,105	0	5,105
**D	INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	61,206	0	61,206
**D	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	157,750	0	157,750
**D	COLLEGE RETIREMENT EQUITIES FUND	1,416,042	0	1,416,042
**D	RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	238,547	0	238,547
**D	RUSSELL INVESTMENT FUNDS NON-U.S. FUND	28,598	0	28,598
**D	MULTI-STYLE, MULTI-MANAGER FUNDS PLC	210,400	0	210,400
**D	ONTARIO TEACHERS PENSION PLAN BOARD	183,162	0	183,162
**D	THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	24,218	0	24,218
**D	THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	5,970	0	5,970
**D	THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	622,711	0	622,711
**D	GOVERNMENT INSTITUTIONS PENSION FUND	3,059	0	3,059
**D	THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	177,800	0	177,800
**D	HRW TESTAMENTARY TRUST NO 3	127,400	0	127,400
**D	THE WALTON FAMILY FOUNDATION	269,600	0	269,600
**D	HRW TESTAMENTARY TRUST NO. 8	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO 2	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO. 12	109,400	0	109,400

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
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IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
**D	GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	120,164	0	120,164
**D	SCHLUMBERGER COMMON INVESTMENT FUND	44,607	0	44,607
**D	LTW INVESTMENTS LLC	170,000	0	170,000
**D	LOY PARTNERSHIP, LLC	96,500	0	96,500
**D	RAMI PARTNERS, LLC	90,600	0	90,600
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	53,438	0	53,438
**D	BLUE SKY GROUP	209,000	0	209,000
**D	BATTELLE MEMORIAL INSTITUTE	39,700	0	39,700
**D	DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	59,456	0	59,456
**D	PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	291,526	0	291,526
**D	THE HEALTH FOUNDATION	57,168	0	57,168
**D	MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	57,188	0	57,188
**D	ST. JOSEPH HEALTH SYSTEM	100,661	0	100,661
**D	TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	17,288	0	17,288
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	319,807	0	319,807
**D	EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	44,336	0	44,336
**D	STATE UNIVERSITIES RETIREMENT SYSTEM	68,085	0	68,085
**D	UTAH STATE RETIREMENT SYSTEMS	44,501	0	44,501
**D	STICHTING PENSIOENFONDS APF	2,873	0	2,873
**D	AMG FUND PLC	8,390	0	8,390
**D	ILLINOIS STATE BOARD OF INVESTMENT	77,149	0	77,149
**D	FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	27,000	0	27,000
**D	MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	1,100,000	0	1,100,000
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	20,610	0	20,610
**D	EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	528,640	0	528,640
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	26,395	0	26,395
**D	EURIZON EASY FUND - EQUITY ITALY	129,738	0	129,738
**D	EURIZON FUND - EQUITY ITALY SMART VOLATILITY	76,384	0	76,384
**D	AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	994,376	0	994,376
**D	AMUNDI LUXEMBOURG SA	909,666	0	909,666
**D	FCP EDMOND DE ROTHSCHILD EURO LEADERS	923,900	0	923,900
**D	FCP EDMOND DE ROTHSCHILD EURO SRI	168,000	0	168,000
**D	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	834,000	0	834,000
**D	FCP LCF PHARMA INTERNATIONAL	164,920	0	164,920
**D	CNP ASSUR SMALL CAP	432,330	0	432,330
**D	EDMOND DE ROTHSCHILD ASSET MANAGEMENT	399,330	0	399,330
**D	AA FORTIS ACTIONS PETIT CAP EUROPE	270,956	0	270,956
**D	FCP RSI EURO P	63,089	0	63,089
**D	FCP VILLIERS DIAPASON	69,636	0	69,636
**D	FCP NATIXIS ACTIONS SMALL MID CAP EURO	263,000	0	263,000
**D	ASSURDIX	41,977	0	41,977
**D	CPR EURO HIGH DIVIDEND	94,061	0	94,061
**D	CPR SILVER AGE	2,472,859	0	2,472,859
**D	SICAV BBM V-FLEX	135,784	0	135,784

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	Surname	Tot. Votes	On own behalf	Proxy
**D	FCP BEST BUSINESS MODELS	1,530,000	0	1,530,000
**D	CROISSANCE PME M	433,376	0	433,376
**D	BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	973,829	0	973,829
**D	PUBLIC SERVICE PENSION PLAN FUND	35,520	0	35,520
**D	TEACHERS` PENSION PLAN FUND	37,223	0	37,223
**D	TELUS PENSIONS MASTER TRUST	78,303	0	78,303
**D	ALLEGHENY COLLEGE	24,200	0	24,200
**D	ERIE COUMMINTY FOUNDATION	27,300	0	27,300
**D	TIMESQUARE FOCUS FUND LP	25,000	0	25,000
2666	DI PALMA GIUSEPPE	1,100	1,100	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	MOMENTUM INVESTMENT FUNDS SCIVA SIF	133,040	0	133,040
**D	JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	2,045,229	0	2,045,229
**D	JPMORGAN INVESTMENT FUNDS	1,205,954	0	1,205,954
**D	CC&L Q 140/40 FUND	600	0	600
**D	CC& L US Q MARKET NEUTRAL ONSHORE FUND I	300	0	300
**D	CC&L Q CAN EQUITY 130/30 PLUS FUND	775	0	775
**D	CC&L Q MARKET NEUTRAL FUND	82,300	0	82,300
**D	VANGUARD EUROPEAN STOCK INDEX FUND	691,987	0	691,987
**D	VANGUARD DEVELOPED MARKETS INDEX FUND	1,795,422	0	1,795,422
**D	VANGUARD TOTAL WORLD STOCK INDEX FUND	82,591	0	82,591
**D	VANGUARD FTSE ALL-WORLD EX US INDEX FUND	565,229	0	565,229
**D	VANGUARD FUNDS PLC	91,522	0	91,522
**D	RAINIER INT SMALL CAP EQUITY COLLECTIVE	182,840	0	182,840
**D	VANGUARD INVESTMENT SERIES PLC	79,836	0	79,836
**D	JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	3,877	0	3,877
**D	STICHT BEDRIJ MEDIA PNO	180,000	0	180,000
**D	HENDERS.EURO.SMALLER COMPANIES FUND	322,357	0	322,357
**D	HENDERSON INSTIT EUROP INDEX OPP FUND	42,487	0	42,487
**D	SAINT MARTIN 4	888,000	0	888,000
**D	FCP SAKKARAH 7	7,500	0	7,500
**D	FCPE TOTAL ACTIONS EUROPEENNES	750,000	0	750,000
**D	FCP KLESIA A DIVERSIFIE	325,000	0	325,000
**D	TOTAL GESTION FLEX PATRI	44,970	0	44,970
**D	FONDS RESERVE RETRAITES	888,450	0	888,450
**D	HENDERSON HORIZON FUND SICAV	2,101,556	0	2,101,556
**D	HENDERSON GARTMORE FUND	572,233	0	572,233
**D	MERIFIN CAPITAL B.V.	39,940	0	39,940
**D	VANGUARD INTERNATIONAL SMALL COMPANIES I	20,939	0	20,939
**D	ONEPATH GLOBAL SHARES - SMALL CAP INDEX	22,117	0	22,117
**D	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	4,895	0	4,895
**D	NVIT MULTI MANAGER INTERNATIONAL GROWTH	143,770	0	143,770
**D	JPM EUROPE DYNAMIC (EX UK) FUND	551,178	0	551,178
**D	JPM EUROPE SMALLER COMPANIES FUND	409,306	0	409,306

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**D	VANGUARD TOTAL INTERNATIONAL STOCK INDEX	4,791,064	0	4,791,064
**D	JPMORGAN EUROPEAN INVESTMENT TRUST PLC	94,946	0	94,946
**D	JPMORGAN EUROPEAN SMALLER COMPANIES TST	1,533,787	0	1,533,787
**D	JAPAN TRUSTEE SERVICES BANK LTD AS TRUST	3,489	0	3,489
**D	JTSB LTD. AS TRUSTEE FOR SUMITOMO	16,888	0	16,888
**D	NEW YORK LIFE INSURANCE COMPANY	66,324	0	66,324
**D	PEERLESS INSURANCE COMPANY	115,223	0	115,223
**D	PROSHARES HEDGED FTSE EUROPE ETF	191	0	191
**D	JPMORGAN INTERNATIONAL DISCOVERY FUND	6,507	0	6,507
**D	THE CANADA POST CORPORATION PENSION PLAN	104,309	0	104,309
**D	TR EUROPEN GROWTH TRUST PLC	1,844,247	0	1,844,247
**D	ING DIRECT	29,652	0	29,652
**D	FIDELITY SAL ST T SPARTAN TOTAL INT IN F	4,749	0	4,749
**D	BEST INVESTMENT CORPORATION	9,518	0	9,518
**D	BLACKROCK INSTITUTIONAL POOLED FUND PLC	6,097	0	6,097
**D	CHINA LIFE INSURANCE (GROUP) COMPANY	2,554	0	2,554
**D	BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	1,214	0	1,214
**D	BLACKROCK FISSION INDEXED INTL EQUITY FD	24,822	0	24,822
**D	SUPER FUNDS MANAG CORP SOUTH AUSTRALIA	119,451	0	119,451
**D	MINISTRY OF STRATEGY AND FINANCE	33,349	0	33,349
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	32,767	0	32,767
**D	TRUST AND CUSTODY SERVICED BANK LIMITED	34,871	0	34,871
**D	THE MASTER TRUST BANK OF JAPAN LTD	37,838	0	37,838
**D	MASTER TRUST FOR NATIONAL PENSION FD	35,535	0	35,535
**D	BOK KIC AAEQ 3	15,026	0	15,026
**D	SUBSIDIZED SCHOOLS P FUND NORTHERN	13,614	0	13,614
**D	55016 UP INTERNATIONALE AKTIER	225,930	0	225,930
**D	WILM MULTI MGR INTL FD OBERWEIS	241,652	0	241,652
**D	56053 IP GLOBAL EQUITIES I	12,883	0	12,883
**D	LMIF LMGAMI EURO SMLL CP	181,818	0	181,818
**D	IQ 50 PERCENT HEDGED FTSE EURO ETF	3,749	0	3,749
**D	DEUTSCHE XTRK MSCI EMU HDG EQ ETF	4,402	0	4,402
**D	BLACKROCK GLOBAL FUNDS	4,397,203	0	4,397,203
**D	FPXF WILLIAM BLAIR CO	31,880	0	31,880
**D	RVN WILLIAM BLAIR	4,196	0	4,196
**D	BLL AQUILA LIFE EUROPEAN EQUITY	755,618	0	755,618
**D	BLL ASCENT LIFE EUROPEAN	62,130	0	62,130
**D	BLK MULTI ASSET INC PF EUR EQU INC	478,931	0	478,931
**D	BLL AQUILA LIFE OSEAS EQUITY FUND	4,851	0	4,851
**D	BLL ASCENT LIFEENHANCED	1,766	0	1,766
**D	DEUTSCHE XTRK MSCI EAFE SC HDG ETF	466	0	466
**D	CHI OPERATING INVESTMENT PROGRAM LP	78,109	0	78,109
**D	CATHOLIC HEALTH INITIATIVES MASTER TRUST	40,056	0	40,056
**D	FIRST INITIATIVES INSURANCE LIMITED	6,914	0	6,914

Shareholders:	537	People:	6
Shareholders on own behalf:	4	Shareholders by proxy:	533

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Directors**

IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
**D	EATON VANCE MGMT INTL SMALL CAP	1,057	0	1,057
**D	ONFF WILLIAM BLAIR NONUS	17,060	0	17,060
**D	CE8F WILLIAM BLAIR IACG	115,413	0	115,413
**D	RAYTHEON MASTER PENSION TRUST	1,528	0	1,528
**D	VANGUARD INTL HIGH DIV YLD INDEX FD	14,295	0	14,295
**D	BSNF NTR WILLIAM BLAIR	12,404	0	12,404
**D	BSPF PMT WILLIAM BLAIR	8,749	0	8,749
**D	BGF EURO MKTS FD EURO EQUITY PF	8,176,154	0	8,176,154
**D	BGF FLEX MULTI ASSET GBL EQ PF	9,039	0	9,039
**D	LRPF WILLIAM BLAIR	42,009	0	42,009
**D	W11F WILLIAM BLAIR	10,510	0	10,510
**D	BFTF WILLIAM BLAIR	21,724	0	21,724
**D	US BK RAINIER INTL DISCOVERY FUND	395,610	0	395,610
**D	ATFF AMERICAN CENTURY	74,487	0	74,487
**D	RZSF3001 NON US GE W BLAIR	103,201	0	103,201
**D	ALASKA PERMANENT FUND CORPORATION	57,838	0	57,838
**D	1216 APG DME FINANC	1,221,917	0	1,221,917
**D	2054 APG DME BLACKR	117,398	0	117,398
**D	AON HEWITT COLLECTIVE INVESTMENT TRUST	27,414	0	27,414
**D	MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	30,345	0	30,345
**D	PHC NT SMALL CAP	26,269	0	26,269
**D	BNYMTD BLK CONTINENTAL EURO INC	4,653,703	0	4,653,703
**D	BNYMTD BLK CONT EUR EQ TRCK FD INV	265,102	0	265,102
**D	PENSION RESERVES INVESTMENT TRUST FUND	73,110	0	73,110
**D	VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	97,220	0	97,220
**D	THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	20,153	0	20,153
**D	GENERAL MILLS INVESTMENT TRUST	36,637	0	36,637
**D	INDIANA PUBLIC RETIREMENT SYSTEM	12,426	0	12,426
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	27,702	0	27,702
**D	SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	19,925	0	19,925
**D	UPS GROUP TRUST	86,396	0	86,396
**D	ELEVA UCITS FD-ELEVA ABSOLUTE	6,479,400	0	6,479,400
**D	COLISEE IFC 1	538,000	0	538,000
**D	IRISH LIFE ASSURANCE.	184,234	0	184,234
**D	LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	1,666,611	0	1,666,611
**D	CITIBANK KOREA INC	848,102	0	848,102
**D	THREADNEEDLE (LUX	978,719	0	978,719
**D	THREADNEEDLE INVESTMENT FUNDS ICVC	11,652,830	0	11,652,830
**D	LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	8,892	0	8,892
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	12,500	0	12,500
**D	GOVERNMENT OF NORWAY	5,524,312	0	5,524,312
**D	NORGES BANK	109,988	0	109,988
**D	AQR ORACLE FUND LP	5,896	0	5,896
**D	NUMERIC ABS RETURN FD LP	18,000	0	18,000

Shareholders:	537	People:	6
Shareholders on own behalf:	4	Shareholders by proxy:	533

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Directors**

IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
**D	FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	2,062	0	2,062
**D	FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	203,488	0	203,488
**D	INTERNATIONAL MONETARY FUND	15,994	0	15,994
**D	AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	6,110	0	6,110
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	26,000	0	26,000
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	23,070	0	23,070
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	301,560	0	301,560
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	219,530	0	219,530
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	266,990	0	266,990
**D	AMERICAN CENTURY RETIREMENT DATE TRUST	114,333	0	114,333
**D	CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	183,278	0	183,278
**D	CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	462	0	462
**D	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	28,252	0	28,252
**D	EATON VANCE INTERNATIONAL SMALL-CAP FUND	10,546	0	10,546
**D	WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	217,799	0	217,799
**D	WILLIAM BLAIR INTERNATIONAL GROWTH FUND	657,058	0	657,058
**D	WILLIAM BLAIR INSTITUTIONAL INTERNATIONAL GROWTH FUND	476,734	0	476,734
**D	MM SELECT EQUITY ASSET FUND	6,406	0	6,406
**D	ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM	78,810	0	78,810
**D	MARYLAND STATE RETIREMENT & PENSION SYSTEM	19,979	0	19,979
**D	MERCER QIF CCF	1,101,611	0	1,101,611
**D	MERCER QIF CCF	616,038	0	616,038
**D	STATE OF MONTANA BOARD OF INVESTMENTS	66,699	0	66,699
**D	CITY OF NEW YORK GROUP TRUST	183,462	0	183,462
**D	STATE STREET IRELAND UNIT TRUST	52,145	0	52,145
**D	SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY	62,756	0	62,756
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	634,198	0	634,198
**D	UAW RETIREE MEDICAL BENEFITS TRUST	154,557	0	154,557
**D	VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	3,873	0	3,873
**D	VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	3,671	0	3,671
**D	VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	697	0	697
**D	VANGUARD GLOBAL LIQUIDITY FACTOR ETF	1,061	0	1,061
**D	VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	8,723	0	8,723
**D	VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	25,281	0	25,281
**D	VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	1,123	0	1,123
**D	WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	26,627	0	26,627
**D	WELLS FARGO ALTERNATIVE STRATEGIES FUND	7,561	0	7,561
**D	WASHINGTON STATE INVESTMENT BOARD	165,288	0	165,288
**D	WASHINGTON STATE INVESTMENT BOARD	3,050	0	3,050
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	139	0	139
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	17,270	0	17,270
**D	WISDOMTREE DEFA EQUITY INCOME FUND	18,109	0	18,109
**D	WISDOMTREE INTERNATIONAL EQUITY FUND	30,409	0	30,409
**D	WISDOMTREE INTERNATIONAL MIDCAP DIVIDEND FUND	37,696	0	37,696

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Shareholders on own behalf:	4	Shareholders by proxy:	533

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Directors**

IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
**D	WISDOMTREE EUROPE LOCAL RECOVERY FUND	867	0	867
**D	WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	212,713	0	212,713
**D	NEW YORK STATE TEACHERS RETIREMENT SYSTEM	131,253	0	131,253
**D	PRUDENTIAL BANK AND TRUST	56,511	0	56,511
**D	SPDR EURO STOXX SMALL CAP ETF	19,641	0	19,641
**D	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	560,715	0	560,715
**D	BLACKROCK STRATEGIC FUNDS	102,172	0	102,172
**D	KIEGER FUND I	1,887	0	1,887
**D	ISHARES MSCI EAFE SMALL CAP ETF	1,043,062	0	1,043,062
**D	ISHARES MSCI EUROPE SMALL-CAP ETF	29,608	0	29,608
**D	BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	548,131	0	548,131
**D	ISHARES CORE MSCI EAFE ETF	592,081	0	592,081
**D	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	114,889	0	114,889
**D	ISHARES MSCI INTERNATIONAL DEVELOPED ETF	2,460	0	2,460
**D	ISHARES CORE MSCI EAFE IMI INDEX ETF	16,762	0	16,762
**D	ISHARES MSCI EUROPE IMI INDEX ETF	6,701	0	6,701
**D	ISHARES CORE MSCI EUROPE ETF	79,880	0	79,880
**D	CONNECTICUT GENERAL LIFE INSURANCE COMPANY	2,775	0	2,775
**D	CDN ACWI ALPHA TILTS FUND	15,426	0	15,426
**D	RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B	1,917	0	1,917
**D	EURO EX-UK ALPHA TITLS FUND B	9,358	0	9,358
**D	WORLD ALPHA TILTS NON-LENDABLE FUND B	757	0	757
**D	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	15,676	0	15,676
**D	DELUXE CORPORATION MASTER TRUST	12,195	0	12,195
**D	MERCY HEALTH	9,457	0	9,457
**D	MERCY HEALTH RETIREMENT TRUST	2,453	0	2,453
**D	TRUTH INITIATIVE FOUNDATION	4,601	0	4,601
**D	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	103,806	0	103,806
**D	ISHARES PUBLIC LIMITED COMPANY	1,002,024	0	1,002,024
**D	ISHARES II PUBLIC LIMITED COMPANY	603,850	0	603,850
**D	ISHARES VII PLC	674,577	0	674,577
**D	ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	233,174	0	233,174
**D	BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	1,086,651	0	1,086,651
**D	BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	163,680	0	163,680
**D	BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	334,720	0	334,720
**D	BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	273,064	0	273,064
**D	MANAGED PENSION FUNDS LIMITED	12,389	0	12,389
**D	THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	11,592	0	11,592
**D	FAMILY INVESTMENTS CHILD TRUST FUND	14,367	0	14,367
**D	FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	9,961	0	9,961
**D	HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	284,213	0	284,213
**D	STICHTING PHILIPS PENSIOENFONDS	49,007	0	49,007
**D	THE TRUSTEES OF SAL PENSION SCHEME	3,820	0	3,820
**D	VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	17,302	0	17,302

Shareholders:	537	People:	6
Shareholders on own behalf:	4	Shareholders by proxy:	533

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Directors**

IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
**D	VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	41,639	0	41,639
**D	VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	103,491	0	103,491
**D	VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	276	0	276
**D	SUNSUPER SUPERANNUATION FUND	13,451	0	13,451
**D	CANADA PENSION PLAN INVESTMENT BOARD	369,604	0	369,604
**D	THE TRUSTEES OF BP PENSION FUND	773,030	0	773,030
**D	FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	13,955	0	13,955
**D	UNIVERSITY OF KENTUCKY	10,000	0	10,000
**D	WHEELS COMMON INVESTMENT FUND	18,626	0	18,626
**D	CHEVRON MASTER PENSION TRUST	29,057	0	29,057
**D	CHEVRON UK PENSION PLAN	2,761	0	2,761
**D	THE CURATORS OF THE UNIVERSITY OF MISSOURI	50,065	0	50,065
**D	DFI LP EQUITY (PASSIVE)	1,693	0	1,693
**D	NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND	12,165	0	12,165
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	169,898	0	169,898
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	34,430	0	34,430
**D	NEW ZEALAND SUPERANNUATION FUND	26,623	0	26,623
**D	AON SAVINGS PLAN TRUST	46,862	0	46,862
**D	MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	2,113	0	2,113
**D	NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST	363,921	0	363,921
**D	TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	17,985	0	17,985
**D	ADVOCATE HEALTH CARE NETWORK	20,899	0	20,899
**D	CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	64,284	0	64,284
**D	FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	10,415	0	10,415
**D	ILLINOIS MUNICIPAL RETIREMENT FUND	134,679	0	134,679
**D	LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM	41,051	0	41,051
**D	CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN	65,307	0	65,307
**D	UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	51,783	0	51,783
**D	POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	32,151	0	32,151
**D	SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM	116,549	0	116,549
**D	SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	17,859	0	17,859
**D	FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	1,181	0	1,181
**D	OPSEU PENSION PLAN TRUST FUND	5,309	0	5,309
**D	NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	2,417,367	0	2,417,367
**D	THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	572,086	0	572,086
**D	STRATHCLYDE PENSION FUND	341,499	0	341,499
**D	MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO	27,415	0	27,415
**D	NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	891	0	891
**D	NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	212,266	0	212,266
**D	SSGA GROSS ROLL UP UNIT TRUST	13,909	0	13,909
**D	LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	4,616	0	4,616
**D	STATE TEACHERS RETIREMENT SYSTEM OF OHIO	423,988	0	423,988
**D	ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND	32,387	0	32,387
**D	UNIVEST	126,385	0	126,385

Shareholders:	537	People:	6
Shareholders on own behalf:	4	Shareholders by proxy:	533

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Directors**

IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
**D	STG PFDS V.D. GRAFISCHE	155,541	0	155,541
**D	FCP ECUREUIL RETRAITE EURO ACTIONS 4	300,000	0	300,000
**D	I.2.C. ACTIONS	488,000	0	488,000
**D	FCP GROUPAMA AVENIR EURO	3,136,372	0	3,136,372
**D	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN	14,955	0	14,955
**D	THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	15,685	0	15,685
**D	MCGILL UNIVERSITY PENSION FUND	7,953	0	7,953
**D	PUBLIC SECTOR PENSION INVESTMENT BOARD	104,668	0	104,668
**D	CIBC INTERNATIONAL SMALL COMPANIES FUND	44,559	0	44,559
**D	CF DV ACWI EX-U.S. IMI FUND	1,587	0	1,587
742	AUSILIO ROSA GIUSEPPINA	187	187	0

Total votes	202,674,020
Percentage of voters %	44.201034
Percentage of share capital %	33.350266

Shareholders:	537	People:	6
Shareholders on own behalf:	4	Shareholders by proxy:	533

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Directors**

Attendees:

no. **587** shareholders entitled to vote took part in the voting on own behalf or by proxy

no. **458,527,782** ordinary shares

The counting of votes produced the following results:

		%OF ORDINARY SHARE CAPITAL PRESENT (Voting Quorum)	%OF ORDINARY SHARES ENTITLED TO VOTE	%SHARE CAPITAL
Favour	452,325,419	98.647331	98.647331	74.430720
Against	3,331,551	0.726576	0.726576	0.548211
SubTotal	455,656,970	99.373907	99.373907	74.978931
Abstentions	13,812	0.003012	0.003012	0.002273
Not Voting	2,857,000	0.623081	0.623081	0.470123
SubTotal	2,870,812	0.626093	0.626093	0.472396
Total	458,527,782	100.000000	100.000000	75.451327

Shareholders:	587	People:	24
Shareholders on own behalf:	21	Shareholders by proxy:	566

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Directors**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	REALDANIA	532,000	0	532,000
**D	AMG TIMESSQUARE INTL SM CAP	643,360	0	643,360
**D	JOHN S AND JAMES L KNIGHT FOUNDATION	229,700	0	229,700
**D	HSBC STAT	58,300	0	58,300
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	487,200	0	487,200
**D	THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	177,800	0	177,800
**D	HRW TESTAMENTARY TRUST NO 3	127,400	0	127,400
**D	THE WALTON FAMILY FOUNDATION	269,600	0	269,600
**D	HRW TESTAMENTARY TRUST NO. 8	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO 2	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO. 12	109,400	0	109,400
**D	LTW INVESTMENTS LLC	170,000	0	170,000
**D	LOY PARTNERSHIP, LLC	96,500	0	96,500
**D	RAMI PARTNERS, LLC	90,600	0	90,600
**D	AMG FUND PLC	8,390	0	8,390
**D	ALLEGHENY COLLEGE	24,200	0	24,200
**D	ERIE COUMMINTY FOUNDATION	27,300	0	27,300
**D	TIMESQUARE FOCUS FUND LP	25,000	0	25,000
4003	CASTAGNA SERGIO	1	1	0

Total votes	3,331,551
Percentage of voters %	0.726576
Percentage of share capital %	0.548211

Shareholders:	19	People:	2
Shareholders on own behalf:	1	Shareholders by proxy:	18

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Directors**

ABSTENTIONS

	Surname	Tot. Votes	On own behalf	Proxy
1240	FOGLI MAURIZIO	1,953	1,953	0
1834	CROCE MARIO	1,500	1,500	0
2068	BONETTI EMANUELE	100	100	0
3025	GHIBAUDI LEOPOLDO	9,000	9,000	0
962	ZACCARDI ANTONELLA	1,259	1,259	0

Total votes	13,812
Percentage of voters %	0.003012
Percentage of share capital %	0.002273

Shareholders:	5	People:	5
Shareholders on own behalf:	5	Shareholders by proxy:	0

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Directors**

NOT VOTING

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	150,000	0	150,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	1,100,000	0	1,100,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	30,000	0	30,000
**D	INTERFUND SICAV INTERFUND EQUITY ITALY	450,000	0	450,000
**D	FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	27,000	0	27,000
**D	MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	1,100,000	0	1,100,000

Total votes	2,857,000
Percentage of voters %	0.623081
Percentage of share capital %	0.470123

Shareholders:	6	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	6

DE* proxy to the natural persona above mentioned with the badge number

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RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
1027	PRANDINI GIULIANO	12,000	12,000	0
1262	AMADEI STEFANO	3,861	3,861	0
1305	ROSSOTTI ROBERTO	3,000	3,000	0
1774	MINNELLA CARMELO GIOVANNI	1,867	1,867	0
1837	SIRIANNI PIER BATTISTA	8,000	8,000	0
1948	ANNIBALETTI ANGELO	30,000	30,000	0
2223	MARTIRIGGIANO ANTONIO	2,681	2,681	0
2253	TONELLI GIULIO	0	0	0
**D	ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	670,000	0	670,000
**D	FRANKLIN TEMPLETON INVESTMENT FUNDS	668,413	0	668,413
**D	T. ROWE PRICE FUNDS SICAV	145,427	0	145,427
**D	SCHRODER INTERNATIONAL SELECTION FUND	8,682,403	0	8,682,403
**D	GENERALI INVESTMENTS LUXEMBURG S.A.	684,571	0	684,571
**D	MERRILL LYNCH PROFESSIONAL CLEARING CORP	86,328	0	86,328
**D	WELLINGTON MANAGEMENT PORTFOLIOS	335,843	0	335,843
**D	FIDELITY FUNDS SICAV	1,194,975	0	1,194,975
**D	WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	36,542	0	36,542
**D	WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	28,228	0	28,228
**D	WELLINGTON TRUST COMP COMM TRUST INT OPP	175,018	0	175,018
**D	WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	10,972	0	10,972
**D	JAPAN TRUSTEE SERVICES BANK LTD	469,886	0	469,886
**D	AFER ACTION PME	451,836	0	451,836
**D	BNP PARIBAS SMALL CAP EUROLAND	2,526,390	0	2,526,390
**D	BNP PARIBAS ACTIONS PME	543,807	0	543,807
**D	FCP BNP PARIBAS ACTIONS EUROLAND	43,134	0	43,134
**D	AXA OPTIMAL INCOME	2,068,464	0	2,068,464
**D	AXA VALEURS EURO	1,200,000	0	1,200,000
**D	PARVEST	3,121,423	0	3,121,423
**D	BNP PARIBAS A FUND	58,956	0	58,956
**D	BNP PARIBAS L1	82,735	0	82,735
**D	BNP PARIBAS B PENSION BALANCED	733,505	0	733,505
**D	BNP PARIBAS B PENSION STABILITY	47,432	0	47,432
**D	METROPOLITAN RENTASTRO	183,304	0	183,304
**D	BANQUE PICTET & CIE SA	33,126	0	33,126
**D	ROBECO CAPITAL GROWTH FUNDS	350,000	0	350,000
**D	DEKA BASISSTRATEGIE FLEXIBEL	23,960	0	23,960
**D	DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	7,900	0	7,900
**D	DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	74,600	0	74,600
**D	DEKA INVESTMENT GMBH RE ARIDEKA	1,150,000	0	1,150,000
**D	DEKA INVEST DIVIDENDENSTRATEGIE CF A	1,088,900	0	1,088,900
**D	HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	2,810,128	0	2,810,128
**D	UBS GLOBAL ASSET MANAGEMENT LIFE LTD	73,068	0	73,068
**D	UBS ASSET MANAGEMENT LIFE LTD	283	0	283
**D	FONDO CONSOLIDADO DE RESERVAS PREVISIONA	86,791	0	86,791
**D	CHINA LIFE INSURANCE COMPANY LIMITED	60,140	0	60,140

Shareholders:	557	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	542

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RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	COINVEST LIMITED	13,801	0	13,801
**D	UBS (US) GROUP TRUST	7,469	0	7,469
**D	T. ROWE PRICE INTERNATIONAL DISCOVERY FU	4,303,286	0	4,303,286
**D	MINISTRY OF STRATEGY AND FINANCE	143,444	0	143,444
**D	T ROWE PRICE INTERNATIONAL EQUITY INDEX	14,257	0	14,257
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	138,293	0	138,293
**D	STICHTING PENSIOENFONDS MEDISCH SPECIALI	506,456	0	506,456
**D	DEKA INVEST RE DEKA-ZMV-FONDS	22,000	0	22,000
**D	DEKA INVESTMENT GMBH RE PRODEKA	65,200	0	65,200
**D	DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	9,400	0	9,400
**D	DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	10,813	0	10,813
**D	MI-FONDS 392	462,000	0	462,000
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	309,886	0	309,886
**D	NATIONWIDE SMALL CAP INDEX FUND	400,962	0	400,962
**D	PENSIONSKASSEN FOR BORNE-OG UNGDOMS	16,958	0	16,958
**D	KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	1,525,392	0	1,525,392
**D	DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	546,850	0	546,850
**D	STICHTING PENSIOENFONDS VOOR HUISARTSEN	25,292	0	25,292
**D	T ROWE PRICE GLOBAL ALLOCATION FUND INC	7,791	0	7,791
**D	T ROWE INTL SMALL CAP EQUITY TRUST	486,110	0	486,110
**D	ENTERGY CORP.RETIREMENT PLANS MASTER TR.	203,718	0	203,718
**D	INVESCO GLOBAL SMALL CAP EQUITY POOL	143,065	0	143,065
**D	RBC CANADIAN MASTER TRUST	124,418	0	124,418
**D	REGIME DE RETRAITE D HYDRO QUEBEC	102,698	0	102,698
**D	WEST MIDLANDS METROPOLITAN AUT PENS FD	61,000	0	61,000
**D	AXA FRAMLINGTON FINANCIAL FUND	125,000	0	125,000
**D	NATIXIS INTERNT FUNDS LUX I	238,000	0	238,000
**D	FCP SCANDIUM	122,000	0	122,000
**D	ALLIANZGI FONDS BAT LS	92,900	0	92,900
**D	ALLIANZGI FONDS PF1	14,182	0	14,182
**D	ALLIANZGI FONDS AFE	3,943	0	3,943
**D	FCP BRONGNIART AVENIR	100,000	0	100,000
**D	TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	1,507,269	0	1,507,269
**D	PFIZER JAPAN INC PENSION FUND	80,700	0	80,700
**D	TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	55,682	0	55,682
**D	THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	83,856	0	83,856
**D	BT WHOLESALE MULTI MANAG INTL SHARE FUND	186,764	0	186,764
**D	SCHRODER PENSION MANAGEMENT LTD	42,277	0	42,277
**D	MFS INTERNATIONAL NEW DISCOVERY FUND	2,267,886	0	2,267,886
**D	AVIVA LIFE & PENSIONS UK LIMITED	53,590	0	53,590
**D	AVIVA LIFE AND PENSIONS UK LIMITED	181,930	0	181,930
**D	SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	71,392	0	71,392
**D	SCHRODER EUROPEAN FUND	2,365,914	0	2,365,914
**D	SCHRODER INTERNATIONAL SMALL COMPANIES P	8,000	0	8,000
**D	SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	125,000	0	125,000

Shareholders:	557	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	542

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	TEACHERS PENSION PLAN & PRIVATE SCHOOL	639,710	0	639,710
**D	FTSE ALL WORLD INDEX FUND	33,351	0	33,351
**D	FRIENDS LIFE LIMITED	89,644	0	89,644
**D	REASSURE LIMITED	14,216	0	14,216
**D	HSBC EUROPEAN INDEX FUND	75,508	0	75,508
**D	NORTHERN IRELAND LOCAL GOV PENSION FUND	84,483	0	84,483
**D	FRIENDS LIFE AND PENSIONS LIMITED	6,627	0	6,627
**D	FCP VILLIERS ACTIONS EDRAM	968,000	0	968,000
**D	ANIMA SGR SPA	12,381,073	0	12,381,073
**D	ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	242,269	0	242,269
**D	ARTEMIS EUROPEAN OPPORTUNITIES FUND	1,301,374	0	1,301,374
**D	NMM3 EUEQ MFS ACCOUNT	8,971	0	8,971
**D	CITI RETIREMENT SAVINGS PLAN	115,234	0	115,234
**D	FIRST INVESTORS GLOBAL FUND	306,236	0	306,236
**D	UWF TROW INTL DISCOVERY	55,384	0	55,384
**D	BOK KIC GAEQ6	85,699	0	85,699
**D	PS FTSE LO BT EQ WT PORT	32,076	0	32,076
**D	CEP DEP IP GLOBAL SMALLER COS	802,185	0	802,185
**D	EIR EIE WELLINGTON INT	179,053	0	179,053
**D	BNYMTCIL IFS4 INV CONT EU SM CAP FD	1,317,413	0	1,317,413
**D	BNYMTCIL IFS4 INV GBL SM CAP EQ FD	385,588	0	385,588
**D	PS FTSERAFI EUSM UCITS ETF BNYMTCIL	2,919	0	2,919
**D	PS SP INTL DEVEL QUALITY PORTFOLIO	4,736	0	4,736
**D	PS FR DEVEL MARK EX US SMALL PORT	5,473	0	5,473
**D	PRU SECTOR FDS INC PRU FIN SER FD	787,168	0	787,168
**D	AST TRP DIVERS REAL GWTH PORT PDMO	1,049	0	1,049
**D	AST FI PYRAMIS QUANT AA IE SC PDGJ	83,115	0	83,115
**D	AST TRP GWTH OPP PORT BAL PDRB	26,600	0	26,600
**D	AST RCM WORLD TRENDS PORT PDBF	250,800	0	250,800
**D	WELLINGTON MGMT CY LLPQUALITY EDUC FD	138,871	0	138,871
**D	BANK OF AMERICA PENSION PLAN OECHSLE	143,212	0	143,212
**D	BOA FBO SKL INVESTMENT GRP LLC	8,534	0	8,534
**D	WMP OPP INVESTMENT PRTNS LP	32,852	0	32,852
**D	AWAF AWAC WELLINGTON	58,355	0	58,355
**D	THE CLEVELAND CLINIC FOUNDATION	70,858	0	70,858
**D	GLOBAL EQUITY WELLINGTON	235,725	0	235,725
**D	GLOBAL INVESTMENT FUND	31,323	0	31,323
**D	MFS INTL EQUITY FUND	74,599	0	74,599
**D	INVESCO FUNDS	177,083	0	177,083
**D	HP INC MASTER TRUST	68,418	0	68,418
**D	BNYMTD RAMAM WORLD RECOVERY FUND	180,600	0	180,600
**D	UNISYS MASTER TRUST	70,952	0	70,952
**D	CPA COP PSERS PYRAMIS GLOBAL ADV	78,706	0	78,706
**D	BNYMTD RM GLOBAL HIGH ALPHA FUND	63,600	0	63,600
**D	FLORIDA RETIREMENT SYSTEM	215,017	0	215,017

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RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	BELL ATLANTIC MASTER TRUST	41,418	0	41,418
**D	VERIZON MASTER SAVINGS TRUST	98,016	0	98,016
**D	UTC WELLINGTON GLOBAL	91,148	0	91,148
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	132,596	0	132,596
**D	BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	109,924	0	109,924
**D	PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	246	0	246
**D	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	192,127	0	192,127
**D	PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	385,014	0	385,014
**D	PIONEER FD-EUROPEAN RESEARCH	321,167	0	321,167
**D	PIONEER FD-EURO EQ OPTIMAL VOL	95,282	0	95,282
**D	PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	25,412	0	25,412
**D	PIONEER FD SF EQUITY PLAN60	52,401	0	52,401
**D	PIONEER FD-GLOBAL MULTI ASSET	39,321	0	39,321
**D	PIONEER FD-EUROPEAN POTENTIAL	1,801,653	0	1,801,653
**D	FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	250,000	0	250,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	110,000	0	110,000
**D	FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	100,000	0	100,000
**D	F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	60,000	0	60,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	15,000	0	15,000
**D	GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	11,000	0	11,000
**D	FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	5,000	0	5,000
**D	METZLER INT INV EUR SMALLER CO	1,575,000	0	1,575,000
**D	UBS EUROP SMALL CAP EQUITY FD	84,125	0	84,125
**D	CIPAV ALOIS	117,262	0	117,262
**D	SOGECAP ACTIONS SMALL CAP	942,243	0	942,243
**D	SG ACTIONS EUROPE MID CAP	197,367	0	197,367
**D	AGI FRANCE	171,200	0	171,200
**D	ALLIANZ ACTIONS EURO PME-ETI	167,700	0	167,700
**D	AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	10,120	0	10,120
**D	COLONIAL FIRST STATE INVESTMENTS LIMITED.	71,939	0	71,939
**D	STICHTING PGGM DEPOSITARY	179,921	0	179,921
**D	WELLINGTON ALTA FUND	94,527	0	94,527
**D	UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	73,720	0	73,720
**D	UBS FUND MANAGEMENT (SWITZERLAND) AG.	132,808	0	132,808
**D	CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	11,326	0	11,326
**D	UBS (LUX) EQUITY SICAV	128,845	0	128,845
**D	S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	201,592	0	201,592
**D	FEDERATED KAUFMANN FUND	6,839,360	0	6,839,360
**D	FEDERATED KAUFMANN FUND II	166,330	0	166,330
**D	FEDERATED KAUFMANN SMALL CAP FUND	874,310	0	874,310
**D	LAUDUS INTERNATIONAL MARKETMASTERS FUND	684,332	0	684,332
**D	SCHWAB INTERNATIONAL EQUITY ETF	195,728	0	195,728
**D	JOHN HANCOCK SEAPORT FUND	522,049	0	522,049
**D	WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	152,865	0	152,865
**D	MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	142,892	0	142,892

Shareholders:	557	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	542

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RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	165,000	0	165,000
**D	ANIMA FUNDS PLC	353,973	0	353,973
**D	MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	127,626	0	127,626
**D	THE FRANCIS E. PARKER MEMORIAL HOME	23,936	0	23,936
**D	THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	41,964	0	41,964
**D	THE GABELLI GLOBAL SMALL AND MID CAP VALUE TRUST	49,000	0	49,000
**D	THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	25,000	0	25,000
**D	HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	907,160	0	907,160
**D	HARTFORD CAPITAL APPRECIATION HLS FUND	1,411,126	0	1,411,126
**D	THE HARTFORD INTERNATIONAL GROWTH FUND	141,392	0	141,392
**D	THE HARTFORD CAPITAL APPRECIATION FUND	3,822,524	0	3,822,524
**D	THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	1,698,920	0	1,698,920
**D	HARTFORD INTERNATIONAL EQUITY FUND	20,015	0	20,015
**D	THE HARTFORD GLOBAL ALL- ASSET FUND	73,365	0	73,365
**D	HARTFORD GLOBAL CAPITAL APPRECIATION FUND	549,306	0	549,306
**D	HARTFORD HEALTHCARE ENDOWMENT LLC	10,847	0	10,847
**D	HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	9,572	0	9,572
**D	ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	7,316	0	7,316
**D	HENKEL OF AMERICA MASTER RETIREMENT TRUST	20,932	0	20,932
**D	TEXAS MUNICIPAL RETIREMENT SYSTEM	897,775	0	897,775
**D	ASHWOOD INVESTMENTS LIMITED	6,619	0	6,619
**D	STATE OF NEW JERSEY COMMON PENSION FUND D	257,203	0	257,203
**D	NEW YORK STATE DEFERRED COMPENSATION PLAN	124,544	0	124,544
**D	CITY OF NEW YORK GROUP TRUST	513,664	0	513,664
**D	WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	122,551	0	122,551
**D	HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	193,662	0	193,662
**D	BIMCOR GLOBAL EQUITY POOLED FUND	87,658	0	87,658
**D	GOVERNMENT OF THE PROVINCE OF ALBERTA	169,600	0	169,600
**D	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	2,292,969	0	2,292,969
**D	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	365,713	0	365,713
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	136,317	0	136,317
**D	METZLER INVESTMENT GMBH FOR MI-FONDS 415	113,500	0	113,500
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	346,439	0	346,439
**D	SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	37,395	0	37,395
**D	VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	125,203	0	125,203
**D	THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	376,990	0	376,990
**D	THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	88,420	0	88,420
**D	THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	151,092	0	151,092
**D	WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	7,964	0	7,964
**D	THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	12,538	0	12,538
**D	THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	900,083	0	900,083
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	226,758	0	226,758
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	2,381	0	2,381
**D	WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	56,613	0	56,613
**D	AXA WORLD FUNDS	12,770,072	0	12,770,072

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	ALLIANZ GLOBAL INVESTORS FUND	1,446,700	0	1,446,700
**D	MFS MERIDIAN FUNDS	1,306,568	0	1,306,568
**D	KIEGER FUND I	50,329	0	50,329
**D	UBS ETF	5,105	0	5,105
**D	INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	61,206	0	61,206
**D	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	157,750	0	157,750
**D	COLLEGE RETIREMENT EQUITIES FUND	1,416,042	0	1,416,042
**D	RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	238,547	0	238,547
**D	RUSSELL INVESTMENT FUNDS NON-U.S. FUND	28,598	0	28,598
**D	MULTI-STYLE, MULTI-MANAGER FUNDS PLC	210,400	0	210,400
**D	ONTARIO TEACHERS PENSION PLAN BOARD	183,162	0	183,162
**D	THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	24,218	0	24,218
**D	THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	5,970	0	5,970
**D	THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	622,711	0	622,711
**D	GOVERNMENT INSTITUTIONS PENSION FUND	3,059	0	3,059
**D	BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	1,495,583	0	1,495,583
**D	GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	120,164	0	120,164
**D	SCHLUMBERGER COMMON INVESTMENT FUND	44,607	0	44,607
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	53,438	0	53,438
**D	BLUE SKY GROUP	209,000	0	209,000
**D	BATTELLE MEMORIAL INSTITUTE	39,700	0	39,700
**D	DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	59,456	0	59,456
**D	PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	291,526	0	291,526
**D	THE HEALTH FOUNDATION	57,168	0	57,168
**D	MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	57,188	0	57,188
**D	ST. JOSEPH HEALTH SYSTEM	100,661	0	100,661
**D	TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	17,288	0	17,288
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	319,807	0	319,807
**D	EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	44,336	0	44,336
**D	STATE UNIVERSITIES RETIREMENT SYSTEM	68,085	0	68,085
**D	UTAH STATE RETIREMENT SYSTEMS	44,501	0	44,501
**D	STICHTING PENSIOENFONDS APF	2,873	0	2,873
**D	ILLINOIS STATE BOARD OF INVESTMENT	77,149	0	77,149
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	20,610	0	20,610
**D	EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	528,640	0	528,640
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	26,395	0	26,395
**D	EURIZON EASY FUND - EQUITY ITALY	129,738	0	129,738
**D	EURIZON FUND - EQUITY ITALY SMART VOLATILITY	76,384	0	76,384
**D	AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	994,376	0	994,376
**D	AMUNDI LUXEMBOURG SA	909,666	0	909,666
**D	FCP EDMOND DE ROTHSCHILD EURO LEADERS	923,900	0	923,900
**D	FCP EDMOND DE ROTHSCHILD EURO SRI	168,000	0	168,000
**D	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	834,000	0	834,000
**D	FCP LCF PHARMA INTERNATIONAL	164,920	0	164,920
**D	CNP ASSUR SMALL CAP	432,330	0	432,330

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	EDMOND DE ROTHSCHILD ASSET MANAGEMENT	399,330	0	399,330
**D	AA FORTIS ACTIONS PETIT CAP EUROPE	270,956	0	270,956
**D	FCP RSI EURO P	63,089	0	63,089
**D	FCP VILLIERS DIAPASON	69,636	0	69,636
**D	FCP NATIXIS ACTIONS SMALL MID CAP EURO	263,000	0	263,000
**D	ASSURDIX	41,977	0	41,977
**D	CPR EURO HIGH DIVIDEND	94,061	0	94,061
**D	CPR SILVER AGE	2,472,859	0	2,472,859
**D	SICAV BBM V-FLEX	135,784	0	135,784
**D	FCP BEST BUSINESS MODELS	1,530,000	0	1,530,000
**D	CROISSANCE PME M	433,376	0	433,376
**D	BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	973,829	0	973,829
**D	PUBLIC SERVICE PENSION PLAN FUND	35,520	0	35,520
**D	TEACHERS` PENSION PLAN FUND	37,223	0	37,223
**D	TELUS PENSIONS MASTER TRUST	78,303	0	78,303
2276	ROSSI MARCO	57,288	57,288	0
2666	DI PALMA GIUSEPPE	1,100	1,100	0
3005	CAGLIA MARIA	0	0	0
DE*	UNICREDIT S.P.A.	215,066,403	0	215,066,403
3061	VIOZZI DANIELE	50	50	0
3200	SCANU MARCO	187	187	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	MOMENTUM INVESTMENT FUNDS SCIVA SIF	133,040	0	133,040
**D	JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	2,045,229	0	2,045,229
**D	JPMORGAN INVESTMENT FUNDS	1,205,954	0	1,205,954
**D	CC&L Q 140/40 FUND	600	0	600
**D	CC& L US Q MARKET NEUTRAL ONSHORE FUND I	300	0	300
**D	CC&L Q CAN EQUITY 130/30 PLUS FUND	775	0	775
**D	CC&L Q MARKET NEUTRAL FUND	82,300	0	82,300
**D	VANGUARD EUROPEAN STOCK INDEX FUND	691,987	0	691,987
**D	VANGUARD DEVELOPED MARKETS INDEX FUND	1,795,422	0	1,795,422
**D	VANGUARD TOTAL WORLD STOCK INDEX FUND	82,591	0	82,591
**D	VANGUARD FTSE ALL-WORLD EX US INDEX FUND	565,229	0	565,229
**D	VANGUARD FUNDS PLC	91,522	0	91,522
**D	RAINIER INT SMALL CAP EQUITY COLLECTIVE	182,840	0	182,840
**D	VANGUARD INVESTMENT SERIES PLC	79,836	0	79,836
**D	JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	3,877	0	3,877
**D	STICHT BEDRIJ MEDIA PNO	180,000	0	180,000
**D	HENDERS.EURO.SMALLER COMPANIES FUND	322,357	0	322,357
**D	HENDERSON INSTIT EUROP INDEX OPP FUND	42,487	0	42,487
**D	SAINT MARTIN 4	888,000	0	888,000
**D	FCP SAKKARAH 7	7,500	0	7,500
**D	FCPE TOTAL ACTIONS EUROPEENNES	750,000	0	750,000
**D	FCP KLESIA A DIVERSIFIE	325,000	0	325,000
**D	TOTAL GESTION FLEX PATRI	44,970	0	44,970

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	FONDS RESERVE RETRAITES	888,450	0	888,450
**D	HENDERSON HORIZON FUND SICAV	2,101,556	0	2,101,556
**D	HENDERSON GARTMORE FUND	572,233	0	572,233
**D	MERIFIN CAPITAL B.V.	39,940	0	39,940
**D	VANGUARD INTERNATIONAL SMALL COMPANIES I	20,939	0	20,939
**D	ONEPATH GLOBAL SHARES - SMALL CAP INDEX	22,117	0	22,117
**D	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	4,895	0	4,895
**D	NVIT MULTI MANAGER INTERNATIONAL GROWTH	143,770	0	143,770
**D	JPM EUROPE DYNAMIC (EX UK) FUND	551,178	0	551,178
**D	JPM EUROPE SMALLER COMPANIES FUND	409,306	0	409,306
**D	VANGUARD TOTAL INTERNATIONAL STOCK INDEX	4,791,064	0	4,791,064
**D	JPMORGAN EUROPEAN INVESTMENT TRUST PLC	94,946	0	94,946
**D	JPMORGAN EUROPEAN SMALLER COMPANIES TST	1,533,787	0	1,533,787
**D	JAPAN TRUSTEE SERVICES BANK LTD AS TRUST	3,489	0	3,489
**D	JTSB LTD. AS TRUSTEE FOR SUMITOMO	16,888	0	16,888
**D	NEW YORK LIFE INSURANCE COMPANY	66,324	0	66,324
**D	PEERLESS INSURANCE COMPANY	115,223	0	115,223
**D	PROSHARES HEDGED FTSE EUROPE ETF	191	0	191
**D	JPMORGAN INTERNATIONAL DISCOVERY FUND	6,507	0	6,507
**D	THE CANADA POST CORPORATION PENSION PLAN	104,309	0	104,309
**D	TR EUROPEN GROWTH TRUST PLC	1,844,247	0	1,844,247
**D	ING DIRECT	29,652	0	29,652
**D	FIDELITY SAL ST T SPARTAN TOTAL INT IN F	4,749	0	4,749
**D	BEST INVESTMENT CORPORATION	9,518	0	9,518
**D	BLACKROCK INSTITUTIONAL POOLED FUND PLC	6,097	0	6,097
**D	CHINA LIFE INSURANCE (GROUP) COMPANY	2,554	0	2,554
**D	BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	1,214	0	1,214
**D	BLACKROCK FISSION INDEXED INTL EQUITY FD	24,822	0	24,822
**D	SUPER FUNDS MANAG CORP SOUTH AUSTRALIA	119,451	0	119,451
**D	MINISTRY OF STRATEGY AND FINANCE	33,349	0	33,349
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	32,767	0	32,767
**D	TRUST AND CUSTODY SERVICED BANK LIMITED	34,871	0	34,871
**D	THE MASTER TRUST BANK OF JAPAN LTD	37,838	0	37,838
**D	MASTER TRUST FOR NATIONAL PENSION FD	35,535	0	35,535
**D	FLF STRATEGIC GLOBAL EQUITY FUND	72,428	0	72,428
**D	BOK KIC AAEQ 3	15,026	0	15,026
**D	SUBSIDIZED SCHOOLS P FUND NORTHERN	13,614	0	13,614
**D	55016 UP INTERNATIONALE AKTIER	225,930	0	225,930
**D	WILM MULTI MGR INTL FD OBERWEIS	241,652	0	241,652
**D	56053 IP GLOBAL EQUITIES I	12,883	0	12,883
**D	LMIF LMGAMI EURO SMLL CP	181,818	0	181,818
**D	IQ 50 PERCENT HEDGED FTSE EURO ETF	3,749	0	3,749
**D	DEUTSCHE XTRK MSCI EMU HDG EQ ETF	4,402	0	4,402
**D	BLACKROCK GLOBAL FUNDS	4,397,203	0	4,397,203
**D	FPXF WILLIAM BLAIR CO	31,880	0	31,880

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	RVN WILLIAM BLAIR	4,196	0	4,196
**D	BLL AQUILA LIFE EUROPEAN EQUITY	755,618	0	755,618
**D	BLL ASCENT LIFE EUROPEAN	62,130	0	62,130
**D	BLK MULTI ASSET INC PF EUR EQU INC	478,931	0	478,931
**D	BLL AQUILA LIFE OSEAS EQUITY FUND	4,851	0	4,851
**D	BLL ASCENT LIFEENHANCED	1,766	0	1,766
**D	DEUTSCHE XTRK MSCI EAFE SC HDG ETF	466	0	466
**D	CHI OPERATING INVESTMENT PROGRAM LP	78,109	0	78,109
**D	CATHOLIC HEALTH INITIATIVES MASTER TRUST	40,056	0	40,056
**D	FIRST INITIATIVES INSURANCE LIMITED	6,914	0	6,914
**D	EATON VANCE MGMT INTL SMALL CAP	1,057	0	1,057
**D	ONFF WILLIAM BLAIR NONUS	17,060	0	17,060
**D	CE8F WILLIAM BLAIR IACG	115,413	0	115,413
**D	RAYTHEON MASTER PENSION TRUST	1,528	0	1,528
**D	VANGUARD INTL HIGH DIV YLD INDEX FD	14,295	0	14,295
**D	BSNF NTR WILLIAM BLAIR	12,404	0	12,404
**D	BSPF PMT WILLIAM BLAIR	8,749	0	8,749
**D	BGF EURO MKTS FD EURO EQUITY PF	8,176,154	0	8,176,154
**D	BGF FLEX MULTI ASSET GBL EQ PF	9,039	0	9,039
**D	LRPF WILLIAM BLAIR	42,009	0	42,009
**D	W11F WILLIAM BLAIR	10,510	0	10,510
**D	BFTF WILLIAM BLAIR	21,724	0	21,724
**D	US BK RAINIER INTL DISCOVERY FUND	395,610	0	395,610
**D	ATFF AMERICAN CENTURY	74,487	0	74,487
**D	RZSF3001 NON US GE W BLAIR	103,201	0	103,201
**D	ALASKA PERMANENT FUND CORPORATION	57,838	0	57,838
**D	1216 APG DME FINANC	1,221,917	0	1,221,917
**D	2054 APG DME BLACKR	117,398	0	117,398
**D	AON HEWITT COLLECTIVE INVESTMENT TRUST	27,414	0	27,414
**D	MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	30,345	0	30,345
**D	PHC NT SMALL CAP	26,269	0	26,269
**D	BNYMTD BLK CONTINENTAL EURO INC	4,653,703	0	4,653,703
**D	BNYMTD BLK CONT EUR EQ TRCK FD INV	265,102	0	265,102
**D	PENSION RESERVES INVESTMENT TRUST FUND	73,110	0	73,110
**D	VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	97,220	0	97,220
**D	THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	20,153	0	20,153
**D	GENERAL MILLS INVESTMENT TRUST	36,637	0	36,637
**D	INDIANA PUBLIC RETIREMENT SYSTEM	12,426	0	12,426
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	27,702	0	27,702
**D	SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	19,925	0	19,925
**D	UPS GROUP TRUST	86,396	0	86,396
**D	ELEVA UCITS FD-ELEVA ABSOLUTE	6,479,400	0	6,479,400
**D	COLISEE IFC 1	538,000	0	538,000
**D	IRISH LIFE ASSURANCE.	184,234	0	184,234
**D	LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	1,666,611	0	1,666,611

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IN FAVOUR

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**D	CITIBANK KOREA INC	848,102	0	848,102
**D	THREADNEEDLE (LUX	978,719	0	978,719
**D	THREADNEEDLE INVESTMENT FUNDS ICVC	11,652,830	0	11,652,830
**D	LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	8,892	0	8,892
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	12,500	0	12,500
**D	GOVERNMENT OF NORWAY	5,524,312	0	5,524,312
**D	NORGES BANK	109,988	0	109,988
**D	AQR ORACLE FUND LP	5,896	0	5,896
**D	NUMERIC ABS RETURN FD LP	18,000	0	18,000
**D	FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	2,062	0	2,062
**D	FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	203,488	0	203,488
**D	INTERNATIONAL MONETARY FUND	15,994	0	15,994
**D	AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	6,110	0	6,110
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	26,000	0	26,000
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	23,070	0	23,070
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	301,560	0	301,560
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	219,530	0	219,530
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	266,990	0	266,990
**D	AMERICAN CENTURY RETIREMENT DATE TRUST	114,333	0	114,333
**D	CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	183,278	0	183,278
**D	CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	462	0	462
**D	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	28,252	0	28,252
**D	EATON VANCE INTERNATIONAL SMALL-CAP FUND	10,546	0	10,546
**D	WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	217,799	0	217,799
**D	WILLIAM BLAIR INTERNATIONAL GROWTH FUND	657,058	0	657,058
**D	WILLIAM BLAIR INSTITUTIONAL INTERNATIONAL GROWTH FUND	476,734	0	476,734
**D	MM SELECT EQUITY ASSET FUND	6,406	0	6,406
**D	ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM	78,810	0	78,810
**D	MARYLAND STATE RETIREMENT & PENSION SYSTEM	19,979	0	19,979
**D	MERCER QIF CCF	1,101,611	0	1,101,611
**D	MERCER QIF CCF	616,038	0	616,038
**D	STATE OF MONTANA BOARD OF INVESTMENTS	66,699	0	66,699
**D	CITY OF NEW YORK GROUP TRUST	183,462	0	183,462
**D	STATE STREET IRELAND UNIT TRUST	52,145	0	52,145
**D	SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY	62,756	0	62,756
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	634,198	0	634,198
**D	UAW RETIREE MEDICAL BENEFITS TRUST	154,557	0	154,557
**D	VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	3,873	0	3,873
**D	VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	3,671	0	3,671
**D	VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	697	0	697
**D	VANGUARD GLOBAL LIQUIDITY FACTOR ETF	1,061	0	1,061
**D	VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	8,723	0	8,723
**D	VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	25,281	0	25,281
**D	VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	1,123	0	1,123
**D	WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	26,627	0	26,627

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	WELLS FARGO ALTERNATIVE STRATEGIES FUND	7,561	0	7,561
**D	WASHINGTON STATE INVESTMENT BOARD	165,288	0	165,288
**D	WASHINGTON STATE INVESTMENT BOARD	3,050	0	3,050
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	139	0	139
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	17,270	0	17,270
**D	WISDOMTREE DEFA EQUITY INCOME FUND	18,109	0	18,109
**D	WISDOMTREE INTERNATIONAL EQUITY FUND	30,409	0	30,409
**D	WISDOMTREE INTERNATIONAL MIDCAP DIVIDEND FUND	37,696	0	37,696
**D	WISDOMTREE EUROPE LOCAL RECOVERY FUND	867	0	867
**D	WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	212,713	0	212,713
**D	NEW YORK STATE TEACHERS RETIREMENT SYSTEM	131,253	0	131,253
**D	PRUDENTIAL BANK AND TRUST	56,511	0	56,511
**D	SPDR EURO STOXX SMALL CAP ETF	19,641	0	19,641
**D	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	560,715	0	560,715
**D	BLACKROCK STRATEGIC FUNDS	102,172	0	102,172
**D	KIEGER FUND I	1,887	0	1,887
**D	ISHARES MSCI EAFE SMALL CAP ETF	1,043,062	0	1,043,062
**D	ISHARES MSCI EUROPE SMALL-CAP ETF	29,608	0	29,608
**D	BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	548,131	0	548,131
**D	ISHARES CORE MSCI EAFE ETF	592,081	0	592,081
**D	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	114,889	0	114,889
**D	ISHARES MSCI INTERNATIONAL DEVELOPED ETF	2,460	0	2,460
**D	ISHARES CORE MSCI EAFE IMI INDEX ETF	16,762	0	16,762
**D	ISHARES MSCI EUROPE IMI INDEX ETF	6,701	0	6,701
**D	ISHARES CORE MSCI EUROPE ETF	79,880	0	79,880
**D	CONNECTICUT GENERAL LIFE INSURANCE COMPANY	2,775	0	2,775
**D	CDN ACWI ALPHA TILTS FUND	15,426	0	15,426
**D	RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B	1,917	0	1,917
**D	EURO EX-UK ALPHA TITLS FUND B	9,358	0	9,358
**D	WORLD ALPHA TILTS NON-LENDABLE FUND B	757	0	757
**D	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	15,676	0	15,676
**D	DELUXE CORPORATION MASTER TRUST	12,195	0	12,195
**D	MERCY HEALTH	9,457	0	9,457
**D	MERCY HEALTH RETIREMENT TRUST	2,453	0	2,453
**D	TRUTH INITIATIVE FOUNDATION	4,601	0	4,601
**D	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	103,806	0	103,806
**D	ISHARES PUBLIC LIMITED COMPANY	1,002,024	0	1,002,024
**D	ISHARES II PUBLIC LIMITED COMPANY	603,850	0	603,850
**D	ISHARES VII PLC	674,577	0	674,577
**D	ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	233,174	0	233,174
**D	BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	1,086,651	0	1,086,651
**D	BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	163,680	0	163,680
**D	BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	334,720	0	334,720
**D	BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	273,064	0	273,064
**D	MANAGED PENSION FUNDS LIMITED	12,389	0	12,389

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**D	THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	11,592	0	11,592
**D	FAMILY INVESTMENTS CHILD TRUST FUND	14,367	0	14,367
**D	FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	9,961	0	9,961
**D	HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	284,213	0	284,213
**D	STICHTING PHILIPS PENSIOENFONDS	49,007	0	49,007
**D	THE TRUSTEES OF SAL PENSION SCHEME	3,820	0	3,820
**D	VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	17,302	0	17,302
**D	VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	41,639	0	41,639
**D	VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	103,491	0	103,491
**D	VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	276	0	276
**D	SUNSUPER SUPERANNUATION FUND	13,451	0	13,451
**D	CANADA PENSION PLAN INVESTMENT BOARD	369,604	0	369,604
**D	THE TRUSTEES OF BP PENSION FUND	773,030	0	773,030
**D	FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	13,955	0	13,955
**D	UNIVERSITY OF KENTUCKY	10,000	0	10,000
**D	WHEELS COMMON INVESTMENT FUND	18,626	0	18,626
**D	CHEVRON MASTER PENSION TRUST	29,057	0	29,057
**D	CHEVRON UK PENSION PLAN	2,761	0	2,761
**D	THE CURATORS OF THE UNIVERSITY OF MISSOURI	50,065	0	50,065
**D	DFI LP EQUITY (PASSIVE)	1,693	0	1,693
**D	NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND	12,165	0	12,165
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	169,898	0	169,898
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	34,430	0	34,430
**D	NEW ZEALAND SUPERANNUATION FUND	26,623	0	26,623
**D	AON SAVINGS PLAN TRUST	46,862	0	46,862
**D	MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	2,113	0	2,113
**D	NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST	363,921	0	363,921
**D	TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	17,985	0	17,985
**D	ADVOCATE HEALTH CARE NETWORK	20,899	0	20,899
**D	CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	64,284	0	64,284
**D	FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	10,415	0	10,415
**D	ILLINOIS MUNICIPAL RETIREMENT FUND	134,679	0	134,679
**D	LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM	41,051	0	41,051
**D	CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN	65,307	0	65,307
**D	UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	51,783	0	51,783
**D	POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	32,151	0	32,151
**D	SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM	116,549	0	116,549
**D	SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	17,859	0	17,859
**D	FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	1,181	0	1,181
**D	OPSEU PENSION PLAN TRUST FUND	5,309	0	5,309
**D	NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	2,417,367	0	2,417,367
**D	THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	572,086	0	572,086
**D	STRATHCLYDE PENSION FUND	341,499	0	341,499
**D	MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO	27,415	0	27,415
**D	NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	891	0	891

Shareholders:	557	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	542

DE* proxy to the natural persona above mentioned with the badge number

**D proxy to natural person above mentioned with the badge number (voting at the specific "assisted voting stations")

RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Directors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	212,266	0	212,266
**D	SSGA GROSS ROLL UP UNIT TRUST	13,909	0	13,909
**D	LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	4,616	0	4,616
**D	STATE TEACHERS RETIREMENT SYSTEM OF OHIO	423,988	0	423,988
**D	ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND	32,387	0	32,387
**D	UNIVEST	126,385	0	126,385
**D	STG PFDS V.D. GRAFISCHE	155,541	0	155,541
**D	FCP ECUREUIL RETRAITE EURO ACTIONS 4	300,000	0	300,000
**D	I.2.C. ACTIONS	488,000	0	488,000
**D	FCP GROUPAMA AVENIR EURO	3,136,372	0	3,136,372
**D	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN	14,955	0	14,955
**D	THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	15,685	0	15,685
**D	MCGILL UNIVERSITY PENSION FUND	7,953	0	7,953
**D	PUBLIC SECTOR PENSION INVESTMENT BOARD	104,668	0	104,668
**D	CIBC INTERNATIONAL SMALL COMPANIES FUND	44,559	0	44,559
**D	CF DV ACWI EX-U.S. IMI FUND	1,587	0	1,587
581	CERASUOLO STEFANO	7,241	7,241	0
599	AMADASI GIORDANO	158	158	0
742	AUSILIO ROSA GIUSEPPINA	187	187	0
773	CORNAGO DANIELE	2,241	2,241	0

Total votes	452,325,419
Percentage of voters %	98.647331
Percentage of share capital %	74.430720

Shareholders:	557	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	542

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Appointment of the Board of Statutory Auditors**

Attendees:

no. **587** shareholders entitled to vote took part in the voting on own behalf or by proxy

no. **458,527,782** ordinary shares

The counting of votes produced the following results:

		%OF ORDINARY SHARE CAPITAL PRESENT (Voting Quorum)	%OF ORDINARY SHARES ENTITLED TO VOTE	%SHARE CAPITAL
LIST no. 1	368,868,120	80.446188	80.446188	60.697716
LIST no. 2	87,065,413	18.988034	18.988034	14.326724
SubTotal	455,933,533	99.434222	99.434222	75.024440
Against	0	0.000000	0.000000	0.000000
Abstentions	99,688	0.021741	0.021741	0.016404
Not Voting	2,494,561	0.544037	0.544037	0.410483
SubTotal	2,594,249	0.565778	0.565778	0.426887
Total	458,527,782	100.000000	100.000000	75.451327

Pursuant to Article 138, paragraph 6, of the Consob Regulation no. 11971 of May 14, 1999 **0** shares were not counted for the calculation of the majority and of share capital needed for approval to voting, corresponding to **0.000000%** of the shares represented at the meeting.

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Board of Statutory Auditors**

AGAINST

Surname	Tot. Votes	On own behalf	Proxy

Total votes	0
Percentage of voters %	0.000000
Percentage of share capital %	0.000000

Shareholders:	0	People:	0
Shareholders on own behalf:	0	Shareholders by proxy:	0

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Appointment of the Board of Statutory Auditors**

ABSTENTIONS

	Surname	Tot. Votes	On own behalf	Proxy
1027	PRANDINI GIULIANO	12,000	12,000	0
2068	BONETTI EMANUELE	100	100	0
2253	TONELLI GIULIO	0	0	0
**D	MERRILL LYNCH PROFESSIONAL CLEARING CORP	86,328	0	86,328
4003	CASTAGNA SERGIO	1	1	0
962	ZACCARDI ANTONELLA	1,259	1,259	0

Total votes	99,688
Percentage of voters %	0.021741
Percentage of share capital %	0.016404

Shareholders:	5	People:	5
Shareholders on own behalf:	4	Shareholders by proxy:	1

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Appointment of the Board of Statutory Auditors**

NOT VOTING

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	201,592	0	201,592
**D	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	2,292,969	0	2,292,969

Total votes	2,494,561
Percentage of voters %	0.544037
Percentage of share capital %	0.410483

Shareholders:	2	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	2

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 1

	Surname	Tot. Votes	On own behalf	Proxy
1240	FOGLI MAURIZIO	1,953	1,953	0
1262	AMADEI STEFANO	3,861	3,861	0
1305	ROSSOTTI ROBERTO	3,000	3,000	0
1774	MINNELLA CARMELO GIOVANNI	1,867	1,867	0
1837	SIRIANNI PIER BATTISTA	8,000	8,000	0
1948	ANNIBALETTI ANGELO	30,000	30,000	0
2253	TONELLI GIULIO	0	0	0
**D	SCHRODER INTERNATIONAL SELECTION FUND	8,682,403	0	8,682,403
**D	FIDELITY FUNDS SICAV	1,194,975	0	1,194,975
**D	AXA OPTIMAL INCOME	2,068,464	0	2,068,464
**D	AXA VALEURS EURO	1,200,000	0	1,200,000
**D	STICHTING PENSIOENFONDS MEDISCH SPECIALI	506,456	0	506,456
**D	MI-FONDS 392	462,000	0	462,000
**D	PENSIONSKASSEN FOR BORNE-OG UNGDOMS	16,958	0	16,958
**D	KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	1,525,392	0	1,525,392
**D	STICHTING PENSIOENFONDS VOOR HUISARTSEN	25,292	0	25,292
**D	INVESCO GLOBAL SMALL CAP EQUITY POOL	143,065	0	143,065
**D	AXA FRAMLINGTON FINANCIAL FUND	125,000	0	125,000
**D	NATIXIS INTERNT FUNDS LUX I	238,000	0	238,000
**D	FCP SCANDIUM	122,000	0	122,000
**D	BT WHOLESALE MULTI MANAG INTL SHARE FUND	186,764	0	186,764
**D	SCHRODER PENSION MANAGEMENT LTD	42,277	0	42,277
**D	AVIVA LIFE & PENSIONS UK LIMITED	53,590	0	53,590
**D	AVIVA LIFE AND PENSIONS UK LIMITED	181,930	0	181,930
**D	SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	71,392	0	71,392
**D	SCHRODER EUROPEAN FUND	2,365,914	0	2,365,914
**D	SCHRODER INTERNATIONAL SMALL COMPANIES P	8,000	0	8,000
**D	SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	125,000	0	125,000
**D	FTSE ALL WORLD INDEX FUND	33,351	0	33,351
**D	FRIENDS LIFE LIMITED	89,644	0	89,644
**D	REASSURE LIMITED	14,216	0	14,216
**D	HSBC EUROPEAN INDEX FUND	75,508	0	75,508
**D	NORTHERN IRELAND LOCAL GOV PENSION FUND	84,483	0	84,483
**D	FRIENDS LIFE AND PENSIONS LIMITED	6,627	0	6,627
**D	REALDANIA	532,000	0	532,000
**D	FCP VILLIERS ACTIONS EDRAM	968,000	0	968,000
**D	PS FTSE LO BT EQ WT PORT	32,076	0	32,076
**D	CEP DEP IP GLOBAL SMALLER COS	802,185	0	802,185
**D	BNYMTCIL IFS4 INV CONT EU SM CAP FD	1,317,413	0	1,317,413
**D	BNYMTCIL IFS4 INV GBL SM CAP EQ FD	385,588	0	385,588
**D	PS FTSERAFI EUSM UCITS ETF BNYMTCIL	2,919	0	2,919
**D	PS SP INTL DEVEL QUALITY PORTFOLIO	4,736	0	4,736
**D	PS FR DEVEL MARK EX US SMALL PORT	5,473	0	5,473
**D	INVESCO FUNDS	177,083	0	177,083
**D	BNYMTD RAMAM WORLD RECOVERY FUND	180,600	0	180,600

Shareholders:	356	People:	15
Shareholders on own behalf:	12	Shareholders by proxy:	344

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 1

	Surname	Tot. Votes	On own behalf	Proxy
**D	BNYMTD RM GLOBAL HIGH ALPHA FUND	63,600	0	63,600
**D	AMG TIMESSQUARE INTL SM CAP	643,360	0	643,360
**D	JOHN S AND JAMES L KNIGHT FOUNDATION	229,700	0	229,700
**D	PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	246	0	246
**D	METZLER INT INV EUR SMALLER CO	1,575,000	0	1,575,000
**D	AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	10,120	0	10,120
**D	STICHTING PGGM DEPOSITARY	179,921	0	179,921
**D	FEDERATED KAUFMANN FUND	6,839,360	0	6,839,360
**D	FEDERATED KAUFMANN FUND II	166,330	0	166,330
**D	FEDERATED KAUFMANN SMALL CAP FUND	874,310	0	874,310
**D	HSBC STAT	58,300	0	58,300
**D	ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	7,316	0	7,316
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	487,200	0	487,200
**D	METZLER INVESTMENT GMBH FOR MI-FONDS 415	113,500	0	113,500
**D	VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	125,203	0	125,203
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	2,381	0	2,381
**D	AXA WORLD FUNDS	12,770,072	0	12,770,072
**D	BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	1,495,583	0	1,495,583
**D	THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	177,800	0	177,800
**D	HRW TESTAMENTARY TRUST NO 3	127,400	0	127,400
**D	THE WALTON FAMILY FOUNDATION	269,600	0	269,600
**D	HRW TESTAMENTARY TRUST NO. 8	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO 2	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO. 12	109,400	0	109,400
**D	LTW INVESTMENTS LLC	170,000	0	170,000
**D	LOY PARTNERSHIP, LLC	96,500	0	96,500
**D	RAMI PARTNERS, LLC	90,600	0	90,600
**D	BATTELLE MEMORIAL INSTITUTE	39,700	0	39,700
**D	THE HEALTH FOUNDATION	57,168	0	57,168
**D	STICHTING PENSIOENFONDS APF	2,873	0	2,873
**D	AMG FUND PLC	8,390	0	8,390
**D	FCP EDMOND DE ROTHSCHILD EURO LEADERS	923,900	0	923,900
**D	FCP EDMOND DE ROTHSCHILD EURO SRI	168,000	0	168,000
**D	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	834,000	0	834,000
**D	FCP LCF PHARMA INTERNATIONAL	164,920	0	164,920
**D	CNP ASSUR SMALL CAP	432,330	0	432,330
**D	EDMOND DE ROTHSCHILD ASSET MANAGEMENT	399,330	0	399,330
**D	FCP NATIXIS ACTIONS SMALL MID CAP EURO	263,000	0	263,000
**D	ALLEGHENY COLLEGE	24,200	0	24,200
**D	ERIE COUMMINTY FOUNDATION	27,300	0	27,300
**D	TIMESQUARE FOCUS FUND LP	25,000	0	25,000
2276	ROSSI MARCO	57,288	57,288	0
3005	CAGLIA MARIA	0	0	0
DE*	UNICREDIT S.P.A.	215,066,403	0	215,066,403
3061	VIOZZI DANIELE	50	50	0

Shareholders:	356	People:	15
Shareholders on own behalf:	12	Shareholders by proxy:	344

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 1

	Surname	Tot. Votes	On own behalf	Proxy
3200	SCANU MARCO	187	187	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	MOMENTUM INVESTMENT FUNDS SCIVA SIF	133,040	0	133,040
**D	JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	2,045,229	0	2,045,229
**D	JPMORGAN INVESTMENT FUNDS	1,205,954	0	1,205,954
**D	CC&L Q 140/40 FUND	600	0	600
**D	CC& L US Q MARKET NEUTRAL ONSHORE FUND I	300	0	300
**D	CC&L Q CAN EQUITY 130/30 PLUS FUND	775	0	775
**D	CC&L Q MARKET NEUTRAL FUND	82,300	0	82,300
**D	VANGUARD EUROPEAN STOCK INDEX FUND	691,987	0	691,987
**D	VANGUARD DEVELOPED MARKETS INDEX FUND	1,795,422	0	1,795,422
**D	VANGUARD TOTAL WORLD STOCK INDEX FUND	82,591	0	82,591
**D	VANGUARD FTSE ALL-WORLD EX US INDEX FUND	565,229	0	565,229
**D	VANGUARD FUNDS PLC	91,522	0	91,522
**D	RAINIER INT SMALL CAP EQUITY COLLECTIVE	182,840	0	182,840
**D	VANGUARD INVESTMENT SERIES PLC	79,836	0	79,836
**D	JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	3,877	0	3,877
**D	STICHT BEDRIJ MEDIA PNO	180,000	0	180,000
**D	HENDERS.EURO.SMALLER COMPANIES FUND	322,357	0	322,357
**D	HENDERSON INSTIT EUROP INDEX OPP FUND	42,487	0	42,487
**D	SAINT MARTIN 4	888,000	0	888,000
**D	FCP SAKKARAH 7	7,500	0	7,500
**D	FCPE TOTAL ACTIONS EUROPEENNES	750,000	0	750,000
**D	FCP KLESIA A DIVERSIFIE	325,000	0	325,000
**D	TOTAL GESTION FLEX PATRI	44,970	0	44,970
**D	FONDS RESERVE RETRAITES	888,450	0	888,450
**D	HENDERSON HORIZON FUND SICAV	2,101,556	0	2,101,556
**D	HENDERSON GARTMORE FUND	572,233	0	572,233
**D	MERIFIN CAPITAL B.V.	39,940	0	39,940
**D	VANGUARD INTERNATIONAL SMALL COMPANIES I	20,939	0	20,939
**D	ONEPATH GLOBAL SHARES - SMALL CAP INDEX	22,117	0	22,117
**D	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	4,895	0	4,895
**D	NVIT MULTI MANAGER INTERNATIONAL GROWTH	143,770	0	143,770
**D	JPM EUROPE DYNAMIC (EX UK) FUND	551,178	0	551,178
**D	JPM EUROPE SMALLER COMPANIES FUND	409,306	0	409,306
**D	VANGUARD TOTAL INTERNATIONAL STOCK INDEX	4,791,064	0	4,791,064
**D	JPMORGAN EUROPEAN INVESTMENT TRUST PLC	94,946	0	94,946
**D	JPMORGAN EUROPEAN SMALLER COMPANIES TST	1,533,787	0	1,533,787
**D	JAPAN TRUSTEE SERVICES BANK LTD AS TRUST	3,489	0	3,489
**D	JTSB LTD. AS TRUSTEE FOR SUMITOMO	16,888	0	16,888
**D	NEW YORK LIFE INSURANCE COMPANY	66,324	0	66,324
**D	PEERLESS INSURANCE COMPANY	115,223	0	115,223
**D	PROSHARES HEDGED FTSE EUROPE ETF	191	0	191
**D	JPMORGAN INTERNATIONAL DISCOVERY FUND	6,507	0	6,507
**D	THE CANADA POST CORPORATION PENSION PLAN	104,309	0	104,309

Shareholders:	356	People:	15
Shareholders on own behalf:	12	Shareholders by proxy:	344

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 1

	Surname	Tot. Votes	On own behalf	Proxy
**D	TR EUROPEN GROWTH TRUST PLC	1,844,247	0	1,844,247
**D	ING DIRECT	29,652	0	29,652
**D	FIDELITY SAL ST T SPARTAN TOTAL INT IN F	4,749	0	4,749
**D	BEST INVESTMENT CORPORATION	9,518	0	9,518
**D	BLACKROCK INSTITUTIONAL POOLED FUND PLC	6,097	0	6,097
**D	CHINA LIFE INSURANCE (GROUP) COMPANY	2,554	0	2,554
**D	BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	1,214	0	1,214
**D	BLACKROCK FISSION INDEXED INTL EQUITY FD	24,822	0	24,822
**D	SUPER FUNDS MANAG CORP SOUTH AUSTRALIA	119,451	0	119,451
**D	MINISTRY OF STRATEGY AND FINANCE	33,349	0	33,349
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	32,767	0	32,767
**D	TRUST AND CUSTODY SERVICED BANK LIMITED	34,871	0	34,871
**D	THE MASTER TRUST BANK OF JAPAN LTD	37,838	0	37,838
**D	MASTER TRUST FOR NATIONAL PENSION FD	35,535	0	35,535
**D	FLF STRATEGIC GLOBAL EQUITY FUND	72,428	0	72,428
**D	BOK KIC AAEQ 3	15,026	0	15,026
**D	SUBSIDIZED SCHOOLS P FUND NORTHERN	13,614	0	13,614
**D	55016 UP INTERNATIONALE AKTIER	225,930	0	225,930
**D	WILM MULTI MGR INTL FD OBERWEIS	241,652	0	241,652
**D	56053 IP GLOBAL EQUITIES I	12,883	0	12,883
**D	LMIF LMGAMI EURO SMLL CP	181,818	0	181,818
**D	IQ 50 PERCENT HEDGED FTSE EURO ETF	3,749	0	3,749
**D	DEUTSCHE XTRK MSCI EMU HDG EQ ETF	4,402	0	4,402
**D	BLACKROCK GLOBAL FUNDS	4,397,203	0	4,397,203
**D	FPXF WILLIAM BLAIR CO	31,880	0	31,880
**D	RVN WILLIAM BLAIR	4,196	0	4,196
**D	BLL AQUILA LIFE EUROPEAN EQUITY	755,618	0	755,618
**D	BLL ASCENT LIFE EUROPEAN	62,130	0	62,130
**D	BLK MULTI ASSET INC PF EUR EQU INC	478,931	0	478,931
**D	BLL AQUILA LIFE OSEAS EQUITY FUND	4,851	0	4,851
**D	BLL ASCENT LIFEENHANCED	1,766	0	1,766
**D	DEUTSCHE XTRK MSCI EAFE SC HDG ETF	466	0	466
**D	CHI OPERATING INVESTMENT PROGRAM LP	78,109	0	78,109
**D	CATHOLIC HEALTH INITIATIVES MASTER TRUST	40,056	0	40,056
**D	FIRST INITIATIVES INSURANCE LIMITED	6,914	0	6,914
**D	EATON VANCE MGMT INTL SMALL CAP	1,057	0	1,057
**D	ONFF WILLIAM BLAIR NONUS	17,060	0	17,060
**D	CE8F WILLIAM BLAIR IACG	115,413	0	115,413
**D	RAYTHEON MASTER PENSION TRUST	1,528	0	1,528
**D	VANGUARD INTL HIGH DIV YLD INDEX FD	14,295	0	14,295
**D	BSNF NTR WILLIAM BLAIR	12,404	0	12,404
**D	BSPF PMT WILLIAM BLAIR	8,749	0	8,749
**D	BGF EURO MKTS FD EURO EQUITY PF	8,176,154	0	8,176,154
**D	BGF FLEX MULTI ASSET GBL EQ PF	9,039	0	9,039
**D	LRPF WILLIAM BLAIR	42,009	0	42,009

Shareholders:	356	People:	15
Shareholders on own behalf:	12	Shareholders by proxy:	344

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 1

	Surname	Tot. Votes	On own behalf	Proxy
**D	W11F WILLIAM BLAIR	10,510	0	10,510
**D	BFTF WILLIAM BLAIR	21,724	0	21,724
**D	US BK RAINIER INTL DISCOVERY FUND	395,610	0	395,610
**D	ATFF AMERICAN CENTURY	74,487	0	74,487
**D	RZSF3001 NON US GE W BLAIR	103,201	0	103,201
**D	ALASKA PERMANENT FUND CORPORATION	57,838	0	57,838
**D	1216 APG DME FINANC	1,221,917	0	1,221,917
**D	2054 APG DME BLACKR	117,398	0	117,398
**D	AON HEWITT COLLECTIVE INVESTMENT TRUST	27,414	0	27,414
**D	MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	30,345	0	30,345
**D	PHC NT SMALL CAP	26,269	0	26,269
**D	BNYMTD BLK CONTINENTAL EURO INC	4,653,703	0	4,653,703
**D	BNYMTD BLK CONT EUR EQ TRCK FD INV	265,102	0	265,102
**D	PENSION RESERVES INVESTMENT TRUST FUND	73,110	0	73,110
**D	VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	97,220	0	97,220
**D	THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	20,153	0	20,153
**D	GENERAL MILLS INVESTMENT TRUST	36,637	0	36,637
**D	INDIANA PUBLIC RETIREMENT SYSTEM	12,426	0	12,426
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	27,702	0	27,702
**D	SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	19,925	0	19,925
**D	UPS GROUP TRUST	86,396	0	86,396
**D	ELEVA UCITS FD-ELEVA ABSOLUTE	6,479,400	0	6,479,400
**D	COLISEE IFC 1	538,000	0	538,000
**D	IRISH LIFE ASSURANCE.	184,234	0	184,234
**D	LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	1,666,611	0	1,666,611
**D	CITIBANK KOREA INC	848,102	0	848,102
**D	THREADNEEDLE (LUX	978,719	0	978,719
**D	THREADNEEDLE INVESTMENT FUNDS ICVC	11,652,830	0	11,652,830
**D	LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	8,892	0	8,892
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	12,500	0	12,500
**D	GOVERNMENT OF NORWAY	5,524,312	0	5,524,312
**D	NORGES BANK	109,988	0	109,988
**D	AQR ORACLE FUND LP	5,896	0	5,896
**D	NUMERIC ABS RETURN FD LP	18,000	0	18,000
**D	FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	2,062	0	2,062
**D	FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	203,488	0	203,488
**D	INTERNATIONAL MONETARY FUND	15,994	0	15,994
**D	AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	6,110	0	6,110
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	26,000	0	26,000
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	23,070	0	23,070
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	301,560	0	301,560
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	219,530	0	219,530
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	266,990	0	266,990
**D	AMERICAN CENTURY RETIREMENT DATE TRUST	114,333	0	114,333
**D	CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	183,278	0	183,278

Shareholders:	356	People:	15
Shareholders on own behalf:	12	Shareholders by proxy:	344

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 1

	Surname	Tot. Votes	On own behalf	Proxy
**D	CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	462	0	462
**D	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	28,252	0	28,252
**D	EATON VANCE INTERNATIONAL SMALL-CAP FUND	10,546	0	10,546
**D	WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	217,799	0	217,799
**D	WILLIAM BLAIR INTERNATIONAL GROWTH FUND	657,058	0	657,058
**D	WILLIAM BLAIR INSTITUTIONAL INTERNATIONAL GROWTH FUND	476,734	0	476,734
**D	MM SELECT EQUITY ASSET FUND	6,406	0	6,406
**D	ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM	78,810	0	78,810
**D	MARYLAND STATE RETIREMENT & PENSION SYSTEM	19,979	0	19,979
**D	MERCER QIF CCF	1,101,611	0	1,101,611
**D	MERCER QIF CCF	616,038	0	616,038
**D	STATE OF MONTANA BOARD OF INVESTMENTS	66,699	0	66,699
**D	CITY OF NEW YORK GROUP TRUST	183,462	0	183,462
**D	STATE STREET IRELAND UNIT TRUST	52,145	0	52,145
**D	SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY	62,756	0	62,756
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	634,198	0	634,198
**D	UAW RETIREE MEDICAL BENEFITS TRUST	154,557	0	154,557
**D	VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	3,873	0	3,873
**D	VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	3,671	0	3,671
**D	VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	697	0	697
**D	VANGUARD GLOBAL LIQUIDITY FACTOR ETF	1,061	0	1,061
**D	VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	8,723	0	8,723
**D	VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	25,281	0	25,281
**D	VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	1,123	0	1,123
**D	WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	26,627	0	26,627
**D	WELLS FARGO ALTERNATIVE STRATEGIES FUND	7,561	0	7,561
**D	WASHINGTON STATE INVESTMENT BOARD	165,288	0	165,288
**D	WASHINGTON STATE INVESTMENT BOARD	3,050	0	3,050
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	139	0	139
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	17,270	0	17,270
**D	WISDOMTREE DEFA EQUITY INCOME FUND	18,109	0	18,109
**D	WISDOMTREE INTERNATIONAL EQUITY FUND	30,409	0	30,409
**D	WISDOMTREE INTERNATIONAL MIDCAP DIVIDEND FUND	37,696	0	37,696
**D	WISDOMTREE EUROPE LOCAL RECOVERY FUND	867	0	867
**D	WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	212,713	0	212,713
**D	NEW YORK STATE TEACHERS RETIREMENT SYSTEM	131,253	0	131,253
**D	PRUDENTIAL BANK AND TRUST	56,511	0	56,511
**D	SPDR EURO STOXX SMALL CAP ETF	19,641	0	19,641
**D	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	560,715	0	560,715
**D	BLACKROCK STRATEGIC FUNDS	102,172	0	102,172
**D	KIEGER FUND I	1,887	0	1,887
**D	ISHARES MSCI EAFE SMALL CAP ETF	1,043,062	0	1,043,062
**D	ISHARES MSCI EUROPE SMALL-CAP ETF	29,608	0	29,608
**D	BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	548,131	0	548,131
**D	ISHARES CORE MSCI EAFE ETF	592,081	0	592,081

Shareholders:	356	People:	15
Shareholders on own behalf:	12	Shareholders by proxy:	344

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 1

	Surname	Tot. Votes	On own behalf	Proxy
**D	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	114,889	0	114,889
**D	ISHARES MSCI INTERNATIONAL DEVELOPED ETF	2,460	0	2,460
**D	ISHARES CORE MSCI EAFE IMI INDEX ETF	16,762	0	16,762
**D	ISHARES MSCI EUROPE IMI INDEX ETF	6,701	0	6,701
**D	ISHARES CORE MSCI EUROPE ETF	79,880	0	79,880
**D	CONNECTICUT GENERAL LIFE INSURANCE COMPANY	2,775	0	2,775
**D	CDN ACWI ALPHA TILTS FUND	15,426	0	15,426
**D	RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B	1,917	0	1,917
**D	EURO EX-UK ALPHA TITLS FUND B	9,358	0	9,358
**D	WORLD ALPHA TILTS NON-LENDABLE FUND B	757	0	757
**D	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	15,676	0	15,676
**D	DELUXE CORPORATION MASTER TRUST	12,195	0	12,195
**D	MERCY HEALTH	9,457	0	9,457
**D	MERCY HEALTH RETIREMENT TRUST	2,453	0	2,453
**D	TRUTH INITIATIVE FOUNDATION	4,601	0	4,601
**D	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	103,806	0	103,806
**D	ISHARES PUBLIC LIMITED COMPANY	1,002,024	0	1,002,024
**D	ISHARES II PUBLIC LIMITED COMPANY	603,850	0	603,850
**D	ISHARES VII PLC	674,577	0	674,577
**D	ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	233,174	0	233,174
**D	BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	1,086,651	0	1,086,651
**D	BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	163,680	0	163,680
**D	BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	334,720	0	334,720
**D	BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	273,064	0	273,064
**D	MANAGED PENSION FUNDS LIMITED	12,389	0	12,389
**D	THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	11,592	0	11,592
**D	FAMILY INVESTMENTS CHILD TRUST FUND	14,367	0	14,367
**D	FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	9,961	0	9,961
**D	HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	284,213	0	284,213
**D	STICHTING PHILIPS PENSIOENFONDS	49,007	0	49,007
**D	THE TRUSTEES OF SAL PENSION SCHEME	3,820	0	3,820
**D	VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	17,302	0	17,302
**D	VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	41,639	0	41,639
**D	VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	103,491	0	103,491
**D	VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	276	0	276
**D	SUNSUPER SUPERANNUATION FUND	13,451	0	13,451
**D	CANADA PENSION PLAN INVESTMENT BOARD	369,604	0	369,604
**D	THE TRUSTEES OF BP PENSION FUND	773,030	0	773,030
**D	FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	13,955	0	13,955
**D	UNIVERSITY OF KENTUCKY	10,000	0	10,000
**D	WHEELS COMMON INVESTMENT FUND	18,626	0	18,626
**D	CHEVRON MASTER PENSION TRUST	29,057	0	29,057
**D	CHEVRON UK PENSION PLAN	2,761	0	2,761
**D	THE CURATORS OF THE UNIVERSITY OF MISSOURI	50,065	0	50,065
**D	DFI LP EQUITY (PASSIVE)	1,693	0	1,693

Shareholders:	356	People:	15
Shareholders on own behalf:	12	Shareholders by proxy:	344

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 1

	Surname	Tot. Votes	On own behalf	Proxy
**D	NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND	12,165	0	12,165
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	169,898	0	169,898
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	34,430	0	34,430
**D	NEW ZEALAND SUPERANNUATION FUND	26,623	0	26,623
**D	AON SAVINGS PLAN TRUST	46,862	0	46,862
**D	MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	2,113	0	2,113
**D	NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST	363,921	0	363,921
**D	TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	17,985	0	17,985
**D	ADVOCATE HEALTH CARE NETWORK	20,899	0	20,899
**D	CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	64,284	0	64,284
**D	FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	10,415	0	10,415
**D	ILLINOIS MUNICIPAL RETIREMENT FUND	134,679	0	134,679
**D	LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM	41,051	0	41,051
**D	CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN	65,307	0	65,307
**D	UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	51,783	0	51,783
**D	POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	32,151	0	32,151
**D	SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM	116,549	0	116,549
**D	SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	17,859	0	17,859
**D	FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	1,181	0	1,181
**D	OPSEU PENSION PLAN TRUST FUND	5,309	0	5,309
**D	NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	2,417,367	0	2,417,367
**D	THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	572,086	0	572,086
**D	STRATHCLYDE PENSION FUND	341,499	0	341,499
**D	MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO	27,415	0	27,415
**D	NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	891	0	891
**D	NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	212,266	0	212,266
**D	SSGA GROSS ROLL UP UNIT TRUST	13,909	0	13,909
**D	LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	4,616	0	4,616
**D	STATE TEACHERS RETIREMENT SYSTEM OF OHIO	423,988	0	423,988
**D	ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND	32,387	0	32,387
**D	UNIVEST	126,385	0	126,385
**D	STG PFDS V.D. GRAFISCHE	155,541	0	155,541
**D	FCP ECUREUIL RETRAITE EURO ACTIONS 4	300,000	0	300,000
**D	I.2.C. ACTIONS	488,000	0	488,000
**D	FCP GROUPAMA AVENIR EURO	3,136,372	0	3,136,372
**D	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN	14,955	0	14,955
**D	THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	15,685	0	15,685
**D	MCGILL UNIVERSITY PENSION FUND	7,953	0	7,953
**D	PUBLIC SECTOR PENSION INVESTMENT BOARD	104,668	0	104,668
**D	CIBC INTERNATIONAL SMALL COMPANIES FUND	44,559	0	44,559
**D	CF DV ACWI EX-U.S. IMI FUND	1,587	0	1,587
581	CERASUOLO STEFANO	7,241	7,241	0
599	AMADASI GIORDANO	158	158	0
773	CORNAGO DANIELE	2,241	2,241	0

Shareholders:	356	People:	15
Shareholders on own behalf:	12	Shareholders by proxy:	344

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 1

Surname		Tot. Votes	On own behalf	Proxy
Total votes	368,868,120			
Percentage of voters %	80.446188			
Percentage of share capital %	60.697716			

Shareholders:	356	People:	15
Shareholders on own behalf:	12	Shareholders by proxy:	344

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
1834	CROCE MARIO	1,500	1,500	0
2223	MARTIRIGGIANO ANTONIO	2,681	2,681	0
2253	TONELLI GIULIO	0	0	0
**D	ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	670,000	0	670,000
**D	FRANKLIN TEMPLETON INVESTMENT FUNDS	668,413	0	668,413
**D	T. ROWE PRICE FUNDS SICAV	145,427	0	145,427
**D	GENERALI INVESTMENTS LUXEMBURG S.A.	684,571	0	684,571
**D	CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	150,000	0	150,000
**D	WELLINGTON MANAGEMENT PORTFOLIOS	335,843	0	335,843
**D	WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	36,542	0	36,542
**D	WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	28,228	0	28,228
**D	WELLINGTON TRUST COMP COMM TRUST INT OPP	175,018	0	175,018
**D	WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	10,972	0	10,972
**D	JAPAN TRUSTEE SERVICES BANK LTD	469,886	0	469,886
**D	AFER ACTION PME	451,836	0	451,836
**D	BNP PARIBAS SMALL CAP EUROLAND	2,526,390	0	2,526,390
**D	BNP PARIBAS ACTIONS PME	543,807	0	543,807
**D	FCP BNP PARIBAS ACTIONS EUROLAND	43,134	0	43,134
**D	PARVEST	3,121,423	0	3,121,423
**D	BNP PARIBAS A FUND	58,956	0	58,956
**D	BNP PARIBAS L1	82,735	0	82,735
**D	BNP PARIBAS B PENSION BALANCED	733,505	0	733,505
**D	BNP PARIBAS B PENSION STABILITY	47,432	0	47,432
**D	METROPOLITAN RENTASTRO	183,304	0	183,304
**D	BANQUE PICTET & CIE SA	33,126	0	33,126
**D	ROBECO CAPITAL GROWTH FUNDS	350,000	0	350,000
**D	DEKA BASISSTRATEGIE FLEXIBEL	23,960	0	23,960
**D	DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	7,900	0	7,900
**D	DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	74,600	0	74,600
**D	DEKA INVESTMENT GMBH RE ARIDEKA	1,150,000	0	1,150,000
**D	DEKA INVEST DIVIDENDENSTRATEGIE CF A	1,088,900	0	1,088,900
**D	HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	2,810,128	0	2,810,128
**D	UBS GLOBAL ASSET MANAGEMENT LIFE LTD	73,068	0	73,068
**D	UBS ASSET MANAGEMENT LIFE LTD	283	0	283
**D	FONDO CONSOLIDADO DE RESERVAS PREVISIONA	86,791	0	86,791
**D	CHINA LIFE INSURANCE COMPANY LIMITED	60,140	0	60,140
**D	COINVEST LIMITED	13,801	0	13,801
**D	UBS (US) GROUP TRUST	7,469	0	7,469
**D	T. ROWE PRICE INTERNATIONAL DISCOVERY FU	4,303,286	0	4,303,286
**D	MINISTRY OF STRATEGY AND FINANCE	143,444	0	143,444
**D	T ROWE PRICE INTERNATIONAL EQUITY INDEX	14,257	0	14,257
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	138,293	0	138,293
**D	DEKA INVEST RE DEKA-ZMV-FONDS	22,000	0	22,000
**D	DEKA INVESTMENT GMBH RE PRODEKA	65,200	0	65,200
**D	DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	9,400	0	9,400

Shareholders:	224	People:	6
Shareholders on own behalf:	5	Shareholders by proxy:	219

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
**D	DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	10,813	0	10,813
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	309,886	0	309,886
**D	NATIONWIDE SMALL CAP INDEX FUND	400,962	0	400,962
**D	DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	546,850	0	546,850
**D	T ROWE PRICE GLOBAL ALLOCATION FUND INC	7,791	0	7,791
**D	T ROWE INTL SMALL CAP EQUITY TRUST	486,110	0	486,110
**D	ENTERGY CORP.RETIREMENT PLANS MASTER TR.	203,718	0	203,718
**D	RBC CANADIAN MASTER TRUST	124,418	0	124,418
**D	REGIME DE RETRAITE D HYDRO QUEBEC	102,698	0	102,698
**D	WEST MIDLANDS METROPOLITAN AUT PENS FD	61,000	0	61,000
**D	ALLIANZGI FONDS BAT LS	92,900	0	92,900
**D	ALLIANZGI FONDS PF1	14,182	0	14,182
**D	ALLIANZGI FONDS AFE	3,943	0	3,943
**D	FCP BRONGNIART AVENIR	100,000	0	100,000
**D	TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	1,507,269	0	1,507,269
**D	PFIZER JAPAN INC PENSION FUND	80,700	0	80,700
**D	TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	55,682	0	55,682
**D	THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	83,856	0	83,856
**D	MFS INTERNATIONAL NEW DISCOVERY FUND	2,267,886	0	2,267,886
**D	TEACHERS PENSION PLAN & PRIVATE SCHOOL	639,710	0	639,710
**D	ANIMA SGR SPA	12,381,073	0	12,381,073
**D	ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	242,269	0	242,269
**D	ARTEMIS EUROPEAN OPPORTUNITIES FUND	1,301,374	0	1,301,374
**D	NMM3 EUEQ MFS ACCOUNT	8,971	0	8,971
**D	CITI RETIREMENT SAVINGS PLAN	115,234	0	115,234
**D	FIRST INVESTORS GLOBAL FUND	306,236	0	306,236
**D	UWF TROW INTL DISCOVERY	55,384	0	55,384
**D	BOK KIC GAEQ6	85,699	0	85,699
**D	EIR EIE WELLINGTON INT	179,053	0	179,053
**D	PRU SECTOR FDS INC PRU FIN SER FD	787,168	0	787,168
**D	AST TRP DIVERS REAL GWTH PORT PDMO	1,049	0	1,049
**D	AST FI PYRAMIS QUANT AA IE SC PDGJ	83,115	0	83,115
**D	AST TRP GWTH OPP PORT BAL PDRB	26,600	0	26,600
**D	AST RCM WORLD TRENDS PORT PDBF	250,800	0	250,800
**D	WELLINGTON MGMT CY LLPQUALITY EDUC FD	138,871	0	138,871
**D	BANK OF AMERICA PENSION PLAN OECHSLE	143,212	0	143,212
**D	BOA FBO SKL INVESTMENT GRP LLC	8,534	0	8,534
**D	WMP OPP INVESTMENT PRTNS LP	32,852	0	32,852
**D	AWAF AWAC WELLINGTON	58,355	0	58,355
**D	THE CLEVELAND CLINIC FOUNDATION	70,858	0	70,858
**D	GLOBAL EQUITY WELLINGTON	235,725	0	235,725
**D	GLOBAL INVESTMENT FUND	31,323	0	31,323
**D	MFS INTL EQUITY FUND	74,599	0	74,599
**D	HP INC MASTER TRUST	68,418	0	68,418
**D	UNISYS MASTER TRUST	70,952	0	70,952

Shareholders:	224	People:	6
Shareholders on own behalf:	5	Shareholders by proxy:	219

DE* proxy to the natural persona above mentioned with the badge number

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RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
**D	CPA COP PSERS PYRAMIS GLOBAL ADV	78,706	0	78,706
**D	FLORIDA RETIREMENT SYSTEM	215,017	0	215,017
**D	BELL ATLANTIC MASTER TRUST	41,418	0	41,418
**D	VERIZON MASTER SAVINGS TRUST	98,016	0	98,016
**D	UTC WELLINGTON GLOBAL	91,148	0	91,148
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	132,596	0	132,596
**D	BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	109,924	0	109,924
**D	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	192,127	0	192,127
**D	PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	385,014	0	385,014
**D	PIONEER FD-EUROPEAN RESEARCH	321,167	0	321,167
**D	PIONEER FD-EURO EQ OPTIMAL VOL	95,282	0	95,282
**D	PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	25,412	0	25,412
**D	PIONEER FD SF EQUITY PLAN60	52,401	0	52,401
**D	PIONEER FD-GLOBAL MULTI ASSET	39,321	0	39,321
**D	PIONEER FD-EUROPEAN POTENTIAL	1,801,653	0	1,801,653
**D	FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	250,000	0	250,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	110,000	0	110,000
**D	FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	100,000	0	100,000
**D	F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	60,000	0	60,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	15,000	0	15,000
**D	GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	11,000	0	11,000
**D	FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	5,000	0	5,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	1,100,000	0	1,100,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	30,000	0	30,000
**D	INTERFUND SICAV INTERFUND EQUITY ITALY	450,000	0	450,000
**D	UBS EUROP SMALL CAP EQUITY FD	84,125	0	84,125
**D	CIPAV ALOIS	117,262	0	117,262
**D	SOGECAP ACTIONS SMALL CAP	942,243	0	942,243
**D	SG ACTIONS EUROPE MID CAP	197,367	0	197,367
**D	AGI FRANCE	171,200	0	171,200
**D	ALLIANZ ACTIONS EURO PME-ETI	167,700	0	167,700
**D	COLONIAL FIRST STATE INVESTMENTS LIMITED.	71,939	0	71,939
**D	WELLINGTON ALTA FUND	94,527	0	94,527
**D	UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	73,720	0	73,720
**D	UBS FUND MANAGEMENT (SWITZERLAND) AG.	132,808	0	132,808
**D	CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	11,326	0	11,326
**D	UBS (LUX) EQUITY SICAV	128,845	0	128,845
**D	LAUDUS INTERNATIONAL MARKETMASTERS FUND	684,332	0	684,332
**D	SCHWAB INTERNATIONAL EQUITY ETF	195,728	0	195,728
**D	JOHN HANCOCK SEAPORT FUND	522,049	0	522,049
**D	WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	152,865	0	152,865
**D	MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	142,892	0	142,892
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	165,000	0	165,000
**D	ANIMA FUNDS PLC	353,973	0	353,973
**D	MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	127,626	0	127,626

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Shareholders on own behalf:	5	Shareholders by proxy:	219

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
**D	THE FRANCIS E. PARKER MEMORIAL HOME	23,936	0	23,936
**D	THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	41,964	0	41,964
**D	THE GABELLI GLOBAL SMALL AND MID CAP VALUE TRUST	49,000	0	49,000
**D	THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	25,000	0	25,000
**D	HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	907,160	0	907,160
**D	HARTFORD CAPITAL APPRECIATION HLS FUND	1,411,126	0	1,411,126
**D	THE HARTFORD INTERNATIONAL GROWTH FUND	141,392	0	141,392
**D	THE HARTFORD CAPITAL APPRECIATION FUND	3,822,524	0	3,822,524
**D	THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	1,698,920	0	1,698,920
**D	HARTFORD INTERNATIONAL EQUITY FUND	20,015	0	20,015
**D	THE HARTFORD GLOBAL ALL- ASSET FUND	73,365	0	73,365
**D	HARTFORD GLOBAL CAPITAL APPRECIATION FUND	549,306	0	549,306
**D	HARTFORD HEALTHCARE ENDOWMENT LLC	10,847	0	10,847
**D	HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	9,572	0	9,572
**D	HENKEL OF AMERICA MASTER RETIREMENT TRUST	20,932	0	20,932
**D	TEXAS MUNICIPAL RETIREMENT SYSTEM	897,775	0	897,775
**D	ASHWOOD INVESTMENTS LIMITED	6,619	0	6,619
**D	STATE OF NEW JERSEY COMMON PENSION FUND D	257,203	0	257,203
**D	NEW YORK STATE DEFERRED COMPENSATION PLAN	124,544	0	124,544
**D	CITY OF NEW YORK GROUP TRUST	513,664	0	513,664
**D	WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	122,551	0	122,551
**D	HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	193,662	0	193,662
**D	BIMCOR GLOBAL EQUITY POOLED FUND	87,658	0	87,658
**D	GOVERNMENT OF THE PROVINCE OF ALBERTA	169,600	0	169,600
**D	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	365,713	0	365,713
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	136,317	0	136,317
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	346,439	0	346,439
**D	SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	37,395	0	37,395
**D	THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	376,990	0	376,990
**D	THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	88,420	0	88,420
**D	THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	151,092	0	151,092
**D	WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	7,964	0	7,964
**D	THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	12,538	0	12,538
**D	THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	900,083	0	900,083
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	226,758	0	226,758
**D	WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	56,613	0	56,613
**D	ALLIANZ GLOBAL INVESTORS FUND	1,446,700	0	1,446,700
**D	MFS MERIDIAN FUNDS	1,306,568	0	1,306,568
**D	KIEGER FUND I	50,329	0	50,329
**D	UBS ETF	5,105	0	5,105
**D	INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	61,206	0	61,206
**D	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	157,750	0	157,750
**D	COLLEGE RETIREMENT EQUITIES FUND	1,416,042	0	1,416,042
**D	RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	238,547	0	238,547
**D	RUSSELL INVESTMENT FUNDS NON-U.S. FUND	28,598	0	28,598

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 2

	Surname	Tot. Votes	On own behalf	Proxy
**D	MULTI-STYLE, MULTI-MANAGER FUNDS PLC	210,400	0	210,400
**D	ONTARIO TEACHERS PENSION PLAN BOARD	183,162	0	183,162
**D	THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	24,218	0	24,218
**D	THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	5,970	0	5,970
**D	THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	622,711	0	622,711
**D	GOVERNMENT INSTITUTIONS PENSION FUND	3,059	0	3,059
**D	GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	120,164	0	120,164
**D	SCHLUMBERGER COMMON INVESTMENT FUND	44,607	0	44,607
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	53,438	0	53,438
**D	BLUE SKY GROUP	209,000	0	209,000
**D	DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	59,456	0	59,456
**D	PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	291,526	0	291,526
**D	MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	57,188	0	57,188
**D	ST. JOSEPH HEALTH SYSTEM	100,661	0	100,661
**D	TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	17,288	0	17,288
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	319,807	0	319,807
**D	EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	44,336	0	44,336
**D	STATE UNIVERSITIES RETIREMENT SYSTEM	68,085	0	68,085
**D	UTAH STATE RETIREMENT SYSTEMS	44,501	0	44,501
**D	ILLINOIS STATE BOARD OF INVESTMENT	77,149	0	77,149
**D	FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	27,000	0	27,000
**D	MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	1,100,000	0	1,100,000
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	20,610	0	20,610
**D	EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	528,640	0	528,640
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	26,395	0	26,395
**D	EURIZON EASY FUND - EQUITY ITALY	129,738	0	129,738
**D	EURIZON FUND - EQUITY ITALY SMART VOLATILITY	76,384	0	76,384
**D	AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	994,376	0	994,376
**D	AMUNDI LUXEMBOURG SA	909,666	0	909,666
**D	AA FORTIS ACTIONS PETIT CAP EUROPE	270,956	0	270,956
**D	FCP RSI EURO P	63,089	0	63,089
**D	FCP VILLIERS DIAPASON	69,636	0	69,636
**D	ASSURDIX	41,977	0	41,977
**D	CPR EURO HIGH DIVIDEND	94,061	0	94,061
**D	CPR SILVER AGE	2,472,859	0	2,472,859
**D	SICAV BBM V-FLEX	135,784	0	135,784
**D	FCP BEST BUSINESS MODELS	1,530,000	0	1,530,000
**D	CROISSANCE PME M	433,376	0	433,376
**D	BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	973,829	0	973,829
**D	PUBLIC SERVICE PENSION PLAN FUND	35,520	0	35,520
**D	TEACHERS` PENSION PLAN FUND	37,223	0	37,223
**D	TELUS PENSIONS MASTER TRUST	78,303	0	78,303
2666	DI PALMA GIUSEPPE	1,100	1,100	0
3025	GHIBAUDI LEOPOLDO	9,000	9,000	0
742	AUSILIO ROSA GIUSEPPINA	187	187	0

Shareholders:	224	People:	6
Shareholders on own behalf:	5	Shareholders by proxy:	219

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Appointment of the Board of Statutory Auditors**

IN FAVOUR OF THE LIST NO. 2

Surname	Tot. Votes	On own behalf	Proxy

Total votes	87,065,413
Percentage of voters %	18.988034
Percentage of share capital %	14.326724

Shareholders:	224	People:	6
Shareholders on own behalf:	5	Shareholders by proxy:	219

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Statutory Auditors**

Attendees:

No. **587** shareholders entitled to vote took part in the voting on own behalf or by proxy

No. **458,527,782** ordinary shares

The counting of votes produced the following results:

		%OF ORDINARY SHARE CAPITAL PRESENT (Voting Quorum)	%OF ORDINARY SHARES ENTITLED TO VOTE	%SHARE CAPITAL
Favour	452,313,419	98.644714	98.644714	74.428746
Against	3,331,550	0.726575	0.726575	0.548211
SubTotal	455,644,969	99.371289	99.371289	74.976956
Abstentions	25,813	0.005630	0.005630	0.004248
Not Voting	2,857,000	0.623081	0.623081	0.470123
SubTotal	2,882,813	0.628711	0.628711	0.474371
Total	458,527,782	100.000000	100.000000	75.451327

Shareholders:	587	People:	24
Shareholders on own behalf:	21	Shareholders by proxy:	566

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Statutory Auditors**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	REALDANIA	532,000	0	532,000
**D	AMG TIMESSQUARE INTL SM CAP	643,360	0	643,360
**D	JOHN S AND JAMES L KNIGHT FOUNDATION	229,700	0	229,700
**D	HSBC STAT	58,300	0	58,300
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	487,200	0	487,200
**D	THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	177,800	0	177,800
**D	HRW TESTAMENTARY TRUST NO 3	127,400	0	127,400
**D	THE WALTON FAMILY FOUNDATION	269,600	0	269,600
**D	HRW TESTAMENTARY TRUST NO. 8	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO 2	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO. 12	109,400	0	109,400
**D	LTW INVESTMENTS LLC	170,000	0	170,000
**D	LOY PARTNERSHIP, LLC	96,500	0	96,500
**D	RAMI PARTNERS, LLC	90,600	0	90,600
**D	AMG FUND PLC	8,390	0	8,390
**D	ALLEGHENY COLLEGE	24,200	0	24,200
**D	ERIE COUMMINTY FOUNDATION	27,300	0	27,300
**D	TIMESQUARE FOCUS FUND LP	25,000	0	25,000

Total votes	3,331,550
Percentage of voters %	0.726575
Percentage of share capital %	0.548211

Shareholders:	18	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	18

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Statutory Auditors**

ABSTENTIONS

	Surname	Tot. Votes	On own behalf	Proxy
1027	PRANDINI GIULIANO	12,000	12,000	0
1240	FOGLI MAURIZIO	1,953	1,953	0
1834	CROCE MARIO	1,500	1,500	0
2068	BONETTI EMANUELE	100	100	0
3025	GHIBAUDI LEOPOLDO	9,000	9,000	0
4003	CASTAGNA SERGIO	1	1	0
962	ZACCARDI ANTONELLA	1,259	1,259	0

Total votes	25,813
Percentage of voters %	0.005630
Percentage of share capital %	0.004248

Shareholders:	7	People:	7
Shareholders on own behalf:	7	Shareholders by proxy:	0

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Statutory Auditors**

NOT VOTING

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	150,000	0	150,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	1,100,000	0	1,100,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	30,000	0	30,000
**D	INTERFUND SICAV INTERFUND EQUITY ITALY	450,000	0	450,000
**D	FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	27,000	0	27,000
**D	MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	1,100,000	0	1,100,000

Total votes	2,857,000
Percentage of voters %	0.623081
Percentage of share capital %	0.470123

Shareholders:	6	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	6

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Statutory Auditors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
1262	AMADEI STEFANO	3,861	3,861	0
1305	ROSSOTTI ROBERTO	3,000	3,000	0
1774	MINNELLA CARMELO GIOVANNI	1,867	1,867	0
1837	SIRIANNI PIER BATTISTA	8,000	8,000	0
1948	ANNIBALETTI ANGELO	30,000	30,000	0
2223	MARTIRIGGIANO ANTONIO	2,681	2,681	0
2253	TONELLI GIULIO	0	0	0
**D	ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	670,000	0	670,000
**D	FRANKLIN TEMPLETON INVESTMENT FUNDS	668,413	0	668,413
**D	T. ROWE PRICE FUNDS SICAV	145,427	0	145,427
**D	SCHRODER INTERNATIONAL SELECTION FUND	8,682,403	0	8,682,403
**D	GENERALI INVESTMENTS LUXEMBURG S.A.	684,571	0	684,571
**D	MERRILL LYNCH PROFESSIONAL CLEARING CORP	86,328	0	86,328
**D	WELLINGTON MANAGEMENT PORTFOLIOS	335,843	0	335,843
**D	FIDELITY FUNDS SICAV	1,194,975	0	1,194,975
**D	WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	36,542	0	36,542
**D	WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	28,228	0	28,228
**D	WELLINGTON TRUST COMP COMM TRUST INT OPP	175,018	0	175,018
**D	WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	10,972	0	10,972
**D	JAPAN TRUSTEE SERVICES BANK LTD	469,886	0	469,886
**D	AFER ACTION PME	451,836	0	451,836
**D	BNP PARIBAS SMALL CAP EUROLAND	2,526,390	0	2,526,390
**D	BNP PARIBAS ACTIONS PME	543,807	0	543,807
**D	FCP BNP PARIBAS ACTIONS EUROLAND	43,134	0	43,134
**D	AXA OPTIMAL INCOME	2,068,464	0	2,068,464
**D	AXA VALEURS EURO	1,200,000	0	1,200,000
**D	PARVEST	3,121,423	0	3,121,423
**D	BNP PARIBAS A FUND	58,956	0	58,956
**D	BNP PARIBAS L1	82,735	0	82,735
**D	BNP PARIBAS B PENSION BALANCED	733,505	0	733,505
**D	BNP PARIBAS B PENSION STABILITY	47,432	0	47,432
**D	METROPOLITAN RENTASTRO	183,304	0	183,304
**D	BANQUE PICTET & CIE SA	33,126	0	33,126
**D	ROBECO CAPITAL GROWTH FUNDS	350,000	0	350,000
**D	DEKA BASISSTRATEGIE FLEXIBEL	23,960	0	23,960
**D	DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	7,900	0	7,900
**D	DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	74,600	0	74,600
**D	DEKA INVESTMENT GMBH RE ARIDEKA	1,150,000	0	1,150,000
**D	DEKA INVEST DIVIDENDENSTRATEGIE CF A	1,088,900	0	1,088,900
**D	HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	2,810,128	0	2,810,128
**D	UBS GLOBAL ASSET MANAGEMENT LIFE LTD	73,068	0	73,068
**D	UBS ASSET MANAGEMENT LIFE LTD	283	0	283
**D	FONDO CONSOLIDADO DE RESERVAS PREVISIONA	86,791	0	86,791
**D	CHINA LIFE INSURANCE COMPANY LIMITED	60,140	0	60,140
**D	COINVEST LIMITED	13,801	0	13,801

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Statutory Auditors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	UBS (US) GROUP TRUST	7,469	0	7,469
**D	T. ROWE PRICE INTERNATIONAL DISCOVERY FU	4,303,286	0	4,303,286
**D	MINISTRY OF STRATEGY AND FINANCE	143,444	0	143,444
**D	T ROWE PRICE INTERNATIONAL EQUITY INDEX	14,257	0	14,257
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	138,293	0	138,293
**D	STICHTING PENSIOENFONDS MEDISCH SPECIALI	506,456	0	506,456
**D	DEKA INVEST RE DEKA-ZMV-FONDS	22,000	0	22,000
**D	DEKA INVESTMENT GMBH RE PRODEKA	65,200	0	65,200
**D	DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	9,400	0	9,400
**D	DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	10,813	0	10,813
**D	MI-FONDS 392	462,000	0	462,000
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	309,886	0	309,886
**D	NATIONWIDE SMALL CAP INDEX FUND	400,962	0	400,962
**D	PENSIONSKASSEN FOR BORNE-OG UNGDOMS	16,958	0	16,958
**D	KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	1,525,392	0	1,525,392
**D	DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	546,850	0	546,850
**D	STICHTING PENSIOENFONDS VOOR HUISARTSEN	25,292	0	25,292
**D	T ROWE PRICE GLOBAL ALLOCATION FUND INC	7,791	0	7,791
**D	T ROWE INTL SMALL CAP EQUITY TRUST	486,110	0	486,110
**D	ENTERGY CORP.RETIREMENT PLANS MASTER TR.	203,718	0	203,718
**D	INVESCO GLOBAL SMALL CAP EQUITY POOL	143,065	0	143,065
**D	RBC CANADIAN MASTER TRUST	124,418	0	124,418
**D	REGIME DE RETRAITE D HYDRO QUEBEC	102,698	0	102,698
**D	WEST MIDLANDS METROPOLITAN AUT PENS FD	61,000	0	61,000
**D	AXA FRAMLINGTON FINANCIAL FUND	125,000	0	125,000
**D	NATIXIS INTERNT FUNDS LUX I	238,000	0	238,000
**D	FCP SCANDIUM	122,000	0	122,000
**D	ALLIANZGI FONDS BAT LS	92,900	0	92,900
**D	ALLIANZGI FONDS PF1	14,182	0	14,182
**D	ALLIANZGI FONDS AFE	3,943	0	3,943
**D	FCP BRONGNIART AVENIR	100,000	0	100,000
**D	TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	1,507,269	0	1,507,269
**D	PFIZER JAPAN INC PENSION FUND	80,700	0	80,700
**D	TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	55,682	0	55,682
**D	THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	83,856	0	83,856
**D	BT WHOLESALE MULTI MANAG INTL SHARE FUND	186,764	0	186,764
**D	SCHRODER PENSION MANAGEMENT LTD	42,277	0	42,277
**D	MFS INTERNATIONAL NEW DISCOVERY FUND	2,267,886	0	2,267,886
**D	AVIVA LIFE & PENSIONS UK LIMITED	53,590	0	53,590
**D	AVIVA LIFE AND PENSIONS UK LIMITED	181,930	0	181,930
**D	SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	71,392	0	71,392
**D	SCHRODER EUROPEAN FUND	2,365,914	0	2,365,914
**D	SCHRODER INTERNATIONAL SMALL COMPANIES P	8,000	0	8,000
**D	SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	125,000	0	125,000
**D	TEACHERS PENSION PLAN & PRIVATE SCHOOL	639,710	0	639,710

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RESULTS OF VOTING

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	FTSE ALL WORLD INDEX FUND	33,351	0	33,351
**D	FRIENDS LIFE LIMITED	89,644	0	89,644
**D	REASSURE LIMITED	14,216	0	14,216
**D	HSBC EUROPEAN INDEX FUND	75,508	0	75,508
**D	NORTHERN IRELAND LOCAL GOV PENSION FUND	84,483	0	84,483
**D	FRIENDS LIFE AND PENSIONS LIMITED	6,627	0	6,627
**D	FCP VILLIERS ACTIONS EDRAM	968,000	0	968,000
**D	ANIMA SGR SPA	12,381,073	0	12,381,073
**D	ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	242,269	0	242,269
**D	ARTEMIS EUROPEAN OPPORTUNITIES FUND	1,301,374	0	1,301,374
**D	NMM3 EUEQ MFS ACCOUNT	8,971	0	8,971
**D	CITI RETIREMENT SAVINGS PLAN	115,234	0	115,234
**D	FIRST INVESTORS GLOBAL FUND	306,236	0	306,236
**D	UWF TROW INTL DISCOVERY	55,384	0	55,384
**D	BOK KIC GAEQ6	85,699	0	85,699
**D	PS FTSE LO BT EQ WT PORT	32,076	0	32,076
**D	CEP DEP IP GLOBAL SMALLER COS	802,185	0	802,185
**D	EIR EIE WELLINGTON INT	179,053	0	179,053
**D	BNYMTCIL IFS4 INV CONT EU SM CAP FD	1,317,413	0	1,317,413
**D	BNYMTCIL IFS4 INV GBL SM CAP EQ FD	385,588	0	385,588
**D	PS FTSERAFI EUSM UCITS ETF BNYMTCIL	2,919	0	2,919
**D	PS SP INTL DEVEL QUALITY PORTFOLIO	4,736	0	4,736
**D	PS FR DEVEL MARK EX US SMALL PORT	5,473	0	5,473
**D	PRU SECTOR FDS INC PRU FIN SER FD	787,168	0	787,168
**D	AST TRP DIVERS REAL GWTH PORT PDMO	1,049	0	1,049
**D	AST FI PYRAMIS QUANT AA IE SC PDGJ	83,115	0	83,115
**D	AST TRP GWTH OPP PORT BAL PDRB	26,600	0	26,600
**D	AST RCM WORLD TRENDS PORT PDBF	250,800	0	250,800
**D	WELLINGTON MGMT CY LLPQUALITY EDUC FD	138,871	0	138,871
**D	BANK OF AMERICA PENSION PLAN OECHSLE	143,212	0	143,212
**D	BOA FBO SKL INVESTMENT GRP LLC	8,534	0	8,534
**D	WMP OPP INVESTMENT PRTNS LP	32,852	0	32,852
**D	AWAF AWAC WELLINGTON	58,355	0	58,355
**D	THE CLEVELAND CLINIC FOUNDATION	70,858	0	70,858
**D	GLOBAL EQUITY WELLINGTON	235,725	0	235,725
**D	GLOBAL INVESTMENT FUND	31,323	0	31,323
**D	MFS INTL EQUITY FUND	74,599	0	74,599
**D	INVESCO FUNDS	177,083	0	177,083
**D	HP INC MASTER TRUST	68,418	0	68,418
**D	BNYMTD RAMAM WORLD RECOVERY FUND	180,600	0	180,600
**D	UNISYS MASTER TRUST	70,952	0	70,952
**D	CPA COP PSERS PYRAMIS GLOBAL ADV	78,706	0	78,706
**D	BNYMTD RM GLOBAL HIGH ALPHA FUND	63,600	0	63,600
**D	FLORIDA RETIREMENT SYSTEM	215,017	0	215,017
**D	BELL ATLANTIC MASTER TRUST	41,418	0	41,418

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	VERIZON MASTER SAVINGS TRUST	98,016	0	98,016
**D	UTC WELLINGTON GLOBAL	91,148	0	91,148
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	132,596	0	132,596
**D	BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	109,924	0	109,924
**D	PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	246	0	246
**D	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	192,127	0	192,127
**D	PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	385,014	0	385,014
**D	PIONEER FD-EUROPEAN RESEARCH	321,167	0	321,167
**D	PIONEER FD-EURO EQ OPTIMAL VOL	95,282	0	95,282
**D	PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	25,412	0	25,412
**D	PIONEER FD SF EQUITY PLAN60	52,401	0	52,401
**D	PIONEER FD-GLOBAL MULTI ASSET	39,321	0	39,321
**D	PIONEER FD-EUROPEAN POTENTIAL	1,801,653	0	1,801,653
**D	FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	250,000	0	250,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	110,000	0	110,000
**D	FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	100,000	0	100,000
**D	F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	60,000	0	60,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	15,000	0	15,000
**D	GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	11,000	0	11,000
**D	FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	5,000	0	5,000
**D	METZLER INT INV EUR SMALLER CO	1,575,000	0	1,575,000
**D	UBS EUROP SMALL CAP EQUITY FD	84,125	0	84,125
**D	CIPAV ALOIS	117,262	0	117,262
**D	SOGECAP ACTIONS SMALL CAP	942,243	0	942,243
**D	SG ACTIONS EUROPE MID CAP	197,367	0	197,367
**D	AGI FRANCE	171,200	0	171,200
**D	ALLIANZ ACTIONS EURO PME-ETI	167,700	0	167,700
**D	AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	10,120	0	10,120
**D	COLONIAL FIRST STATE INVESTMENTS LIMITED.	71,939	0	71,939
**D	STICHTING PGGM DEPOSITARY	179,921	0	179,921
**D	WELLINGTON ALTA FUND	94,527	0	94,527
**D	UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	73,720	0	73,720
**D	UBS FUND MANAGEMENT (SWITZERLAND) AG.	132,808	0	132,808
**D	CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	11,326	0	11,326
**D	UBS (LUX) EQUITY SICAV	128,845	0	128,845
**D	S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	201,592	0	201,592
**D	FEDERATED KAUFMANN FUND	6.839,360	0	6,839,360
**D	FEDERATED KAUFMANN FUND II	166,330	0	166,330
**D	FEDERATED KAUFMANN SMALL CAP FUND	874,310	0	874,310
**D	LAUDUS INTERNATIONAL MARKETMASTERS FUND	684,332	0	684,332
**D	SCHWAB INTERNATIONAL EQUITY ETF	195,728	0	195,728
**D	JOHN HANCOCK SEAPORT FUND	522,049	0	522,049
**D	WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	152,865	0	152,865
**D	MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	142,892	0	142,892
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	165,000	0	165,000

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**D	ANIMA FUNDS PLC	353,973	0	353,973
**D	MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	127,626	0	127,626
**D	THE FRANCIS E. PARKER MEMORIAL HOME	23,936	0	23,936
**D	THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	41,964	0	41,964
**D	THE GABELLI GLOBAL SMALL AND MID CAP VALUE TRUST	49,000	0	49,000
**D	THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	25,000	0	25,000
**D	HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	907,160	0	907,160
**D	HARTFORD CAPITAL APPRECIATION HLS FUND	1,411,126	0	1,411,126
**D	THE HARTFORD INTERNATIONAL GROWTH FUND	141,392	0	141,392
**D	THE HARTFORD CAPITAL APPRECIATION FUND	3,822,524	0	3,822,524
**D	THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	1,698,920	0	1,698,920
**D	HARTFORD INTERNATIONAL EQUITY FUND	20,015	0	20,015
**D	THE HARTFORD GLOBAL ALL- ASSET FUND	73,365	0	73,365
**D	HARTFORD GLOBAL CAPITAL APPRECIATION FUND	549,306	0	549,306
**D	HARTFORD HEALTHCARE ENDOWMENT LLC	10,847	0	10,847
**D	HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	9,572	0	9,572
**D	ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	7,316	0	7,316
**D	HENKEL OF AMERICA MASTER RETIREMENT TRUST	20,932	0	20,932
**D	TEXAS MUNICIPAL RETIREMENT SYSTEM	897,775	0	897,775
**D	ASHWOOD INVESTMENTS LIMITED	6,619	0	6,619
**D	STATE OF NEW JERSEY COMMON PENSION FUND D	257,203	0	257,203
**D	NEW YORK STATE DEFERRED COMPENSATION PLAN	124,544	0	124,544
**D	CITY OF NEW YORK GROUP TRUST	513,664	0	513,664
**D	WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	122,551	0	122,551
**D	HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	193,662	0	193,662
**D	BIMCOR GLOBAL EQUITY POOLED FUND	87,658	0	87,658
**D	GOVERNMENT OF THE PROVINCE OF ALBERTA	169,600	0	169,600
**D	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	2,292,969	0	2,292,969
**D	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	365,713	0	365,713
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	136,317	0	136,317
**D	METZLER INVESTMENT GMBH FOR MI-FONDS 415	113,500	0	113,500
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	346,439	0	346,439
**D	SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	37,395	0	37,395
**D	VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	125,203	0	125,203
**D	THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	376,990	0	376,990
**D	THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	88,420	0	88,420
**D	THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	151,092	0	151,092
**D	WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	7,964	0	7,964
**D	THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	12,538	0	12,538
**D	THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	900,083	0	900,083
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	226,758	0	226,758
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	2,381	0	2,381
**D	WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	56,613	0	56,613
**D	AXA WORLD FUNDS	12,770,072	0	12,770,072
**D	ALLIANZ GLOBAL INVESTORS FUND	1,446,700	0	1,446,700

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	Surname	Tot. Votes	On own behalf	Proxy
**D	MFS MERIDIAN FUNDS	1,306,568	0	1,306,568
**D	KIEGER FUND I	50,329	0	50,329
**D	UBS ETF	5,105	0	5,105
**D	INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	61,206	0	61,206
**D	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	157,750	0	157,750
**D	COLLEGE RETIREMENT EQUITIES FUND	1,416,042	0	1,416,042
**D	RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	238,547	0	238,547
**D	RUSSELL INVESTMENT FUNDS NON-U.S. FUND	28,598	0	28,598
**D	MULTI-STYLE, MULTI-MANAGER FUNDS PLC	210,400	0	210,400
**D	ONTARIO TEACHERS PENSION PLAN BOARD	183,162	0	183,162
**D	THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	24,218	0	24,218
**D	THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	5,970	0	5,970
**D	THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	622,711	0	622,711
**D	GOVERNMENT INSTITUTIONS PENSION FUND	3,059	0	3,059
**D	BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	1,495,583	0	1,495,583
**D	GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	120,164	0	120,164
**D	SCHLUMBERGER COMMON INVESTMENT FUND	44,607	0	44,607
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	53,438	0	53,438
**D	BLUE SKY GROUP	209,000	0	209,000
**D	BATTELLE MEMORIAL INSTITUTE	39,700	0	39,700
**D	DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	59,456	0	59,456
**D	PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	291,526	0	291,526
**D	THE HEALTH FOUNDATION	57,168	0	57,168
**D	MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	57,188	0	57,188
**D	ST. JOSEPH HEALTH SYSTEM	100,661	0	100,661
**D	TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	17,288	0	17,288
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	319,807	0	319,807
**D	EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	44,336	0	44,336
**D	STATE UNIVERSITIES RETIREMENT SYSTEM	68,085	0	68,085
**D	UTAH STATE RETIREMENT SYSTEMS	44,501	0	44,501
**D	STICHTING PENSIOENFONDS APF	2,873	0	2,873
**D	ILLINOIS STATE BOARD OF INVESTMENT	77,149	0	77,149
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	20,610	0	20,610
**D	EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	528,640	0	528,640
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	26,395	0	26,395
**D	EURIZON EASY FUND - EQUITY ITALY	129,738	0	129,738
**D	EURIZON FUND - EQUITY ITALY SMART VOLATILITY	76,384	0	76,384
**D	AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	994,376	0	994,376
**D	AMUNDI LUXEMBOURG SA	909,666	0	909,666
**D	FCP EDMOND DE ROTHSCHILD EURO LEADERS	923,900	0	923,900
**D	FCP EDMOND DE ROTHSCHILD EURO SRI	168,000	0	168,000
**D	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	834,000	0	834,000
**D	FCP LCF PHARMA INTERNATIONAL	164,920	0	164,920
**D	CNP ASSUR SMALL CAP	432,330	0	432,330
**D	EDMOND DE ROTHSCHILD ASSET MANAGEMENT	399,330	0	399,330

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RESULTS OF VOTING

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	AA FORTIS ACTIONS PETIT CAP EUROPE	270,956	0	270,956
**D	FCP RSI EURO P	63,089	0	63,089
**D	FCP VILLIERS DIAPASON	69,636	0	69,636
**D	FCP NATIXIS ACTIONS SMALL MID CAP EURO	263,000	0	263,000
**D	ASSURDIX	41,977	0	41,977
**D	CPR EURO HIGH DIVIDEND	94,061	0	94,061
**D	CPR SILVER AGE	2,472,859	0	2,472,859
**D	SICAV BBM V-FLEX	135,784	0	135,784
**D	FCP BEST BUSINESS MODELS	1,530,000	0	1,530,000
**D	CROISSANCE PME M	433,376	0	433,376
**D	BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	973,829	0	973,829
**D	PUBLIC SERVICE PENSION PLAN FUND	35,520	0	35,520
**D	TEACHERS` PENSION PLAN FUND	37,223	0	37,223
**D	TELUS PENSIONS MASTER TRUST	78,303	0	78,303
2276	ROSSI MARCO	57,288	57,288	0
2666	DI PALMA GIUSEPPE	1,100	1,100	0
3005	CAGLIA MARIA	0	0	0
DE*	UNICREDIT S.P.A.	215,066,403	0	215,066,403
3061	VIOZZI DANIELE	50	50	0
3200	SCANU MARCO	187	187	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	MOMENTUM INVESTMENT FUNDS SCIVA SIF	133,040	0	133,040
**D	JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	2,045,229	0	2,045,229
**D	JPMORGAN INVESTMENT FUNDS	1,205,954	0	1,205,954
**D	CC&L Q 140/40 FUND	600	0	600
**D	CC& L US Q MARKET NEUTRAL ONSHORE FUND I	300	0	300
**D	CC&L Q CAN EQUITY 130/30 PLUS FUND	775	0	775
**D	CC&L Q MARKET NEUTRAL FUND	82,300	0	82,300
**D	VANGUARD EUROPEAN STOCK INDEX FUND	691,987	0	691,987
**D	VANGUARD DEVELOPED MARKETS INDEX FUND	1,795,422	0	1,795,422
**D	VANGUARD TOTAL WORLD STOCK INDEX FUND	82,591	0	82,591
**D	VANGUARD FTSE ALL-WORLD EX US INDEX FUND	565,229	0	565,229
**D	VANGUARD FUNDS PLC	91,522	0	91,522
**D	RAINIER INT SMALL CAP EQUITY COLLECTIVE	182,840	0	182,840
**D	VANGUARD INVESTMENT SERIES PLC	79,836	0	79,836
**D	JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	3,877	0	3,877
**D	STICHT BEDRIJ MEDIA PNO	180,000	0	180,000
**D	HENDERS.EURO.SMALLER COMPANIES FUND	322,357	0	322,357
**D	HENDERSON INSTIT EUROP INDEX OPP FUND	42,487	0	42,487
**D	SAINT MARTIN 4	888,000	0	888,000
**D	FCP SAKKARAH 7	7,500	0	7,500
**D	FCPE TOTAL ACTIONS EUROPEENNES	750,000	0	750,000
**D	FCP KLESIA A DIVERSIFIE	325,000	0	325,000
**D	TOTAL GESTION FLEX PATRI	44,970	0	44,970
**D	FONDS RESERVE RETRAITES	888,450	0	888,450

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**D	HENDERSON HORIZON FUND SICAV	2,101,556	0	2,101,556
**D	HENDERSON GARTMORE FUND	572,233	0	572,233
**D	MERIFIN CAPITAL B.V.	39,940	0	39,940
**D	VANGUARD INTERNATIONAL SMALL COMPANIES I	20,939	0	20,939
**D	ONEPATH GLOBAL SHARES - SMALL CAP INDEX	22,117	0	22,117
**D	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	4,895	0	4,895
**D	NVIT MULTI MANAGER INTERNATIONAL GROWTH	143,770	0	143,770
**D	JPM EUROPE DYNAMIC (EX UK) FUND	551,178	0	551,178
**D	JPM EUROPE SMALLER COMPANIES FUND	409,306	0	409,306
**D	VANGUARD TOTAL INTERNATIONAL STOCK INDEX	4,791,064	0	4,791,064
**D	JPMORGAN EUROPEAN INVESTMENT TRUST PLC	94,946	0	94,946
**D	JPMORGAN EUROPEAN SMALLER COMPANIES TST	1,533,787	0	1,533,787
**D	JAPAN TRUSTEE SERVICES BANK LTD AS TRUST	3,489	0	3,489
**D	JTSB LTD. AS TRUSTEE FOR SUMITOMO	16,888	0	16,888
**D	NEW YORK LIFE INSURANCE COMPANY	66,324	0	66,324
**D	PEERLESS INSURANCE COMPANY	115,223	0	115,223
**D	PROSHARES HEDGED FTSE EUROPE ETF	191	0	191
**D	JPMORGAN INTERNATIONAL DISCOVERY FUND	6,507	0	6,507
**D	THE CANADA POST CORPORATION PENSION PLAN	104,309	0	104,309
**D	TR EUROPEN GROWTH TRUST PLC	1,844,247	0	1,844,247
**D	ING DIRECT	29,652	0	29,652
**D	FIDELITY SAL ST T SPARTAN TOTAL INT IN F	4,749	0	4,749
**D	BEST INVESTMENT CORPORATION	9,518	0	9,518
**D	BLACKROCK INSTITUTIONAL POOLED FUND PLC	6,097	0	6,097
**D	CHINA LIFE INSURANCE (GROUP) COMPANY	2,554	0	2,554
**D	BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	1,214	0	1,214
**D	BLACKROCK FISSION INDEXED INTL EQUITY FD	24,822	0	24,822
**D	SUPER FUNDS MANAG CORP SOUTH AUSTRALIA	119,451	0	119,451
**D	MINISTRY OF STRATEGY AND FINANCE	33,349	0	33,349
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	32,767	0	32,767
**D	TRUST AND CUSTODY SERVICED BANK LIMITED	34,871	0	34,871
**D	THE MASTER TRUST BANK OF JAPAN LTD	37,838	0	37,838
**D	MASTER TRUST FOR NATIONAL PENSION FD	35,535	0	35,535
**D	FLF STRATEGIC GLOBAL EQUITY FUND	72,428	0	72,428
**D	BOK KIC AAEQ 3	15,026	0	15,026
**D	SUBSIDIZED SCHOOLS P FUND NORTHERN	13,614	0	13,614
**D	55016 UP INTERNATIONALE AKTIER	225,930	0	225,930
**D	WILM MULTI MGR INTL FD OBERWEIS	241,652	0	241,652
**D	56053 IP GLOBAL EQUITIES I	12,883	0	12,883
**D	LMIF LMGAMI EURO SMLL CP	181,818	0	181,818
**D	IQ 50 PERCENT HEDGED FTSE EURO ETF	3,749	0	3,749
**D	DEUTSCHE XTRK MSCI EMU HDG EQ ETF	4,402	0	4,402
**D	BLACKROCK GLOBAL FUNDS	4,397,203	0	4,397,203
**D	FPXF WILLIAM BLAIR CO	31,880	0	31,880
**D	RVN WILLIAM BLAIR	4,196	0	4,196

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**D	BLL AQUILA LIFE EUROPEAN EQUITY	755,618	0	755,618
**D	BLL ASCENT LIFE EUROPEAN	62,130	0	62,130
**D	BLK MULTI ASSET INC PF EUR EQU INC	478,931	0	478,931
**D	BLL AQUILA LIFE OSEAS EQUITY FUND	4,851	0	4,851
**D	BLL ASCENT LIFEENHANCED	1,766	0	1,766
**D	DEUTSCHE XTRK MSCI EAFE SC HDG ETF	466	0	466
**D	CHI OPERATING INVESTMENT PROGRAM LP	78,109	0	78,109
**D	CATHOLIC HEALTH INITIATIVES MASTER TRUST	40,056	0	40,056
**D	FIRST INITIATIVES INSURANCE LIMITED	6,914	0	6,914
**D	EATON VANCE MGMT INTL SMALL CAP	1,057	0	1,057
**D	ONFF WILLIAM BLAIR NONUS	17,060	0	17,060
**D	CE8F WILLIAM BLAIR IACG	115,413	0	115,413
**D	RAYTHEON MASTER PENSION TRUST	1,528	0	1,528
**D	VANGUARD INTL HIGH DIV YLD INDEX FD	14,295	0	14,295
**D	BSNF NTR WILLIAM BLAIR	12,404	0	12,404
**D	BSPF PMT WILLIAM BLAIR	8,749	0	8,749
**D	BGF EURO MKTS FD EURO EQUITY PF	8,176,154	0	8,176,154
**D	BGF FLEX MULTI ASSET GBL EQ PF	9,039	0	9,039
**D	LRPF WILLIAM BLAIR	42,009	0	42,009
**D	W11F WILLIAM BLAIR	10,510	0	10,510
**D	BFTF WILLIAM BLAIR	21,724	0	21,724
**D	US BK RAINIER INTL DISCOVERY FUND	395,610	0	395,610
**D	ATFF AMERICAN CENTURY	74,487	0	74,487
**D	RZSF3001 NON US GE W BLAIR	103,201	0	103,201
**D	ALASKA PERMANENT FUND CORPORATION	57,838	0	57,838
**D	1216 APG DME FINANC	1,221,917	0	1,221,917
**D	2054 APG DME BLACKR	117,398	0	117,398
**D	AON HEWITT COLLECTIVE INVESTMENT TRUST	27,414	0	27,414
**D	MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	30,345	0	30,345
**D	PHC NT SMALL CAP	26,269	0	26,269
**D	BNYMTD BLK CONTINENTAL EURO INC	4,653,703	0	4,653,703
**D	BNYMTD BLK CONT EUR EQ TRCK FD INV	265,102	0	265,102
**D	PENSION RESERVES INVESTMENT TRUST FUND	73,110	0	73,110
**D	VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	97,220	0	97,220
**D	THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	20,153	0	20,153
**D	GENERAL MILLS INVESTMENT TRUST	36,637	0	36,637
**D	INDIANA PUBLIC RETIREMENT SYSTEM	12,426	0	12,426
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	27,702	0	27,702
**D	SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	19,925	0	19,925
**D	UPS GROUP TRUST	86,396	0	86,396
**D	ELEVA UCITS FD-ELEVA ABSOLUTE	6,479,400	0	6,479,400
**D	COLISEE IFC 1	538,000	0	538,000
**D	IRISH LIFE ASSURANCE.	184,234	0	184,234
**D	LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	1,666,611	0	1,666,611
**D	CITIBANK KOREA INC	848,102	0	848,102

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**D	THREADNEEDLE (LUX	978,719	0	978,719
**D	THREADNEEDLE INVESTMENT FUNDS ICVC	11,652,830	0	11,652,830
**D	LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	8,892	0	8,892
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	12,500	0	12,500
**D	GOVERNMENT OF NORWAY	5,524,312	0	5,524,312
**D	NORGES BANK	109,988	0	109,988
**D	AQR ORACLE FUND LP	5,896	0	5,896
**D	NUMERIC ABS RETURN FD LP	18,000	0	18,000
**D	FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	2,062	0	2,062
**D	FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	203,488	0	203,488
**D	INTERNATIONAL MONETARY FUND	15,994	0	15,994
**D	AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	6,110	0	6,110
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	26,000	0	26,000
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	23,070	0	23,070
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	301,560	0	301,560
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	219,530	0	219,530
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	266,990	0	266,990
**D	AMERICAN CENTURY RETIREMENT DATE TRUST	114,333	0	114,333
**D	CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	183,278	0	183,278
**D	CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	462	0	462
**D	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	28,252	0	28,252
**D	EATON VANCE INTERNATIONAL SMALL-CAP FUND	10,546	0	10,546
**D	WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	217,799	0	217,799
**D	WILLIAM BLAIR INTERNATIONAL GROWTH FUND	657,058	0	657,058
**D	WILLIAM BLAIR INSTITUTIONAL INTERNATIONAL GROWTH FUND	476,734	0	476,734
**D	MM SELECT EQUITY ASSET FUND	6,406	0	6,406
**D	ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM	78,810	0	78,810
**D	MARYLAND STATE RETIREMENT & PENSION SYSTEM	19,979	0	19,979
**D	MERCER QIF CCF	1,101,611	0	1,101,611
**D	MERCER QIF CCF	616,038	0	616,038
**D	STATE OF MONTANA BOARD OF INVESTMENTS	66,699	0	66,699
**D	CITY OF NEW YORK GROUP TRUST	183,462	0	183,462
**D	STATE STREET IRELAND UNIT TRUST	52,145	0	52,145
**D	SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY	62,756	0	62,756
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	634,198	0	634,198
**D	UAW RETIREE MEDICAL BENEFITS TRUST	154,557	0	154,557
**D	VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	3,873	0	3,873
**D	VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	3,671	0	3,671
**D	VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	697	0	697
**D	VANGUARD GLOBAL LIQUIDITY FACTOR ETF	1,061	0	1,061
**D	VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	8,723	0	8,723
**D	VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	25,281	0	25,281
**D	VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	1,123	0	1,123
**D	WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	26,627	0	26,627
**D	WELLS FARGO ALTERNATIVE STRATEGIES FUND	7,561	0	7,561

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**D	WASHINGTON STATE INVESTMENT BOARD	165,288	0	165,288
**D	WASHINGTON STATE INVESTMENT BOARD	3,050	0	3,050
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	139	0	139
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	17,270	0	17,270
**D	WISDOMTREE DEFA EQUITY INCOME FUND	18,109	0	18,109
**D	WISDOMTREE INTERNATIONAL EQUITY FUND	30,409	0	30,409
**D	WISDOMTREE INTERNATIONAL MIDCAP DIVIDEND FUND	37,696	0	37,696
**D	WISDOMTREE EUROPE LOCAL RECOVERY FUND	867	0	867
**D	WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	212,713	0	212,713
**D	NEW YORK STATE TEACHERS RETIREMENT SYSTEM	131,253	0	131,253
**D	PRUDENTIAL BANK AND TRUST	56,511	0	56,511
**D	SPDR EURO STOXX SMALL CAP ETF	19,641	0	19,641
**D	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	560,715	0	560,715
**D	BLACKROCK STRATEGIC FUNDS	102,172	0	102,172
**D	KIEGER FUND I	1,887	0	1,887
**D	ISHARES MSCI EAFE SMALL CAP ETF	1,043,062	0	1,043,062
**D	ISHARES MSCI EUROPE SMALL-CAP ETF	29,608	0	29,608
**D	BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	548,131	0	548,131
**D	ISHARES CORE MSCI EAFE ETF	592,081	0	592,081
**D	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	114,889	0	114,889
**D	ISHARES MSCI INTERNATIONAL DEVELOPED ETF	2,460	0	2,460
**D	ISHARES CORE MSCI EAFE IMI INDEX ETF	16,762	0	16,762
**D	ISHARES MSCI EUROPE IMI INDEX ETF	6,701	0	6,701
**D	ISHARES CORE MSCI EUROPE ETF	79,880	0	79,880
**D	CONNECTICUT GENERAL LIFE INSURANCE COMPANY	2,775	0	2,775
**D	CDN ACWI ALPHA TILTS FUND	15,426	0	15,426
**D	RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B	1,917	0	1,917
**D	EURO EX-UK ALPHA TITLS FUND B	9,358	0	9,358
**D	WORLD ALPHA TILTS NON-LENDABLE FUND B	757	0	757
**D	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	15,676	0	15,676
**D	DELUXE CORPORATION MASTER TRUST	12,195	0	12,195
**D	MERCY HEALTH	9,457	0	9,457
**D	MERCY HEALTH RETIREMENT TRUST	2,453	0	2,453
**D	TRUTH INITIATIVE FOUNDATION	4,601	0	4,601
**D	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	103,806	0	103,806
**D	ISHARES PUBLIC LIMITED COMPANY	1,002,024	0	1,002,024
**D	ISHARES II PUBLIC LIMITED COMPANY	603,850	0	603,850
**D	ISHARES VII PLC	674,577	0	674,577
**D	ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	233,174	0	233,174
**D	BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	1,086,651	0	1,086,651
**D	BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	163,680	0	163,680
**D	BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	334,720	0	334,720
**D	BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	273,064	0	273,064
**D	MANAGED PENSION FUNDS LIMITED	12,389	0	12,389
**D	THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	11,592	0	11,592

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**D	FAMILY INVESTMENTS CHILD TRUST FUND	14,367	0	14,367
**D	FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	9,961	0	9,961
**D	HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	284,213	0	284,213
**D	STICHTING PHILIPS PENSIOENFONDS	49,007	0	49,007
**D	THE TRUSTEES OF SAL PENSION SCHEME	3,820	0	3,820
**D	VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	17,302	0	17,302
**D	VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	41,639	0	41,639
**D	VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	103,491	0	103,491
**D	VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	276	0	276
**D	SUNSUPER SUPERANNUATION FUND	13,451	0	13,451
**D	CANADA PENSION PLAN INVESTMENT BOARD	369,604	0	369,604
**D	THE TRUSTEES OF BP PENSION FUND	773,030	0	773,030
**D	FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	13,955	0	13,955
**D	UNIVERSITY OF KENTUCKY	10,000	0	10,000
**D	WHEELS COMMON INVESTMENT FUND	18,626	0	18,626
**D	CHEVRON MASTER PENSION TRUST	29,057	0	29,057
**D	CHEVRON UK PENSION PLAN	2,761	0	2,761
**D	THE CURATORS OF THE UNIVERSITY OF MISSOURI	50,065	0	50,065
**D	DFI LP EQUITY (PASSIVE)	1,693	0	1,693
**D	NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND	12,165	0	12,165
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	169,898	0	169,898
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	34,430	0	34,430
**D	NEW ZEALAND SUPERANNUATION FUND	26,623	0	26,623
**D	AON SAVINGS PLAN TRUST	46,862	0	46,862
**D	MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	2,113	0	2,113
**D	NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST	363,921	0	363,921
**D	TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	17,985	0	17,985
**D	ADVOCATE HEALTH CARE NETWORK	20,899	0	20,899
**D	CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	64,284	0	64,284
**D	FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	10,415	0	10,415
**D	ILLINOIS MUNICIPAL RETIREMENT FUND	134,679	0	134,679
**D	LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM	41,051	0	41,051
**D	CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN	65,307	0	65,307
**D	UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	51,783	0	51,783
**D	POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	32,151	0	32,151
**D	SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM	116,549	0	116,549
**D	SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	17,859	0	17,859
**D	FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	1,181	0	1,181
**D	OPSEU PENSION PLAN TRUST FUND	5,309	0	5,309
**D	NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	2,417,367	0	2,417,367
**D	THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	572,086	0	572,086
**D	STRATHCLYDE PENSION FUND	341,499	0	341,499
**D	MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO	27,415	0	27,415
**D	NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	891	0	891
**D	NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	212,266	0	212,266

Shareholders:	556	People:	17
Shareholders on own behalf:	14	Shareholders by proxy:	542

DE* proxy to the natural persona above mentioned with the badge number

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RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Determination of the remuneration due to the Statutory Auditors**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	SSGA GROSS ROLL UP UNIT TRUST	13,909	0	13,909
**D	LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	4,616	0	4,616
**D	STATE TEACHERS RETIREMENT SYSTEM OF OHIO	423,988	0	423,988
**D	ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND	32,387	0	32,387
**D	UNIVEST	126,385	0	126,385
**D	STG PFDS V.D. GRAFISCHE	155,541	0	155,541
**D	FCP ECUREUIL RETRAITE EURO ACTIONS 4	300,000	0	300,000
**D	I.2.C. ACTIONS	488,000	0	488,000
**D	FCP GROUPAMA AVENIR EURO	3,136,372	0	3,136,372
**D	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN	14,955	0	14,955
**D	THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	15,685	0	15,685
**D	MCGILL UNIVERSITY PENSION FUND	7,953	0	7,953
**D	PUBLIC SECTOR PENSION INVESTMENT BOARD	104,668	0	104,668
**D	CIBC INTERNATIONAL SMALL COMPANIES FUND	44,559	0	44,559
**D	CF DV ACWI EX-U.S. IMI FUND	1,587	0	1,587
581	CERASUOLO STEFANO	7,241	7,241	0
599	AMADASI GIORDANO	158	158	0
742	AUSILIO ROSA GIUSEPPINA	187	187	0
773	CORNAGO DANIELE	2,241	2,241	0

Total votes	452,313,419
Percentage of voters %	98.644714
Percentage of share capital %	74.428746

Shareholders:	556	People:	17
Shareholders on own behalf:	14	Shareholders by proxy:	542

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **2017 Compensation Policy**

Attendees:

No. **586** shareholders entitled to vote took part in the voting on own behalf or by proxy

No. **458,497,782** ordinary shares

The counting of votes produced the following results:

		%OF ORDINARY SHARE CAPITAL PRESENT (Voting Quorum)	%OF ORDINARY SHARES ENTITLED TO VOTE	%SHARE CAPITAL
Favour	435,489,530	94.981818	94.981818	71.660353
Against	11,336,390	2.472507	2.472507	1.865417
SubTotal	446,825,920	97.454325	97.454325	73.525771
Abstentions	8,130,291	1.773245	1.773245	1.337850
Not Voting	3,541,571	0.772429	0.772429	0.582770
SubTotal	11,671,862	2.545675	2.545675	1.920620
Total	458,497,782	100.000000	100.000000	75.446390

Shareholders:	586	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	566

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Compensation Policy**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	FIDELITY FUNDS SICAV	1,194,975	0	1,194,975
**D	STICHTING PENSIOENFONDS MEDISCH SPECIALI	506,456	0	506,456
**D	MI-FONDS 392	462,000	0	462,000
**D	PENSIONSKASSEN FOR BORNE-OG UNGDOMS	16,958	0	16,958
**D	KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	1,525,392	0	1,525,392
**D	STICHTING PENSIOENFONDS VOOR HUISARTSEN	25,292	0	25,292
**D	NATIXIS INTERNT FUNDS LUX I	238,000	0	238,000
**D	FCP SCANDIUM	122,000	0	122,000
**D	FCP BRONGNIART AVENIR	100,000	0	100,000
**D	BT WHOLESALE MULTI MANAG INTL SHARE FUND	186,764	0	186,764
**D	AVIVA LIFE & PENSIONS UK LIMITED	53,590	0	53,590
**D	AVIVA LIFE AND PENSIONS UK LIMITED	181,930	0	181,930
**D	FRIENDS LIFE LIMITED	89,644	0	89,644
**D	FRIENDS LIFE AND PENSIONS LIMITED	6,627	0	6,627
**D	FCP VILLIERS ACTIONS EDRAM	968,000	0	968,000
**D	AST RCM WORLD TRENDS PORT PDBF	250,800	0	250,800
**D	BNYMTD RAMAM WORLD RECOVERY FUND	180,600	0	180,600
**D	BNYMTD RM GLOBAL HIGH ALPHA FUND	63,600	0	63,600
**D	METZLER INT INV EUR SMALLER CO	1,575,000	0	1,575,000
**D	AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	10,120	0	10,120
**D	STICHTING PGGM DEPOSITARY	179,921	0	179,921
**D	METZLER INVESTMENT GMBH FOR MI-FONDS 415	113,500	0	113,500
**D	BATTELLE MEMORIAL INSTITUTE	39,700	0	39,700
**D	THE HEALTH FOUNDATION	57,168	0	57,168
**D	STICHTING PENSIOENFONDS APF	2,873	0	2,873
**D	FCP EDMOND DE ROTHSCHILD EURO LEADERS	923,900	0	923,900
**D	FCP EDMOND DE ROTHSCHILD EURO SRI	168,000	0	168,000
**D	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	834,000	0	834,000
**D	FCP LCF PHARMA INTERNATIONAL	164,920	0	164,920
**D	CNP ASSUR SMALL CAP	432,330	0	432,330
**D	EDMOND DE ROTHSCHILD ASSET MANAGEMENT	399,330	0	399,330
**D	FCP NATIXIS ACTIONS SMALL MID CAP EURO	263,000	0	263,000

Total votes	11,336,390
Percentage of voters %	2.472507
Percentage of share capital %	1.865417

Shareholders:	32	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	32

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Compensation Policy**

ABSTENTIONS

	Surname	Tot. Votes	On own behalf	Proxy
1240	FOGLI MAURIZIO	1,953	1,953	0
1834	CROCE MARIO	1,500	1,500	0
2253	TONELLI GIULIO	0	0	0
**D	AFER ACTION PME	451,836	0	451,836
**D	BNP PARIBAS SMALL CAP EUROLAND	2,526,390	0	2,526,390
**D	BNP PARIBAS ACTIONS PME	543,807	0	543,807
**D	FCP BNP PARIBAS ACTIONS EUROLAND	43,134	0	43,134
**D	PARVEST	3,121,423	0	3,121,423
**D	BNP PARIBAS A FUND	58,956	0	58,956
**D	BNP PARIBAS L1	82,735	0	82,735
**D	BNP PARIBAS B PENSION BALANCED	733,505	0	733,505
**D	BNP PARIBAS B PENSION STABILITY	47,432	0	47,432
**D	METROPOLITAN RENTASTRO	183,304	0	183,304
**D	WEST MIDLANDS METROPOLITAN AUT PENS FD	61,000	0	61,000
**D	AA FORTIS ACTIONS PETIT CAP EUROPE	270,956	0	270,956
2666	DI PALMA GIUSEPPE	1,100	1,100	0
4003	CASTAGNA SERGIO	1	1	0
962	ZACCARDI ANTONELLA	1,259	1,259	0

Total votes	8,130,291
Percentage of voters %	1.773245
Percentage of share capital %	1.337850

Shareholders:	17	People:	6
Shareholders on own behalf:	5	Shareholders by proxy:	12

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Compensation Policy**

NOT VOTING

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	GENERALI INVESTMENTS LUXEMBURG S.A.	684,571	0	684,571
**D	CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	150,000	0	150,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	1,100,000	0	1,100,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	30,000	0	30,000
**D	INTERFUND SICAV INTERFUND EQUITY ITALY	450,000	0	450,000
**D	FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	27,000	0	27,000
**D	MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	1,100,000	0	1,100,000

Total votes	3,541,571
Percentage of voters %	0.772429
Percentage of share capital %	0.582770

Shareholders:	7	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	7

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Compensation Policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
1027	PRANDINI GIULIANO	12,000	12,000	0
1262	AMADEI STEFANO	3,861	3,861	0
1305	ROSSOTTI ROBERTO	3,000	3,000	0
1774	MINNELLA CARMELO GIOVANNI	1,867	1,867	0
1837	SIRIANNI PIER BATTISTA	8,000	8,000	0
2068	BONETTI EMANUELE	100	100	0
2223	MARTIRIGGIANO ANTONIO	2,681	2,681	0
2253	TONELLI GIULIO	0	0	0
**D	ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	670,000	0	670,000
**D	FRANKLIN TEMPLETON INVESTMENT FUNDS	668,413	0	668,413
**D	T. ROWE PRICE FUNDS SICAV	145,427	0	145,427
**D	SCHRODER INTERNATIONAL SELECTION FUND	8,682,403	0	8,682,403
**D	MERRILL LYNCH PROFESSIONAL CLEARING CORP	86,328	0	86,328
**D	WELLINGTON MANAGEMENT PORTFOLIOS	335,843	0	335,843
**D	WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	36,542	0	36,542
**D	WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	28,228	0	28,228
**D	WELLINGTON TRUST COMP COMM TRUST INT OPP	175,018	0	175,018
**D	WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	10,972	0	10,972
**D	JAPAN TRUSTEE SERVICES BANK LTD	469,886	0	469,886
**D	AXA OPTIMAL INCOME	2,068,464	0	2,068,464
**D	AXA VALEURS EURO	1,200,000	0	1,200,000
**D	BANQUE PICTET & CIE SA	33,126	0	33,126
**D	ROBECO CAPITAL GROWTH FUNDS	350,000	0	350,000
**D	DEKA BASISSTRATEGIE FLEXIBEL	23,960	0	23,960
**D	DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	7,900	0	7,900
**D	DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	74,600	0	74,600
**D	DEKA INVESTMENT GMBH RE ARIDEKA	1,150,000	0	1,150,000
**D	DEKA INVEST DIVIDENDENSTRATEGIE CF A	1,088,900	0	1,088,900
**D	HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	2,810,128	0	2,810,128
**D	UBS GLOBAL ASSET MANAGEMENT LIFE LTD	73,068	0	73,068
**D	UBS ASSET MANAGEMENT LIFE LTD	283	0	283
**D	FONDO CONSOLIDADO DE RESERVAS PREVISIONA	86,791	0	86,791
**D	CHINA LIFE INSURANCE COMPANY LIMITED	60,140	0	60,140
**D	COINVEST LIMITED	13,801	0	13,801
**D	UBS (US) GROUP TRUST	7,469	0	7,469
**D	T. ROWE PRICE INTERNATIONAL DISCOVERY FU	4,303,286	0	4,303,286
**D	MINISTRY OF STRATEGY AND FINANCE	143,444	0	143,444
**D	T ROWE PRICE INTERNATIONAL EQUITY INDEX	14,257	0	14,257
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	138,293	0	138,293
**D	DEKA INVEST RE DEKA-ZMV-FONDS	22,000	0	22,000
**D	DEKA INVESTMENT GMBH RE PRODEKA	65,200	0	65,200
**D	DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	9,400	0	9,400
**D	DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	10,813	0	10,813
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	309,886	0	309,886
**D	NATIONWIDE SMALL CAP INDEX FUND	400,962	0	400,962

Shareholders:	530	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	515

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Compensation Policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	546,850	0	546,850
**D	T ROWE PRICE GLOBAL ALLOCATION FUND INC	7,791	0	7,791
**D	T ROWE INTL SMALL CAP EQUITY TRUST	486,110	0	486,110
**D	ENTERGY CORP.RETIREMENT PLANS MASTER TR.	203,718	0	203,718
**D	INVESCO GLOBAL SMALL CAP EQUITY POOL	143,065	0	143,065
**D	RBC CANADIAN MASTER TRUST	124,418	0	124,418
**D	REGIME DE RETRAITE D HYDRO QUEBEC	102,698	0	102,698
**D	AXA FRAMLINGTON FINANCIAL FUND	125,000	0	125,000
**D	ALLIANZGI FONDS BAT LS	92,900	0	92,900
**D	ALLIANZGI FONDS PF1	14,182	0	14,182
**D	ALLIANZGI FONDS AFE	3,943	0	3,943
**D	TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	1,507,269	0	1,507,269
**D	PFIZER JAPAN INC PENSION FUND	80,700	0	80,700
**D	TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	55,682	0	55,682
**D	THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	83,856	0	83,856
**D	SCHRODER PENSION MANAGEMENT LTD	42,277	0	42,277
**D	MFS INTERNATIONAL NEW DISCOVERY FUND	2,267,886	0	2,267,886
**D	SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	71,392	0	71,392
**D	SCHRODER EUROPEAN FUND	2,365,914	0	2,365,914
**D	SCHRODER INTERNATIONAL SMALL COMPANIES P	8,000	0	8,000
**D	SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	125,000	0	125,000
**D	TEACHERS PENSION PLAN & PRIVATE SCHOOL	639,710	0	639,710
**D	FTSE ALL WORLD INDEX FUND	33,351	0	33,351
**D	REASSURE LIMITED	14,216	0	14,216
**D	HSBC EUROPEAN INDEX FUND	75,508	0	75,508
**D	NORTHERN IRELAND LOCAL GOV PENSION FUND	84,483	0	84,483
**D	REALDANIA	532,000	0	532,000
**D	ANIMA SGR SPA	12,381,073	0	12,381,073
**D	ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	242,269	0	242,269
**D	ARTEMIS EUROPEAN OPPORTUNITIES FUND	1,301,374	0	1,301,374
**D	NMM3 EUEQ MFS ACCOUNT	8,971	0	8,971
**D	CITI RETIREMENT SAVINGS PLAN	115,234	0	115,234
**D	FIRST INVESTORS GLOBAL FUND	306,236	0	306,236
**D	UWF TROW INTL DISCOVERY	55,384	0	55,384
**D	BOK KIC GAEQ6	85,699	0	85,699
**D	PS FTSE LO BT EQ WT PORT	32,076	0	32,076
**D	CEP DEP IP GLOBAL SMALLER COS	802,185	0	802,185
**D	EIR EIE WELLINGTON INT	179,053	0	179,053
**D	BNYMTCIL IFS4 INV CONT EU SM CAP FD	1,317,413	0	1,317,413
**D	BNYMTCIL IFS4 INV GBL SM CAP EQ FD	385,588	0	385,588
**D	PS FTSERAFI EUSM UCITS ETF BNYMTCIL	2,919	0	2,919
**D	PS SP INTL DEVEL QUALITY PORTFOLIO	4,736	0	4,736
**D	PS FR DEVEL MARK EX US SMALL PORT	5,473	0	5,473
**D	PRU SECTOR FDS INC PRU FIN SER FD	787,168	0	787,168
**D	AST TRP DIVERS REAL GWTH PORT PDMO	1,049	0	1,049

Shareholders:	530	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	515

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Compensation Policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	AST FI PYRAMIS QUANT AA IE SC PDGJ	83,115	0	83,115
**D	AST TRP GWTH OPP PORT BAL PDRB	26,600	0	26,600
**D	WELLINGTON MGMT CY LLPQUALITY EDUC FD	138,871	0	138,871
**D	BANK OF AMERICA PENSION PLAN OECHSLE	143,212	0	143,212
**D	BOA FBO SKL INVESTMENT GRP LLC	8,534	0	8,534
**D	WMP OPP INVESTMENT PRTNS LP	32,852	0	32,852
**D	AWAF AWAC WELLINGTON	58,355	0	58,355
**D	THE CLEVELAND CLINIC FOUNDATION	70,858	0	70,858
**D	GLOBAL EQUITY WELLINGTON	235,725	0	235,725
**D	GLOBAL INVESTMENT FUND	31,323	0	31,323
**D	MFS INTL EQUITY FUND	74,599	0	74,599
**D	INVESCO FUNDS	177,083	0	177,083
**D	HP INC MASTER TRUST	68,418	0	68,418
**D	UNISYS MASTER TRUST	70,952	0	70,952
**D	CPA COP PSERS PYRAMIS GLOBAL ADV	78,706	0	78,706
**D	AMG TIMESSQUARE INTL SM CAP	643,360	0	643,360
**D	FLORIDA RETIREMENT SYSTEM	215,017	0	215,017
**D	BELL ATLANTIC MASTER TRUST	41,418	0	41,418
**D	VERIZON MASTER SAVINGS TRUST	98,016	0	98,016
**D	UTC WELLINGTON GLOBAL	91,148	0	91,148
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	132,596	0	132,596
**D	BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	109,924	0	109,924
**D	JOHN S AND JAMES L KNIGHT FOUNDATION	229,700	0	229,700
**D	PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	246	0	246
**D	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	192,127	0	192,127
**D	PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	385,014	0	385,014
**D	PIONEER FD-EUROPEAN RESEARCH	321,167	0	321,167
**D	PIONEER FD-EURO EQ OPTIMAL VOL	95,282	0	95,282
**D	PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	25,412	0	25,412
**D	PIONEER FD SF EQUITY PLAN60	52,401	0	52,401
**D	PIONEER FD-GLOBAL MULTI ASSET	39,321	0	39,321
**D	PIONEER FD-EUROPEAN POTENTIAL	1,801,653	0	1,801,653
**D	FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	250,000	0	250,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	110,000	0	110,000
**D	FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	100,000	0	100,000
**D	F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	60,000	0	60,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	15,000	0	15,000
**D	GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	11,000	0	11,000
**D	FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	5,000	0	5,000
**D	UBS EUROP SMALL CAP EQUITY FD	84,125	0	84,125
**D	CIPAV ALOIS	117,262	0	117,262
**D	SOGECAP ACTIONS SMALL CAP	942,243	0	942,243
**D	SG ACTIONS EUROPE MID CAP	197,367	0	197,367
**D	AGI FRANCE	171,200	0	171,200
**D	ALLIANZ ACTIONS EURO PME-ETI	167,700	0	167,700

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	Surname	Tot. Votes	On own behalf	Proxy
**D	COLONIAL FIRST STATE INVESTMENTS LIMITED.	71,939	0	71,939
**D	WELLINGTON ALTA FUND	94,527	0	94,527
**D	UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	73,720	0	73,720
**D	UBS FUND MANAGEMENT (SWITZERLAND) AG.	132,808	0	132,808
**D	CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	11,326	0	11,326
**D	UBS (LUX) EQUITY SICAV	128,845	0	128,845
**D	S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	201,592	0	201,592
**D	FEDERATED KAUFMANN FUND	6,839,360	0	6,839,360
**D	FEDERATED KAUFMANN FUND II	166,330	0	166,330
**D	FEDERATED KAUFMANN SMALL CAP FUND	874,310	0	874,310
**D	LAUDUS INTERNATIONAL MARKETMASTERS FUND	684,332	0	684,332
**D	SCHWAB INTERNATIONAL EQUITY ETF	195,728	0	195,728
**D	JOHN HANCOCK SEAPORT FUND	522,049	0	522,049
**D	WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	152,865	0	152,865
**D	MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	142,892	0	142,892
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	165,000	0	165,000
**D	ANIMA FUNDS PLC	353,973	0	353,973
**D	MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	127,626	0	127,626
**D	THE FRANCIS E. PARKER MEMORIAL HOME	23,936	0	23,936
**D	THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	41,964	0	41,964
**D	THE GABELLI GLOBAL SMALL AND MID CAP VALUE TRUST	49,000	0	49,000
**D	THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	25,000	0	25,000
**D	HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	907,160	0	907,160
**D	HARTFORD CAPITAL APPRECIATION HLS FUND	1,411,126	0	1,411,126
**D	THE HARTFORD INTERNATIONAL GROWTH FUND	141,392	0	141,392
**D	THE HARTFORD CAPITAL APPRECIATION FUND	3,822,524	0	3,822,524
**D	THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	1,698,920	0	1,698,920
**D	HARTFORD INTERNATIONAL EQUITY FUND	20,015	0	20,015
**D	THE HARTFORD GLOBAL ALL- ASSET FUND	73,365	0	73,365
**D	HARTFORD GLOBAL CAPITAL APPRECIATION FUND	549,306	0	549,306
**D	HARTFORD HEALTHCARE ENDOWMENT LLC	10,847	0	10,847
**D	HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	9,572	0	9,572
**D	HSBC STAT	58,300	0	58,300
**D	ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	7,316	0	7,316
**D	HENKEL OF AMERICA MASTER RETIREMENT TRUST	20,932	0	20,932
**D	TEXAS MUNICIPAL RETIREMENT SYSTEM	897,775	0	897,775
**D	ASHWOOD INVESTMENTS LIMITED	6,619	0	6,619
**D	STATE OF NEW JERSEY COMMON PENSION FUND D	257,203	0	257,203
**D	NEW YORK STATE DEFERRED COMPENSATION PLAN	124,544	0	124,544
**D	CITY OF NEW YORK GROUP TRUST	513,664	0	513,664
**D	WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	122,551	0	122,551
**D	HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	193,662	0	193,662
**D	BIMCOR GLOBAL EQUITY POOLED FUND	87,658	0	87,658
**D	GOVERNMENT OF THE PROVINCE OF ALBERTA	169,600	0	169,600
**D	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	2,292,969	0	2,292,969

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**D	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	365,713	0	365,713
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	487,200	0	487,200
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	136,317	0	136,317
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	346,439	0	346,439
**D	SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	37,395	0	37,395
**D	VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	125,203	0	125,203
**D	THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	376,990	0	376,990
**D	THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	88,420	0	88,420
**D	THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	151,092	0	151,092
**D	WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	7,964	0	7,964
**D	THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	12,538	0	12,538
**D	THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	900,083	0	900,083
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	226,758	0	226,758
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	2,381	0	2,381
**D	WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	56,613	0	56,613
**D	AXA WORLD FUNDS	12,770,072	0	12,770,072
**D	ALLIANZ GLOBAL INVESTORS FUND	1,446,700	0	1,446,700
**D	MFS MERIDIAN FUNDS	1,306,568	0	1,306,568
**D	KIEGER FUND I	50,329	0	50,329
**D	UBS ETF	5,105	0	5,105
**D	INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	61,206	0	61,206
**D	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	157,750	0	157,750
**D	COLLEGE RETIREMENT EQUITIES FUND	1,416,042	0	1,416,042
**D	RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	238,547	0	238,547
**D	RUSSELL INVESTMENT FUNDS NON-U.S. FUND	28,598	0	28,598
**D	MULTI-STYLE, MULTI-MANAGER FUNDS PLC	210,400	0	210,400
**D	ONTARIO TEACHERS PENSION PLAN BOARD	183,162	0	183,162
**D	THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	24,218	0	24,218
**D	THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	5,970	0	5,970
**D	THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	622,711	0	622,711
**D	GOVERNMENT INSTITUTIONS PENSION FUND	3,059	0	3,059
**D	BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	1,495,583	0	1,495,583
**D	THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	177,800	0	177,800
**D	HRW TESTAMENTARY TRUST NO 3	127,400	0	127,400
**D	THE WALTON FAMILY FOUNDATION	269,600	0	269,600
**D	HRW TESTAMENTARY TRUST NO. 8	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO 2	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO. 12	109,400	0	109,400
**D	GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	120,164	0	120,164
**D	SCHLUMBERGER COMMON INVESTMENT FUND	44,607	0	44,607
**D	LTW INVESTMENTS LLC	170,000	0	170,000
**D	LOY PARTNERSHIP, LLC	96,500	0	96,500
**D	RAMI PARTNERS, LLC	90,600	0	90,600
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	53,438	0	53,438
**D	BLUE SKY GROUP	209,000	0	209,000

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**D	DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	59,456	0	59,456
**D	PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	291,526	0	291,526
**D	MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	57,188	0	57,188
**D	ST. JOSEPH HEALTH SYSTEM	100,661	0	100,661
**D	TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	17,288	0	17,288
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	319,807	0	319,807
**D	EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	44,336	0	44,336
**D	STATE UNIVERSITIES RETIREMENT SYSTEM	68,085	0	68,085
**D	UTAH STATE RETIREMENT SYSTEMS	44,501	0	44,501
**D	AMG FUND PLC	8,390	0	8,390
**D	ILLINOIS STATE BOARD OF INVESTMENT	77,149	0	77,149
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	20,610	0	20,610
**D	EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	528,640	0	528,640
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	26,395	0	26,395
**D	EURIZON EASY FUND - EQUITY ITALY	129,738	0	129,738
**D	EURIZON FUND - EQUITY ITALY SMART VOLATILITY	76,384	0	76,384
**D	AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	994,376	0	994,376
**D	AMUNDI LUXEMBOURG SA	909,666	0	909,666
**D	FCP RSI EURO P	63,089	0	63,089
**D	FCP VILLIERS DIAPASON	69,636	0	69,636
**D	ASSURDIX	41,977	0	41,977
**D	CPR EURO HIGH DIVIDEND	94,061	0	94,061
**D	CPR SILVER AGE	2,472,859	0	2,472,859
**D	SICAV BBM V-FLEX	135,784	0	135,784
**D	FCP BEST BUSINESS MODELS	1,530,000	0	1,530,000
**D	CROISSANCE PME M	433,376	0	433,376
**D	BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	973,829	0	973,829
**D	PUBLIC SERVICE PENSION PLAN FUND	35,520	0	35,520
**D	TEACHERS` PENSION PLAN FUND	37,223	0	37,223
**D	TELUS PENSIONS MASTER TRUST	78,303	0	78,303
**D	ALLEGHENY COLLEGE	24,200	0	24,200
**D	ERIE COUMMINTY FOUNDATION	27,300	0	27,300
**D	TIMESQUARE FOCUS FUND LP	25,000	0	25,000
2276	ROSSI MARCO	57,288	57,288	0
3005	CAGLIA MARIA	0	0	0
DE*	UNICREDIT S.P.A.	215,066,403	0	215,066,403
3025	GHIBAUDI LEOPOLDO	9,000	9,000	0
3061	VIOZZI DANIELE	50	50	0
3200	SCANU MARCO	187	187	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	MOMENTUM INVESTMENT FUNDS SCIVA SIF	133,040	0	133,040
**D	JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	2,045,229	0	2,045,229
**D	JPMORGAN INVESTMENT FUNDS	1,205,954	0	1,205,954
**D	CC&L Q 140/40 FUND	600	0	600
**D	CC& L US Q MARKET NEUTRAL ONSHORE FUND I	300	0	300

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**D	CC&L Q CAN EQUITY 130/30 PLUS FUND	775	0	775
**D	CC&L Q MARKET NEUTRAL FUND	82,300	0	82,300
**D	VANGUARD EUROPEAN STOCK INDEX FUND	691,987	0	691,987
**D	VANGUARD DEVELOPED MARKETS INDEX FUND	1,795,422	0	1,795,422
**D	VANGUARD TOTAL WORLD STOCK INDEX FUND	82,591	0	82,591
**D	VANGUARD FTSE ALL-WORLD EX US INDEX FUND	565,229	0	565,229
**D	VANGUARD FUNDS PLC	91,522	0	91,522
**D	RAINIER INT SMALL CAP EQUITY COLLECTIVE	182,840	0	182,840
**D	VANGUARD INVESTMENT SERIES PLC	79,836	0	79,836
**D	JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	3,877	0	3,877
**D	STICHT BEDRIJ MEDIA PNO	180,000	0	180,000
**D	HENDERS.EURO.SMALLER COMPANIES FUND	322,357	0	322,357
**D	HENDERSON INSTIT EUROP INDEX OPP FUND	42,487	0	42,487
**D	SAINT MARTIN 4	888,000	0	888,000
**D	FCP SAKKARAH 7	7,500	0	7,500
**D	FCPE TOTAL ACTIONS EUROPEENNES	750,000	0	750,000
**D	FCP KLESIA A DIVERSIFIE	325,000	0	325,000
**D	TOTAL GESTION FLEX PATRI	44,970	0	44,970
**D	FONDS RESERVE RETRAITES	888,450	0	888,450
**D	HENDERSON HORIZON FUND SICAV	2,101,556	0	2,101,556
**D	HENDERSON GARTMORE FUND	572,233	0	572,233
**D	MERIFIN CAPITAL B.V.	39,940	0	39,940
**D	VANGUARD INTERNATIONAL SMALL COMPANIES I	20,939	0	20,939
**D	ONEPATH GLOBAL SHARES - SMALL CAP INDEX	22,117	0	22,117
**D	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	4,895	0	4,895
**D	NVIT MULTI MANAGER INTERNATIONAL GROWTH	143,770	0	143,770
**D	JPM EUROPE DYNAMIC (EX UK) FUND	551,178	0	551,178
**D	JPM EUROPE SMALLER COMPANIES FUND	409,306	0	409,306
**D	VANGUARD TOTAL INTERNATIONAL STOCK INDEX	4,791,064	0	4,791,064
**D	JPMORGAN EUROPEAN INVESTMENT TRUST PLC	94,946	0	94,946
**D	JPMORGAN EUROPEAN SMALLER COMPANIES TST	1,533,787	0	1,533,787
**D	JAPAN TRUSTEE SERVICES BANK LTD AS TRUST	3,489	0	3,489
**D	JTSB LTD. AS TRUSTEE FOR SUMITOMO	16,888	0	16,888
**D	NEW YORK LIFE INSURANCE COMPANY	66,324	0	66,324
**D	PEERLESS INSURANCE COMPANY	115,223	0	115,223
**D	PROSHARES HEDGED FTSE EUROPE ETF	191	0	191
**D	JPMORGAN INTERNATIONAL DISCOVERY FUND	6,507	0	6,507
**D	THE CANADA POST CORPORATION PENSION PLAN	104,309	0	104,309
**D	TR EUROPEN GROWTH TRUST PLC	1,844,247	0	1,844,247
**D	ING DIRECT	29,652	0	29,652
**D	FIDELITY SAL ST T SPARTAN TOTAL INT IN F	4,749	0	4,749
**D	BEST INVESTMENT CORPORATION	9,518	0	9,518
**D	BLACKROCK INSTITUTIONAL POOLED FUND PLC	6,097	0	6,097
**D	CHINA LIFE INSURANCE (GROUP) COMPANY	2,554	0	2,554
**D	BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	1,214	0	1,214

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**D	BLACKROCK FISSION INDEXED INTL EQUITY FD	24,822	0	24,822
**D	SUPER FUNDS MANAG CORP SOUTH AUSTRALIA	119,451	0	119,451
**D	MINISTRY OF STRATEGY AND FINANCE	33,349	0	33,349
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	32,767	0	32,767
**D	TRUST AND CUSTODY SERVICED BANK LIMITED	34,871	0	34,871
**D	THE MASTER TRUST BANK OF JAPAN LTD	37,838	0	37,838
**D	MASTER TRUST FOR NATIONAL PENSION FD	35,535	0	35,535
**D	FLF STRATEGIC GLOBAL EQUITY FUND	72,428	0	72,428
**D	BOK KIC AAEQ 3	15,026	0	15,026
**D	SUBSIDIZED SCHOOLS P FUND NORTHERN	13,614	0	13,614
**D	55016 UP INTERNATIONALE AKTIER	225,930	0	225,930
**D	WILM MULTI MGR INTL FD OBERWEIS	241,652	0	241,652
**D	56053 IP GLOBAL EQUITIES I	12,883	0	12,883
**D	LMIF LMGAMI EURO SMLL CP	181,818	0	181,818
**D	IQ 50 PERCENT HEDGED FTSE EURO ETF	3,749	0	3,749
**D	DEUTSCHE XTRK MSCI EMU HDG EQ ETF	4,402	0	4,402
**D	BLACKROCK GLOBAL FUNDS	4,397,203	0	4,397,203
**D	FPXF WILLIAM BLAIR CO	31,880	0	31,880
**D	RVN WILLIAM BLAIR	4,196	0	4,196
**D	BLL AQUILA LIFE EUROPEAN EQUITY	755,618	0	755,618
**D	BLL ASCENT LIFE EUROPEAN	62,130	0	62,130
**D	BLK MULTI ASSET INC PF EUR EQU INC	478,931	0	478,931
**D	BLL AQUILA LIFE OSEAS EQUITY FUND	4,851	0	4,851
**D	BLL ASCENT LIFEENHANCED	1,766	0	1,766
**D	DEUTSCHE XTRK MSCI EAFE SC HDG ETF	466	0	466
**D	CHI OPERATING INVESTMENT PROGRAM LP	78,109	0	78,109
**D	CATHOLIC HEALTH INITIATIVES MASTER TRUST	40,056	0	40,056
**D	FIRST INITIATIVES INSURANCE LIMITED	6,914	0	6,914
**D	EATON VANCE MGMT INTL SMALL CAP	1,057	0	1,057
**D	ONFF WILLIAM BLAIR NONUS	17,060	0	17,060
**D	CE8F WILLIAM BLAIR IACG	115,413	0	115,413
**D	RAYTHEON MASTER PENSION TRUST	1,528	0	1,528
**D	VANGUARD INTL HIGH DIV YLD INDEX FD	14,295	0	14,295
**D	BSNF NTR WILLIAM BLAIR	12,404	0	12,404
**D	BSPF PMT WILLIAM BLAIR	8,749	0	8,749
**D	BGF EURO MKTS FD EURO EQUITY PF	8,176,154	0	8,176,154
**D	BGF FLEX MULTI ASSET GBL EQ PF	9,039	0	9,039
**D	LRPF WILLIAM BLAIR	42,009	0	42,009
**D	W11F WILLIAM BLAIR	10,510	0	10,510
**D	BFTF WILLIAM BLAIR	21,724	0	21,724
**D	US BK RAINIER INTL DISCOVERY FUND	395,610	0	395,610
**D	ATFF AMERICAN CENTURY	74,487	0	74,487
**D	RZSF3001 NON US GE W BLAIR	103,201	0	103,201
**D	ALASKA PERMANENT FUND CORPORATION	57,838	0	57,838
**D	1216 APG DME FINANC	1,221,917	0	1,221,917

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**D	2054 APG DME BLACKR	117,398	0	117,398
**D	AON HEWITT COLLECTIVE INVESTMENT TRUST	27,414	0	27,414
**D	MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	30,345	0	30,345
**D	PHC NT SMALL CAP	26,269	0	26,269
**D	BNYMTD BLK CONTINENTAL EURO INC	4,653,703	0	4,653,703
**D	BNYMTD BLK CONT EUR EQ TRCK FD INV	265,102	0	265,102
**D	PENSION RESERVES INVESTMENT TRUST FUND	73,110	0	73,110
**D	VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	97,220	0	97,220
**D	THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	20,153	0	20,153
**D	GENERAL MILLS INVESTMENT TRUST	36,637	0	36,637
**D	INDIANA PUBLIC RETIREMENT SYSTEM	12,426	0	12,426
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	27,702	0	27,702
**D	SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	19,925	0	19,925
**D	UPS GROUP TRUST	86,396	0	86,396
**D	ELEVA UCITS FD-ELEVA ABSOLUTE	6,479,400	0	6,479,400
**D	COLISEE IFC 1	538,000	0	538,000
**D	IRISH LIFE ASSURANCE.	184,234	0	184,234
**D	LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	1,666,611	0	1,666,611
**D	CITIBANK KOREA INC	848,102	0	848,102
**D	THREADNEEDLE (LUX	978,719	0	978,719
**D	THREADNEEDLE INVESTMENT FUNDS ICVC	11,652,830	0	11,652,830
**D	LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	8,892	0	8,892
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	12,500	0	12,500
**D	GOVERNMENT OF NORWAY	5,524,312	0	5,524,312
**D	NORGES BANK	109,988	0	109,988
**D	AQR ORACLE FUND LP	5,896	0	5,896
**D	NUMERIC ABS RETURN FD LP	18,000	0	18,000
**D	FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	2,062	0	2,062
**D	FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	203,488	0	203,488
**D	INTERNATIONAL MONETARY FUND	15,994	0	15,994
**D	AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	6,110	0	6,110
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	26,000	0	26,000
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	23,070	0	23,070
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	301,560	0	301,560
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	219,530	0	219,530
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	266,990	0	266,990
**D	AMERICAN CENTURY RETIREMENT DATE TRUST	114,333	0	114,333
**D	CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	183,278	0	183,278
**D	CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	462	0	462
**D	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	28,252	0	28,252
**D	EATON VANCE INTERNATIONAL SMALL-CAP FUND	10,546	0	10,546
**D	WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	217,799	0	217,799
**D	WILLIAM BLAIR INTERNATIONAL GROWTH FUND	657,058	0	657,058
**D	WILLIAM BLAIR INSTITUTIONAL INTERNATIONAL GROWTH FUND	476,734	0	476,734
**D	MM SELECT EQUITY ASSET FUND	6,406	0	6,406

Shareholders:	530	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	515

DE* proxy to the natural persona above mentioned with the badge number

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RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Compensation Policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM	78,810	0	78,810
**D	MARYLAND STATE RETIREMENT & PENSION SYSTEM	19,979	0	19,979
**D	MERCER QIF CCF	1,101,611	0	1,101,611
**D	MERCER QIF CCF	616,038	0	616,038
**D	STATE OF MONTANA BOARD OF INVESTMENTS	66,699	0	66,699
**D	CITY OF NEW YORK GROUP TRUST	183,462	0	183,462
**D	STATE STREET IRELAND UNIT TRUST	52,145	0	52,145
**D	SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY	62,756	0	62,756
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	634,198	0	634,198
**D	UAW RETIREE MEDICAL BENEFITS TRUST	154,557	0	154,557
**D	VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	3,873	0	3,873
**D	VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	3,671	0	3,671
**D	VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	697	0	697
**D	VANGUARD GLOBAL LIQUIDITY FACTOR ETF	1,061	0	1,061
**D	VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	8,723	0	8,723
**D	VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	25,281	0	25,281
**D	VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	1,123	0	1,123
**D	WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	26,627	0	26,627
**D	WELLS FARGO ALTERNATIVE STRATEGIES FUND	7,561	0	7,561
**D	WASHINGTON STATE INVESTMENT BOARD	165,288	0	165,288
**D	WASHINGTON STATE INVESTMENT BOARD	3,050	0	3,050
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	139	0	139
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	17,270	0	17,270
**D	WISDOMTREE DEFA EQUITY INCOME FUND	18,109	0	18,109
**D	WISDOMTREE INTERNATIONAL EQUITY FUND	30,409	0	30,409
**D	WISDOMTREE INTERNATIONAL MIDCAP DIVIDEND FUND	37,696	0	37,696
**D	WISDOMTREE EUROPE LOCAL RECOVERY FUND	867	0	867
**D	WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	212,713	0	212,713
**D	NEW YORK STATE TEACHERS RETIREMENT SYSTEM	131,253	0	131,253
**D	PRUDENTIAL BANK AND TRUST	56,511	0	56,511
**D	SPDR EURO STOXX SMALL CAP ETF	19,641	0	19,641
**D	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	560,715	0	560,715
**D	BLACKROCK STRATEGIC FUNDS	102,172	0	102,172
**D	KIEGER FUND I	1,887	0	1,887
**D	ISHARES MSCI EAFE SMALL CAP ETF	1,043,062	0	1,043,062
**D	ISHARES MSCI EUROPE SMALL-CAP ETF	29,608	0	29,608
**D	BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	548,131	0	548,131
**D	ISHARES CORE MSCI EAFE ETF	592,081	0	592,081
**D	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	114,889	0	114,889
**D	ISHARES MSCI INTERNATIONAL DEVELOPED ETF	2,460	0	2,460
**D	ISHARES CORE MSCI EAFE IMI INDEX ETF	16,762	0	16,762
**D	ISHARES MSCI EUROPE IMI INDEX ETF	6,701	0	6,701
**D	ISHARES CORE MSCI EUROPE ETF	79,880	0	79,880
**D	CONNECTICUT GENERAL LIFE INSURANCE COMPANY	2,775	0	2,775
**D	CDN ACWI ALPHA TILTS FUND	15,426	0	15,426

Shareholders:	530	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	515

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Compensation Policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B	1,917	0	1,917
**D	EURO EX-UK ALPHA TITLS FUND B	9,358	0	9,358
**D	WORLD ALPHA TILTS NON-LENDABLE FUND B	757	0	757
**D	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	15,676	0	15,676
**D	DELUXE CORPORATION MASTER TRUST	12,195	0	12,195
**D	MERCY HEALTH	9,457	0	9,457
**D	MERCY HEALTH RETIREMENT TRUST	2,453	0	2,453
**D	TRUTH INITIATIVE FOUNDATION	4,601	0	4,601
**D	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	103,806	0	103,806
**D	ISHARES PUBLIC LIMITED COMPANY	1,002,024	0	1,002,024
**D	ISHARES II PUBLIC LIMITED COMPANY	603,850	0	603,850
**D	ISHARES VII PLC	674,577	0	674,577
**D	ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	233,174	0	233,174
**D	BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	1,086,651	0	1,086,651
**D	BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	163,680	0	163,680
**D	BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	334,720	0	334,720
**D	BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	273,064	0	273,064
**D	MANAGED PENSION FUNDS LIMITED	12,389	0	12,389
**D	THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	11,592	0	11,592
**D	FAMILY INVESTMENTS CHILD TRUST FUND	14,367	0	14,367
**D	FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	9,961	0	9,961
**D	HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	284,213	0	284,213
**D	STICHTING PHILIPS PENSIOENFONDS	49,007	0	49,007
**D	THE TRUSTEES OF SAL PENSION SCHEME	3,820	0	3,820
**D	VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	17,302	0	17,302
**D	VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	41,639	0	41,639
**D	VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	103,491	0	103,491
**D	VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	276	0	276
**D	SUNSUPER SUPERANNUATION FUND	13,451	0	13,451
**D	CANADA PENSION PLAN INVESTMENT BOARD	369,604	0	369,604
**D	THE TRUSTEES OF BP PENSION FUND	773,030	0	773,030
**D	FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	13,955	0	13,955
**D	UNIVERSITY OF KENTUCKY	10,000	0	10,000
**D	WHEELS COMMON INVESTMENT FUND	18,626	0	18,626
**D	CHEVRON MASTER PENSION TRUST	29,057	0	29,057
**D	CHEVRON UK PENSION PLAN	2,761	0	2,761
**D	THE CURATORS OF THE UNIVERSITY OF MISSOURI	50,065	0	50,065
**D	DFI LP EQUITY (PASSIVE)	1,693	0	1,693
**D	NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND	12,165	0	12,165
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	169,898	0	169,898
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	34,430	0	34,430
**D	NEW ZEALAND SUPERANNUATION FUND	26,623	0	26,623
**D	AON SAVINGS PLAN TRUST	46,862	0	46,862
**D	MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	2,113	0	2,113
**D	NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST	363,921	0	363,921

Shareholders:	530	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	515

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RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Compensation Policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	17,985	0	17,985
**D	ADVOCATE HEALTH CARE NETWORK	20,899	0	20,899
**D	CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	64,284	0	64,284
**D	FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	10,415	0	10,415
**D	ILLINOIS MUNICIPAL RETIREMENT FUND	134,679	0	134,679
**D	LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM	41,051	0	41,051
**D	CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN	65,307	0	65,307
**D	UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	51,783	0	51,783
**D	POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	32,151	0	32,151
**D	SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM	116,549	0	116,549
**D	SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	17,859	0	17,859
**D	FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	1,181	0	1,181
**D	OPSEU PENSION PLAN TRUST FUND	5,309	0	5,309
**D	NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	2,417,367	0	2,417,367
**D	THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	572,086	0	572,086
**D	STRATHCLYDE PENSION FUND	341,499	0	341,499
**D	MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO	27,415	0	27,415
**D	NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	891	0	891
**D	NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	212,266	0	212,266
**D	SSGA GROSS ROLL UP UNIT TRUST	13,909	0	13,909
**D	LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	4,616	0	4,616
**D	STATE TEACHERS RETIREMENT SYSTEM OF OHIO	423,988	0	423,988
**D	ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND	32,387	0	32,387
**D	UNIVEST	126,385	0	126,385
**D	STG PFDS V.D. GRAFISCHE	155,541	0	155,541
**D	FCP ECUREUIL RETRAITE EURO ACTIONS 4	300,000	0	300,000
**D	I.2.C. ACTIONS	488,000	0	488,000
**D	FCP GROUPAMA AVENIR EURO	3,136,372	0	3,136,372
**D	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN	14,955	0	14,955
**D	THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	15,685	0	15,685
**D	MCGILL UNIVERSITY PENSION FUND	7,953	0	7,953
**D	PUBLIC SECTOR PENSION INVESTMENT BOARD	104,668	0	104,668
**D	CIBC INTERNATIONAL SMALL COMPANIES FUND	44,559	0	44,559
**D	CF DV ACWI EX-U.S. IMI FUND	1,587	0	1,587
581	CERASUOLO STEFANO	7,241	7,241	0
599	AMADASI GIORDANO	158	158	0
742	AUSILIO ROSA GIUSEPPINA	187	187	0
773	CORNAGO DANIELE	2,241	2,241	0

Total votes	435,489,530
Percentage of voters %	94.981818
Percentage of share capital %	71.660353

Shareholders:	530	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	515

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal of the Severance payment policy**

Attendees:

No. **586** shareholders entitled to vote took part in the voting on own behalf or by proxy

No. **458,497,782** ordinary shares

The counting of votes produced the following results:

		%OF ORDINARY SHARE CAPITAL PRESENT (Voting Quorum)	%OF ORDINARY SHARES ENTITLED TO VOTE	%SHARE CAPITAL
Favour	428,736,077	93.508866	93.508866	70.549064
Against	26,214,321	5.717437	5.717437	4.313600
SubTotal	454,950,398	99.226303	99.226303	74.862664
Abstentions	5,813	0.001268	0.001268	0.000957
Not Voting	3,541,571	0.772429	0.772429	0.582770
SubTotal	3,547,384	0.773697	0.773697	0.583727
Total	458,497,782	100.000000	100.000000	75.446390

Shareholders:	586	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	566

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Renewal of the Severance payment policy**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	T. ROWE PRICE FUNDS SICAV	145,427	0	145,427
**D	JAPAN TRUSTEE SERVICES BANK LTD	469,886	0	469,886
**D	AFER ACTION PME	451,836	0	451,836
**D	BNP PARIBAS SMALL CAP EUROLAND	2,526,390	0	2,526,390
**D	BNP PARIBAS ACTIONS PME	543,807	0	543,807
**D	FCP BNP PARIBAS ACTIONS EUROLAND	43,134	0	43,134
**D	PARVEST	3,121,423	0	3,121,423
**D	BNP PARIBAS A FUND	58,956	0	58,956
**D	BNP PARIBAS L1	82,735	0	82,735
**D	BNP PARIBAS B PENSION BALANCED	733,505	0	733,505
**D	BNP PARIBAS B PENSION STABILITY	47,432	0	47,432
**D	METROPOLITAN RENTASTRO	183,304	0	183,304
**D	ROBECO CAPITAL GROWTH FUNDS	350,000	0	350,000
**D	DEKA BASISSTRATEGIE FLEXIBEL	23,960	0	23,960
**D	DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	7,900	0	7,900
**D	DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	74,600	0	74,600
**D	DEKA INVESTMENT GMBH RE ARIDEKA	1,150,000	0	1,150,000
**D	DEKA INVEST DIVIDENDENSTRATEGIE CF A	1,088,900	0	1,088,900
**D	T. ROWE PRICE INTERNATIONAL DISCOVERY FU	4,303,286	0	4,303,286
**D	T ROWE PRICE INTERNATIONAL EQUITY INDEX	14,257	0	14,257
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	138,293	0	138,293
**D	DEKA INVEST RE DEKA-ZMV-FONDS	22,000	0	22,000
**D	DEKA INVESTMENT GMBH RE PRODEKA	65,200	0	65,200
**D	DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	9,400	0	9,400
**D	DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	10,813	0	10,813
**D	DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	546,850	0	546,850
**D	T ROWE PRICE GLOBAL ALLOCATION FUND INC	7,791	0	7,791
**D	T ROWE INTL SMALL CAP EQUITY TRUST	486,110	0	486,110
**D	REGIME DE RETRAITE D HYDRO QUEBEC	102,698	0	102,698
**D	WEST MIDLANDS METROPOLITAN AUT PENS FD	61,000	0	61,000
**D	FCP BRONGNIART AVENIR	100,000	0	100,000
**D	BT WHOLESALE MULTI MANAG INTL SHARE FUND	186,764	0	186,764
**D	AVIVA LIFE & PENSIONS UK LIMITED	53,590	0	53,590
**D	AVIVA LIFE AND PENSIONS UK LIMITED	181,930	0	181,930
**D	FRIENDS LIFE LIMITED	89,644	0	89,644
**D	FRIENDS LIFE AND PENSIONS LIMITED	6,627	0	6,627
**D	FCP VILLIERS ACTIONS EDRAM	968,000	0	968,000
**D	CITI RETIREMENT SAVINGS PLAN	115,234	0	115,234
**D	UWF TROW INTL DISCOVERY	55,384	0	55,384
**D	AST TRP DIVERS REAL GWTH PORT PDMO	1,049	0	1,049
**D	AST TRP GWTH OPP PORT BAL PDRB	26,600	0	26,600
**D	GLOBAL EQUITY WELLINGTON	235,725	0	235,725
**D	BNYMTD RAMAM WORLD RECOVERY FUND	180,600	0	180,600
**D	CPA COP PSERS PYRAMIS GLOBAL ADV	78,706	0	78,706

Shareholders:	70	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	70

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal of the Severance payment policy**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
**D	BNYMTD RM GLOBAL HIGH ALPHA FUND	63,600	0	63,600
**D	FLORIDA RETIREMENT SYSTEM	215,017	0	215,017
**D	BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	109,924	0	109,924
**D	AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	10,120	0	10,120
**D	LAUDUS INTERNATIONAL MARKETMASTERS FUND	684,332	0	684,332
**D	SCHWAB INTERNATIONAL EQUITY ETF	195,728	0	195,728
**D	MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	127,626	0	127,626
**D	THE GABELLI GLOBAL SMALL AND MID CAP VALUE TRUST	49,000	0	49,000
**D	THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	25,000	0	25,000
**D	GOVERNMENT OF THE PROVINCE OF ALBERTA	169,600	0	169,600
**D	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	2,292,969	0	2,292,969
**D	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	365,713	0	365,713
**D	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	157,750	0	157,750
**D	RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	238,547	0	238,547
**D	RUSSELL INVESTMENT FUNDS NON-U.S. FUND	28,598	0	28,598
**D	MULTI-STYLE, MULTI-MANAGER FUNDS PLC	210,400	0	210,400
**D	BLUE SKY GROUP	209,000	0	209,000
**D	BATTELLE MEMORIAL INSTITUTE	39,700	0	39,700
**D	DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	59,456	0	59,456
**D	THE HEALTH FOUNDATION	57,168	0	57,168
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	319,807	0	319,807
**D	STATE UNIVERSITIES RETIREMENT SYSTEM	68,085	0	68,085
**D	UTAH STATE RETIREMENT SYSTEMS	44,501	0	44,501
**D	ILLINOIS STATE BOARD OF INVESTMENT	77,149	0	77,149
**D	AA FORTIS ACTIONS PETIT CAP EUROPE	270,956	0	270,956
**D	BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	973,829	0	973,829

Total votes	26,214,321
Percentage of voters %	5.717437
Percentage of share capital %	4.313600

Shareholders:	70	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	70

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal of the Severance payment policy**

ABSTENTIONS

	Surname	Tot. Votes	On own behalf	Proxy
1240	FOGLI MAURIZIO	1,953	1,953	0
1834	CROCE MARIO	1,500	1,500	0
2666	DI PALMA GIUSEPPE	1,100	1,100	0
4003	CASTAGNA SERGIO	1	1	0
962	ZACCARDI ANTONELLA	1,259	1,259	0

Total votes	5,813
Percentage of voters %	0.001268
Percentage of share capital %	0.000957

Shareholders:	5	People:	5
Shareholders on own behalf:	5	Shareholders by proxy:	0

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal of the Severance payment policy**

NOT VOTING

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	GENERALI INVESTMENTS LUXEMBURG S.A.	684,571	0	684,571
**D	CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	150,000	0	150,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	1,100,000	0	1,100,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	30,000	0	30,000
**D	INTERFUND SICAV INTERFUND EQUITY ITALY	450,000	0	450,000
**D	FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	27,000	0	27,000
**D	MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	1,100,000	0	1,100,000

Total votes	3,541,571
Percentage of voters %	0.772429
Percentage of share capital %	0.582770

Shareholders:	7	People:	1	DE* proxy to the natural persona above mentioned with the badge number
Shareholders on own behalf:	0	Shareholders by proxy:	7	**D proxy to natural person above mentioned with the badge number (voting at the specific "assisted voting stations")

RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal of the Severance payment policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
1027	PRANDINI GIULIANO	12,000	12,000	0
1262	AMADEI STEFANO	3,861	3,861	0
1305	ROSSOTTI ROBERTO	3,000	3,000	0
1774	MINNELLA CARMELO GIOVANNI	1,867	1,867	0
1837	SIRIANNI PIER BATTISTA	8,000	8,000	0
2068	BONETTI EMANUELE	100	100	0
2223	MARTIRIGGIANO ANTONIO	2,681	2,681	0
2253	TONELLI GIULIO	0	0	0
**D	ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	670,000	0	670,000
**D	FRANKLIN TEMPLETON INVESTMENT FUNDS	668,413	0	668,413
**D	SCHRODER INTERNATIONAL SELECTION FUND	8,682,403	0	8,682,403
**D	MERRILL LYNCH PROFESSIONAL CLEARING CORP	86,328	0	86,328
**D	WELLINGTON MANAGEMENT PORTFOLIOS	335,843	0	335,843
**D	FIDELITY FUNDS SICAV	1,194,975	0	1,194,975
**D	WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	36,542	0	36,542
**D	WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	28,228	0	28,228
**D	WELLINGTON TRUST COMP COMM TRUST INT OPP	175,018	0	175,018
**D	WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	10,972	0	10,972
**D	AXA OPTIMAL INCOME	2,068,464	0	2,068,464
**D	AXA VALEURS EURO	1,200,000	0	1,200,000
**D	BANQUE PICTET & CIE SA	33,126	0	33,126
**D	HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	2,810,128	0	2,810,128
**D	UBS GLOBAL ASSET MANAGEMENT LIFE LTD	73,068	0	73,068
**D	UBS ASSET MANAGEMENT LIFE LTD	283	0	283
**D	FONDO CONSOLIDADO DE RESERVAS PREVISIONA	86,791	0	86,791
**D	CHINA LIFE INSURANCE COMPANY LIMITED	60,140	0	60,140
**D	COINVEST LIMITED	13,801	0	13,801
**D	UBS (US) GROUP TRUST	7,469	0	7,469
**D	MINISTRY OF STRATEGY AND FINANCE	143,444	0	143,444
**D	STICHTING PENSIOENFONDS MEDISCH SPECIALI	506,456	0	506,456
**D	MI-FONDS 392	462,000	0	462,000
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	309,886	0	309,886
**D	NATIONWIDE SMALL CAP INDEX FUND	400,962	0	400,962
**D	PENSIONSKASSEN FOR BORNE-OG UNGDOMS	16,958	0	16,958
**D	KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	1,525,392	0	1,525,392
**D	STICHTING PENSIOENFONDS VOOR HUISARTSEN	25,292	0	25,292
**D	ENTERGY CORP.RETIREMENT PLANS MASTER TR.	203,718	0	203,718
**D	INVESCO GLOBAL SMALL CAP EQUITY POOL	143,065	0	143,065
**D	RBC CANADIAN MASTER TRUST	124,418	0	124,418
**D	AXA FRAMLINGTON FINANCIAL FUND	125,000	0	125,000
**D	NATIXIS INTERNT FUNDS LUX I	238,000	0	238,000
**D	FCP SCANDIUM	122,000	0	122,000
**D	ALLIANZGI FONDS BAT LS	92,900	0	92,900
**D	ALLIANZGI FONDS PF1	14,182	0	14,182
**D	ALLIANZGI FONDS AFE	3,943	0	3,943

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Renewal of the Severance payment policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	1,507,269	0	1,507,269
**D	PFIZER JAPAN INC PENSION FUND	80,700	0	80,700
**D	TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	55,682	0	55,682
**D	THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	83,856	0	83,856
**D	SCHRODER PENSION MANAGEMENT LTD	42,277	0	42,277
**D	MFS INTERNATIONAL NEW DISCOVERY FUND	2,267,886	0	2,267,886
**D	SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	71,392	0	71,392
**D	SCHRODER EUROPEAN FUND	2,365,914	0	2,365,914
**D	SCHRODER INTERNATIONAL SMALL COMPANIES P	8,000	0	8,000
**D	SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	125,000	0	125,000
**D	TEACHERS PENSION PLAN & PRIVATE SCHOOL	639,710	0	639,710
**D	FTSE ALL WORLD INDEX FUND	33,351	0	33,351
**D	REASSURE LIMITED	14,216	0	14,216
**D	HSBC EUROPEAN INDEX FUND	75,508	0	75,508
**D	NORTHERN IRELAND LOCAL GOV PENSION FUND	84,483	0	84,483
**D	REALDANIA	532,000	0	532,000
**D	ANIMA SGR SPA	12,381,073	0	12,381,073
**D	ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	242,269	0	242,269
**D	ARTEMIS EUROPEAN OPPORTUNITIES FUND	1,301,374	0	1,301,374
**D	NMM3 EUEQ MFS ACCOUNT	8,971	0	8,971
**D	FIRST INVESTORS GLOBAL FUND	306,236	0	306,236
**D	BOK KIC GAEQ6	85,699	0	85,699
**D	PS FTSE LO BT EQ WT PORT	32,076	0	32,076
**D	CEP DEP IP GLOBAL SMALLER COS	802,185	0	802,185
**D	EIR EIE WELLINGTON INT	179,053	0	179,053
**D	BNYMTCIL IFS4 INV CONT EU SM CAP FD	1,317,413	0	1,317,413
**D	BNYMTCIL IFS4 INV GBL SM CAP EQ FD	385,588	0	385,588
**D	PS FTSERAFI EUSM UCITS ETF BNYMTCIL	2,919	0	2,919
**D	PS SP INTL DEVEL QUALITY PORTFOLIO	4,736	0	4,736
**D	PS FR DEVEL MARK EX US SMALL PORT	5,473	0	5,473
**D	PRU SECTOR FDS INC PRU FIN SER FD	787,168	0	787,168
**D	AST FI PYRAMIS QUANT AA IE SC PDGJ	83,115	0	83,115
**D	AST RCM WORLD TRENDS PORT PDBF	250,800	0	250,800
**D	WELLINGTON MGMT CY LLPQUALITY EDUC FD	138,871	0	138,871
**D	BANK OF AMERICA PENSION PLAN OECHSLE	143,212	0	143,212
**D	BOA FBO SKL INVESTMENT GRP LLC	8,534	0	8,534
**D	WMP OPP INVESTMENT PRTNS LP	32,852	0	32,852
**D	AWAF AWAC WELLINGTON	58,355	0	58,355
**D	THE CLEVELAND CLINIC FOUNDATION	70,858	0	70,858
**D	GLOBAL INVESTMENT FUND	31,323	0	31,323
**D	MFS INTL EQUITY FUND	74,599	0	74,599
**D	INVESCO FUNDS	177,083	0	177,083
**D	HP INC MASTER TRUST	68,418	0	68,418
**D	UNISYS MASTER TRUST	70,952	0	70,952
**D	AMG TIMESSQUARE INTL SM CAP	643,360	0	643,360

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal of the Severance payment policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	BELL ATLANTIC MASTER TRUST	41,418	0	41,418
**D	VERIZON MASTER SAVINGS TRUST	98,016	0	98,016
**D	UTC WELLINGTON GLOBAL	91,148	0	91,148
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	132,596	0	132,596
**D	JOHN S AND JAMES L KNIGHT FOUNDATION	229,700	0	229,700
**D	PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	246	0	246
**D	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	192,127	0	192,127
**D	PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	385,014	0	385,014
**D	PIONEER FD-EUROPEAN RESEARCH	321,167	0	321,167
**D	PIONEER FD-EURO EQ OPTIMAL VOL	95,282	0	95,282
**D	PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	25,412	0	25,412
**D	PIONEER FD SF EQUITY PLAN60	52,401	0	52,401
**D	PIONEER FD-GLOBAL MULTI ASSET	39,321	0	39,321
**D	PIONEER FD-EUROPEAN POTENTIAL	1,801,653	0	1,801,653
**D	FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	250,000	0	250,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	110,000	0	110,000
**D	FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	100,000	0	100,000
**D	F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	60,000	0	60,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	15,000	0	15,000
**D	GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	11,000	0	11,000
**D	FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	5,000	0	5,000
**D	METZLER INT INV EUR SMALLER CO	1,575,000	0	1,575,000
**D	UBS EUROP SMALL CAP EQUITY FD	84,125	0	84,125
**D	CIPAV ALOIS	117,262	0	117,262
**D	SOGECAP ACTIONS SMALL CAP	942,243	0	942,243
**D	SG ACTIONS EUROPE MID CAP	197,367	0	197,367
**D	AGI FRANCE	171,200	0	171,200
**D	ALLIANZ ACTIONS EURO PME-ETI	167,700	0	167,700
**D	COLONIAL FIRST STATE INVESTMENTS LIMITED.	71,939	0	71,939
**D	STICHTING PGGM DEPOSITARY	179,921	0	179,921
**D	WELLINGTON ALTA FUND	94,527	0	94,527
**D	UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	73,720	0	73,720
**D	UBS FUND MANAGEMENT (SWITZERLAND) AG.	132,808	0	132,808
**D	CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	11,326	0	11,326
**D	UBS (LUX) EQUITY SICAV	128,845	0	128,845
**D	S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	201,592	0	201,592
**D	FEDERATED KAUFMANN FUND	6,839,360	0	6,839,360
**D	FEDERATED KAUFMANN FUND II	166,330	0	166,330
**D	FEDERATED KAUFMANN SMALL CAP FUND	874,310	0	874,310
**D	JOHN HANCOCK SEAPORT FUND	522,049	0	522,049
**D	WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	152,865	0	152,865
**D	MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	142,892	0	142,892
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	165,000	0	165,000
**D	ANIMA FUNDS PLC	353,973	0	353,973
**D	THE FRANCIS E. PARKER MEMORIAL HOME	23,936	0	23,936

Shareholders:	504	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	489

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal of the Severance payment policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	41,964	0	41,964
**D	HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	907,160	0	907,160
**D	HARTFORD CAPITAL APPRECIATION HLS FUND	1,411,126	0	1,411,126
**D	THE HARTFORD INTERNATIONAL GROWTH FUND	141,392	0	141,392
**D	THE HARTFORD CAPITAL APPRECIATION FUND	3,822,524	0	3,822,524
**D	THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	1,698,920	0	1,698,920
**D	HARTFORD INTERNATIONAL EQUITY FUND	20,015	0	20,015
**D	THE HARTFORD GLOBAL ALL- ASSET FUND	73,365	0	73,365
**D	HARTFORD GLOBAL CAPITAL APPRECIATION FUND	549,306	0	549,306
**D	HARTFORD HEALTHCARE ENDOWMENT LLC	10,847	0	10,847
**D	HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	9,572	0	9,572
**D	HSBC STAT	58,300	0	58,300
**D	ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	7,316	0	7,316
**D	HENKEL OF AMERICA MASTER RETIREMENT TRUST	20,932	0	20,932
**D	TEXAS MUNICIPAL RETIREMENT SYSTEM	897,775	0	897,775
**D	ASHWOOD INVESTMENTS LIMITED	6,619	0	6,619
**D	STATE OF NEW JERSEY COMMON PENSION FUND D	257,203	0	257,203
**D	NEW YORK STATE DEFERRED COMPENSATION PLAN	124,544	0	124,544
**D	CITY OF NEW YORK GROUP TRUST	513,664	0	513,664
**D	WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	122,551	0	122,551
**D	HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	193,662	0	193,662
**D	BIMCOR GLOBAL EQUITY POOLED FUND	87,658	0	87,658
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	487,200	0	487,200
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	136,317	0	136,317
**D	METZLER INVESTMENT GMBH FOR MI-FONDS 415	113,500	0	113,500
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	346,439	0	346,439
**D	SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	37,395	0	37,395
**D	VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	125,203	0	125,203
**D	THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	376,990	0	376,990
**D	THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	88,420	0	88,420
**D	THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	151,092	0	151,092
**D	WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	7,964	0	7,964
**D	THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	12,538	0	12,538
**D	THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	900,083	0	900,083
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	226,758	0	226,758
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	2,381	0	2,381
**D	WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	56,613	0	56,613
**D	AXA WORLD FUNDS	12,770,072	0	12,770,072
**D	ALLIANZ GLOBAL INVESTORS FUND	1,446,700	0	1,446,700
**D	MFS MERIDIAN FUNDS	1,306,568	0	1,306,568
**D	KIEGER FUND I	50,329	0	50,329
**D	UBS ETF	5,105	0	5,105
**D	INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	61,206	0	61,206
**D	COLLEGE RETIREMENT EQUITIES FUND	1,416,042	0	1,416,042
**D	ONTARIO TEACHERS PENSION PLAN BOARD	183,162	0	183,162

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal of the Severance payment policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	24,218	0	24,218
**D	THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	5,970	0	5,970
**D	THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	622,711	0	622,711
**D	GOVERNMENT INSTITUTIONS PENSION FUND	3,059	0	3,059
**D	BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	1,495,583	0	1,495,583
**D	THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	177,800	0	177,800
**D	HRW TESTAMENTARY TRUST NO 3	127,400	0	127,400
**D	THE WALTON FAMILY FOUNDATION	269,600	0	269,600
**D	HRW TESTAMENTARY TRUST NO. 8	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO 2	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO. 12	109,400	0	109,400
**D	GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	120,164	0	120,164
**D	SCHLUMBERGER COMMON INVESTMENT FUND	44,607	0	44,607
**D	LTW INVESTMENTS LLC	170,000	0	170,000
**D	LOY PARTNERSHIP, LLC	96,500	0	96,500
**D	RAMI PARTNERS, LLC	90,600	0	90,600
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	53,438	0	53,438
**D	PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	291,526	0	291,526
**D	MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	57,188	0	57,188
**D	ST. JOSEPH HEALTH SYSTEM	100,661	0	100,661
**D	TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	17,288	0	17,288
**D	EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	44,336	0	44,336
**D	STICHTING PENSIOENFONDS APF	2,873	0	2,873
**D	AMG FUND PLC	8,390	0	8,390
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	20,610	0	20,610
**D	EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	528,640	0	528,640
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	26,395	0	26,395
**D	EURIZON EASY FUND - EQUITY ITALY	129,738	0	129,738
**D	EURIZON FUND - EQUITY ITALY SMART VOLATILITY	76,384	0	76,384
**D	AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	994,376	0	994,376
**D	AMUNDI LUXEMBOURG SA	909,666	0	909,666
**D	FCP EDMOND DE ROTHSCHILD EURO LEADERS	923,900	0	923,900
**D	FCP EDMOND DE ROTHSCHILD EURO SRI	168,000	0	168,000
**D	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	834,000	0	834,000
**D	FCP LCF PHARMA INTERNATIONAL	164,920	0	164,920
**D	CNP ASSUR SMALL CAP	432,330	0	432,330
**D	EDMOND DE ROTHSCHILD ASSET MANAGEMENT	399,330	0	399,330
**D	FCP RSI EURO P	63,089	0	63,089
**D	FCP VILLIERS DIAPASON	69,636	0	69,636
**D	FCP NATIXIS ACTIONS SMALL MID CAP EURO	263,000	0	263,000
**D	ASSURDIX	41,977	0	41,977
**D	CPR EURO HIGH DIVIDEND	94,061	0	94,061
**D	CPR SILVER AGE	2,472,859	0	2,472,859
**D	SICAV BBM V-FLEX	135,784	0	135,784
**D	FCP BEST BUSINESS MODELS	1,530,000	0	1,530,000

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Renewal of the Severance payment policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	CROISSANCE PME M	433,376	0	433,376
**D	PUBLIC SERVICE PENSION PLAN FUND	35,520	0	35,520
**D	TEACHERS` PENSION PLAN FUND	37,223	0	37,223
**D	TELUS PENSIONS MASTER TRUST	78,303	0	78,303
**D	ALLEGHENY COLLEGE	24,200	0	24,200
**D	ERIE COUMMINTY FOUNDATION	27,300	0	27,300
**D	TIMESQUARE FOCUS FUND LP	25,000	0	25,000
2276	ROSSI MARCO	57,288	57,288	0
3005	CAGLIA MARIA	0	0	0
DE*	UNICREDIT S.P.A.	215,066,403	0	215,066,403
3025	GHIBAUDI LEOPOLDO	9,000	9,000	0
3061	VIOZZI DANIELE	50	50	0
3200	SCANU MARCO	187	187	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	MOMENTUM INVESTMENT FUNDS SCIVA SIF	133,040	0	133,040
**D	JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	2,045,229	0	2,045,229
**D	JPMORGAN INVESTMENT FUNDS	1,205,954	0	1,205954
**D	CC&L Q 140/40 FUND	600	0	600
**D	CC& L US Q MARKET NEUTRAL ONSHORE FUND I	300	0	300
**D	CC&L Q CAN EQUITY 130/30 PLUS FUND	775	0	775
**D	CC&L Q MARKET NEUTRAL FUND	82,300	0	82,300
**D	VANGUARD EUROPEAN STOCK INDEX FUND	691,987	0	691,987
**D	VANGUARD DEVELOPED MARKETS INDEX FUND	1,795,422	0	1,795,422
**D	VANGUARD TOTAL WORLD STOCK INDEX FUND	82,591	0	82,591
**D	VANGUARD FTSE ALL-WORLD EX US INDEX FUND	565,229	0	565,229
**D	VANGUARD FUNDS PLC	91,522	0	91,522
**D	RAINIER INT SMALL CAP EQUITY COLLECTIVE	182,840	0	182,840
**D	VANGUARD INVESTMENT SERIES PLC	79,836	0	79,836
**D	JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	3,877	0	3,877
**D	STICHT BEDRIJ MEDIA PNO	180,000	0	180,000
**D	HENDERS.EURO.SMALLER COMPANIES FUND	322,357	0	322,357
**D	HENDERSON INSTIT EUROP INDEX OPP FUND	42,487	0	42,487
**D	SAINT MARTIN 4	888,000	0	888,000
**D	FCP SAKKARAH 7	7,500	0	7,500
**D	FCPE TOTAL ACTIONS EUROPEENNES	750,000	0	750,000
**D	FCP KLESIA A DIVERSIFIE	325,000	0	325,000
**D	TOTAL GESTION FLEX PATRI	44,970	0	44,970
**D	FONDS RESERVE RETRAITES	888,450	0	888,450
**D	HENDERSON HORIZON FUND SICAV	2,101,556	0	2,101,556
**D	HENDERSON GARTMORE FUND	572,233	0	572,233
**D	MERIFIN CAPITAL B.V.	39,940	0	39,940
**D	VANGUARD INTERNATIONAL SMALL COMPANIES I	20,939	0	20,939
**D	ONEPATH GLOBAL SHARES - SMALL CAP INDEX	22,117	0	22,117
**D	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	4,895	0	4,895
**D	NVIT MULTI MANAGER INTERNATIONAL GROWTH	143,770	0	143,770

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Renewal of the Severance payment policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	JPM EUROPE DYNAMIC (EX UK) FUND	551,178	0	551,178
**D	JPM EUROPE SMALLER COMPANIES FUND	409,306	0	409,306
**D	VANGUARD TOTAL INTERNATIONAL STOCK INDEX	4,791,064	0	4,791,064
**D	JPMORGAN EUROPEAN INVESTMENT TRUST PLC	94,946	0	94,946
**D	JPMORGAN EUROPEAN SMALLER COMPANIES TST	1,533,787	0	1,533,787
**D	JAPAN TRUSTEE SERVICES BANK LTD AS TRUST	3,489	0	3,489
**D	JTSB LTD. AS TRUSTEE FOR SUMITOMO	16,888	0	16,888
**D	NEW YORK LIFE INSURANCE COMPANY	66,324	0	66,324
**D	PEERLESS INSURANCE COMPANY	115,223	0	115,223
**D	PROSHARES HEDGED FTSE EUROPE ETF	191	0	191
**D	JPMORGAN INTERNATIONAL DISCOVERY FUND	6,507	0	6,507
**D	THE CANADA POST CORPORATION PENSION PLAN	104,309	0	104,309
**D	TR EUROPEN GROWTH TRUST PLC	1,844,247	0	1,844,247
**D	ING DIRECT	29,652	0	29,652
**D	FIDELITY SAL ST T SPARTAN TOTAL INT IN F	4,749	0	4,749
**D	BEST INVESTMENT CORPORATION	9,518	0	9,518
**D	BLACKROCK INSTITUTIONAL POOLED FUND PLC	6,097	0	6,097
**D	CHINA LIFE INSURANCE (GROUP) COMPANY	2,554	0	2,554
**D	BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	1,214	0	1,214
**D	BLACKROCK FISSION INDEXED INTL EQUITY FD	24,822	0	24,822
**D	SUPER FUNDS MANAG CORP SOUTH AUSTRALIA	119,451	0	119,451
**D	MINISTRY OF STRATEGY AND FINANCE	33,349	0	33,349
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	32,767	0	32,767
**D	TRUST AND CUSTODY SERVICED BANK LIMITED	34,871	0	34,871
**D	THE MASTER TRUST BANK OF JAPAN LTD	37,838	0	37,838
**D	MASTER TRUST FOR NATIONAL PENSION FD	35,535	0	35,535
**D	FLF STRATEGIC GLOBAL EQUITY FUND	72,428	0	72,428
**D	BOK KIC AAEQ 3	15,026	0	15,026
**D	SUBSIDIZED SCHOOLS P FUND NORTHERN	13,614	0	13,614
**D	55016 UP INTERNATIONALE AKTIER	225,930	0	225,930
**D	WILM MULTI MGR INTL FD OBERWEIS	241,652	0	241,652
**D	56053 IP GLOBAL EQUITIES I	12,883	0	12,883
**D	LMIF LMGAMI EURO SMLL CP	181,818	0	181,818
**D	IQ 50 PERCENT HEDGED FTSE EURO ETF	3,749	0	3,749
**D	DEUTSCHE XTRK MSCI EMU HDG EQ ETF	4,402	0	4,402
**D	BLACKROCK GLOBAL FUNDS	4,397,203	0	4,397,203
**D	FPXF WILLIAM BLAIR CO	31,880	0	31,880
**D	RVN WILLIAM BLAIR	4,196	0	4,196
**D	BLL AQUILA LIFE EUROPEAN EQUITY	755,618	0	755,618
**D	BLL ASCENT LIFE EUROPEAN	62,130	0	62,130
**D	BLK MULTI ASSET INC PF EUR EQU INC	478,931	0	478,931
**D	BLL AQUILA LIFE OSEAS EQUITY FUND	4,851	0	4,851
**D	BLL ASCENT LIFEENHANCED	1,766	0	1,766
**D	DEUTSCHE XTRK MSCI EAFE SC HDG ETF	466	0	466
**D	CHI OPERATING INVESTMENT PROGRAM LP	78,109	0	78,109

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Renewal of the Severance payment policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	CATHOLIC HEALTH INITIATIVES MASTER TRUST	40,056	0	40,056
**D	FIRST INITIATIVES INSURANCE LIMITED	6,914	0	6,914
**D	EATON VANCE MGMT INTL SMALL CAP	1,057	0	1,057
**D	ONFF WILLIAM BLAIR NONUS	17,060	0	17,060
**D	CE8F WILLIAM BLAIR IACG	115,413	0	115,413
**D	RAYTHEON MASTER PENSION TRUST	1,528	0	1,528
**D	VANGUARD INTL HIGH DIV YLD INDEX FD	14,295	0	14,295
**D	BSNF NTR WILLIAM BLAIR	12,404	0	12,404
**D	BSPF PMT WILLIAM BLAIR	8,749	0	8,749
**D	BGF EURO MKTS FD EURO EQUITY PF	8,176,154	0	8,176,154
**D	BGF FLEX MULTI ASSET GBL EQ PF	9,039	0	9,039
**D	LRPF WILLIAM BLAIR	42,009	0	42,009
**D	W11F WILLIAM BLAIR	10,510	0	10,510
**D	BFTF WILLIAM BLAIR	21,724	0	21,724
**D	US BK RAINIER INTL DISCOVERY FUND	395,610	0	395,610
**D	ATFF AMERICAN CENTURY	74,487	0	74,487
**D	RZSF3001 NON US GE W BLAIR	103,201	0	103,201
**D	ALASKA PERMANENT FUND CORPORATION	57,838	0	57,838
**D	1216 APG DME FINANC	1,221,917	0	1,221,917
**D	2054 APG DME BLACKR	117,398	0	117,398
**D	AON HEWITT COLLECTIVE INVESTMENT TRUST	27,414	0	27,414
**D	MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	30,345	0	30,345
**D	PHC NT SMALL CAP	26,269	0	26,269
**D	BNYMTD BLK CONTINENTAL EURO INC	4,653,703	0	4,653,703
**D	BNYMTD BLK CONT EUR EQ TRCK FD INV	265,102	0	265,102
**D	PENSION RESERVES INVESTMENT TRUST FUND	73,110	0	73,110
**D	VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	97,220	0	97,220
**D	THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	20,153	0	20,153
**D	GENERAL MILLS INVESTMENT TRUST	36,637	0	36,637
**D	INDIANA PUBLIC RETIREMENT SYSTEM	12,426	0	12,426
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	27,702	0	27,702
**D	SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	19,925	0	19,925
**D	UPS GROUP TRUST	86,396	0	86,396
**D	ELEVA UCITS FD-ELEVA ABSOLUTE	6,479,400	0	6,479,400
**D	COLISEE IFC 1	538,000	0	538,000
**D	IRISH LIFE ASSURANCE.	184,234	0	184,234
**D	LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	1,666,611	0	1,666,611
**D	CITIBANK KOREA INC	848,102	0	848,102
**D	THREADNEEDLE (LUX	978,719	0	978,719
**D	THREADNEEDLE INVESTMENT FUNDS ICVC	11,652,830	0	11,652,830
**D	LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	8,892	0	8,892
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	12,500	0	12,500
**D	GOVERNMENT OF NORWAY	5,524,312	0	5,524,312
**D	NORGES BANK	109,988	0	109,988
**D	AQR ORACLE FUND LP	5,896	0	5,896

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IN FAVOUR

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**D	NUMERIC ABS RETURN FD LP	18,000	0	18,000
**D	FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	2,062	0	2,062
**D	FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	203,488	0	203,488
**D	INTERNATIONAL MONETARY FUND	15,994	0	15,994
**D	AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	6,110	0	6,110
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	26,000	0	26,000
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	23,070	0	23,070
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	301,560	0	301,560
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	219,530	0	219,530
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	266,990	0	266,990
**D	AMERICAN CENTURY RETIREMENT DATE TRUST	114,333	0	114,333
**D	CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	183,278	0	183,278
**D	CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	462	0	462
**D	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	28,252	0	28,252
**D	EATON VANCE INTERNATIONAL SMALL-CAP FUND	10,546	0	10,546
**D	WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	217,799	0	217,799
**D	WILLIAM BLAIR INTERNATIONAL GROWTH FUND	657,058	0	657,058
**D	WILLIAM BLAIR INSTITUTIONAL INTERNATIONAL GROWTH FUND	476,734	0	476,734
**D	MM SELECT EQUITY ASSET FUND	6,406	0	6,406
**D	ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM	78,810	0	78,810
**D	MARYLAND STATE RETIREMENT & PENSION SYSTEM	19,979	0	19,979
**D	MERCER QIF CCF	1,101,611	0	1,101,611
**D	MERCER QIF CCF	616,038	0	616,038
**D	STATE OF MONTANA BOARD OF INVESTMENTS	66,699	0	66,699
**D	CITY OF NEW YORK GROUP TRUST	183,462	0	183,462
**D	STATE STREET IRELAND UNIT TRUST	52,145	0	52,145
**D	SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY	62,756	0	62,756
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	634,198	0	634,198
**D	UAW RETIREE MEDICAL BENEFITS TRUST	154,557	0	154,557
**D	VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	3,873	0	3,873
**D	VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	3,671	0	3,671
**D	VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	697	0	697
**D	VANGUARD GLOBAL LIQUIDITY FACTOR ETF	1,061	0	1,061
**D	VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	8,723	0	8,723
**D	VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	25,281	0	25,281
**D	VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	1,123	0	1,123
**D	WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	26,627	0	26,627
**D	WELLS FARGO ALTERNATIVE STRATEGIES FUND	7,561	0	7,561
**D	WASHINGTON STATE INVESTMENT BOARD	165,288	0	165,288
**D	WASHINGTON STATE INVESTMENT BOARD	3,050	0	3,050
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	139	0	139
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	17,270	0	17,270
**D	WISDOMTREE DEFA EQUITY INCOME FUND	18,109	0	18,109
**D	WISDOMTREE INTERNATIONAL EQUITY FUND	30,409	0	30,409
**D	WISDOMTREE INTERNATIONAL MIDCAP DIVIDEND FUND	37,696	0	37,696

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IN FAVOUR

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**D	WISDOMTREE EUROPE LOCAL RECOVERY FUND	867	0	867
**D	WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	212,713	0	212,713
**D	NEW YORK STATE TEACHERS RETIREMENT SYSTEM	131,253	0	131,253
**D	PRUDENTIAL BANK AND TRUST	56,511	0	56,511
**D	SPDR EURO STOXX SMALL CAP ETF	19,641	0	19,641
**D	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	560,715	0	560,715
**D	BLACKROCK STRATEGIC FUNDS	102,172	0	102,172
**D	KIEGER FUND I	1,887	0	1,887
**D	ISHARES MSCI EAFE SMALL CAP ETF	1,043,062	0	1,043,062
**D	ISHARES MSCI EUROPE SMALL-CAP ETF	29,608	0	29,608
**D	BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	548,131	0	548,131
**D	ISHARES CORE MSCI EAFE ETF	592,081	0	592,081
**D	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	114,889	0	114,889
**D	ISHARES MSCI INTERNATIONAL DEVELOPED ETF	2,460	0	2,460
**D	ISHARES CORE MSCI EAFE IMI INDEX ETF	16,762	0	16,762
**D	ISHARES MSCI EUROPE IMI INDEX ETF	6,701	0	6,701
**D	ISHARES CORE MSCI EUROPE ETF	79,880	0	79,880
**D	CONNECTICUT GENERAL LIFE INSURANCE COMPANY	2,775	0	2,775
**D	CDN ACWI ALPHA TILTS FUND	15,426	0	15,426
**D	RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B	1,917	0	1,917
**D	EURO EX-UK ALPHA TITLS FUND B	9,358	0	9,358
**D	WORLD ALPHA TILTS NON-LENDABLE FUND B	757	0	757
**D	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	15,676	0	15,676
**D	DELUXE CORPORATION MASTER TRUST	12,195	0	12,195
**D	MERCY HEALTH	9,457	0	9,457
**D	MERCY HEALTH RETIREMENT TRUST	2,453	0	2,453
**D	TRUTH INITIATIVE FOUNDATION	4,601	0	4,601
**D	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	103,806	0	103,806
**D	ISHARES PUBLIC LIMITED COMPANY	1,002,024	0	1,002,024
**D	ISHARES II PUBLIC LIMITED COMPANY	603,850	0	603,850
**D	ISHARES VII PLC	674,577	0	674,577
**D	ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	233,174	0	233,174
**D	BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	1,086,651	0	1,086,651
**D	BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	163,680	0	163,680
**D	BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	334,720	0	334,720
**D	BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	273,064	0	273,064
**D	MANAGED PENSION FUNDS LIMITED	12,389	0	12,389
**D	THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	11,592	0	11,592
**D	FAMILY INVESTMENTS CHILD TRUST FUND	14,367	0	14,367
**D	FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	9,961	0	9,961
**D	HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	284,213	0	284,213
**D	STICHTING PHILIPS PENSIOENFONDS	49,007	0	49,007
**D	THE TRUSTEES OF SAL PENSION SCHEME	3,820	0	3,820
**D	VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	17,302	0	17,302
**D	VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	41,639	0	41,639

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**D	VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	103,491	0	103,491
**D	VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	276	0	276
**D	SUNSUPER SUPERANNUATION FUND	13,451	0	13,451
**D	CANADA PENSION PLAN INVESTMENT BOARD	369,604	0	369,604
**D	THE TRUSTEES OF BP PENSION FUND	773,030	0	773,030
**D	FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	13,955	0	13,955
**D	UNIVERSITY OF KENTUCKY	10,000	0	10,000
**D	WHEELS COMMON INVESTMENT FUND	18,626	0	18,626
**D	CHEVRON MASTER PENSION TRUST	29,057	0	29,057
**D	CHEVRON UK PENSION PLAN	2,761	0	2,761
**D	THE CURATORS OF THE UNIVERSITY OF MISSOURI	50,065	0	50,065
**D	DFI LP EQUITY (PASSIVE)	1,693	0	1,693
**D	NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND	12,165	0	12,165
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	169,898	0	169,898
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	34,430	0	34,430
**D	NEW ZEALAND SUPERANNUATION FUND	26,623	0	26,623
**D	AON SAVINGS PLAN TRUST	46,862	0	46,862
**D	MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	2,113	0	2,113
**D	NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST	363,921	0	363,921
**D	TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	17,985	0	17,985
**D	ADVOCATE HEALTH CARE NETWORK	20,899	0	20,899
**D	CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	64,284	0	64,284
**D	FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	10,415	0	10,415
**D	ILLINOIS MUNICIPAL RETIREMENT FUND	134,679	0	134,679
**D	LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM	41,051	0	41,051
**D	CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN	65,307	0	65,307
**D	UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	51,783	0	51,783
**D	POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	32,151	0	32,151
**D	SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM	116,549	0	116,549
**D	SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	17,859	0	17,859
**D	FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	1,181	0	1,181
**D	OPSEU PENSION PLAN TRUST FUND	5,309	0	5,309
**D	NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	2,417,367	0	2,417,367
**D	THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	572,086	0	572,086
**D	STRATHCLYDE PENSION FUND	341,499	0	341,499
**D	MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO	27,415	0	27,415
**D	NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	891	0	891
**D	NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	212,266	0	212,266
**D	SSGA GROSS ROLL UP UNIT TRUST	13,909	0	13,909
**D	LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	4,616	0	4,616
**D	STATE TEACHERS RETIREMENT SYSTEM OF OHIO	423,988	0	423,988
**D	ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND	32,387	0	32,387
**D	UNIVEST	126,385	0	126,385
**D	STG PFDS V.D. GRAFISCHE	155,541	0	155,541
**D	FCP ECUREUIL RETRAITE EURO ACTIONS 4	300,000	0	300,000

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal of the Severance payment policy**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	I.2.C. ACTIONS	488,000	0	488,000
**D	FCP GROUPAMA AVENIR EURO	3,136,372	0	3,136,372
**D	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN	14,955	0	14,955
**D	THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	15,685	0	15,685
**D	MCGILL UNIVERSITY PENSION FUND	7,953	0	7,953
**D	PUBLIC SECTOR PENSION INVESTMENT BOARD	104,668	0	104,668
**D	CIBC INTERNATIONAL SMALL COMPANIES FUND	44,559	0	44,559
**D	CF DV ACWI EX-U.S. IMI FUND	1,587	0	1,587
581	CERASUOLO STEFANO	7,241	7,241	0
599	AMADASI GIORDANO	158	158	0
742	AUSILIO ROSA GIUSEPPINA	187	187	0
773	CORNAGO DANIELE	2,241	2,241	0

Total votes	428,736,077
Percentage of voters %	93.508866
Percentage of share capital %	70.549064

Shareholders:	504	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	489

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **2017 Incentive System**

Attendees:

no. **586** shareholders entitled to vote took part in the voting on own behalf or by proxy

no. **458,497,782** ordinary shares

The counting of votes produced the following results:

		%OF ORDINARY SHARE CAPITAL PRESENT (Voting Quorum)	%OF ORDINARY SHARES ENTITLED TO VOTE	%SHARE CAPITAL
Favour	444,143,968	96.869382	96.869382	73.084452
Against	3,424,842	0.746970	0.746970	0.563562
SubTotal	447,568,810	97.616352	97.616352	73.648014
Abstentions	8,071,972	1.760526	1.760526	1.328253
Not Voting	2,857,000	0.623122	0.623122	0.470123
SubTotal	10,928,972	2.383648	2.383648	1.798376
Total	458,497,782	100.000000	100.000000	75.446390

Shareholders:	586	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	566

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Incentive System**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	WEST MIDLANDS METROPOLITAN AUT PENS FD	61,000	0	61,000
**D	FCP BRONGNIART AVENIR	100,000	0	100,000
**D	FCP VILLIERS ACTIONS EDRAM	968,000	0	968,000
**D	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	2,292,969	0	2,292,969
**D	STICHTING PENSIOENFONDS APF	2,873	0	2,873

Total votes	3,424,842
Percentage of voters %	0.746970
Percentage of share capital %	0.563562

Shareholders:	5	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	5

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Incentive System**

ABSTENTIONS

	Surname	Tot. Votes	On own behalf	Proxy
1240	FOGLI MAURIZIO	1,953	1,953	0
1834	CROCE MARIO	1,500	1,500	0
2223	MARTIRIGGIANO ANTONIO	2,681	2,681	0
2253	TONELLI GIULIO	0	0	0
**D	AFER ACTION PME	451,836	0	451,836
**D	BNP PARIBAS SMALL CAP EUROLAND	2,526,390	0	2,526,390
**D	BNP PARIBAS ACTIONS PME	543,807	0	543,807
**D	FCP BNP PARIBAS ACTIONS EUROLAND	43,134	0	43,134
**D	PARVEST	3,121,423	0	3,121,423
**D	BNP PARIBAS A FUND	58,956	0	58,956
**D	BNP PARIBAS L1	82,735	0	82,735
**D	BNP PARIBAS B PENSION BALANCED	733,505	0	733,505
**D	BNP PARIBAS B PENSION STABILITY	47,432	0	47,432
**D	METROPOLITAN RENTASTRO	183,304	0	183,304
**D	AA FORTIS ACTIONS PETIT CAP EUROPE	270,956	0	270,956
2666	DI PALMA GIUSEPPE	1,100	1,100	0
4003	CASTAGNA SERGIO	1	1	0
962	ZACCARDI ANTONELLA	1,259	1,259	0

Total votes	8,071,972
Percentage of voters %	1.760526
Percentage of share capital %	1.328253

Shareholders:	17	People:	7
Shareholders on own behalf:	6	Shareholders by proxy:	11

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Incentive System**

NOT VOTING

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	150,000	0	150,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	1,100,000	0	1,100,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	30,000	0	30,000
**D	INTERFUND SICAV INTERFUND EQUITY ITALY	450,000	0	450,000
**D	FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	27,000	0	27,000
**D	MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	1,100,000	0	1,100,000

Total votes	2,857,000
Percentage of voters %	0.623122
Percentage of share capital %	0.470123

Shareholders:	6	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	6

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Incentive System**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
1027	PRANDINI GIULIANO	12,000	12,000	0
1262	AMADEI STEFANO	3,861	3,861	0
1305	ROSSOTTI ROBERTO	3,000	3,000	0
1774	MINNELLA CARMELO GIOVANNI	1,867	1,867	0
1837	SIRIANNI PIER BATTISTA	8,000	8,000	0
2068	BONETTI EMANUELE	100	100	0
2253	TONELLI GIULIO	0	0	0
**D	ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	670,000	0	670,000
**D	FRANKLIN TEMPLETON INVESTMENT FUNDS	668,413	0	668,413
**D	T. ROWE PRICE FUNDS SICAV	145,427	0	145,427
**D	SCHRODER INTERNATIONAL SELECTION FUND	8,682,403	0	8,682,403
**D	GENERALI INVESTMENTS LUXEMBURG S.A.	684,571	0	684,571
**D	MERRILL LYNCH PROFESSIONAL CLEARING CORP	86,328	0	86,328
**D	WELLINGTON MANAGEMENT PORTFOLIOS	335,843	0	335,843
**D	FIDELITY FUNDS SICAV	1,194,975	0	1,194,975
**D	WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	36,542	0	36,542
**D	WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	28,228	0	28,228
**D	WELLINGTON TRUST COMP COMM TRUST INT OPP	175,018	0	175,018
**D	WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	10,972	0	10,972
**D	JAPAN TRUSTEE SERVICES BANK LTD	469,886	0	469,886
**D	AXA OPTIMAL INCOME	2,068,464	0	2,068,464
**D	AXA VALEURS EURO	1,200,000	0	1,200,000
**D	BANQUE PICTET & CIE SA	33,126	0	33,126
**D	ROBECO CAPITAL GROWTH FUNDS	350,000	0	350,000
**D	DEKA BASISSTRATEGIE FLEXIBEL	23,960	0	23,960
**D	DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	7,900	0	7,900
**D	DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	74,600	0	74,600
**D	DEKA INVESTMENT GMBH RE ARIDEKA	1,150,000	0	1,150,000
**D	DEKA INVEST DIVIDENDENSTRATEGIE CF A	1,088,900	0	1,088,900
**D	HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	2,810,128	0	2,810,128
**D	UBS GLOBAL ASSET MANAGEMENT LIFE LTD	73,068	0	73,068
**D	UBS ASSET MANAGEMENT LIFE LTD	283	0	283
**D	FONDO CONSOLIDADO DE RESERVAS PREVISIONA	86,791	0	86,791
**D	CHINA LIFE INSURANCE COMPANY LIMITED	60,140	0	60,140
**D	COINVEST LIMITED	13,801	0	13,801
**D	UBS (US) GROUP TRUST	7,469	0	7,469
**D	T. ROWE PRICE INTERNATIONAL DISCOVERY FU	4,303,286	0	4,303,286
**D	MINISTRY OF STRATEGY AND FINANCE	143,444	0	143,444
**D	T ROWE PRICE INTERNATIONAL EQUITY INDEX	14,257	0	14,257
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	138,293	0	138,293
**D	STICHTING PENSIOENFONDS MEDISCH SPECIALI	506,456	0	506,456
**D	DEKA INVEST RE DEKA-ZMV-FONDS	22,000	0	22,000
**D	DEKA INVESTMENT GMBH RE PRODEKA	65,200	0	65,200
**D	DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	9,400	0	9,400
**D	DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	10,813	0	10,813

Shareholders:	558	People:	17
Shareholders on own behalf:	14	Shareholders by proxy:	544

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Incentive System**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	MI-FONDS 392	462,000	0	462,000
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	309,886	0	309,886
**D	NATIONWIDE SMALL CAP INDEX FUND	400,962	0	400,962
**D	PENSIONSKASSEN FOR BORNE-OG UNGDOMS	16,958	0	16,958
**D	KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	1,525,392	0	1,525,392
**D	DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	546,850	0	546,850
**D	STICHTING PENSIOENFONDS VOOR HUISARTSEN	25,292	0	25,292
**D	T ROWE PRICE GLOBAL ALLOCATION FUND INC	7,791	0	7,791
**D	T ROWE INTL SMALL CAP EQUITY TRUST	486,110	0	486,110
**D	ENTERGY CORP.RETIREMENT PLANS MASTER TR.	203,718	0	203,718
**D	INVESCO GLOBAL SMALL CAP EQUITY POOL	143,065	0	143,065
**D	RBC CANADIAN MASTER TRUST	124,418	0	124,418
**D	REGIME DE RETRAITE D HYDRO QUEBEC	102,698	0	102,698
**D	AXA FRAMLINGTON FINANCIAL FUND	125,000	0	125,000
**D	NATIXIS INTERNT FUNDS LUX I	238,000	0	238,000
**D	FCP SCANDIUM	122,000	0	122,000
**D	ALLIANZGI FONDS BAT LS	92,900	0	92,900
**D	ALLIANZGI FONDS PF1	14,182	0	14,182
**D	ALLIANZGI FONDS AFE	3,943	0	3,943
**D	TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	1,507,269	0	1,507,269
**D	PFIZER JAPAN INC PENSION FUND	80,700	0	80,700
**D	TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	55,682	0	55,682
**D	THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	83,856	0	83,856
**D	BT WHOLESALE MULTI MANAG INTL SHARE FUND	186,764	0	186,764
**D	SCHRODER PENSION MANAGEMENT LTD	42,277	0	42,277
**D	MFS INTERNATIONAL NEW DISCOVERY FUND	2,267,886	0	2,267,886
**D	AVIVA LIFE & PENSIONS UK LIMITED	53,590	0	53,590
**D	AVIVA LIFE AND PENSIONS UK LIMITED	181,930	0	181,930
**D	SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	71,392	0	71,392
**D	SCHRODER EUROPEAN FUND	2,365,914	0	2,365,914
**D	SCHRODER INTERNATIONAL SMALL COMPANIES P	8,000	0	8,000
**D	SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	125,000	0	125,000
**D	TEACHERS PENSION PLAN & PRIVATE SCHOOL	639,710	0	639,710
**D	FTSE ALL WORLD INDEX FUND	33,351	0	33,351
**D	FRIENDS LIFE LIMITED	89,644	0	89,644
**D	REASSURE LIMITED	14,216	0	14,216
**D	HSBC EUROPEAN INDEX FUND	75,508	0	75,508
**D	NORTHERN IRELAND LOCAL GOV PENSION FUND	84,483	0	84,483
**D	FRIENDS LIFE AND PENSIONS LIMITED	6,627	0	6,627
**D	REALDANIA	532,000	0	532,000
**D	ANIMA SGR SPA	12,381,073	0	12,381,073
**D	ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	242,269	0	242,269
**D	ARTEMIS EUROPEAN OPPORTUNITIES FUND	1,301,374	0	1,301,374
**D	NMM3 EUEQ MFS ACCOUNT	8,971	0	8,971
**D	CITI RETIREMENT SAVINGS PLAN	115,234	0	115,234

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Incentive System**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	FIRST INVESTORS GLOBAL FUND	306,236	0	306,236
**D	UWF TROW INTL DISCOVERY	55,384	0	55,384
**D	BOK KIC GAEQ6	85,699	0	85,699
**D	PS FTSE LO BT EQ WT PORT	32,076	0	32,076
**D	CEP DEP IP GLOBAL SMALLER COS	802,185	0	802,185
**D	EIR EIE WELLINGTON INT	179,053	0	179,053
**D	BNYMTCIL IFS4 INV CONT EU SM CAP FD	1,317,413	0	1,317,413
**D	BNYMTCIL IFS4 INV GBL SM CAP EQ FD	385,588	0	385,588
**D	PS FTSERAFI EUSM UCITS ETF BNYMTCIL	2,919	0	2,919
**D	PS SP INTL DEVEL QUALITY PORTFOLIO	4,736	0	4,736
**D	PS FR DEVEL MARK EX US SMALL PORT	5,473	0	5,473
**D	PRU SECTOR FDS INC PRU FIN SER FD	787,168	0	787,168
**D	AST TRP DIVERS REAL GWTH PORT PDMO	1,049	0	1,049
**D	AST FI PYRAMIS QUANT AA IE SC PDGJ	83,115	0	83,115
**D	AST TRP GWTH OPP PORT BAL PDRB	26,600	0	26,600
**D	AST RCM WORLD TRENDS PORT PDBF	250,800	0	250,800
**D	WELLINGTON MGMT CY LLPQUALITY EDUC FD	138,871	0	138,871
**D	BANK OF AMERICA PENSION PLAN OECHSLE	143,212	0	143,212
**D	BOA FBO SKL INVESTMENT GRP LLC	8,534	0	8,534
**D	WMP OPP INVESTMENT PRTNS LP	32,852	0	32,852
**D	AWAF AWAC WELLINGTON	58,355	0	58,355
**D	THE CLEVELAND CLINIC FOUNDATION	70,858	0	70,858
**D	GLOBAL EQUITY WELLINGTON	235,725	0	235,725
**D	GLOBAL INVESTMENT FUND	31,323	0	31,323
**D	MFS INTL EQUITY FUND	74,599	0	74,599
**D	INVESCO FUNDS	177,083	0	177,083
**D	HP INC MASTER TRUST	68,418	0	68,418
**D	BNYMTD RAMAM WORLD RECOVERY FUND	180,600	0	180,600
**D	UNISYS MASTER TRUST	70,952	0	70,952
**D	CPA COP PSERS PYRAMIS GLOBAL ADV	78,706	0	78,706
**D	BNYMTD RM GLOBAL HIGH ALPHA FUND	63,600	0	63,600
**D	AMG TIMESSQUARE INTL SM CAP	643,360	0	643,360
**D	FLORIDA RETIREMENT SYSTEM	215,017	0	215,017
**D	BELL ATLANTIC MASTER TRUST	41,418	0	41,418
**D	VERIZON MASTER SAVINGS TRUST	98,016	0	98,016
**D	UTC WELLINGTON GLOBAL	91,148	0	91,148
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	132,596	0	132,596
**D	BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	109,924	0	109,924
**D	JOHN S AND JAMES L KNIGHT FOUNDATION	229,700	0	229,700
**D	PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	246	0	246
**D	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	192,127	0	192,127
**D	PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	385,014	0	385,014
**D	PIONEER FD-EUROPEAN RESEARCH	321,167	0	321,167
**D	PIONEER FD-EURO EQ OPTIMAL VOL	95,282	0	95,282
**D	PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	25,412	0	25,412

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Incentive System**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	PIONEER FD SF EQUITY PLAN60	52,401	0	52,401
**D	PIONEER FD-GLOBAL MULTI ASSET	39,321	0	39,321
**D	PIONEER FD-EUROPEAN POTENTIAL	1,801,653	0	1,801,653
**D	FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	250,000	0	250,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	110,000	0	110,000
**D	FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	100,000	0	100,000
**D	F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	60,000	0	60,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	15,000	0	15,000
**D	GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	11,000	0	11,000
**D	FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	5,000	0	5,000
**D	METZLER INT INV EUR SMALLER CO	1,575,000	0	1,575,000
**D	UBS EUROP SMALL CAP EQUITY FD	84,125	0	84,125
**D	CIPAV ALOIS	117,262	0	117,262
**D	SOGECAP ACTIONS SMALL CAP	942,243	0	942,243
**D	SG ACTIONS EUROPE MID CAP	197,367	0	197,367
**D	AGI FRANCE	171,200	0	171,200
**D	ALLIANZ ACTIONS EURO PME-ETI	167,700	0	167,700
**D	AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	10,120	0	10,120
**D	COLONIAL FIRST STATE INVESTMENTS LIMITED.	71,939	0	71,939
**D	STICHTING PGGM DEPOSITARY	179,921	0	179,921
**D	WELLINGTON ALTA FUND	94,527	0	94,527
**D	UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	73,720	0	73,720
**D	UBS FUND MANAGEMENT (SWITZERLAND) AG.	132,808	0	132,808
**D	CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	11,326	0	11,326
**D	UBS (LUX) EQUITY SICAV	128,845	0	128,845
**D	S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	201,592	0	201,592
**D	FEDERATED KAUFMANN FUND	6,839,360	0	6,839,360
**D	FEDERATED KAUFMANN FUND II	166,330	0	166,330
**D	FEDERATED KAUFMANN SMALL CAP FUND	874,310	0	874,310
**D	LAUDUS INTERNATIONAL MARKETMASTERS FUND	684,332	0	684,332
**D	SCHWAB INTERNATIONAL EQUITY ETF	195,728	0	195,728
**D	JOHN HANCOCK SEAPORT FUND	522,049	0	522,049
**D	WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	152,865	0	152,865
**D	MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	142,892	0	142,892
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	165,000	0	165,000
**D	ANIMA FUNDS PLC	353,973	0	353,973
**D	MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	127,626	0	127,626
**D	THE FRANCIS E. PARKER MEMORIAL HOME	23,936	0	23,936
**D	THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	41,964	0	41,964
**D	THE GABELLI GLOBAL SMALL AND MID CAP VALUE TRUST	49,000	0	49,000
**D	THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	25,000	0	25,000
**D	HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	907,160	0	907,160
**D	HARTFORD CAPITAL APPRECIATION HLS FUND	1,411,126	0	1,411,126
**D	THE HARTFORD INTERNATIONAL GROWTH FUND	141,392	0	141,392
**D	THE HARTFORD CAPITAL APPRECIATION FUND	3,822,524	0	3,822,524

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Incentive System**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	1,698,920	0	1,698,920
**D	HARTFORD INTERNATIONAL EQUITY FUND	20,015	0	20,015
**D	THE HARTFORD GLOBAL ALL- ASSET FUND	73,365	0	73,365
**D	HARTFORD GLOBAL CAPITAL APPRECIATION FUND	549,306	0	549,306
**D	HARTFORD HEALTHCARE ENDOWMENT LLC	10,847	0	10,847
**D	HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	9,572	0	9,572
**D	HSBC STAT	58,300	0	58,300
**D	ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	7,316	0	7,316
**D	HENKEL OF AMERICA MASTER RETIREMENT TRUST	20,932	0	20,932
**D	TEXAS MUNICIPAL RETIREMENT SYSTEM	897,775	0	897,775
**D	ASHWOOD INVESTMENTS LIMITED	6,619	0	6,619
**D	STATE OF NEW JERSEY COMMON PENSION FUND D	257,203	0	257,203
**D	NEW YORK STATE DEFERRED COMPENSATION PLAN	124,544	0	124,544
**D	CITY OF NEW YORK GROUP TRUST	513,664	0	513,664
**D	WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	122,551	0	122,551
**D	HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	193,662	0	193,662
**D	BIMCOR GLOBAL EQUITY POOLED FUND	87,658	0	87,658
**D	GOVERNMENT OF THE PROVINCE OF ALBERTA	169,600	0	169,600
**D	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	365,713	0	365,713
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	487,200	0	487,200
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	136,317	0	136,317
**D	METZLER INVESTMENT GMBH FOR MI-FONDS 415	113,500	0	113,500
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	346,439	0	346,439
**D	SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	37,395	0	37,395
**D	VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	125,203	0	125,203
**D	THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	376,990	0	376,990
**D	THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	88,420	0	88,420
**D	THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	151,092	0	151,092
**D	WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	7,964	0	7,964
**D	THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	12,538	0	12,538
**D	THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	900,083	0	900,083
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	226,758	0	226,758
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	2,381	0	2,381
**D	WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	56,613	0	56,613
**D	AXA WORLD FUNDS	12,770,072	0	12,770,072
**D	ALLIANZ GLOBAL INVESTORS FUND	1,446,700	0	1,446,700
**D	MFS MERIDIAN FUNDS	1,306,568	0	1,306,568
**D	KIEGER FUND I	50,329	0	50,329
**D	UBS ETF	5,105	0	5,105
**D	INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	61,206	0	61,206
**D	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	157,750	0	157,750
**D	COLLEGE RETIREMENT EQUITIES FUND	1,416,042	0	1,416,042
**D	RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	238,547	0	238,547
**D	RUSSELL INVESTMENT FUNDS NON-U.S. FUND	28,598	0	28,598
**D	MULTI-STYLE, MULTI-MANAGER FUNDS PLC	210,400	0	210,400

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Incentive System**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	ONTARIO TEACHERS PENSION PLAN BOARD	183,162	0	183,162
**D	THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	24,218	0	24,218
**D	THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	5,970	0	5,970
**D	THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	622,711	0	622,711
**D	GOVERNMENT INSTITUTIONS PENSION FUND	3,059	0	3,059
**D	BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	1,495,583	0	1,495,583
**D	THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	177,800	0	177,800
**D	HRW TESTAMENTARY TRUST NO 3	127,400	0	127,400
**D	THE WALTON FAMILY FOUNDATION	269,600	0	269,600
**D	HRW TESTAMENTARY TRUST NO. 8	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO 2	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO. 12	109,400	0	109,400
**D	GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	120,164	0	120,164
**D	SCHLUMBERGER COMMON INVESTMENT FUND	44,607	0	44,607
**D	LTW INVESTMENTS LLC	170,000	0	170,000
**D	LOY PARTNERSHIP, LLC	96,500	0	96,500
**D	RAMI PARTNERS, LLC	90,600	0	90,600
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	53,438	0	53,438
**D	BLUE SKY GROUP	209,000	0	209,000
**D	BATTELLE MEMORIAL INSTITUTE	39,700	0	39,700
**D	DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	59,456	0	59,456
**D	PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	291,526	0	291,526
**D	THE HEALTH FOUNDATION	57,168	0	57,168
**D	MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	57,188	0	57,188
**D	ST. JOSEPH HEALTH SYSTEM	100,661	0	100,661
**D	TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	17,288	0	17,288
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	319,807	0	319,807
**D	EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	44,336	0	44,336
**D	STATE UNIVERSITIES RETIREMENT SYSTEM	68,085	0	68,085
**D	UTAH STATE RETIREMENT SYSTEMS	44,501	0	44,501
**D	AMG FUND PLC	8,390	0	8,390
**D	ILLINOIS STATE BOARD OF INVESTMENT	77,149	0	77,149
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	20,610	0	20,610
**D	EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	528,640	0	528,640
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	26,395	0	26,395
**D	EURIZON EASY FUND - EQUITY ITALY	129,738	0	129,738
**D	EURIZON FUND - EQUITY ITALY SMART VOLATILITY	76.384	0	76,384
**D	AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	994,376	0	994,376
**D	AMUNDI LUXEMBOURG SA	909,666	0	909,666
**D	FCP EDMOND DE ROTHSCHILD EURO LEADERS	923,900	0	923,900
**D	FCP EDMOND DE ROTHSCHILD EURO SRI	168,000	0	168,000
**D	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	834,000	0	834,000
**D	FCP LCF PHARMA INTERNATIONAL	164,920	0	164,920
**D	CNP ASSUR SMALL CAP	432,330	0	432,330
**D	EDMOND DE ROTHSCHILD ASSET MANAGEMENT	399,330	0	399,330

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Subject: **2017 Incentive System**

IN FAVOUR

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**D	FCP RSI EURO P	63,089	0	63,089
**D	FCP VILLIERS DIAPASON	69,636	0	69,636
**D	FCP NATIXIS ACTIONS SMALL MID CAP EURO	263,000	0	263,000
**D	ASSURDIX	41,977	0	41,977
**D	CPR EURO HIGH DIVIDEND	94,061	0	94,061
**D	CPR SILVER AGE	2,472,859	0	2,472,859
**D	SICAV BBM V-FLEX	135,784	0	135,784
**D	FCP BEST BUSINESS MODELS	1,530,000	0	1,530,000
**D	CROISSANCE PME M	433,376	0	433,376
**D	BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	973,829	0	973,829
**D	PUBLIC SERVICE PENSION PLAN FUND	35,520	0	35,520
**D	TEACHERS` PENSION PLAN FUND	37,223	0	37,223
**D	TELUS PENSIONS MASTER TRUST	78,303	0	78,303
**D	ALLEGHENY COLLEGE	24,200	0	24,200
**D	ERIE COUMMINTY FOUNDATION	27,300	0	27,300
**D	TIMESQUARE FOCUS FUND LP	25,000	0	25,000
2276	ROSSI MARCO	57,288	57,288	0
3005	CAGLIA MARIA	0	0	0
DE*	UNICREDIT S.P.A.	215,066,403	0	215,066,403
3025	GHIBAUDI LEOPOLDO	9,000	9,000	0
3061	VIOZZI DANIELE	50	50	0
3200	SCANU MARCO	187	187	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	MOMENTUM INVESTMENT FUNDS SCIVA SIF	133,040	0	133,040
**D	JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	2,045,229	0	2,045,229
**D	JPMORGAN INVESTMENT FUNDS	1,205,954	0	1,205,954
**D	CC&L Q 140/40 FUND	600	0	600
**D	CC& L US Q MARKET NEUTRAL ONSHORE FUND I	300	0	300
**D	CC&L Q CAN EQUITY 130/30 PLUS FUND	775	0	775
**D	CC&L Q MARKET NEUTRAL FUND	82,300	0	82,300
**D	VANGUARD EUROPEAN STOCK INDEX FUND	691,987	0	691,987
**D	VANGUARD DEVELOPED MARKETS INDEX FUND	1,795,422	0	1,795,422
**D	VANGUARD TOTAL WORLD STOCK INDEX FUND	82,591	0	82,591
**D	VANGUARD FTSE ALL-WORLD EX US INDEX FUND	565,229	0	565,229
**D	VANGUARD FUNDS PLC	91,522	0	91,522
**D	RAINIER INT SMALL CAP EQUITY COLLECTIVE	182,840	0	182,840
**D	VANGUARD INVESTMENT SERIES PLC	79,836	0	79,836
**D	JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	3,877	0	3,877
**D	STICHT BEDRIJ MEDIA PNO	180,000	0	180,000
**D	HENDERS.EURO.SMALLER COMPANIES FUND	322,357	0	322,357
**D	HENDERSON INSTIT EUROP INDEX OPP FUND	42,487	0	42,487
**D	SAINT MARTIN 4	888,000	0	888,000
**D	FCP SAKKARAH 7	7,500	0	7,500
**D	FCPE TOTAL ACTIONS EUROPEENNES	750,000	0	750,000
**D	FCP KLESIA A DIVERSIFIE	325,000	0	325,000

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
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IN FAVOUR

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**D	TOTAL GESTION FLEX PATRI	44,970	0	44,970
**D	FONDS RESERVE RETRAITES	888,450	0	888,450
**D	HENDERSON HORIZON FUND SICAV	2,101,556	0	2,101,556
**D	HENDERSON GARTMORE FUND	572,233	0	572,233
**D	MERIFIN CAPITAL B.V.	39,940	0	39,940
**D	VANGUARD INTERNATIONAL SMALL COMPANIES I	20,939	0	20,939
**D	ONEPATH GLOBAL SHARES - SMALL CAP INDEX	22,117	0	22,117
**D	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	4,895	0	4,895
**D	NVIT MULTI MANAGER INTERNATIONAL GROWTH	143,770	0	143,770
**D	JPM EUROPE DYNAMIC (EX UK) FUND	551,178	0	551,178
**D	JPM EUROPE SMALLER COMPANIES FUND	409,306	0	409,306
**D	VANGUARD TOTAL INTERNATIONAL STOCK INDEX	4,791,064	0	4,791,064
**D	JPMORGAN EUROPEAN INVESTMENT TRUST PLC	94,946	0	94,946
**D	JPMORGAN EUROPEAN SMALLER COMPANIES TST	1,533,787	0	1,533,787
**D	JAPAN TRUSTEE SERVICES BANK LTD AS TRUST	3,489	0	3,489
**D	JTSB LTD. AS TRUSTEE FOR SUMITOMO	16,888	0	16,888
**D	NEW YORK LIFE INSURANCE COMPANY	66,324	0	66,324
**D	PEERLESS INSURANCE COMPANY	115,223	0	115,223
**D	PROSHARES HEDGED FTSE EUROPE ETF	191	0	191
**D	JPMORGAN INTERNATIONAL DISCOVERY FUND	6,507	0	6,507
**D	THE CANADA POST CORPORATION PENSION PLAN	104,309	0	104,309
**D	TR EUROPEN GROWTH TRUST PLC	1,844,247	0	1,844,247
**D	ING DIRECT	29,652	0	29,652
**D	FIDELITY SAL ST T SPARTAN TOTAL INT IN F	4,749	0	4,749
**D	BEST INVESTMENT CORPORATION	9,518	0	9,518
**D	BLACKROCK INSTITUTIONAL POOLED FUND PLC	6,097	0	6,097
**D	CHINA LIFE INSURANCE (GROUP) COMPANY	2,554	0	2,554
**D	BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	1,214	0	1,214
**D	BLACKROCK FISSION INDEXED INTL EQUITY FD	24,822	0	24,822
**D	SUPER FUNDS MANAG CORP SOUTH AUSTRALIA	119,451	0	119,451
**D	MINISTRY OF STRATEGY AND FINANCE	33,349	0	33,349
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	32,767	0	32,767
**D	TRUST AND CUSTODY SERVICED BANK LIMITED	34,871	0	34,871
**D	THE MASTER TRUST BANK OF JAPAN LTD	37,838	0	37,838
**D	MASTER TRUST FOR NATIONAL PENSION FD	35,535	0	35,535
**D	FLF STRATEGIC GLOBAL EQUITY FUND	72,428	0	72,428
**D	BOK KIC AAEQ 3	15,026	0	15,026
**D	SUBSIDIZED SCHOOLS P FUND NORTHERN	13,614	0	13,614
**D	55016 UP INTERNATIONALE AKTIER	225,930	0	225,930
**D	WILM MULTI MGR INTL FD OBERWEIS	241,652	0	241,652
**D	56053 IP GLOBAL EQUITIES I	12,883	0	12,883
**D	LMIF LMGAMI EURO SMLL CP	181,818	0	181,818
**D	IQ 50 PERCENT HEDGED FTSE EURO ETF	3,749	0	3,749
**D	DEUTSCHE XTRK MSCI EMU HDG EQ ETF	4,402	0	4,402
**D	BLACKROCK GLOBAL FUNDS	4,397,203	0	4,397,203

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**D	FPXF WILLIAM BLAIR CO	31,880	0	31,880
**D	RVN WILLIAM BLAIR	4,196	0	4,196
**D	BLL AQUILA LIFE EUROPEAN EQUITY	755,618	0	755,618
**D	BLL ASCENT LIFE EUROPEAN	62,130	0	62,130
**D	BLK MULTI ASSET INC PF EUR EQU INC	478,931	0	478,931
**D	BLL AQUILA LIFE OSEAS EQUITY FUND	4,851	0	4,851
**D	BLL ASCENT LIFEENHANCED	1,766	0	1,766
**D	DEUTSCHE XTRK MSCI EAFE SC HDG ETF	466	0	466
**D	CHI OPERATING INVESTMENT PROGRAM LP	78,109	0	78,109
**D	CATHOLIC HEALTH INITIATIVES MASTER TRUST	40,056	0	40,056
**D	FIRST INITIATIVES INSURANCE LIMITED	6,914	0	6,914
**D	EATON VANCE MGMT INTL SMALL CAP	1,057	0	1,057
**D	ONFF WILLIAM BLAIR NONUS	17,060	0	17,060
**D	CE8F WILLIAM BLAIR IACG	115,413	0	115,413
**D	RAYTHEON MASTER PENSION TRUST	1,528	0	1,528
**D	VANGUARD INTL HIGH DIV YLD INDEX FD	14,295	0	14,295
**D	BSNF NTR WILLIAM BLAIR	12,404	0	12,404
**D	BSPF PMT WILLIAM BLAIR	8,749	0	8,749
**D	BGF EURO MKTS FD EURO EQUITY PF	8,176,154	0	8,176,154
**D	BGF FLEX MULTI ASSET GBL EQ PF	9,039	0	9,039
**D	LRPF WILLIAM BLAIR	42,009	0	42,009
**D	W11F WILLIAM BLAIR	10,510	0	10,510
**D	BFTF WILLIAM BLAIR	21,724	0	21,724
**D	US BK RAINIER INTL DISCOVERY FUND	395,610	0	395,610
**D	ATFF AMERICAN CENTURY	74,487	0	74,487
**D	RZSF3001 NON US GE W BLAIR	103,201	0	103,201
**D	ALASKA PERMANENT FUND CORPORATION	57,838	0	57,838
**D	1216 APG DME FINANC	1,221,917	0	1.221,917
**D	2054 APG DME BLACKR	117,398	0	117,398
**D	AON HEWITT COLLECTIVE INVESTMENT TRUST	27,414	0	27,414
**D	MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	30,345	0	30,345
**D	PHC NT SMALL CAP	26,269	0	26,269
**D	BNYMTD BLK CONTINENTAL EURO INC	4,653,703	0	4,653,703
**D	BNYMTD BLK CONT EUR EQ TRCK FD INV	265,102	0	265,102
**D	PENSION RESERVES INVESTMENT TRUST FUND	73,110	0	73,110
**D	VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	97,220	0	97,220
**D	THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	20,153	0	20,153
**D	GENERAL MILLS INVESTMENT TRUST	36,637	0	36,637
**D	INDIANA PUBLIC RETIREMENT SYSTEM	12,426	0	12,426
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	27,702	0	27,702
**D	SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	19,925	0	19,925
**D	UPS GROUP TRUST	86,396	0	86,396
**D	ELEVA UCITS FD-ELEVA ABSOLUTE	6,479,400	0	6,479,400
**D	COLISEE IFC 1	538,000	0	538,000
**D	IRISH LIFE ASSURANCE.	184,234	0	184,234

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**D	LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	1,666,611	0	1,666,611
**D	CITIBANK KOREA INC	848,102	0	848,102
**D	THREADNEEDLE (LUX	978,719	0	978,719
**D	THREADNEEDLE INVESTMENT FUNDS ICVC	11,652,830	0	11,652,830
**D	LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	8,892	0	8,892
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	12,500	0	12,500
**D	GOVERNMENT OF NORWAY	5,524,312	0	5,524,312
**D	NORGES BANK	109,988	0	109,988
**D	AQR ORACLE FUND LP	5,896	0	5,896
**D	NUMERIC ABS RETURN FD LP	18,000	0	18,000
**D	FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	2,062	0	2,062
**D	FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	203,488	0	203,488
**D	INTERNATIONAL MONETARY FUND	15,994	0	15,994
**D	AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	6,110	0	6,110
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	26,000	0	26,000
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	23,070	0	23,070
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	301,560	0	301,560
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	219,530	0	219,530
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	266,990	0	266,990
**D	AMERICAN CENTURY RETIREMENT DATE TRUST	114,333	0	114,333
**D	CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	183,278	0	183,278
**D	CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	462	0	462
**D	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	28,252	0	28,252
**D	EATON VANCE INTERNATIONAL SMALL-CAP FUND	10,546	0	10,546
**D	WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	217,799	0	217,799
**D	WILLIAM BLAIR INTERNATIONAL GROWTH FUND	657,058	0	657,058
**D	WILLIAM BLAIR INSTITUTIONAL INTERNATIONAL GROWTH FUND	476,734	0	476,734
**D	MM SELECT EQUITY ASSET FUND	6,406	0	6,406
**D	ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM	78,810	0	78,810
**D	MARYLAND STATE RETIREMENT & PENSION SYSTEM	19,979	0	19,979
**D	MERCER QIF CCF	1,101,611	0	1,101,611
**D	MERCER QIF CCF	616,038	0	616,038
**D	STATE OF MONTANA BOARD OF INVESTMENTS	66,699	0	66,699
**D	CITY OF NEW YORK GROUP TRUST	183,462	0	183,462
**D	STATE STREET IRELAND UNIT TRUST	52,145	0	52,145
**D	SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY	62,756	0	62,756
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	634,198	0	634,198
**D	UAW RETIREE MEDICAL BENEFITS TRUST	154,557	0	154,557
**D	VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	3,873	0	3,873
**D	VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	3,671	0	3,671
**D	VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	697	0	697
**D	VANGUARD GLOBAL LIQUIDITY FACTOR ETF	1,061	0	1,061
**D	VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	8,723	0	8,723
**D	VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	25,281	0	25,281
**D	VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	1,123	0	1,123

Shareholders:	558	People:	17
Shareholders on own behalf:	14	Shareholders by proxy:	544

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RL* legal representation to the natural person above mentioned with the badge number

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Incentive System**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	26,627	0	26,627
**D	WELLS FARGO ALTERNATIVE STRATEGIES FUND	7,561	0	7,561
**D	WASHINGTON STATE INVESTMENT BOARD	165,288	0	165,288
**D	WASHINGTON STATE INVESTMENT BOARD	3,050	0	3,050
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	139	0	139
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	17,270	0	17,270
**D	WISDOMTREE DEFA EQUITY INCOME FUND	18,109	0	18,109
**D	WISDOMTREE INTERNATIONAL EQUITY FUND	30,409	0	30,409
**D	WISDOMTREE INTERNATIONAL MIDCAP DIVIDEND FUND	37,696	0	37,696
**D	WISDOMTREE EUROPE LOCAL RECOVERY FUND	867	0	867
**D	WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	212,713	0	212,713
**D	NEW YORK STATE TEACHERS RETIREMENT SYSTEM	131,253	0	131,253
**D	PRUDENTIAL BANK AND TRUST	56,511	0	56,511
**D	SPDR EURO STOXX SMALL CAP ETF	19,641	0	19,641
**D	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	560,715	0	560,715
**D	BLACKROCK STRATEGIC FUNDS	102,172	0	102,172
**D	KIEGER FUND I	1,887	0	1,887
**D	ISHARES MSCI EAFE SMALL CAP ETF	1,043,062	0	1,043,062
**D	ISHARES MSCI EUROPE SMALL-CAP ETF	29,608	0	29,608
**D	BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	548,131	0	548,131
**D	ISHARES CORE MSCI EAFE ETF	592,081	0	592,081
**D	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	114,889	0	114,889
**D	ISHARES MSCI INTERNATIONAL DEVELOPED ETF	2,460	0	2,460
**D	ISHARES CORE MSCI EAFE IMI INDEX ETF	16,762	0	16,762
**D	ISHARES MSCI EUROPE IMI INDEX ETF	6,701	0	6,701
**D	ISHARES CORE MSCI EUROPE ETF	79,880	0	79,880
**D	CONNECTICUT GENERAL LIFE INSURANCE COMPANY	2,775	0	2,775
**D	CDN ACWI ALPHA TILTS FUND	15,426	0	15,426
**D	RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B	1,917	0	1,917
**D	EURO EX-UK ALPHA TITLS FUND B	9,358	0	9,358
**D	WORLD ALPHA TILTS NON-LENDABLE FUND B	757	0	757
**D	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	15,676	0	15,676
**D	DELUXE CORPORATION MASTER TRUST	12,195	0	12,195
**D	MERCY HEALTH	9,457	0	9,457
**D	MERCY HEALTH RETIREMENT TRUST	2,453	0	2,453
**D	TRUTH INITIATIVE FOUNDATION	4,601	0	4,601
**D	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	103,806	0	103,806
**D	ISHARES PUBLIC LIMITED COMPANY	1,002,024	0	1,002,024
**D	ISHARES II PUBLIC LIMITED COMPANY	603,850	0	603,850
**D	ISHARES VII PLC	674,577	0	674,577
**D	ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	233,174	0	233,174
**D	BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	1,086,651	0	1,086,651
**D	BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	163,680	0	163,680
**D	BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	334,720	0	334,720
**D	BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	273,064	0	273,064

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Shareholders on own behalf:	14	Shareholders by proxy:	544

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Incentive System**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	MANAGED PENSION FUNDS LIMITED	12,389	0	12,389
**D	THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	11,592	0	11,592
**D	FAMILY INVESTMENTS CHILD TRUST FUND	14,367	0	14,367
**D	FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	9,961	0	9,961
**D	HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	284,213	0	284,213
**D	STICHTING PHILIPS PENSIOENFONDS	49,007	0	49,007
**D	THE TRUSTEES OF SAL PENSION SCHEME	3,820	0	3,820
**D	VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	17,302	0	17,302
**D	VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	41,639	0	41,639
**D	VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	103,491	0	103,491
**D	VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	276	0	276
**D	SUNSUPER SUPERANNUATION FUND	13,451	0	13,451
**D	CANADA PENSION PLAN INVESTMENT BOARD	369,604	0	369,604
**D	THE TRUSTEES OF BP PENSION FUND	773,030	0	773,030
**D	FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	13,955	0	13,955
**D	UNIVERSITY OF KENTUCKY	10,000	0	10,000
**D	WHEELS COMMON INVESTMENT FUND	18,626	0	18,626
**D	CHEVRON MASTER PENSION TRUST	29,057	0	29,057
**D	CHEVRON UK PENSION PLAN	2,761	0	2,761
**D	THE CURATORS OF THE UNIVERSITY OF MISSOURI	50,065	0	50,065
**D	DFI LP EQUITY (PASSIVE)	1,693	0	1,693
**D	NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND	12,165	0	12,165
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	169,898	0	169,898
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	34,430	0	34,430
**D	NEW ZEALAND SUPERANNUATION FUND	26,623	0	26,623
**D	AON SAVINGS PLAN TRUST	46,862	0	46,862
**D	MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	2,113	0	2,113
**D	NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST	363,921	0	363,921
**D	TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	17,985	0	17,985
**D	ADVOCATE HEALTH CARE NETWORK	20,899	0	20,899
**D	CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	64,284	0	64,284
**D	FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	10,415	0	10,415
**D	ILLINOIS MUNICIPAL RETIREMENT FUND	134,679	0	134,679
**D	LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM	41,051	0	41,051
**D	CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN	65,307	0	65,307
**D	UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	51,783	0	51,783
**D	POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	32,151	0	32,151
**D	SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM	116,549	0	116,549
**D	SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	17,859	0	17,859
**D	FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	1,181	0	1,181
**D	OPSEU PENSION PLAN TRUST FUND	5,309	0	5,309
**D	NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	2,417,367	0	2.417,367
**D	THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	572,086	0	572,086
**D	STRATHCLYDE PENSION FUND	341,499	0	341,499
**D	MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO	27,415	0	27,415

Shareholders:	558	People:	17
Shareholders on own behalf:	14	Shareholders by proxy:	544

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **2017 Incentive System**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	891	0	891
**D	NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	212,266	0	212,266
**D	SSGA GROSS ROLL UP UNIT TRUST	13,909	0	13,909
**D	LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	4,616	0	4,616
**D	STATE TEACHERS RETIREMENT SYSTEM OF OHIO	423,988	0	423,988
**D	ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND	32,387	0	32,387
**D	UNIVEST	126,385	0	126,385
**D	STG PFDS V.D. GRAFISCHE	155,541	0	155,541
**D	FCP ECUREUIL RETRAITE EURO ACTIONS 4	300,000	0	300,000
**D	I.2.C. ACTIONS	488,000	0	488,000
**D	FCP GROUPAMA AVENIR EURO	3,136,372	0	3,136,372
**D	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN	14,955	0	14,955
**D	THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	15,685	0	15,685
**D	MCGILL UNIVERSITY PENSION FUND	7,953	0	7,953
**D	PUBLIC SECTOR PENSION INVESTMENT BOARD	104,668	0	104,668
**D	CIBC INTERNATIONAL SMALL COMPANIES FUND	44,559	0	44,559
**D	CF DV ACWI EX-U.S. IMI FUND	1,587	0	1,587
581	CERASUOLO STEFANO	7,241	7,241	0
599	AMADASI GIORDANO	158	158	0
742	AUSILIO ROSA GIUSEPPINA	187	187	0
773	CORNAGO DANIELE	2,241	2,241	0

Total votes	444,143,968
Percentage of voters %	96.869382
Percentage of share capital %	73.084452

Shareholders:	558	People:	17
Shareholders on own behalf:	14	Shareholders by proxy:	544

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Ordinary Shareholders' Meeting of April 11, 2017

ESITO VOTAZIONE

Subject: **2017 Incentive System for Personal Financial Advisors**

Attendees:

no. **586** shareholders entitled to vote took part in the voting on own behalf or by proxy

no. **458,497,782** ordinary shares

The counting of votes produced the following results:

		%OF ORDINARY SHARE CAPITAL PRESENT (Voting Quorum)	%OF ORDINARY SHARES ENTITLED TO VOTE	%SHARE CAPITAL
Favour	452,832,355	98.764350	98.764350	74.514137
Against	2,798,753	0.610418	0.610418	0.460538
SubTotal	455,631,108	99.374768	99.374768	74.974675
Abstentions	9,674	0.002110	0.002110	0.001592
Not Voting	2,857,000	0.623122	0.623122	0.470123
SubTotal	2,866,674	0.625232	0.625232	0.471715
Total	458,497,782	100.000000	100.000000	75.446390

Shareholders:	586	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	566

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **2017 Incentive System for Personal Financial Advisors**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	WEST MIDLANDS METROPOLITAN AUT PENS FD	61,000	0	61,000
**D	FCP BRONGNIART AVENIR	100,000	0	100,000
**D	AVIVA LIFE & PENSIONS UK LIMITED	53,590	0	53,590
**D	AVIVA LIFE AND PENSIONS UK LIMITED	181,930	0	181,930
**D	FRIENDS LIFE LIMITED	89,644	0	89,644
**D	FRIENDS LIFE AND PENSIONS LIMITED	6,627	0	6,627
**D	AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	10,120	0	10,120
**D	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	2,292,969	0	2,292,969
**D	STICHTING PENSIOENFONDS APF	2,873	0	2,873

Total votes	2,798,753
Percentage of voters %	0.610418
Percentage of share capital %	0.460538

Shareholders:	9	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	9

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Sistema Incentivante 2017 Promotori Finanziari**

ABSTENTIONS

	Surname	Tot. Votes	On own behalf	Proxy
1240	FOGLI MAURIZIO	1,953	1,953	0
1262	AMADEI STEFANO	3,861	3,861	0
1834	CROCE MARIO	1,500	1,500	0
2666	DI PALMA GIUSEPPE	1,100	1,100	0
4003	CASTAGNA SERGIO	1	1	0
962	ZACCARDI ANTONELLA	1,259	1,259	0

Total votes	9,674
Percentage of voters %	0.002110
Percentage of share capital %	0.001592

Shareholders:	6	People:	6
Shareholders on own behalf:	6	Shareholders by proxy:	0

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Sistema Incentivante 2017 Promotori Finanziari**

NOT VOTING

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	150,000	0	150,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	1,100,000	0	1,100,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	30,000	0	30,000
**D	INTERFUND SICAV INTERFUND EQUITY ITALY	450,000	0	450,000
**D	FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	27,000	0	27,000
**D	MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	1,100,000	0	1,100,000

Total votes	2,857,000
Percentage of voters %	0.623122
Percentage of share capital %	0.470123

Shareholders:	6	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	6

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Sistema Incentivante 2017 Promotori Finanziari**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
1027	PRANDINI GIULIANO	12,000	12,000	0
1305	ROSSOTTI ROBERTO	3,000	3,000	0
1774	MINNELLA CARMELO GIOVANNI	1,867	1,867	0
1837	SIRIANNI PIER BATTISTA	8,000	8,000	0
2068	BONETTI EMANUELE	100	100	0
2223	MARTIRIGGIANO ANTONIO	2,681	2,681	0
2253	TONELLI GIULIO	0	0	0
**D	ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	670,000	0	670,000
**D	FRANKLIN TEMPLETON INVESTMENT FUNDS	668,413	0	668,413
**D	T. ROWE PRICE FUNDS SICAV	145,427	0	145,427
**D	SCHRODER INTERNATIONAL SELECTION FUND	8,682,403	0	8,682,403
**D	GENERALI INVESTMENTS LUXEMBURG S.A.	684,571	0	684,571
**D	MERRILL LYNCH PROFESSIONAL CLEARING CORP	86,328	0	86,328
**D	WELLINGTON MANAGEMENT PORTFOLIOS	335,843	0	335,843
**D	FIDELITY FUNDS SICAV	1,194,975	0	1,194,975
**D	WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	36,542	0	36,542
**D	WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	28,228	0	28,228
**D	WELLINGTON TRUST COMP COMM TRUST INT OPP	175,018	0	175,018
**D	WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	10,972	0	10,972
**D	JAPAN TRUSTEE SERVICES BANK LTD	469,886	0	469,886
**D	AFER ACTION PME	451,836	0	451,836
**D	BNP PARIBAS SMALL CAP EUROLAND	2,526,390	0	2,526,390
**D	BNP PARIBAS ACTIONS PME	543,807	0	543,807
**D	FCP BNP PARIBAS ACTIONS EUROLAND	43,134	0	43,134
**D	AXA OPTIMAL INCOME	2,068,464	0	2,068,464
**D	AXA VALEURS EURO	1,200,000	0	1,200,000
**D	PARVEST	3,121,423	0	3,121,423
**D	BNP PARIBAS A FUND	58,956	0	58,956
**D	BNP PARIBAS L1	82,735	0	82,735
**D	BNP PARIBAS B PENSION BALANCED	733,505	0	733,505
**D	BNP PARIBAS B PENSION STABILITY	47,432	0	47,432
**D	METROPOLITAN RENTASTRO	183,304	0	183,304
**D	BANQUE PICTET & CIE SA	33,126	0	33,126
**D	ROBECO CAPITAL GROWTH FUNDS	350,000	0	350,000
**D	DEKA BASISSTRATEGIE FLEXIBEL	23,960	0	23,960
**D	DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	7,900	0	7,900
**D	DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	74,600	0	74,600
**D	DEKA INVESTMENT GMBH RE ARIDEKA	1,150,000	0	1,150,000
**D	DEKA INVEST DIVIDENDENSTRATEGIE CF A	1,088,900	0	1,088,900
**D	HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	2,810,128	0	2,810,128
**D	UBS GLOBAL ASSET MANAGEMENT LIFE LTD	73,068	0	73,068
**D	UBS ASSET MANAGEMENT LIFE LTD	283	0	283
**D	FONDO CONSOLIDADO DE RESERVAS PREVISIONA	86,791	0	86,791
**D	CHINA LIFE INSURANCE COMPANY LIMITED	60,140	0	60,140
**D	COINVEST LIMITED	13,801	0	13,801

Shareholders:	565	People:	17
Shareholders on own behalf:	14	Shareholders by proxy:	551

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Sistema Incentivante 2017 Promotori Finanziari**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	UBS (US) GROUP TRUST	7,469	0	7,469
**D	T. ROWE PRICE INTERNATIONAL DISCOVERY FU	4,303,286	0	4,303,286
**D	MINISTRY OF STRATEGY AND FINANCE	143,444	0	143,444
**D	T ROWE PRICE INTERNATIONAL EQUITY INDEX	14,257	0	14,257
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	138,293	0	138,293
**D	STICHTING PENSIOENFONDS MEDISCH SPECIALI	506,456	0	506,456
**D	DEKA INVEST RE DEKA-ZMV-FONDS	22,000	0	22,000
**D	DEKA INVESTMENT GMBH RE PRODEKA	65,200	0	65,200
**D	DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	9,400	0	9,400
**D	DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	10,813	0	10,813
**D	MI-FONDS 392	462,000	0	462,000
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	309,886	0	309,886
**D	NATIONWIDE SMALL CAP INDEX FUND	400,962	0	400,962
**D	PENSIONSKASSEN FOR BORNE-OG UNGDOMS	16,958	0	16,958
**D	KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	1,525,392	0	1,525,392
**D	DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	546,850	0	546,850
**D	STICHTING PENSIOENFONDS VOOR HUISARTSEN	25,292	0	25,292
**D	T ROWE PRICE GLOBAL ALLOCATION FUND INC	7,791	0	7,791
**D	T ROWE INTL SMALL CAP EQUITY TRUST	486,110	0	486,110
**D	ENTERGY CORP.RETIREMENT PLANS MASTER TR.	203,718	0	203,718
**D	INVESCO GLOBAL SMALL CAP EQUITY POOL	143,065	0	143,065
**D	RBC CANADIAN MASTER TRUST	124,418	0	124,418
**D	REGIME DE RETRAITE D HYDRO QUEBEC	102,698	0	102,698
**D	AXA FRAMLINGTON FINANCIAL FUND	125,000	0	125,000
**D	NATIXIS INTERNT FUNDS LUX I	238,000	0	238,000
**D	FCP SCANDIUM	122,000	0	122,000
**D	ALLIANZGI FONDS BAT LS	92,900	0	92,900
**D	ALLIANZGI FONDS PF1	14,182	0	14,182
**D	ALLIANZGI FONDS AFE	3,943	0	3,943
**D	TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	1,507,269	0	1,507,269
**D	PFIZER JAPAN INC PENSION FUND	80,700	0	80,700
**D	TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	55,682	0	55,682
**D	THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	83,856	0	83,856
**D	BT WHOLESALE MULTI MANAG INTL SHARE FUND	186,764	0	186,764
**D	SCHRODER PENSION MANAGEMENT LTD	42,277	0	42,277
**D	MFS INTERNATIONAL NEW DISCOVERY FUND	2,267,886	0	2,267,886
**D	SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	71,392	0	71,392
**D	SCHRODER EUROPEAN FUND	2,365,914	0	2,365,914
**D	SCHRODER INTERNATIONAL SMALL COMPANIES P	8,000	0	8,000
**D	SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	125,000	0	125,000
**D	TEACHERS PENSION PLAN & PRIVATE SCHOOL	639,710	0	639,710
**D	FTSE ALL WORLD INDEX FUND	33,351	0	33,351
**D	REASSURE LIMITED	14,216	0	14,216
**D	HSBC EUROPEAN INDEX FUND	75,508	0	75,508
**D	NORTHERN IRELAND LOCAL GOV PENSION FUND	84,483	0	84,483

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Sistema Incentivante 2017 Promotori Finanziari**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	REALDANIA	532,000	0	532,000
**D	FCP VILLIERS ACTIONS EDRAM	968,000	0	968,000
**D	ANIMA SGR SPA	12,381,073	0	12,381,073
**D	ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	242,269	0	242,269
**D	ARTEMIS EUROPEAN OPPORTUNITIES FUND	1,301,374	0	1,301,374
**D	NMM3 EUEQ MFS ACCOUNT	8,971	0	8,971
**D	CITI RETIREMENT SAVINGS PLAN	115,234	0	115,234
**D	FIRST INVESTORS GLOBAL FUND	306,236	0	306,236
**D	UWF TROW INTL DISCOVERY	55,384	0	55,384
**D	BOK KIC GAEQ6	85,699	0	85,699
**D	PS FTSE LO BT EQ WT PORT	32,076	0	32,076
**D	CEP DEP IP GLOBAL SMALLER COS	802,185	0	802,185
**D	EIR EIE WELLINGTON INT	179,053	0	179,053
**D	BNYMTCIL IFS4 INV CONT EU SM CAP FD	1,317,413	0	1,317,413
**D	BNYMTCIL IFS4 INV GBL SM CAP EQ FD	385,588	0	385,588
**D	PS FTSERAFI EUSM UCITS ETF BNYMTCIL	2,919	0	2,919
**D	PS SP INTL DEVEL QUALITY PORTFOLIO	4,736	0	4,736
**D	PS FR DEVEL MARK EX US SMALL PORT	5,473	0	5,473
**D	PRU SECTOR FDS INC PRU FIN SER FD	787,168	0	787,168
**D	AST TRP DIVERS REAL GWTH PORT PDMO	1,049	0	1,049
**D	AST FI PYRAMIS QUANT AA IE SC PDGJ	83,115	0	83,115
**D	AST TRP GWTH OPP PORT BAL PDRB	26,600	0	26,600
**D	AST RCM WORLD TRENDS PORT PDBF	250,800	0	250,800
**D	WELLINGTON MGMT CY LLPQUALITY EDUC FD	138,871	0	138,871
**D	BANK OF AMERICA PENSION PLAN OECHSLE	143,212	0	143,212
**D	BOA FBO SKL INVESTMENT GRP LLC	8,534	0	8,534
**D	WMP OPP INVESTMENT PRTNS LP	32,852	0	32,852
**D	AWAF AWAC WELLINGTON	58,355	0	58,355
**D	THE CLEVELAND CLINIC FOUNDATION	70,858	0	70,858
**D	GLOBAL EQUITY WELLINGTON	235,725	0	235,725
**D	GLOBAL INVESTMENT FUND	31,323	0	31,323
**D	MFS INTL EQUITY FUND	74,599	0	74,599
**D	INVESCO FUNDS	177,083	0	177,083
**D	HP INC MASTER TRUST	68,418	0	68,418
**D	BNYMTD RAMAM WORLD RECOVERY FUND	180,600	0	180,600
**D	UNISYS MASTER TRUST	70,952	0	70,952
**D	CPA COP PSERS PYRAMIS GLOBAL ADV	78,706	0	78,706
**D	BNYMTD RM GLOBAL HIGH ALPHA FUND	63,600	0	63,600
**D	AMG TIMESSQUARE INTL SM CAP	643,360	0	643,360
**D	FLORIDA RETIREMENT SYSTEM	215,017	0	215,017
**D	BELL ATLANTIC MASTER TRUST	41,418	0	41,418
**D	VERIZON MASTER SAVINGS TRUST	98,016	0	98,016
**D	UTC WELLINGTON GLOBAL	91,148	0	91,148
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	132,596	0	132,596
**D	BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	109,924	0	109,924

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RESULTS OF VOTING
Subject: **Sistema Incentivante 2017 Promotori Finanziari**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	JOHN S AND JAMES L KNIGHT FOUNDATION	229,700	0	229,700
**D	PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	246	0	246
**D	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	192,127	0	192,127
**D	PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	385,014	0	385,014
**D	PIONEER FD-EUROPEAN RESEARCH	321,167	0	321,167
**D	PIONEER FD-EURO EQ OPTIMAL VOL	95,282	0	95,282
**D	PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	25,412	0	25,412
**D	PIONEER FD SF EQUITY PLAN60	52,401	0	52,401
**D	PIONEER FD-GLOBAL MULTI ASSET	39,321	0	39,321
**D	PIONEER FD-EUROPEAN POTENTIAL	1,801,653	0	1,801,653
**D	FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	250,000	0	250,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	110,000	0	110,000
**D	FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	100,000	0	100,000
**D	F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	60,000	0	60,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	15,000	0	15,000
**D	GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	11,000	0	11,000
**D	FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	5,000	0	5,000
**D	METZLER INT INV EUR SMALLER CO	1,575,000	0	1,575,000
**D	UBS EUROP SMALL CAP EQUITY FD	84,125	0	84,125
**D	CIPAV ALOIS	117,262	0	117,262
**D	SOGECAP ACTIONS SMALL CAP	942,243	0	942,243
**D	SG ACTIONS EUROPE MID CAP	197,367	0	197,367
**D	AGI FRANCE	171,200	0	171,200
**D	ALLIANZ ACTIONS EURO PME-ETI	167,700	0	167,700
**D	COLONIAL FIRST STATE INVESTMENTS LIMITED.	71,939	0	71,939
**D	STICHTING PGGM DEPOSITARY	179,921	0	179,921
**D	WELLINGTON ALTA FUND	94,527	0	94,527
**D	UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	73,720	0	73,720
**D	UBS FUND MANAGEMENT (SWITZERLAND) AG.	132,808	0	132,808
**D	CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	11,326	0	11,326
**D	UBS (LUX) EQUITY SICAV	128,845	0	128,845
**D	S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	201,592	0	201,592
**D	FEDERATED KAUFMANN FUND	6,839,360	0	6,839,360
**D	FEDERATED KAUFMANN FUND II	166,330	0	166,330
**D	FEDERATED KAUFMANN SMALL CAP FUND	874,310	0	874,310
**D	LAUDUS INTERNATIONAL MARKETMASTERS FUND	684,332	0	684,332
**D	SCHWAB INTERNATIONAL EQUITY ETF	195,728	0	195,728
**D	JOHN HANCOCK SEAPORT FUND	522,049	0	522,049
**D	WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	152,865	0	152,865
**D	MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	142,892	0	142,892
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	165,000	0	165,000
**D	ANIMA FUNDS PLC	353,973	0	353,973
**D	MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	127,626	0	127,626
**D	THE FRANCIS E. PARKER MEMORIAL HOME	23,936	0	23,936
**D	THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	41,964	0	41,964

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**D	THE GABELLI GLOBAL SMALL AND MID CAP VALUE TRUST	49,000	0	49,000
**D	THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	25,000	0	25,000
**D	HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	907,160	0	907,160
**D	HARTFORD CAPITAL APPRECIATION HLS FUND	1,411,126	0	1,411,126
**D	THE HARTFORD INTERNATIONAL GROWTH FUND	141,392	0	141,392
**D	THE HARTFORD CAPITAL APPRECIATION FUND	3,822,524	0	3,822,524
**D	THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	1,698,920	0	1,698,920
**D	HARTFORD INTERNATIONAL EQUITY FUND	20,015	0	20,015
**D	THE HARTFORD GLOBAL ALL- ASSET FUND	73,365	0	73,365
**D	HARTFORD GLOBAL CAPITAL APPRECIATION FUND	549,306	0	549,306
**D	HARTFORD HEALTHCARE ENDOWMENT LLC	10,847	0	10,847
**D	HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	9,572	0	9,572
**D	HSBC STAT	58,300	0	58,300
**D	ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	7,316	0	7,316
**D	HENKEL OF AMERICA MASTER RETIREMENT TRUST	20,932	0	20,932
**D	TEXAS MUNICIPAL RETIREMENT SYSTEM	897,775	0	897,775
**D	ASHWOOD INVESTMENTS LIMITED	6,619	0	6,619
**D	STATE OF NEW JERSEY COMMON PENSION FUND D	257,203	0	257,203
**D	NEW YORK STATE DEFERRED COMPENSATION PLAN	124,544	0	124,544
**D	CITY OF NEW YORK GROUP TRUST	513,664	0	513,664
**D	WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	122,551	0	122,551
**D	HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	193,662	0	193,662
**D	BIMCOR GLOBAL EQUITY POOLED FUND	87,658	0	87,658
**D	GOVERNMENT OF THE PROVINCE OF ALBERTA	169,600	0	169,600
**D	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	365,713	0	365,713
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	487,200	0	487,200
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	136,317	0	136,317
**D	METZLER INVESTMENT GMBH FOR MI-FONDS 415	113,500	0	113,500
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	346,439	0	346,439
**D	SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	37,395	0	37,395
**D	VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	125,203	0	125,203
**D	THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	376,990	0	376,990
**D	THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	88,420	0	88,420
**D	THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	151,092	0	151,092
**D	WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	7,964	0	7,964
**D	THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	12,538	0	12,538
**D	THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	900,083	0	900,083
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	226,758	0	226,758
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	2,381	0	2,381
**D	WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	56,613	0	56,613
**D	AXA WORLD FUNDS	12,770,072	0	12,770,072
**D	ALLIANZ GLOBAL INVESTORS FUND	1,446,700	0	1,446,700
**D	MFS MERIDIAN FUNDS	1,306,568	0	1,306,568
**D	KIEGER FUND I	50,329	0	50,329
**D	UBS ETF	5,105	0	5,105

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IN FAVOUR

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**D	INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	61,206	0	61,206
**D	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	157,750	0	157,750
**D	COLLEGE RETIREMENT EQUITIES FUND	1,416,042	0	1,416,042
**D	RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	238,547	0	238,547
**D	RUSSELL INVESTMENT FUNDS NON-U.S. FUND	28,598	0	28,598
**D	MULTI-STYLE, MULTI-MANAGER FUNDS PLC	210,400	0	210,400
**D	ONTARIO TEACHERS PENSION PLAN BOARD	183,162	0	183,162
**D	THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	24,218	0	24,218
**D	THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	5,970	0	5,970
**D	THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	622,711	0	622,711
**D	GOVERNMENT INSTITUTIONS PENSION FUND	3,059	0	3,059
**D	BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	1,495,583	0	1,495,583
**D	THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	177,800	0	177,800
**D	HRW TESTAMENTARY TRUST NO 3	127,400	0	127,400
**D	THE WALTON FAMILY FOUNDATION	269,600	0	269,600
**D	HRW TESTAMENTARY TRUST NO. 8	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO 2	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO. 12	109,400	0	109,400
**D	GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	120,164	0	120,164
**D	SCHLUMBERGER COMMON INVESTMENT FUND	44,607	0	44,607
**D	LTW INVESTMENTS LLC	170,000	0	170,000
**D	LOY PARTNERSHIP, LLC	96,500	0	96,500
**D	RAMI PARTNERS, LLC	90,600	0	90,600
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	53,438	0	53,438
**D	BLUE SKY GROUP	209,000	0	209,000
**D	BATTELLE MEMORIAL INSTITUTE	39,700	0	39,700
**D	DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	59,456	0	59,456
**D	PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	291,526	0	291,526
**D	THE HEALTH FOUNDATION	57,168	0	57,168
**D	MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	57,188	0	57,188
**D	ST. JOSEPH HEALTH SYSTEM	100,661	0	100,661
**D	TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	17,288	0	17,288
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	319,807	0	319,807
**D	EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	44,336	0	44,336
**D	STATE UNIVERSITIES RETIREMENT SYSTEM	68,085	0	68,085
**D	UTAH STATE RETIREMENT SYSTEMS	44,501	0	44,501
**D	AMG FUND PLC	8,390	0	8,390
**D	ILLINOIS STATE BOARD OF INVESTMENT	77,149	0	77,149
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	20,610	0	20,610
**D	EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	528,640	0	528,640
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	26,395	0	26,395
**D	EURIZON EASY FUND - EQUITY ITALY	129,738	0	129,738
**D	EURIZON FUND - EQUITY ITALY SMART VOLATILITY	76,384	0	76,384
**D	AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	994,376	0	994,376
**D	AMUNDI LUXEMBOURG SA	909,666	0	909,666

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**D	FCP EDMOND DE ROTHSCHILD EURO LEADERS	923,900	0	923,900
**D	FCP EDMOND DE ROTHSCHILD EURO SRI	168,000	0	168,000
**D	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	834,000	0	834,000
**D	FCP LCF PHARMA INTERNATIONAL	164,920	0	164,920
**D	CNP ASSUR SMALL CAP	432,330	0	432,330
**D	EDMOND DE ROTHSCHILD ASSET MANAGEMENT	399,330	0	399,330
**D	AA FORTIS ACTIONS PETIT CAP EUROPE	270,956	0	270,956
**D	FCP RSI EURO P	63,089	0	63,089
**D	FCP VILLIERS DIAPASON	69,636	0	69,636
**D	FCP NATIXIS ACTIONS SMALL MID CAP EURO	263,000	0	263,000
**D	ASSURDIX	41,977	0	41,977
**D	CPR EURO HIGH DIVIDEND	94,061	0	94,061
**D	CPR SILVER AGE	2,472,859	0	2,472,859
**D	SICAV BBM V-FLEX	135,784	0	135,784
**D	FCP BEST BUSINESS MODELS	1,530,000	0	1,530,000
**D	CROISSANCE PME M	433,376	0	433,376
**D	BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	973,829	0	973,829
**D	PUBLIC SERVICE PENSION PLAN FUND	35,520	0	35,520
**D	TEACHERS` PENSION PLAN FUND	37,223	0	37,223
**D	TELUS PENSIONS MASTER TRUST	78,303	0	78,303
**D	ALLEGHENY COLLEGE	24,200	0	24,200
**D	ERIE COUMMINTY FOUNDATION	27,300	0	27,300
**D	TIMESQUARE FOCUS FUND LP	25,000	0	25,000
2276	ROSSI MARCO	57,288	57,288	0
3005	CAGLIA MARIA	0	0	0
DE*	UNICREDIT S.P.A.	215,066,403	0	215,066,403
3025	GHIBAUDI LEOPOLDO	9,000	9,000	0
3061	VIOZZI DANIELE	50	50	0
3200	SCANU MARCO	187	187	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	MOMENTUM INVESTMENT FUNDS SCIVA SIF	133,040	0	133,040
**D	JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	2,045,229	0	2,045,229
**D	JPMORGAN INVESTMENT FUNDS	1,205,954	0	1,205,954
**D	CC&L Q 140/40 FUND	600	0	600
**D	CC& L US Q MARKET NEUTRAL ONSHORE FUND I	300	0	300
**D	CC&L Q CAN EQUITY 130/30 PLUS FUND	775	0	775
**D	CC&L Q MARKET NEUTRAL FUND	82,300	0	82,300
**D	VANGUARD EUROPEAN STOCK INDEX FUND	691,987	0	691,987
**D	VANGUARD DEVELOPED MARKETS INDEX FUND	1,795,422	0	1,795,422
**D	VANGUARD TOTAL WORLD STOCK INDEX FUND	82,591	0	82,591
**D	VANGUARD FTSE ALL-WORLD EX US INDEX FUND	565,229	0	565,229
**D	VANGUARD FUNDS PLC	91,522	0	91,522
**D	RAINIER INT SMALL CAP EQUITY COLLECTIVE	182,840	0	182,840
**D	VANGUARD INVESTMENT SERIES PLC	79,836	0	79,836
**D	JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	3,877	0	3,877

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**D	STICHT BEDRIJ MEDIA PNO	180,000	0	180,000
**D	HENDERS.EURO.SMALLER COMPANIES FUND	322,357	0	322,357
**D	HENDERSON INSTIT EUROP INDEX OPP FUND	42,487	0	42,487
**D	SAINT MARTIN 4	888,000	0	888,000
**D	FCP SAKKARAH 7	7,500	0	7,500
**D	FCPE TOTAL ACTIONS EUROPEENNES	750,000	0	750,000
**D	FCP KLESIA A DIVERSIFIE	325,000	0	325,000
**D	TOTAL GESTION FLEX PATRI	44,970	0	44,970
**D	FONDS RESERVE RETRAITES	888,450	0	888,450
**D	HENDERSON HORIZON FUND SICAV	2,101,556	0	2,101,556
**D	HENDERSON GARTMORE FUND	572,233	0	572,233
**D	MERIFIN CAPITAL B.V.	39,940	0	39,940
**D	VANGUARD INTERNATIONAL SMALL COMPANIES I	20,939	0	20,939
**D	ONEPATH GLOBAL SHARES - SMALL CAP INDEX	22,117	0	22,117
**D	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	4,895	0	4,895
**D	NVIT MULTI MANAGER INTERNATIONAL GROWTH	143,770	0	143,770
**D	JPM EUROPE DYNAMIC (EX UK) FUND	551,178	0	551,178
**D	JPM EUROPE SMALLER COMPANIES FUND	409,306	0	409,306
**D	VANGUARD TOTAL INTERNATIONAL STOCK INDEX	4,791,064	0	4,791,064
**D	JPMORGAN EUROPEAN INVESTMENT TRUST PLC	94,946	0	94,946
**D	JPMORGAN EUROPEAN SMALLER COMPANIES TST	1,533,787	0	1,533,787
**D	JAPAN TRUSTEE SERVICES BANK LTD AS TRUST	3,489	0	3,489
**D	JTSB LTD. AS TRUSTEE FOR SUMITOMO	16,888	0	16,888
**D	NEW YORK LIFE INSURANCE COMPANY	66,324	0	66,324
**D	PEERLESS INSURANCE COMPANY	115,223	0	115,223
**D	PROSHARES HEDGED FTSE EUROPE ETF	191	0	191
**D	JPMORGAN INTERNATIONAL DISCOVERY FUND	6,507	0	6,507
**D	THE CANADA POST CORPORATION PENSION PLAN	104,309	0	104,309
**D	TR EUROPEN GROWTH TRUST PLC	1,844,247	0	1,844,247
**D	ING DIRECT	29,652	0	29,652
**D	FIDELITY SAL ST T SPARTAN TOTAL INT IN F	4,749	0	4,749
**D	BEST INVESTMENT CORPORATION	9,518	0	9,518
**D	BLACKROCK INSTITUTIONAL POOLED FUND PLC	6,097	0	6,097
**D	CHINA LIFE INSURANCE (GROUP) COMPANY	2,554	0	2,554
**D	BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	1,214	0	1,214
**D	BLACKROCK FISSION INDEXED INTL EQUITY FD	24,822	0	24,822
**D	SUPER FUNDS MANAG CORP SOUTH AUSTRALIA	119,451	0	119,451
**D	MINISTRY OF STRATEGY AND FINANCE	33,349	0	33,349
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	32,767	0	32,767
**D	TRUST AND CUSTODY SERVICED BANK LIMITED	34,871	0	34,871
**D	THE MASTER TRUST BANK OF JAPAN LTD	37,838	0	37,838
**D	MASTER TRUST FOR NATIONAL PENSION FD	35,535	0	35,535
**D	FLF STRATEGIC GLOBAL EQUITY FUND	72,428	0	72,428
**D	BOK KIC AAEQ 3	15,026	0	15,026
**D	SUBSIDIZED SCHOOLS P FUND NORTHERN	13,614	0	13,614

Shareholders:	565	People:	17
Shareholders on own behalf:	14	Shareholders by proxy:	551

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Sistema Incentivante 2017 Promotori Finanziari**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	55016 UP INTERNATIONALE AKTIER	225,930	0	225,930
**D	WILM MULTI MGR INTL FD OBERWEIS	241,652	0	241,652
**D	56053 IP GLOBAL EQUITIES I	12,883	0	12,883
**D	LMIF LMGAMI EURO SMLL CP	181,818	0	181,818
**D	IQ 50 PERCENT HEDGED FTSE EURO ETF	3,749	0	3,749
**D	DEUTSCHE XTRK MSCI EMU HDG EQ ETF	4,402	0	4,402
**D	BLACKROCK GLOBAL FUNDS	4,397,203	0	4,397,203
**D	FPXF WILLIAM BLAIR CO	31,880	0	31,880
**D	RVN WILLIAM BLAIR	4,196	0	4,196
**D	BLL AQUILA LIFE EUROPEAN EQUITY	755,618	0	755,618
**D	BLL ASCENT LIFE EUROPEAN	62,130	0	62,130
**D	BLK MULTI ASSET INC PF EUR EQU INC	478,931	0	478,931
**D	BLL AQUILA LIFE OSEAS EQUITY FUND	4,851	0	4,851
**D	BLL ASCENT LIFEENHANCED	1,766	0	1,766
**D	DEUTSCHE XTRK MSCI EAFE SC HDG ETF	466	0	466
**D	CHI OPERATING INVESTMENT PROGRAM LP	78,109	0	78,109
**D	CATHOLIC HEALTH INITIATIVES MASTER TRUST	40,056	0	40,056
**D	FIRST INITIATIVES INSURANCE LIMITED	6,914	0	6,914
**D	EATON VANCE MGMT INTL SMALL CAP	1,057	0	1,057
**D	ONFF WILLIAM BLAIR NONUS	17,060	0	17,060
**D	CE8F WILLIAM BLAIR IACG	115,413	0	115,413
**D	RAYTHEON MASTER PENSION TRUST	1,528	0	1,528
**D	VANGUARD INTL HIGH DIV YLD INDEX FD	14,295	0	14,295
**D	BSNF NTR WILLIAM BLAIR	12,404	0	12,404
**D	BSPF PMT WILLIAM BLAIR	8,749	0	8,749
**D	BGF EURO MKTS FD EURO EQUITY PF	8,176,154	0	8,176,154
**D	BGF FLEX MULTI ASSET GBL EQ PF	9,039	0	9,039
**D	LRPF WILLIAM BLAIR	42,009	0	42,009
**D	W11F WILLIAM BLAIR	10,510	0	10,510
**D	BFTF WILLIAM BLAIR	21,724	0	21,724
**D	US BK RAINIER INTL DISCOVERY FUND	395,610	0	395,610
**D	ATFF AMERICAN CENTURY	74,487	0	74,487
**D	RZSF3001 NON US GE W BLAIR	103,201	0	103,201
**D	ALASKA PERMANENT FUND CORPORATION	57,838	0	57,838
**D	1216 APG DME FINANC	1,221,917	0	1,221,917
**D	2054 APG DME BLACKR	117,398	0	117,398
**D	AON HEWITT COLLECTIVE INVESTMENT TRUST	27,414	0	27,414
**D	MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	30,345	0	30,345
**D	PHC NT SMALL CAP	26,269	0	26,269
**D	BNYMTD BLK CONTINENTAL EURO INC	4,653,703	0	4,653,703
**D	BNYMTD BLK CONT EUR EQ TRCK FD INV	265,102	0	265,102
**D	PENSION RESERVES INVESTMENT TRUST FUND	73,110	0	73,110
**D	VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	97,220	0	97,220
**D	THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	20,153	0	20,153
**D	GENERAL MILLS INVESTMENT TRUST	36,637	0	36,637

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Sistema Incentivante 2017 Promotori Finanziari**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	INDIANA PUBLIC RETIREMENT SYSTEM	12,426	0	12,426
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	27,702	0	27,702
**D	SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	19,925	0	19,925
**D	UPS GROUP TRUST	86,396	0	86,396
**D	ELEVA UCITS FD-ELEVA ABSOLUTE	6,479,400	0	6,479,400
**D	COLISEE IFC 1	538,000	0	538,000
**D	IRISH LIFE ASSURANCE.	184,234	0	184,234
**D	LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	1,666,611	0	1,666,611
**D	CITIBANK KOREA INC	848,102	0	848,102
**D	THREADNEEDLE (LUX	978,719	0	978,719
**D	THREADNEEDLE INVESTMENT FUNDS ICVC	11,652,830	0	11,652,830
**D	LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	8,892	0	8,892
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	12,500	0	12,500
**D	GOVERNMENT OF NORWAY	5,524,312	0	5,524,312
**D	NORGES BANK	109,988	0	109,988
**D	AQR ORACLE FUND LP	5,896	0	5,896
**D	NUMERIC ABS RETURN FD LP	18,000	0	18,000
**D	FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	2,062	0	2,062
**D	FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	203,488	0	203,488
**D	INTERNATIONAL MONETARY FUND	15,994	0	15,994
**D	AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	6,110	0	6,110
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	26,000	0	26,000
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	23,070	0	23,070
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	301,560	0	301,560
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	219,530	0	219,530
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	266,990	0	266,990
**D	AMERICAN CENTURY RETIREMENT DATE TRUST	114,333	0	114,333
**D	CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	183,278	0	183,278
**D	CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	462	0	462
**D	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	28,252	0	28,252
**D	EATON VANCE INTERNATIONAL SMALL-CAP FUND	10,546	0	10,546
**D	WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	217,799	0	217,799
**D	WILLIAM BLAIR INTERNATIONAL GROWTH FUND	657,058	0	657,058
**D	WILLIAM BLAIR INSTITUTIONAL INTERNATIONAL GROWTH FUND	476,734	0	476,734
**D	MM SELECT EQUITY ASSET FUND	6,406	0	6,406
**D	ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM	78,810	0	78,810
**D	MARYLAND STATE RETIREMENT & PENSION SYSTEM	19,979	0	19,979
**D	MERCER QIF CCF	1,101,611	0	1,101,611
**D	MERCER QIF CCF	616,038	0	616,038
**D	STATE OF MONTANA BOARD OF INVESTMENTS	66,699	0	66,699
**D	CITY OF NEW YORK GROUP TRUST	183,462	0	183,462
**D	STATE STREET IRELAND UNIT TRUST	52,145	0	52,145
**D	SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY	62,756	0	62,756
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	634,198	0	634,198
**D	UAW RETIREE MEDICAL BENEFITS TRUST	154,557	0	154,557

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Sistema Incentivante 2017 Promotori Finanziari**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	3,873	0	3,873
**D	VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	3,671	0	3,671
**D	VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	697	0	697
**D	VANGUARD GLOBAL LIQUIDITY FACTOR ETF	1,061	0	1,061
**D	VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	8,723	0	8,723
**D	VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	25,281	0	25,281
**D	VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	1,123	0	1,123
**D	WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	26,627	0	26,627
**D	WELLS FARGO ALTERNATIVE STRATEGIES FUND	7,561	0	7,561
**D	WASHINGTON STATE INVESTMENT BOARD	165,288	0	165,288
**D	WASHINGTON STATE INVESTMENT BOARD	3,050	0	3,050
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	139	0	139
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	17,270	0	17,270
**D	WISDOMTREE DEFA EQUITY INCOME FUND	18,109	0	18,109
**D	WISDOMTREE INTERNATIONAL EQUITY FUND	30,409	0	30,409
**D	WISDOMTREE INTERNATIONAL MIDCAP DIVIDEND FUND	37,696	0	37,696
**D	WISDOMTREE EUROPE LOCAL RECOVERY FUND	867	0	867
**D	WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	212,713	0	212,713
**D	NEW YORK STATE TEACHERS RETIREMENT SYSTEM	131,253	0	131,253
**D	PRUDENTIAL BANK AND TRUST	56,511	0	56,511
**D	SPDR EURO STOXX SMALL CAP ETF	19,641	0	19,641
**D	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	560,715	0	560,715
**D	BLACKROCK STRATEGIC FUNDS	102,172	0	102,172
**D	KIEGER FUND I	1,887	0	1,887
**D	ISHARES MSCI EAFE SMALL CAP ETF	1,043,062	0	1,043,062
**D	ISHARES MSCI EUROPE SMALL-CAP ETF	29,608	0	29,608
**D	BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	548,131	0	548,131
**D	ISHARES CORE MSCI EAFE ETF	592,081	0	592,081
**D	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	114,889	0	114,889
**D	ISHARES MSCI INTERNATIONAL DEVELOPED ETF	2,460	0	2,460
**D	ISHARES CORE MSCI EAFE IMI INDEX ETF	16,762	0	16,762
**D	ISHARES MSCI EUROPE IMI INDEX ETF	6,701	0	6,701
**D	ISHARES CORE MSCI EUROPE ETF	79,880	0	79,880
**D	CONNECTICUT GENERAL LIFE INSURANCE COMPANY	2,775	0	2,775
**D	CDN ACWI ALPHA TILTS FUND	15,426	0	15,426
**D	RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B	1,917	0	1,917
**D	EURO EX-UK ALPHA TITLS FUND B	9,358	0	9,358
**D	WORLD ALPHA TILTS NON-LENDABLE FUND B	757	0	757
**D	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	15,676	0	15,676
**D	DELUXE CORPORATION MASTER TRUST	12,195	0	12,195
**D	MERCY HEALTH	9,457	0	9,457
**D	MERCY HEALTH RETIREMENT TRUST	2,453	0	2,453
**D	TRUTH INITIATIVE FOUNDATION	4,601	0	4,601
**D	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	103,806	0	103,806
**D	ISHARES PUBLIC LIMITED COMPANY	1,002,024	0	1,002,024

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Sistema Incentivante 2017 Promotori Finanziari**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	ISHARES II PUBLIC LIMITED COMPANY	603,850	0	603,850
**D	ISHARES VII PLC	674,577	0	674,577
**D	ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	233,174	0	233,174
**D	BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	1,086,651	0	1,086,651
**D	BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	163,680	0	163,680
**D	BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	334,720	0	334,720
**D	BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	273,064	0	273,064
**D	MANAGED PENSION FUNDS LIMITED	12,389	0	12,389
**D	THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	11,592	0	11,592
**D	FAMILY INVESTMENTS CHILD TRUST FUND	14,367	0	14,367
**D	FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	9,961	0	9,961
**D	HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	284,213	0	284,213
**D	STICHTING PHILIPS PENSIOENFONDS	49,007	0	49,007
**D	THE TRUSTEES OF SAL PENSION SCHEME	3,820	0	3,820
**D	VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	17,302	0	17,302
**D	VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	41,639	0	41,639
**D	VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	103,491	0	103,491
**D	VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	276	0	276
**D	SUNSUPER SUPERANNUATION FUND	13,451	0	13,451
**D	CANADA PENSION PLAN INVESTMENT BOARD	369,604	0	369,604
**D	THE TRUSTEES OF BP PENSION FUND	773,030	0	773,030
**D	FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	13,955	0	13,955
**D	UNIVERSITY OF KENTUCKY	10,000	0	10,000
**D	WHEELS COMMON INVESTMENT FUND	18,626	0	18,626
**D	CHEVRON MASTER PENSION TRUST	29,057	0	29,057
**D	CHEVRON UK PENSION PLAN	2,761	0	2,761
**D	THE CURATORS OF THE UNIVERSITY OF MISSOURI	50,065	0	50,065
**D	DFI LP EQUITY (PASSIVE)	1,693	0	1,693
**D	NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND	12,165	0	12,165
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	169,898	0	169,898
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	34,430	0	34,430
**D	NEW ZEALAND SUPERANNUATION FUND	26,623	0	26,623
**D	AON SAVINGS PLAN TRUST	46,862	0	46,862
**D	MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	2,113	0	2,113
**D	NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST	363,921	0	363,921
**D	TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	17,985	0	17,985
**D	ADVOCATE HEALTH CARE NETWORK	20,899	0	20,899
**D	CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	64,284	0	64,284
**D	FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	10,415	0	10,415
**D	ILLINOIS MUNICIPAL RETIREMENT FUND	134,679	0	134,679
**D	LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM	41,051	0	41,051
**D	CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN	65,307	0	65,307
**D	UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	51,783	0	51,783
**D	POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	32,151	0	32,151
**D	SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM	116,549	0	116,549

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING
Subject: **Sistema Incentivante 2017 Promotori Finanziari**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	17,859	0	17,859
**D	FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	1,181	0	1,181
**D	OPSEU PENSION PLAN TRUST FUND	5,309	0	5,309
**D	NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	2,417,367	0	2,417,367
**D	THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	572,086	0	572,086
**D	STRATHCLYDE PENSION FUND	341,499	0	341,499
**D	MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO	27,415	0	27,415
**D	NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	891	0	891
**D	NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	212,266	0	212,266
**D	SSGA GROSS ROLL UP UNIT TRUST	13,909	0	13,909
**D	LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	4,616	0	4,616
**D	STATE TEACHERS RETIREMENT SYSTEM OF OHIO	423,988	0	423,988
**D	ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND	32,387	0	32,387
**D	UNIVEST	126,385	0	126,385
**D	STG PFDS V.D. GRAFISCHE	155,541	0	155,541
**D	FCP ECUREUIL RETRAITE EURO ACTIONS 4	300,000	0	300,000
**D	I.2.C. ACTIONS	488,000	0	488,000
**D	FCP GROUPAMA AVENIR EURO	3,136,372	0	3,136,372
**D	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN	14,955	0	14,955
**D	THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	15,685	0	15,685
**D	MCGILL UNIVERSITY PENSION FUND	7,953	0	7,953
**D	PUBLIC SECTOR PENSION INVESTMENT BOARD	104,668	0	104,668
**D	CIBC INTERNATIONAL SMALL COMPANIES FUND	44,559	0	44,559
**D	CF DV ACWI EX-U.S. IMI FUND	1,587	0	1,587
581	CERASUOLO STEFANO	7,241	7,241	0
599	AMADASI GIORDANO	158	158	0
742	AUSILIO ROSA GIUSEPPINA	187	187	0
773	CORNAGO DANIELE	2,241	2,241	0

Total votes	452,832,355
Percentage of voters %	98.764350
Percentage of share capital %	74.514137

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Assemblea Ordinaria del 11 aprile 2017

RESULTS OF VOTING

Subject: **Authorization for the purchase of treasury shares**

Attendees:

no. **586** shareholders entitled to vote took part in the voting on own behalf or by proxy

no. **458,497,782** ordinary shares

The counting of votes produced the following results:

		%OF ORDINARY SHARE CAPITAL PRESENT (Voting Quorum)	%OF ORDINARY SHARES ENTITLED TO VOTE	%SHARE CAPITAL
Favour	454,063,254	99.032814	99.032814	74.716683
Against	1,571,715	0.342797	0.342797	0.258628
SubTotal	455,634,969	99.375610	99.375610	74.975311
Abstentions	5,813	0.001268	0.001268	0.000957
Not Voting	2,857,000	0.623122	0.623122	0.470123
SubTotal	2,862,813	0.624390	0.624390	0.471080
Total	458,497,782	100.000000	100.000000	75.446390

Shareholders:	586	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	566

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Authorization for the purchase and disposition of treasury shares**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	UBS GLOBAL ASSET MANAGEMENT LIFE LTD	73,068	0	73,068
**D	UBS ASSET MANAGEMENT LIFE LTD	283	0	283
**D	UBS (US) GROUP TRUST	7,469	0	7,469
**D	WEST MIDLANDS METROPOLITAN AUT PENS FD	61,000	0	61,000
**D	FCP BRONGNIART AVENIR	100,000	0	100,000
**D	AVIVA LIFE & PENSIONS UK LIMITED	53,590	0	53,590
**D	AVIVA LIFE AND PENSIONS UK LIMITED	181,930	0	181,930
**D	FRIENDS LIFE LIMITED	89,644	0	89,644
**D	NORTHERN IRELAND LOCAL GOV PENSION FUND	84,483	0	84,483
**D	FRIENDS LIFE AND PENSIONS LIMITED	6,627	0	6,627
**D	GLOBAL INVESTMENT FUND	31,323	0	31,323
**D	UBS EUROP SMALL CAP EQUITY FD	84,125	0	84,125
**D	AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	10,120	0	10,120
**D	UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	73,720	0	73,720
**D	UBS FUND MANAGEMENT (SWITZERLAND) AG.	132,808	0	132,808
**D	CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	11,326	0	11,326
**D	UBS (LUX) EQUITY SICAV	128,845	0	128,845
**D	UBS ETF	5,105	0	5,105
**D	STICHTING PENSIOENFONDS APF	2,873	0	2,873
**D	CROISSANCE PME M	433,376	0	433,376

Total votes	1,571,715
Percentage of voters %	0.342797
Percentage of share capital %	0.258628

Shareholders:	20	Teste:	1
Shareholders on own behalf:	0	Azionisti in delega:	20

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Authorization for the purchase and disposition of treasury shares**

ABSTENTIONS

	Surname	Tot. Votes	On own behalf	Proxy
1240	FOGLI MAURIZIO	1,953	1,953	0
1834	CROCE MARIO	1,500	1,500	0
2666	DI PALMA GIUSEPPE	1,100	1,100	0
4003	CASTAGNA SERGIO	1	1	0
962	ZACCARDI ANTONELLA	1,259	1,259	0

Total votes	5,813
Percentage of voters %	0.001268
Percentage of share capital %	0.000957

Shareholders:	5	Teste:	5
Shareholders on own behalf:	5	Azionisti in delega:	0

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Subject: **Authorization for the purchase and disposition of treasury shares**

NOT VOTING

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	150,000	0	150,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	1,100,000	0	1,100,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	30,000	0	30,000
**D	INTERFUND SICAV INTERFUND EQUITY ITALY	450,000	0	450,000
**D	FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	27,000	0	27,000
**D	MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	1,100,000	0	1,100,000

Total votes	2,857,000
Percentage of voters %	0.623122
Percentage of share capital %	0.470123

Shareholders:	6	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	6

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
1027	PRANDINI GIULIANO	12,000	12,000	0
1262	AMADEI STEFANO	3,861	3,861	0
1305	ROSSOTTI ROBERTO	3,000	3,000	0
1774	MINNELLA CARMELO GIOVANNI	1,867	1,867	0
1837	SIRIANNI PIER BATTISTA	8,000	8,000	0
2068	BONETTI EMANUELE	100	100	0
2223	MARTIRIGGIANO ANTONIO	2,681	2,681	0
2253	TONELLI GIULIO	0	0	0
**D	ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	670,000	0	670,000
**D	FRANKLIN TEMPLETON INVESTMENT FUNDS	668,413	0	668,413
**D	T. ROWE PRICE FUNDS SICAV	145,427	0	145,427
**D	SCHRODER INTERNATIONAL SELECTION FUND	8,682,403	0	8,682,403
**D	GENERALI INVESTMENTS LUXEMBURG S.A.	684,571	0	684,571
**D	MERRILL LYNCH PROFESSIONAL CLEARING CORP	86,328	0	86,328
**D	WELLINGTON MANAGEMENT PORTFOLIOS	335,843	0	335,843
**D	FIDELITY FUNDS SICAV	1,194,975	0	1,194,975
**D	WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	36,542	0	36,542
**D	WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	28,228	0	28,228
**D	WELLINGTON TRUST COMP COMM TRUST INT OPP	175,018	0	175,018
**D	WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	10,972	0	10,972
**D	JAPAN TRUSTEE SERVICES BANK LTD	469,886	0	469,886
**D	AFER ACTION PME	451,836	0	451,836
**D	BNP PARIBAS SMALL CAP EUROLAND	2,526,390	0	2,526,390
**D	BNP PARIBAS ACTIONS PME	543,807	0	543,807
**D	FCP BNP PARIBAS ACTIONS EUROLAND	43,134	0	43,134
**D	AXA OPTIMAL INCOME	2,068,464	0	2,068,464
**D	AXA VALEURS EURO	1,200,000	0	1,200,000
**D	PARVEST	3,121,423	0	3,121,423
**D	BNP PARIBAS A FUND	58,956	0	58,956
**D	BNP PARIBAS L1	82,735	0	82,735
**D	BNP PARIBAS B PENSION BALANCED	733,505	0	733,505
**D	BNP PARIBAS B PENSION STABILITY	47,432	0	47,432
**D	METROPOLITAN RENTASTRO	183,304	0	183,304
**D	BANQUE PICTET & CIE SA	33,126	0	33,126
**D	ROBECO CAPITAL GROWTH FUNDS	350,000	0	350,000
**D	DEKA BASISSTRATEGIE FLEXIBEL	23,960	0	23,960
**D	DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	7,900	0	7,900
**D	DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	74,600	0	74,600
**D	DEKA INVESTMENT GMBH RE ARIDEKA	1,150,000	0	1,150,000
**D	DEKA INVEST DIVIDENDENSTRATEGIE CF A	1,088,900	0	1,088,900
**D	HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	2,810,128	0	2,810,128
**D	FONDO CONSOLIDADO DE RESERVAS PREVISIONA	86,791	0	86,791
**D	CHINA LIFE INSURANCE COMPANY LIMITED	60,140	0	60,140
**D	COINVEST LIMITED	13,801	0	13,801
**D	T. ROWE PRICE INTERNATIONAL DISCOVERY FU	4,303,286	0	4,303,286

Shareholders:	555	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	540

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RESULTS OF VOTING

Subject: **Authorization for the purchase and disposition of treasury shares**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	MINISTRY OF STRATEGY AND FINANCE	143,444	0	143,444
**D	T ROWE PRICE INTERNATIONAL EQUITY INDEX	14,257	0	14,257
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	138,293	0	138,293
**D	STICHTING PENSIOENFONDS MEDISCH SPECIALI	506,456	0	506,456
**D	DEKA INVEST RE DEKA-ZMV-FONDS	22,000	0	22,000
**D	DEKA INVESTMENT GMBH RE PRODEKA	65,200	0	65,200
**D	DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	9,400	0	9,400
**D	DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	10,813	0	10,813
**D	MI-FONDS 392	462,000	0	462,000
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	309,886	0	309,886
**D	NATIONWIDE SMALL CAP INDEX FUND	400,962	0	400,962
**D	PENSIONSKASSEN FOR BORNE-OG UNGDOMS	16,958	0	16,958
**D	KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	1,525,392	0	1,525,392
**D	DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	546,850	0	546,850
**D	STICHTING PENSIOENFONDS VOOR HUISARTSEN	25,292	0	25,292
**D	T ROWE PRICE GLOBAL ALLOCATION FUND INC	7,791	0	7,791
**D	T ROWE INTL SMALL CAP EQUITY TRUST	486,110	0	486,110
**D	ENTERGY CORP.RETIREMENT PLANS MASTER TR.	203,718	0	203,718
**D	INVESCO GLOBAL SMALL CAP EQUITY POOL	143,065	0	143,065
**D	RBC CANADIAN MASTER TRUST	124,418	0	124,418
**D	REGIME DE RETRAITE D HYDRO QUEBEC	102,698	0	102,698
**D	AXA FRAMLINGTON FINANCIAL FUND	125,000	0	125,000
**D	NATIXIS INTERNT FUNDS LUX I	238,000	0	238,000
**D	FCP SCANDIUM	122,000	0	122,000
**D	ALLIANZGI FONDS BAT LS	92,900	0	92,900
**D	ALLIANZGI FONDS PF1	14,182	0	14,182
**D	ALLIANZGI FONDS AFE	3,943	0	3,943
**D	TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	1,507,269	0	1,507,269
**D	PFIZER JAPAN INC PENSION FUND	80,700	0	80,700
**D	TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	55,682	0	55,682
**D	THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	83,856	0	83,856
**D	BT WHOLESALE MULTI MANAG INTL SHARE FUND	186,764	0	186,764
**D	SCHRODER PENSION MANAGEMENT LTD	42,277	0	42,277
**D	MFS INTERNATIONAL NEW DISCOVERY FUND	2,267,886	0	2,267,886
**D	SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	71,392	0	71,392
**D	SCHRODER EUROPEAN FUND	2,365,914	0	2,365,914
**D	SCHRODER INTERNATIONAL SMALL COMPANIES P	8,000	0	8,000
**D	SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	125,000	0	125,000
**D	TEACHERS PENSION PLAN & PRIVATE SCHOOL	639,710	0	639,710
**D	FTSE ALL WORLD INDEX FUND	33,351	0	33,351
**D	REASSURE LIMITED	14,216	0	14,216
**D	HSBC EUROPEAN INDEX FUND	75,508	0	75,508
**D	REALDANIA	532,000	0	532,000
**D	FCP VILLIERS ACTIONS EDRAM	968,000	0	968,000
**D	ANIMA SGR SPA	12,381,073	0	12,381,073

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	242,269	0	242,269
**D	ARTEMIS EUROPEAN OPPORTUNITIES FUND	1,301,374	0	1,301,374
**D	NMM3 EUEQ MFS ACCOUNT	8,971	0	8,971
**D	CITI RETIREMENT SAVINGS PLAN	115,234	0	115,234
**D	FIRST INVESTORS GLOBAL FUND	306,236	0	306,236
**D	UWF TROW INTL DISCOVERY	55,384	0	55,384
**D	BOK KIC GAEQ6	85,699	0	85,699
**D	PS FTSE LO BT EQ WT PORT	32,076	0	32,076
**D	CEP DEP IP GLOBAL SMALLER COS	802,185	0	802,185
**D	EIR EIE WELLINGTON INT	179,053	0	179,053
**D	BNYMTCIL IFS4 INV CONT EU SM CAP FD	1,317,413	0	1,317,413
**D	BNYMTCIL IFS4 INV GBL SM CAP EQ FD	385,588	0	385,588
**D	PS FTSERAFI EUSM UCITS ETF BNYMTCIL	2,919	0	2,919
**D	PS SP INTL DEVEL QUALITY PORTFOLIO	4,736	0	4,736
**D	PS FR DEVEL MARK EX US SMALL PORT	5,473	0	5,473
**D	PRU SECTOR FDS INC PRU FIN SER FD	787,168	0	787,168
**D	AST TRP DIVERS REAL GWTH PORT PDMO	1,049	0	1,049
**D	AST FI PYRAMIS QUANT AA IE SC PDGJ	83,115	0	83,115
**D	AST TRP GWTH OPP PORT BAL PDRB	26,600	0	26,600
**D	AST RCM WORLD TRENDS PORT PDBF	250,800	0	250,800
**D	WELLINGTON MGMT CY LLPQUALITY EDUC FD	138,871	0	138,871
**D	BANK OF AMERICA PENSION PLAN OECHSLE	143,212	0	143,212
**D	BOA FBO SKL INVESTMENT GRP LLC	8,534	0	8,534
**D	WMP OPP INVESTMENT PRTNS LP	32,852	0	32,852
**D	AWAF AWAC WELLINGTON	58,355	0	58,355
**D	THE CLEVELAND CLINIC FOUNDATION	70,858	0	70,858
**D	GLOBAL EQUITY WELLINGTON	235,725	0	235,725
**D	MFS INTL EQUITY FUND	74,599	0	74,599
**D	INVESCO FUNDS	177,083	0	177,083
**D	HP INC MASTER TRUST	68,418	0	68,418
**D	BNYMTD RAMAM WORLD RECOVERY FUND	180,600	0	180,600
**D	UNISYS MASTER TRUST	70,952	0	70,952
**D	CPA COP PSERS PYRAMIS GLOBAL ADV	78,706	0	78,706
**D	BNYMTD RM GLOBAL HIGH ALPHA FUND	63,600	0	63,600
**D	AMG TIMESSQUARE INTL SM CAP	643,360	0	643,360
**D	FLORIDA RETIREMENT SYSTEM	215,017	0	215,017
**D	BELL ATLANTIC MASTER TRUST	41,418	0	41,418
**D	VERIZON MASTER SAVINGS TRUST	98,016	0	98,016
**D	UTC WELLINGTON GLOBAL	91,148	0	91,148
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	132,596	0	132,596
**D	BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	109,924	0	109,924
**D	JOHN S AND JAMES L KNIGHT FOUNDATION	229,700	0	229,700
**D	PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	246	0	246
**D	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	192,127	0	192,127
**D	PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	385,014	0	385,014

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IN FAVOUR

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**D	PIONEER FD-EUROPEAN RESEARCH	321,167	0	321,167
**D	PIONEER FD-EURO EQ OPTIMAL VOL	95,282	0	95,282
**D	PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	25,412	0	25,412
**D	PIONEER FD SF EQUITY PLAN60	52,401	0	52,401
**D	PIONEER FD-GLOBAL MULTI ASSET	39,321	0	39,321
**D	PIONEER FD-EUROPEAN POTENTIAL	1,801,653	0	1,801,653
**D	FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	250,000	0	250,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	110,000	0	110,000
**D	FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	100,000	0	100,000
**D	F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	60,000	0	60,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	15,000	0	15,000
**D	GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	11,000	0	11,000
**D	FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	5,000	0	5,000
**D	METZLER INT INV EUR SMALLER CO	1,575,000	0	1,575,000
**D	CIPAV ALOIS	117,262	0	117,262
**D	SOGECAP ACTIONS SMALL CAP	942,243	0	942,243
**D	SG ACTIONS EUROPE MID CAP	197,367	0	197,367
**D	AGI FRANCE	171,200	0	171,200
**D	ALLIANZ ACTIONS EURO PME-ETI	167,700	0	167,700
**D	COLONIAL FIRST STATE INVESTMENTS LIMITED.	71,939	0	71,939
**D	STICHTING PGGM DEPOSITARY	179,921	0	179,921
**D	WELLINGTON ALTA FUND	94,527	0	94,527
**D	S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	201,592	0	201,592
**D	FEDERATED KAUFMANN FUND	6,839,360	0	6,839,360
**D	FEDERATED KAUFMANN FUND II	166,330	0	166,330
**D	FEDERATED KAUFMANN SMALL CAP FUND	874,310	0	874,310
**D	LAUDUS INTERNATIONAL MARKETMASTERS FUND	684,332	0	684,332
**D	SCHWAB INTERNATIONAL EQUITY ETF	195,728	0	195,728
**D	JOHN HANCOCK SEAPORT FUND	522,049	0	522,049
**D	WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	152,865	0	152,865
**D	MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	142,892	0	142,892
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	165,000	0	165,000
**D	ANIMA FUNDS PLC	353,973	0	353,973
**D	MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	127,626	0	127,626
**D	THE FRANCIS E. PARKER MEMORIAL HOME	23,936	0	23,936
**D	THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	41,964	0	41,964
**D	THE GABELLI GLOBAL SMALL AND MID CAP VALUE TRUST	49,000	0	49,000
**D	THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	25,000	0	25,000
**D	HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	907,160	0	907,160
**D	HARTFORD CAPITAL APPRECIATION HLS FUND	1,411,126	0	1,411,126
**D	THE HARTFORD INTERNATIONAL GROWTH FUND	141,392	0	141,392
**D	THE HARTFORD CAPITAL APPRECIATION FUND	3,822,524	0	3,822,524
**D	THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	1,698,920	0	1,698,920
**D	HARTFORD INTERNATIONAL EQUITY FUND	20,015	0	20,015
**D	THE HARTFORD GLOBAL ALL- ASSET FUND	73,365	0	73,365

Shareholders:	555	People:	18
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	Surname	Tot. Votes	On own behalf	Proxy
**D	HARTFORD GLOBAL CAPITAL APPRECIATION FUND	549,306	0	549,306
**D	HARTFORD HEALTHCARE ENDOWMENT LLC	10,847	0	10,847
**D	HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	9,572	0	9,572
**D	HSBC STAT	58,300	0	58,300
**D	ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	7,316	0	7,316
**D	HENKEL OF AMERICA MASTER RETIREMENT TRUST	20,932	0	20,932
**D	TEXAS MUNICIPAL RETIREMENT SYSTEM	897,775	0	897,775
**D	ASHWOOD INVESTMENTS LIMITED	6,619	0	6,619
**D	STATE OF NEW JERSEY COMMON PENSION FUND D	257,203	0	257,203
**D	NEW YORK STATE DEFERRED COMPENSATION PLAN	124,544	0	124,544
**D	CITY OF NEW YORK GROUP TRUST	513,664	0	513,664
**D	WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	122,551	0	122,551
**D	HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	193,662	0	193,662
**D	BIMCOR GLOBAL EQUITY POOLED FUND	87,658	0	87,658
**D	GOVERNMENT OF THE PROVINCE OF ALBERTA	169,600	0	169,600
**D	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	2,292,969	0	2,292,969
**D	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	365,713	0	365,713
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	487,200	0	487,200
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	136,317	0	136,317
**D	METZLER INVESTMENT GMBH FOR MI-FONDS 415	113,500	0	113,500
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	346,439	0	346,439
**D	SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	37,395	0	37,395
**D	VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	125,203	0	125,203
**D	THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	376,990	0	376,990
**D	THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	88,420	0	88,420
**D	THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	151,092	0	151,092
**D	WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	7,964	0	7,964
**D	THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	12,538	0	12,538
**D	THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	900,083	0	900,083
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	226,758	0	226,758
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	2,381	0	2,381
**D	WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	56,613	0	56,613
**D	AXA WORLD FUNDS	12,770,072	0	12,770,072
**D	ALLIANZ GLOBAL INVESTORS FUND	1,446,700	0	1,446,700
**D	MFS MERIDIAN FUNDS	1,306,568	0	1,306,568
**D	KIEGER FUND I	50,329	0	50,329
**D	INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	61,206	0	61,206
**D	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	157,750	0	157,750
**D	COLLEGE RETIREMENT EQUITIES FUND	1,416,042	0	1,416,042
**D	RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	238,547	0	238,547
**D	RUSSELL INVESTMENT FUNDS NON-U.S. FUND	28,598	0	28,598
**D	MULTI-STYLE, MULTI-MANAGER FUNDS PLC	210,400	0	210,400
**D	ONTARIO TEACHERS PENSION PLAN BOARD	183,162	0	183,162
**D	THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	24,218	0	24,218
**D	THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	5,970	0	5,970

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Authorization for the purchase and disposition of treasury shares**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	622,711	0	622,711
**D	GOVERNMENT INSTITUTIONS PENSION FUND	3,059	0	3,059
**D	BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	1,495,583	0	1,495,583
**D	THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	177,800	0	177,800
**D	HRW TESTAMENTARY TRUST NO 3	127,400	0	127,400
**D	THE WALTON FAMILY FOUNDATION	269,600	0	269,600
**D	HRW TESTAMENTARY TRUST NO. 8	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO 2	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO. 12	109,400	0	109,400
**D	GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	120,164	0	120,164
**D	SCHLUMBERGER COMMON INVESTMENT FUND	44,607	0	44,607
**D	LTW INVESTMENTS LLC	170,000	0	170,000
**D	LOY PARTNERSHIP, LLC	96,500	0	96,500
**D	RAMI PARTNERS, LLC	90,600	0	90,600
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	53,438	0	53,438
**D	BLUE SKY GROUP	209,000	0	209,000
**D	BATTELLE MEMORIAL INSTITUTE	39,700	0	39,700
**D	DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	59,456	0	59,456
**D	PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	291,526	0	291,526
**D	THE HEALTH FOUNDATION	57,168	0	57,168
**D	MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	57,188	0	57,188
**D	ST. JOSEPH HEALTH SYSTEM	100,661	0	100,661
**D	TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	17,288	0	17,288
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	319,807	0	319,807
**D	EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	44,336	0	44,336
**D	STATE UNIVERSITIES RETIREMENT SYSTEM	68,085	0	68,085
**D	UTAH STATE RETIREMENT SYSTEMS	44,501	0	44,501
**D	AMG FUND PLC	8,390	0	8,390
**D	ILLINOIS STATE BOARD OF INVESTMENT	77,149	0	77,149
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	20,610	0	20,610
**D	EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	528,640	0	528,640
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	26,395	0	26,395
**D	EURIZON EASY FUND - EQUITY ITALY	129,738	0	129,738
**D	EURIZON FUND - EQUITY ITALY SMART VOLATILITY	76,384	0	76,384
**D	AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	994,376	0	994,376
**D	AMUNDI LUXEMBOURG SA	909,666	0	909,666
**D	FCP EDMOND DE ROTHSCHILD EURO LEADERS	923,900	0	923,900
**D	FCP EDMOND DE ROTHSCHILD EURO SRI	168,000	0	168,000
**D	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	834,000	0	834,000
**D	FCP LCF PHARMA INTERNATIONAL	164,920	0	164,920
**D	CNP ASSUR SMALL CAP	432,330	0	432,330
**D	EDMOND DE ROTHSCHILD ASSET MANAGEMENT	399,330	0	399,330
**D	AA FORTIS ACTIONS PETIT CAP EUROPE	270,956	0	270,956
**D	FCP RSI EURO P	63,089	0	63,089
**D	FCP VILLIERS DIAPASON	69,636	0	69,636

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Ordinary Shareholders' Meeting of April 11, 2017

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	FCP NATIXIS ACTIONS SMALL MID CAP EURO	263,000	0	263,000
**D	ASSURDIX	41,977	0	41,977
**D	CPR EURO HIGH DIVIDEND	94,061	0	94,061
**D	CPR SILVER AGE	2,472,859	0	2,472,859
**D	SICAV BBM V-FLEX	135,784	0	135,784
**D	FCP BEST BUSINESS MODELS	1,530,000	0	1,530,000
**D	BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	973,829	0	973,829
**D	PUBLIC SERVICE PENSION PLAN FUND	35,520	0	35,520
**D	TEACHERS` PENSION PLAN FUND	37,223	0	37,223
**D	TELUS PENSIONS MASTER TRUST	78,303	0	78,303
**D	ALLEGHENY COLLEGE	24,200	0	24,200
**D	ERIE COUMMINTY FOUNDATION	27,300	0	27,300
**D	TIMESQUARE FOCUS FUND LP	25,000	0	25,000
2276	ROSSI MARCO	57,288	57,288	0
3005	CAGLIA MARIA	0	0	0
DE*	UNICREDIT S.P.A.	215,066,403	0	215,066,403
3025	GHIBAUDI LEOPOLDO	9,000	9,000	0
3061	VIOZZI DANIELE	50	50	0
3200	SCANU MARCO	187	187	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	MOMENTUM INVESTMENT FUNDS SCIVA SIF	133,040	0	133,040
**D	JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	2,045,229	0	2,045,229
**D	JPMORGAN INVESTMENT FUNDS	1,205,954	0	1,205,954
**D	CC&L Q 140/40 FUND	600	0	600
**D	CC& L US Q MARKET NEUTRAL ONSHORE FUND I	300	0	300
**D	CC&L Q CAN EQUITY 130/30 PLUS FUND	775	0	775
**D	CC&L Q MARKET NEUTRAL FUND	82,300	0	82,300
**D	VANGUARD EUROPEAN STOCK INDEX FUND	691,987	0	691,987
**D	VANGUARD DEVELOPED MARKETS INDEX FUND	1,795,422	0	1,795,422
**D	VANGUARD TOTAL WORLD STOCK INDEX FUND	82,591	0	82,591
**D	VANGUARD FTSE ALL-WORLD EX US INDEX FUND	565,229	0	565,229
**D	VANGUARD FUNDS PLC	91,522	0	91,522
**D	RAINIER INT SMALL CAP EQUITY COLLECTIVE	182,840	0	182,840
**D	VANGUARD INVESTMENT SERIES PLC	79,836	0	79,836
**D	JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	3,877	0	3,877
**D	STICHT BEDRIJ MEDIA PNO	180,000	0	180,000
**D	HENDERS.EURO.SMALLER COMPANIES FUND	322,357	0	322,357
**D	HENDERSON INSTIT EUROP INDEX OPP FUND	42,487	0	42,487
**D	SAINT MARTIN 4	888,000	0	888,000
**D	FCP SAKKARAH 7	7,500	0	7,500
**D	FCPE TOTAL ACTIONS EUROPEENNES	750,000	0	750,000
**D	FCP KLESIA A DIVERSIFIE	325,000	0	325,000
**D	TOTAL GESTION FLEX PATRI	44,970	0	44,970
**D	FONDS RESERVE RETRAITES	888,450	0	888,450
**D	HENDERSON HORIZON FUND SICAV	2,101,556	0	2,101,556

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Ordinary Shareholders' Meeting of April 11, 2017

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	HENDERSON GARTMORE FUND	572,233	0	572,233
**D	MERIFIN CAPITAL B.V.	39,940	0	39,940
**D	VANGUARD INTERNATIONAL SMALL COMPANIES I	20,939	0	20,939
**D	ONEPATH GLOBAL SHARES - SMALL CAP INDEX	22,117	0	22,117
**D	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	4,895	0	4,895
**D	NVIT MULTI MANAGER INTERNATIONAL GROWTH	143,770	0	143,770
**D	JPM EUROPE DYNAMIC (EX UK) FUND	551,178	0	551,178
**D	JPM EUROPE SMALLER COMPANIES FUND	409,306	0	409,306
**D	VANGUARD TOTAL INTERNATIONAL STOCK INDEX	4,791,064	0	4.791,064
**D	JPMORGAN EUROPEAN INVESTMENT TRUST PLC	94,946	0	94,946
**D	JPMORGAN EUROPEAN SMALLER COMPANIES TST	1,533,787	0	1,533,787
**D	JAPAN TRUSTEE SERVICES BANK LTD AS TRUST	3,489	0	3,489
**D	JTSB LTD. AS TRUSTEE FOR SUMITOMO	16,888	0	16,888
**D	NEW YORK LIFE INSURANCE COMPANY	66,324	0	66,324
**D	PEERLESS INSURANCE COMPANY	115,223	0	115,223
**D	PROSHARES HEDGED FTSE EUROPE ETF	191	0	191
**D	JPMORGAN INTERNATIONAL DISCOVERY FUND	6,507	0	6,507
**D	THE CANADA POST CORPORATION PENSION PLAN	104,309	0	104,309
**D	TR EUROPEN GROWTH TRUST PLC	1,844,247	0	1,844,247
**D	ING DIRECT	29,652	0	29,652
**D	FIDELITY SAL ST T SPARTAN TOTAL INT IN F	4,749	0	4,749
**D	BEST INVESTMENT CORPORATION	9,518	0	9,518
**D	BLACKROCK INSTITUTIONAL POOLED FUND PLC	6,097	0	6,097
**D	CHINA LIFE INSURANCE (GROUP) COMPANY	2,554	0	2,554
**D	BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	1,214	0	1,214
**D	BLACKROCK FISSION INDEXED INTL EQUITY FD	24,822	0	24,822
**D	SUPER FUNDS MANAG CORP SOUTH AUSTRALIA	119,451	0	119,451
**D	MINISTRY OF STRATEGY AND FINANCE	33,349	0	33,349
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	32,767	0	32,767
**D	TRUST AND CUSTODY SERVICED BANK LIMITED	34,871	0	34,871
**D	THE MASTER TRUST BANK OF JAPAN LTD	37,838	0	37,838
**D	MASTER TRUST FOR NATIONAL PENSION FD	35,535	0	35,535
**D	FLF STRATEGIC GLOBAL EQUITY FUND	72,428	0	72,428
**D	BOK KIC AAEQ 3	15,026	0	15,026
**D	SUBSIDIZED SCHOOLS P FUND NORTHERN	13,614	0	13,614
**D	55016 UP INTERNATIONALE AKTIER	225,930	0	225,930
**D	WILM MULTI MGR INTL FD OBERWEIS	241,652	0	241,652
**D	56053 IP GLOBAL EQUITIES I	12,883	0	12,883
**D	LMIF LMGAMI EURO SMLL CP	181,818	0	181,818
**D	IQ 50 PERCENT HEDGED FTSE EURO ETF	3,749	0	3,749
**D	DEUTSCHE XTRK MSCI EMU HDG EQ ETF	4,402	0	4,402
**D	BLACKROCK GLOBAL FUNDS	4,397,203	0	4,397,203
**D	FPXF WILLIAM BLAIR CO	31,880	0	31,880
**D	RVN WILLIAM BLAIR	4,196	0	4,196
**D	BLL AQUILA LIFE EUROPEAN EQUITY	755,618	0	755,618

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Ordinary Shareholders' Meeting of April 11, 2017

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IN FAVOUR

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**D	BLL ASCENT LIFE EUROPEAN	62,130	0	62,130
**D	BLK MULTI ASSET INC PF EUR EQU INC	478,931	0	478,931
**D	BLL AQUILA LIFE OSEAS EQUITY FUND	4,851	0	4,851
**D	BLL ASCENT LIFEENHANCED	1,766	0	1,766
**D	DEUTSCHE XTRK MSCI EAFE SC HDG ETF	466	0	466
**D	CHI OPERATING INVESTMENT PROGRAM LP	78,109	0	78,109
**D	CATHOLIC HEALTH INITIATIVES MASTER TRUST	40,056	0	40,056
**D	FIRST INITIATIVES INSURANCE LIMITED	6,914	0	6,914
**D	EATON VANCE MGMT INTL SMALL CAP	1,057	0	1,057
**D	ONFF WILLIAM BLAIR NONUS	17,060	0	17,060
**D	CE8F WILLIAM BLAIR IACG	115,413	0	115,413
**D	RAYTHEON MASTER PENSION TRUST	1,528	0	1,528
**D	VANGUARD INTL HIGH DIV YLD INDEX FD	14,295	0	14,295
**D	BSNF NTR WILLIAM BLAIR	12,404	0	12,404
**D	BSPF PMT WILLIAM BLAIR	8,749	0	8,749
**D	BGF EURO MKTS FD EURO EQUITY PF	8,176,154	0	8,176,154
**D	BGF FLEX MULTI ASSET GBL EQ PF	9,039	0	9,039
**D	LRPF WILLIAM BLAIR	42,009	0	42,009
**D	W11F WILLIAM BLAIR	10,510	0	10,510
**D	BFTF WILLIAM BLAIR	21,724	0	21,724
**D	US BK RAINIER INTL DISCOVERY FUND	395,610	0	395,610
**D	ATFF AMERICAN CENTURY	74,487	0	74,487
**D	RZSF3001 NON US GE W BLAIR	103,201	0	103,201
**D	ALASKA PERMANENT FUND CORPORATION	57,838	0	57,838
**D	1216 APG DME FINANC	1,221,917	0	1,221,917
**D	2054 APG DME BLACKR	117,398	0	117,398
**D	AON HEWITT COLLECTIVE INVESTMENT TRUST	27,414	0	27,414
**D	MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	30,345	0	30,345
**D	PHC NT SMALL CAP	26,269	0	26,269
**D	BNYMTD BLK CONTINENTAL EURO INC	4,653,703	0	4,653,703
**D	BNYMTD BLK CONT EUR EQ TRCK FD INV	265,102	0	265,102
**D	PENSION RESERVES INVESTMENT TRUST FUND	73,110	0	73,110
**D	VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	97,220	0	97,220
**D	THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	20,153	0	20,153
**D	GENERAL MILLS INVESTMENT TRUST	36,637	0	36,637
**D	INDIANA PUBLIC RETIREMENT SYSTEM	12,426	0	12,426
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	27,702	0	27,702
**D	SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	19,925	0	19,925
**D	UPS GROUP TRUST	86,396	0	86,396
**D	ELEVA UCITS FD-ELEVA ABSOLUTE	6,479,400	0	6,479,400
**D	COLISEE IFC 1	538,000	0	538,000
**D	IRISH LIFE ASSURANCE.	184,234	0	184,234
**D	LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	1,666,611	0	1,666,611
**D	CITIBANK KOREA INC	848,102	0	848,102
**D	THREADNEEDLE (LUX	978,719	0	978,719

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**D	THREADNEEDLE INVESTMENT FUNDS ICVC	11,652,830	0	11,652,830
**D	LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	8,892	0	8,892
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	12,500	0	12,500
**D	GOVERNMENT OF NORWAY	5,524,312	0	5,524,312
**D	NORGES BANK	109,988	0	109,988
**D	AQR ORACLE FUND LP	5,896	0	5,896
**D	NUMERIC ABS RETURN FD LP	18,000	0	18,000
**D	FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	2,062	0	2,062
**D	FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	203,488	0	203,488
**D	INTERNATIONAL MONETARY FUND	15,994	0	15,994
**D	AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	6,110	0	6,110
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	26,000	0	26,000
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	23,070	0	23,070
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	301,560	0	301,560
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	219,530	0	219,530
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	266,990	0	266,990
**D	AMERICAN CENTURY RETIREMENT DATE TRUST	114,333	0	114,333
**D	CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	183,278	0	183,278
**D	CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	462	0	462
**D	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	28,252	0	28,252
**D	EATON VANCE INTERNATIONAL SMALL-CAP FUND	10,546	0	10,546
**D	WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	217,799	0	217,799
**D	WILLIAM BLAIR INTERNATIONAL GROWTH FUND	657,058	0	657,058
**D	WILLIAM BLAIR INSTITUTIONAL INTERNATIONAL GROWTH FUND	476,734	0	476,734
**D	MM SELECT EQUITY ASSET FUND	6,406	0	6,406
**D	ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM	78,810	0	78,810
**D	MARYLAND STATE RETIREMENT & PENSION SYSTEM	19,979	0	19,979
**D	MERCER QIF CCF	1,101,611	0	1,101,611
**D	MERCER QIF CCF	616,038	0	616,038
**D	STATE OF MONTANA BOARD OF INVESTMENTS	66,699	0	66,699
**D	CITY OF NEW YORK GROUP TRUST	183,462	0	183,462
**D	STATE STREET IRELAND UNIT TRUST	52,145	0	52,145
**D	SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY	62,756	0	62,756
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	634,198	0	634,198
**D	UAW RETIREE MEDICAL BENEFITS TRUST	154,557	0	154,557
**D	VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	3,873	0	3,873
**D	VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	3,671	0	3,671
**D	VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	697	0	697
**D	VANGUARD GLOBAL LIQUIDITY FACTOR ETF	1,061	0	1,061
**D	VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	8,723	0	8,723
**D	VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	25,281	0	25,281
**D	VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	1,123	0	1,123
**D	WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	26,627	0	26,627
**D	WELLS FARGO ALTERNATIVE STRATEGIES FUND	7,561	0	7,561
**D	WASHINGTON STATE INVESTMENT BOARD	165,288	0	165,288

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**D	WASHINGTON STATE INVESTMENT BOARD	3,050	0	3,050
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	139	0	139
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	17,270	0	17,270
**D	WISDOMTREE DEFA EQUITY INCOME FUND	18,109	0	18,109
**D	WISDOMTREE INTERNATIONAL EQUITY FUND	30,409	0	30,409
**D	WISDOMTREE INTERNATIONAL MIDCAP DIVIDEND FUND	37,696	0	37,696
**D	WISDOMTREE EUROPE LOCAL RECOVERY FUND	867	0	867
**D	WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	212,713	0	212,713
**D	NEW YORK STATE TEACHERS RETIREMENT SYSTEM	131,253	0	131,253
**D	PRUDENTIAL BANK AND TRUST	56,511	0	56,511
**D	SPDR EURO STOXX SMALL CAP ETF	19,641	0	19,641
**D	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	560,715	0	560,715
**D	BLACKROCK STRATEGIC FUNDS	102,172	0	102,172
**D	KIEGER FUND I	1,887	0	1,887
**D	ISHARES MSCI EAFE SMALL CAP ETF	1,043,062	0	1,043,062
**D	ISHARES MSCI EUROPE SMALL-CAP ETF	29,608	0	29,608
**D	BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	548,131	0	548,131
**D	ISHARES CORE MSCI EAFE ETF	592,081	0	592,081
**D	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	114,889	0	114,889
**D	ISHARES MSCI INTERNATIONAL DEVELOPED ETF	2,460	0	2,460
**D	ISHARES CORE MSCI EAFE IMI INDEX ETF	16,762	0	16,762
**D	ISHARES MSCI EUROPE IMI INDEX ETF	6,701	0	6,701
**D	ISHARES CORE MSCI EUROPE ETF	79,880	0	79,880
**D	CONNECTICUT GENERAL LIFE INSURANCE COMPANY	2,775	0	2,775
**D	CDN ACWI ALPHA TILTS FUND	15,426	0	15,426
**D	RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B	1,917	0	1,917
**D	EURO EX-UK ALPHA TITLS FUND B	9,358	0	9,358
**D	WORLD ALPHA TILTS NON-LENDABLE FUND B	757	0	757
**D	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	15,676	0	15,676
**D	DELUXE CORPORATION MASTER TRUST	12,195	0	12,195
**D	MERCY HEALTH	9,457	0	9,457
**D	MERCY HEALTH RETIREMENT TRUST	2,453	0	2,453
**D	TRUTH INITIATIVE FOUNDATION	4,601	0	4,601
**D	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	103,806	0	103,806
**D	ISHARES PUBLIC LIMITED COMPANY	1.002,024	0	1,002,024
**D	ISHARES II PUBLIC LIMITED COMPANY	603,850	0	603,850
**D	ISHARES VII PLC	674,577	0	674,577
**D	ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	233,174	0	233,174
**D	BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	1,086,651	0	1,086,651
**D	BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	163,680	0	163,680
**D	BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	334,720	0	334,720
**D	BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	273,064	0	273,064
**D	MANAGED PENSION FUNDS LIMITED	12,389	0	12,389
**D	THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	11,592	0	11,592
**D	FAMILY INVESTMENTS CHILD TRUST FUND	14,367	0	14,367

Shareholders:	555	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	540

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Authorization for the purchase and disposition of treasury shares**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	9,961	0	9,961
**D	HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	284,213	0	284,213
**D	STICHTING PHILIPS PENSIOENFONDS	49,007	0	49,007
**D	THE TRUSTEES OF SAL PENSION SCHEME	3,820	0	3,820
**D	VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	17,302	0	17,302
**D	VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	41,639	0	41,639
**D	VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	103,491	0	103,491
**D	VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	276	0	276
**D	SUNSUPER SUPERANNUATION FUND	13,451	0	13,451
**D	CANADA PENSION PLAN INVESTMENT BOARD	369,604	0	369,604
**D	THE TRUSTEES OF BP PENSION FUND	773,030	0	773,030
**D	FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	13,955	0	13,955
**D	UNIVERSITY OF KENTUCKY	10,000	0	10,000
**D	WHEELS COMMON INVESTMENT FUND	18,626	0	18,626
**D	CHEVRON MASTER PENSION TRUST	29,057	0	29,057
**D	CHEVRON UK PENSION PLAN	2,761	0	2,761
**D	THE CURATORS OF THE UNIVERSITY OF MISSOURI	50,065	0	50,065
**D	DFI LP EQUITY (PASSIVE)	1,693	0	1,693
**D	NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND	12,165	0	12,165
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	169,898	0	169,898
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	34,430	0	34,430
**D	NEW ZEALAND SUPERANNUATION FUND	26,623	0	26,623
**D	AON SAVINGS PLAN TRUST	46,862	0	46,862
**D	MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	2,113	0	2,113
**D	NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST	363,921	0	363,921
**D	TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	17,985	0	17,985
**D	ADVOCATE HEALTH CARE NETWORK	20,899	0	20,899
**D	CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	64,284	0	64,284
**D	FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	10,415	0	10,415
**D	ILLINOIS MUNICIPAL RETIREMENT FUND	134,679	0	134,679
**D	LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM	41,051	0	41,051
**D	CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN	65,307	0	65,307
**D	UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	51,783	0	51,783
**D	POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	32,151	0	32,151
**D	SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM	116,549	0	116,549
**D	SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	17,859	0	17,859
**D	FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	1,181	0	1,181
**D	OPSEU PENSION PLAN TRUST FUND	5,309	0	5,309
**D	NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	2,417,367	0	2,417,367
**D	THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	572,086	0	572,086
**D	STRATHCLYDE PENSION FUND	341,499	0	341,499
**D	MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO	27,415	0	27,415
**D	NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	891	0	891
**D	NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	212,266	0	212,266
**D	SSGA GROSS ROLL UP UNIT TRUST	13,909	0	13,909

Shareholders:	555	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	540

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Authorization for the purchase and disposition of treasury shares**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	4,616	0	4,616
**D	STATE TEACHERS RETIREMENT SYSTEM OF OHIO	423,988	0	423,988
**D	ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND	32,387	0	32,387
**D	UNIVEST	126,385	0	126,385
**D	STG PFDS V.D. GRAFISCHE	155,541	0	155,541
**D	FCP ECUREUIL RETRAITE EURO ACTIONS 4	300,000	0	300,000
**D	I.2.C. ACTIONS	488,000	0	488,000
**D	FCP GROUPAMA AVENIR EURO	3,136,372	0	3,136,372
**D	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN	14,955	0	14,955
**D	THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	15,685	0	15,685
**D	MCGILL UNIVERSITY PENSION FUND	7,953	0	7,953
**D	PUBLIC SECTOR PENSION INVESTMENT BOARD	104,668	0	104,668
**D	CIBC INTERNATIONAL SMALL COMPANIES FUND	44,559	0	44,559
**D	CF DV ACWI EX-U.S. IMI FUND	1,587	0	1,587
581	CERASUOLO STEFANO	7,241	7,241	0
599	AMADASI GIORDANO	158	158	0
742	AUSILIO ROSA GIUSEPPINA	187	187	0
773	CORNAGO DANIELE	2,241	2,241	0

Total votes	454,063,254
Percentage of voters %	99.032814
Percentage of share capital %	74.716683

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal authorization to purchase treasury shares for stock granting plan**

Attendees:

No. **578** shareholders entitled to vote took part in the voting on own behalf or by proxy

No. **455,585,405** ordinary shares

The counting of votes produced the following results:

		%OF ORDINARY SHARE CAPITAL PRESENT (Voting Quorum)	%OF ORDINARY SHARES ENTITLED TO VOTE	%SHARE CAPITAL
Favour	357,041,856	78.369907	78.369907	58.751689
Against	95,680,736	21.001712	21.001712	15.744386
SubTotal	452,722,592	99.371619	99.371619	74.496075
Abstentions	5,813	0.001276	0.001276	0.000957
Not Voting	2,857,000	0.627105	0.627105	0.470123
SubTotal	2,862,813	0.628381	0.628381	0.471080
Total	455,585,405	100.000000	100.000000	74.967155

Shareholders:	578	People:	23
Shareholders on own behalf:	20	Shareholders by proxy:	558

Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal authorization to purchase treasury shares for stock granting plan**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	FRANKLIN TEMPLETON INVESTMENT FUNDS	668,413	0	668,413
**D	SCHRODER INTERNATIONAL SELECTION FUND	8,682,403	0	8,682,403
**D	UBS GLOBAL ASSET MANAGEMENT LIFE LTD	73,068	0	73,068
**D	UBS ASSET MANAGEMENT LIFE LTD	283	0	283
**D	UBS (US) GROUP TRUST	7,469	0	7,469
**D	STICHTING PENSIOENFONDS MEDISCH SPECIALI	506,456	0	506,456
**D	MI-FONDS 392	462,000	0	462,000
**D	PENSIONSKASSEN FOR BORNE-OG UNGDOMS	16,958	0	16,958
**D	KAPITALFORENINGEN ISTITUTIONEL INVESTOR EUROPAELSKE AKTIER	1,525,392	0	1,525,392
**D	STICHTING PENSIOENFONDS VOOR HUISARTSEN	25,292	0	25,292
**D	NATIXIS INTERNT FUNDS LUX I	238,000	0	238,000
**D	FCP SCANDIUM	122,000	0	122,000
**D	FCP BRONGNIART AVENIR	100,000	0	100,000
**D	BT WHOLESALE MULTI MANAG INTL SHARE FUND	186,764	0	186,764
**D	SCHRODER PENSION MANAGEMENT LTD	42,277	0	42,277
**D	AVIVA LIFE & PENSIONS UK LIMITED	53,590	0	53,590
**D	AVIVA LIFE AND PENSIONS UK LIMITED	181,930	0	181,930
**D	SCHRODER ADVANCED BETA GLOBAL EQUITY SMA	71,392	0	71,392
**D	SCHRODER EUROPEAN FUND	2,365,914	0	2,365,914
**D	SCHRODER INTERNATIONAL SMALL COMPANIES P	8,000	0	8,000
**D	SCHRODER CAPITAL MANAGEMENT COLLECTIVE T	125,000	0	125,000
**D	FRIENDS LIFE LIMITED	89,644	0	89,644
**D	NORTHERN IRELAND LOCAL GOV PENSION FUND	84,483	0	84,483
**D	FRIENDS LIFE AND PENSIONS LIMITED	6,627	0	6,627
**D	REALDANIA	532,000	0	532,000
**D	FCP VILLIERS ACTIONS EDRAM	968,000	0	968,000
**D	ANIMA SGR SPA	12,381,073	0	12,381,073
**D	ANIMA SGR SPA - ANIMA STAR ITALIA ALTO POTENZIALE	242,269	0	242,269
**D	AST RCM WORLD TRENDS PORT PDBF	250,800	0	250,800
**D	BANK OF AMERICA PENSION PLAN OECHSLE	143,212	0	143,212
**D	BOA FBO SKL INVESTMENT GRP LLC	8,534	0	8,534
**D	GLOBAL INVESTMENT FUND	31,323	0	31,323
**D	BNYMTD RAMAM WORLD RECOVERY FUND	180,600	0	180,600
**D	BNYMTD RM GLOBAL HIGH ALPHA FUND	63,600	0	63,600
**D	AMG TIMESSQUARE INTL SM CAP	643,360	0	643,360
**D	FLORIDA RETIREMENT SYSTEM	215,017	0	215,017
**D	JOHN S AND JAMES L KNIGHT FOUNDATION	229,700	0	229,700
**D	METZLER INT INV EUR SMALLER CO	1,575,000	0	1,575,000
**D	UBS EUROP SMALL CAP EQUITY FD	84,125	0	84,125
**D	AVIVA INVESTORS INTERNATIONAL INDEX TRACKING FUND	10,120	0	10,120
**D	STICHTING PGGM DEPOSITARY	179,921	0	179,921
**D	UBS FUND MGT (CH) AG CH0516/UBSCHIF2-EGSCPII	73,720	0	73,720
**D	UBS FUND MANAGEMENT (SWITZERLAND) AG.	132,808	0	132,808
**D	CH0526 - UBS (CH) INSTITUTIONAL FUND - EQUITIES GLOBAL SMALL CAP PASSIVE II	11,326	0	11,326

Shareholders:	220	People:	2
Shareholders on own behalf:	0	Shareholders by proxy:	220

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal authorization to purchase treasury shares for stock granting plan**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
**D	UBS (LUX) EQUITY SICAV	128,845	0	128,845
**D	ANIMA FUNDS PLC	353,973	0	353,973
**D	HSBC STAT	58,300	0	58,300
**D	ANCHOR SERIES TRUST STRATEGIC MULTI-ASSET PORTFOLIO	7,316	0	7,316
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	487,200	0	487,200
**D	METZLER INVESTMENT GMBH FOR MI-FONDS 415	113,500	0	113,500
**D	VALIC COMPANY II INTERNATIONAL OPPORTUNITIES FUND	125,203	0	125,203
**D	UBS ETF	5,105	0	5,105
**D	BNY MELLON TR+DEP ATF ST. JAMES`S PLACE MNGD GROWTH UNIT TR	1,495,583	0	1,495,583
**D	THE UNIVERSITY OF ARKANSAS FOUNDATION, INC	177,800	0	177,800
**D	HRW TESTAMENTARY TRUST NO 3	127,400	0	127,400
**D	THE WALTON FAMILY FOUNDATION	269,600	0	269,600
**D	HRW TESTAMENTARY TRUST NO. 8	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO 2	127,400	0	127,400
**D	HRW TESTAMENTARY TRUST NO. 12	109,400	0	109,400
**D	LTW INVESTMENTS LLC	170,000	0	170,000
**D	LOY PARTNERSHIP, LLC	96,500	0	96,500
**D	RAMI PARTNERS, LLC	90,600	0	90,600
**D	BATTELLE MEMORIAL INSTITUTE	39,700	0	39,700
**D	THE HEALTH FOUNDATION	57,168	0	57,168
**D	STICHTING PENSIOENFONDS APF	2,873	0	2,873
**D	AMG FUND PLC	8,390	0	8,390
**D	FCP EDMOND DE ROTHSCHILD EURO LEADERS	923,900	0	923,900
**D	FCP EDMOND DE ROTHSCHILD EURO SRI	168,000	0	168,000
**D	FCP EDMOND DE ROTHSCHILD EUROPEMIDCAPS	834,000	0	834,000
**D	FCP LCF PHARMA INTERNATIONAL	164,920	0	164,920
**D	CNP ASSUR SMALL CAP	432,330	0	432,330
**D	EDMOND DE ROTHSCHILD ASSET MANAGEMENT	399,330	0	399,330
**D	FCP VILLIERS DIAPASON	69,636	0	69,636
**D	FCP NATIXIS ACTIONS SMALL MID CAP EURO	263,000	0	263,000
**D	SICAV BBM V-FLEX	135,784	0	135,784
**D	FCP BEST BUSINESS MODELS	1,530,000	0	1,530,000
**D	CROISSANCE PME M	433,376	0	433,376
**D	ALLEGHENY COLLEGE	24,200	0	24,200
**D	ERIE COUMMINTY FOUNDATION	27,300	0	27,300
**D	TIMESQUARE FOCUS FUND LP	25,000	0	25,000
3291	FRATTOLILLO NICOLA	0	0	0
**D	MOMENTUM INVESTMENT FUNDS SCIVA SIF	133,040	0	133,040
**D	JPMORGAN FUNDS EUROPEAN BANK AND BUSINESS CENTRE	2,045,229	0	2,045,229
**D	JPMORGAN INVESTMENT FUNDS	1,205,954	0	1,205,954
**D	CC&L Q 140/40 FUND	600	0	600
**D	CC& L US Q MARKET NEUTRAL ONSHORE FUND I	300	0	300
**D	CC&L Q CAN EQUITY 130/30 PLUS FUND	775	0	775
**D	CC&L Q MARKET NEUTRAL FUND	82,300	0	82,300
**D	RAINIER INT SMALL CAP EQUITY COLLECTIVE	182,840	0	182,840

Shareholders:	220	People:	2
Shareholders on own behalf:	0	Shareholders by proxy:	220

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

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AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
**D	JPMORGAN EUROPE STRATEGIC DIVIDEND FUND	3,877	0	3,877
**D	STICHT BEDRIJ MEDIA PNO	180,000	0	180,000
**D	HENDERS.EURO.SMALLER COMPANIES FUND	322,357	0	322,357
**D	HENDERSON INSTIT EUROP INDEX OPP FUND	42,487	0	42,487
**D	FONDS RESERVE RETRAITES	888,450	0	888,450
**D	HENDERSON HORIZON FUND SICAV	2,101,556	0	2,101,556
**D	HENDERSON GARTMORE FUND	572,233	0	572,233
**D	MERIFIN CAPITAL B.V.	39,940	0	39,940
**D	NVIT MULTI MANAGER INTERNATIONAL GROWTH	143,770	0	143,770
**D	JPM EUROPE DYNAMIC (EX UK) FUND	551,178	0	551,178
**D	JPM EUROPE SMALLER COMPANIES FUND	409,306	0	409,306
**D	JPMORGAN EUROPEAN INVESTMENT TRUST PLC	94,946	0	94,946
**D	JPMORGAN EUROPEAN SMALLER COMPANIES TST	1,533,787	0	1,533,787
**D	JAPAN TRUSTEE SERVICES BANK LTD AS TRUST	3,489	0	3,489
**D	JTSB LTD. AS TRUSTEE FOR SUMITOMO	16,888	0	16,888
**D	NEW YORK LIFE INSURANCE COMPANY	66,324	0	66,324
**D	PEERLESS INSURANCE COMPANY	115,223	0	115,223
**D	PROSHARES HEDGED FTSE EUROPE ETF	191	0	191
**D	JPMORGAN INTERNATIONAL DISCOVERY FUND	6,507	0	6,507
**D	THE CANADA POST CORPORATION PENSION PLAN	104,309	0	104,309
**D	TR EUROPEN GROWTH TRUST PLC	1,844,247	0	1,844,247
**D	SUPER FUNDS MANAG CORP SOUTH AUSTRALIA	119,451	0	119,451
**D	FLF STRATEGIC GLOBAL EQUITY FUND	72,428	0	72,428
**D	55016 UP INTERNATIONALE AKTIER	225,930	0	225,930
**D	WILM MULTI MGR INTL FD OBERWEIS	241,652	0	241,652
**D	56053 IP GLOBAL EQUITIES I	12,883	0	12,883
**D	LMIF LMGAMI EURO SMLL CP	181,818	0	181,818
**D	IQ 50 PERCENT HEDGED FTSE EURO ETF	3,749	0	3,749
**D	FPXF WILLIAM BLAIR CO	31,880	0	31,880
**D	RVN WILLIAM BLAIR	4,196	0	4,196
**D	CHI OPERATING INVESTMENT PROGRAM LP	78,109	0	78,109
**D	CATHOLIC HEALTH INITIATIVES MASTER TRUST	40,056	0	40,056
**D	FIRST INITIATIVES INSURANCE LIMITED	6,914	0	6,914
**D	EATON VANCE MGMT INTL SMALL CAP	1,057	0	1,057
**D	ONFF WILLIAM BLAIR NONUS	17,060	0	17,060
**D	CE8F WILLIAM BLAIR IACG	115,413	0	115,413
**D	BSNF NTR WILLIAM BLAIR	12,404	0	12,404
**D	BSPF PMT WILLIAM BLAIR	8,749	0	8,749
**D	LRPF WILLIAM BLAIR	42,009	0	42,009
**D	W11F WILLIAM BLAIR	10,510	0	10,510
**D	BFTF WILLIAM BLAIR	21,724	0	21,724
**D	US BK RAINIER INTL DISCOVERY FUND	395,610	0	395,610
**D	ATFF AMERICAN CENTURY	74,487	0	74,487
**D	RZSF3001 NON US GE W BLAIR	103,201	0	103,201
**D	1216 APG DME FINANC	1,221,917	0	1,221,917

Shareholders:	220	People:	2
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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal authorization to purchase treasury shares for stock granting plan**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
**D	2054 APG DME BLACKR	117,398	0	117,398
**D	AON HEWITT COLLECTIVE INVESTMENT TRUST	27,414	0	27,414
**D	MINISTERS AND MISSIONARIES BENEFIT BOARD OF AMERICAN BAPTIST CHURCH	30,345	0	30,345
**D	PENSION RESERVES INVESTMENT TRUST FUND	73,110	0	73,110
**D	VOYA MULTI MANAGER INTERNATIONAL EQUITY FUND	97,220	0	97,220
**D	THE EDUCATIONAL EMPLOYEES SUPPLEMENTARY RETIREMENT SYSTEM OF FAIRFAX COUNTY	20,153	0	20,153
**D	GENERAL MILLS INVESTMENT TRUST	36,637	0	36,637
**D	SOUTH CAROLINA RETIREMENT SYSTEMS GROUP TRUST	19,925	0	19,925
**D	ELEVA UCITS FD-ELEVA ABSOLUTE	6,479,400	0	6,479,400
**D	IRISH LIFE ASSURANCE.	184,234	0	184,234
**D	LEGAL AND GENERAL ASSURANCE PENSIONS MANAGEMENT LIMITED	1,666,611	0	1,666,611
**D	CITIBANK KOREA INC	848,102	0	848,102
**D	THREADNEEDLE (LUX	978,719	0	978,719
**D	THREADNEEDLE INVESTMENT FUNDS ICVC	11,652,830	0	11,652,830
**D	LEGAL AND GENERAL COLLECTIVE INVESTMENT TRUST	8,892	0	8,892
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND.	12,500	0	12,500
**D	AQR ORACLE FUND LP	5,896	0	5,896
**D	NUMERIC ABS RETURN FD LP	18,000	0	18,000
**D	FIDELITY RUTLAND SQUARE TR II: STRAT ADV INT MULTI-MANAGER F	2,062	0	2,062
**D	FIDELITY RUTLAND SQUARETRUST II: STRATEGIC ADVISERS INT F	203,488	0	203,488
**D	AMERICAN CENTURY STRATEGIC ASSET ALL, INC. STRAT ALL CONS F	6,110	0	6,110
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRAT ALL MODERATE F	26,000	0	26,000
**D	AMERICAN CENTURY STRAT ASSET ALL, INC. STRATEGIC ALL AGGR F	23,070	0	23,070
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL DISCOVERY F	301,560	0	301,560
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS, INC. INTL OPPORTUNITIES	219,530	0	219,530
**D	AMERICAN CENTURY WORLD MUTUAL FUNDS INC - NT INT SM MID CAP F	266,990	0	266,990
**D	AMERICAN CENTURY RETIREMENT DATE TRUST	114,333	0	114,333
**D	CALVERT WORLD VALUES F INC - CALVERT INT OPPORTUNITIES FUND	183,278	0	183,278
**D	CALVERT RESP INX SRS, INC.-CLVRT DVD MRKTS EX-U.S. RSP INX FD	462	0	462
**D	THE REGENTS OF THE UNIVERSITY OF CALIFORNIA	28,252	0	28,252
**D	EATON VANCE INTERNATIONAL SMALL-CAP FUND	10,546	0	10,546
**D	WILLIAM BLAIR COLLECTIVE INVESTMENT TRUST	217,799	0	217,799
**D	WILLIAM BLAIR INTERNATIONAL GROWTH FUND	657,058	0	657,058
**D	WILLIAM BLAIR INSTITUTIONAL INTERNATIONAL GROWTH FUND	476,734	0	476,734
**D	ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM	78,810	0	78,810
**D	MARYLAND STATE RETIREMENT & PENSION SYSTEM	19,979	0	19,979
**D	MERCER QIF CCF	1,101,611	0	1,101,611
**D	STATE OF MONTANA BOARD OF INVESTMENTS	66,699	0	66,699
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	634,198	0	634,198
**D	UAW RETIREE MEDICAL BENEFITS TRUST	154,557	0	154,557
**D	WELLS FARGO BK DECL OF TR EST INV FUNDS FOR EMPLOYEE BEN TR	26,627	0	26,627
**D	WELLS FARGO ALTERNATIVE STRATEGIES FUND	7,561	0	7,561
**D	WASHINGTON STATE INVESTMENT BOARD	3,050	0	3,050
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED EUROPE EQUITY FUND	139	0	139
**D	WISDOMTREE DYNAMIC CURRENCY HEDGED INTRNL EQUITY FUND	17,270	0	17,270

Shareholders:	220	People:	2
Shareholders on own behalf:	0	Shareholders by proxy:	220

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal authorization to purchase treasury shares for stock granting plan**

AGAINST

	Surname	Tot. Votes	On own behalf	Proxy
**D	WISDOMTREE DEFA EQUITY INCOME FUND	18,109	0	18,109
**D	WISDOMTREE INTERNATIONAL EQUITY FUND	30,409	0	30,409
**D	WISDOMTREE INTERNATIONAL MIDCAP DIVIDEND FUND	37,696	0	37,696
**D	WISDOMTREE EUROPE LOCAL RECOVERY FUND	867	0	867
**D	WISDOMTREE EUROPE HEDGED SMALLCAP EQUITY FUND	212,713	0	212,713
**D	NEW YORK STATE TEACHERS RETIREMENT SYSTEM	131,253	0	131,253
**D	PRUDENTIAL BANK AND TRUST	56,511	0	56,511
**D	DELUXE CORPORATION MASTER TRUST	12,195	0	12,195
**D	MERCY HEALTH	9,457	0	9,457
**D	MERCY HEALTH RETIREMENT TRUST	2,453	0	2,453
**D	TRUTH INITIATIVE FOUNDATION	4,601	0	4,601
**D	THE TRUSTEES OF CONOCOPHILLIPS PENSION PLAN	11,592	0	11,592
**D	THE TRUSTEES OF SAL PENSION SCHEME	3,820	0	3,820
**D	CANADA PENSION PLAN INVESTMENT BOARD	369,604	0	369,604
**D	THE TRUSTEES OF BP PENSION FUND	773,030	0	773,030
**D	UNIVERSITY OF KENTUCKY	10,000	0	10,000
**D	THE CURATORS OF THE UNIVERSITY OF MISSOURI	50,065	0	50,065
**D	AON SAVINGS PLAN TRUST	46,862	0	46,862
**D	MASTER TR AGREE BETWEEN PFIZER INC AND THE NORTHERN TR CO	2,113	0	2,113
**D	ADVOCATE HEALTH CARE NETWORK	20,899	0	20,899
**D	CITY OF MILWAUKEE EMPLOYES RETIREMENT SYSTEM	64,284	0	64,284
**D	FIREMEN`S ANNUITY & BENEFIT FUND OF CHICAGO	10,415	0	10,415
**D	ILLINOIS MUNICIPAL RETIREMENT FUND	134,679	0	134,679
**D	POLICEMEN`S ANNUITY AND BENEFIT FUND OF CHICAGO	32,151	0	32,151
**D	SAN FRANCISCO CITY & COUNTY EMPLOYEES` RETIREMENT SYSTEM	116,549	0	116,549
**D	SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY	17,859	0	17,859
**D	OPSEU PENSION PLAN TRUST FUND	5,309	0	5,309
**D	NATIONAL WESTMINSTER BANK PLC PLC AS TR OF BARING EUR SEL TR	2,417,367	0	2,417,367
**D	THE TRUSTEES OF ZURICH FINANCIAL SERVICES UK PENSION SCHEME	572,086	0	572,086
**D	STRATHCLYDE PENSION FUND	341,499	0	341,499
**D	NAT WEST BANK PLC AS TRUSTEE OF LEG & GEN GLOBAL EQT IND FD	891	0	891
**D	NAT WEST BK AS TRUSTEE OF LEGAL & GENERAL EUROPEAN INDEX TR	212,266	0	212,266
**D	LEGAL & GENERAL AUTHORISED CONTRACTUAL SCHEME	4,616	0	4,616
**D	STATE TEACHERS RETIREMENT SYSTEM OF OHIO	423,988	0	423,988
**D	UNIVEST	126,385	0	126,385
**D	FCP GROUPAMA AVENIR EURO	3,136,372	0	3,136,372
**D	BNY MELLON EMPLOYEE BENEFIT COLLECTIVE INVESTMENT FUND PLAN	14,955	0	14,955
**D	THE ROYAL INST FOR THE ADVANCEMENT OF LEARNING MCGILL UNIVERSITY	15,685	0	15,685
**D	MCGILL UNIVERSITY PENSION FUND	7,953	0	7,953
**D	PUBLIC SECTOR PENSION INVESTMENT BOARD	104,668	0	104,668
**D	CIBC INTERNATIONAL SMALL COMPANIES FUND	44,559	0	44,559
**D	CF DV ACWI EX-U.S. IMI FUND	1,587	0	1,587

Total votes 95,680,736
Percentage of voters % 21.001712

Shareholders:	220	People:	2
Shareholders on own behalf:	0	Shareholders by proxy:	220

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal authorization to purchase treasury shares for stock granting plan**

AGAINST

Surname	Tot. Votes	On own behalf	Proxy
Percentage of share capital % 15.744386			

Shareholders:	220	People:	2
Shareholders on own behalf:	0	Shareholders by proxy:	220

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RESULTS OF VOTING

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ABSTENTIONS

	Surname	Tot. Votes	On own behalf	Proxy
1240	FOGLI MAURIZIO	1,953	1,953	0
1834	CROCE MARIO	1,500	1,500	0
2666	DI PALMA GIUSEPPE	1,100	1,100	0
4003	CASTAGNA SERGIO	1	1	0
962	ZACCARDI ANTONELLA	1,259	1,259	0

Total votes	5,813
Percentage of voters %	0.001276
Percentage of share capital %	0.000957

Shareholders:	5	People:	5
Shareholders on own behalf:	5	Shareholders by proxy:	0

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Subject: **Renewal authorization to purchase treasury shares for stock granting plan**

NOT VOTING

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	CHALLENGE FUNDS CHALLENGE ITALIAN EQUITY	150,000	0	150,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FONDITALIA EQUITY ITALY	1,100,000	0	1,100,000
**D	FIDEURAM ASSET MANAGEMENT (IRELAND) FIDEURAM FUND EQUITY ITALY	30,000	0	30,000
**D	INTERFUND SICAV INTERFUND EQUITY ITALY	450,000	0	450,000
**D	FIDEURAM INVESTIMENTI SGR SPA - FIDEURAM ITALIA	27,000	0	27,000
**D	MEDIOLANUM GESTIONE FONDI SGR SPA - SVILUPPO ITALIA	1,100,000	0	1,100,000

Total votes	2,857,000
Percentage of voters %	0.627105
Percentage of share capital %	0.470123

Shareholders:	6	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	6

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RESULTS OF VOTING

Subject: **Renewal authorization to purchase treasury shares for stock granting plan**

VOTES EXCLUDED FROM THE VOTING QUORUM

	Surname	Tot. Votes	On own behalf	Proxy
2253	TONELLI GIULIO	0	0	0
**D	PIONEER INVESTMENT MANAGEMENT SGRPA / AZIONARIO EUROPA	192,127	0	192,127
**D	PIONEER INVESTMENT MANAGEMENT/OBBLIGAZIONARIO PIU	385,014	0	385,014
**D	PIONEER FD-EUROPEAN RESEARCH	321,167	0	321,167
**D	PIONEER FD-EURO EQ OPTIMAL VOL	95,282	0	95,282
**D	PIONEER PF-GLOBAL MULTIASSET CONSERVATIVE	25,412	0	25,412
**D	PIONEER FD SF EQUITY PLAN60	52,401	0	52,401
**D	PIONEER FD-GLOBAL MULTI ASSET	39,321	0	39,321
**D	PIONEER FD-EUROPEAN POTENTIAL	1,801,653	0	1,801,653

Total votes	2,912,377
Percentage of voters %	0.639260
Percentage of share capital %	0.479235

Shareholders:	8	People:	1
Shareholders on own behalf:	0	Shareholders by proxy:	8

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal authorization to purchase treasury shares for stock granting plan**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
1027	PRANDINI GIULIANO	12,000	12,000	0
1262	AMADEI STEFANO	3,861	3,861	0
1305	ROSSOTTI ROBERTO	3,000	3,000	0
1774	MINNELLA CARMELO GIOVANNI	1,867	1,867	0
1837	SIRIANNI PIER BATTISTA	8,000	8,000	0
2068	BONETTI EMANUELE	100	100	0
2223	MARTIRIGGIANO ANTONIO	2,681	2,681	0
2253	TONELLI GIULIO	0	0	0
**D	ARCA FONDI SGR SPA - FONDO ARCA AZIONI ITALIA	670,000	0	670,000
**D	T. ROWE PRICE FUNDS SICAV	145,427	0	145,427
**D	GENERALI INVESTMENTS LUXEMBURG S.A.	684,571	0	684,571
**D	MERRILL LYNCH PROFESSIONAL CLEARING CORP	86,328	0	86,328
**D	WELLINGTON MANAGEMENT PORTFOLIOS	335,843	0	335,843
**D	FIDELITY FUNDS SICAV	1,194,975	0	1,194,975
**D	WELLINGTON MANAGNT PORTFOLIOS GLOB RESEA	36,542	0	36,542
**D	WELLINGTON MANAGEMENT PORTFOLIOS (LUX) IV SICAV-FIS-GL MULT-AS TARRET PF	28,228	0	28,228
**D	WELLINGTON TRUST COMP COMM TRUST INT OPP	175,018	0	175,018
**D	WTC NA MULTIPLE CTF TRUST INTERNATIONAL SMALL CAP RESEARCH EQUITY PORTFOLIO	10,972	0	10,972
**D	JAPAN TRUSTEE SERVICES BANK LTD	469,886	0	469,886
**D	AFER ACTION PME	451,836	0	451,836
**D	BNP PARIBAS SMALL CAP EUROLAND	2,526,390	0	2,526,390
**D	BNP PARIBAS ACTIONS PME	543,807	0	543,807
**D	FCP BNP PARIBAS ACTIONS EUROLAND	43,134	0	43,134
**D	AXA OPTIMAL INCOME	2,068,464	0	2,068,464
**D	AXA VALEURS EURO	1,200,000	0	1,200,000
**D	PARVEST	3,121,423	0	3,121,423
**D	BNP PARIBAS A FUND	58,956	0	58,956
**D	BNP PARIBAS L1	82,735	0	82,735
**D	BNP PARIBAS B PENSION BALANCED	733,505	0	733,505
**D	BNP PARIBAS B PENSION STABILITY	47,432	0	47,432
**D	METROPOLITAN RENTASTRO	183,304	0	183,304
**D	BANQUE PICTET & CIE SA	33,126	0	33,126
**D	ROBECO CAPITAL GROWTH FUNDS	350,000	0	350,000
**D	DEKA BASISSTRATEGIE FLEXIBEL	23,960	0	23,960
**D	DEKA INVEST. RE DEKA-DIVIDENDENDISCOUNT	7,900	0	7,900
**D	DEKA INVESTMENT GMBH RE DEKA-DIVIDEND VA	74,600	0	74,600
**D	DEKA INVESTMENT GMBH RE ARIDEKA	1,150,000	0	1,150,000
**D	DEKA INVEST DIVIDENDENSTRATEGIE CF A	1,088,900	0	1,088,900
**D	HE MASTER TRUST BANK OF JAPAN LTD AS TRUSTEE FOR MTBJ400045842	2,810,128	0	2,810,128
**D	FONDO CONSOLIDADO DE RESERVAS PREVISIONA	86,791	0	86,791
**D	CHINA LIFE INSURANCE COMPANY LIMITED	60,140	0	60,140
**D	COINVEST LIMITED	13,801	0	13,801
**D	T. ROWE PRICE INTERNATIONAL DISCOVERY FU	4,303,286	0	4,303,286
**D	MINISTRY OF STRATEGY AND FINANCE	143,444	0	143,444
**D	T ROWE PRICE INTERNATIONAL EQUITY INDEX	14,257	0	14,257

Shareholders:	347	People:	18
Shareholders on own behalf:	15	Shareholders by proxy:	332

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal authorization to purchase treasury shares for stock granting plan**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO	138,293	0	138,293
**D	DEKA INVEST RE DEKA-ZMV-FONDS	22,000	0	22,000
**D	DEKA INVESTMENT GMBH RE PRODEKA	65,200	0	65,200
**D	DEKA INVESTMENT GMBH RE LANDSBERG-FONDS	9,400	0	9,400
**D	DEKA INVESTMENT GMBH RE DEKA VALUE PLUS	10,813	0	10,813
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	309,886	0	309,886
**D	NATIONWIDE SMALL CAP INDEX FUND	400,962	0	400,962
**D	DEKA INTERNATIONAL S.A. RE DEKA-EUROSTOC	546,850	0	546,850
**D	T ROWE PRICE GLOBAL ALLOCATION FUND INC	7,791	0	7,791
**D	T ROWE INTL SMALL CAP EQUITY TRUST	486,110	0	486,110
**D	ENTERGY CORP.RETIREMENT PLANS MASTER TR.	203,718	0	203,718
**D	INVESCO GLOBAL SMALL CAP EQUITY POOL	143,065	0	143,065
**D	RBC CANADIAN MASTER TRUST	124,418	0	124,418
**D	REGIME DE RETRAITE D HYDRO QUEBEC	102,698	0	102,698
**D	WEST MIDLANDS METROPOLITAN AUT PENS FD	61,000	0	61,000
**D	AXA FRAMLINGTON FINANCIAL FUND	125,000	0	125,000
**D	ALLIANZGI FONDS BAT LS	92,900	0	92,900
**D	ALLIANZGI FONDS PF1	14,182	0	14,182
**D	ALLIANZGI FONDS AFE	3,943	0	3,943
**D	TRUSTEAM ROC EUROPE C O TRUSTEAM FINANCE	1,507,269	0	1,507,269
**D	PFIZER JAPAN INC PENSION FUND	80,700	0	80,700
**D	TEACHERS` RETIREMENT SYSTEM OF THE CITY OF NEW YORK	55,682	0	55,682
**D	THE BOEING COMPANY EMPLOYEE RETIREMENT PLANS MASTER TRUST	83,856	0	83,856
**D	MFS INTERNATIONAL NEW DISCOVERY FUND	2,267,886	0	2,267,886
**D	TEACHERS PENSION PLAN & PRIVATE SCHOOL	639,710	0	639,710
**D	FTSE ALL WORLD INDEX FUND	33,351	0	33,351
**D	REASSURE LIMITED	14,216	0	14,216
**D	HSBC EUROPEAN INDEX FUND	75,508	0	75,508
**D	ARTEMIS EUROPEAN OPPORTUNITIES FUND	1,301,374	0	1,301,374
**D	NMM3 EUEQ MFS ACCOUNT	8,971	0	8,971
**D	CITI RETIREMENT SAVINGS PLAN	115,234	0	115,234
**D	FIRST INVESTORS GLOBAL FUND	306,236	0	306,236
**D	UWF TROW INTL DISCOVERY	55,384	0	55,384
**D	BOK KIC GAEQ6	85,699	0	85,699
**D	PS FTSE LO BT EQ WT PORT	32,076	0	32,076
**D	CEP DEP IP GLOBAL SMALLER COS	802,185	0	802,185
**D	EIR EIE WELLINGTON INT	179,053	0	179,053
**D	BNYMTCIL IFS4 INV CONT EU SM CAP FD	1,317,413	0	1,317,413
**D	BNYMTCIL IFS4 INV GBL SM CAP EQ FD	385,588	0	385,588
**D	PS FTSERAFI EUSM UCITS ETF BNYMTCIL	2,919	0	2,919
**D	PS SP INTL DEVEL QUALITY PORTFOLIO	4,736	0	4,736
**D	PS FR DEVEL MARK EX US SMALL PORT	5,473	0	5,473
**D	PRU SECTOR FDS INC PRU FIN SER FD	787,168	0	787,168
**D	AST TRP DIVERS REAL GWTH PORT PDMO	1,049	0	1,049
**D	AST FI PYRAMIS QUANT AA IE SC PDGJ	83,115	0	83,115

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal authorization to purchase treasury shares for stock granting plan**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	AST TRP GWTH OPP PORT BAL PDRB	26,600	0	26,600
**D	WELLINGTON MGMT CY LLPQUALITY EDUC FD	138,871	0	138,871
**D	WMP OPP INVESTMENT PRTNS LP	32,852	0	32,852
**D	AWAF AWAC WELLINGTON	58,355	0	58,355
**D	THE CLEVELAND CLINIC FOUNDATION	70,858	0	70,858
**D	GLOBAL EQUITY WELLINGTON	235,725	0	235,725
**D	MFS INTL EQUITY FUND	74,599	0	74,599
**D	INVESCO FUNDS	177,083	0	177,083
**D	HP INC MASTER TRUST	68,418	0	68,418
**D	UNISYS MASTER TRUST	70,952	0	70,952
**D	CPA COP PSERS PYRAMIS GLOBAL ADV	78,706	0	78,706
**D	BELL ATLANTIC MASTER TRUST	41,418	0	41,418
**D	VERIZON MASTER SAVINGS TRUST	98,016	0	98,016
**D	UTC WELLINGTON GLOBAL	91,148	0	91,148
**D	PUBLIC EMPLOYEES RETIREMENT SYSTEM OF MISSISSIPPI	132,596	0	132,596
**D	BOARD OF PENSIONS OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA	109,924	0	109,924
**D	PRUDENTIAL INVESTMENT PORTFOLIO 2 PRUDENTIAL QMA INTL DEVELOPED MRKTS INDEX FUND	246	0	246
**D	FONDO GESTIELLE ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S	250,000	0	250,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET II D ALETTI GESTIELLE SG	110,000	0	110,000
**D	FONDO GESTIELLE CEDOLA DUAL BRAND DI ALETTI GESTIELLE SGR SP	100,000	0	100,000
**D	F.DO GESTIELLE DUAL BRAND EQUITY 30 DI ALETTI GESTIELLE SGR	60,000	0	60,000
**D	FONDO GESTIELLE CEDOLA MULTI TARGET IV DI ALETTI GESTIELLE S	15,000	0	15,000
**D	GESTIELLE ABSOLUTE RETURN DEFENSIVE DI ALETTI GESTIELLE SGR	11,000	0	11,000
**D	FONDO VOLTERRA ABSOLUTE RETURN DI ALETTI GESTIELLE S.G.R. S.	5,000	0	5,000
**D	CIPAV ALOIS	117,262	0	117,262
**D	SOGECAP ACTIONS SMALL CAP	942,243	0	942,243
**D	SG ACTIONS EUROPE MID CAP	197,367	0	197,367
**D	AGI FRANCE	171,200	0	171,200
**D	ALLIANZ ACTIONS EURO PME-ETI	167,700	0	167,700
**D	COLONIAL FIRST STATE INVESTMENTS LIMITED.	71,939	0	71,939
**D	WELLINGTON ALTA FUND	94,527	0	94,527
**D	S.W. MITCHELL EUROPEAN L.P. C/O J O HAMBRO INVESTMENT MAN.	201,592	0	201,592
**D	FEDERATED KAUFMANN FUND	6,839,360	0	6,839,360
**D	FEDERATED KAUFMANN FUND II	166,330	0	166,330
**D	FEDERATED KAUFMANN SMALL CAP FUND	874,310	0	874,310
**D	LAUDUS INTERNATIONAL MARKETMASTERS FUND	684,332	0	684,332
**D	SCHWAB INTERNATIONAL EQUITY ETF	195,728	0	195,728
**D	JOHN HANCOCK SEAPORT FUND	522,049	0	522,049
**D	WELLINGTON GLOBAL OPPORTUNITIES FUND (CANADA)	152,865	0	152,865
**D	MFS HERITAGE TRUST COMPANY COLLECTIVE INVESTMENT TRUST	142,892	0	142,892
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR DBI-FONDS ANDUS	165,000	0	165,000
**D	MICROSOFT CORPORATION SAVINGS PLUS 401(K) PLAN	127,626	0	127,626
**D	THE FRANCIS E. PARKER MEMORIAL HOME	23,936	0	23,936
**D	THE BOEING COMPANY EMPLOYEE SAVINGS PLANS MASTER TRUST	41,964	0	41,964
**D	THE GABELLI GLOBAL SMALL AND MID CAP VALUE TRUST	49,000	0	49,000

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal authorization to purchase treasury shares for stock granting plan**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	THE GABELLI GLOBAL RISING INCOME AND DIVIDEND FUND	25,000	0	25,000
**D	HARTFORD INTERNATIONAL OPPORTUNITIES HLS FUND	907,160	0	907,160
**D	HARTFORD CAPITAL APPRECIATION HLS FUND	1,411,126	0	1,411,126
**D	THE HARTFORD INTERNATIONAL GROWTH FUND	141,392	0	141,392
**D	THE HARTFORD CAPITAL APPRECIATION FUND	3,822,524	0	3,822,524
**D	THE HARTFORD INTERNATIONAL OPPORTUNITIES FUND	1,698,920	0	1,698,920
**D	HARTFORD INTERNATIONAL EQUITY FUND	20,015	0	20,015
**D	THE HARTFORD GLOBAL ALL- ASSET FUND	73,365	0	73,365
**D	HARTFORD GLOBAL CAPITAL APPRECIATION FUND	549,306	0	549,306
**D	HARTFORD HEALTHCARE ENDOWMENT LLC	10,847	0	10,847
**D	HARTFORD HEALTHCARE CORP DEFINED BENEFIT MASTER TR AGREEMENT	9,572	0	9,572
**D	HENKEL OF AMERICA MASTER RETIREMENT TRUST	20,932	0	20,932
**D	TEXAS MUNICIPAL RETIREMENT SYSTEM	897,775	0	897,775
**D	ASHWOOD INVESTMENTS LIMITED	6,619	0	6,619
**D	STATE OF NEW JERSEY COMMON PENSION FUND D	257,203	0	257,203
**D	NEW YORK STATE DEFERRED COMPENSATION PLAN	124,544	0	124,544
**D	CITY OF NEW YORK GROUP TRUST	513,664	0	513,664
**D	WELLINGTON MNGT PTF (CAYMAN)-GL OPP EX-JAPAN PTF F QUA INST IN	122,551	0	122,551
**D	HONG KONG SPECIAL ADMINISTRATIVE REGION GOVERNMENT-EXCHANGE F	193,662	0	193,662
**D	BIMCOR GLOBAL EQUITY POOLED FUND	87,658	0	87,658
**D	GOVERNMENT OF THE PROVINCE OF ALBERTA	169,600	0	169,600
**D	CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM	2,292,969	0	2,292,969
**D	CALIFORNIA STATE TEACHERS RETIREMENT SYSTEM	365,713	0	365,713
**D	TENNESSEE CONSOLIDATED RETIREMENT SYSTEM	136,317	0	136,317
**D	ALLIANZ GLOBAL INVESTORS GMBH FOR ALLIANZGI-FONDS HPT	346,439	0	346,439
**D	SAINT-GOBAIN CORPORATION DEFINED BENEFIT MASTER TRUST	37,395	0	37,395
**D	THE WELLINGTON TR COM NATIONAL ASS MULT COLLECT INV F TRUST	376,990	0	376,990
**D	THE WELLINGTON TR CO NAT ASS MULT C TR F TR, OPPORT EQ PTF	88,420	0	88,420
**D	THE WELLINGTON TR CO NAT ASS MULT COM GLB OPPORT PTF	151,092	0	151,092
**D	WELLINGTON TRUST CO NAT ASSMULT COMM TR F TR EURO GROWTH PTF	7,964	0	7,964
**D	THE WELLINGTON TR CO NAT ASS MULT COMM EUROPE SMALLER CO PTF	12,538	0	12,538
**D	THE WELLINGTON TR CO NAT ASS MULT COLLECTIVE INV F TRUST II	900,083	0	900,083
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	226,758	0	226,758
**D	PRUDENTIAL RETIREMENT INSURANCE & ANNUITY COMPANY	2,381	0	2,381
**D	WELLINGTON MANAGEMENT FUNDS (IRELAND) PLC	56,613	0	56,613
**D	AXA WORLD FUNDS	12,770,072	0	12,770,072
**D	ALLIANZ GLOBAL INVESTORS FUND	1,446,700	0	1,446,700
**D	MFS MERIDIAN FUNDS	1,306,568	0	1,306,568
**D	KIEGER FUND I	50,329	0	50,329
**D	INTERNATIONAL PAPER CO COMMINGLED INVESTMENT GROUP TRUST	61,206	0	61,206
**D	OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM	157,750	0	157,750
**D	COLLEGE RETIREMENT EQUITIES FUND	1,416,042	0	1,416,042
**D	RUSSELL INVESTMENT COMPANY - RUSSELL INTERN DEVELOPED MKT F	238,547	0	238,547
**D	RUSSELL INVESTMENT FUNDS NON-U.S. FUND	28,598	0	28,598
**D	MULTI-STYLE, MULTI-MANAGER FUNDS PLC	210,400	0	210,400

Shareholders:	347	People:	18
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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	ONTARIO TEACHERS PENSION PLAN BOARD	183,162	0	183,162
**D	THE WELLINGTON TR CO, NAT ASS MULT COMM TR F TR, INT RES EQ F	24,218	0	24,218
**D	THE WELLINGTON TR CO NAT ASS MULT COMM TR F TR GLB RES EQ PTF	5,970	0	5,970
**D	THE WELLINGTON TR CO NAT ASS MULT COMM INT SMALL CAP OPPORT	622,711	0	622,711
**D	GOVERNMENT INSTITUTIONS PENSION FUND	3,059	0	3,059
**D	GENERAL PENSION AND SOCIAL SECURITY AUTHORITY	120,164	0	120,164
**D	SCHLUMBERGER COMMON INVESTMENT FUND	44,607	0	44,607
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	53,438	0	53,438
**D	BLUE SKY GROUP	209,000	0	209,000
**D	DUPONT AND RELATED COMP DEFINED CONTRIBUTION PLAN MASTER TR	59,456	0	59,456
**D	PYRAMIS GROUP TRUST FOR EMPLOYEE BENEFIT PLANS	291,526	0	291,526
**D	MORGAN STANLEY DEFINED CONTRIBUTION MASTER TRUST	57,188	0	57,188
**D	ST. JOSEPH HEALTH SYSTEM	100,661	0	100,661
**D	TYCO ELECTRONICS DEFINED BENEFIT PLANS MASTER TRUST	17,288	0	17,288
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF COLORADO	319,807	0	319,807
**D	EMPLOYEES RETIREMENT FUND OF THE CITY OF DALLAS	44,336	0	44,336
**D	STATE UNIVERSITIES RETIREMENT SYSTEM	68,085	0	68,085
**D	UTAH STATE RETIREMENT SYSTEMS	44,501	0	44,501
**D	ILLINOIS STATE BOARD OF INVESTMENT	77,149	0	77,149
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 70	20,610	0	20,610
**D	EURIZON CAPITAL SGR SPA - EURIZON AZIONI ITALIA	528,640	0	528,640
**D	EURIZON CAPITAL SGR SPA - EURIZON PROGETTO ITALIA 40	26,395	0	26,395
**D	EURIZON EASY FUND - EQUITY ITALY	129,738	0	129,738
**D	EURIZON FUND - EQUITY ITALY SMART VOLATILITY	76,384	0	76,384
**D	AMUNDI FUNDS EQUITY EUROLAND SMALL CAP	994,376	0	994,376
**D	AMUNDI LUXEMBOURG SA	909,666	0	909,666
**D	AA FORTIS ACTIONS PETIT CAP EUROPE	270,956	0	270,956
**D	FCP RSI EURO P	63,089	0	63,089
**D	ASSURDIX	41,977	0	41,977
**D	CPR EURO HIGH DIVIDEND	94,061	0	94,061
**D	CPR SILVER AGE	2,472,859	0	2,472,859
**D	BRIDGEWATER PURE ALPHA TRADING COMPANY II, LTD	973,829	0	973,829
**D	PUBLIC SERVICE PENSION PLAN FUND	35,520	0	35,520
**D	TEACHERS` PENSION PLAN FUND	37,223	0	37,223
**D	TELUS PENSIONS MASTER TRUST	78,303	0	78,303
2276	ROSSI MARCO	57,288	57,288	0
3005	CAGLIA MARIA	0	0	0
DE*	UNICREDIT S.P.A.	215,066,403	0	215,066,403
3025	GHIBAUDI LEOPOLDO	9,000	9,000	0
3061	VIOZZI DANIELE	50	50	0
3200	SCANU MARCO	187	187	0
3291	FRATTOLILLO NICOLA	0	0	0
**D	VANGUARD EUROPEAN STOCK INDEX FUND	691,987	0	691,987
**D	VANGUARD DEVELOPED MARKETS INDEX FUND	1,795,422	0	1,795,422
**D	VANGUARD TOTAL WORLD STOCK INDEX FUND	82,591	0	82,591

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	VANGUARD FTSE ALL-WORLD EX US INDEX FUND	565,229	0	565,229
**D	VANGUARD FUNDS PLC	91,522	0	91,522
**D	VANGUARD INVESTMENT SERIES PLC	79,836	0	79,836
**D	SAINT MARTIN 4	888,000	0	888,000
**D	FCP SAKKARAH 7	7,500	0	7,500
**D	FCPE TOTAL ACTIONS EUROPEENNES	750,000	0	750,000
**D	FCP KLESIA A DIVERSIFIE	325,000	0	325,000
**D	TOTAL GESTION FLEX PATRI	44,970	0	44,970
**D	VANGUARD INTERNATIONAL SMALL COMPANIES I	20,939	0	20,939
**D	ONEPATH GLOBAL SHARES - SMALL CAP INDEX	22,117	0	22,117
**D	FLEXSHARES MORNINGSTAR DEVELOPED MARKETS EX-US FACTOR TILT INDEX FUND	4,895	0	4,895
**D	VANGUARD TOTAL INTERNATIONAL STOCK INDEX	4,791,064	0	4,791,064
**D	ING DIRECT	29,652	0	29,652
**D	FIDELITY SAL ST T SPARTAN TOTAL INT IN F	4,749	0	4,749
**D	BEST INVESTMENT CORPORATION	9,518	0	9,518
**D	BLACKROCK INSTITUTIONAL POOLED FUND PLC	6,097	0	6,097
**D	CHINA LIFE INSURANCE (GROUP) COMPANY	2,554	0	2,554
**D	BLACKROCK INDEXED ALL-COUNTRY EQUITY FUN	1,214	0	1,214
**D	BLACKROCK FISSION INDEXED INTL EQUITY FD	24,822	0	24,822
**D	MINISTRY OF STRATEGY AND FINANCE	33,349	0	33,349
**D	BUREAU OF LABOR FUNDS-LABOR INSURANCE FUND	32,767	0	32,767
**D	TRUST AND CUSTODY SERVICED BANK LIMITED	34,871	0	34,871
**D	THE MASTER TRUST BANK OF JAPAN LTD	37,838	0	37,838
**D	MASTER TRUST FOR NATIONAL PENSION FD	35,535	0	35,535
**D	BOK KIC AAEQ 3	15,026	0	15,026
**D	SUBSIDIZED SCHOOLS P FUND NORTHERN	13,614	0	13,614
**D	DEUTSCHE XTRK MSCI EMU HDG EQ ETF	4,402	0	4,402
**D	BLACKROCK GLOBAL FUNDS	4,397,203	0	4,397,203
**D	BLL AQUILA LIFE EUROPEAN EQUITY	755,618	0	755,618
**D	BLL ASCENT LIFE EUROPEAN	62,130	0	62,130
**D	BLK MULTI ASSET INC PF EUR EQU INC	478,931	0	478,931
**D	BLL AQUILA LIFE OSEAS EQUITY FUND	4,851	0	4,851
**D	BLL ASCENT LIFEENHANCED	1,766	0	1,766
**D	DEUTSCHE XTRK MSCI EAFE SC HDG ETF	466	0	466
**D	RAYTHEON MASTER PENSION TRUST	1,528	0	1,528
**D	VANGUARD INTL HIGH DIV YLD INDEX FD	14,295	0	14,295
**D	BGF EURO MKTS FD EURO EQUITY PF	8,176,154	0	8,176,154
**D	BGF FLEX MULTI ASSET GBL EQ PF	9,039	0	9,039
**D	ALASKA PERMANENT FUND CORPORATION	57,838	0	57,838
**D	PHC NT SMALL CAP	26,269	0	26,269
**D	BNYMTD BLK CONTINENTAL EURO INC	4,653,703	0	4,653,703
**D	BNYMTD BLK CONT EUR EQ TRCK FD INV	265,102	0	265,102
**D	INDIANA PUBLIC RETIREMENT SYSTEM	12,426	0	12,426
**D	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO	27,702	0	27,702
**D	UPS GROUP TRUST	86,396	0	86,396

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Ordinary Shareholders' Meeting of April 11, 2017

RESULTS OF VOTING

Subject: **Renewal authorization to purchase treasury shares for stock granting plan**

IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	COLISEE IFC 1	538,000	0	538,000
**D	GOVERNMENT OF NORWAY	5,524,312	0	5,524,312
**D	NORGES BANK	109,988	0	109,988
**D	INTERNATIONAL MONETARY FUND	15,994	0	15,994
**D	MM SELECT EQUITY ASSET FUND	6,406	0	6,406
**D	MERCER QIF CCF	616,038	0	616,038
**D	CITY OF NEW YORK GROUP TRUST	183,462	0	183,462
**D	STATE STREET IRELAND UNIT TRUST	52,145	0	52,145
**D	SSGA SPDR ETFS EUROPE II PUBLIC LIMITED COMPANY	62,756	0	62,756
**D	VANGUARD FTSE DEVELOPED EUROPE ALL CAP INDEX ETF	3,873	0	3,873
**D	VANGUARD FTSE DEVELOPED ALL CAP EX NORTH AMERICA INDEX ETF	3,671	0	3,671
**D	VANGUARD DEVEL ALL-CAP EX NORTH AMERICA EQT IND POOLED FUND	697	0	697
**D	VANGUARD GLOBAL LIQUIDITY FACTOR ETF	1,061	0	1,061
**D	VANGUARD INVESTMENTS II COMMON CONTRACTUAL FUND	8,723	0	8,723
**D	VANGUARD INVESTMENTS COMMON CONTRACTUAL FUND	25,281	0	25,281
**D	VANGUARD FTSE DEVELOPED EUROPE INDEX ETF	1,123	0	1,123
**D	WASHINGTON STATE INVESTMENT BOARD	165,288	0	165,288
**D	SPDR EURO STOXX SMALL CAP ETF	19,641	0	19,641
**D	SS BK AND TRUST COMPANY INV FUNDS FOR TAXEXEMPT RETIREMENT PL	560,715	0	560,715
**D	BLACKROCK STRATEGIC FUNDS	102,172	0	102,172
**D	KIEGER FUND I	1,887	0	1,887
**D	ISHARES MSCI EAFE SMALL CAP ETF	1,043,062	0	1,043,062
**D	ISHARES MSCI EUROPE SMALL-CAP ETF	29,608	0	29,608
**D	BLACKROCK INST TRUST CO NA INV FUNDSFOR EMPLOYEE BENEFIT TR	548,131	0	548,131
**D	ISHARES CORE MSCI EAFE ETF	592,081	0	592,081
**D	ISHARES CORE MSCI TOTAL INTERNATIONAL STOCK ETF	114,889	0	114,889
**D	ISHARES MSCI INTERNATIONAL DEVELOPED ETF	2,460	0	2,460
**D	ISHARES CORE MSCI EAFE IMI INDEX ETF	16,762	0	16,762
**D	ISHARES MSCI EUROPE IMI INDEX ETF	6,701	0	6,701
**D	ISHARES CORE MSCI EUROPE ETF	79,880	0	79,880
**D	CONNECTICUT GENERAL LIFE INSURANCE COMPANY	2,775	0	2,775
**D	CDN ACWI ALPHA TILTS FUND	15,426	0	15,426
**D	RUSSELL DEVELOPED EX-U.S. LARGE CAP INDEX FUND B	1,917	0	1,917
**D	EURO EX-UK ALPHA TITLS FUND B	9,358	0	9,358
**D	WORLD ALPHA TILTS NON-LENDABLE FUND B	757	0	757
**D	STATE OF ALASKA RETIREMENT AND BENEFITS PLANS	15,676	0	15,676
**D	MSCI EAFE SMALL CAP PROV INDEX SEC COMMON TR F	103,806	0	103,806
**D	ISHARES PUBLIC LIMITED COMPANY	1,002,024	0	1,002,024
**D	ISHARES II PUBLIC LIMITED COMPANY	603,850	0	603,850
**D	ISHARES VII PLC	674,577	0	674,577
**D	ISHARES I INVESTK MIT TGV F ISHS ST. EUROPE600 BS UCITS ETF DE	233,174	0	233,174
**D	BLACKROCK AM DE FOR ISHS EURO STOXX BANKS 30-15 UCITS ETF (DE)	1,086,651	0	1,086,651
**D	BLACKROCK AM DE FOR ISHARES EURO STOXX UCITS ETF (DE)	163,680	0	163,680
**D	BLACKROCK AM DE FOR ISHS STOXX EUROPE SMALL 200 UCITS ETF (DE)	334,720	0	334,720
**D	BLACKROCK AM DE FOR ISHARES STOXX EUROPE 600 UCITS ETF (DE)	273,064	0	273,064

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IN FAVOUR

	Surname	Tot. Votes	On own behalf	Proxy
**D	MANAGED PENSION FUNDS LIMITED	12,389	0	12,389
**D	FAMILY INVESTMENTS CHILD TRUST FUND	14,367	0	14,367
**D	FAMILY INVESTMENTS GLOBAL ICVC FAMILY BALANCED INT FUND	9,961	0	9,961
**D	HSBC AS TRUSTEE FOR SSGA EUROPE EX UK EQUITY TRACKER FUND	284,213	0	284,213
**D	STICHTING PHILIPS PENSIOENFONDS	49,007	0	49,007
**D	VANGUARD INVESTMENTS FUNDS ICVC - VANGUARD GLOBAL EQUITY	17,302	0	17,302
**D	VANGUARD INV FDS ICVC-VANG FTSE DEV WOR LD EX - UK EQT IND FD	41,639	0	41,639
**D	VANGUARD INV F ICVC-VANGUARD FTSE DEV EUROPE EX-UK EQ INDEX F	103,491	0	103,491
**D	VANGUARD INV FUNDS ICVC-VANGUARD FTSE GLOB ALL CAP IND FUND	276	0	276
**D	SUNSUPER SUPERANNUATION FUND	13,451	0	13,451
**D	FORD MOTOR COMPANY DEFINED BENEFIT MASTER TRUST	13,955	0	13,955
**D	WHEELS COMMON INVESTMENT FUND	18,626	0	18,626
**D	CHEVRON MASTER PENSION TRUST	29,057	0	29,057
**D	CHEVRON UK PENSION PLAN	2,761	0	2,761
**D	DFI LP EQUITY (PASSIVE)	1,693	0	1,693
**D	NTGI-QM COMMON DAILY ALL COUNWD EX-US INV MKT INDEX F NONLEND	12,165	0	12,165
**D	INTERNATIONAL MONETARY FUND STAFF RETIREMENT PLAN	169,898	0	169,898
**D	NATIONAL COUNCIL FOR SOCIAL SECURITY FUND, P.R.C	34,430	0	34,430
**D	NEW ZEALAND SUPERANNUATION FUND	26,623	0	26,623
**D	NORTHERN TRUST GLOBAL INVESTMENTS COLLECTIVE FUNDS TRUST	363,921	0	363,921
**D	TEXAS SCOTTISH RITE HOSPITAL FOR CRIPPLED CHILDREN	17,985	0	17,985
**D	LOS ANGELES CITY EMPLOYEES RETIREMENT SYSTEM	41,051	0	41,051
**D	CITY OF LOS ANGELES FIRE AND POLICE PENSION PLAN	65,307	0	65,307
**D	UNITED MINE WORKERS OF AMERICA 1974 PENSION TRUST	51,783	0	51,783
**D	FORD MOTOR COMPANY OF CANADA, LIMITED PENSION TRUST	1,181	0	1,181
**D	MUNICIPAL EMPLOYEES` ANNUITY AND BENEFIT FUND OF CHICAGO	27,415	0	27,415
**D	SSGA GROSS ROLL UP UNIT TRUST	13,909	0	13,909
**D	ABU DHABI RETIREMENT PENSIONS AND BENEFITS FUND	32,387	0	32,387
**D	STG PFDS V.D. GRAFISCHE	155,541	0	155,541
**D	FCP ECUREUIL RETRAITE EURO ACTIONS 4	300,000	0	300,000
**D	I.2.C. ACTIONS	488,000	0	488,000
581	CERASUOLO STEFANO	7,241	7,241	0
599	AMADASI GIORDANO	158	158	0
742	AUSILIO ROSA GIUSEPPINA	187	187	0
773	CORNAGO DANIELE	2,241	2,241	0

Total votes	357,041,856
Percentage of voters %	78.369907
Percentage of share capital %	58.751689

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