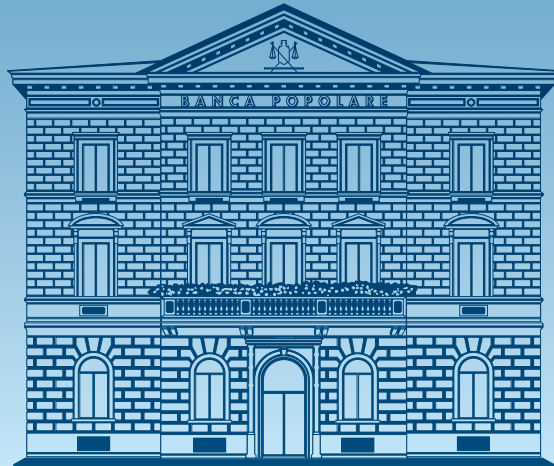


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# ARTICLES OF ASSOCIATION



**Banca Popolare di Sondrio**



# ARTICLES OF ASSOCIATION

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of

## Banca Popolare di Sondrio

Società per azioni - Founded in 1871  
Registered Office and General Management in Piazza Garibaldi 16, Sondrio  
Sondrio Companies Register no. 00053810149  
Official List of Banks no. 842  
Parent Company of the Banca Popolare di Sondrio Group -  
Official List of Banking Groups no. 5696.0

Member of the Interbank Deposit Protection Fund

VERSION UPDATED  
AT THE GENERAL MEETING HELD ON 29 APRIL 2023

Approved by the Extraordinary General Meeting of 27 March 1949  
Modified by the Extraordinary Meetings  
of 25 March 1962, of 19 February 1967, of 30 March 1969, of 28 March 1971,  
by public deed of 8 June 1971 and by the Extraordinary General Meetings of 26 March 1972,  
18 March 1978 and 3 March 1990  
Fully revised by the Extraordinary General Meeting of 6 March 1993  
Modified by the Extraordinary General Meetings of 18 September 1993, of 23 September 1995,  
of 19 September 1998, 4 March 2000 and 3 March 2001  
Fully revised by the Extraordinary General Meeting of 8 April 2006  
Modified by the Board of Directors' meetings of 27 September 2007, 7 January 2008,  
14 May 2009, 14 November 2011 and 13 November 2012 and 10 November 2015,  
29 June 2017 and 9 August 2017  
Modified by the Extraordinary General Meeting of 28 April 2018  
Fully revised by the Extraordinary General Meeting of 29 December 2021  
Modified by the Extraordinary General Meeting of 29 April 2023

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The English translation is provided solely for the benefit of the reader  
and in the case of discrepancies the Italian version shall prevail.

## CHAPTER I

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### **Formation - Name Objects - Duration - Registered Offices**

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#### **Article 1**

##### **Formation - Name**

1. “Banca Popolare di Sondrio società per azioni” derives from the transformation of Banca Popolare di Sondrio società cooperativa per azioni, in turn originally established under the name of Banca Mutua Popolare della Provincia di Sondrio by public deed dated 4 March 1871, notarised by G. B. Caimi, and authorised to operate as a bank by Royal Decrees dated 8 April 1871 and 19 July 1874.
2. The Company is governed by the provisions of the law and the rules of these articles of association.

#### **Article 2**

##### **Objects**

1. The Company’s objects are to take deposits and make loans in their various forms.
2. The Company can carry out all the banking, financial and insurance transactions and services allowed to banks by current law, including the establishment and management of open or closed-end pension schemes, as well as any other transaction which is instrumental to or connected with the achievement of its corporate purpose. The Company can issue bonds in line with the current regulatory framework.
3. In pursuing the objective of creating value in the medium to long term and in line with the tradition of people’s credit, the Company takes particular account of the needs of households, small and medium-sized enterprises, cooperatives and public and private entities, paying particular attention to the areas that it serves, starting with Valtellina and Valchiavenna, its home territory. It also proposes to take any appropriate initiative to spread and encourage savings, a value protected by the Italian Constitution.
4. As the Parent Company of the Banca Popolare di Sondrio Banking Group, as defined in article 61 of Legislative Decree 385/1993, in carrying out its management and coordination activities, the Company issues directives to the members of the Group also for implementation of the

instructions received from the Supervisory Authorities in the interests of the Group's stability.

### **Article 3**

#### **Duration**

1. The Company's duration will be until 1 December 2080 and may be extended. The shareholders do not have a right of withdrawal in the event that the Company's duration is extended.

### **Article 4**

#### **Registered office**

1. The Company's registered office is in Piazza Garibaldi 16, Sondrio.
2. With the authorisations and formalities required by law, it can establish, transfer and close secondary offices, branches and representative offices in Italy and abroad.

## **CHAPTER II**

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### **Share capital - Shares**

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### **Article 5**

#### **Share capital**

1. The share capital amounts to Euro 1,360,157,331 and is divided into 453,385,777 shares with no par value.
2. The Extraordinary General Meeting may grant the Board of Directors the power to increase the share capital pursuant to article 2443 of the Italian Civil Code, also with the exclusion and/or limitation of the option right pursuant to the fourth paragraph, first period, and the fifth paragraph of article 2441 of the Civil Code. The Extraordinary General Meeting may also attribute to the Board of Directors the power of attorney pursuant to art. 2420-ter.
3. The share capital can also be increased with contributions of assets in kind and claims.

## **Article 6**

### **Shares**

1. The shares are registered and indivisible.
2. In case of joint ownership, the rights of the joint owners must be exercised by a common representative nominated according to the law. If a common representative is not nominated or if such nomination has not been communicated to the Company, any communications or declarations sent by the Company to any one of the joint owners are effective for all joint owners. Joint owners of shares are jointly and severally accountable for the obligations deriving from that ownership.
3. All of the shares belonging to the same category confer equal rights. Within the limits established by the legislation in force at the time, the Company may issue categories of shares with different rights, determining their content.

## **Article 7**

### **Transferability of shares**

1. The shares are transferable in the ways allowed by the law.

## **Article 8**

### **Purchase of own shares**

1. The company may purchase and dispose of its own shares within the limits and in the forms provided for by current law.

## **Article 9**

### **Withdrawal**

1. Withdrawal from the Company is only allowed when it is considered obligatory by the law, with the procedures and consequences established by it. The right of withdrawal is therefore excluded in the event of an extension of the duration of the Company, in the case of the introduction, modification and removal of restrictions on the circulation of shares, as well as in any other case of withdrawal deriving from regulatory provisions that are not obligatory.
2. The terms and methods of exercising the right of withdrawal, the criteria for determining the value of the shares and the related liquidation procedure are governed by law.

## **Article 10**

### **Exercise of equity and dividend rights**

1. To exercise their equity rights, the owner of shares makes use of the intermediary where there is an account in which the shares are registered.
2. Dividends that are not collected within five years of becoming payable are transferred to the Company.

## CHAPTER III

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### **Corporate bodies**

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#### **Article 11**

##### **Name**

1. Having regard for the duties imposed by law and the following provisions, the corporate functions are carried out by:
  - a) the General Meeting of the Shareholders
  - b) the Board of Directors
  - c) the Chairman of the Board of Directors
  - d) the Managing Director
  - e) the Executive Committee, if appointed
  - f) the Board of Statutory Auditors
  - g) General Management

## FIRST SECTION

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### **General Meeting of the Shareholders**

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#### **Article 12**

##### **General rules**

1. A General Meeting regularly convened represents all of the shareholders and its decisions taken in accordance with the law and these articles of association are binding upon all of them, even if they are not in attendance or dissenting.



2. To ensure that proceedings are carried out in an orderly and functional manner, they may be governed by specific regulations approved by an Ordinary General Meeting. On certain occasions, the General Meeting can decide to make an exception to one or more provisions of the Meeting Regulations, with the quorums provided for by law and the articles of association for Ordinary General Meetings.

### **Article 13**

#### **Calling a General Meeting**

1. General Meetings may be ordinary or extraordinary and are usually held at a single call. However, the Board of Directors can establish that a General Meeting, ordinary or extraordinary, be held at more than one call, by scheduling a second call and, for an Extraordinary General Meeting only, also a third call. This decision is announced in the notice of call.
2. A General Meeting is called, in the manner and the timing set by the law, by the Board of Directors to be held at the Company's registered office or at any other location specified in the notice of call.
3. The Board of Directors must call a General Meeting, without delay, if requested by a certain number of shareholders who represent the percentage of capital required by law at the time of the request, in compliance with the formalities and methods provided for in current regulations.
4. The Board of Statutory Auditors may call a General Meeting in the situations and in the manner prescribed by law.
5. Shareholders who, even jointly, represent an overall shareholding of not less than 2.5% of the share capital or a different percentage established by the law in force from time to time, can ask for items to be added to the agenda, indicating the topics that they would like to propose, or submit motions on matters already on the agenda, within the terms, limits and methods established by law. Shareholders have to declare the total number of shares that they own and certify their ownership of this shareholding.
6. The Board of Directors can arrange for one or more remote connections with the place where the Meeting is to be held, which allow shareholders who do not intend to go there to take part in the debate, to follow the meeting and express their vote, providing identification of the shareholders is guaranteed and that this right and the methods of exercising it are communicated in the notice of call. In any case, the Chairman and the Secretary of the Meeting must be present in the place indicated in the notice of call where the Meeting is considered to be held.

## **Article 14**

### **Attendance at the General Meeting, right to vote and representation**

1. The General Meeting can be attended by those for whom the Company has received the communication from the authorised intermediary certifying their right to attend before the legal deadline.
2. Each share gives the right to one vote.
3. Those who have the right to vote can be represented by proxy at the General Meeting in accordance with the law. The proxy can be notified electronically through the use of a specific section of the Company's website or by e-mail, as indicated in the notice of call.
4. For each General Meeting, the Company appoints one or more persons to whom holders of the right to vote can grant a proxy, in the manner provided for by the legislation in force from time to time, with voting instructions on all or some of the motions on the agenda. Notice of this has to be given in the notice of call. The proxy has effect only with regard to the motions for which voting instructions have been given.
5. Postal voting is not allowed.

## **Article 15**

### **Chairing a General Meeting - Secretary**

1. A General Meeting, whether ordinary or extraordinary, is chaired by the Chairman of the Board of Directors or, if he is absent or unavailable, by whoever deputises for him or by a member designated by those present.
2. The Chairman of a General Meeting has full authority to manage the Meeting and, in particular, to verify the participants' identity and right to be present, to check if the Meeting has been properly convened and has a quorum to pass valid resolutions, to manage and direct the debate and the general conduct of proceedings and to establish the procedure for voting and to check and announce the results.
3. Based on the Chairman's proposal, the General Meeting nominates a Secretary to draw up the minutes. In the case of an Extraordinary General Meeting and whenever the Chairman of the Meeting deems it appropriate, the Secretary's role is performed by a notary.

## **Article 16**

### **Ordinary General Meeting**

1. An Ordinary General Meeting must be held at least once a year within

one hundred and twenty days from the end of the financial year, unless the legal conditions for calling it only exist within a longer period of one hundred and eighty days from the end of the financial year.

2. The Ordinary General Meeting has the power to resolve on the matters referred to in Article 2364 of the Italian Civil Code and on those attributed to it by the articles of association and by current law.
3. It is up to the Ordinary General Meeting to approve remuneration and incentive policies in accordance with current legal and regulatory provisions, equity-based compensation plans, as well as the criteria for determining any compensation in the event of early termination of employment or early interruption of office, including the limits and maximum amount of such compensation. It also decides on the authorisations foreseen by the specific regulation on transactions with related parties, in accordance with current legislation.
4. The Ordinary General Meeting is validly constituted and passes resolutions according to the law.

## **Article 17**

### **Extraordinary General Meeting**

1. The Extraordinary General Meeting meets in the situations foreseen by law.
2. It is up to the Extraordinary General Meeting to resolve on the matters attributed to it by current law.
3. The Extraordinary General Meeting is validly constituted and passes resolutions according to the law. However, for resolutions regarding amendments to art. 2 of the articles of association and amendments to this paragraph, the presence of shareholders representing at least half of the share capital and the favourable vote of at least two thirds of the capital represented at the meeting is required.

## **Article 18**

### **Continuation of Meetings**

1. If it is not possible to discuss all of the matters on the agenda in one session, the Meeting can be adjourned by the person chairing it and continued in the next eight days at latest, by making a declaration at the meeting without any need for further notice.
2. At the session organised for the continuation, the General Meeting is constituted and resolves with the same majorities established for the constitution and resolutions of the original Meeting of which it is the continuation.

## **Article 19**

### **Minutes of General Meetings**

1. Minutes must be drawn up of the proceedings and resolutions of the General Meeting, which are recorded in the Minute Book and signed by the Chairman and the Secretary or by the notary, if appointed for this role.
2. The Minute Book of General Meetings and extracts from it, the conformity of which is certified by the Chairman and the Secretary of the Meeting or by the Chairman of the Board of Directors or whoever deputises for him, represent complete evidence of the proceedings and of the resolutions passed by the Meeting.

## SECOND SECTION

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### **Board of Directors**

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## **Article 20**

### **Composition and appointment**

1. The Board of Directors is made up of fifteen members, elected by the Ordinary General Meeting.
2. The composition of the Board of Directors ensures that it is adequate from a collegial point of view. It also ensures that there is a minimum number of independent directors, as well as a suitable gender balance as required by current legislation.

## **Article 21**

### **Eligibility – Reasons for ineligibility**

1. The members of the Board of Directors must be suitable for office in accordance with current law and these articles of association. In particular, they must satisfy the requirements of professionalism and integrity and comply with the criteria of competence, honesty and dedication of time, while also complying with the specific limits on the accumulation of offices established by the law for holding office as a director of a bank issuing shares that are listed on regulated markets.

2. Quite apart from the need for all directors to show independence of judgement, a minimum number of directors have to meet the specific requirements to qualify as independent directors in accordance with art. 147 ter, fourth paragraph, of Legislative Decree no. 58/1998 and the implementing legislation of art. 26 of Legislative Decree no. 385/1993. If an independent director no longer meets the independence requirements, this does not automatically lead to forfeiture if the other independent directors are sufficient to ensure compliance with the minimum number required by current law. However, an independent director who no longer meets the independence requirements has to stop performing those duties for which independent director status is required by the articles of association or by current law.
3. Without prejudice to compliance with the limits and prohibitions laid down by current law, including those foreseen in EU Directive no. 36 of 26 June 2013, Board of Directors can issue a specific regulation to set limits on directors' accumulation of offices in other companies.

## **Article 22**

### **Duration of office**

1. The members of the Board of Directors remain in office for three years, with the rotation procedure set out in the following paragraph, and can be re-elected. The directors' mandate expires on the date of the General Meeting called to approve the financial statements for the last year of their term of office.
2. One third of the Board members get renewed every year. To this end, if the expiry of the directors' mandate cannot be determined by the length of time that they have held office, then names are drawn.
3. Directors can be removed by the Ordinary General Meeting at any time, subject to payment of damages if removal is not for a justified cause.

## **Article 23**

### **Presentation of lists of candidates**

1. The directors are appointed on the basis of lists containing up to the maximum number of directors to be elected, with each candidate listed with a progressive number.
2. The lists containing a number of candidates equal to or greater than three must be composed in such a way as to ensure the minimum number of independent directors and the gender balance required by current law in the composition of the Board of Directors resulting from

the outcome of the vote, taking into account the election mechanism explained in article 24 below in assigning progressive numbers to candidates.

3. Each candidate can only appear on one list, under penalty of ineligibility.
4. The Board of Directors and the shareholders who alone or jointly represent at least 1% of the share capital can submit a list, unless current law or regulatory provisions establish a lower percentage, to be indicated in the notice calling the General Meeting.
5. Each shareholder can participate in the presentation of a list by signing it at the bottom. A shareholder may not submit more than one list, not even through a third party or trust company. The shareholders belonging to the same group - i.e. the parent entity, its subsidiaries and companies subject to common control - and the shareholders who are party to a shareholders' agreement pursuant to article 122 of Legislative Decree no. 58/1998 involving the issuer's shares, cannot present more than one list, not even through a third party or a trust company. In the event of non-compliance, the signing is not counted for any list.
6. The lists must be filed at the registered office, also by means of remote communication, according to the methods explained in the notice of call that make it possible to identify the subjects who are doing the filing, within the twenty-fifth day prior to the date set for the General Meeting, or by any different deadline provided for by current law.
7. The lists must be accompanied by information relating to the identity of the shareholders who presented them, indicating the number of shares and the corresponding percentage held by them and, within the terms established by current law, by a communication showing the ownership of the shareholding, as well as any other information required by the law in question. Shareholders who present a list and who are different from shareholders who hold a controlling or relative majority shareholding must also submit a declaration certifying that they do not have any connections with such shareholders that are considered "relevant" under current law.
8. The ownership of the number of shares needed to present lists is determined with regard to the shares that are registered in the name of the entitled person, or of the group of entitled persons presenting the list, on the day the lists are filed at the registered office. To prove ownership of the number of shares that is suitable for the presentation of lists, the entitled parties must also file, together with the list, the specific communication issued by an intermediary authorised in accordance with the law certifying ownership of the number of shares in question. The communication required in order to prove ownership of the shares can also be produced after filing the list, providing it is at least twenty-one days before the date of the General Meeting and in the manner required by current law.

9. Together with each list, exhaustive information on the personal and professional characteristics of the candidates and the list of offices held in other companies has to be filed at the registered office, along with the declarations by which the candidates accept their candidature and, under their own responsibility, declare themselves suitable for the office, certifying, in particular, that there are no reasons for ineligibility and incompatibility and that they meet the requirements of current law and these article of association to hold office as a director. The candidates declare that they meet the specific independence requirements envisaged by current law for the status of independent director, which is indicated in the lists.
10. Any list that does not comply with these instructions is considered as though it had not been presented. However, any irregularities in the lists that concern individual candidates do not automatically lead to the exclusion of the entire list, but only of the candidates to whom the irregularities refer.

## **Article 24**

### **Election of directors**

1. A shareholder cannot vote for more than one list, not even through a third party or a trust company. The shareholders belonging to the same group - i.e. the parent entity, its subsidiaries and companies subject to common control - and the shareholders who are party to a shareholders' agreement pursuant to article 122 of Legislative Decree no. 58/1998 involving the issuer's shares, cannot vote for more than one list, not even through a third party or a trust company.
2. The election of directors takes place as follows:
  - a) take all of the candidates from the list that obtained the highest number of votes, in the order in which they are listed, except for the last one;
  - b) from the list that obtained the second highest number of votes and that has not been presented or voted by shareholders who, according to current law, are connected with the shareholders who presented or voted the list with the highest number of votes, the candidate indicated in first place is taken.
3. If it is not possible to complete the composition of the Board due to insufficient candidates on the list that obtained the highest number of votes, this is done by taking from the list that obtained the second highest number of votes, in the progressive order in which they are listed, any candidates not yet elected who make it possible to comply with current regulations on the minimum number of independent directors and gender balance.

4. Lists that do not obtain a number of votes equal to at least half the percentage of capital required for the presentation of lists will not be taken into account.
5. If only one list has exceeded this limit, also in the case of presentation of a single list, all of the directors will be taken from it, subject to compliance with current regulations on the minimum number of independent directors and gender balance.
6. If two or more lists among those from which the candidates are to be drawn have obtained the same number of votes, they are subjected to a second ballot until the number of votes is no longer the same.
7. If the composition of the Board of Directors resulting from the vote does not ensure the appointment of the minimum number of independent directors required by current law, the non-independent candidate elected from the list that obtained the highest number of votes and who has the highest progressive number is replaced by the next candidate on the same list who meets the independence requirements of current law to be an independent director. If this does not identify suitable substitutes, the director appointed from the list that obtained the second highest number of votes gets replaced. Even if suitable substitutes are not identified, or if the mechanism cannot be applied, the General Meeting resolves there and then by a relative majority of individual candidates who meet the independence requirements of current law to qualify as an independent director on the proposal of those present with the right to vote, making the replacements in the order indicated above.
8. Furthermore, in the event that the composition of the Board of Directors resulting from the vote does not comply with the principle of gender balance, the director who does not meet the gender requirement, elected on the list that obtained the highest number of votes and with a higher progressive number is replaced by the next candidate on the same list belonging to the less represented gender. If this does not identify suitable substitutes, the director appointed from the list that obtained the second highest number of votes gets replaced. If this still does not identify suitable substitutes, or if the mechanism cannot be applied, the General Meeting resolves there and then by a relative majority between individual candidates belonging to the less represented gender, on the proposal of those present with the right to vote, making replacements in the order indicated above.
9. If no valid list is presented, the election proceeds with the candidatures presented at the General Meeting together with the required documentation, without prejudice to the fact that a sufficient number of them have to meet the independence requirements of these articles of



association and comply with the current rules on gender balance. It is won by a relative majority.

## **Article 25**

### **Replacement of directors**

1. If during the year, for whatever reason, one or more directors are no longer available, the other directors have to take steps to replace them with a resolution approved by the Board of Statutory Auditors, choosing them, where possible, from among the non-elected members on the lists that the outgoing directors belonged to, in compliance with art. 20, paragraph 2, in compliance with current law on the minimum number of independent directors and gender balance. The directors appointed in this way remain in office until the next General Meeting.
2. If there is no longer a majority of the directors appointed by the General Meeting, the remaining directors have to call another General Meeting to replace the members who are no longer available.
3. If the General Meeting has to replace the directors taken from the only list presented or, in the case of more than one list, taken from the list that obtained the highest number of votes, or in any case elected in accordance with article 24, paragraph 3, or by a relative majority, election is by a relative majority vote for each candidate, without any list obligation.
4. If the General Meeting has to replace the director taken from another list in accordance with article 24, paragraph 2b), the election takes place by a relative majority vote of individual candidates, choosing them, where possible, from among the non-elected members of the list that the outgoing director belonged to, or, alternatively, from among the candidates on any other minority lists, or still by relative majority, but without taking into account the vote of the shareholders who presented the majority list at the last election of the Board of Directors or who, according to the communications made according to current regulations, hold, directly or indirectly, a relative majority of the votes that can be exercised at the General Meeting, as well as the votes of any shareholders connected to them, as defined by current law.
5. In any case, the replacement of directors has to take place in accordance with art. 20, paragraph 2, of these articles of association, without prejudice to compliance with the current law on the minimum number of independent directors and gender balance.

6. At least fifteen days before the date set for the ordinary General Meeting, exhaustive information on the personal and professional characteristics of the candidates and the list of offices held in other companies has to be filed at the registered office, as well as the declarations with which the candidates accept their candidature and, under their own responsibility, declare that there are no reasons for ineligibility and incompatibility and that they meet the requirements of current law and these article of association to hold office as a director.
7. The candidates declare that they meet the specific independence requirements envisaged by current law for the status of independent director.
8. The directors elected by the General Meeting take over the position and, for the purposes of rotation as per article 22, paragraph 2, the period of service of those that they are replacing. In the case of simultaneous appointments to positions of different duration, those with a longer duration are given to those elected with the highest number of votes, with seniority in terms of age prevailing in the event of a tie.

## **Article 26**

### **Chairman and Deputy-Chairman of the Board of Directors - Board Regulations**

1. The Board of Directors elects the Chairman and one or two Deputy-Chairmen from among its members. They remain in office until the end of their mandate as directors.
2. The Deputy Chairman replaces the Chairman in all his functions if he is absent or unavailable. If there are two Deputy Chairmen, then this function is performed by the Deputy Chairman to whom the Board has assigned the specific function of deputising for the Chairman. If there is no such specific assignment, replacement by one of the two Deputy Chairmen takes place on the basis of seniority of appointment.
3. If the Deputy Chairman or Chairmen are also absent or unavailable, their functions are performed by the eldest director, or in case of more than one director being of the same age, by the director who has been in office the longest, unless the Board assigns the function to another director who will hold that office until the end of their mandate as a director.
4. The Board appoints a Secretary from among its members or calls a senior staff member or other qualified person to perform this function.
5. The Board of Directors can adopt its own regulations which determine the organisational and operating methods more specifically in accordance with current law and these articles of association.

## **Article 27**

### **Meetings of the Board of Directors**

1. The Board of Directors is convened at least every two months and in any case in all situations where the Chairman deems it necessary.
2. Additionally, the Board meets if a reasoned request is presented in writing to the Chairman of the Board of Directors by at least one third of the directors; in this case the meeting must be held within fifteen days of the request, unless the nature of the matters to be discussed requires more time.
3. Meetings are called by the Chairman or whoever deputises for him, by sending a notice by any suitable means to the directors and statutory auditors, at least five days before the date set for the meeting, to each one's address, except in cases of urgency when the meeting can be called with just twenty-four hours' notice, or in the shortest time possible given the urgency of the circumstances.
4. In addition to calling Board meetings, the Chairman also sets the agenda and coordinates proceedings, ensuring that adequate information about items on the agenda is provided to all the participants, bearing in mind the urgency.
5. If appointed, the General Manager or, if he is absent or not available, whoever replaces him in accordance with article 46, takes part in meetings of the Board of Directors.
6. Meetings of the Board of Directors are chaired by the Chairman or by the person deputising for him, as per article 26.
7. If expressly provided for in the notice of call, the meetings may also be held by teleconference, video conference or by similar electronic means, as long as it is possible to identify participants with certainty, they can attend the meeting and view, receive or transmit documents and the methods of conducting the meeting do not conflict with the requirements for correct and complete minutes. If any of these methods are used, it has to be mentioned in the minutes. In this case, the meetings are understood to be held in the place where the Chairman and the Secretary are present.
8. For Board meetings to be valid, an absolute majority of Board members must be present.

## **Article 28**

### **Resolutions of the Board of Directors**

1. Board resolutions are voted on openly and passed by an absolute majority of those present; in the event of a tie, the Chairman has a casting vote.

2. For the appointment of the Chairman or of the Deputy Chairman or Chairmen, of the Managing Director and of the director mentioned in article 26, and for their revocation from these functions, at least two thirds of the directors present at the meeting called to pass these resolutions have to vote in favour.

## **Article 29**

### **Directors' interests**

1. Any director who has an interest, on his own account or on behalf of third parties, in a specific transaction of the Company submitted to the attention of the Board of Directors, must promptly notify the Board and the Board of Statutory Auditors, specifying the nature, terms, origin and scope and, if there is a conflict of interest, must abstain when it comes to voting on the matter.
2. If it is the Managing Director who has an interest, he must also refrain from carrying out the transaction, asking for it to be carried out by the Board on a collegiate basis.
3. The Board of Directors' resolution in favour of the transaction must be adequately motivated with regard to the reasons and convenience for the Company.
4. The other obligations envisaged by the current law on conflicts of interest remain valid.

## **Article 30**

### **Remuneration of the Board of Directors**

1. The remuneration of the Board of Directors is set annually by the General Meeting.
2. The General Meeting also decides on the attendance fees for taking part in meetings of the Board of Directors, of the Executive Committee (if appointed) and of any other committees that the directors attend, along with reimbursement of expenses incurred in performing their duties, also as a fixed amount.
3. The Board of Directors, having heard the opinion of the Board of Statutory Auditors, establishes the remuneration of the directors vested with special offices envisaged by the articles of association, in compliance with the remuneration policies approved by the General Meeting.

## **Article 31**

### **Minutes of Board meetings**

1. The proceedings and resolutions of the Board are documented in minutes that are recorded in a Minute Book and signed by the Chairman and the Secretary.
2. The minutes are presented for approval at the next Board meeting or no later than the one after.
3. The Minute Book and extracts from it, certified as authentic by the Chairman and the Secretary, or by the Chairman of the Board of Directors or his deputy, provide evidence of the proceedings and resolutions of the Board.

## **Article 32**

### **Duties of the Board of Directors**

1. The Board exercises the widest possible powers of ordinary and extraordinary administration of the Company, except for those that can only be exercised by the General Meeting.
2. The Board of Directors carries out the strategic supervision tasks envisaged by current law. In this context, the Board of Directors, among other things:
  - a) defines and approves the overall corporate governance structure, verifies its correct implementation and promptly introduces any corrective measures that may be needed;
  - b) approves the organisational structure and identifies the information flows necessary to ensure that information is circulated properly;
  - c) defines and approves the business model, general lines of management and strategic guidelines, as well as the risk appetite, specifically approving the risk appetite framework (RAF) and business and financial strategic plans;
  - d) defines and approves the objectives and risk governance policies, as well as the general lines of the processes for assessing the adequacy of own funds and liquidity (ICAAP and ILAAP);
  - e) defines and approves the guidelines of the internal control system;
  - f) approves the accounting and reporting systems;
  - g) supervises the public disclosure and communication process;
  - h) ensures an effective dialogue with those in charge of the main company functions and over time verifies their choices and decisions.
3. In addition to the duties that cannot be delegated under current regulations, the following decisions are the sole prerogative of the Board of Directors:

- a) appointment of the Executive Committee (if any), establishing its duties;
  - b) appointment and dismissal of the Managing Director and the content and limits of the powers delegated to him;
  - c) the decisions referred to in article 45 of these articles of association;
  - d) appointment and dismissal, after hearing the opinion of the Board of Statutory Auditors, of the Manager responsible for preparing the Company's accounting documents, establishing the powers and resources assigned to him according to the law to carry out his duties. In any case, the Manager responsible for preparing the Company's accounting documents must have an adequate level of professional experience in the accounting and/or administrative sphere for an adequate period of time in the banking, financial, investment or insurance sectors;
  - e) appointment and dismissal of those in charge of the internal audit, regulatory compliance and risk management functions, as well as those in charge of the corporate functions that the current regulatory provisions assign to the body with the function of strategic supervision;
  - f) delegation of decision-making powers for granting credit;
  - g) approval of and changes to the main internal regulations;
  - h) the purchase and sale of strategic shareholdings, as defined by current supervisory regulations;
  - i) determining criteria for the coordination and management of group companies, as well as for the implementation of instructions received from the Supervisory Authorities.
4. The Board of Directors also has the power to pass resolutions to adapt the articles of association to regulatory provisions, to open or close secondary offices, to reduce the share capital in the event of a shareholder withdrawing, as well as for mergers in the situations envisaged in articles 2505 and 2505-bis of the Italian Civil Code and for demergers in the cases foreseen in article 2506-ter, last paragraph, of the Italian Civil Code.

### **Article 33**

#### **Delegation of powers to directors**

1. In accordance with current regulatory provisions and with these articles of association, the Board of Directors appoints one of its members to the office of Managing Director, establishing the content and limits of the powers assigned to him.
2. In compliance with current regulatory provisions and these articles of association, the Board of Directors may also delegate its powers to an Executive Committee made up as specified in article 34 below, establishing

its powers and determining the content, limits and any methods for exercising its powers and specifying the methods of coordination with the Managing Director.

3. Those who have been delegated powers have to report back to the Board of Directors and Board of Statutory Auditors on general business trends, including changes in the risk situation, its expected evolution and on important transactions carried out by the Company or its subsidiaries. This takes place at the time of Board meetings and, in any case, at least every three months.
4. The Board can also delegate specific powers for certain categories of deeds and transactions, either to its members or to the General Manager, if appointed, and to members of General Management or other employees, also on a single signature basis.
5. With regard to the granting of credit, decision-making powers may be delegated to the Executive Committee and the Managing Director, as well as to other bodies with specific powers, to the General Manager (if appointed), to members of General Management, as well as to other employees. These powers may be on a joint or several basis subject to set limits in proportion to the role and level of responsibility held.
6. The transactions carried out by those who have been delegated powers must be reported to the Board of Directors at the next Board meeting in the manner decided by the Board.

## **Article 34**

### **Executive Committee**

1. The Board of Directors can appoint an Executive Committee made up of a maximum of seven directors.
2. In any case, the following are part of the Executive Committee, if appointed:
  - a) the Deputy Chairman or Deputy Chairmen
  - b) the Managing Director
  - c) the Director pursuant to article 26, paragraph 3.
3. At the first Board meeting following the Ordinary General Meeting that appointed the directors, the Board of Directors determines the number of members of the Executive Committee and designates the directors called to be part of it, in compliance with the provisions of the preceding paragraphs. Any directors appointed in addition to the members referred to in paragraph 2 of this article remain in office for one year.
4. The Chairman of the Board of Directors cannot be a member of the Executive Committee; however, he may participate in Executive Committee meetings, without the right to vote, in order to ensure

effective liaison between the Executive Committee and the Board of Directors.

5. These meetings are also attended by the General Manager, if appointed, or, if he is absent or unavailable, whoever deputises for him, in accordance with article 46.
6. Meetings are called and chaired by the Deputy Chairman or, in the event that there are two Deputy Chairmen, by the one that the Board has assigned the specific function of deputising for the Chairman; if no such assignment has been made, by the one who has been in office the longest. If the Deputy Chairman delegated to call and chair the meeting is absent or unavailable, meetings are called and chaired by the other Deputy Chairman if there are two Deputy Chairmen or, if he is absent or unavailable, by the member referred to in paragraph 2c) of this article.
7. If specific topics or dossiers are to be discussed, the director who chairs the Executive Committee can invite other members of the Board, employees or representatives of the Company and the Group, consultants or external experts or other persons, internal or external, whose presence would help the Committee in its proceedings.
8. Meetings of the Executive Committee, which are held with the frequency that it decides, are valid when the absolute majority of its members are present, including at least one of those indicated in paragraph 2a), b) and c) of this article.
9. Resolutions are voted on openly and passed by an absolute majority of those present.
10. The Committee appoints a Secretary from among its members or calls a senior staff member to perform this function.
11. The resolutions passed by the Executive Committee are notified to the Board of Directors at its first meeting.
12. The proceedings and decisions of the Executive Committee are recorded in minutes which are filed in the minute book and signed by all participants at the meeting. The rule referred to in article 31, paragraph 3 above applies.

## **Article 35**

### **Board Committees**

1. In order to encourage the effective exercise of collegial powers in the field of strategic supervision, the Board of Directors establishes an Appointments Committee, a Remuneration Committee and a Risk Committee, with investigative, consultative and propositional tasks, with their own regulations on composition, responsibilities and methods of operation, in compliance with current regulatory provisions.



2. In accordance with current regulations, the Board of Directors also establishes a Related Parties Committee, delegating to it the tasks envisaged by the regulations on related-party transactions, in accordance with the current rules in this area.
3. The Board of Directors can also set up other Committees that are either permanent or for a limited period of time with investigative and advisory duties, determining their functions on each occasion.

## **Article 36**

### **Chairman**

1. The Chairman of the Board of Directors supervises the work of the Board, organises and directs its activity and carries out all the tasks envisaged by current regulations, guaranteeing the effectiveness of the debate within the Board and making sure that the decisions made by the directors are the result of adequate discussion and an informed and aware contribution of all its members.
2. The Chairman of the Board of Directors also promotes and supervises the effective functioning of the corporate governance system, also for the aspects relating to information flows, providing liaison with the Executive Committee, if appointed, and with the Board Committees, as well as with the Board of Statutory Auditors, and guarantees the balance of powers with particular reference to those delegated to management for day-to-day operations. In this context, the Chairman of the Board of Directors also maintains necessary and appropriate relations with the Managing Director and with the General Manager, if appointed. He handles relations with the Supervisory Authorities in the context and for the purposes of his powers and his activity as the contact person with the Board and the Shareholders in General Meeting.
3. The Chairman of the Board of Directors has a non-executive role and does not perform any management functions, even de facto.
4. In any case, in the event of an emergency, the Chairman of the Board of Directors, on the binding proposal of the Managing Director or, in his absence, of the General Manager, can take decisions with regard to any transaction that lies within the Board's sphere of competence. The decisions taken in this way have to be brought to the attention of the Board of Directors at their next meeting.
5. The Chairman of the Board of Directors has the right to go to court and to delegate legal representation of the Company before any judicial or administrative authority, including the power to lodge complaints and to grant power of attorney to handle litigation, also with a general mandate, with the obligation to report back to the Board of Directors on the decisions taken.

6. If the Chairman of the Board of Directors is absent or unavailable, his functions are performed and powers exercised by whoever deputises for him according to article 26 of these articles of association.
7. With regard to third parties, the signature of the person deputising for the Chairman in accordance with the provisions of article 26 is proof of his absence or lack of availability.

### **Article 37**

#### **Managing Director**

1. The Managing Director, appointed pursuant to art. 33, paragraph 1, of these articles of association, represents top management and, within the scope of the powers delegated to him by the Board of Directors, supervises the Company's operations in line with the general programmatic and strategic guidelines decided by the Board. He makes sure that Board resolutions are implemented. The Managing Director is in charge of the personnel whose activities he directs and coordinates. He acts in close collaboration with the Executive Committee, if appointed, and maintains appropriate relations with the Chairman of the Board of Directors as necessary.
2. Within the scope of the powers conferred on him, it is usually the responsibility of the Managing Director to formulate motions to be approved by the Board of Directors. It is also the Managing Director's duty to submit to the Board of Directors proposals relating to matters falling within the scope of the Board's strategic supervision function. In any case, the consultative, investigative and proposal powers reserved by current law for the Board Committees remain, as does the right of individual directors to make proposals.

### THIRD SECTION

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## **Board of Statutory Auditors and independent audit for legal purposes**

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### **Article 38**

#### **Composition - Duration - Non-eligibility**

1. The Board of Statutory Auditors consists of three serving members and two alternate members and is elected by the Ordinary General Meeting which also appoints its Chairman.

2. The Statutory Auditors remain in office for three years and their mandate expires on the date of the Meeting called to approve the financial statements for the third year of their term of office; they can be re-elected.
3. The Board of Statutory Auditors can only be removed by the General Meeting for a justified cause. The decision to remove them must be approved by a court of law, having heard the interested party.
4. The members of the Board of Statutory Auditors must be suitable for carrying out their duties, in accordance with current law and these articles of association. In particular, they must satisfy the requirements of professionalism and integrity and comply with the criteria of competence, honesty and dedication of time, while complying with the specific limits on the accumulation of offices established by the law for holding office as a statutory auditor of a bank issuing shares that are listed on regulated markets.
5. In any case, statutory auditors cannot hold office in corporate bodies other than in a supervisory or control function at other Group companies, nor in companies where the Bank holds a strategic investment, even if held indirectly. Without prejudice to compliance with the limits and prohibitions laid down by current law, those who are directors or statutory auditors of other banks cannot hold the office of statutory auditor.
6. The composition of the Board of Statutory Auditors must ensure gender balance in accordance with current law.

## **Article 39**

### **Presentation of lists of candidates**

1. The members of the Board of Statutory Auditors are elected on the basis of lists presented by the members on which the candidates are progressively numbered and listed in that order.
2. Each list is made up of two sections: one for candidates for the office of standing auditor, the other for candidates for the office of alternate auditor. Each list indicates up to three candidates for standing auditor and up to two candidates for alternate auditor.
3. The lists must be filed at head office by the deadlines established by law.
4. Each list containing not less than three candidates for standing auditors must ensure gender balance in its composition, in accordance with the principles established by current legislative and regulatory provisions.
5. Each candidate can only appear on one list, under penalty of ineligibility.
6. Shareholders who alone or jointly represent at least 1% of the share capital may submit a list, unless current legal or regulatory provisions

establish a lower percentage, to be indicated in the notice calling the General Meeting.

7. In the event that on the deadline envisaged by current law only one list has been filed, or only lists presented by shareholders who are connected to one another, the Company shall promptly announce this in the manner provided for under current law; in this case, lists may be presented up to the third day following the deadline provided for under current law and the threshold for submission envisaged in paragraph 6 is reduced by half.
8. Each shareholder can participate in the presentation of a list by signing it at the bottom. A shareholder may not submit more than one list, not even through a third party or trust company. The shareholders belonging to the same group - i.e. the parent entity, its subsidiaries and companies subject to common control - and the shareholders who are party to a shareholders' agreement pursuant to article 122 of Legislative Decree no. 58/1998 involving the issuer's shares, cannot present more than one list, not even through a third party or a trust company. In the event of non-compliance, the signing is not counted for any list.
9. The lists must be filed at the registered office, also by means of remote communication, according to the methods explained in the notice of call that make it possible to identify the subjects who are doing the filing, within the twenty-fifth day prior to the date set for the General Meeting, or by any different deadline provided for by current law.
10. The lists must be accompanied by information relating to the identity of the shareholders who presented them, indicating the number of shares and the corresponding percentage held by them and, within the terms established by current law, by a communication showing the ownership of the shareholding, as well as any other information required by current law. Shareholders who present a list and who are different from shareholders who hold a controlling or relative majority shareholding must also submit a declaration certifying that they do not have any connections with such shareholders that are considered "relevant" under current law.
11. The ownership of the number of shares needed to present lists is determined with regard to the shares that are registered in the name of the entitled person, or of the group of entitled persons they present the list, on the day the lists are filed at the registered office. To prove ownership of the number of shares that is suitable for the presentation of lists, the entitled parties must also file, together with the list, the specific communication issued by an intermediary authorised in accordance with the law certifying ownership of the number of shares in question. The communication required in order to prove ownership of the shares can also be produced after filing the list, providing it is at least twenty-one days before the date of the General Meeting and in the manner required by current law.

12. Together with each list, exhaustive information on the personal and professional characteristics of the candidates and the list of offices held in other companies has to be filed at the registered office, along with the declarations by which the candidates accept their candidature and, under their own responsibility, declare themselves suitable for the office, certifying, in particular, that there are no reasons for ineligibility and incompatibility and that they meet the requirements of current law and these article of association to hold office as a statutory auditor.
13. Any list that does not comply with these instructions is considered as though it had not been presented. However, any irregularities in the lists that concern individual candidates do not automatically lead to the exclusion of the entire list, but only of the candidates to whom the irregularities refer.

## **Article 40**

### **Election of Statutory Auditors**

1. A shareholder cannot vote for more than one list, not even through a third party or a trust company. The shareholders belonging to the same group - i.e. the parent entity, its subsidiaries and companies subject to common control - and the shareholders who are party to a shareholders' agreement pursuant to article 122 of Legislative Decree no. 58/1998 involving the issuer's shares, cannot vote for more than one list, not even through a third party or a trust company.
2. The procedure for the election of the Board of Statutory Auditors is explained below:
  - a) two serving auditors and one alternate auditor are taken from the list that obtained the highest number of votes, in the order that they were listed.
  - b) from the list that obtained the second highest number of votes and that has not been presented or voted by shareholders who, according to current law, are connected with the shareholders who presented or voted the list with the highest number of votes, one standing auditor and one alternate auditor are taken, in the progressive order in which the candidates are listed in the section of the list. The serving auditor chosen from this list is appointed Chairman of the Board of Statutory Auditors.
3. If it is not possible to complete the composition of the Board of Statutory Auditors due to insufficient candidates on the list that obtained the highest number of votes, this is done by taking them from the list that obtained the second highest number of votes, in the progressive order in which any candidates not yet elected are listed, making it possible to comply with current regulations on the subject of gender balance.

4. If two or more lists among those from which the candidates are to be drawn have obtained the same number of votes, they are subjected to a second ballot until the number of votes is no longer the same.
5. If only one list has been presented, all the standing and alternate auditors will be taken from it, subject to compliance with current regulations on the subject of gender balance. In which case, the Chairmanship of the Board of Statutory Auditors goes to the candidate listed first on that list.
6. In the event that the composition of the Board of Statutory Auditors resulting from the vote does not comply with the principle of gender balance, the auditor elected on the list that obtained the highest number of votes and with a higher progressive number is replaced by the next candidate on the same list belonging to the less represented gender. If this does not identify suitable substitutes, the auditor appointed from the list that obtained the second highest number of votes gets replaced. If this still does not identify suitable substitutes, or if the mechanism cannot be applied, the General Meeting resolves there and then by a relative majority between individual candidates belonging to the less represented gender, on the proposal of those present with the right to vote, making replacements in the order indicated above.
7. If no list is validly presented, the election is carried out by relative majority in the context of the candidates presented at the General Meeting together with the filing of the required documentation, without prejudice to compliance with the current law on the subject of gender balance.

## **Article 41**

### **Replacement of Statutory Auditors**

1. If one or more statutory auditors are no longer available, the alternates from the same list will take over, according to the progressive order in which they were listed, without prejudice to compliance with the current law on the subject of gender balance.
2. They remain in office until the next General Meeting, which has to provide for the election of the statutory auditors needed to complete the Board.
3. In the case referred to in the previous paragraph, the functions of the chairman who is no longer available are exercised, up to the next General Meeting, by a statutory auditor taken from the same list to which the chairman used to belong, in the progressive order of listing of the same or, failing that, by the first alternate auditor who took over, elected from the same list.
4. If it is not possible to act in accordance with the preceding paragraphs, the Bank will proceed according to the provisions of law.
5. The General Meeting replaces statutory auditors as follows:

- a) if it is necessary to replace auditors drawn from the only list presented or, in the case of more than one list, taken from the list that obtained the highest number of votes, or in any case elected in accordance with article 40, paragraph 3, or by a relative majority, the election of a new auditor or auditors, with the possible appointment of the Chairman of the Board, is by a relative majority vote for each candidate, without any list obligation;
  - b) if it is necessary to replace the auditor taken from another list pursuant to article 40, paragraph 2b), the election takes place by relative majority vote among the candidates indicated on the same list as the auditor to be replaced or, alternatively, among the candidates on any other minority lists, again by relative majority, but without taking into account the vote of the shareholders who presented the majority list at the last election of the Board of Statutory Auditors or who, according to the communications made pursuant to current regulations, hold, directly or indirectly, a relative majority of the votes that can be exercised at the General Meeting and of the votes of the shareholders connected to them, as defined by current legislation.
6. In any case, gender balance in the composition of the Board of Statutory Auditors has to be ensured in accordance with the principles laid down by current law.
  7. At least fifteen days before the date set for the General Meeting, candidates must file at the registered office: exhaustive information on their personal and professional characteristics and the list of offices held in other companies; that they accept their candidature and, if chosen, their appointment as Chairman; a declaration of suitability to perform the office with an attestation, in particular, that there are no reasons of ineligibility and incompatibility and that they meet the requirements to hold office as a statutory auditor.

## **Article 42**

### **Duties of the Board of Statutory Auditors**

1. The Board of Statutory Auditors monitors:
  - a) compliance with the law and with the Company's articles of association, regulations and resolutions; compliance with the principles of correct administration;
  - b) the adequacy of the organisational, administrative and accounting structure adopted by the Company and how it functions in practice, as well as its reliability in providing a true and fair view of the Company's operations;
  - c) the adequacy, completeness, functionality and reliability of the internal control system; the adequacy of the instructions given by the Company

- to its subsidiaries in the exercise of its activities of management and coordination;
- d) the methods of concrete implementation of the corporate governance rules provided for in codes of conduct drawn up by the companies that manage regulated markets or by trade associations, which the Bank has told the general public that it complies with.
2. The Board of Statutory Auditors performs all of the other duties assigned to it by law, also having regard to the role that banking law and regulations assign to the body that has the control function. In this context, it is required, among other things, to ascertain the effectiveness of all the corporate structures and functions involved in the internal control system and that there is adequate coordination between them, promoting corrective actions for any weaknesses or irregularities found.
  3. The Board of Statutory Auditors can ask directors for information, also with regard to subsidiaries, about the performance of the business or about certain transactions; it can also exchange information with corresponding bodies of subsidiaries regarding systems of administration and control and on the general trend in the Company's activities. The Board of Statutory Auditors also has all the powers provided for by article 151 of Legislative Decree no. 58/1998; it can also make use of the corporate control structures and functions to carry out and direct its own checks and assessments as necessary, receiving from them adequate information flows periodically or relating to specific situations or company trends.
  4. The Board of Statutory Auditors informs the competent Supervisory Authorities without delay of all deeds or facts of which it becomes aware in the exercise of its duties, which may constitute irregularities in the management of the bank or a violation of the rules, with particular regard to the regulations governing banking and the activity of companies with shares listed on regulated markets.
  5. The Statutory Auditors have to attend General Meetings, meetings of the Board of Directors and those of the Executive Committee.
  6. The minutes and deeds of the Board of Statutory Auditors must be signed by all of the participants at the meeting.

### **Article 43**

#### **Emoluments of the Statutory Auditors**

1. The General Meeting determines the annual emoluments of the statutory auditors, which are valid for their entire period of office; it also decides on the attendance fees for taking part in meetings of the



Board of Directors and of the Executive Committee, along with reimbursement of expenses incurred in performing their duties, also as a fixed amount.

#### **Article 44**

##### **Independent audit for legal purposes**

1. The independent audit for legal purposes is carried out by an auditing company in accordance with the law.
2. The granting and revocation of the assignment, duties, powers and responsibilities are governed by law.

#### FOURTH SECTION

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### **General Management**

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#### **Article 45**

##### **Composition and decisions regarding its components**

1. The Board of Directors determines the powers of General Management and, on the proposal of the Managing Director, appoints the related staff, identifying the duties, rank and functions of its members.
2. The Board can also appoint a General Manager to whom General Management reports, establishing his functions, duties and powers. It is the responsibility of the Managing Director to propose the appointment and indicate possible candidates for this office, also proposing their specific duties, functions and powers.
3. If a General Manager is not appointed, General Management reports to the Managing Director.

#### **Article 46**

##### **Replacements of the General Manager**

1. If absent or unavailable, the General Manager (if appointed) is replaced in the exercise of all attributed powers and functions by one or more members of General Management chosen as deputies by the Board of Directors on the proposal of the Managing Director; if such a choice has

not been made or if the people concerned are also absent or unavailable, the General Manager is replaced by a member of General Management who is second to the General Manager in grade and in length of service at that level.

2. With regard to third parties, the signature of the person replacing the General Manager constitutes proof of the latter's absence or unavailability.

## CHAPTER IV

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### **Company representation**

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#### **Article 47**

#### **Company representation and signature - Mandates and powers of attorney**

1. The Chairman of the Board of Directors represents the Company vis-à-vis third parties and in court and if he is absent or unavailable, temporarily or otherwise, these powers are delegated to whoever deputises for him in accordance with article 26 of these articles of association.
2. Vis-à-vis third parties, the signature of whoever replaces the Chairman in accordance with article 26 is proof of his absence or unavailability.
3. Without prejudice to the above, the Managing Director also has legal representation of the Company vis-à-vis third parties and in court in the matters assigned to him by the Board of Directors.
4. The Board of Directors can grant individual directors the power to represent the Company for the purpose of carrying out specific deeds or categories of deeds.
5. The Board of Directors can also attribute signature powers to employees - for certain deeds or categories of deeds - determining the limits of such powers and can also, where necessary, appoint agents outside the Company for the performance of certain deeds.
6. The Chairman of the Board of Directors can issue special powers of attorney, also to persons outside the Company, for the signing of individual deeds or categories of deeds, contracts and documents in general relating to operations decided by the competent bodies of the Company. Within the scope of the powers conferred, a similar faculty also belongs to the Managing Director within the scope of his functions and competences.

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**Financial statements - Earnings - Reserves**

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**Article 48**

**Financial statements**

1. The financial year ends on 31 December of each year.
2. Following the end of each financial year, the Board of Directors arranges for the preparation and presentation of draft financial statements and a report on the Company's performance in accordance with the law.

**Article 49**

**Allocation of earnings**

1. The portion of earnings destined to the legal reserve is deducted from the profit shown in the annual financial statements approved by the Ordinary General Meeting to the extent established by law.
2. Residual earnings are to be allocated as follows:
  - a) to the shareholders, by way of a dividend, for an amount decided prudently by the General Meeting, based on a proposal by the Board of Directors;
  - b) the balance, again on the proposal of the Board of Directors and according to the resolutions of the Ordinary General Meeting, can be allocated to establish a fund to support cultural or social works and initiatives, with particular regard to the areas served by the Company, and to set up and/or increase the extraordinary reserves and/or other reserves.

**Article 50**

**Reserves**

1. In addition to the assignments of portions of profits provided for by the law and by article 49 above, reserves are also formed by dividends devolved to the Company pursuant to article 10 above and any other amount due to the shareholders not collected by them and which have since fallen into prescription.

## CHAPTER VI

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### **Winding-up and liquidation**

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#### **Article 51**

1. In any case of winding-up, the Extraordinary General Meeting appoints the liquidators, determines their powers, the methods of liquidation and the destination of the assets resulting from the final financial statements.
2. The amounts to be allocated to the shareholders are assigned in proportion to their shareholdings.

## CHAPTER VII

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### **Transitional rules**

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#### **Article 52**

1. All the members of the corporate bodies in office at the date of the resolution of the transformation of the Company into a joint-stock company remain in office until the natural expiry of their respective mandates.
2. Assessment of the continuing suitability for office and the existence of the specific independence requirements to qualify as an independent director of the members of the corporate bodies in office at the date of the resolution of the transformation of the Company into a joint-stock company remains governed by the provisions in force at the time of their respective appointment, in accordance with the provisions of Ministerial Decree no. 169 of 23 November 2020.

#### **Article 53**

1. In relation to the exercise of the shareholders' right of withdrawal following the transformation of the Company into a joint-stock company or in any case connected to any further causes arising in connection with or on the occasion of the transformation (including any amendment to the articles of association), the Board of Directors retains the right to limit and/or postpone, in whole or in part and without time limits, the

reimbursement to the outgoing shareholder of shares or capital instruments that form part of the Bank's Tier 1 capital, also in derogation of the provisions of the Italian Civil Code and other legal regulations and, in any case, without prejudice to any authorisations from the Supervisory Authorities that may be required, in accordance with the provisions of article 28, paragraph 2-ter, of Legislative Decree no. 385/1993 and the applicative regulations of the Bank of Italy.



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